

BANK BRADESCO  
Form 6-K  
November 10, 2005

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

---

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the month of November, 2005**

**Commission File Number 1-15250**

---

**BANCO BRADESCO S.A.**  
(Exact name of registrant as specified in its charter)

**BANK BRADESCO**  
(Translation of Registrant's name into English)

**Cidade de Deus, s/n, Vila Yara  
06029-900 - Osasco - SP  
Federative Republic of Brazil**  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No







**Banco Bradesco S.A.**

Corporate Taxpayer s  
ID CNPJ 60.746.948/0001-12

BOVESPA

BBDC3  
(common)  
and  
BBDC4  
(preferred)

NYSE BBD

LATIBEX  
XBBDC

**Main Indicators (%)**

Indicators	2004			2005			12 months accumulated
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	
CDI	3.67	3.86	11.72	4.56	4.74	14.08	18.62
IBOVESPA USD	(4.49)	9.92	4.54	(5.86)	26.08	20.57	35.87
Commercial Rate	6.84	(8.01)	(1.06)	(11.84)	(5.45)	(16.28)	(22.26)
IGP-M	3.95	3.25	10.26	0.20	(1.51)	0.21	2.17
IPCA IBGE	1.60	1.94	5.49	1.34	0.77	3.95	6.04
TJLP	2.35	2.35	7.29	2.35	2.35	7.22	9.75
TR	0.42	0.57	1.35	0.75	0.87	2.19	2.66
Savings Deposits	1.93	2.09	6.00	2.27	2.39	6.88	9.00
Number of Business Days	62	65	189	63	65	189	251

**Closing Amount**

Indicators	2004		2005	
	June	September	June	September
Commercial U.S. dollar for sale (R\$)	3.1075	2.8586	2.3504	2.2222
Euro (R\$)	3.7952	3.5573	2.8459	2.6718
Argentine Peso (R\$)	1.0537	0.9572	0.8147	0.7643
Country Risk (Points)	646	466	411	344
SELIC COPOM Base rate (% p.a.)	16.00	16.25	19.75	19.50
Pre BM&F rate 1 year (% p.a.)	17.29	17.40	18.22	17.92

**Compulsory Deposit Rates (%)****Rates and Limits (%)**

Deposits	2004	2005	Items	2004	2005
----------	------	------	-------	------	------

Edgar Filing: BANK BRADESCO - Form 6-K

	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.		2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
Demand Deposits <sup>(1)</sup>	45	45	45	45	Income Tax	25	25	25	25
Additional <sup>(2)</sup>	8	8	8	8	Social Contribution	9	9	9	9
Time Deposits <sup>(3)</sup>	15	15	15	15	PIS <sup>(1)</sup>	0.65	0.65	0.65	0.65
					COFINS <sup>(2)</sup>	4	4	4	4
					Legal Reserve on Net				
Additional <sup>(2)</sup>	8	8	8	8	Income	5	5	5	5
					Maximum Fixed				
Savings Account <sup>(4)</sup>	20	20	20	20	Assets <sup>(3)</sup>	50	50	50	50
					Capital Adequacy				
Additional <sup>(2)</sup>	10	10	10	10	Ratio Basel <sup>(4)</sup>	11	11	11	11

(1) Cash deposit No remuneration. (1) The rate applicable to non-financial and similar companies is 1.65%

(2) Cash deposit SELIC rate (non-cumulative PIS).

(3) Restricted Securities. From the amount calculated at 15%, R\$ 300 million may be deducted as per Brazilian Central Bank instructions, effective from November 8, 2004. (2) The rate applicable to non-financial and similar companies is 7.60% (non-cumulative COFINS).

(3) Maximum Fixed Assets is applied over Reference Equity

(4) Reference Equity may not be lower than 11% of weighted assets.

(4) Cash deposit Reference Rate (TR) + interest of 6.17% p.a.

### Forward-Looking Statements

This Report on Economic and Financial Analysis contains forward-looking statements relating to our business, which are based on management's current expectations, estimates and projections about future events and financial trends, which could affect our business. Words such as: believes, anticipates, plans, expects, intends, aims, evaluate, predicts, foresees, projects, guidelines, should and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties, which are difficult to predict and which could be beyond our control. Furthermore, certain forward-looking statements are based on assumptions, which future events may prove to be inaccurate. Therefore, actual results may differ materially from the plans, objectives, expectations, projections and intentions expressed or implied in such forward-looking statements.

Factors which could cause actual results to differ materially include, among others, changes in regional, national and international commercial and economic conditions; inflation rates, increases in customer delinquency and any other delays in loan operations; increases in the allowance for loan losses; loss of funding capacity; loss of clientele or revenues; our capacity to sustain and improve performance; changes in interest rates which could, among others, adversely affect our margins; competition in the banking sector, in financial services, credit card services, insurance, asset management and other related sectors; government regulations and fiscal matters; disputes or adverse legal proceedings or ruling; as well as credit risks and other loan and investment activity risks.

Accordingly, the reader should not place excessive reliance on these forward-looking statements. In all cases, these forward-looking statements are valid only as at the date they are made. Except as required under applicable legislation, we assume no obligation whatsoever to update these statements, whether as a result of new information, future events or any other motive.

## **Risk Factors and Critical Accounting Practices**

Reaffirming Bradesco's adherence to best international practices for transparency and corporate governance, we transcribe below the text extracted from the Risk Factors section of 20-F Form, the annual report filed with the Securities and Exchange Commission (SEC), describing the risk factors which we consider most significant and which could affect our daily business, the results of our operations or our financial position. We stress that Bradesco addresses the management of all risks inherent to its activities in a complete and integrated manner. This integrated approach facilitates the improvement of risk management models and avoids the existence of any gap that could jeopardize the correct identification and assessment of these risks.

### **Risks Relating to Brazil**

#### **1) Brazilian political and economic conditions may have direct impact on our business and on the market price of our stocks and ADSs**

All of our operations and clients are mainly located in Brazil. Accordingly, our financial condition and results of operations are substantially dependent on Brazil's economy, which in the past has been characterized by frequent and occasionally drastic intervention by the Brazilian government and volatile economic cycles. In addition, our operations, financial condition and the market price of our stocks and ADSs may also be adversely affected by changes in policy involving exchange controls, tax and other matters, as well as factors such as: fluctuations in exchange rates; interest rate fluctuations, inflation rates; and other political, diplomatic, social and economic developments within and outside of Brazil that affect the Country.

In the past, the Brazilian Government has often changed monetary, fiscal, taxation and other policies to influence the course of Brazil's economy. We have no control over, and cannot predict, what measures or policies the Brazilian government may take in response to the current or future situation of the Brazilian economy or how the Brazilian government intervention and government policies will affect the Brazilian economy and, both directly and indirectly, our operations and revenues.

#### **2) If Brazil undergoes a period of high inflation in the future, our revenues and the market price of our stocks and ADSs may be reduced**

Brazil has undergone extremely high inflation rates in the past, with annual rates (IGP-DI from Getulio Vargas Foundation) during the last fifteen years reaching as high as 1.158% in 1992, 2.708% in 1993 and 1.093% in 1994. More recently, Brazil's inflation rates were 26.4% in 2002, 7.7% in 2003, 12.1% in 2004 and up to September 2005, 0.20%. Inflation itself and governmental measures to combat it have had in past years significant negative effects on the Brazilian economy. Inflation, actions taken to combat inflation and public speculation about possible future actions have also contributed to economic uncertainty in Brazil and to heightened volatility in the Brazilian marketable securities markets. If Brazil suffers a period of high inflation in the future, our costs may increase, our operating and net margins may decrease and, if investor's confidence lags, the price of our stocks and ADSs may drop. Inflationary pressures may also curtail our ability to access foreign financial markets and may lead to further government intervention in the economy, including the introduction of government policies that may adversely affect the overall performance of the Brazilian economy.

#### **3) Access to international capital markets for Brazilian companies is influenced by the perception of risk in emerging economies, which may harm our ability to finance our operations**

Since the end of 1997, and in particular during the last four years, as a result of economic problems in various emerging market countries, including the economic crisis in Argentina, investors have had a heightened risk perception for investments in emerging markets. As a result, in some periods, Brazil has experienced a significant outflow of U.S. dollars and Brazilian companies have borne higher costs to raise funds, both domestically and abroad,

and have been impeded from accessing international capital markets. We cannot assure you that international capital markets will remain open to Brazilian companies or that prevailing interest rates in these markets will be advantageous for us.

#### **4) Developments in other emerging markets may adversely affect the market price of our stocks and ADSs**

The market price of our stocks and ADSs may be adversely affected by declines in the international financial markets and world economic conditions. Brazilian securities markets are, to varying degrees, influenced by economic and market conditions in other emerging market countries, especially those in Latin America, including Argentina, which is one of Brazil's principal trading partners. Although economic conditions are different in each Country, investors' reaction to developments in one Country may affect the securities markets and the securities of issuers in other countries, including Brazil. Since the fourth quarter of 1997, the international financial markets have experienced significant volatility, and a large number of market indices, including those in Brazil, have declined significantly.

Developments in other countries have also at times adversely affected the market price of our and other Brazilian companies' stocks, as investors' perceptions of increased risk due to crises in other emerging markets can lead to reduced levels of investment in Brazil and, in addition, may hurt our ability to finance our operations through the international capital markets. If the current economic situation in Argentina and Latin America deteriorates, or if similar developments occur in the international financial markets in the future, the market price of our stocks and ADSs may be adversely affected.

#### **Risks Relating to Bradesco and the Brazilian Banking and Insurance Industries**

##### **1) The Brazilian government regulates the operations of Brazilian banks and insurance companies, and changes in prevailing laws and regulations or the imposition of new ones may negatively affect our operations and results.**

Brazilian banks and insurance companies, including our banking and insurance operations, are subject to extensive and continuous regulatory review by the Brazilian Government. We have no control over government regulations, which govern all facets of our operations, including the imposition of minimum capital requirements, compulsory deposits, lending limits and other loan restrictions.

The regulatory structure governing Brazilian banks and insurance companies is continuously evolving. Existing laws and regulations could be amended, the manner in which laws and regulations are enforced or interpreted could change, and new laws or regulations could be adopted. Such changes could materially adversely affect our operations and our results. Regulatory changes affecting other businesses in which we are engaged, including our broker dealer, consortium and leasing operations, could also have an adverse effect on our operations and our results.

---



**2) The increasingly competitive environment in the Brazilian bank and insurance industries may negatively affect our business prospects**

We face significant competition in all of our principal areas of operation from other large Brazilian banks and insurance companies, public and private. Brazilian regulations raise limited barriers to market entry and do not differentiate between local or foreign commercial and investment banks and insurance companies. As a result, the presence of foreign banks and insurance companies in Brazil, some of which have greater resources than we do, has grown and competition both in the banking and insurance sectors. The privatization of publicly-owned banks has also made the Brazilian markets for banking and other financial services more competitive.

The increased competition may negatively affect our business results and prospects by, among other things, limiting our ability to increase our customer base and expand our operations, reducing our profit margins on the banking, insurance, leasing and other services and products we offer; and increasing competition for foreign investment opportunities.

Furthermore, additional publicly-owned banks and insurance companies may be privatized in the future. The acquisition of a bank or insurance company in a privatization process or otherwise by one of our competitors would generally add to the acquirers' market share, and as a result we may face increased competition from the acquirer.

**3) A majority of our common stocks are held by two stockholders, whose interests may conflict with other investors' interests**

On September 30, 2005 Cidade de Deus Companhia Comercial de Participações, which we name as Cidade de Deus Participações, held 48.32% of our common stocks and Fundação Bradesco directly and indirectly held 45.54% of our common stocks. As a result, these stockholders have the power to prevent a change in control of our company, even if a transaction of that nature would be beneficial to our other stockholders, as well as to approve related-party transactions or corporate reorganizations.

**Critical Accounting Practices**

Bradesco's results are susceptible to accounting policies, assumptions and estimates. When preparing the financial statements, it is incumbent upon the Management to adopt proper accounting policies and provide reasonable and suitable judgments and estimates.

Our relevant accounting policies are outlined in the note 3 to the consolidated financial statements included in chapter 8 of this Report.

The following discussion outlines the accounting policies deemed as critical, in terms of materiality, areas requiring a greater judgment and estimate or involving a higher level of complexity, affecting our financial condition and the results of our operations. The accounting estimates made under such context, impel us to make assumptions on highly uncertain issues. In each case, if we had made other estimates, or if changes in estimates had occurred period by period, these could have significantly impacted our financial condition or the results of our operations:

**1) Allowance for Loan Losses**

We periodically adjust our allowance for loan losses based on the analysis of our loan operations portfolio, including estimate of probable losses in our loan operations portfolio and leasing at the end of each period.

The determination of allowance for loan losses amount by its nature requires us to make judgments and assumptions related to our loan operations portfolio, not only on an individual basis, but also on a portfolio basis. When we revise our portfolio as a whole, various factors may affect our estimate of probable extension of losses, including the

methodology we use to measure historical rates of delinquency and the historical period we take into account in such measurements. When we revise loan operations on an individual basis, we make judgments related to the factors, which most probably should affect the risk levels and which specific credit rating we should attribute. Additional factors, which may affect our determination of allowance for loan losses include:

- General economic conditions in Brazil and conditions of relevant sector;
- previous experience with borrower or relevant sector of economy, including losses recent experience;
- credit quality trends;
- guarantees amounts of a loan operation;
- volume, composition and growth of our loan operations portfolio;
- Brazilian government's monetary policy; and
- any delays when receiving information necessary to assess loan operations or confirm the deterioration of existing credit.

Our determination of allowance for loan losses is influenced by the risk rating of each loan operation. By assuming a positive fluctuation of 1.0% in delinquency rate expected for our loan operations portfolio in full performance on September 30, 2005, the allowance for loan losses would increase approximately R\$ 19 million. Such sensitivity analysis is hypothetical and intends to illustrate the risk rating and loss severity impact on our determination of allowance for loan losses. The analysis should not be considered as an observation of our expectations for future determinations of risk rating or future alterations in loss severity. In view of the procedures we observe, in order to determine our risk rating of loan portfolio and our assessment of loss severity, we believe that the current risk rating and the estimate of loss severity for our loan portfolio are appropriate.

For further information about our practices referring to the allowance for loan losses see content of loan operations included in Chapter 3 of this Report and notes 3e and 12 included in the Chapter 8 hereof.

## **2) Assessment of Securities and Derivatives**

The financial instruments recorded at fair value in our financial statements mainly include securities classified as for trading, available for sale and other trading assets, including derivatives. The fair value is defined as the value in which a position could be closed or sold in a transaction with a party aware of the issue and willing to trade, without any benefit. We estimate the fair value by using market-quoted prices when available. We observe that the price market-quoted price may be affected by the volume of shares traded and also may not reflect the control premiums resulting from shareholders' agreements, those holding significant investments. However, the Management believes that market-quoted prices are the fair value best indicators.

---

When market-quoted prices are not available, we use models to estimate the fair value. The factors used in these models include distributors' quotations, pricing models, prices of instruments with similar characteristics and discounted cash flows. The pricing based on models also uses information about interest rates, exchange rates, options volatility, when these are relevant and available.

In the determination of fair value, when market-quoted prices are not available, we have the Management's judgment, since the models depend on our judgment concerning the weight to be attributed to different factors and the quality or information we receive. For instance, reliable market data, when estimating the impact of maintaining a high position are generally limited. Likewise, we use our judgment in the estimate of prices when there is no external parameter. Should we make incorrect assumptions or the model itself makes correlations or incorrect assumptions, the value of income or loss recorded for a specific asset or liability may be improper. The judgment shall also determine if a decline in fair value below the up-to-date cost of a security held to maturity or security available for sale is not temporary, so that to require we recognize a devaluation of up-to-date cost and we may reflect such reduction as expense. In the assessment, if devaluation is not temporary, the Management decides the historical period to be considered and the level of severity of a loss.

Such assessment methods may lead Bradesco to different results, if models used or assumptions and estimates are inaccurate.

For further information about our practices referring to the assessment of marketable securities and derivative financial instruments, see notes 3c, 3d and 10 included in the Chapter 8 of this Report.

### **3) Classification of Securities**

The classification of securities occurs in three categories: for trading, available for sale and held to maturity. This classification is based on the Management's intent, on the date of acquisition of securities, of maintaining or trading such securities. The accounting treatment of securities held depends on whether we classify them in the acquisition as for trading, available for sale or held to maturity. Circumstantial changes may modify our strategy related to a specific security, which will require a transfer among the three categories.

The classification of securities can be found in the note 10 included in the Chapter 8 of this Report.

### **4) Income Tax and Social Contribution**

The determination of the amount of our taxes and contributions is complex and our assessment is related to the analysis of our deferred tax assets and liabilities and income tax payable. Generally, our assessment requires us to estimate the future values of deferred tax assets and income tax and social contribution payable. Our assessment about the possibility of a deferred tax asset to be realized is subjective and involves evaluations and assumptions originally uncertain. The realization of deferred tax assets is subject to alterations in future tax rates and the development of our tax planning strategies. The support to our evaluations and assumptions may change over time, as a result of occurrences or unpredictable circumstances, influencing our determination of value of our tax liabilities.

Constantly we monitor and assess the impact of new tax laws on our liabilities, as well as new developments, which could affect the evaluations and assumptions of our analysis about the possibility of realizing deferred tax assets.

For further information about our income tax and social contribution, see notes 3f and 35 to our financial statements included in the Chapter 8 of this Report.

### **5) Use of Estimates**

When presenting the financial statements, our Management estimates and makes assumptions, which also include the amount of provisions for deferred taxes, the assumptions for the calculation of allowance for loan losses, the assumptions for calculations of technical provisions for insurance, private pension plans and savings bonds, the choice of useful lives of certain assets and the determination if an asset or group of specific assets was deteriorated. The estimates by their nature are based on the judgment and available information. Therefore, actual results may differ from such estimates.

---

## Contents

<b>List of Main Abbreviations</b>		<b>06</b>
<b>1 Bradesco Line by Line</b>		<b>07</b>
Summarized Statement of Income Analysis	08	Analysis of the Statement of Income 18
Highlights	10	Comparative Balance Sheet 35
Bradesco's stocks	13	Equity Analysis 36
Comparative Statement of Income	17	
<b>2 Main Information on Statement of Income</b>		<b>47</b>
Consolidated Statement of Income	48	Analysis of the Adjusted Net Interest Income and 54
Profitability	50	Average Rates 54
Results by Business Segment	52	Allowance for Doubtful Accounts 60
Change in the Main Items of Statement of Income	52	Fee Income 60
Change in Net Interest Income Items plus Exchange Adjustment	53	Administrative and Personnel Expenses 61
		Operating Efficiency 63
		Other Indicators 66
<b>3 Main Information on Balance Sheet</b>		<b>67</b>
Consolidated Balance Sheet	68	Funding 77
Total Assets by Currency and Maturities	70	Checking Accounts 78
Marketable Securities	70	Savings Accounts 79
Loan Operations	71	Assets Under Management 80
<b>4 Operating Companies</b>		<b>83</b>
Grupo Bradesco de Seguros e Previdência	84	Leasing Companies 101
Insurance Companies	84	Bradesco Consórcios (Consortium Purchase Plans) 104
Vida e Previdência (Private Pension Plan)	91	Bradesco S.A. Corretora de Títulos e Valores Mobiliários 108
Savings Bonds	95	Bradesco Securities, Inc. 110
Banco Finasa	100	
<b>5 Operational Structure</b>		<b>113</b>
Corporate Organization Chart	114	Risk Management and Compliance 132
Administrative Body	116	Credit Risks, Operating Risks, Market Risks, Internal Controls and Compliance 132
Risk Ratings	117	Liquidity Risk Management 137
Ranking	118	Capital Risk Management 137
Market Segmentation	119	Cards 140
Bradesco Corporate	119	

Edgar Filing: BANK BRADESCO - Form 6-K

Bradesco Empresas (Middle Market)	120	International Area	144
Bradesco Private	121	Capital Market	148
Bradesco Prime	121	Tax Payment and Collections	149
		Bookkeeping of Assets and Qualified	
Bradesco Varejo (Retail)	122	Custody	
Banco Postal	122	Services	151
Customer Service Network	123	Business Processes	152
Bradesco Day and Night Customer Service Channels	126	Acknowledgments	154
Investments in Infrastructure, Information Technology and Telecommunications	132		
<b>6 Social-Environmental Responsibility</b>			<b>155</b>
Human Resources	156	Fundação Bradesco	163
Social-cultural Events	162	Environmental Responsibility	168
Finasa Sports Program	162	Social Report	170
<b>7 Independent Auditors Report</b>			<b>171</b>
Independent auditors report on a special review of supplementary accounting information included in the Economic and Financial Analysis Report and in the Statement of Social Responsibility			172
<b>8 Financial Statements, Independent Auditors Report, and Fiscal Council s Report</b>			<b>173</b>
Management Report	174	Notes to the Financial Statements	185
		Board of Directors, Board of Executive	
Consolidated Balance Sheet	177	Officers	
Consolidated Statement of Income	181	and Disclosure Committee	241
Statement of Changes in Stockholders Equity	182	Independent Auditors Report on Special	
Consolidated Statement of Changes in Financial Position	183	Review	
		of the Consolidated Quarterly information	242
Index of Notes to the Financial Statements	184	Fiscal Council s Report	243
<b>Glossary of Technical Terms</b>			<b>244</b>
<b>Cross Reference Index</b>			<b>247</b>

Certain figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic sum of the figures preceding them.

## List of Main Abbreviations

<b>ABC</b>	Activity-Based Costing	<b>FIPE</b>	Economic Research Institute Foundation
<b>ABEL</b>	Brazilian Association of Leasing Companies	<b>FIPECAFI</b>	Accounting, Actuarial and Financial Research Institute
<b>ABEMD</b>	Brazilian Association of Direct Marketing		Foundation
<b>ABM</b>	Activity-Based Management	<b>FIRN</b>	Floating Rate Note
<b>ACC</b>	Advances on Foreign Exchange Contracts	<b>FxRN</b>	Fixed Rate Note
<b>ACM</b>	Automated Consulting and Contract Machine	<b>GDAD</b>	Management of Performance and Support to
<b>ADR</b>	American Depositary Receipt		Decisions
<b>ADS</b>	American Depositary Share	<b>IBA</b>	Brazilian Actuarial Institute
<b>ADVB</b>	Association of Sales and Marketing Managers of Brazil	<b>IBMEC</b>	Brazilian Capital Market Institute
<b>ANAPP</b>	National Association of Private Pension Plan Companies	<b>IBNR</b>	Claims Incurred But Not Reported
<b>ANBID</b>	National Association of Investment Banks	<b>IBOVESPA</b>	São Paulo Stock Exchange Index
<b>ANS</b>	National Agency for Supplementary Healthcare	<b>IBRACON</b>	Brazilian Institute of Accountants
<b>ANSP</b>	Brazilian Academy of Insurance and Pension	<b>IFC</b>	International Finance Corporation
<b>AP</b>	Personal Accident	<b>IGP-DI</b>	General Price Index Internal Availability
<b>ATM</b>	Automated Teller Machine	<b>IGP-M</b>	General Price Index Market
<b>BACEN</b>	Brazilian Central Bank	<b>INSS</b>	National Institute of Social Security
<b>BDR</b>	Brazilian Depositary Receipt	<b>IPCA</b>	Extended Consumer Price Index
<b>BM&amp;F</b>	Mercantile and Futures Exchange	<b>IR</b>	Income Tax
<b>BNDDES</b>	National Bank for Economic and Social Development	<b>IRRF</b>	Withholding Income Tax
<b>BOVESPA</b>	São Paulo Stock Exchange	<b>ISO</b>	International Standard Organization
<b>CDB</b>	Bank Deposit Certificate	<b>ISS</b>	Tax on Services
<b>CDC</b>	Consumer Sales Financing	<b>JCP</b>	Interest on Own Capital
<b>CDI</b>	Interbank Deposit Certificate	<b>LATIBEX</b>	Latin American Stock Exchange Market in Euros (Spain)
<b>CEF</b>	Federal Savings Bank	<b>MBA</b>	Master of Business Administration
<b>CEID</b>	State Department for the Integration of Disabled People	<b>MP</b>	Provisional Measure
<b>CETIP</b>	Clearing House for the Custody and Financial Settlement of Securities	<b>NBR</b>	Registered Brazilian Rule
<b>CFC</b>	Federal Accounting Council	<b>NYSE</b>	New York Stock Exchange
<b>CID</b>	Digital Inclusion Center	<b>OIT</b>	International Labor Organization
<b>CIPA</b>	Accident Prevention Internal Committee	<b>ON</b>	Common Stocks
<b>CMN</b>	National Monetary Council	<b>PDD</b>	Allowance for Doubtful Accounts
<b>COFINS</b>		<b>PGBL</b>	Unrestricted Benefits Generating Plan
		<b>PIS</b>	Social Integration Program
		<b>PL</b>	Stockholders Equity
		<b>PLR</b>	Employee Profit Sharing

	Contribution for Social Security		
	Financing		
<b>COPOM</b>	Monetary Policy Committee	<b>PN</b>	Preferred Stocks
	Chart of Accounts for National Financial		
<b>COSIF</b>	System	<b>PTRB</b>	Online Tax Payment
	Institutions	<b>RCF</b>	Optional Third-Party Liability
<b>COSO</b>	Committee of Sponsoring Organizations	<b>RE</b>	Basic lines (of Insurance Products)
	Provisory Contribution on Financial		
<b>CPMF</b>	Transactions	<b>ROA</b>	Return on Assets
<b>CRI</b>	Certificate of Real Estate Receivables	<b>ROE</b>	Return on Stockholders` Equity
<b>CS</b>	Social Contribution	<b>SAP</b>	Systems Applications and Products
<b>CVM</b>	Brazilian Securities Commission	<b>SBPE</b>	Brazilian Savings and Loan System
			Brazilian Micro and Small Business
<b>DPVAT</b>	Compulsory Vehicle Insurance	<b>SEBRAE</b>	Support Service
			U.S. Securities and Exchange
<b>DR</b>	Depository Receipt	<b>SEC</b>	Commission
<b>DRE</b>	Statement of Income of the Year	<b>SELIC</b>	Special Clearance and Custody System
<b>DTVM</b>	Securities Dealer	<b>SESI</b>	National Industry Social Service
<b>DVA</b>	Value-Added Statement	<b>SFH</b>	National Housing System
			Internal Week of Labor Accident
<b>EPE</b>	Specific Purpose Entities	<b>SIPAT</b>	Prevention
<b>ERP</b>	Enterprise Resource Planning	<b>SPB</b>	Brazilian Payment System
	Export and Import BNDES Financing		
<b>EXIM</b>	Line	<b>SPE</b>	Specific Purpose Entity
<b>FGV</b>	Getulio Vargas Foundation	<b>SUSEP</b>	Superintendence of Private Insurance
<b>FIA</b>	Management Institute Foundation	<b>TED</b>	Instant Online Transfer
<b>FIDC</b>	Credit Right Funds	<b>TJLP</b>	Long-term Interest Rate
<b>FIE</b>	Exclusive Investment Fund	<b>TR</b>	Reference Rate
<b>FINABENS</b>	Financing of Other Goods and Services	<b>TVM</b>	Marketable Securities
	Fund for Financing the Acquisition of		
<b>FINAME</b>	Industrial	<b>VaR</b>	Value at Risk
	Machinery and Equipment	<b>VGBL</b>	Long-term Life Insurance



**1 - Bradesco Line by Line**

---

**Summarized Statement of Income Analysis**

September YTD/04 x September YTD/05 R\$ million

	Statement of Income		Adjustments (1)	Adjusted Statement of Income		Variation	
	9M04	9M05	9M05	9M04	9M05	Amount	%
Net Interest Income (2)	9,715	12,852	(907)	9,715	11,945	2,230	23.0
Allowance for Doubtful Accounts-PDD (3)	(1,553)	(1,737)		(1,553)	(1,737)	(184)	11.8
<b>Intermediation Gross Income</b>	<b>8,162</b>	<b>11,115</b>	<b>(907)</b>	<b>8,162</b>	<b>10,208</b>	<b>2,046</b>	<b>25.1</b>
Insurance Operating Income (4)	(224)	31	327	(224)	358	582	
Fee Income (5)	4,149	5,339		4,149	5,339	1,190	28.7
Personnel Expenses (6)	(3,685)	(3,950)		(3,685)	(3,950)	(265)	7.2
Other Administrative Expenses (6)	(3,649)	(3,703)		(3,649)	(3,703)	(54)	1.5
Tax Expenses (6)	(1,053)	(1,377)	73	(1,053)	(1,304)	(251)	23.8
Other Operating Income/Expenses	(1,117)	(1,475)		(1,117)	(1,475)	(358)	32.1
<b>Operating Income</b>	<b>2,583</b>	<b>5,980</b>	<b>(507)</b>	<b>2,583</b>	<b>5,473</b>	<b>2,890</b>	<b>111.9</b>
Non-Operating Income	(343)	(37)		(343)	(37)	306	
Income Tax, Social Contribution And Minority Interest	(238)	(1,892)	507	(238)	(1,385)	(1,147)	481.9
Net Income	2,002	4,051		2,002	4,051	2,049	102.3

In the nine-month period ended on September 30, 2005, Bradesco's net income reached R\$ 4,051 million, which corresponds to a 102.3% growth in relation to the same period of previous year. Bradesco's stockholders' equity amounted to R\$ 18,262 million on September 30, 2005, equivalent to a 24.4% increase compared to the balance of September 2004. Consequently, the annualized return on stockholders' equity (ROE) reached 30.6%. Total consolidated assets reached R\$ 201,913 million at the end of September 2005, a 12.4% growth in relation to the balance of same date of previous year. The annualized return on total assets (ROA), in the first nine months of 2005, was 2.7%. Earnings per share was R\$ 8.26.

**(1) Adjustments**

The effects outlined below were annulled between items in the nine-month period of 2005:

- (i) partial income from derivatives used for hedge effects of investments abroad, which in terms of net income simply annuls the fiscal and tax effect (IR/CS and PIS/COFINS) of such hedge strategy of R\$ 580 million; and
- (ii) extraordinary provision in the amount of R\$ 324 million was recorded in the Individual Health portfolio, to bring to the same level the premiums for insurance holders over 60 years of age whose health insurance plans are prior to

the Law 9,656/98 and for benefits related to fully settled plans whose holders are still entitled to their benefits ( *planos remidos* ), which was offset by a positive result verified in the partial sale of our stake in Belgo-Mineira, in the amount of R\$ 327 million.

Excluding these adjustments, the main items which influenced the net income in the first nine months of 2005 are outlined below:

**(2) Net Interest Income R\$ 2,230 million**

Such growth is basically due to interest component, caused by an increment in the business volume, pointing out a 63.7% increase in the volume of loan operations for individuals, mainly concerned with consumer sales and personal loan financing, which shows a higher profitability than the corporate portfolio.

**(3) Allowance for Doubtful Accounts R\$ 184 million**

The variation is mostly due to a 25.5% increase in the volume of loan operations over the past 12 months, pointing out the individual client operations, climbing 63.7%, which in view of its specific characteristic, requires a higher volume of provision.

**(4) Income from Insurance, Private Pension Plan and Savings Bonds Operations R\$ 582 million**

The hike is basically due to: (i) an increase in the business volume, reflected in the customer base growth; and (ii) extraordinary provision recorded in 2004, in view of the improvement in the calculation of IBNR provision.

**(5) Fee Income R\$ 1,190 million**

The increase is mainly due to a higher average volume of operations, combined with an increased customer base, and fee realignment and improvement in the partnership index (cross-selling), as a result of the clients segmentation process.

**(6) Personnel, Administrative and Tax Expenses R\$ 570 million**

Out of such amount, R\$ 251 million of tax expenses basically derive: (i) from increased PIS/COFINS expenses, in view of higher taxable income; (ii) increased ISS expenses, due to changes in laws; and (iii) R\$ 265 million of personnel expenses mainly referring to the effect of collective bargaining agreement of 2004 and 2005, as well as of the bonus lump-sum payment in September/05.

Edgar Filing: BANK BRADESCO - Form 6-K

Summarized Statement of Income Analysis 2Q05 x 3Q05 R\$ million

	Statement of Income		Adjustments (1)		Adjusted Statement of Income		Variation	
	2Q05	3Q05	2Q05	3Q05	2Q05	3Q05	Amount	%
Net Interest Income (2)	4,355	4,498	(409)	(161)	3,946	4,337	391	9.9
Allowance for Doubtful Accounts PDD ( 3)	(562)	(540)			(562)	(540)	22	(3.9)
<b>Intermediation Gross Income</b>	<b>3,793</b>	<b>3,958</b>	<b>(409)</b>	<b>(161)</b>	<b>3,384</b>	<b>3,797</b>	<b>413</b>	<b>12.2</b>
Insurance Operating Income (4)	98	147			98	147	49	50.0
Fee Income (5)	1,760	1,918			1,760	1,918	158	9.0
Personnel Expenses (6)	(1,246)	(1,483)			(1,246)	(1,483)	(237)	19.0
Other Administrative Expenses (6)	(1,240)	(1,271)			(1,240)	(1,271)	(31)	2.5
Tax Expenses (6)	(497)	(475)	52	20	(445)	(455)	(10)	2.2
Other Operating Income/Expenses	(522)	(544)			(522)	(544)	(22)	4.2
<b>Operating Income</b>	<b>2,146</b>	<b>2,250</b>	<b>(357)</b>	<b>(141)</b>	<b>1,789</b>	<b>2,109</b>	<b>320</b>	<b>17.9</b>
Non-Operating Income	(21)	(10)			(21)	(10)	11	(52.4)
Income Tax, Social Contribution and Minority Interest	(709)	(810)	357	141	(352)	(669)	(317)	90.1
<b>Net Income</b>	<b>1,416</b>	<b>1,430</b>			<b>1,416</b>	<b>1,430</b>	<b>14</b>	<b>1.0</b>

In 3Q05, Bradesco's net income reached R\$ 1,430 million, which corresponds to a 1.0% growth when compared to 2Q05. Bradesco's stockholders' equity amounted to R\$ 18,262 million on September 30, 2005, corresponding to a 4.7% increase in relation to June 2005. Consequently, the annualized return on stockholders' equity (ROE) reached 35.2%. Total consolidated assets reached R\$ 201,913 million at the end of September 2005, a 3.8% growth in the quarter. The annualized return on total assets (ROA), was 2.9% in 3Q05. Earnings per share reached R\$ 2.92.

### (1) Adjustments

The partial income from derivatives used for hedge effects of investments abroad, which in terms of net income, simply annuls the fiscal and tax effect (IR/CS and PIS/COFINS) of such hedge strategy was R\$ 161 million and R\$ 409 million in 3Q05 and 2Q05, respectively.

Excluding these adjustments, main items which influenced the net income in 3Q05 are outlined below:

### (2) Net Interest Income R\$ 391 million

Such growth is basically due to interest component, which is directly related to the business volume expansion, pointing out loan operations for individuals, which shows a higher profitability than the corporate portfolio, the amount of which reached the mark of R\$ 30.6 billion, accounting for a 14.0% expansion in the quarter.

**(3) Allowance for Doubtful Accounts R\$ 22 million (income)**

Such variation is basically due to: (i) a reversal of PDD preventive recording on loan operations granted to an utilities concessionaire in 1Q05, in the amount of R\$ 166 million, as it adjusted its liabilities to its real ability to pay; and offset by: (ii) higher recording of PDD stemming from an increase in the loan operations volume, particularly for individuals.

**(4) Income from Insurance, Private Pension Plan and Savings Bonds Operations R\$ 49 million**

The increase is basically due to: (i) the growth in the sale of "VGBL" and "PGBL" products; and (ii) lower volume of redemptions for the "VGBL" product in the quarter.

**(5) Fee Income R\$ 158 million**

Such variation is mostly due to an increased business volume, revenues from checking accounts, assets under management and income on cards standing out.

**(6) Personnel, Administrative and Tax Expenses R\$ 278 million**

Such variation is mostly due to: (i) the effect of collective bargaining agreement of the category (6.0%) and bonus lump-sum payment in September/05; and (ii) higher labor provision expenses in the quarter.

**Highlights**

## Earnings

	R\$ million					
	September YTD			2005		
	2004	2005	Variation %	2nd Qtr.	3rd Qtr.	Variation %
Net Interest Income	9,715	12,852	32.3	4,355	4,498	3.3
Allowance for Doubtful Accounts	1,553	1,737	11.8	562	540	(3.9)
Fee Income	4,149	5,339	28.7	1,760	1,918	9.0
Insurance, Private Pension Plans and Savings Bonds						
Retained Premiums	9,447	9,343	(1.1)	3,001	3,546	18.2
Personnel Expenses	3,685	3,950	7.2	1,246	1,483	19.0
Other Administrative Expenses	3,649	3,703	1.5	1,240	1,271	2.5
Operating Income	2,583	5,980	131.5	2,146	2,250	4.8
Net Income	2,002	4,051	102.3	1,416	1,430	1.0

## Balance Sheet

	R\$ million					
	September			2005		
	2004	2005	Variation %	June	September	Variation %
Total Assets	179,703	201,913	12.4	194,542	201,913	3.8
Marketable Securities	58,155	64,248	10.5	64,441	64,248	(0.3)
Loan Operations	59,976	75,244	25.5	69,787	75,244	7.8
Permanent Assets	4,966	4,530	(8.8)	4,561	4,530	(0.7)
Total Deposits	64,787	71,095	9.7	71,654	71,095	(0.8)
Borrowings and Onlendings	16,715	15,241	(8.8)	14,999	15,241	1.6
Technical Provisions	31,585	38,235	21.1	36,533	38,235	4.7
Stockholders Equity	14,678	18,262	24.4	17,448	18,262	4.7

## Change in Number of Outstanding Stocks

	Common stock	Preferred stock	Total
<b>Number of Outstanding Stocks on December 31, 2004</b>	<b>238,351,329</b>	<b>236,081,796</b>	<b>474,433,125</b>
Capital Increase Through Subscription	8,791,857	8,708,143	17,500,000

Edgar Filing: BANK BRADESCO - Form 6-K

Capital Increase Through Stock Merger	182,504	180,767	363,271
Stocks Acquired and not Cancelled	(2,066,938)	(1,287)	(2,068,225)
<b>Number of Outstanding Stocks on September 30, 2005</b>	<b>245,258,752</b>	<b>244,969,419</b>	<b>490,228,171</b>

Stock Performance (\*)

	R\$					
	September YTD			2005		
	2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
Net Income per Stock	4.22	8.26	95.7	2.88	2.92	1.4
Dividends/JCP per Stock ON (Net of Income Tax)	1.677	2.542	51.6	0.923	1.011	9.5
Dividends/JCP per Stock PN (Net of Income Tax)	1.845	2.796	51.5	1.015	1.112	9.6
Book Value per Stock (ON and PN)	30.94	37.25	20.4	35.53	37.25	4.8
Last Business Day Average Price ON	39.48	101.88	158.1	77.80	101.88	31.0
Last Business Day Average Price PN	50.00	108.72	117.4	83.37	108.72	30.4
Market Value of Stockholders Equity (R\$ million) (*)	21.213	51.620	143.3	39.570	51.620	30.5

(\*) number of stocks x average quotation of the last day of the period.

Remark: for the purposes of comparison, in September 2004, the amounts were adjusted by 200% due to stock splitting.

## Cash Generation

	R\$ million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Net Income	641	752	2,002	1,416	1,430	4,051
Equity in the Earnings of Affiliated Companies	(122)	4	(118)	(10)	(64)	(69)
Allowance for Doubtful Accounts	514	478	1,553	562	540	1,737
Technical Provisions	1,392	2,019	4,941	1,181	1,612	4,151
Allowance/Reversal for Mark-to-Market		5	1	(38)	3	(28)
Depreciation and Amortization	119	118	360	111	109	336
Goodwill Amortization	226	188	501	88	86	270
Other	(19)	31	39	42	34	106
<b>Total</b>	<b>2,751</b>	<b>3,595</b>	<b>9,279</b>	<b>3,352</b>	<b>3,750</b>	<b>10,554</b>

## Added Value

	R\$ million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
<b>ADDED Value (A+B+C)</b>	<b>2,313</b>	<b>2,702</b>	<b>7,398</b>	<b>3,859</b>	<b>4,124</b>	<b>11,136</b>
A Gross Income from Financial Intermediation	2,567	2,825	8,162	3,793	3,958	11,115
B Fee Income	1,375	1,455	4,149	1,760	1,918	5,339
C Other Operating Income/Expenses	(1,629)	(1,578)	(4,913)	(1,694)	(1,752)	(5,318)
<b>Distribution of Added Value (D+E+F+G)</b>	<b>2,313</b>	<b>2,702</b>	<b>7,398</b>	<b>3,859</b>	<b>4,124</b>	<b>11,136</b>
D Employees	995	1,030	2,968	990	1,230	3,201
E Government	677	920	2,428	1,453	1,462	3,884
F JCP/Dividends to Stockholders (paid and accrued)	325	333	985	559	612	1,537
G Reinvestment of Profits	316	419	1,017	857	818	2,514
<b>Distribution of Added Value percentage</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Labor Remuneration	43.0	38.1	40.1	25.7	29.8	28.7
Government Remuneration	29.3	34.1	32.8	37.6	35.5	34.9
Interest on Own Capital/Dividends to Stockholders (paid and accrued)	14.0	12.3	13.3	14.5	14.8	13.8
Profit Reinvestments	13.7	15.5	13.8	22.2	19.9	22.6



## Fixed Assets to Stockholders` Equity Ratio Calculation Statement

	2004		2005	
	June	September	June	September
<b>Stockholders` Equity + Minority</b>				
<b>Stockholders</b>	<b>13,716</b>	<b>14,752</b>	<b>17,502</b>	<b>18,316</b>
Subordinated Debts	5,987	5,771	6,185	6,077
Tax Credits	(132)	(132)	(82)	(82)
Exchange Membership Certificates	(61)	(68)	(64)	(66)
<b>Reference Equity (A) (*)</b>	<b>19,510</b>	<b>20,323</b>	<b>23,541</b>	<b>24,245</b>
Fixed	7,246	7,100	7,259	7,576
Fixed Assets and Leasing	(1,948)	(2,019)	(2,614)	(2,960)
Unrealized Leasing Losses	(57)	(76)	(96)	(96)
Exclusions Authorized by Bacen	(90)			
Exchange Membership Certificates	(61)	(68)	(64)	(66)
<b>Total Fixed Assets (B) (*)</b>	<b>5,090</b>	<b>4,937</b>	<b>4,485</b>	<b>4,454</b>
<b>Fixed Assets to Stockholders` Equity Ratio</b>				
<b>(B/A) %</b>	<b>26.1</b>	<b>24.3</b>	<b>19.1</b>	<b>18.4</b>
<b>Excess in Reais</b>	<b>4,665</b>	<b>5,224</b>	<b>7,286</b>	<b>7,669</b>

(\*) For the calculation of fixed assets to stockholders` equity ratio, the exchange membership certificates are excluded from the reference equity and fixed assets, as per BACEN`S resolution 2283.

Edgar Filing: BANK BRADESCO - Form 6-K

Performance Ratios (annualized) in percentage

	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Return on Stockholders Equity (Total)	20.1	22.1	18.6	36.6	35.2	30.6
Return on Stockholders Equity (Average)	20.5	23.3	20.0	38.1	36.5	33.6
Return on Total Assets (Total)	1.5	1.7	1.5	2.9	2.9	2.7
Stockholders Equity to Total Assets	7.7	8.2	8.2	9.0	9.0	9.0
Capital Adequacy Ratio (Basel) Financial Consolidated	18.1	19.9	19.9	18.2	17.7	17.7
Capital Adequacy Ratio (Basel) Total Consolidated	15.7	17.0	17.0	15.8	15.5	15.5
Fixed Assets to Stockholders' Equity Ratio Financial Consolidated	41.4	42.9	42.9	41.4	42.8	42.8
Fixed Assets to Stockholders' Equity Ratio Total Consolidated	26.1	24.3	24.3	19.1	18.4	18.4
Efficiency Ratio (12 months accumulated)	60.1	58.3	58.3	48.1	45.7	45.7

Market Share Consolidated percentage

	2004		2005	
	June	September	June	September
<b>Banks Source: BACEN</b>				
Assets under management	14.8	14.7	15.2	15.2
Time Deposit	11.6	10.7	10.8	NA
Savings Deposit	15.0	15.2	15.4	NA
Demand Deposit	16.8	17.4	17.4	NA
Fee Income	12.3	12.8	12.9	NA
CPMF	19.8	19.9	20.1	20.0
Loan Operations	13.1	13.0	13.3	13.7
Number of Branches	17.7	17.7	16.7	16.7(*)
<b>Insurance, Private Pension Plan and Savings Bonds Source: SUSEP</b>				
Insurance, Private Pension Plan and Savings Bonds Premiums	24.2	25.1	24.2	24.7(*)
Insurance Premiums (1)	24.5	25.4	24.6	25.0(*)
Revenues from Pension Plan Contributions (2)	24.6	26.4	26.2	26.4(*)
Revenues from Savings Bonds	22.0	21.4	19.3	20.2(*)
Technical provisions for Insurance, Private Pension Plan and Savings Bonds	38.9	39.1	38.2	38.0(*)
<b>Leasing Source: ABEL</b>				
Active Operations	12.8	12.1	11.3	11.4(*)

**Banco Finasa Source: BACEN**

Finabens	18.8	19.2	19.6	20.8(*)
Auto	6.4	7.5	25.4	36.8(*)

**Consortium Purchase Plans Source: BACEN**

Real properties	16.2	16.9	18.1	20.6(*)
Auto	6.7	8.1	13.8	14.8(*)

**International Area Source: BACEN**

Export Market	20.6	20.9	21.2	21.0
Import Market	11.8	12.9	14.8	14.7

(\*) Data related to August/2005

(1) Includes VGBL

(2) Excludes VGBL

NA not available by BACEN

## Other Information

	2005			September		
	June	September	Variation %	2004	2005	Variation %
Assets under Management R\$ million	283,269	295,492	4.3	255,017	295,492	15.9
Number of Employees	72,862	73,556	1.0	74,227	73,556	(0.9)
Number of Branches	2,913	2,916	0.1	3,049	2,916	(4.4)
Checking Account Holders Million	16.4	16.5	0.6	15.3	16.5	7.8
Debit and Credit Card Base Million	48.5	50.9	4.9	45.2	50.9	12.6

**Bradesco's Stocks**

Number of Stocks (in thousands) Common and Preferred Stocks(\*)

	December					2005	
	2000	2001	2002	2003	2004	June	September
Common	211,868	219,180	215,803	239,509	238,351	246,100	245,259
Preferred	205,743	212,984	212,561	236,082	236,082	244,971	244,969
<b>Subtotal Outstanding Stocks</b>	<b>417,611</b>	<b>432,164</b>	<b>428,364</b>	<b>475,591</b>	<b>474,433</b>	<b>491,071</b>	<b>490,228</b>
Treasury Stocks	2,334	1,467	2,939	172		1,225	2,068
<b>Total</b>	<b>419,945</b>	<b>433,631</b>	<b>431,303</b>	<b>475,763</b>	<b>474,433</b>	<b>492,296</b>	<b>492,296</b>

(\*) For comparison purposes, the stocks quantities were adjusted at 200% due to the stock splitting. Referring to years prior to 2003, the stocks were divided by 10,000 in view of their reverse split.

On September 30, 2005, Bradesco's capital stock was R\$ 10.0 billion, composed of 492,296,396 stocks, of which 247,325,690 are common and 244,970,706 are preferred, nonpar and book-entry stocks. The largest stockholder is the holding company, Cidade de Deus Participações, which directly holds 48.32% of our voting capital and 24.28% of our total capital. Cidade de Deus Participações, in its turn is, controlled by the Aguiar Family, Fundação Bradesco and another holding company, Nova Cidade de Deus Participações. Nova Cidade de Deus is basically owned by Fundação Bradesco and Elo Participações. Elo Participações has as stockholders the majority of members of Bradesco's Board of Directors and Statutory Executive Board (see page 114).

Quantity of Stockholders Resident in the Country and Abroad

	December					2005	
	2000	2001	2002	2003	2004	June	September
Individual	2,186,535	2,170,158	2,153,800	2,158,808	1,254,044	1,247,455	1,243,780
Corporate	182,205	181,007	179,609	180,559	116,894	116,549	116,307
<b>Subtotal Residents in the Country</b>	<b>2,368,740</b>	<b>2,351,165</b>	<b>2,333,409</b>	<b>2,339,367</b>	<b>1,370,938</b>	<b>1,364,004</b>	<b>1,360,087</b>
Residents Abroad	598	565	373	465	3,780	3,696	3,704
<b>Total</b>	<b>2,369,338</b>	<b>2,351,730</b>	<b>2,333,782</b>	<b>2,339,832</b>	<b>1,374,718</b>	<b>1,367,700</b>	<b>1,363,791</b>

Referring to Bradesco's local and foreign stockholders' base on September 30, 2005, we observe that 1,360,087 were domiciled in Brazil, accounting for 99.7% of total stockholders' base and holding 71.22% of the Bradesco's outstanding stocks, while 3,704 lived abroad, representing 0.3% of total stockholders' base and holding 28.78% of Bradesco's outstanding stocks.

Market Value R\$ million



Market Value/Stockholders' Equity

Market Value/Stockholders' Equity: indicates the number of times Bradesco's market value is higher than its book value of stockholders' equity.

Formula used: quantity of common and preferred stocks multiplied by its respective average price of the last business day of the period. The amount is divided by book value of stockholders' equity of the period.

Dividend Yield in percentage (12 months accumulated)

Dividend Yield: is the ratio of the stock price and the net dividend distributed to stockholders over the past 12 months, indicating the investors' return related to profit sharing.

Formula used: amount received by stockholder as dividend and/or interest on own capital (net of withholding tax) over the past 12 months, which is divided by preferred stock closing price of the last business day of the period.

Payout Index in percentage

Payout Index: indicates the percentage of net income paid as dividends/interest on own capital (net of withholding tax).

Formula used: amount received by stockholders as dividends and/or interest on own capital (net of withholding tax), which is divided by net income adjusted by legal reserve. (5% of net income).

Financial Volume Bradesco PN x Ibovespa

Net Income per Stock R\$ (12 months accumulated) (\*)

(\*) For comparison purposes, the stocks quantities were adjusted at 200% due to stock splitting. For years prior to 2003, stocks were divided by 10,000 due to their reverse split.

Bradesco PN (BBDC4) x Ibovespa Appreciation Index in percentage

#### Stock Performance

Bradesco's preferred stocks had a 69.4% appreciation in the first nine months of 2005, if we consider the closing price of the last business day of the period, while Ibovespa appreciated 20.6% .

We believe that Bradesco's good performance until the end of the 3<sup>rd</sup> quarter of 2005 was mainly influenced by the market perception that a new level of profitability attained by the Bank as from the 4<sup>th</sup> quarter of 2004 became sustainable in view of a robust positioning in various market segments and results and our focus on cost control.

A solid performance of loan market for individuals and delinquency under control created a specially favorable environment to our operations, which combined with strategic agreements and partnerships entered into over the past quarters in the consumer loan segment favored our performance, leading our return on equity to the levels currently verified.



## Comparative Statement of Income

	R\$ million					
	September YTD			2005		
	2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
<b>Revenues from Financial Intermediation</b>	<b>20,001</b>	<b>23,761</b>	<b>18.8</b>	<b>7,119</b>	<b>8,533</b>	<b>19.9</b>
Loan Operations	9,630	11,484	19.3	3,479	4,296	23.5
Leasing Operations	215	316	47.0	95	134	41.1
Marketable Securities Transactions	4,162	3,315	(20.4)	303	1,357	347.9
Financial Income on Insurance, Private Pension Plans and Savings Bonds	3,763	4,749	26.2	1,465	1,516	3.5
Derivative Financial Instruments	709	2,445	244.9	1,331	748	(43.8)
Foreign Exchange Transactions	663	321	(51.6)	59	90	52.5
Compulsory Deposits	859	1,131	31.7	387	392	1.3
<b>Expenses From Financial Intermediation (not including PDD)</b>	<b>10,286</b>	<b>10,909</b>	<b>6.1</b>	<b>2,764</b>	<b>4,035</b>	<b>46.0</b>
Funds Obtained in the Open Market	6,776	7,572	11.7	1,864	2,898	55.5
Price-Level Restatement and Interest on Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	2,294	2,714	18.3	902	873	(3.2)
Borrowings and Onlendings	1,203	616	(48.8)	(5)	263	
Leasing Operations	13	7	(46.2)	3	1	(66.7)
<b>Net Interest Income</b>	<b>9,715</b>	<b>12,852</b>	<b>32.3</b>	<b>4,355</b>	<b>4,498</b>	<b>3.3</b>
Allowance for Doubtful Accounts	(1,553)	(1,737)	11.8	(562)	(540)	(3.9)
<b>Gross Income from Financial Intermediation</b>	<b>8,162</b>	<b>11,115</b>	<b>36.2</b>	<b>3,793</b>	<b>3,958</b>	<b>4.4</b>
<b>Other Operating Income (Expense)</b>	<b>(5,579)</b>	<b>(5,135)</b>	<b>(8.0)</b>	<b>(1,647)</b>	<b>(1,708)</b>	<b>3.7</b>
Fee Income	4,149	5,339	28.7	1,760	1,918	9.0
<b>Operating Income from Insurance, Private Pension Plans and Savings Bonds</b>	<b>(224)</b>	<b>31</b>		<b>98</b>	<b>147</b>	<b>50.0</b>
<b>(+) Net Premiums Written</b>	<b>10,918</b>	<b>11,741</b>	<b>7.5</b>	<b>3,811</b>	<b>4,314</b>	<b>13.2</b>
(-) Reinsurance Premiums and Redeemed Premiums	(1,470)	(2,398)	63.1	(810)	(768)	(5.2)
<b>(=) Retained Premiums from Insurance, Private Pension Plans and Savings Bonds</b>	<b>9,447</b>	<b>9,343</b>	<b>(1.1)</b>	<b>3,001</b>	<b>3,546</b>	<b>18.2</b>
Retained Premiums from Insurance	4,663	5,493	17.8	1,824	1,883	3.2
Private Pension Plans Contributions	3,744	2,816	(24.8)	820	1,270	54.9
Income on Savings Bonds	1,040	1,034	(0.6)	357	393	10.1
<b>Variation in Technical Provisions for Insurance,</b>						

<b>Private Pension Plans and Savings</b>						
<b>Bonds</b>	<b>(2,647)</b>	<b>(1,437)</b>	<b>(45.7)</b>	<b>(280)</b>	<b>(739)</b>	<b>163.9</b>
Variation in Technical Provisions for Insurance	(162)	(580)	258.0	(124)	(64)	(48.4)
Variation in Technical Provisions for Pension Plans	(2,439)	(848)	(65.2)	(178)	(659)	270.2
Variation in Technical Provisions for Savings Bonds	(46)	(9)	(80.4)	22	(16)	
Retained Claims	(3,842)	(4,292)	11.7	(1,457)	(1,463)	0.4
Savings Bonds Draws and Redemptions	(931)	(897)	(3.7)	(314)	(337)	7.3
<b>Insurance and Private Pension Plans</b>						
<b>Selling</b>						
<b>Expenses</b>	<b>(633)</b>	<b>(697)</b>	<b>10.1</b>	<b>(224)</b>	<b>(244)</b>	<b>8.9</b>
Insurance Products Selling Expenses	(519)	(570)	9.8	(187)	(200)	7.0
Private Pension Plans Selling Expenses	(114)	(115)	0.9	(34)	(39)	14.7
Savings Bonds Selling Expenses		(12)		(3)	(5)	66.7
Expenses with Private Pension Plans						
<b>Benefits and</b>						
Redemptions	(1,619)	(1,989)	22.9	(628)	(616)	(1.9)
Personnel Expenses	(3,685)	(3,950)	7.2	(1,246)	(1,483)	19.0
Other Administrative Expenses	(3,649)	(3,703)	1.5	(1,240)	(1,271)	2.5
Tax Expenses	(1,053)	(1,377)	30.8	(497)	(475)	(4.4)
Equity in the Earnings of Affiliated Companies	118	69	(41.5)	10	64	540.0
Other Operating Income	888	797	(10.2)	259	238	(8.1)
Other Operating Expenses	(2,122)	(2,341)	10.3	(791)	(846)	7.0
<b>Operating Income</b>	<b>2,583</b>	<b>5,980</b>	<b>131.5</b>	<b>2,146</b>	<b>2,250</b>	<b>4.8</b>
<b>Non-Operating Income</b>	<b>(343)</b>	<b>(37)</b>	<b>(89.2)</b>	<b>(21)</b>	<b>(10)</b>	<b>(52.4)</b>
<b>Income Before Taxes and Profit</b>						
<b>Sharing</b>	<b>2,240</b>	<b>5,943</b>	<b>165.3</b>	<b>2,125</b>	<b>2,240</b>	<b>5.4</b>
Income Tax and Social Contribution	(233)	(1,888)	710.3	(708)	(807)	14.0
Minority Interest in Subsidiaries	(5)	(4)	(20.0)	(1)	(3)	200.0
<b>Net Income</b>	<b>2,002</b>	<b>4,051</b>	<b>102.3</b>	<b>1,416</b>	<b>1,430</b>	<b>1.0</b>
<b>Return on Stockholders' Equity</b>						
<b>Annualized (%)</b>	<b>18.6</b>	<b>30.6</b>		<b>36.6</b>	<b>35.2</b>	

**Analysis of the Statement of Income R\$ million**

## Income from Loan and Leasing Operations

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
9,832	11,793	19.9	3,571	4,429	24.0

Income was up basically as a result of: (i) the increase in the volume of the loan portfolio, which totaled R\$ 75,244 in September/05 against R\$ 59,976 in September/04, i.e., a 25.5% increase, particularly the individual client portfolio, up by 63.7%, which shows higher profitability than corporate portfolio, pointing out Personal Loan and Auto CDC products, while the corporate portfolio climbed 8.2%, pointing out Working Capital and Overdraft-Secured Account products; which was partially **offset** by: (ii) exchange loss variation of 16.3% in the period/05, against an exchange loss variation of 1.1% in the period/04, affecting foreign currency indexed and/or denominated operations, which comprise 8.3% of total Loan and Leasing Operations, basically derived from corporate portfolio (excluding Advances on Foreign Exchange Contracts).

Increased revenues were mainly due to: (i) increased loan portfolio volume, reaching the amount of R\$ 75,244 in September/05, against R\$ 69,787 in June/05, pointing out the individual client portfolio, with a 14.0% growth, which shows higher profitability than corporate portfolio, pointing out Personal Loan and Auto CDC products, while the corporate portfolio climbed 4.0%, pointing out Compror, Auto and Overdraft-Secured Account products; and (ii) lower exchange loss variation of 5.5% in 3Q05, against 11.8% in 2Q05, affecting our foreign currency indexed and/or denominated operations, comprising 8.3% of total Loan and Leasing Operations, basically derived from corporate portfolio (excluding Advances on Foreign Exchange Contracts).

## Income from Marketable Securities (TVM) and Derivative Financial Instruments

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
4,871	5,760	18.3	1,634	2,106	28.9

The increase in income is basically due to: (i) higher non-interest income gains of R\$ 1,056, which includes R\$ 580 represented by a portion of income from derivatives used for hedge effects of investments abroad, which in terms of net income simply annuls the tax effect of such hedge strategy in the period; (ii) higher average interest rates, observing the 14.1% CDI variation in the period/05, compared to 11.7% in the period/04; and (iii) increased average volume of TVM portfolio; which was **offset** by: (iv) exchange loss variation of 16.3% in the period/05,

The variation in income is mainly due to: (i) lower exchange loss variation of 5.5% in 3Q05, against 11.8% in 2Q05, impacting on foreign currency indexed and/or denominated operations, comprising 10.6% of the portfolio; (ii) higher average interest rates, observing the 4.7% CDI variation in 3Q05, compared to 4.6% in 2Q05; offset by: (iii) lower non-interest income gains of R\$ 117, composed of basically partial reduction in income from derivatives used for hedge effects of investments abroad, which, in terms of net income simply annuls the tax effect

against an exchange loss variation of 1.1% in the period/04, impacting on the foreign currency indexed and/or denominated operations, comprising 10.6% of the portfolio. of such hedge strategy in the quarter R\$ 248.

## Financial Income on Insurance, Private Pension Plans and Savings Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
3,763	4,749	26.2	1,465	1,516	3.5

The variation in the period was basically due to: (i) an increase in the volume of the securities portfolio, mainly comprising federal government bonds, which are linked to technical provisions, especially PGBL and VGBL products; (ii) higher average interest rates in line with the CDI variation of 14.1% in the period/05, as compared to 11.7% in the period/04; (iii) higher non-interest income of R\$ 525 in the period/05 against R\$ 146 in the period/04, as a result of increased TVM gains, in which we point out a positive result of R\$ 327 recorded with the partial sale of our stake in Belgo-Mineira's capital stock in the period/05, partially **mitigated:** (iv) by lower variation in the IGP-M index of 0.2% in the period/05 against 10.3% in the period/04.

The variation for the quarter was substantially due to: (i) an increase in the volume of marketable securities portfolio, mainly comprising federal government bonds, which are linked to technical provisions, especially PGBL and VGBL products; (ii) higher average interest rates in line with the CDI variation of 4.7% in 3Q05, against 4.6% in 2Q05; **offset:** (iii) by positive variation of IGP-M, 0.2% in 2Q/05, against a negative variation of 1.5% in 3Q/05; and (iv) by lower non-interest income of R\$ 17 compared to 2Q05, as a result of lower TVM gains.

## Foreign Exchange Transactions

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
663	321	(51.6)	59	90	52.5

This item should be analyzed deducted from expenses with foreign funding, used for import/export operations financing, in accordance with Note 13a. After the deductions, the result would be of R\$ 143 in the period/04 and of R\$ 170 in the period/05, mainly influenced by the increased average volume of the foreign exchange portfolio in the period.

This item should be analyzed deducted from expenses with foreign funding, used for import/export operations financing, in accordance with Note 13a. After such deductions, the result would be of R\$ 55 in 2Q05 and of R\$ 59 in 3Q05, i.e., steady in the quarter.

## Compulsory Deposits

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
859	1,131	31.7	387	392	1.3

The variation mainly reflects the increases in: (i) average volume of deposits in the period; (ii) in the SELIC rate, used to remunerate the additional compulsory deposit, from 11.7% in the period/04 to 14.1% in the period/05; and (iii) Reference Rate TR, which composes the remuneration of compulsory deposits over savings deposits, from 1.4% in the period/04 to 2.2% in the period/05.

Income from compulsory deposits remained practically stable in the analyzed quarters.

## Funding Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
6,776	7,572	11.7	1,864	2,898	55.5

The variation is mostly due to: (i) higher average interest rates, observing the CDI variation of 14.1% in the period/05, against 11.7% in the period/04, mainly affecting the time deposits expenses and purchase and sale commitments of R\$ 1,460 and R\$ 562, respectively; (ii) increased Reference Rate TR, from 1.4% in the period/04 to 2.2% in the period/05, affecting the savings deposits expenses, R\$ 305; (iii) increase in average balance of funding in the period; which was **offset** by: (iv) exchange loss variation of 16.3% in the period/05, against 1.1% in the period/04, impacting on foreign currency indexed and/or denominated fundings, R\$ 1,680.

Increased expenses in the quarter mainly derive from: (i) lower exchange loss variation of 5.5% in 3Q05, against 11.8% in 2Q05, impacting on foreign currency indexed and/or denominated fundings, R\$ 727; and (ii) higher purchase and sale commitments expense of R\$ 217, as a result of higher average volume.

Price-level Restatement and Interest on Technical Provisions for Insurance, Private Pension Plans and Saving Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
2,294	2,714	18.3	902	873	(3.2)

The increase is mostly due to: (i) higher average balance of Technical Provisions, especially PGBL and VGBL products; (ii) higher average interest rates, observing the CDI variation of 14.1% in the period/05, against 11.7% in the period/04; and partially **mitigated**: (iii) by lower IGP-M variation of 0.2% in the period/05, against 10.3% in the period/04, one of the indexes which also remunerates the Technical Provisions.

The variation in the quarter mostly derives from: (i) IGP-M negative variation of 1.5% in 3Q05, against an IGP-M positive variation of 0.2% in 2Q05, one of the indexes which also remunerates the Technical Provisions; partially **offset**: (ii) by higher average interest rates, observing the CDI variation of 4.7% in 3Q05, against 4.6% in 2Q05; and (iii) increase in the average balance of Technical Provisions, particularly PGBL and VGBL products.

Borrowings and Onlendings Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
1,203	616	(48.8)	(5)	263	

The decreased expense is mostly due to: (i) effect of exchange loss variation of 16.3% in the period/05, against 1.1% in the period/04, impacting on foreign currency indexed and/or denominated loans and onlendings operations, which account for 44.5% of the Loan and Onlendings Portfolio.

The increase in expense is basically due to: (i) lower exchange loss variation of 5.5% in 3Q05, against 11.8% in 2Q05, impacting on foreign currency indexed and/or denominated loans and onlendings operations, which account for 44.5% of the Loan and Onlendings Portfolio.

## Net Interest Income

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
9,715	12,852	32.3	4,355	4,498	3.3

The variation in the period includes the income earned in the sale of our stake in Belgo-Mineira's capital stock in 1H05 of R\$ 327, as well as a portion of income from derivatives used for hedge effects of investments abroad, which in terms of net income simply annuls the tax effect of such hedge strategy in the period, R\$ 580. Excluding these amounts, the adjusted net interest income would be R\$ 9,715 in the period/04 and R\$ 11,945 in the period/05, i.e., R\$ 1,767 composed of (i) increase in interest income operations of R\$ 2,130, mainly due to a growth in the business volume and (ii) higher non-interest income of R\$ 463, basically due to higher TVM and treasury gains.

The net interest income includes R\$ 409 and R\$ 161 in 2Q05 and 3Q05, respectively, referring to a portion of income from derivatives used for hedge effects of investments abroad, which in terms of net income simply annuls the tax effect of such hedge strategy. Excluding these amounts, the adjusted net interest income would be of R\$ 3,946 in 2Q05 and R\$ 4,337 in 3Q/05, i.e., a R\$ 391 variation composed of: (i) increase in interest income operations of R\$ 292, mainly due to the growth in the business volume; and (ii) by an increase in non-interest income of R\$ 99.

## Allowance for Doubtful Accounts Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
1,553	1,737	11.8	562	540	(3.9)

The increased expense of R\$ 184 is compatible with the performance of our loan portfolio, which evolved approximately 25.5% over the past 12 months, pointing out individual client portfolio with 63.7%. This shows a solid commitment of Bradesco in the concession, recovery and follow-up of loan portfolio, evidenced by means of quality of our AA-C ratings portfolio, comprising 91.6% and 93.1% in September/04 and September/05, respectively.

A significant growth of loan operations in 3Q05, pointing out individuals caused the correspondent increment of PDD expenses, the amount of which was lower than the previous quarter, in view of reversal of provision recorded on a preventive basis in 1Q05 in the amount of R\$ 166, referring to operations granted to a large utilities concessionaire, as it concluded the process of adjusting its liabilities, its actual ability to pay.



## Fee Income

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
4,149	5,339	28.7	1,760	1,918	9.0

The increase in mainly due to a hike in the average volume of operations, combined with an increase in the customer base, fee realignment and improvement in the partnership index (cross-selling), as a result of the segmentation process, pointing out: (i) loan operations R\$ 355; (ii) checking account R\$ 288; (iii) income on cards R\$ 202; (iv) assets under management R\$ 124; (v) collection R\$ 68; and (vi) consortium management R\$ 45.

The variation in the quarter is mostly due to expansion of businesses, substantially reflecting on: (i) checking accounts R\$ 43; (ii) income on cards R\$ 31; (iii) assets under management R\$ 24; and (iv) loan operations R\$ 12.

## Retained Premiums from Insurance, Private Pension Plans and Savings Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
9,447	9,343	(1.1)	3,001	3,546	18.2

The variation is detailed in the charts below:

The variation is detailed in the charts below:

## a) Retained Premiums from Insurance

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
4,663	5,493	17.8	1,824	1,883	3.2

The variation in the period is basically resulted from: (i) increase in health insurance sales, substantially the corporate plan R\$ 382; (ii) the Auto/RCF sales R\$ 322, due to the launching of profile recording and review of fee system; and (iii) the Life insurance sales R\$ 99, mainly related to the launching of products for the lower income classes, pointing out the *Vida Segura Bradesco* (Bradesco Safe Life), with minimum price of R\$ 9.62/month.

Retained premiums from insurance remained practically stable in 3Q05 when compared to 2Q05, with a slight increase in the corporate health segment R\$ 56.

## b) Private Pension Plans Contributions

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
3,744	2,816	(24.8)	820	1,270	54.9

The variation in the period is substantially due to an increase in the amount of VGBL redemptions R\$ 916 and (ii) a drop in the selling of PGBL product R\$ 136; **mitigated:** (iii) by increased sale of VGBL product R\$ 55 and traditional products R\$ 69. The effects were influenced by changes in tax laws, which also led to the transfer of VGBL redemptions that would occur in 4Q04 to be carried out in 1Q05.

**Note:** according to SUSEP, the recording of VGBL redemptions reduces the retained contributions.

The variation in the quarter was mainly influenced: (i) by a growth in the selling of VGBL products R\$ 400 and PGBL R\$ 70; and lower volume of VGBL redemptions in 3Q05 R\$ 37.

**Note:** according to SUSEP, the recording of VGBL redemptions reduces the retained contributions.

c) Income on Savings Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
1,040	1,034	(0.6)	357	393	10.1

The income of savings bonds in the period/05 remained practically steady when compared to the period/04.

The variation in the quarter is mostly due to: (i) an increment in sales R\$ 56, basically related to the campaign of product Pé Quente Bradesco GP Ayrton Senna, in partnership with Ayrton Senna Institute; and (ii) increase in the trading of lump-sum payment bonds.

Variation in Technical Provisions for Insurance, Private Pension Plans and Savings Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(2,647)	(1,437)	(45.7)	(280)	(739)	163.9

The variation is detailed in the charts below:

The variation is detailed in the charts below:

## a) Variation in Technical Provisions for Insurance

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(162)	(580)	258.0	(124)	(64)	(48.4)

Variations in Technical Provisions for insurance are directly related to the sale of insurance in their respective effectiveness periods, the amounts of which in the period/05 were: (i) in the health portfolio R\$ 117; (ii) in the auto/RCF portfolio R\$ 108; and (ii) extraordinary provision in the amount of R\$ 324 was recorded in the Individual Health portfolio, to bring to the same level the premiums for insurance holders over 60 years of age whose health insurance plans are prior to the Law 9,656/98 and for benefits related to fully settled plans whose holders are still entitled to their benefits ( *planos remidos* ).

Variations in Technical Provisions for insurance are directly related to the sale of insurance in their respective effectiveness periods, the amounts of which in 3Q05 were: (i) health portfolio R\$ 48; and (ii) auto/RCF portfolio R\$ 20.

## b) Variation in Technical Provisions for Private Pension Plans

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(2,439)	(848)	(65.2)	(178)	(659)	270.2

The variation in technical provisions is directly related to new sales, combined with benefits and redemptions. The variation is due to a marked increase in VGBL/PGBL products redemptions and also lower sale of such products in the period/05, due to changes in the tax laws, and variations of the item of R\$ 900 for VGBL, R\$394 for PGBL and R\$ 297 for traditional plans.

Variations in technical provisions are directly related to new sales, combined with benefits and redemptions. In 3Q05, a great volume of sales with lower redemptions occurred in 3Q05, basically influencing the variations of item in VBGL R\$ 425 and PGBL R\$ 95 products.

## c) Variation in Technical Provisions for Savings Bonds

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(46)	(9)	(80.4)	22	(16)	

The amounts in both periods basically refer to technical provisions for contingencies, the needs of which were reduced in the period/05.

The amounts in both periods basically refer to technical provisions for contingencies. In 2Q05, a reversal of such technical provision occurred.

## Retained Claims

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(3,842)	(4,292)	11.7	(1,457)	(1,463)	0.4

The variation is mainly due to an increase in claims in the Health insurance line R\$ 334 (net of IBNR extraordinary provision, R\$ 276, occurred in the period/04, life insurance R\$ 54 and auto/RCF R\$ 40, although the loss ratio has improved from 84.6% in the period/04 to 81.4% in the period/05.

The retained claims, in nominal terms, remained practically steady, however the loss ratio has improved from 84.5% in 2Q/05 to 79.9% in 3Q/05.

## Savings Bonds Draws and Redemptions

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(931)	(897)	(3.7)	(314)	(337)	7.3

The redemptions are directly related to new sales. Revenues from savings bonds in the period/05 remained practically steady when compared to the period/04.

The redemptions are directly related to new sales. Sales increased in 3Q05 in view of campaign of the product Pé Quente Bradesco GP Ayrton Senna, in partnership with Ayrton Senna Institute and also due to higher sale of bonds lump-sum payment.

## Insurance, Private Pension Plans and Savings Bonds Selling Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(633)	(697)	10.1	(224)	(244)	8.9

The variation is detailed in the charts below:

The variation is detailed in the charts below:

## a) Insurance Products Selling Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(519)	(570)	9.8	(187)	(200)	7.0

The variation results, basically, from the growth in Auto/RCF insurance sales R\$46, however the ratio of selling expenses to premiums earned has improved in the period/05 when compared to the period/04.

The variation in the quarter mainly derives from growth in life segment R\$6 and auto/RCF segment R\$4.

b) Private Pension Plans Selling Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(114)	(115)	0.9	(34)	(39)	14.7

The selling expenses remained practically steady in the period/05, when compared to the period/04.

The variation in the selling expenses in the quarter was mainly influenced by higher sales in 3Q05 of VGBL product R\$ 3 and traditional plans R\$ 4.

c) Savings Bonds Selling Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
	(12)		(3)	(5)	66.7

The variation derives from the onlending related to the use of brands of SOS Mata Atlântica Foundation and Ayrton Senna Institute, started in the period/05.

The variation derives from a higher onlending related to the use of brands of SOS Mata Atlântica Foundation and Ayrton Senna Institute in 3Q05.

## Private Pension Plans Benefits and Redemptions Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(1,619)	(1,989)	22.9	(628)	(616)	(1.9)

The variation of this item was due to an increase in the payment of private pension plans redemptions and also due to the characteristics of PGBL plans, allowing the participant to redeem at any time, observing the grace period, besides the change in withholding income tax for redemptions, which also led to the transfer of redemptions that would occur in 4Q04 to be carried out in 1Q05. In the period/05, a greater variation occurred in PGBL R\$ 463.

Benefits and redemptions expenses remained practically steady in the analyzed quarters.

## Personnel Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(3,685)	(3,950)	7.2	(1,246)	(1,483)	19.0

The variation for the period was mainly due to: (i) payroll increase, as a result of the collective bargaining agreement of 8.5% in 2004, benefits and others R\$ 306; (ii) effect of collective bargaining agreement of 6.0% in 2005 of R\$ 38, of which R\$ 24 refers to labor liabilities restatement and R\$ 14 due to increase in payroll; (iii) higher bonus lump-sum payment in September/05 of R\$ 103, against R\$ 14 in September/04; (iv) higher employee profit sharing expenses R\$ 95; **mitigated** by: (v) lower labor claims provisions expenses R\$ 79; and (vi) decrease in personnel expenses as a result of the synergy in administrative activities estimated in R\$ 184.

The variation of this item is basically due to: (i) effect of collective bargaining agreement of the category of 6.0% of R\$ 38, of which R\$ 24 refers to labor liabilities restatement and R\$ 14 due to increase in payroll; (ii) bonus lump-sum payment of R\$ 103; and (iii) higher labor provision and employment contract termination expenses of R\$ 99.



## Other Administrative Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(3,649)	(3,703)	1.5	(1,240)	(1,271)	2.5

A slight fluctuation of this item in the period is due to the success in the efforts to control such expenses. The nominal change in this item shows a R\$ 54 increase, lower than the average inflation in the period.

The increase in the quarter basically results from higher expenses related to: (i) third-party services R\$ 16, mainly due to increase in business volume, as well as investments in the improvement and optimization of IT platform; and (ii) data processing R\$ 6; and (iii) materials R\$ 7.

## Tax Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(1,053)	(1,377)	30.8	(497)	(475)	(4.4)

This variation basically derives from: (i) PIS/COFINS increased expenses R\$ 258, as a result of higher taxable income that includes income from derivatives used for hedge effect of investment abroad; (ii) ISS increased expenses R\$ 35, as a result of a change in legislation; and (iii) CPMF increased expenses R\$ 36, substantially due to the application of funds obtained via issuance of debentures by Bradesco Leasing in 2Q05.

The variation in the quarter mainly results from: (i) decreased expenses for CPMF \$27, mainly due to the application of funds obtained via issuance of debentures by Bradesco Leasing in 2Q05; partially **offset**: (ii) by ISS increased expenses R\$ 5.

## Equity in the Earnings of Affiliated Companies

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
118	69	(41.5)	10	64	540.0

The variation is mostly due to lower results obtained in the affiliated companies in the period/05, when compared to the period/04, pointing out the following investments: IRB-Brasil Resseguros R\$ 25; and American BankNote R\$ 9.

The variation basically, derives from better results obtained in the affiliated companies in 3Q05, when compared to 2Q05, pointing out the following investments: IRB-Brasil Resseguros R\$ 49; and American BankNote R\$ 5.

## Other Operating Income

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
888	797	(10.2)	259	238	(8.1)

The variation is basically due to: (i) lower recovery of charges and expenses R\$ 23; (ii) lower income on sale of goods R\$ 25 and (iii) lower reversal of operating provisions R\$ 17.

The variation mainly derives from: (i) lower reversal of other operating provisions R\$ 69; **offset** by: (ii) higher financial income R\$ 38; and (iii) higher income on the sale of goods and recovery of charges and expenses R\$ 7.

## Other Operating Expenses

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(2,122)	(2,341)	10.3	(791)	(846)	7.0

The variation in the period mainly derives from: (i) increased financial expenses R\$ 122; and (ii) increase in discounts granted in loan operations R\$ 123; (iii) social charges provision over bonus-lump-sum payment R\$ 36; **offset** by: and (iv) operating provisions R\$ 97.

The variation in the quarter is basically due to: (i) increases in discounts granted in loan operations R\$ 44; **offset** by: (ii) lower costs of services rendered R\$ 14; (iii) social charges provision over bonus-lump-sum payment R\$ 36; and (iv) other financial expenses R\$ 6.

## Operating Income

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
2,583	5,980	131.5	2,146	2,250	4.8

The variation derives from: (i) higher net interest income R\$ 3,137; (ii) increased fee income R\$ 1,190; (iii) increase in contribution margin of insurance, private pension plan and savings bonds operations R\$ 256; partially **offset** by: (iv) higher allowance for doubtful accounts expenses R\$ 184; (v) higher tax expenses R\$ 324; (vi) increased personnel and administrative expenses R\$ 319; (vii) reduced equity in the earnings of affiliated companies R\$ 49; and (viii) increased operating expenses (net of income) R\$ 310. For a more detailed analysis of the variation of each item, we recommend you to read each specific item.

The variation derives from: (i) higher net interest income R\$ 143; (ii) lower allowance for doubtful accounts expenses R\$ 22; (iii) higher fee income R\$ 158; (iv) increased contribution margin of insurance, private pension plans and savings bonds operations R\$ 49; (v) higher equity in the earnings of affiliated companies R\$ 54; and (vi) lower tax expenses R\$ 22; partially **offset** by: (vii) increased personnel and administrative expenses R\$ 268; and (viii) increased operating expenses (net of income) R\$ 76. For a more detailed analysis of the variation of each item, we recommend you to read each specific item.

## Non-Operating Income

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(343)	(37)	(89.2)	(21)	(10)	(52.4)

The variation is mainly due the extraordinary goodwill amortization occurred in the period/04 R\$ 237 and lower losses in the sale of assets and investments R\$ 31.

The variation in the quarter is basically due to lower losses in the sale of assets and investments.

## Income Tax and Social Contribution

September YTD			2005		
2004	2005	Variation %	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation %
(233)	(1,888)	710.3	(708)	(807)	14.0

The income tax and social contribution expenses include in the period/05 R\$ 507 referring to the taxation of partial income on hedge of investments abroad, as well as tax charge over earnings before taxes, adjusted by additions and exclusions, as per Note 35.

The income tax and social contribution expenses include R\$ 357 and R\$ 141 in 2Q and 3Q05, respectively, referring to the partial income on derivatives used for hedge effect of investments abroad, as well as tax charge over earnings before taxes, adjusted by additions and exclusions, as per Note 35.

## Comparative Balance Sheet

Assets	R\$ million					
	September			2005		
	2004	2005	Variation %	June	September	Variation %
<b>Current and Long-Term Assets</b>	<b>174,737</b>	<b>197,383</b>	<b>13.0</b>	<b>189,981</b>	<b>197,383</b>	<b>3.9</b>
<b>Funds Available</b>	<b>2,386</b>	<b>2,600</b>	<b>9.0</b>	<b>3,082</b>	<b>2,600</b>	<b>(15.6)</b>
<b>Interbank Investments</b>	<b>25,126</b>	<b>24,150</b>	<b>(3.9)</b>	<b>23,374</b>	<b>24,150</b>	<b>3.3</b>
<b>Marketable Securities and Derivative Financial Instruments</b>	<b>58,155</b>	<b>64,248</b>	<b>10.5</b>	<b>64,441</b>	<b>64,248</b>	<b>(0.3)</b>
<b>Interbank and Interdepartmental Accounts</b>	<b>15,336</b>	<b>16,458</b>	<b>7.3</b>	<b>16,259</b>	<b>16,458</b>	<b>1.2</b>
Restricted Deposits:						
Brazilian Central Bank	14,244	15,430	8.3	15,298	15,430	0.9
Other	1,092	1,028	(5.9)	961	1,028	7.0
<b>Loan And Leasing Operations</b>	<b>49,859</b>	<b>65,492</b>	<b>31.4</b>	<b>59,928</b>	<b>65,492</b>	<b>9.3</b>
Loan and Leasing Operations	53,832	69,984	30.0	64,237	69,984	8.9
Allowance for Doubtful Accounts	(3,973)	(4,492)	13.1	(4,309)	(4,492)	4.2
<b>Other Receivables and Assets</b>	<b>23,875</b>	<b>24,435</b>	<b>2.3</b>	<b>22,897</b>	<b>24,435</b>	<b>6.7</b>
Foreign Exchange Portfolio	8,960	8,140	(9.2)	7,672	8,140	6.1
Other Receivables and Assets	15,123	16,450	8.8	15,367	16,450	7.0
Allowance for other doubtful accounts	(208)	(155)	(25.5)	(142)	(155)	9.2
<b>Permanent Assets</b>	<b>4,966</b>	<b>4,530</b>	<b>(8.8)</b>	<b>4,561</b>	<b>4,530</b>	<b>(0.7)</b>
<b>Investments</b>	<b>971</b>	<b>1,038</b>	<b>6.9</b>	<b>1,020</b>	<b>1,038</b>	<b>1.8</b>
<b>Property, Plant and Equipment in Use and Leased Assets</b>	<b>2,288</b>	<b>2,054</b>	<b>(10.2)</b>	<b>2,088</b>	<b>2,054</b>	<b>(1.6)</b>
<b>Deferred Charges</b>	<b>1,707</b>	<b>1,438</b>	<b>(15.8)</b>	<b>1,453</b>	<b>1,438</b>	<b>(1.0)</b>
Deferred Charges	477	534	11.9	489	534	9.2
Goodwill on Acquisition of Subsidiaries, Net of Amortization	1,230	904	(26.5)	964	904	(6.2)
<b>Total</b>	<b>179,703</b>	<b>201,913</b>	<b>12.4</b>	<b>194,542</b>	<b>201,913</b>	<b>3.8</b>
<b>Liabilities</b>						
<b>Current and Long-Term Liabilities</b>	<b>164,907</b>	<b>183,542</b>	<b>11.3</b>	<b>176,982</b>	<b>183,542</b>	<b>3.7</b>
<b>Deposits</b>	<b>64,787</b>	<b>71,095</b>	<b>9.7</b>	<b>71,654</b>	<b>71,095</b>	<b>(0.8)</b>
Demand Deposits	14,782	14,774	(0.1)	14,892	14,774	(0.8)
Savings Deposits	23,186	24,791	6.9	24,517	24,791	1.1
Interbank Deposits	14	89	535.7	46	89	93.5
Time Deposits	26,805	31,262	16.6	32,043	31,262	(2.4)
Other Deposits		179		156	179	14.7
<b>Funds Obtained in the Open Market</b>	<b>21,551</b>	<b>24,538</b>	<b>13.9</b>	<b>20,957</b>	<b>24,538</b>	<b>17.1</b>
<b>Funds from Issuance of Securities</b>	<b>6,116</b>	<b>6,161</b>	<b>0.7</b>	<b>6,677</b>	<b>6,161</b>	<b>(7.7)</b>
Securities Issued Abroad	5,227	2,573	(50.8)	3,231	2,573	(20.4)
Other Funds	889	3,588	303.6	3,446	3,588	4.1
<b>Interbank and Interdepartmental Accounts</b>	<b>1,739</b>	<b>1,883</b>	<b>8.3</b>	<b>1,466</b>	<b>1,883</b>	<b>28.4</b>

<b>Borrowings and Onlendings</b>	<b>16,715</b>	<b>15,241</b>	<b>(8.8)</b>	<b>14,999</b>	<b>15,241</b>	<b>1.6</b>
Borrowings	8,695	6,470	(25.6)	6,477	6,470	(0.1)
Onlendings	8,020	8,771	9.4	8,522	8,771	2.9
<b>Derivative Financial Instruments</b>	<b>308</b>	<b>1,043</b>	<b>238.6</b>	<b>1,619</b>	<b>1,043</b>	<b>(35.6)</b>
<b>Technical Provisions for Insurance, Private Pension Plans and Savings</b>						
<b>Bonds</b>	<b>31,585</b>	<b>38,235</b>	<b>21.1</b>	<b>36,533</b>	<b>38,235</b>	<b>4.7</b>
<b>Other Liabilities</b>	<b>22,106</b>	<b>25,346</b>	<b>14.7</b>	<b>23,077</b>	<b>25,346</b>	<b>9.8</b>
Foreign Exchange Portfolio	3,974	4,042	1.7	3,181	4,042	27.1
Taxes and Social Security Contributions, Social and Statutory Payables	5,208	6,647	27.6	5,870	6,647	13.2
Subordinated Debt	6,089	6,499	6.7	6,496	6,499	
Sundry	6,835	8,158	19.4	7,530	8,158	8.3
<b>Deferred Income</b>	<b>44</b>	<b>55</b>	<b>25.0</b>	<b>58</b>	<b>55</b>	<b>(5.2)</b>
<b>Minority Interest in Subsidiaries</b>	<b>74</b>	<b>54</b>	<b>(27.0)</b>	<b>54</b>	<b>54</b>	
<b>Stockholders Equity</b>	<b>14,678</b>	<b>18,262</b>	<b>24.4</b>	<b>17,448</b>	<b>18,262</b>	<b>4.7</b>
<b>Total</b>	<b>179,703</b>	<b>201,913</b>	<b>12.4</b>	<b>194,542</b>	<b>201,913</b>	<b>3.8</b>

**Equity Analysis R\$ million**

## Available Funds

September			2005		
2004	2005	Variation %	June	September	Variation %
2,386	2,600	9.0	3,082	2,600	(15.6)

The increase in the period derived from: (i) increase in the volume of available funds in domestic currency R\$ 461, **offset** by: (ii) decreased volume of foreign currency R\$ 247.

The variation in the quarter is due to: (i) reduction in the volume of available funds in domestic currency R\$ 237; and (ii) reduction in the volume of available funds in foreign currency R\$ 245.

## Interbank Investments

September			2005		
2004	2005	Variation %	June	September	Variation %
25,126	24,150	(3.9)	23,374	24,150	3.3

The variation in the period derives: (i) from reduction in open market investments, own portfolio position R\$ 1,503, which was partially **offset** by: (ii) increased investment in interbank deposits R\$ 437; and (iii) increase in open market investments, third-party portfolio position of R\$ 90.

The increase in the quarter is due to: (i) increased investments in the open market, third-party portfolio position R\$ 1,496; (ii) increased investments in the interbank deposits R\$ 2,282. and **offset** by: (iii) reduction in open market investments, own portfolio position R\$ 3,002.



## Marketable Securities (TVM) and Derivative Financial Instruments

September			2005		
2004	2005	Variation %	June	September	Variation %
58,155	64,248	10.5	64,441	64,248	(0.3)

The increase in the period is mainly due to: (i) additional funds derived from the increase in funding, particularly technical provisions for insurance, private pension plans and savings bonds, as well as the issuance of perpetual subordinated debt of R\$ 710, partially **mitigated** by: (ii) exchange loss variation of 22.3% for the period, impacting on foreign currency indexed and/or denominated securities, which comprise 10.6% of the portfolio; and (iii) the redemption/maturity of securities. The analysis (excluded from purchase and sale commitments) of portfolio profile, based on Management's intent, does not reveal significant changes in its distribution, from 70.5% to 75.7% of Trading Securities; from 20.5% to 16.7% of Securities Available for Sale; and from 9.1% to 7.6% of Securities Held to Maturity. In September/05, 55.3% of the total portfolio (excluded from purchase and sale commitments) was represented by Government Bonds, 24.3 % by Private Securities and 20.4% by PGBL and VGBL fund quotas.

The variation in the quarter partially reflects: the exchange loss variation of 5.5% in the quarter, which impacted on the foreign currency indexed and/or denominated securities, which compose 10.6% of the portfolio. The analysis (excluded from purchase and sale commitments) of portfolio profile, based on the Management's intent, reveals the following distributions in the quarters: Trading Securities from 72.6% to 75.7%; Securities Available for Sale, from 19.8% to 16.7%; and Securities Held to Maturity were maintained at 7.6%.

## Interbank and Interdepartmental Accounts

September			2005		
2004	2005	Variation %	June	September	Variation %
15,336	16,458	7.3	16,259	16,458	1.2

The variation for the period basically reflects (i) the increase in compulsory deposits volume of R\$ 1,187, due to an expansion in average balance of demand deposits, basis for payment in respective periods, from R\$ 13,451 in 2004 to R\$ 14,749 in 2005; and (ii) the increase in balance of savings deposits at 6.9% in the period.

The variation in the quarter mainly results from: (i) increase in the volume of compulsory deposits due to higher balance of savings deposits at 1.1% in the quarter.

## Loan and Leasing Operations

September			2005		
2004	2005	Variation %	June	September	Variation %
59,976	75,244	25.5	69,787	75,244	7.8

Growth for the period was mainly due to: (i) the individual client portfolio, a 63.7% growth, in particular in the Auto products, up by 64.6%, Personal Loan, up by 115.2% and CDC Store, up by 313.4%, reflecting the operating agreements recently executed with retailers, combined with an economy scenario of falling unemployment rates and upturn of real income. In the corporate portfolio, the growth rate was of 8.2%, as a result of the 23.6% increase in the small and medium-sized companies (SME) portfolio, coupled with a 3.1% decrease in the portfolio of large companies (Large Corporate), in view of the exchange loss variation of the period, as well as new funding opportunities in the capital markets. In the corporate portfolio we point out the products Working Capital, up by 28.5%, Auto, up by 62.1% and Overdraft- Secured Account, up by 18.7%, following the maintenance of the economic activity level; partially **offset** by: (ii) exchange loss variation of 22.3% for the period, affecting foreign currency indexed and/or denominated contracts, comprising 8.3% of the total portfolio. In September/05, the portfolio was distributed at 59.3% for corporate and 40.7% for individuals. In terms of concentration, the 100 largest borrowers accounted for 30.1% of the portfolio in September/04 and for 22.9% in September/05. Out of the Total Loan Portfolio under Normal Course in September/05, in the amount of R\$ 70,243, 38.3% is falling due within up to 90 days.

**Note:** this item includes advances on foreign exchange contracts and other receivables and does not include the

The growth of the quarter is mainly due to: (i) individuals portfolio, with a 14.0% growth, especially in the Auto products, with a 8.0% increase, Personal Loan, with a 19.3% increase and CDC Store with a 68.4% increase, reflecting the operating agreements recently executed with retailers, combined with an economy scenario of falling unemployment rates and upturn of income. The 4.0% growth recorded in the corporate portfolio results from a 6.9% hike in the portfolio of small and medium-sized companies (SME) and a 1.4% increase in the portfolio of large companies (Large Corporate). In the corporate portfolio, we point out Compror with a 44.8% increase, Auto, with a 19.2% growth and Overdraft Secured Account, with a 4.5% increase, resulting from the maintenance of economic activity level; partially **offset** by: (ii) exchange loss variation of 5.5% in the quarter, affecting foreign currency indexed and/or denominated contracts, which account for 8.3% of total portfolio. In terms of concentration, the 100 largest borrowers accounted for 24.3% of the portfolio in June/05 and 22.9% in September/05.

**Note:** this item includes advances on foreign exchange contracts and other receivables and does not include the allowance for doubtful accounts, as described in Note 12.

allowance for doubtful accounts, as described in Note 12.

## Allowance for Doubtful Accounts (PDD)

September			2005		
2004	2005	Variation %	June	September	Variation %
(4,181)	(4,647)	11.1	(4,450)	(4,647)	4.4

The variation in the PDD balance for the period was mostly due to: (i) a 25.5% increase in the volume of loan operations, pointing out individual clients operations, with a 63.7% increase, which due to its specific feature, requires a higher volume of provisioning; **mitigated:** (ii) by result of continuous improvement of loan portfolio quality. On a comparative basis, PDD ratio in relation to the loan portfolio decreased from 7.0% in September/04 to 6.2% in September/05, and provision coverage ratio in relation to the loan operation under abnormal course, respectively, rated between E and H, decreased from 192.2% in September/04 to 191.5% in September/05, and between D and H, reduced from 165.1% in September/04 to 159.6% in September/05. Such ratios reflect the conservativeness adopted in the recording of provisions, in view of the loan portfolio quality, as a result of our safe, selective and consistent loan concession strategy, coupled with the current level of Brazilian economic activity. During the period, R\$ 2,226 was recorded as PDD and R\$ 1,760 was written-off. Additional PDD over minimum requirements increased from R\$ 913 in September/04 to R\$ 952 in September/05.

The variation in the PDD balance in the quarter basically reflects: (i) a 7.8% growth of the loan portfolio in the quarter, particularly, the individual client portfolio with a 14.0% growth, which, due to its specific features, demands a higher provisioning volume; **offset** by: (ii) a reversal of PDD recorded on a preventive basis in 1Q05 of R\$ 166 referring to loan operations granted to an utilities concessionaire, as it adjusted its liabilities to its real ability to pay. Comparatively, the PDD ratio in relation to the loan portfolio decreased from 6.4% in June/05 to 6.2% in September/05, and the provision coverage ratios in relation to the loan portfolio under abnormal course, respectively, rated from E to H, decreased from 197.2% in June/05 to 191.5% in September/05, and those rated from D to H increased from 158.1% in June/05 to 159.6% in September/05. Such ratios reflect the conservativeness adopted in the recording of provisions, in view of the quality of loan portfolio, arising from safe, selective and consistent strategy of loan concession, complied with the current level of the economic activity in the country. In the quarter, PDD was recorded in the amount of R\$ 540 and R\$ 343 was written-off. Additional PDD over minimum requirements increased from R\$ 946 in June/05 to R\$ 952 in September/05.

## Other Receivables and Assets

September			2005		
2004	2005	Variation %	June	September	Variation %
23,557	24,060	2.1	22,578	24,060	6.6

The variation in the period is basically due to: (i) a R\$ 730 increase in credit cards operations not included in the loan operations; (ii) increase in the item Trading and Intermediation of Amounts R\$ 590; and partially offset (iii) by a decrease in the foreign exchange portfolio R\$ 820.

**Note:** balances are deducted (net of corresponding PDD) of R\$ 318 in September/04 and of R\$ 375 in September/05, allocated to the Loan Operations and Leasing Operations and Allowance for Doubtful Accounts items.

The variation in the quarter is basically due to: (i) a R\$ 468 increase in the exchange portfolio volume; (ii) and a R\$ 420 increase in credit cards operations not included in the loan operations; and (iii) a R\$ 373 increase in the balance of item Negotiation and Intermediation of Amounts, mostly related to the settlement of intermediation operations of publicly-held companies stocks.

**Note:** balances are deducted (net of corresponding PDD) of R\$ 319 in June/05 and of R\$ 375 in September/05, allocated to the Loan and Leasing Operations and Allowance for Doubtful Accounts items.

## Permanent Assets

September			2005		
2004	2005	Variation %	June	September	Variation %
4,966	4,530	(8.8)	4,561	4,530	(0.7)

The variation in the quarter is mostly due to: (i) goodwill amortization in subsidiaries R\$ 482, of which R\$ 132 were extraordinarily amortized in the period; (ii) depreciation and amortization in the period; (iii) sale of stake in the company CP Cimento R\$ 62; partially **offset** by: (iv) the goodwill on the acquisition of Morada Serviços R\$ 78; and (v) equity in the earnings of subsidiaries verified in the period.

The variation in the quarter was substantially due to: (i) goodwill amortization in subsidiaries, R\$ 86; (ii) depreciation and amortization in the quarter; and **offset:** (iii) by equity in the earnings of subsidiaries verified in the quarter.

## Deposits

September			2005		
2004	2005	Variation %	June	September	Variation %
64,787	71,095	9.7	71,654	71,095	(0.8)

The variation is detailed in the charts  
below:

The variation is detailed in the charts  
below:

40

---



## a) Demand Deposits

September			2005		
2004	2005	Variation %	June	September	Variation %
14,782	14,774	(0.1)	14,892	14,774	(0.8)

Demand deposits remained practically steady in the period.

Demand deposits remained practically stable.

## b) Savings Deposits

September			2005		
2004	2005	Variation %	June	September	Variation %
23,186	24,791	6.9	24,517	24,791	1.1

The increase in the period is basically due to: (i) the remuneration of deposits (TR + 0.5% p.m.) reaching 9.0%, in the period; and (ii) increase in the customer base; and **mitigated** (iii) by withdrawals occurred in the period.

The increase in the quarter is basically due to: (i) the remuneration of deposits (TR + 0.5% p.m.) reaching 2.4% in the quarter; and **mitigated**: (ii) by withdrawals occurred in 3Q05.



## c) Time Deposits

September			2005		
2004	2005	Variation %	June	September	Variation %
26,805	31,262	16.6	32,043	31,262	(2.4)

The increase in the period is basically due to: (i) the remuneration of the period, **mitigated** by migration of funds, mainly from institutional investors to other funding forms, mainly by means of issuance of debentures.

The decrease in the quarter is basically due to the migration of funds, mainly from institutional investors to other funding forms, mainly by means of issuance of debentures.

## d) Interbank Deposits and Other Deposits

September			2005		
2004	2005	Variation %	June	September	Variation %
14	268	1,814.3	202	268	32.7

The variation is mostly due to the investment account, which became effective on October 1, 2004.

The variation results from: (i) a hike in the volume of interbank deposits account R\$ 43 and: (ii) a volume increase in the investment account R\$ 23.



## Funds Obtained in the Open Market

September			2005		
2004	2005	Variation %	June	September	Variation %
21,551	24,538	13.9	20,957	24,538	17.1

The variation of balance in the period mainly derives from an increase in funding volume, using the funds backed by debentures issued of R\$ 2,892.

**Note:** These include assets under management invested in purchase and sale commitments with Bradesco, whose owners are subsidiaries included in the consolidated financial statements, in the amount of R\$ 8,518 in September/04 and R\$ 8,238 in September/05.

The variation of balance in the quarter derives: (i) from an increase in funding volume, using the funds backed by debentures issued of R\$ 2,078; and (ii) increase in the third-party portfolio R\$ 1,496.

**Note:** These include assets under management invested in purchase and sale commitments with Bradesco, whose owners are subsidiaries included in the consolidated financial statements, in the amount of R\$ 7,382 in June/05 and R\$ 8,238 in September/05.

## Funds from Issuance of Securities

September			2005		
2004	2005	Variation %	June	September	Variation %

6,116

6,161

0.7

6,677

6,161

(7.7)

The variation basically derives from: (i) increased volume of marketable securities issued in Brazil at R\$ 2,698, mainly in view of the issuance of debentures; **offset:** (ii) by a decreased volume of marketable securities issued abroad at R\$ 2,653, mainly in view of redemptions of Eurobonds and Commercial Papers, overdue and not renewed, as well as from the partial settlement of our securitization operation of future flow of payment orders received abroad; and (iii) by exchange loss variation of 22.3% in the period, which impacted on the funds from issuance of securities abroad, the balances of which were R\$ 5,227 in September/04 and R\$ 2,574 in September/05 as per Note 18c.

The variation in the quarter basically derives from: (i) decreased volume of marketable securities issued abroad, mainly in view of the partial settlement of our securitization operation of future flow of payment orders received abroad in the amount of US\$200; and (ii) exchange loss variation of 5.5% in the quarter, which impacted on funds from issuance of securities abroad, the balances of which were R\$ 3,231 in June/05 and R\$ 2,574 in September/05, as per Note 18c.

## Interbank and Interdepartmental Accounts

September			2005		
2004	2005	Variation %	June	September	Variation %
1,739	1,883	8.3	1,466	1,883	28.4

The variation is basically due to higher volume of foreign currency payment orders, summing up R\$ 216.

The variation in the quarter is basically due to higher volume of foreign currency payment orders, summing up R\$ 373.

## Borrowings and Onlendings

September			2005		
2004	2005	Variation %	June	September	Variation %
16,715	15,241	(8.8)	14,999	15,241	1.6

The decrease mainly arises from: (i) exchange loss variation of 22.3% in the period, which impacted on the foreign currency indexed and/or denominated loans and onlendings, the balances of which were R\$ 9,241 in

The variation in the quarter mainly results from: (i) an increase in the volume of funds from loans and onlendings in the country of R\$ 250, mainly by means of FINAME onlendings, which was partially **offset** by

September/04 and R\$ 6,776 in September/05 (26.7% reduction), partially **offset:** (ii) by an increase in the volume of loans and onlendings in the country R\$ 799, mainly by means of FINAME onlendings. exchange loss variation of 5.5% in the quarter, impacting on the foreign currency indexed and/or denominated loans and onlendings, the balances of which were R\$ 6,782 in June/05 and R\$ 6,776 in September/05.



## Technical Provisions for Insurance. Private Pension Plans and Savings Bonds

September			2005		
2004	2005	Variation %	June	September	Variation %
31,585	38,235	21.1	36,533	38,235	4.7

The increase in the period is mainly due to: (i) growth in sales of supplementary private pension plans and insurance policies, and (ii) restatement and interest of technical provisions. Largest variations recorded were: in the private pension segment, VGBL plans at R\$ 3,693 and PGBL plans at R\$ 957, and in the insurance segment, provisions for Auto/RCF at R\$ 320, as well as for Health segment R\$ 679, which includes R\$ 324 extraordinarily recorded in 1Q05, to set out the leveling of premiums for insured above 60 years of age of plans prior to the Law 9,656/98 and benefits related to fully settled plans whose holders are still entitled to their benefits ( *planos remidos* ).

The increase in the quarter is basically due to: (i) restatement and interest of technical provisions, and (ii) increment in the sales of supplementary private pension plans and insurance policies. The largest variations recorded were: (a) in the private pension segment, in VGBL plans at R\$ 1,137 and PGBL plans at R\$ 386, (b) in the insurance segment, in health segment provisions at R\$ 84 and Auto/RCF at R\$ 49, and (c) capitalization segment at R\$ 83.

Other Liabilities. Derivative Financial Instruments and Deferred Income

September			2005		
2004	2005	Variation %	June	September	Variation %
28,076	31,174	11.0	29,843	31,174	4.5

The variation in the period basically derives from: (i) increase in the balance of items Tax and Social Security and Derivative Financial Instruments of R\$ 1,057 and R\$ 735, respectively, (ii) the issuance of perpetual debt of R\$ 710, (iii) Trading and Intermediation of Amounts at R\$ 502, and partially **mitigated:** (iv) by exchange loss variation of 22.3% in the period impacting on the balance of foreign exchange portfolio and foreign currency subordinated debt.

**Note:** excludes advances on foreign exchange contracts of R\$ 5,618 and R\$ 4,729, allocated to the specific account in loan operations in September/04 and September/05, respectively.

The increase in the quarter is mainly due to: (i) increase in the balance of items Fiscal and Pension Plans Activities and Foreign Exchange Portfolio at R\$ 531 and R\$ 502, respectively, partially **offset:** (ii) by exchange loss variation of 5.5% in the quarter, impacting on the balance of foreign exchange portfolio and foreign currency subordinated debt.

**Note:** excludes advances on foreign exchange contracts of R\$ 5,089 and R\$ 4,729, allocated to the specific account in loan operations in June/05 and September/05, respectively.

## Minority Interest in Subsidiaries

September			2005		
2004	2005	Variation %	June	September	Variation %
74	54	(27.0)	54	54	

The reduction in the period is basically resulted from the full incorporation of Bradesco Seguros minority stockholders into Banco Bradesco. This item remained practically stable in the quarter.

## Stockholders` Equity

September			2005		
2004	2005	Variation %	June	September	Variation %
14,678	18,262	24.4	17,448	18,262	4.7

This variation in the period is due to: (i) appropriation of net income for the period R\$ 5,110, (ii) capital increase which became effective R\$ 712, (iii) record of goodwill on stocks subscription R\$ 24, partially **offset:** (iv) by a

This variation in the quarter is due to: (i) appropriation of net income for the period R\$ 1,430, (ii) increase in reserve for TVM and derivatives mark-to-market adjustment R\$ 71, which partially was **offset:** (iii) by the

reduction in the reserve for marketable securities and derivatives mark-to-market adjustment R\$ 222, (v) by the acquisition of own treasury stocks R\$ 163, and (vi) interest on own capital paid and accrued R\$ 1,877.

acquisition of own treasury stocks R\$ 75, and (iv) interest on own capital paid and accrued R\$ 612.

## **2 - Main Statement of Income Information**

---

**Consolidated Statement of Income** R\$ thousand

	<b>September</b>			<b>Year</b>		
	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<b>Revenues from Financial Intermediation</b>	<b>23,760,872</b>	<b>26,203,227</b>	<b>28,033,866</b>	<b>31,913,379</b>	<b>21,411,673</b>	<b>15,519,008</b>
Loan Operations	11,483,992	12,731,435	12,294,528	15,726,929	11,611,236	7,787,745
Leasing Operations	315,742	300,850	307,775	408,563	420,365	512,962
Security Transactions	3,315,154	4,921,179	7,832,965	9,527,663	7,367,600	6,122,486
Financial Result on Insurance Premiums, Private Pension Plans and Savings Bonds	4,749,475	5,142,434	5,359,939	3,271,913		
Derivative Financial Instruments	2,444,561	1,238,890	55,192	(2,073,247)	(270,572)	
Foreign Exchange Transactions	320,810	691,302	797,702	4,456,594	2,045,092	872,234
Compulsory Deposits	1,131,138	1,177,137	1,385,765	594,964	237,952	223,581
<b>Expenses from Financial Intermediation</b>	<b>10,908,668</b>	<b>12,972,347</b>	<b>14,752,199</b>	<b>20,441,257</b>	<b>11,302,709</b>	<b>7,680,225</b>
Funding Operations	7,571,790	8,486,003	10,535,497	10,993,327	6,986,027	5,521,407
Price-level Restatement and Interest on Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	2,713,586	3,215,677	3,120,342	2,241,283		
Borrowings and Onlendings	616,036	1,253,175	1,083,379	7,194,161	4,316,682	2,158,725
Leasing Operations	7,256	17,492	12,981	12,486		93
<b>Net Interest Income</b>	<b>12,852,204</b>	<b>13,230,880</b>	<b>13,281,667</b>	<b>11,472,122</b>	<b>10,108,964</b>	<b>7,838,783</b>
Allowance for Doubtful Accounts	1,736,646	2,041,649	2,449,689	2,818,526	2,010,017	1,451,912
<b>Revenues from Financial Intermediation</b>	<b>11,115,558</b>	<b>11,189,231</b>	<b>10,831,978</b>	<b>8,653,596</b>	<b>8,098,947</b>	<b>6,386,871</b>
<b>Other Operating Income (Expenses)</b>	<b>(5,135,596)</b>	<b>(7,071,120)</b>	<b>(7,278,870)</b>	<b>(6,343,850)</b>	<b>(5,324,166)</b>	<b>(4,647,041)</b>
Fee Income	5,339,316	5,824,368	4,556,861	3,711,736	3,472,560	3,042,699
Operating Income on Insurance, Private Pension and Savings Bonds	30,677	(60,645)	(148,829)	658,165	(587,842)	(505,369)
Insurance Retained Premiums, Private Pension Plans and Savings Bonds	9,343,304	13,283,677	11,726,088	10,134,873	8,959,259	6,919,942
Net Premiums Written	11,740,973	15,389,170	13,111,896	10,687,384	9,413,039	7,258,148
Reinsurance Premiums and Redeemed Premiums	(2,397,669)	(2,105,493)	(1,385,808)	(552,511)	(453,780)	(338,206)
Variation in Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	(1,437,169)	(3,964,106)	(3,670,163)	(2,784,647)	(3,492,217)	(3,001,118)
Retained Claims	(4,291,790)	(5,159,188)	(3,980,419)	(3,614,963)	(3,251,706)	(2,511,146)
Savings Bonds draws and redemptions	(897,370)	(1,223,287)	(1,099,554)	(720,932)	(744,402)	(355,243)

Edgar Filing: BANK BRADESCO - Form 6-K

Insurance, Pension Plan, Savings						
Bonds Selling Expenses	(697,693)	(867,094)	(762,010)	(667,527)	(689,352)	(645,020)
Expenses with Pension Plans						
Benefits and Redemptions	(1,988,605)	(2,130,647)	(2,362,771)	(1,688,639)	(1,369,424)	(912,784)
Personnel Expenses	(3,950,205)	(4,969,007)	(4,779,491)	(4,075,613)	(3,548,805)	(3,220,607)
Other Administrative Expenses	(3,702,674)	(4,937,143)	(4,814,204)	(4,028,377)	(3,435,759)	(2,977,665)
Tax Expenses	(1,377,008)	(1,464,446)	(1,054,397)	(847,739)	(790,179)	(670,138)
Equity in the Earnings of Affiliated Companies	68,869	163,357	5,227	64,619	70,764	156,300
Other Operating Income	797,020	1,198,532	1,697,242	1,320,986	1,326,459	902,807
Other Operating Expenses	(2,341,591)	(2,826,136)	(2,741,279)	(3,147,627)	(1,831,364)	(1,375,068)
<b>Operating Income</b>	<b>5,979,962</b>	<b>4,118,111</b>	<b>3,553,108</b>	<b>2,309,746</b>	<b>2,774,781</b>	<b>1,739,830</b>
<b>Non-Operating Income</b>	<b>(36,756)</b>	<b>(491,146)</b>	<b>(841,076)</b>	<b>186,342</b>	<b>(83,720)</b>	<b>(123,720)</b>
<b>Income Before Taxes on Profit and Ownership</b>	<b>5,943,206</b>	<b>3,626,965</b>	<b>2,712,032</b>	<b>2,496,088</b>	<b>2,691,061</b>	<b>1,616,110</b>
<b>Allowance for Income Tax and Social Contribution</b>	<b>(1,887,683)</b>	<b>(554,345)</b>	<b>(396,648)</b>	<b>(460,263)</b>	<b>(502,257)</b>	<b>(258,776)</b>
<b>Non-recurrent result/Extraordinary</b>						<b>400,813</b>
<b>Minority Interest in Subsidiaries</b>	<b>(4,002)</b>	<b>(12,469)</b>	<b>(9,045)</b>	<b>(13,237)</b>	<b>(18,674)</b>	<b>(17,982)</b>
<b>Net Income</b>	<b>4,051,521</b>	<b>3,060,151</b>	<b>2,306,339</b>	<b>2,022,588</b>	<b>2,170,130</b>	<b>1,740,165</b>
<b>Profitability on Stockholders' Equity (Annualized)</b>	<b>30.63%</b>	<b>20.11%</b>	<b>17.02%</b>	<b>18.65%</b>	<b>22.22%</b>	<b>21.50%</b>
<b>Net Interest Income/Total Assets (Annualized)</b>	<b>8.58%</b>	<b>7.15%</b>	<b>7.54%</b>	<b>8.03%</b>	<b>9.18%</b>	<b>8.26%</b>

## Edgar Filing: BANK BRADESCO - Form 6-K

	2005				2004			2003
	3 <sup>rd</sup> Qtr.	2 <sup>nd</sup> Qtr.	1 <sup>st</sup> Qtr.	4 <sup>th</sup> Qtr.	3 <sup>rd</sup> Qtr.	2 <sup>nd</sup> Qtr.	1 <sup>st</sup> Qtr.	4 <sup>th</sup> Qtr.
<b>Revenues from Financial Intermediation</b>	<b>8,532,515</b>	<b>7,119,093</b>	<b>8,109,264</b>	<b>6,201,944</b>	<b>5,525,100</b>	<b>7,719,563</b>	<b>6,756,620</b>	<b>7,443,322</b>
Loan Operations	4,296,030	3,478,848	3,709,114	3,102,037	2,870,585	3,659,023	3,099,790	3,169,261
Leasing Operations	133,604	95,551	86,587	85,556	73,467	56,715	85,112	78,660
Marketable Securities	1,357,055	302,896	1,655,203	758,491	361,241	2,120,909	1,680,538	2,230,775
Financial Income on Insurance, Private Pension Plans and Savings Bonds	1,515,755	1,464,488	1,769,232	1,379,157	1,337,097	1,181,151	1,245,029	1,411,927
Derivative Financial Instruments	747,956	1,331,444	365,161	529,925	582,105	(68,697)	195,557	8,877
Foreign Exchange Transactions	89,974	58,759	172,077	28,645	(746)	502,246	161,157	254,543
Compulsory Deposits	392,141	387,107	351,890	318,133	301,351	268,216	289,437	289,279
<b>Expenses from Financial Intermediation</b>	<b>4,034,524</b>	<b>2,763,910</b>	<b>4,110,234</b>	<b>2,686,069</b>	<b>2,220,925</b>	<b>4,639,047</b>	<b>3,426,306</b>	<b>3,800,058</b>
Funding Operations	2,897,471	1,864,385	2,809,934	1,709,830	1,291,812	3,029,988	2,454,373	2,605,171
Price-level Restatement and Interest on Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	872,695	901,840	939,051	922,018	942,651	698,695	652,313	701,184
Borrowings and Onlendings	262,910	(4,863)	357,989	49,921	(18,123)	905,617	315,760	490,305
Leasing Operations	1,448	2,548	3,260	4,300	4,585	4,747	3,860	3,398
<b>Net Interest Income</b>	<b>4,497,991</b>	<b>4,355,183</b>	<b>3,999,030</b>	<b>3,515,875</b>	<b>3,304,175</b>	<b>3,080,516</b>	<b>3,330,314</b>	<b>3,643,264</b>
Allowance for Doubtful Accounts	539,900	562,149	634,597	488,732	478,369	513,554	560,994	451,516
<b>Gross Result from Financial</b>	<b>3,958,091</b>	<b>3,793,034</b>	<b>3,364,433</b>	<b>3,027,143</b>	<b>2,825,806</b>	<b>2,566,962</b>	<b>2,769,320</b>	<b>3,191,748</b>



**Intermediation  
Other  
Operating  
Income**

<b>(Expenses)</b>	<b>(1,708,397)</b>	<b>(1,646,577)</b>	<b>(1,780,622)</b>	<b>(1,491,990)</b>	<b>(1,663,296)</b>	<b>(1,945,378)</b>	<b>(1,970,456)</b>	<b>(2,305,000)</b>
Fee Income	1,918,367	1,759,600	1,661,349	1,675,594	1,454,636	1,375,202	1,318,936	1,274,590
Operating Income of Savings Bonds, Private Pension Plans and Insurance	146,207	99,316	(214,846)	165,276	36,050	(127,324)	(134,647)	(94,771)
Savings Bonds, Private Pension Plans, Insurance								
Retained Premiums	3,546,484	3,001,125	2,795,695	3,836,157	3,464,550	2,989,637	2,993,333	3,434,634
Net Premiums Written	4,314,294	3,810,957	3,615,722	4,471,433	3,999,901	3,487,258	3,430,578	3,807,546
Reinsurance Premiums and Redeemed Premiums	(767,810)	(809,832)	(820,027)	(635,276)	(535,351)	(497,621)	(437,245)	(372,912)
Technical Provisions for Securities, Pension Plans and Saving Bonds	(739,487)	(279,264)	(418,418)	(1,316,961)	(1,076,201)	(693,433)	(877,511)	(1,143,458)
Retained Claims	(1,462,742)	(1,456,990)	(1,372,058)	(1,317,196)	(1,328,082)	(1,281,728)	(1,232,182)	(920,068)
Savings Bonds Raffle and Redemptions	(337,735)	(313,144)	(246,491)	(291,770)	(312,043)	(346,151)	(273,323)	(301,838)
Insurance and Pension Plan Selling Expenses	(244,611)	(224,258)	(228,824)	(233,846)	(215,775)	(205,157)	(212,316)	(208,229)
Expenses with Pension Plans Benefits and Savings	(615,702)	(628,153)	(744,750)	(511,108)	(496,399)	(590,492)	(532,648)	(955,812)
Personnel Expenses	(1,483,256)	(1,246,226)	(1,220,723)	(1,284,423)	(1,273,981)	(1,233,345)	(1,177,258)	(1,272,063)
Other Administrative Expenses	(1,270,824)	(1,239,471)	(1,192,379)	(1,288,511)	(1,225,032)	(1,215,747)	(1,207,853)	(1,327,995)
Tax Expenses	(474,447)	(497,966)	(404,595)	(411,494)	(373,965)	(343,100)	(335,887)	(293,466)
Equity in the Earnings of	64,227	10,283	(5,641)	44,797	(3,708)	122,309	(41)	30,723

Affiliated Companies Other Operating Income	237,711	259,469	299,840	310,663	350,660	279,688	257,521	246,922
Other Operating Expenses	(846,382)	(791,582)	(703,627)	(703,892)	(627,956)	(803,061)	(691,227)	(868,940)
<b>Operating Income</b>	<b>2,249,694</b>	<b>2,146,457</b>	<b>1,583,811</b>	<b>1,535,153</b>	<b>1,162,510</b>	<b>621,584</b>	<b>798,864</b>	<b>886,748</b>
<b>Non-Operating Income</b>	<b>(10,149)</b>	<b>(20,757)</b>	<b>(5,850)</b>	<b>(148,183)</b>	<b>(129,249)</b>	<b>(202,568)</b>	<b>(11,146)</b>	<b>(73,495)</b>
<b>Income Before Tax on Profit and Ownership</b>	<b>2,239,545</b>	<b>2,125,700</b>	<b>1,577,961</b>	<b>1,386,970</b>	<b>1,033,261</b>	<b>419,016</b>	<b>787,718</b>	<b>813,253</b>
<b>Income Tax and Social Contribution</b>	<b>(807,022)</b>	<b>(707,848)</b>	<b>(372,813)</b>	<b>(322,116)</b>	<b>(278,499)</b>	<b>224,907</b>	<b>(178,637)</b>	<b>(95,620)</b>
<b>Minority Interest in Subsidiaries</b>	<b>(2,294)</b>	<b>(1,985)</b>	<b>277</b>	<b>(7,101)</b>	<b>(2,413)</b>	<b>(2,587)</b>	<b>(368)</b>	<b>(2,496)</b>
<b>Net Income</b>	<b>1,430,229</b>	<b>1,415,867</b>	<b>1,205,425</b>	<b>1,057,753</b>	<b>752,349</b>	<b>641,336</b>	<b>608,713</b>	<b>715,137</b>
<b>Return on Stockholders' Equity (Annualized)</b>	<b>35.20%</b>	<b>36.63%</b>	<b>32.50%</b>	<b>30.85%</b>	<b>22.13%</b>	<b>20.16%</b>	<b>19.10%</b>	<b>22.85%</b>
<b>Net Interest Income/Total Assets (Annualized)</b>	<b>9.21%</b>	<b>9.26%</b>	<b>8.63%</b>	<b>7.82%</b>	<b>7.56%</b>	<b>7.18%</b>	<b>8.54%</b>	<b>8.54%</b>

**Profitability**

Bradesco's net income reached R\$ 4,051 million in the nine-month period ended on September 30, 2005, which corresponds to a 102.3% growth when compared to same period of previous year. The stockholders' equity of Bradesco amounted to R\$ 18,262 million on September 30, 2005, equivalent to a 24.4% increase when compared to balance of September 2004. As a result, the annualized return on Stockholders' Equity (ROE) reached 30.6%. Consolidated total assets reached R\$ 201,913 million at the end of September 2005, up 12.4% when compared to the balances for same date of previous year. The annualized return on total assets (ROA) in the first nine months of 2005 was 2.7%. Earnings per share reached R\$ 8.26.

In 3Q05, net income was R\$ 1,430 million, which represents a R\$ 65 million growth, or 1.0% increase in relation to 2Q05 figures. The annualized return on stockholders' equity (ROE) reached 35.2% in the quarter and return on total assets (ROA) was 2.9%.

The 3Q05 was marked by a continued good performance of income composing the fee income item, which increased 9.0% when compared to 2Q05, revenues from checking accounts, income on cards, loan operations and assets under management standing out. It is also worth mentioning the revenues composing the net interest income, mainly due to better results in the interest component, which reached the amount of R\$ 3,798 million, showing a R\$ 292 million growth in relation to the previous quarter, basically, in view of an increment in the business volume, pointing out a 14.0% increase in the volume of loan operations for individuals, mainly concerned with consumer sales and personal loan financing, which shows a higher profitability than the corporate portfolio, while the non-interest component reached the amount of R\$ 700 million, representing a R\$ 149 million drop, basically due to: (i) lower income on derivatives used for hedge effects of investments abroad, which in terms of net income, simply annuls the fiscal and tax effect (IR/CS and PIS/COFINS) of such hedge strategy of R\$ 248 million in 3Q05; and offset by: (ii) higher TVM and Treasury gains of R\$ 99 million in 3Q05.

The Operating Income from Insurance, Private Pension Plan and Savings Bonds contributed in 3Q05 with a R\$ 49 million increase, as a result of solid growth of sales for private pension products VGBL and PGBL and savings bond product named Pé Quente Bradesco GP Ayrton Senna, in partnership with Ayrton Senna Institute.

The current environment of improvement in loan portfolio, associated with our ongoing selectiveness in the loan granting policy, resulted in an improved portfolio of risk ratings, with AA-to-C rated credits totaling 93.1% of the total portfolio, against 92.6% in 2Q05. This performance, connected with a 7.8% increase observed in loan portfolio volume in the period resulted in the recording of Allowance for Doubtful Accounts, in the amount of R\$ 540 million in 3Q05, which results in a R\$ 22 million reduction when compared to the recording of R\$ 562 million in 2Q05, due to PDD reversal recorded on a preventive basis in 1Q05 of R\$ 166 over loan operations granted to an utilities concessionaire as it adjusted its liabilities to its real ability to pay, offset by portfolio growth, mainly individuals at 14.0%, reaching a level of Allowance for Doubtful Accounts of R\$ 4,647 million on September 30, 2005.

Operating Efficiency Ratio in the 12-month period comprised between October 1, 2004 until September 30, 2005 was of 45.7%, improving by 2.4 percentage points when compared to the 12-month period ended on June 30, 2005, principally as a result of the combination of strict expense control with the revenue growth in this period.

The Expanded Coverage Ratio [fee income/(personnel expenses + administrative expenses)] declined at 1.2 percentage point, mostly due to the effect of collective bargaining agreement of the category (6.0%) and bonus lump-sum payment in September/05, in the amount of R\$ 141 million, decreasing from 70.8% in 2Q05 to 69.6% in 3Q05.

If we exclude the non-recurrent effect of bonus lump-sum payment and labor liabilities restatement, both in the amount of R\$127 million, the index would be 73.0%, a 2.2 percentage point improvement.

## Results by Business Segment

Income Breakdown in percentage

N.B: the Balance Sheet and the Statement of Income by Business Segment can be found in the Note 5.

## Variation in the Main Statement of Income Items

9 months accumulated in 2005 compared to 9 months accumulated in 2004 R\$ million

(\*) Composition: Premiums and Net Contributions of variations in Technical Provisions for Insurance, Private Pension Plans and Savings Bonds deducted from Claims, Redemptions, Benefits and Commissions, not including Financial Income on Insurance activities and price-level restatement and interest on Technical Provisions, which are included in the Net interest income.

52

---

3<sup>rd</sup> Quarter of 2005 compared to the 2<sup>nd</sup> Quarter of 2005 R\$ million

- (\*) Composition: Premiums and Net Contributions of variations in Technical Provisions for Insurance, Private Pension Plans and Savings Bonds deducted from Claims, Redemptions, Benefits and Commissions, not including Financial Income on Insurance activities and price-level restatement and interest on Technical Provisions, which are included in the Net interest income.

**Variation in Items Composing the Net Interest Income and Exchange Adjusted**

9 months accumulated in 2005 compared to 9 months accumulated in 2004 R\$ million

- (1) Includes Revenues from Loan Operations + Income on Leasing Operations + Income on Foreign Exchange Transactions (Note 13a):
- (2) Includes Interest and Charges on Deposits, excluding Expenses for Purchase and Sale Commitments + Expenses for Borrowings and Onlendings + Income on Compulsory Deposits + Adjustments to Income on Foreign Exchange Transactions (Note 13a).
- (3) Includes Income on Securities Transactions, less expenses with Purchase and Sale Commitments + Financial Income on Insurance, Private Pension Plans and Savings Bonds + Income on Derivative Financial Instruments + Adjustments to Income on Foreign Exchange Transactions (Note 13a).
- (4) This refers to restatement and interest of Technical Provisions for Insurance, Private Pension Plan, and Savings Bonds.

53

---

3<sup>rd</sup> Quarter of 2005 compared to the 2<sup>nd</sup> Quarter of 2005 R\$ million

- (1) Includes Revenues from Loan Operations + Income on Leasing Operations + Income on Foreign Exchange Transactions (Note 13a):
- (2) Includes Interest and Charges on Deposits, excluding Expenses for Purchase and Sale Commitments + Expenses for Borrowings and Onlendings + Income on Compulsory Deposits + Adjustments to Income on Foreign Exchange Transactions (Note 13a).
- (3) Includes Income on Securities Transactions, less expenses with Purchase and Sale Commitments + Financial Income on Insurance, Private Pension Plans and Savings Bonds + Income on Derivative Financial Instruments + Adjustments to Income on Foreign Exchange Transactions (Note 13a).
- (4) This refers to restatement and interest of Technical Provisions for Insurance, Private Pension Plan, and Savings Bonds.

### Analysis of the Adjusted Net Interest Income and Average Rates

Loan Operations x Income

R\$ million	September YTD		2005	
	2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
Loan Operations	48,814	61,022	60,266	65,020
Leasing Operations	1,400	1,904	1,873	2,091
Advances on Foreign Exchange Contracts	6,031	4,978	5,194	4,909
1 Total Average Balance (Quarterly)	56,245	67,904	67,333	72,020
2 Income (Loan Operations, Leasing and Exchange) (*)	9,891	11,924	3,626	4,471
3 Average Return Annualized Exponentially (2/1)	24.1%	24.1%	23.3%	27.2%

(\*) Includes Income from Loan Operations, Net Results from Leasing Operations and adjusted Results on Foreign Exchange Transactions (Note 13a).

## Marketable Securities x Income on Marketable Securities Transactions

R\$ million	September YTD		2005	
	2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
Marketable Securities	55,331	63,988	64,641	64,344
Interbank Investments	24,153	22,871	22,493	23,762
Subject to Repurchase Agreements	(21,543)	(22,560)	(21,407)	(22,747)
Derivative Financial Instruments	(371)	(1,080)	(1,552)	(1,331)
4 Total Average Balance (Quarterly)	57,569	63,219	64,175	64,028
5 Income on Securities Transactions (Net of Sales and Purchase Commitments Expenses) (*)	6,266	7,560	2,217	2,491
6 Average Rate Annualized Exponentially (5/4)	14.8%	16.3%	14.5%	16.5%

(\*) Includes Financial Income on Insurance, Private Pension Plans and Savings Bonds, Derivative Financial Instruments and Foreign Exchange adjustments (Note 13a).

## Total Assets x Income from Financial Intermediation

R\$ million	September YTD		2005	
	2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
7 Total Assets Average Balance (Quarterly)	173,257	193,170	192,920	198,228
8 Income from Financial Intermediation	20,001	23,761	7,119	8,533
9 Average Rate Annualized Exponentially (8/7)	15.7%	16.7%	15.6%	18.4%



## Funding x Expenses

R\$ million	September YTD		2005	
	2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
Deposits	61,532	70,691	71,513	71,375
Funds from Acceptance and Issuance of Securities	6,651	5,733	5,856	6,419
Interbank and Interdepartmental Accounts	1,580	1,647	1,392	1,675
Subordinated Debt	5,602	6,271	6,307	6,497
10 Total Funding Average Balance (Quarterly)	75,366	84,342	85,068	85,966
11 Expenses (*)	3,584	3,550	599	1,413
12 Average Rate Annualized Exponentially (11/10)	6.4%	5.7%	2.8%	6.7%

(\*) Funding Expenses without Repurchase Agreements, less Income on Compulsory Deposits and Foreign Exchange Adjustments (Note 13a).

## Technical Provisions for Insurance, Private Pension Plans and Savings Bonds x Expenses

R\$ million	September YTD		2005	
	2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
13 Technical Provisions for Insurance, Private Pension Plans and Savings Bonds Average Balance (Quarterly)	28,855	35,941	35,931	37,384
14 Expenses (*)	2,294	2,714	902	873
15 Average Rate Annualized Exponentially (14/13)	10.7%	10.2%	10.4%	9.7%

(\*) Restatement and Interest of Technical Provisions for Insurance, Private Pension Plans and Savings Bonds.

## Borrowings and Onlendings (Local and Foreign) x Expenses

million	R\$	September YTD		2005	
		2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
Borrowings		8,152	6,982	6,948	6,474
Onlendings		7,883	8,476	8,368	8,646
16 Total Borrowings and Onlendings					
Average Balance (Quarterly)		16,036	15,458	15,316	15,120
17 Expenses for Borrowings and Onlendings					
(*)		564	368	(14)	178
18 Average Rate Annualized Exponentially					
(17/16)		4.7%	3.2%	(0.4%)	4.8%
(*) Includes Foreign Exchange adjustments (Note 13a).					

## Total Assets x Net Interest Income

million	R\$	September YTD		2005	
		2004	2005	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.
19 Total Assets Average Balance (Quarterly)		173,257	193,170	192,920	198,228
20 Net interest income (*)		9,715	12,852	4,355	4,498
21 Average Rate Annualized Exponentially					
(20/19)		7.5%	9.0%	9.3%	9.4%

(\*) Gross Income from Financial Intermediation excluding PDD.

## Financial Market Indicators

## Analysis of Net Interest Income

## a) Net interest income adjustment

The net interest income, under the terms of BACEN regulation, in periods compared, includes the income earned in the sale of our stake in Belgo-Mineira's capital stock in 1Q05, as well as the partial income on derivatives used for hedge effect of investments abroad, which, in terms of net income simply annuls the tax effect (Income Tax/Social Contribution and PIS/COFINS) of such hedge strategy.

This tax effect is triggered by the fact that exchange variation is not deductible when losses are verified and is not taxable when gains are recognized. On the other hand, the income from derivative instruments are taxable when gains occur and deductible when losses occur.

Therefore, gross income from hedge is reflected in net interest income, under the line *Income from Derivative Financial Instruments*, and its respective taxes are reflected under the lines *Tax Expenses* and *Income Tax and Social Contribution*, as follows:

## Hedge Tax Effect of Investments Abroad

	R\$ million							
	Effect in the 9-month Period			Effect in the Quarter				
	Net Interest Income	Tax Expenses	Income Tax/Social Contribution	Net Income	Net Interest Income	Tax Expenses	Income Tax/Social Contribution	Net Income
Partial Income on Hedge of Investments Abroad	1,564	(73)	(507)	984	435	(20)	(141)	274
Variation of Investments Abroad	(984)			(984)	(274)			(274)
<b>Effect on the Items</b>	<b>580</b>	<b>(73)</b>	<b>(507)</b>		<b>161</b>	<b>(20)</b>	<b>(141)</b>	

58

Therefore, for a better evaluation of net interest income growth, hedge effects and exchange variation of investments abroad occurred in the net interest income were excluded, as shown in the chart below, as well as, the R\$ 327 million income earned with the sale of our stake in Belgo-Mineira, which took place in 1Q05, as follows:

## Adjusted Net Interest Income

	R\$ million					
	September YTD			2005		
	2004	2005	Variation	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Variation
<b>Reported Net Interest Income</b>	<b>9,715</b>	<b>12,852</b>	<b>3,137</b>	<b>4,355</b>	<b>4,498</b>	<b>143</b>
(-) Sale of Belgo-Mineira		(327)	(327)			
(-) Hedge/Exchange Variation		(580)	(580)	(409)	(161)	248
<b>Adjusted Net Interest Income</b>	<b>9,715</b>	<b>11,945</b>	<b>2,230</b>	<b>3,946</b>	<b>4,337</b>	<b>391</b>
<b>Percentage Adjusted on Average Assets</b>	<b>7.5%</b>	<b>8.3%</b>		<b>8.4%</b>	<b>9.0%</b>	

## b) Comments on the Adjusted Net Interest Income Variation

In 3Q05, the adjusted net interest income reached R\$ 4,337 million, a 9.9% growth or R\$ 391 million, when compared to R\$ 3,946 million in 2Q05. Such variation is due to a R\$ 292 million increase in the results of interest income operations, caused by higher volume of operations and increase in non-interest income of R\$ 99 million.

When comparing the first nine months of 2005 with same period of previous year, the growth was 23.0%, reaching R\$ 11,945 million and R\$ 9,715 million, respectively. An improved adjusted net interest income of R\$ 2,230 million in the nine-month period of 2005, against same period of 2004, is basically due to a R\$ 1,767 million increase in the results of interest income operations, triggered by an increment in the volume of operations and by higher non-interest income of R\$ 463 million, basically derived from higher marketable securities and treasury gains.

The annualized net interest income adjusted rate, obtained by dividing the income from adjusted net interest income over the average balance of total assets, increased from 8.4% in 2Q05 to 9.0% in current quarter, accounting for 0.6 percentage point increase.

In the nine-month period of 2005 year-to-date, the adjusted net interest income rate reached 8.3%, accounting for a 0.8 percentage point increase when compared to the same period of 2004, which was 7.5% .

It is worth mentioning the net interest income operations as follows:

The growth of balance of loan operations, which in 3Q05 reached R\$ 75.2 billion, accounting for a 7.8% expansion in relation to June and 25.5% growth over the past twelve months.

Loan for individuals was again the outstanding segment of the portfolio growth, with a 14.0% increase in relation to June and 63.7% when compared to the past twelve months, due to a growth of economy activity, fomenting a hike in the financing of durable goods, added to the growth of consigned loan market and also due to recent partnerships made by Bradesco.

Insurance segment operations also contributed to a higher net interest income, as a result of a good performance of Insurance, Private Pension Plan and Savings Bonds activities, especially due to increase in sales of supplementary private pension plans and insurance policies with respective recording of provisions, since between the quarters an increase occurred in the volume of such funds at 4.7% and when comparing September 2005 with the same period of previous year, technical provisions climbed 21.1% .

A sustained growth of net interest income between periods compared may be attributed to the strategy of expanding the loan portfolio, increased customer base, and consolidation of segmentation process, as well as the expansion of operations through acquisitions and partnerships, besides the organic growth of Consolidated Bradesco.

**Allowance for Doubtful Accounts (PDD)**

## Movement of Allowance for Doubtful Accounts

	R\$ million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
<b>Opening Balance</b>	4,192	4,213	4,059	4,301	4,450	4,145
Amount Recorded for the Period	514	478	1,553	562	540	1,737
Amount Written-off for the Period	(493)	(510)	(1,508)	(413)	(343)	(1,235)
Balance Derived from Acquired Institutions			77			
<b>Closing Balance</b>	<b>4,213</b>	<b>4,181</b>	<b>4,181</b>	<b>4,450</b>	<b>4,647</b>	<b>4,647</b>
Specific Allowance	1,876	1,885	1,885	1,891	2,053	2,053
Generic Allowance	1,432	1,383	1,383	1,613	1,642	1,642
Other Allowance	905	913	913	946	952	952
<b>Credit Recoveries</b>	<b>124</b>	<b>228</b>	<b>458</b>	<b>188</b>	<b>174</b>	<b>489</b>

## Allowance for Doubtful Accounts (PDD) on Loan and Leasing Operations

	R\$ million			
	2004		2005	
	June	September	June	September
Allowance for Doubtful Accounts (A)	4,213	4,181	4,450	4,647
Loan Operations (B)	58,402	59,976	69,787	75,244
PDD over Loan Operations (A/B)	7.2%	7.0%	6.4%	6.2%

## Coverage Ratio PDD/Abnormal Course Loans (E to H)

	R\$ million			
	2004		2005	
	June	September	June	September
(1) Total Allowance	4,213	4,181	4,450	4,647
(2) Abnormal Course Loans (E to H)	2,223	2,175	2,257	2,426
PDD Coverage Ratio (1/2)	189.5%	192.2%	197.2%	191.5%

## Coverage Ratio Non Performing Loans (NPL) (\*)

	R\$ million			
	2004		2005	
	June	September	June	September
(1) Total Provisions	4,213	4,181	4,450	4,647
(2) Non Performing Loans	2,344	2,239	2,245	2,341
NPL Ratio (1/2)	179.7%	186.7%	198.2%	198.5%

(\*) Loan Operations overdue for more than 60 days and which do not generate income under the accrual method of accounting.

For further information on Allowance for Doubtful Accounts (PDD), see pages 74 to 77 of this Report.

### Fee Income

	R\$ million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Checking Accounts	317	325	959	404	447	1,247
Loan Operations	195	223	586	322	334	941
Cards	243	243	727	304	335	929
Assets under Management	213	233	649	252	276	773
Collection	151	160	461	178	185	529
Interbank Fees	63	67	192	66	69	200
Collection of Taxes	49	51	150	52	54	150
Consortium Purchase Plan Management	20	23	58	33	40	103
Custody and Brokerage Services	26	24	73	30	35	92
Other	98	106	294	119	143	375
<b>Total</b>	<b>1,375</b>	<b>1,455</b>	<b>4,149</b>	<b>1,760</b>	<b>1,918</b>	<b>5,339</b>

Edgar Filing: BANK BRADESCO - Form 6-K

Fee income increased 28.7% in the nine-month period ended on September 30, 2005, or R\$ 1,190 million when compared to the same period of 2004, amounting to R\$ 5,339 million.

Major components for growth of Fee Income were:

the increase in the volume of Loan Operations, especially individuals, which is directly related to the growth of economy activity was the major factor for the increase in item Revenues from Loan Operations , a R\$ 355 million improvement;

the strategy of clients segmentation (Private, Prime, Corporate, Companies and Retail), the tariff realignment and client base growth boosted the Checking Accounts , up by R\$ 288 million;

the 22.9% expansion in the volume of assets under management was the main factor for the growth in Assets under Management , which increased by R\$ 124 million, from R\$ 93.3 billion on September 30, 2004 to R\$ 114.7 billion on September 30, 2005;

the 27.8% increase represented by a R\$ 202 million hike in the Cards item when comparing the first nine months of 2004 and 2005, is directly related to the increase of 12.6% in the cards base, from 45.2 million to 50.9 million. When compared to 2Q05, fee income showed an expansion of 9.0% with a R\$ 158 million growth, as a result of the increased volumes of customer base and transactions in 3Q05, pointing out increases of 3.7%, 2.0%, 10.6% and 9.5% under the items Loan Operations , Cards , Checking Account , Asset Management and up by R\$ 12 million, R\$ 31 million, R\$ 43 million and R\$ 24 million, respectively.

### Administrative and Personnel Expenses

	R\$ million					
	2004			2005		
	2nd Qtr.	3rd Qtr.	September YTD	2nd Qtr.	3rd Qtr.	September YTD
Third-Party Services	218	216	630	253	269	749
Communications	155	159	476	179	183	540
Depreciation and Amortization	118	118	359	111	108	335
Transport	88	100	282	100	104	309
Financial System Services	102	101	300	101	105	306
Publicity	86	88	285	87	79	236
Rentals	75	73	223	79	81	237
Maintenance and Repairs	68	69	197	77	77	227
Capital Lease	83	76	236	63	55	185
Data Processing	71	70	199	57	63	178
Materials	35	36	109	41	48	129
Water, Electricity and Gas	31	30	95	37	34	106
Travel	13	14	41	14	14	40
Other	73	75	217	41	51	126
<b>Administrative Expenses</b>	<b>1,216</b>	<b>1,225</b>	<b>3,649</b>	<b>1,240</b>	<b>1,271</b>	<b>3,703</b>
Remuneration	613	636	1,863	638	650	1,904



Edgar Filing: BANK BRADESCO - Form 6-K

Benefits	243	257	736	269	285	824
Social Charges	229	228	683	240	272	747
Employee Profit Sharing	39	43	127	78	80	223
Training	11	15	37	16	15	39
Lump-sum payment of bonus (*)		14	14		103	103
Others	99	81	225	5	114	146
<b>Personnel Expenses</b>	<b>1,234</b>	<b>1,274</b>	<b>3,685</b>	<b>1,246</b>	<b>1,519</b>	<b>3,986</b>
<b>Total Administrative and Personnel Expenses</b>	<b>2,450</b>	<b>2,499</b>	<b>7,334</b>	<b>2,486</b>	<b>2,790</b>	<b>7,689</b>

(\*) In 2004, the lump-sum payment bonus refers to the additional food basket

In the first nine months of 2005, the Administrative and Personnel Expenses showed a R\$ 319 million increase when compared to the same period last year, reaching the amount of R\$ 7,653 million against R\$ 7,334 million in the same period of 2004. The nominal variation of Administrative Expenses between the nine-month periods of 2004 and 2005 shows a R\$ 54 million increase, reaching the amount of R\$ 3,703 million, lower than average inflation in the period.

Personnel Expenses increased R\$ 265 million when compared to the nine-month period of 2004, reaching R\$ 3,950 million, pointing out:

a payroll increase resulted from the collective bargaining agreement 8.5% in 2004, benefits and others in the amount of R\$ 306 million;

the effect of collective bargaining agreement of 6.0% in 2005 in the amount of R\$ 38 million, of which R\$ 24 million refer to labor liabilities restatement and R\$ 14 million due to increase in payroll;

higher provisions of bonus lump-sum payment in September/05 of R\$ 103 million, against R\$ 14 million in September/04;

higher PLR expenses, in the amount of R\$ 95 million; which was mitigated: by lower labor claims provisions R\$ 79 million; and

by the reduction in personnel expenses, in view of synergy in the administrative processes in the amount estimated at R\$ 184 million.

When compared to 3Q05, Administrative and Personnel Expenses increased R\$ 268 million, up by 10.8%, from R\$ 2,486 million in 2Q05 to R\$ 2,754 million in 3Q05.

Administrative Expenses increased R\$ 31 million, higher variations occurred in the items Third-Party Services ; Data Processing and Materials , growing R\$ 16 million, R\$ 6 million and R\$ 7 million, respectively. Increase in Third Party Services expenses is basically due to the growth in business volumes, as well as investments in the improvement and optimization of IT (information technology) platform, while the increase in Data Processing expenses is basically due to annual contractual renewal with suppliers and higher Materials expenses, basically refers to expenditures related to the replacement of regular cards with chip cards.

Personnel expenses in 3Q05 climbed R\$ 237 million when compared to the previous quarter and were mainly impacted by: (i) the effect of the collective bargaining agreement (6.0%) of R\$ 38 million, of which R\$ 24 million refer to labor liabilities restatement and R\$ 14 million due to increase in payroll; (ii) bonus lump-sum payment in September/05 of R\$ 103 million; and (iii) higher labor provision and expenses with employment contract termination of R\$ 99 million.

**Operating Efficiency**

	R\$ million						
	Year					2005 (*)	
	2000	2001	2002	2003	2004	June	September
Personnel Expenses	3,221	3,549	4,076	4,779	4,969	5,025	5,234
Employee Profit Sharing	(112)	(160)	(140)	(170)	(182)	(241)	(278)
Other Administrative Expenses	2,978	3,436	4,028	4,814	4,937	4,946	4,992
<b>Total (1)</b>	<b>6,087</b>	<b>6,825</b>	<b>7,964</b>	<b>9,423</b>	<b>9,724</b>	<b>9,730</b>	<b>9,948</b>
Net interest income	7,839	10,109	11,472	13,282	13,231	15,173	16,368
Fee income	3,043	3,473	3,712	4,557	5,824	6,551	7,014
Income from Insurance Premiums, Private Pension Plans and Savings Bonds	6,920	8,959	10,135	11,726	13,284	13,098	13,179
Variation in Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	(3,001)	(3,492)	(2,785)	(3,670)	(3,964)	(3,091)	(2,754)
Retained Claims	(2,511)	(3,252)	(3,615)	(3,980)	(5,159)	(5,474)	(5,609)
Draws and Redemptions from Savings Bonds	(355)	(744)	(721)	(1,100)	(1,223)	(1,164)	(1,189)
Insurance, Private Pension Plans and Savings Bonds	(645)	(689)	(667)	(762)	(867)	(903)	(931)
Selling Expenses Expenses with Pension Plan Benefits and Redemptions	(913)	(1,370)	(1,689)	(2,363)	(2,131)	(2,380)	(2,500)
<b>Subtotal Private Pension Plans and Savings Bonds</b>	<b>(505)</b>	<b>(588)</b>	<b>658</b>	<b>(149)</b>	<b>(60)</b>	<b>86</b>	<b>196</b>
Equity in the Earnings of Affiliated Companies	156	71	65	5	163	45	113
Other Operating Expenses	(1,376)	(1,831)	(3,148)	(2,741)	(2,826)	(2,827)	(3,045)
Other Operating Income	903	1,326	1,321	1,697	1,198	1,221	1,108
<b>Total (2)</b>	<b>10,060</b>	<b>12,560</b>	<b>14,080</b>	<b>16,651</b>	<b>17,530</b>	<b>20,249</b>	<b>21,754</b>
<b>Efficiency Ratio (%) = (1/2)</b>	<b>60.5</b>	<b>54.3</b>	<b>56.6</b>	<b>56.6</b>	<b>55.5</b>	<b>48.1</b>	<b>45.7</b>

(\*) Accumulated amounts for the 12-month period.

Operating Efficiency Ratio in percentage



## Operating Efficiency Ratio in percentage

The Operating Efficiency Ratio (accumulated for the 12-month period) for 3Q05, was of 45.7%, improved by 2.4% compared to the 12-month period ended in June 2005, mainly as a result of the expenses control, pointing out that administrative and personnel expenses, which remained below the average inflation over the past 12 months allied with the efforts to increase revenues. We point out higher net interest income in the amount R\$ 1,195 million, basically stemming from interest component, generated by an increment in business volume, pointing out a 63.7% increase in the volume of loan operations for individuals, mainly concerned with consumer sales and personal loan financing, the profitability of which is higher if compared to the corporate financing and increased fee income, in the amount of R\$ 463 million, as a result of increase in the average volume of transactions, combined with an increase in the customer base, fee realignment and improved partnership ratio (cross-selling), as a result of the segmentation process.

It is worth pointing out that part of the increase net interest income of R\$ 1,195 million includes R\$ 580, which is part of derivatives used for hedge effect of investments abroad, which in terms of net income, simply annuls the tax effect of this hedge strategy in the period. This negative tax effect is directly reflected on the items Tax Expenses and Income Tax and Social Contribution, which is not considered in the calculation of the Operating Efficiency Ratio. If we disregard this part of derivatives in the calculation basis of Operating Efficiency Ratio, both in September and June of 2005 we would reach an index of 47.0% in September and 49.0% in June, a 2.0 percentage point improvement when compared to June 2005.

If we also exclude the Operating Efficiency Ratio from the calculation basis, the goodwill amortization expenses over the past 12 months, in the amount of R\$ 482 million, we would have an improvement of 1.1 percentage point, from 47.0% to 45.9%.

The Amplified Coverage Ratio [fee income/(personnel expenses + administrative expenses)] declined at 1.2 percentage point, mostly due to the effect of provisioning proposal of collective bargaining agreement of the category (6.0%) and bonus lump-sum payment in September/05, in the amount of R\$ 141 million, from 70.8% in 2Q05 to 69.6% in 3Q05. If we exclude the non-recurrent effect of R\$ 103 million related to bonus lump-sum payment and restatement of labor liabilities in the amount of R\$ 24 million the ratio would be 73.0%, as show in the following graph:

**Operating Efficiency R\$ million**

Administrative Expenses + Personnel and Revenues from Services Rendered

(\* ) This excludes R\$ 103 million related to bonus lump-sum payment and R\$ 24 million of labor liabilities restatement.

Among other results, through the use of Activity-Based Costing methodology (ABC), the Bradesco Organization is enhancing the criteria used to formulate and negotiate bank tariffs, the supply of costing information to GDAD (Performance and Decision Making Support Management) and for customer profitability determination purposes, as well as establishing a reliable basis for ongoing rationalization analyses.

Referring to cost control, Bradesco is under process of adopting a cost management model by means of Activity-Based Management ABM methodology, a pro-active approach which allows for rapid evolution, including the identification of opportunities on a timely basis. Accordingly, in line with the improvement of processes, operating performance is seamlessly integrated with strategic objectives.

A strict control of expenses, enhanced with the establishment of the Expenditure Assessment Committee in March 2004, is being positively reflected on the Operating Efficiency Ratio.

**Other Indicators**

66

---

### 3 - Main Balance Sheet Information

---



**Consolidated Balance Sheet** R\$ thousand

Assets	September			December		
	2005	2004	2003	2002	2001	2000
<b>Current and Long-Term Assets</b>	<b>197,382,908</b>	<b>180,038,498</b>	<b>171,141,348</b>	<b>137,301,711</b>	<b>105,767,892</b>	<b>90,693,025</b>
<b>Funds Available</b>	<b>2,599,967</b>	<b>2,639,260</b>	<b>2,448,426</b>	<b>2,785,707</b>	<b>3,085,787</b>	<b>1,341,653</b>
<b>Interbank Investments</b>	<b>24,149,477</b>	<b>22,346,721</b>	<b>31,724,003</b>	<b>21,472,756</b>	<b>3,867,319</b>	<b>2,308,273</b>
Open Market Investments	16,865,804	15,667,078	26,753,660	19,111,652	2,110,573	1,453,461
Interbank Deposits	7,284,919	6,682,608	4,970,343	2,370,345	1,760,850	854,815
Allowance for Losses	(1,246)	(2,965)		(9,241)	(4,104)	(3)
<b>Marketable Securities and Derivative Financial Instruments</b>	<b>64,247,500</b>	<b>62,421,658</b>	<b>53,804,780</b>	<b>37,003,454</b>	<b>40,512,688</b>	<b>33,119,843</b>
Own Portfolio	54,032,904	51,255,745	42,939,043	29,817,033	27,493,936	21,743,924
Subject to Repurchase Agreements	1,971,232	4,807,769	5,682,852	1,497,383	9,922,036	10,822,637
Derivative Financial Instruments	1,282,577	397,956	232,311	238,839	581,169	
Restricted to the Negotiation and Intermediation of Amounts					526,219	9,394
Restricted Deposits - Brazilian Central Bank	4,501,438	4,512,563	3,109,634	3,536,659	1,988,799	421,727
Privatization Currencies	94,367	82,487	88,058	77,371	25,104	9,526
Subject to Collateral Provided	2,357,894	1,365,138	1,752,882	1,836,169	715,858	783,501
Provisions for Mark-to-market Adjustments					(740,433)	(670,866)
Unrestricted Notes	7,088					
<b>Interbank Accounts</b>	<b>16,379,697</b>	<b>16,087,102</b>	<b>14,012,837</b>	<b>12,943,432</b>	<b>5,141,940</b>	<b>5,060,628</b>
Unsettled Receipts and Payments	644,561	22,075	20,237	16,902	10,118	6,920
Restricted Credits						
Restricted Deposits - Brazilian Central Bank	15,429,744	15,696,154	13,580,425	12,519,635	4,906,502	4,848,668
National Treasury - Rural Funding	578	578	578	578	712	660
SFH	264,228	335,320	391,871	374,177	217,518	197,191
Interbank Onlending						2,024
Correspondent Banks	40,586	32,975	19,726	32,140	7,090	5,165
<b>Interdepartmental Accounts</b>	<b>78,641</b>	<b>147,537</b>	<b>514,779</b>	<b>191,739</b>	<b>176,073</b>	<b>111,636</b>
Internal Transfer of Funds	78,641	147,537	514,779	191,739	176,073	111,636
Loan Operations	63,383,435	51,890,887	42,162,718	39,705,279	35,131,359	30,236,106
<b>Loan Operations:</b>						
Public Sector	785,453	536,975	186,264	254,622	199,182	275,479
Private Sector	66,990,785	55,242,348	45,768,970	42,842,693	37,689,671	32,244,482
	(4,392,803)	(3,888,436)	(3,792,516)	(3,392,036)	(2,757,494)	(2,283,855)

Edgar Filing: BANK BRADESCO - Form 6-K

Allowance for Doubtful Accounts						
Leasing Operations	2,109,058	1,556,321	1,306,433	1,431,166	1,567,927	1,914,081
Leasing Receivables:						
Public Sector	6,631			45	138	160
Private Sector	4,368,260	3,237,226	2,859,533	3,141,724	3,248,050	3,813,369
Unearned Income from Leasing	(2,166,436)	(1,576,690)	(1,438,534)	(1,560,278)	(1,557,642)	(1,760,305)
Allowance for Leasing Losses	(99,397)	(104,215)	(114,566)	(150,325)	(122,619)	(139,143)
<b>Other Receivables:</b>	<b>22,923,456</b>	<b>21,664,592</b>	<b>24,098,765</b>	<b>20,690,054</b>	<b>15,685,433</b>	<b>16,226,725</b>
Receivables on Guarantees Honored	10	811	624	1,577	1,131	2,020
Foreign Exchange Portfolio Receivables	8,140,427	7,336,806	11,102,537	10,026,298	5,545,527	6,417,431
Negotiation and Intermediation of Securities Specific Receivables	205,204	197,120	331,064	249,849	187,910	191,873
Insurance Premiums Receivable	675,125	357,324	602,543	175,185	761,754	497,655
Sundry					146,919	124,776
Allowance for Other Doubtful Accounts	1,040,347	988,029	889,358	718,909	995,662	818,773
<b>Other Assets</b>	<b>13,017,256</b>	<b>12,937,408</b>	<b>11,324,857</b>	<b>9,640,966</b>	<b>8,107,714</b>	<b>8,258,402</b>
Other Assets	(154,913)	(152,906)	(152,218)	(122,730)	(61,184)	(84,205)
Provisions for Mark-to-Market Adjustments	<b>1,511,677</b>	<b>1,284,420</b>	<b>1,068,607</b>	<b>1,078,124</b>	<b>599,366</b>	<b>374,080</b>
Prepaid Expenses	428,191	477,274	586,994	679,515	415,484	409,771
<b>Permanent Assets Investments</b>	<b>(209,692)</b>	<b>(230,334)</b>	<b>(257,185)</b>	<b>(243,953)</b>	<b>(164,290)</b>	<b>(171,876)</b>
Interest in Affiliated Companies:	1,293,178	1,037,480	738,798	642,562	348,172	136,185
In the Country	440,713	496,054	369,935	395,006	742,586	689,002
Other investments	937,918	971,311	857,985	439,342	452,871	525,316
Allowance for losses	(340,591)	(366,191)	(365,597)	(321,628)	(310,684)	(383,388)
<b>Property, Plant and Equipment in Use</b>	<b>2,043,277</b>	<b>2,270,497</b>	<b>2,291,994</b>	<b>2,523,949</b>	<b>2,152,680</b>	<b>2,017,093</b>
Buildings in Use	1,296,720	1,357,063	1,398,735	1,748,409	1,475,581	1,491,847
Other Fixed Assets	3,562,387	3,604,741	3,480,636	3,459,950	2,988,008	2,705,577
Accumulated Depreciation	(2,815,830)	(2,691,307)	(2,587,377)	(2,684,410)	(2,310,909)	(2,180,331)
<b>Leased Fixed Assets</b>	<b>10,760</b>	<b>18,951</b>	<b>34,362</b>	<b>34,323</b>	<b>46,047</b>	<b>10,688</b>
Leased Assets	23,159	58,463	63,812	51,198	51,214	19,421
Accumulated Depreciation	(12,399)	(39,512)	(29,450)	(16,875)	(5,167)	(8,733)
<b>Deferred Charges</b>	<b>1,438,237</b>	<b>1,497,348</b>	<b>1,767,663</b>	<b>2,412,327</b>	<b>1,264,514</b>	<b>1,326,747</b>
Organization and Expansion Costs	1,267,542	1,170,866	1,124,058	1,037,559	874,970	731,717
Accumulated Amortization	(732,828)	(699,710)	(572,620)	(568,525)	(481,127)	(391,417)
Goodwill on Acquisition of Subsidiaries,						
Net of Amortization	903,523	1,026,192	1,216,225	1,943,293	870,671	986,447
<b>Total</b>	<b>201,913,222</b>	<b>184,926,468</b>	<b>176,097,690</b>	<b>142,785,030</b>	<b>110,115,906</b>	<b>94,878,483</b>



Edgar Filing: BANK BRADESCO - Form 6-K

Liabilities	September			December		
	2005	2004	2003	2002	2001	2000
<b>Current and Long-Term Liabilities</b>	<b>183,542,368</b>	<b>169,596,632</b>	<b>162,406,307</b>	<b>131,652,394</b>	<b>100,199,709</b>	<b>86,654,746</b>
<b>Deposits</b>	<b>71,095,497</b>	<b>68,643,327</b>	<b>58,023,885</b>	<b>56,363,163</b>	<b>41,083,979</b>	<b>36,468,659</b>
Demand Deposits	14,773,886	15,297,825	12,909,168	13,369,917	8,057,627	7,500,518
Savings Deposits	24,791,357	24,782,646	22,140,171	20,730,683	18,310,948	17,835,745
Interbank Deposits	88,791	19,499	31,400	23,848	40,446	568,416
Time Deposits	31,262,357	28,459,122	22,943,146	22,238,715	14,674,958	10,563,980
Other Deposits	179,106	84,235				
<b>Funds Obtained in the Open Market</b>	<b>24,538,083</b>	<b>22,886,403</b>	<b>32,792,725</b>	<b>16,012,965</b>	<b>14,057,327</b>	<b>12,108,350</b>
Own Portfolio	8,712,255	8,248,122	6,661,473	915,946	12,178,855	10,696,199
Third-party Portfolio	15,818,740	14,430,876	17,558,740	12,188,054	1,878,472	1,412,151
Unrestricted Portfolio	7,088	207,405	8,572,512	2,908,965		
<b>Issuance of Securities</b>	<b>6,161,015</b>	<b>5,057,492</b>	<b>6,846,896</b>	<b>3,136,842</b>	<b>4,801,410</b>	<b>4,111,171</b>
Exchange Acceptances				1,214		
Mortgage Notes	829,377	681,122	1,030,856	384,727	780,425	741,248
Debentures	2,758,285		7,291	100,369	48,921	1,039
Securities Issued Abroad	2,573,353	4,376,370	5,808,749	2,650,532	3,972,064	3,368,884
<b>Interbank Accounts</b>	<b>201,705</b>	<b>174,066</b>	<b>529,332</b>	<b>606,696</b>	<b>192,027</b>	<b>107,129</b>
Interbank Onlendings			159,098	35,686	4,519	1,059
Correspondent Banks	201,705	174,066	370,234	571,010	187,508	106,070
<b>Interdepartmental Accounts</b>	<b>1,680,925</b>	<b>1,745,721</b>	<b>1,782,068</b>	<b>1,337,729</b>	<b>762,505</b>	<b>904,188</b>
Third-party Funds in Transit	1,680,925	1,745,721	1,782,068	1,337,729	762,505	904,188
<b>Borrowings</b>	<b>6,470,113</b>	<b>7,561,395</b>	<b>7,223,356</b>	<b>9,390,630</b>	<b>7,887,154</b>	<b>6,463,555</b>
Local Borrowings - Official Institutions	1,162	1,376	2,070	3,368	2,979	9,737
Local Borrowings - Other Institutions	13,040	11,756	4,010	216,812	230,468	170,775
Foreign Currency Borrowings	6,455,911	7,548,263	7,217,276	9,170,450	7,653,707	6,283,043
Local Onlendings - Official Institutions	8,766,848	8,355,398	7,554,266	7,000,046	5,830,633	5,096,604
National Treasury	50,824	72,165	51,398	62,187		
BNDES	3,823,744	3,672,007	3,403,462	3,437,319	3,067,220	2,589,284
CEF	50,472	395,820	459,553	453,803	433,381	405,264
FINAME	4,838,940	4,211,762	3,638,966	3,045,176	2,321,508	2,090,374
Other institutions	2,868	3,644	887	1,561	8,524	11,682
<b>Foreign Onlendings</b>	<b>4,380</b>	<b>42,579</b>	<b>17,161</b>	<b>47,677</b>	<b>316,283</b>	<b>108,178</b>
Foreign Onlendings	4,380	42,579	17,161	47,677	316,283	108,178
<b>Derivative Financial Instruments</b>	<b>1,043,097</b>	<b>173,647</b>	<b>52,369</b>	<b>576,697</b>	<b>111,600</b>	
<b>Technical Provisions for Insurance, Private Pension Plans and Savings Bonds</b>	<b>38,234,781</b>	<b>33,668,654</b>	<b>26,408,952</b>	<b>19,155,479</b>	<b>13,853,426</b>	<b>10,338,065</b>
Other Liabilities	25,345,924	21,287,950	21,175,297	18,024,470	11,303,365	10,948,847
Collection of Taxes and Other Contributions	1,238,627	204,403	130,893	108,388	181,453	128,785

## Edgar Filing: BANK BRADESCO - Form 6-K

Foreign Exchange Portfolio	4,042,150	3,011,421	5,118,801	5,002,132	1,343,769	2,439,657
Social and Statutory Payables	1,118,908	900,266	851,885	666,409	572,265	560,533
Fiscal and Pension Plans						
Activities	5,528,117	4,495,387	4,781,458	4,376,031	3,371,127	3,094,628
Negotiation and						
Intermediation of Securities	575,753	312,267	595,958	109,474	1,307,385	592,395
Subordinated Debt	6,498,987	5,972,745	4,994,810	3,321,597	969,842	
Sundry	6,343,382	6,391,461	4,701,492	4,440,439	3,557,524	4,132,849
<b>Deferred Income</b>	<b>55,272</b>	<b>44,600</b>	<b>31,774</b>	<b>15,843</b>	<b>9,020</b>	<b>34,632</b>
Deferred Income	55,272	44,600	31,774	15,843	9,020	34,632
<b>Minority Interest in</b>						
<b>Subsidiary Companies</b>	<b>53,989</b>	<b>70,590</b>	<b>112,729</b>	<b>271,064</b>	<b>139,231</b>	<b>96,903</b>
<b>Stockholders Equity</b>	<b>18,261,593</b>	<b>15,214,646</b>	<b>13,546,880</b>	<b>10,845,729</b>	<b>9,767,946</b>	<b>8,092,202</b>
Capital:						
Local Residents	9,031,476	6,959,015	6,343,955	4,960,425	4,940,004	5,072,071
Foreign Residents	968,524	740,985	656,045	239,575	259,996	74,429
Receivables		(700,000)				(400,500)
Capital Reserves	35,884	10,853	8,665	7,435	7,435	19,002
Profit Reserves	7,972,090	7,745,713	6,066,640	5,715,317	4,614,110	3,403,020
Mark-to-Market Adjustments						
Marketable Securities						
and Derivatives	416,638	458,080	478,917	9,152		
Treasury Stock	(163,019)		(7,342)	(86,175)	(53,599)	(75,820)
<b>Stockholders Equity</b>						
<b>Managed by Parent</b>						
<b>Company</b>	<b>18,315,582</b>	<b>15,285,236</b>	<b>13,659,609</b>	<b>11,116,793</b>	<b>9,907,177</b>	<b>8,189,105</b>
<b>Total</b>	<b>201,913,222</b>	<b>184,926,468</b>	<b>176,097,690</b>	<b>142,785,030</b>	<b>110,115,906</b>	<b>94,878,483</b>

**Total Assets by Currency and Maturity**

Total Assets by Currency R\$ million

Remark: The Balance Sheet by Currency and Exchange Exposure can be found in the Note 6.

Total Assets by Maturity R\$ million

N.B.: the Balance Sheet by Maturity can be found in the Note 7.

**Marketable Securities**

Summary of the Classification of Securities

	R\$ million					
	Financial	Insurance/ Savings/ Bonds	Private Pension Plans	Other Activities	Total	%
Trading Securities	12,766	6,084	23,197	333	42,380	75.7
Securities Available for Sale	7,479	873	1,004	21	9,377	16.7
Securities Held to Maturity	1,098		3,155		4,253	7.6
<b>Subtotal</b>	<b>21,343</b>	<b>6,957</b>	<b>27,356</b>	<b>354</b>	<b>56,010</b>	<b>100.0</b>
Purchase and Sale Commitments	393	1,317	6,528		8,238	
<b>Total on September 30, 2005</b>	<b>21,736</b>	<b>8,274</b>	<b>33,884</b>	<b>354</b>	<b>64,248</b>	
<b>Total on September 30, 2004</b>	<b>23,057</b>	<b>6,181</b>	<b>28,815</b>	<b>102</b>	<b>58,155</b>	

## Composition of Marketable Securities by Issuance

Securities	R\$ million		
	2004	2005	
	September	June	September
Government	30,826	34,407	30,967
Private	7,643	9,798	13,623
PGBL/VGBL	11,168	12,854	11,420
<b>Subtotal</b>	<b>49,637</b>	<b>57,059</b>	<b>56,10</b>
Purchase & Sale Commitments:	8,518	7,382	8,238
Funds	6,780	4,203	2,102
PGBL/VGBL	1,738	3,179	6,136
<b>Total</b>	<b>58,155</b>	<b>64,441</b>	<b>64,248</b>

## Classification of Marketable Securities by Segment in percentage

N.B.: the Composition of Marketable Securities Portfolio consolidated by issuer, maturity, business segment and by category can be found in the Note 10.

**Loan Operations**

The consolidated balance of loan operations in 3Q05 reached a total of R\$ 75.2 billion, representing a 7.8% increase when compared to June 2005 and a 25.5% growth over the past twelve months.

The growth of Bradesco's loan portfolio continues outstanding in individuals operations, mainly concerned with consumer sales and personal loan financing (explained by a drop in unemployment and income upturn), whereas in businesses involving legal entities, we point out the growth of trade, boosted by an increase in consumption over the past months.

The loan portfolio scenario for the last quarter of the year is still of a growth sustained by loans to individuals and trade, in view of the expectation of expansion of consumption and orders by commerce, influenced by seasonal factors, which are typical at the end of the year.

Loan Operations Total Portfolio

Loan for individuals led the growth of the portfolio, recording an increase of 14.0% in relation to June 2005, accumulating 63.7% over the last twelve months, concentrated in higher consumer durable goods financing and a growth of the consigned loan market and also by recent partnerships established by Bradesco, which included not only the acquisition of consumer financing portfolios, as well as the direct financing to our partners clients.

Loan Operations per Type of Client

The behavior of loan granted to companies continued to show a more moderate performance (4.0% in relation to June 2005 and 8.2% over the past 12 months), especially between large corporations, influenced by higher utilization of other types of funding operations from the capital markets and the solid appreciation of real, with a high impact on foreign currency-indexed portfolios, despite they have shown a growth of businesses in the period.



## Loan Operations per Business Segment

In the wake of the higher increase in the individuals segment operations, its relative participation in the loan portfolio was meaningful in the period, already representing, in September 2005, 40.7% of the total portfolio compared to 31.2% observed in September 2004.

## Loan Operations per Activity Sector

	R\$ million					
	2004		2005			
	September	%	June	%	September	%
<b>Public Sector</b>	<b>625</b>	<b>1.0</b>	<b>627</b>	<b>0.9</b>	<b>795</b>	<b>1.1</b>
<b>Private Sector</b>	<b>59,351</b>	<b>99.0</b>	<b>69,160</b>	<b>99.1</b>	<b>74,449</b>	<b>98.9</b>
Industry	18,458	30.8	18,390	26.4	18,849	25.1
Commerce	9,544	15.9	10,559	15.1	11,324	15.0
Financial Intermediary Services	355	0.6	216	0.3	236	0.3
Agriculture, Fishing, Silviculture and Forest Exploitation	11,203	18.7	11,919	17.0	12,363	16.4
Individuals	1,103	1.8	1,235	1.8	1,088	1.4
<b>Total</b>	<b>59,976</b>	<b>100.0</b>	<b>69,787</b>	<b>100.0</b>	<b>75,244</b>	<b>100.0</b>

When distribution is concerned, by activity sector, the industry remained in absolute terms with the highest loan volume (25.1% of the total portfolio), again the segments related to exports, such as agri-industrialization, agribusiness, steel, metallurgy and automotive, followed by Services (16.4%) and Commerce (15.0%) .

## Loan Operations per type

	R\$ million			
	2004		2005	
	June	September	June	September
Borrowings and Discount of Trade				
Receivables	25,731	26,818	31,751	33,988
Financings	18,815	19,608	25,094	28,055
Rural and Agribusiness Loans	5,613	5,955	5,419	5,733
Leasing Operations	1,352	1,451	1,973	2,208
Advances on Foreign Exchange Contracts	6,259	5,618	5,089	4,730
<b>Subtotal of Loan Operations</b>	<b>57,770</b>	<b>59,450</b>	<b>69,326</b>	<b>74,714</b>
Other Loans	632	526	461	530
<b>Total Loan Operations</b>	<b>58,402</b>	<b>59,976</b>	<b>69,787</b>	<b>75,244</b>

**Sureties and Guarantees Recorded in  
Memorandum**

<b>Accounts</b>	<b>6,751</b>	<b>6,960</b>	<b>8,559</b>	<b>8,674</b>
<b>Total including Sureties and Guarantees</b>	<b>65,153</b>	<b>66,936</b>	<b>78,346</b>	<b>83,918</b>

73

---

Bradesco's performance strategy, focused on retail, has been allowing the enlargement and diversification of businesses in different client profiles, both individuals (especially automobile financing lines, personal loan, and consigned loan) and micro, small and medium-sized companies (SMEs) through the expansion of loan portfolios and cashing of drafts, basically destined to supply the demand for working capital.

#### Loan Portfolio Quality

In 3Q05, an improvement trend in the portfolio profile was maintained, resulting in a higher contribution from credits under the AA - C ratings, amounting to 93.1% of total balance, compared to 92.6% in June 2005.

Such improvement was partially influenced by the reclassification of risk of operations granted to a large utilities concessionaire, which had been classified on a preventive basis as high risk, as it concluded in 3Q05 the process of adjusting its liabilities to its real ability to pay.

#### Loan Operations by Rating in percentage

The total volume of the allowance for doubtful accounts presented a slight decrease, reaching R\$ 4,647 million in relation to the total loan portfolio (6.4% in June 2005 to 6.2% in September 2005) as a result of improved quality of the loan portfolio mentioned above.

In this regard, we point out the sufficiency of existing provisions, which may be evidenced through the analysis of historical data of allowances for doubtful accounts and losses effectively occurred in the subsequent period of twelve months.

Allowance for Loan Losses (PPD) x Default x Losses    Percentage over Loan Operation Balance

We verify in the graph above that for a total provision of 7.0% of the loan portfolio in September 2004, the loss over the subsequent twelve months was 2.9% of the portfolio, i.e., the provision existing in September 2004 showed to be more than sufficient to cover losses occurred in the subsequent period.

Overdue operations with final rating between E and H, important portfolio quality index, have been showing a downward trend as percentage of loan portfolio, demonstrating the solidity of methodology for recording of provision.

It is worth pointing out that over the past years, we have been observed a great adherence between behavior of overdue loan with final rating between E and H and the volume of losses incurred in 12 subsequent months, as we can see in the graph above.

#### Loan Portfolio Profile

Breakdown of the Normal Course Loan Portfolio by Maturity    R\$ million

The maturity of the normal course loan portfolio also shows a concentration of short-term operations. Nevertheless, the percentage of maturities up to 90 days showed a slight decline from 40.7% in September/04 to 38.3% in September/05, as a result of the growth of higher medium term portfolios, such as automobile financing and personal loan in the total loan assets.

## Movement of Loan Portfolio between June 2004 and 2005 R\$ million

The demonstrative data below of the performance of the consolidated loan portfolio over the past twelve months up to September 2005 ratifies an ongoing bias of improvement in the quality of the assets, pointing out the adequacy and convenience of the credit rating instruments used in Bradesco's loan concession process.

## Loan Portfolio Movement between September 2004 and 2005

Rating	Borrowers Remaining from September 2004		New Borrowers Between September 2004 and 2005		Total Loans in September 2005	
	R\$ million	%	R\$ million	%	R\$ million	%
AA - C	55,162	92.2	14,905	96.5	70,067	93.1
D	1,356	2.3	140	0.9	1,496	2.0
E - H	3,287	5.5	394	2.6	3,681	4.9
Total	59,805	100.0	15,439	100.0	75,244	100.0

## Concentration of Loan Portfolio R\$ million

As a result of the growth strategy of loan portfolio in retail, especially individuals, the concentration of loan among the Bank's largest borrowers kept decreasing in September 2005 as can be evidenced in the following table:

	2004				2005			
	June	%	September	%	June	%	September	%
Largest Borrower	779	1.3	931	1.6	836	1.2	835	1.1
10 Largest Borrowers	5,536	9.5	5,746	9.6	5,565	8.0	5,788	7.7
20 Largest Borrowers	8,497	14.5	8,803	14.7	8,116	11.6	8,483	11.3
50 Largest Borrowers	14,028	24.0	14,196	23.7	12,938	18.5	13,170	17.5
100 Largest Borrowers	18,234	31.2	18,062	30.1	16,957	24.3	17,232	22.9

## Loan Portfolio Indicators

In order to ease the follow-up of the quantitative and qualitative performance of Bradesco's loan portfolio, we present below a comparative summary of the main figures and indicators:

Items	R\$ million			
	2004		2005	
	June	September	June	September
Total Loan Operations	58,402	59,976	69,787	75,244
Individuals	17,828	18,688	26,841	30,589
Corporate	40,574	41,288	42,946	44,655
Existing Provision	4,213	4,181	4,450	4,647
Specific	1,876	1,885	1,891	2,053
Generic	1,432	1,383	1,613	1,642
Additional	905	913	946	952
Specific Provision/Existing Provision (%)	44.5	45.1	42.5	44.2
Existing Provision/ Loan Operations (%)	7.2	7.0	6.4	6.2
AA – C Rated Loan Operations / Loan Operations (%)	91.3	91.6	92.6	93.1
Operations Under Risk Management (D Rating) / Loan Operations (%)	2.8	2.9	2.2	2.0
E – H Rated Loan Operations / Loan Operations (%)	5.9	5.5	5.2	4.9
Loan Operations (D Rating)	1,629	1,765	1,537	1,496
Existing Provision for D Rating Loan Operations	374	398	363	352
Provision/ D Rating Loan Operations (%)	23.0	22.5	23.6	23.5
D – H Rated Loan Operations overdue	2,649	2,533	2,815	2,911
Total Provision/D – H Rated Loan Operations overdue (%)	159.0	165.1	158.1	159.6
E – H Rated Loan Operations	3,464	3,287	3,609	3,681
Existing Provision for E – H Rated Loan Operations	2,966	2,856	3,080	3,159
Provision/ E – H Rated Loan Operations (%)	85.6	86.9	85.3	85.8
E – H Rated Loan Operations overdue	2,223	2,175	2,257	2,426
Total Provision/E – H Rated Loan Operations overdue (%)	189.5	192.2	197.2	191.5
Total Provision/Non-Performing Loans (%) (*)	179.7	186.7	198.2	198.5

(\*) Loan operations overdue for more than 60 days and which do not generate income under the accrual method of accounting.

The evolution of figures during 3Q05 continues to confirm the portfolio's low credit risk, based on its comfortable coverage levels. For the last quarter of 2005, Bradesco remains prepared to take full advantage of all business opportunities, focused on increasing the loan portfolio, while respecting the established loan granting parameters, rooted in the traditional concepts of security, consistency, selectivity and diversification.

## Funding

### Deposits by Maturity

Days to maturity	R\$ million					Total
	2005		2005			
	June	September				
Total	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	Total	
Demand	14,892	14,774				14,774
Savings	24,517	24,791				24,791
Interbank	46	48	41			89
Time	32,043	4,010	4,011	3,290	19,951	31,262
Other Deposits	156	179				179
<b>Total</b>	<b>71,654</b>	<b>43,802</b>	<b>4,052</b>	<b>3,290</b>	<b>19,951</b>	<b>71,095</b>

Demand Deposits R\$ billion

**Checking Accounts**

The balance of Checking Accounts at Bradesco Organization ended the 3Q05 at R\$ 14.8 billion.

Quantity of Checking Accounts Individuals and Corporate

78

---



**Savings Accounts**

The balance of Bradesco Organization Savings Accounts amounted to R\$ 24.8 billion in deposits at the end of 3Q05, corresponding to a 19.2% market share in the Brazilian Savings and Loan System (SBPE) and secured the leadership of Bradesco among all private banks in the Brazilian Financial System.

Savings Account Deposits R\$ billion

Share of SBPE (Brazilian Savings and Loan System) in percentage

Savings Accounts million

## Asset Under Management

ISO 9001:2000

In August, BRAM Bradesco Asset Management obtained a re-certification of ISO 9001:2000 in the Assets under Management under the categories Retail and Exclusive. Fundação Vanzolini's report did not show any non-conformity or observation. This result confirms BRAM's commitment to Bradesco Organization's Quality Policies.

Bradesco is elected the Best Exchange-Index Funds Manager

According to survey of Guia Exame Best Investment Funds in 2005, Bradesco was elected the Best Exchange-Indexed Funds Manager, a result of solid management methodology adopted by BRAM Bradesco Asset Management. The study was conducted by Exame magazine in partnership with Finance Studies Center of Getulio Vargas Foundation.

Bradesco's Funds have Outstanding Performance by ValorInveste Magazine

Bradesco obtained an outstanding performance in the 9<sup>th</sup> edition of August/September/October 2005 of Star Ranking The Best Investment Funds, exclusively conducted for the magazine ValorInveste by Standard & Poor's (S&P), the largest risk rating agency in the world. Fifteen funds managed by BRAM Bradesco Asset Management received four and five-star classification. According to the magazine, the Investment Funds starring in the ranking represented the best of the industry and passed S&P's rigid examination.

80

---

## Stockholders' Equity

	R\$ million			
	2004		2005	
	June	September	June	September
Investment Funds	78,059	80,852	96,024	101,697
Managed Portfolios	8,757	9,319	7,583	7,782
Third-party Fund Quotas	1,860	3,095	4,883	5,177
<b>Total</b>	<b>88,676</b>	<b>93,266</b>	<b>108,490</b>	<b>114,656</b>

## Asset Distribution

	R\$ million			
	2004		2005	
	June	September	June	September
Investment Funds Fixed Income	75,579	78,148	93,368	98,387
Investment Funds Floating Rate	2,480	2,704	2,656	3,310
Investment Funds Third-Party	1,737	3,004	4,712	4,922
<b>Total</b>	<b>79,796</b>	<b>83,856</b>	<b>100,736</b>	<b>106,619</b>
Managed Portfolio Fixed Income	6,561	6,742	5,840	5,996
Managed Portfolio Floating Rate	2,196	2,577	1,743	1,786
Managed Portfolios Third-Party	123	91	171	255
<b>Total</b>	<b>8,880</b>	<b>9,410</b>	<b>7,754</b>	<b>8,037</b>
Total Fixed Income	82,140	84,890	99,208	104,383
Total Floating Rate	4,676	5,281	4,399	5,096
Total Third-Party Funds	1,860	3,095	4,883	5,177
<b>Total</b>	<b>88,676</b>	<b>93,266</b>	<b>108,490</b>	<b>114,656</b>

Total Asset Under Management according to ANBID's Global Ranking R\$ million (\*)

(\*) Considering third-party fund quotas.

Number of Funds, Portfolios and Quotaholders

	September 2004		June 2005		September 2005	
	Quantity	Quotaholders	Quantity	Quotaholders	Quantity	Quotaholders
Investment Funds	499	2,738,046	509	3,422,576	507	3,385,475
Managed Portfolios	106	361	109	287	112	343
<b>Total</b>	<b>605</b>	<b>2,738,407</b>	<b>618</b>	<b>3,422,863</b>	<b>619</b>	<b>3,385,818</b>

81

---

## **4 - Operating Companies**

---

**Bradesco Insurance and Private Pension Group****Insurance Companies**

## Aggregated Balance Sheet (\*)

	R\$ million			
	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>35,091</b>	<b>37,873</b>	<b>43,109</b>	<b>45,511</b>
Marketable Securities	32,470	35,157	40,137	42,380
Insurance Premiums Receivable	947	906	1,014	1,008
<b>Other Receivables</b>	<b>1,674</b>	<b>1,810</b>	<b>1,958</b>	<b>2,123</b>
<b>Permanent Assets</b>	<b>1,033</b>	<b>1,016</b>	<b>666</b>	<b>662</b>
<b>Total</b>	<b>36,124</b>	<b>38,889</b>	<b>43,775</b>	<b>46,173</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>32,229</b>	<b>34,551</b>	<b>39,286</b>	<b>41,229</b>
Tax, Civil and Labor Contingencies	1,120	1,072	1,105	1,131
Payables on Insurance, Private Pension Plans and Savings Bonds	487	425	450	483
Other Liabilities	1,144	1,469	1,198	1,380
Technical Provisions for Insurance	2,335	2,477	3,402	3,526
Technical Provisions for Private Pension Plans	25,134	27,059	31,079	32,574
Technical Provisions for Savings Bonds	2,009	2,049	2,052	2,135
<b>Minority Interest</b>	<b>35</b>	<b>36</b>	<b>66</b>	<b>74</b>
<b>Stockholders Equity of the Parent Company</b>	<b>3,860</b>	<b>4,302</b>	<b>4,423</b>	<b>4,870</b>
<b>Total</b>	<b>36,124</b>	<b>38,889</b>	<b>43,775</b>	<b>46,173</b>

(\*) Includes Bradesco Saúde, wholly-owned subsidiary of Banco Bradesco, equity accounting result of IRB, affiliated company of Banco Bradesco, Private Pension Plan and Savings Bonds Operations.

## Aggregated Statement of Income (\*)

	R\$ million					
	2004			2005		
	2nd Qtr.	3rd Qtr.	September YTD	2nd Qtr.	3rd Qtr.	September YTD
Net Premiums Written	3,487	3,999	10,917	3,811	4,314	11,741
Reinsurance Premiums and Redeemed						

Edgar Filing: BANK BRADESCO - Form 6-K

Premiums	(498)	(535)	(1,470)	(810)	(768)	(2,398)
<b>Insurance Retained Premiums, Private Pension Plans and Savings Bonds</b>	<b>2,989</b>	<b>3,464</b>	<b>9,447</b>	<b>3,001</b>	<b>3,546</b>	<b>9,343</b>
Variation in Technical Provisions	(695)	(1,076)	(2,647)	(604)	(739)	(1,437)
Fee income	57	82	223	100	109	304
Retained Claims	(1,291)	(1,311)	(3,840)	(1,474)	(1,490)	(4,288)
Expenses for Savings Bonds Draws and Redemptions	(346)	(313)	(932)	(313)	(338)	(898)
Expenses for Private Pension Plans Benefits and Redemptions	(581)	(513)	(1,621)	(611)	(588)	(1,992)
Selling Expenses	(205)	(217)	(637)	(230)	(249)	(708)
Expenses for Operating Provision for Health Insurance				324		
Other Operating Income (Expenses)	(95)	45	(72)	17	(12)	
Personnel and Administrative Expenses	(277)	(244)	(768)	(183)	(246)	(648)
Tax Expenses	(36)	(32)	(97)	(38)	(46)	(124)
Financial Result	469	405	1,462	537	702	1,739
Operating Income	(11)	290	518	526	649	1,291
Non-Operating Income	(28)	19	(17)	(54)	28	(21)
Equity Result	158	(1)	174	61	18	437
Minority Interest	2		3	(2)	(1)	(2)
<b>Income Before Taxes and Contributions</b>	<b>121</b>	<b>308</b>	<b>678</b>	<b>531</b>	<b>694</b>	<b>1,705</b>
Taxes and Contributions on Income	90	(107)	(102)	(162)	(269)	(480)
<b>Net Income</b>	<b>211</b>	<b>201</b>	<b>576</b>	<b>369</b>	<b>425</b>	<b>1,225</b>

(\*) It includes Bradesco Saúde, wholly-owned subsidiary of Banco Bradesco, equity accounting result of IRB, affiliated company of Banco Bradesco, Private Pension Plan and Savings Bonds Operations.

Performance Ratios in percentage

	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Claims Ratio (1)	87.4	84.2	84.6	84.5	79.9	81.4
Selling Ratio (2)	12.3	12.0	12.3	11.4	11.4	11.4
Combined Ratio (3)	119.6	104.6	110.6	101.6	101.5	101.4
Expanded Combined Ratio (4)	110.8	93.7	100.3	88.8	86.9	89.2
Administrative Expense Ratio (5)	14.5	12.7	13.1	8.5	11.9	10.5

N.B.: for the purposes of comparison, in 2Q05 and 1H05 we excluded the provision for Health Insurance, in the amount of R\$ 324 million.

- (1) Retained Claims/Earned Premiums.
- (2) Selling Expenses/Earned Premiums.
- (3) (Retained Claims + Selling Expenses + Administrative Costs + Taxes + Other Operating Expenses)/Earned Premiums.
- (4) (Retained Claims + Selling Expenses + Administrative Costs + Taxes + Other Operating Expenses)/(Earned Premiums + Financial Result).
- (5) Administrative Expenses/Earned Premiums.

Insurance Premiums Market Share (%)

Source: SUSEP and ANS

In the insurance segment, according to information published by SUSEP and ANS data up to August 2005, Bradesco secured R\$ 8.1 billion in premiums and maintained its industry leadership with a 25.0% market share. The insurance sector obtained a total of R\$ 32.183 billion in premiums up to August.



## Growth in Technical Provisions (\*) R\$ million

(\*) Bradesco Saúde, Banco Bradesco's wholly-owned, is included.

The exhibits presenting the technical provisions of Bradesco Vida e Previdência and Bradesco Capitalização are presented in the section specifically related to these companies.

## Earned Premiums by Insurance Line R\$ million

Insurance Line	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Health(*)	710	792	2,231	495	885	2,540
Auto/RCF	393	413	1,198	493	520	1,473
Life/AP/VGBL	257	268	778	312	337	944
Basic Lines	90	90	275	88	94	274
DPVAT	28	26	88	31	28	112
<b>Total</b>	<b>1,478</b>	<b>1,589</b>	<b>4,570</b>	<b>1,419</b>	<b>1,864</b>	<b>5,343</b>

(\*) In 2Q05, a provision for Health Insurance was considered, in the amount of R\$ 324 million.

In September 2005, there was an increase of 16.9% in premiums earned in the insurance segment, if compared to the same period of the previous year.

## Earned Premiums by Line %

N.B.: for the purposes of comparison, in 2Q05 and 2005 YTD we excluded the provision for Health Insurance, in the amount of R\$ 324 million

86

---

## Retained Claims by Insurance Line R\$ million

Insurance Line	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Health	660	734	2,056	796	805	2,390
Auto/RCF	381	357	1,067	370	400	1,107
Life/AP/VGBL	173	164	507	222	212	592
Basic Lines	56	61	166	64	53	181
DPVAT	21	22	71	22	20	80
<b>Total</b>	<b>1,291</b>	<b>1,338</b>	<b>3,867</b>	<b>1,474</b>	<b>1,490</b>	<b>4,350</b>

## Breakdown of loss ratio by Insurance Line (%)

N.B.: for the purposes of comparison, in 2Q05 and 1H05 we excluded the provision for Health Insurance, in the amount of R\$ 324 million

## Insurance Selling Expenses by Insurance Line R\$ million

Insurance Line	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Health	23	25	71	24	25	76
Auto/RCF	71	77	219	89	93	263
Life/AP/VGBL	68	72	220	68	74	215
Basic Lines	20	17	54	16	21	56
DPVAT				1		1
<b>Total</b>	<b>182</b>	<b>191</b>	<b>564</b>	<b>198</b>	<b>213</b>	<b>611</b>

## Selling Expenses by Insurance Line (%)

N.B.: for the purposes of comparison, in 2Q05 and 1H05 we excluded the provision for Health Insurance, in the amount of R\$ 324 million

87

---

Number of insured in thousands

Up to September 2005, there was an increase of 23.3% in the average customer base when compared to the same period of the previous year.

When comparing 3Q05 to the same period of the prior year, Bradesco Saúde maintained its noteworthy market position, especially in the corporate health insurance segment (source: ANS). Brazilian consumers are increasingly convinced that Health and Dental Insurance are the best alternatives for meeting their medical, hospital and dental care needs. At present, Bradesco Saúde has more than 2.6 million customers.

The increasing number of insured from large corporations that have contracted Bradesco Saúde, confirms the insurance company's high level of expertise and personalization in Corporate Insurance services, a distinct advantage in the Supplementary Health Insurance market.

Almost 12 thousand companies in Brazil have acquired Bradesco Saúde insurance products. Out of Brazil's 100 largest companies in terms of revenues, 31 are Bradesco's clients in the Health and Dental Health lines and out of the country's 50 largest companies, 32% are Bradesco Saúde's clients. (source: Exame Magazine's Maiores e Melhores de julho de 2005 - Biggest and Best List, July 2005).

Finally, emphasis should also be given to the user-friendly nature of the Bradesco Saúde Portal ([www.bradescosauade.com.br](http://www.bradescosauade.com.br)), which, in addition to providing information on available products, also offers access to a number of services for the insured, prospects and brokers.

Until August 2005, the Bradesco Auto/RE maintained its position as one of the main players in the Brazilian Basic Line (RE) Insurance market, with a significant 9.6% share of total market sales in this area.

In the area of domestic and international transport insurance, we are conquering new important businesses in the shipper segment, mainly Corporate and Bradesco Empresa's (Middle Market) clients. We renewed insurance policies of important companies, such as: Grupo Bunge, Sony, Ericsson, Aracruz Celulose, Vega do Sul, Gradiente and Petrobras, in the latter, we also won the International Transport insurance.

In the Corporate Risk segment, Bradesco Auto/RE was guarantor of facilities and businesses of 147 Brazil's largest companies, related to insurance operations of large corporations in the oil, petrochemical, steel, mining, aircraft, automobile, pulp and paper industries, with relevant contracting of policies for Operating Risks and Named, Domestic and International Transport, Engineering Risks, Aircraft, Oil Risks and Port Operator.

It is worth mentioning the contracting of Operating Risk insurance of Furnas Centrais Elétricas among new insurances obtained.



## Edgar Filing: BANK BRADESCO - Form 6-K

We renewed important and significant accounts in the segment of Maritime Hulls: Navegação Vale do Rio Doce Docenave, Empresa de Navegação Elcano and Navegação Guarita.

In the aviation segment, we maintained our leadership in Varig's insurance, we also increased by 86% our share. In addition, we have been maintained a good performance in the segment of business aircraft, the product Bradesco Seguro Aeronáutico (Bradesco Aircraft Insurance), which this year completed one year of launching.

In the Corporate segment, Bradesco Auto/RE has been strengthening the relationship with Bradesco Corporate and Bradesco Empresas (Middle Market) aiming a greater success in the insurance renewal, currently under its leadership, and conquering new insurance contracts in facilities and businesses of other large companies in the country.

In the mass market insurance segment, whose products are focused on individuals, small and medium-sized companies, (SMEs) we maintained a meaningful number of customers, in particular those of the Residential Insurance line, with more than 800,000 homes insured.

Another high profitability segment was the Diverse Risks directed to equipment, mainly the insurance arising from operations of leasing, FINAME and CDC of Banco Bradesco.

The continuous upgrading of products provides the improvement of the services rendered to our clients and contributing significantly for the increase in income of the current period.

In the Auto/RCF line, the market was affected by intense competition in big metropolitan areas, aggravated by a small growth in insured vehicle market.

During the period, we maintained our technically correct pricing policy, focused on balanced portfolio results. We consolidated our pricing policy based on the insured specific characteristics, after one year it was launched. We also maintained differentiated services, which add value to our products, such as discounts given through the nationwide customer service networks and autoglass repair, as well as the increase in the number of relationships with brokers which are carried out exclusively via Internet.

Bradesco's market share of the Auto/RCF portfolio, up to August, 2005 was 17.7% .

### **Awards/Recognition**

1. In March 2005, Bradesco Seguros was awarded with the Segurador Brasil 2005, sponsored by Segurador Brasil magazine, being elected as the Insurance Company of the Year .
2. In March 2005, Bradesco Seguros was appointed in the seventh edition of the poll Marcas de Quem Decide (Brands of Those Who Decide), as the preferred insurance company amongst Rio Grande do Sul state consumers. This poll is prepared by Jornal do Comércio in partnership with the Qualidata Institute, being recognized as the most complete study concerning brands in the Brazil's south region.
3. In April 2005, the president of Bradesco Seguros e Previdência, Luiz Carlos Trabuco Cappi, was elected the National Sector Leader under the Insurance and Private Pension Plan category. He was chosen at the Forum of Gazeta Mercantil Leaders.
4. In May 2005, Bradesco Seguros was chosen the Outstanding Performance of the Year , in award promoted by the Conjuntura Econômica magazine, of Getúlio Vargas Foundation Brazilian Institute of Economy (Ibre/FGV ), as the best insurance company in 2004 under the following aspects: Net Income, Total Assets, Stockholders Equity and Best Operating Margin.

5. In May, Bradesco Seguros e Previdência website won the iBest Award for the fourth time, regarded as the Oscar of the Brazilian Internet. The Insurance Company was the winner in the popular vote for Insurance category and Marketing Campaign category (Academia iBest), where it competed with various segment companies, which makes this achievement even more significant.

89

---



6. Bradesco Seguros won the XI Prêmio Abemd de Marketing Direto 2005 (Direct Marketing<sup>th</sup> Abemd Award 2005), promoted by the Brazilian Association of Direct Marketing (Abemd). The Company won the category Financial Products and Services – Insurance, Private Pension Plan, Investment, Savings Bonds and Others, thanks to the case Campanha Renovação de Seguro Auto (Auto Insurance Renewal Campaign).
7. Bradesco Seguros was awarded in the category Insurance Leadership /Insurance Company on the X Top of Mind – Common Market, Successful Brands – Minas Gerais, promoted by Mercado Comum magazine.
8. In June, Bradesco Seguros deserved special acknowledgment in the Balanço Financeiro magazine award, an annual publication edited by Gazeta Mercantil in partnership with the consulting firm Austin Rating. The company was awarded in the Insurance category.
9. In June 2005, Bradesco Seguros was awarded with the trophy Gaivota de Ouro, granted by the Seguro Total magazine. The company deserved special acknowledgment in the category Excellence in total premiums in the V Prêmio Mercado de Seguros 2005<sup>th</sup> (Insurance Market Award 2005).
10. In August 2005, Bradesco Seguros received the 2005 Carrier Preference Award, under the category Insurance Company, of the Union of Carriers of the State of Rio Grande do Sul (SETCERGS). The award created in 1994 aims at knowing which products and brands are preferred by the carriers of Rio Grande do Sul.
11. In September 2005, the president of Bradesco Seguros e Previdência, Luiz Carlos Trabuco Cappi, received the award Outstanding Performances of the Year, under the category Insurance Man of the Year. The Outstanding Performances of the Year, conducted with members of Clube Vida em Grupo (Group Life Club) of Rio de Janeiro (CVG – RJ), exists for 29 years and it is regarded as the Insurance Oscar, paying a tribute to professionals of such area, entities and companies which most contributed to the growth of insurance market.

## Sponsorships

1. Bradesco Seguros was the exclusive sponsor for the 37<sup>th</sup> edition of the award Sports Highlights, promoted by A Notícia newspaper, a newspaper from the state of Santa Catarina. The event took place on March 11, at CentroSul's conventions center, in the city of Florianópolis. In 2004, 44 successful athletes from Santa Catarina were honored with a trophy called O Jornaleiro.
2. Bradesco Seguros sponsors Motoristas.com, a website launched by Globo Online – O Globo newspaper Internet version in partnership with Detran (Traffic State Department) – Rio de Janeiro.
3. In May 2005, Bradesco Seguros was the official insurance company of the XII Bienal Internacional do Livro (12<sup>th</sup> International Book Fair), held in the city of Rio de Janeiro.
4. Bradesco Seguros sponsored the 31<sup>st</sup> National Conference of Human Resources (CONARH), which took place from August 1 to 4, at the Transamérica Expo Center, in São Paulo.
5. Bradesco Seguros sponsored the 1<sup>st</sup> Forum of Mass Insurance Marketing, which took place on August 9 and 10, at the Maksoud Plaza Hotel, in the city of São Paulo.

**Vida e Previdência (Private Pension Plans)**

## Balance Sheet

	R\$ million			
	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>27,008</b>	<b>29,454</b>	<b>32,876</b>	<b>34,719</b>
Funds Available	29	41	59	46
Marketable Securities	26,489	28,826	32,077	33,876
Insurance Operations and Other Receivables	490	587	740	797
<b>Permanent Assets</b>	<b>1,063</b>	<b>1,194</b>	<b>803</b>	<b>918</b>
<b>Total</b>	<b>28,071</b>	<b>30,648</b>	<b>33,679</b>	<b>35,637</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>26,017</b>	<b>28,171</b>	<b>32,099</b>	<b>33,697</b>
Tax and Social Security Contingencies	554	704	619	740
Operating Liabilities for Insurance and Private Pension Plans	63	61	97	114
Other Liabilities	266	347	304	269
Technical Provisions	25,134	27,059	31,079	32,574
<b>Stockholders' Equity</b>	<b>2,054</b>	<b>2,477</b>	<b>1,580</b>	<b>1,940</b>
<b>Total</b>	<b>28,071</b>	<b>30,648</b>	<b>33,679</b>	<b>35,637</b>

## Statement of Income

	R\$ million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Retained Premiums	224	266	717	285	294	883
Variations in Premium Reserves	(4)	(25)	(39)	(5)		(16)
<b>Earned Premiums</b>	<b>220</b>	<b>241</b>	<b>678</b>	<b>280</b>	<b>294</b>	<b>867</b>
Retained Claims	(125)	(138)	(424)	(206)	(189)	(563)
Expenses with Benefits VGBL	(10)	(11)	(26)	(17)	(28)	(58)
Selling Expenses Insurance	(48)	(55)	(162)	(56)	(63)	(175)
Other Operating Income (Expenses)	48	75	188	106	95	286
Income from Contributions and VGBL	1,395	1,810	4,670	1,450	1,869	4,659
Technical Provisions Variation Pension Plans and VGBL	(617)	(973)	(2,440)	(178)	(659)	(847)
Benefits/Redemptions Expenses	(581)	(486)	(1,594)	(611)	(588)	(1,930)

Edgar Filing: BANK BRADESCO - Form 6-K

Redemptions Expenses VGBL	(330)	(357)	(926)	(637)	(600)	(1,843)
Selling Expenses Pension Plans and VGBL	(38)	(39)	(114)	(40)	(44)	(126)
Administrative Expenses	(48)	(62)	(168)	(60)	(66)	(183)
Tax Expenses	(13)	(12)	(32)	(17)	(22)	(52)
Financial Income	988	1,117	3,112	1,140	1,180	3,505
Financial Expenses	(691)	(926)	(2,251)	(874)	(845)	(2,645)
Equity Income and Expenses	167	58	227	93	89	588
Non-Operating Income (Expense)		3	5	(8)	(1)	(14)
<b>Income Before Taxes and Contributions</b>	<b>317</b>	<b>245</b>	<b>743</b>	<b>365</b>	<b>422</b>	<b>1,469</b>
Taxes and Contributions on Income	(49)	(64)	(173)	(90)	(111)	(297)
<b>Net Income</b>	<b>268</b>	<b>181</b>	<b>570</b>	<b>275</b>	<b>311</b>	<b>1,172</b>

Income from Pension Plans and VGBL Market Share (%)

Source: SUSEP

Until September 2005, income from pension plans totaled R\$ 4.659 billion.

Life Insurance Premiums Market Share (%)

Source: SUSEP

Income on net premiums written until September 2005 totaled R\$ 968 million.

92

---

Increase in Technical Provisions R\$ million

Total technical provisions of Bradesco Vida e Previdência in September 2005 of R\$ 32,574 million comprised R\$ 20,048 million for supplementary pension plans, R\$ 11,547 million for VGBL, R\$ 896 million for life and personal accident, R\$ 79 million for DPVAT and R\$ 4 million for retroassignment.

Private Pension Plans and VGBL Investment Portfolios Market Share (%)

Source: ANAPP

In September 2005, the Investment Portfolios totaled R\$ 33,406 million.

93

---

Increase in Number of Participants in thousands

Increase in Life Insurance Policyholders in thousands

Thanks to its solid structure, innovative product policy and trusted market standing, Bradesco Vida e Previdência maintained its leadership, in 3Q05, of both markets in which it operates, with a 35.2% share of income from private pension plans and a 16.3% share of life insurance premiums.

Bradesco is also sole leader in VGBL plans with a 47.4% share and a 30.8% share in PGBL (Source: ANAPP Data accumulated until August 2005).

The number of Bradesco Vida e Previdência customers reached 33.1%, in September 2005, compared to the same period of 2004, surpassing the mark of 1.6 million private pension plan participants and 8 million life insurance holders. This significant increase was prompted by the strength of the Bradesco Brand name, by the use of an appropriate management and sales policies.

Year-end technical provisions totaled R\$ 32.6 billion in September 2005, an increase of 20.4% as compared to the same period of 2004. The portfolio of investments in private pensions and VGBL totaled R\$ 33.4 billion, comprising almost half of all market resources.

## Awards/Recognition

The quality of services rendered by Bradesco Vida e Previdência was recognized in 2005, conquering the following awards:

- Desbravadores Trophy – pioneer in VGBL, awarded in March, 2005;
- Marketing 10 Trophy – by line of products (Life insurance, Premium on Personal Accidents, Prev Jovem, amongst others), awarded in March 2005.
- Company of the Year – awarded by FGV in May, 2005;
- Top of Business – awarded in May, 2005;
- Best and Biggest – Top in the ranking of largest insurance companies by premium, June/2005 edition;
- 2005 Reliable Brands Reader's Digest Seleções magazine, as the most reliable brand in the supplementary private pension industry; and
- Acknowledgment for the case Bradesco Corporate Life Insurance: the democratization of access to life insurance reaches micro and small-sized companies – by Brazilian Academy of Insurance and Pension – ANSP.

Savings Bonds Companies <sup>(1)</sup>

Balance Sheet – R\$ million

	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>2,683</b>	<b>2,813</b>	<b>2,749</b>	<b>2,940</b>
Marketable Securities	2,596	2,719	2,658	2,811
Accounts Receivable and Other Receivables	87	94	91	129
<b>Permanent Assets</b>	<b>201</b>	<b>205</b>	<b>34</b>	<b>80</b>
<b>Total</b>	<b>2,884</b>	<b>3,018</b>	<b>2,783</b>	<b>3,020</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>2,416</b>	<b>2,413</b>	<b>2,352</b>	<b>2,461</b>
Tax and Labor Contingencies	286	177	192	194
Other Liabilities	121	187	108	132
Technical Provisions	2,009	2,049	2,052	2,135
<b>Stockholders' Equity</b>	<b>468</b>	<b>605</b>	<b>431</b>	<b>559</b>
<b>Total</b>	<b>2,884</b>	<b>3,018</b>	<b>2,783</b>	<b>3,020</b>

Statement of Income – R\$ million

	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD

Edgar Filing: BANK BRADESCO - Form 6-K

Income from Savings Bonds	396	338	1,040	357	393	1,034
Technical Provisions Variation	(7)	11	(46)	21	(16)	(9)
<b>Draws and Redemption of Bonds</b>	<b>(346)</b>	<b>(313)</b>	<b>(932)</b>	<b>(313)</b>	<b>(338)</b>	<b>(898)</b>
Redemptions	(336)	(299)	(896)	(304)	(328)	(870)
Draws	(10)	(14)	(36)	(9)	(10)	(28)
Selling Expenses			(1)	(3)	(5)	(12)
Other Operating Income (Expenses)			1		1	1
Financial Result	71	60	238	71	100	242
Administrative Expenses/Taxes	(28)	(22)	(69)	(12)	(16)	(40)
Equity Result	26	4	33			49
Non-Operating Income		(1)	(2)		8	8
<b>Income Before Taxes and Contributions</b>	<b>112</b>	<b>77</b>	<b>262</b>	<b>121</b>	<b>127</b>	<b>375</b>
Taxes and Contributions on Income	(27)	(25)	(76)	(39)	(43)	(108)
<b>Net Income</b>	<b>85</b>	<b>52</b>	<b>186</b>	<b>82</b>	<b>84</b>	<b>267</b>

(1) Bradesco Capitalização and Atlântica Capitalização are included.



## Edgar Filing: BANK BRADESCO - Form 6-K

Bradesco Capitalização's outstanding position in the savings bonds market is the result of its transparent operating policy, which is focused on adjusting its products in line with potential consumer demand.

Regionally, the company holds a leadership position in two Brazilian states, according to the latest figures for August 2005 published by SUSEP. The company's market share was of 31.6% in Amazonas and 26.7% in São Paulo.

In pursuit of a bond which is suited to its customers' different profiles and budgets, a number of products were developed, which vary in accordance with the type of payment (lump sum or monthly), contribution terms, regularity of draws (weekly or monthly) and related prize amounts. This phase brought the general public closer and consolidated the success of the popular Pé Quente Bradesco (Lucky Bond) savings bonds series.

Bradesco Capitalização was the first private savings bonds company in Brazil to receive ISO 9002 Certification, which in December 2002 was upgraded to the 2000 Version ISO 9001:2000. Granted by Fundação Vanzolini, the certification attests to the management quality of Bradesco Savings Bonds and confirms the principles on which their creation was based: good products, good services and continuous growth.

Income from Savings Bonds Certificates    Market Share (%)

Source: SUSE

Technical Provisions    Market Share (%)

Source: SUSEP



Growth in Technical Provisions R\$ million

Due to the growing strengthening of Technical provisions volume, Bradesco Capitalização reached the amount of R\$ 2.1 billion in September 2005 and according to August 2005 data, released by SUSEP, it holds 20.7% of the total volume of Technical Provisions in the market.

All these results deliver safety and reaffirm the financial solidity and the ability to honor the commitments assumed with clients.

Number of Customers in thousands

As a result of a customer loyalty building policy, focused on the quality customer service and the offer of innovative products, the number of Bradesco Capitalização's clients totaled more than 2.6 million at the 3Q05.

Outstanding Savings Bonds in thousands

Outstanding Savings Bonds with Transfer of Draw Participation Rights in thousands

Outstanding Savings Bonds in thousands

The outstanding savings bonds portfolio decreased from 45.4 million recorded in September 2004 to 12.3 million in September 2005. This decrease was motivated by the redemption of a major series of bonds with Transfer of Draw Participation Rights, which were sold in 2004 via partnership agreements in various market segments. Of the total portfolio, 62.2% comprise bonds with Transfer of Draw

Participation Rights, including Bradesco Cartões, Bradesco Vida e Previdência, Banco Finasa etc. Since the purpose of this type of savings bonds certificate is to add value to partners' products or to provide incentives for customer due payments, these are low-priced bonds which are sold with reduced terms and grace periods and at a lower unit purchase price.

#### Awards/Recognition

1. In March 2005, Bradesco Capitalização was awarded the Segurador Brasil 2005 (Brazil's Insurance Company 2005), sponsored by *Segurador Brasil* magazine. The company was recognized as having the Best Performance.
2. Bradesco Capitalização conquered the Top of Marketing 2005 Award, of ADVB/SP, for the case *Pé Quente Bradesco SOS Mata Atlântica* (Bradesco Lucky Bond Helping the Atlantic Forest). The award aims at giving special acknowledgement to Organizations strengthening the creation or the endurance of its product, service or brand, by means of innovative and solid marketing strategies.
3. Bradesco Capitalização deserved special acknowledgement in the *Balanço Financeiro* magazine award, an annual publication edited by Gazeta Mercantil in partnership with the consulting firm Austin Rating. The company was awarded in the Savings Bonds category.
4. In June 2005, Bradesco Capitalização was given the trophy Gaivota de Ouro, granted by the Seguro Total magazine. The company received special acknowledgement in the Melhores Empresas de Capitalização (Best Savings Bonds Companies) category in the V Prêmio Mercado de Seguros 2005 (Insurance Market Award 2005).

**Banco FinasaFinas**

## Consolidated Balance Sheet

	<b>R\$ million</b>			
	<b>2004</b>		<b>2005</b>	
	<b>June</b>	<b>September</b>	<b>June</b>	<b>September</b>
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>7,037</b>	<b>7,652</b>	<b>11,883</b>	<b>14,015</b>
Funds Available	5	8	10	7
Interbank Investments	111	37	245	232
Marketable Securities and Derivative Financial Instruments	68	78	59	53
Interbank Accounts	29	30	33	29
Loan and Leasing Operations	6,482	7,129	11,048	13,249
Allowance for Doubtful Accounts	(227)	(233)	(329)	(432)
Other Receivables and Other Assets	569	603	817	877
<b>Permanent Assets</b>	<b>361</b>	<b>343</b>	<b>1,739</b>	<b>1,785</b>
<b>Total</b>	<b>7,398</b>	<b>7,995</b>	<b>13,622</b>	<b>15,800</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>7,023</b>	<b>7,551</b>	<b>12,927</b>	<b>15,034</b>
Demand, Time and Interbank Deposits	6,479	7,025	12,487	14,620
Interbank Accounts	3	2		
Borrowings and Onlendings	55	51	10	9
Derivative Financial Instruments	241	203	83	52
Other Liabilities	245	270	347	353
<b>Deferred Income</b>	<b>30</b>	<b>35</b>	<b>51</b>	<b>47</b>
<b>Stockholders Equity</b>	<b>345</b>	<b>409</b>	<b>644</b>	<b>719</b>
<b>Total</b>	<b>7,398</b>	<b>7,995</b>	<b>13,622</b>	<b>15,800</b>

## Consolidated Statement of Income

	<b>R\$ million</b>					
	<b>2004</b>			<b>2005</b>		
	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>
Income from Financial Intermediation	567	590	1,667	849	1,028	2,613
Financial Intermediation Expenses	(300)	(333)	(895)	(615)	(767)	(1,882)
<b>Gross Income from Financial Intermediation</b>	<b>267</b>	<b>257</b>	<b>772</b>	<b>234</b>	<b>261</b>	<b>731</b>
Other Operating Income (Expenses)	(137)	(160)	(449)	(168)	(180)	(498)

<b>Operating Income</b>	<b>130</b>	<b>97</b>	<b>323</b>	<b>66</b>	<b>81</b>	<b>233</b>
Non-Operating Income (Expenses)	(2)	1	(5)		(1)	
<b>Income Before Taxes and Contributions</b>	<b>128</b>	<b>98</b>	<b>318</b>	<b>66</b>	<b>80</b>	<b>233</b>
Taxes and Contributions on Income	(6)	(34)	(72)	(6)	(6)	(27)
<b>Net Income</b>	<b>122</b>	<b>64</b>	<b>246</b>	<b>60</b>	<b>74</b>	<b>206</b>

## Profile

Finasa has been Bradesco's consumer finance company since 1998, operating on a supplementary basis to the Organization's businesses in the consumer's credit segment, focusing on three business lines at retail: automobiles, which included the new area of Transports, Personal Loan, with a dedicated staff and Finabens (goods and services).

Finasa Promotora de Vendas Ltda., Finasa's wholly-owned subsidiary, provides for clients and trade partners prospecting services, through 224 branches established nationwide. The Company recorded in September 2005, the following registered partners data: 18,537 auto resale and 22,043 stores selling furniture and home décor, tourism, auto parts, IT programs and equipment, home improvement material, clothing and footwear, amongst others. During same period, it had 3,919 employees, of which 71% of them were directly performing in clients and new businesses prospect.

Proceeding with the policy of expanding Bradesco's businesses by means of Operating Agreements with Stores Chain, Car Makers and Car Resale, agreements were entered into this quarter with Ponte Irmãos stores, mainly located in the northern region of Brazil and in the state of Mato Grosso; with Eletrozema, network operating in the state of Minas Gerais, midwest region and state of Pará; and with GR Eletro Vesle, network present in the mid-west and northern regions of Brazil.

#### Operating Performance

On September 30, 2005, total assets consolidated reached R\$15.9 billion, a 97.62% growth over September 2004 and 15.99% over June 2005.

Loan and Leasing Operations ended the 3Q05 with a balance of R\$13.2 billion, prior to the Allowance for Doubtful Accounts, representing a 85.85% growth over same period of 2004 and 19.92% over 2Q05.

Light vehicles and transport financing and leasing portfolio, with a balance of R\$10.8 billion on September 30, 2005, increased 62.85% over same period of 2004, with a production of R\$ 7.0 billion in the nine months of 2005, a 59.07% increase to that produced in the nine months of previous year.

The portfolio of Other Goods and Services Financing (FINABENS), ended 3Q05 with a balance of R\$ 2.1 billion, 5.47 times higher than the same period of previous year and a volume produced in the nine months of 2005 of R\$ 2.7 billion, 4.34 times higher than same period of 2004, pointing out the commencement of operating agreement with Casas Bahia in 1H05.

The Personal Loan also showed a significant growth of 187.28%, between September 2005 and 2004, reaching a balance of R\$356 million, with R\$ 373 million in volume of new businesses from January to September 2005, 224.77% higher than same period of 2004, recording in the nine months of this year, the opening of 98 new branches, including those 33 ones acquired from Morada Serviços Financeiros Ltda. in April this year.

The participation of balance of Allowance for Doubtful Accounts over Loan and Leasing Operations in September 2005 was 3.26%, practically the same verified in September 2004.

In the nine months of 2005, Finasa verified Net Income, before the swap mark-to-market, of R\$ 184.3 million against R\$ 147.5 million verified in the first nine months of 2004, a 24.95% increase, ending the month of September 2005 with a stockholders' equity of R\$ 719 million, which included R\$ 80 million from capital increase occurred in April 2005, referring to the purchase of Morada Serviços Financeiros Ltda.

Net Income after the swap mark-to-market, which during such nine months had a reduced effect than in the nine months of the previous year, of R\$ 21.9 million and R\$ 98.0 million, respectively, was composed as follows:

	<b>R\$ million</b>	
	<b>September YTD</b>	
	<b>2004</b>	<b>2005</b>
Net Income Before Swap Mark-to-Market	147.5	184.3
Swap Mark-to-Market Effect	98.0	21.9
Net Income	245.5	206.2



**Leasing Companies**

On September 30, 2005, Bradesco Organization controlled the following leasing companies: Bradesco Leasing S.A., Arrendamento Mercantil and Zogbi Leasing S.A. Arrendamento Mercantil, besides the leasing portfolio of Banco Finasa S.A., which is directly shown in its statements.

101

---

**Leasing Companies**

On April 15, 2005, the 1<sup>st</sup> Debentures Public Offering Program was filed at CVM under N<sup>o</sup>. CVM/SRE/PRO/2005/004, with duration of up to 2 years and R\$10.0 billion limit, out of which the following issuances were recorded:

40,000,000 (¶ issuance) simple debentures, under N<sup>o</sup> CVM/SRE/DEB/2005/017, with unit value of R\$100.00, issuance date as of February 1, 2005, and a total amount of issuance of R\$ 4.0 billion, a 20-year term, as from the issuance date, with payment of compensatory interest on the debentures maturity date;

30,000 (¶ issuance), simple debentures, under N<sup>o</sup> CVM/SRE/DEB/2005/029, with unit value of R\$ 100,000.00, issuance date as of May 1, 2005, and a total amount of issuance of R\$ 3.0 billion, a 6-year term, as from the issuance date, with payment of compensatory interest on a semi-annual basis;

30,000,000 (¶ issuance) simple debentures, under N<sup>o</sup> CVM/SRE/DEB/2005/045, using a 35% surplus, with unit value of R\$ 100.00, with issuance date as of February 01, 2005, and a total amount of issuance of R\$ 4.05 billion, a 20-year term as from the issuance date, with payment of compensatory interest on the debentures maturity date.

**Aggregated Balance Sheet**

	<b>R\$ million</b>			
	<b>2004</b>		<b>2005</b>	
	<b>June</b>	<b>September</b>	<b>June</b>	<b>September</b>
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>5,259</b>	<b>4,737</b>	<b>13,000</b>	<b>13,558</b>
Funds Available	1	1		
Interbank Investments	2,325	2,257	10,135	10,558
Marketable Securities and Derivative Financial Instruments	1,273	618	668	725
Leasing Operations	1,271	1,348	1,673	1,785
Allowance for Doubtful Accounts	(107)	(95)	(82)	(91)
Other Receivables and Other Assets	496	608	606	581
<b>Permanent Assets</b>	<b>37</b>	<b>485</b>	<b>86</b>	<b>97</b>
<b>Total</b>	<b>5,296</b>	<b>5,222</b>	<b>13,086</b>	<b>13,655</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>3,060</b>	<b>3,131</b>	<b>10,803</b>	<b>11,296</b>
Funds obtained in the Open Market and Funds Received from Issuance of Securities	1,766	1,834	9,465	9,916
Borrowings and Onlendings	203	191	177	185
Derivative Financial Instruments	15	11	4	2
Subordinated Debt	623	624	629	629
Other Liabilities	453	471	528	564
<b>Stockholders' Equity</b>	<b>2,236</b>	<b>2,091</b>	<b>2,283</b>	<b>2,359</b>

<b>Total</b>	<b>5,296</b>	<b>5,222</b>	<b>13,086</b>	<b>13,655</b>
--------------	--------------	--------------	---------------	---------------

## Statement of Income

	<b>R\$ million</b>					
	<b>2004</b>			<b>2005</b>		
	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>
Income from Financial Intermediation	426	257	1,098	595	843	1,841
Financial Intermediation Expenses	(324)	(191)	(819)	(479)	(709)	(1,480)
<b>Gross Income from Financial Intermediation</b>	<b>102</b>	<b>66</b>	<b>279</b>	<b>116</b>	<b>134</b>	<b>361</b>
Other Operating Income (Expenses)	(25)	8	(31)	(50)	(17)	(82)
<b>Operating Income</b>	<b>77</b>	<b>74</b>	<b>248</b>	<b>66</b>	<b>117</b>	<b>279</b>
Non-Operating Income (Expenses)		(5)	(4)	1		1
<b>Income Before Taxes and Contributions</b>	<b>77</b>	<b>69</b>	<b>244</b>	<b>67</b>	<b>117</b>	<b>280</b>
Taxes and Contributions on Income	(24)	(15)	(76)	(20)	(41)	(94)
<b>Net Income</b>	<b>53</b>	<b>54</b>	<b>168</b>	<b>47</b>	<b>76</b>	<b>186</b>

Leasing Performance Consolidated Bradesco

Leasing operations are carried out by Bradesco Leasing S.A. Arrendamento Mercantil and Banco Finasa S.A.

On September 30, leasing operations brought to present value totaled R\$ 2.2 billion, with a balance of R\$ 8.3 million receivable in operating leases.

The Bradesco Organization leasing companies are sector leaders, according to ABEL, with an 11.4% share of this market (reference date: August 2005).

This sound performance is rooted in its Branch Network integrated operations and the maintenance of its diversified business strategies in various market segments, in particular, the implementation of operating agreements with major industries, mainly in the heavy vehicle and machinery/equipment sectors.

The following graph presents the breakdown of Bradesco's consolidated leasing portfolio by type of asset:

Portfolio by Type of Asset

**Bradesco Consórcios (Consortium Purchase System)****Administradora (Management Company)**

## Balance Sheet

	R\$ thousand			
	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current Assets and Long-Term Assets</b>	<b>47,501</b>	<b>61,552</b>	<b>116,074</b>	<b>142,513</b>
Funds Available		8	9	
Marketable Securities	45,765	60,217	114,002	140,332
Other Receivables	1,736	1,327	2,063	2,181
<b>Permanent Assets</b>	<b>800</b>	<b>770</b>	<b>706</b>	<b>715</b>
<b>Total</b>	<b>48,301</b>	<b>62,322</b>	<b>116,780</b>	<b>143,228</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>14,336</b>	<b>15,055</b>	<b>37,918</b>	<b>44,976</b>
Amounts Refundable to Former Groups Now Closed	5,650	5,749	6,081	6,234
Other Liabilities	8,686	9,306	31,837	38,742
<b>Stockholders Equity</b>	<b>33,965</b>	<b>47,267</b>	<b>78,862</b>	<b>98,252</b>
<b>Total</b>	<b>48,301</b>	<b>62,322</b>	<b>116,780</b>	<b>143,228</b>

## Statement of Income

	R\$ thousand					
	2004			2005		
	2nd Qtr.	3rd Qtr.	September YTD	2nd Qtr.	3rd Qtr.	September YTD
Fee income	20,023	22,935	58,293	33,427	39,674	102,894
Taxes Payable	(1,183)	(1,370)	(3,457)	(3,337)	(4,056)	(10,304)
Financial Income	1,263	1,780	3,962	4,501	5,700	13,521
Administrative Expenses (Including Personnel Expenses)	(2,559)	(2,522)	(6,898)	(4,112)	(5,538)	(12,963)
Selling Expenses	120	210	377	746	837	2,013
Other Operating (Expenses) Income						
<b>Income Before Taxes and Contributions</b>	<b>12,586</b>	<b>16,483</b>	<b>40,447</b>	<b>25,318</b>	<b>30,320</b>	<b>80,621</b>
Taxes and Contributions on Income	(2,657)	(3,181)	(7,789)	(8,841)	(10,930)	(28,509)
<b>Net Income</b>	<b>9,929</b>	<b>13,302</b>	<b>32,658</b>	<b>16,477</b>	<b>19,390</b>	<b>52,112</b>

**Consortium Groups**

Balance Sheet R\$ thousand

	<b>R\$ million</b>			
	<b>2004</b>		<b>2005</b>	
	<b>June</b>	<b>September</b>	<b>June</b>	<b>September</b>
<b>Assets</b>				
Current and Long-Term Assets	164,330	201,818	377,010	437,245
Amount Offset	5,499,952	6,189,691	9,495,099	10,263,261
<b>Total</b>	<b>5,664,282</b>	<b>6,391,509</b>	<b>9,872,109</b>	<b>10,700,506</b>
<b>Liabilities</b>				
Current and Long-Term Liabilities	21,626	30,923	69,131	83,050
Stockholders' Equity	142,704	170,895	307,879	354,195
Amount Offset	5,499,952	6,189,691	9,495,099	10,263,261
<b>Total</b>	<b>5,664,282</b>	<b>6,391,509</b>	<b>9,872,109</b>	<b>10,700,506</b>

## Operating Overview

Bradesco Consórcios on December 9, 2002 started to sell consortium purchase plan quotas to its employees, and on January 21, 2003, started to sell to account holders and non-account holders of Bradesco, and the consortium then became part of the portfolio of products offered by Bradesco, both for individuals and legal entities.

It operates in the automobile, truck, tractor and harvesting machines segments, as well as real estates, in such manner to maintain the quality excellence, with good practices of the system, according to the rules of Central Bank of Brazil and principles of Bradesco Organization.

The Company relies on all the facilities offered by the Bradesco Branch Network to commercialize its products, which is a distinct market advantage responsible for the rapid growth presented by the consortium purchase system segment. The extensive nature and security associated with the Bradesco Brand Name are added advantages for expanding consortium plan sales.

## Segmentation

The Bradesco Organization's entry into this segment is part of its strategy to offer the most complete range of product and services possible to its clients.

Bradesco Consórcios aims to provide all social classes with the opportunity to purchase items through the consortium quota system, filling a market lacuna at accessible prices, especially taking into account in relation to real estate product, the country's current high housing deficit.

## Representation

### Market Share Real Estate Consortium

Source: Brazilian Central Bank.

Note: Embrakon and Itaú's market share was not published in August 2004.

Market Share Automobile Consortium

Source: Brazilian Central Bank.

Note: Banco do Brasil's market share was not published in August 2004.

Bradesco, present in this segment, has been playing an important role in the placement of personal and real property to the population. In this sector, the consumer may buy an apartment, house, land or office unit.

In the third quarter of 2005, 32 thousand consortium quotas were traded.

On September 30, 2005, we recorded total accumulated sales exceeding 202.8 thousand quotas of the consortium, summing up sales exceeding R\$ 5.8 billion and recording 44.6 thousand draws, 33.7 thousand mil properties delivered and 1,015 active groups. In the 3<sup>rd</sup> quarter of 2005, we inaugurated 84 groups.

Active Quotes



## Conquering Leadership

With a bold market strategy, Bradesco Consórcios leads the real estate segment, according to data informed by the Brazilian Central Bank in August, with 58,538 active quotas. These results brought important recognition, such as the Marketing Best and ADVB award.

Supported by an aggressive campaign for the sale of automobile quotas, Bradesco Consórcios reached also the leadership of the Auto segment, according to Central Bank's data, leaving behind consortium management companies associated with car makers, such as: Volkswagen, Fiat and General Motors. In August 2005, we registered 120,079 active quotas referring to this segment.

Leadership is conquered and consolidated (Real Estate and Auto) as a result of ongoing and determined efforts, motivated by the enthusiasm of each sales teams and the Branch Network distribution.

## Total Quotas Sold

Number of active participants comprising the 10 largest real estate consortium management companies (\*)

Source: Central Bank of Brazil.

Note: Embracon and Itaú were not mentioned in ranking August 2004 of the 10 largest consortium management companies.

## List of 10 largest auto segment consortium management companies

Source: Brazilian Central Bank.

Note: Banco do Brasil was not mentioned in the August 2004 ranking of the ten largest consortium management companies.

**Bradesco S.A. Corretora de Títulos e Valores Mobiliários**

## Balance Sheet

	R\$ thousand			
	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current and Long-Term Assets</b>	<b>128,999</b>	<b>110,193</b>	<b>101,281</b>	<b>492,199</b>
Funds Available	38	27	49	33
Interbank Investments and Securities	69,514	73,695	65,952	70,193
Other Receivables and Other Assets	59,447	36,471	35,280	421,973
<b>Permanent Assets</b>	<b>22,154</b>	<b>23,058</b>	<b>28,926</b>	<b>29,955</b>
<b>Total</b>	<b>151,153</b>	<b>133,251</b>	<b>130,207</b>	<b>522,154</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>77,818</b>	<b>56,872</b>	<b>59,190</b>	<b>445,194</b>
Other Liabilities	77,818	56,872	59,190	445,194
<b>Stockholders' Equity</b>	<b>73,335</b>	<b>76,379</b>	<b>71,017</b>	<b>76,960</b>
<b>Total</b>	<b>151,153</b>	<b>133,251</b>	<b>130,207</b>	<b>522,154</b>

## Statement of Income

R\$ thousand

## Edgar Filing: BANK BRADESCO - Form 6-K

	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Income from Financial Intermediation	2,557	2,741	7,796	3,565	3,379	8,229
Other Operating Income (Expenses)	1,162	1,209	7,484	2,180	3,596	10,924
<b>Operating Income</b>	<b>3,719</b>	<b>3,950</b>	<b>15,280</b>	<b>5,745</b>	<b>6,975</b>	<b>19,153</b>
<b>Non-Operating Income</b>	<b>2</b>		<b>2</b>	<b>(7)</b>		<b>(7)</b>
<b>Income before Taxes and Contributions</b>	<b>3,721</b>	<b>3,950</b>	<b>15,282</b>	<b>5,738</b>	<b>6,975</b>	<b>19,146</b>
Taxes and Contributions on Income	(1,234)	(1,341)	(5,136)	(1,912)	(2,357)	(7,247)
<b>Net Income</b>	<b>2,487</b>	<b>2,609</b>	<b>10,146</b>	<b>3,826</b>	<b>4,618</b>	<b>11,899</b>

108

Bradesco Corretora ended the 3<sup>rd</sup> quarter of 2005 maintaining a status of outstanding performance in the Capital Markets.

We present below a summary of the main activities carried out during the 3Q05:

Bradesco Corretora ended the quarter in the 12<sup>th</sup> position of São Paulo Stock Exchange – BOVESPA ranking of top 90 participant brokers. 16,358 investors were served in such period, executing 143,441 stock purchase and sale orders, summing up a volume corresponding to R\$ 5.0 billion. Bradesco Corretora has been participating with BOVESPA in the event *Bovespa vai até você* (Bovespa reaches you), with a view to popularizing the stock market.

In this quarter, Bradesco Corretora traded 1,144.7 thousand contracts at the Brazilian Mercantil & Futures Exchange BM&F, with a financial volume of R\$ 112.0 billion, reaching the 20<sup>th</sup> position in the ranking of top 70 participant brokers. It has been driving its efforts to proceed with the expansion of businesses, as well as to disseminate future markets. Concerning the agricultural sector, Bradesco Corretora has been directly acting in the main producing regions of the country, through visits, lectures, and participation in agribusiness fairs and exhibitions. Jointly with BM&F, it has been sponsored the clients' visit to various regions of the country, such as São Paulo, BM&F and Bradesco Corretora. It has also been received producers, teachers, opinion makers and dealers of goods physical market. Since January, Bradesco Corretora, takes part in the trading of future mini-contracts of Bovespa Index, U.S. dollar and *boi gordo* (live cattle) through the WebTrading system, with a view to offering an alternative to carry out derivative operations directly at the trading floor.

Electronic trading carried out via Internet in the quarter summed up 75,012 orders executed, with a volume of R\$ 502.0 million, accounting for 2.26% over total volume operated via Home Broker at BOVESPA, with Bradesco Corretora at the 8<sup>th</sup> position in the ranking. The client base grew 7.48%, with the acceptance of 2,437 new registrations in the quarter, period in which we received 12,900 e-mails.

Bradesco Corretora, with a financial volume of R\$ 106.0 million in the quarter, acting in the Stock Public Offerings, Primary and Secondary Public Distributions, Special Operations, Stock Swap and Privatization Auctions, Bradesco Corretora maintains its outstanding position in the market.

Bradesco Corretora offers the investment analysis service, acting jointly with the Economics Department of Banco Bradesco S.A., providing reports on the performance of main markets, stock portfolio suggested and stock guide.

In addition, it offers non-resident investors' representation service in operations conducted in the financial and capital markets, under the terms of the CMN (Brazilian Monetary Council) Resolution 2,689, as of January 26, 2000.

The net income recorded in the quarter amounted to R\$ 4.6 million.

The Stockholders' Equity, at the end of the quarter, amounted to R\$ 77.0 million and assets summed up R\$ 522.2 million.

Edgar Filing: BANK BRADESCO - Form 6-K

Information Trading on BM&F and BOVESPA

	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
<b>BM&amp;F</b>						
Ranking	28 <sup>th</sup>	29 <sup>th</sup>	28 <sup>th</sup>	21 <sup>th</sup>	20 <sup>th</sup>	19 <sup>th</sup>
Contracts Traded (thousand)	666.3	640.5	2,037.1	914.8	1,144.7	2,936.7
Financial Volume (R\$ billion)	76.1	69.9	226.0	90.2	112.0	308.6
<b>Stock Exchange</b>						
Ranking	13 <sup>th</sup>	10 <sup>th</sup>	10 <sup>th</sup>	24 <sup>th</sup>	12 <sup>th</sup>	12 <sup>th</sup>
Number of Investors	40,071	20,341	113,904	15,609	16,358	40,286
Number of Orders Executed	114,019	65,389	281,228	120,367	143,441	405,387
Volume Traded (R\$ billion)	2.7	3.7	11.1	2.7	5.0	12.8
<b>Home Broker</b>						
Ranking	5 <sup>th</sup>	5 <sup>th</sup>	5 <sup>th</sup>	8 <sup>th</sup>	8 <sup>th</sup>	7 <sup>th</sup>
Registered Clients	23,508	25,340	25,340	32,584	35,021	35,021
Orders Executed	49,229	60,783	169,797	62,853	75,012	210,864
Volume Traded (R\$ million)	285.5	355.2	996.4	359.3	502.0	1,322.0

**Bradesco Securities, Inc.**

Balance Sheet

	R\$ thousand			
	2004		2005	
	June	September	June	September
<b>Assets</b>				
<b>Current and Long-Term Assets</b>	<b>66,047</b>	<b>63,500</b>	<b>53,752</b>	<b>50,893</b>
Funds Available	6,922	1,821	7,275	7,428
Interbank Investments	491	5,978		
Marketable Securities and Derivative Financial Instruments	58,611	55,682	46,442	43,418
Other Receivables and Other Assets	23	19	35	47
<b>Permanent Assets</b>	<b>46</b>	<b>34</b>	<b>16</b>	<b>12</b>
<b>Total</b>	<b>66,093</b>	<b>63,534</b>	<b>53,768</b>	<b>50,905</b>
<b>Liabilities</b>				
<b>Current and Long-Term Liabilities</b>	<b>203</b>	<b>524</b>	<b>581</b>	<b>404</b>
Other Liabilities	203	524	581	404
<b>Stockholders' Equity</b>	<b>65,890</b>	<b>63,010</b>	<b>53,187</b>	<b>50,501</b>

<b>Total</b>	<b>66,093</b>	<b>63,534</b>	<b>53,768</b>	<b>50,905</b>
--------------	---------------	---------------	---------------	---------------

Statement of Income

	<b>R\$ thousand</b>					
	<b>2004</b>			<b>2005</b>		
	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>
<b>Gross Income from Financial Intermediation</b>	<b>(1,899)</b>	<b>3,263</b>	<b>2,084</b>	<b>2,392</b>	<b>710</b>	<b>2,352</b>
Other Operating Income (Expenses)	(452)	(683)	(1,787)	(488)	(529)	(1,536)
<b>Operating Income (Expenses)</b>	<b>(2,351)</b>	<b>2,580</b>	<b>297</b>	<b>1,904</b>	<b>181</b>	<b>816</b>
<b>Net Income/(Net Loss)</b>	<b>(2,351)</b>	<b>2,580</b>	<b>297</b>	<b>1,904</b>	<b>181</b>	<b>816</b>

110

Bradesco Securities, Inc., a wholly-owned subsidiary of Banco Bradesco, operates as a broker dealer in the United States. The company's activities are focused on the intermediation of stock share purchases and sales, with emphasis on ADR operations. The company is also authorized to operate with Bonds, Commercial Paper and Certificates of Deposit, among others, and to provide Investment Advisory services. This Bradesco initiative was motivated by the more than 90 ADR programs of Brazilian companies traded in New York and by the growing interest of foreign investors in the emerging markets, and is designed to offer support for global economy investors who invest part of this flow in countries such as Brazil.

Banco Bradesco obtained the Financial Holding Company status (Board of Governors of the Federal Reserve System), on January 30, 2004, which will allow the expansion of Bradesco Securities activities.

This status, given based on a rigorous analysis of various aspects determined in US banking legislation, including Bradesco's high level of capitalization and the quality of its Management, will allow the Bank, either directly or through its subsidiaries, to operate in the US market, whenever considered convenient, carrying out financial activities under the same conditions as local banks, in particular the following:

Securities trading (underwriting, private placement and market-making);

Acquisitions, mergers, portfolio management and financial services (merchant banking);

Mutual funds portfolio management; and

Sale of insurance.

Accordingly, Banco Bradesco has strengthened its role in the Investment Banking segment, increasing opportunities for exploiting various financial activities in the US market and contributing to the increase in the volume of transactions carried out with Brazilian companies.

## 5 - Operating Structure

---



**Corporate Organization Chart**

Major Stockholders

- (1) The Bradesco Management (Board of Executive Officers and Board of Directors) comprises the Governing Board of the Fundação Bradesco, the Entity's Top Deliberative Body. Reference Date: March 31, 2005

114

---

Main Subsidiaries and Affiliated Companies

115

---

**Administrative Body**

116

---

## Risk Ratings Bank

Fitch Ratings											
International Scale						National Scale		International Scale			
Individual	Support	Foreign Currency		Local Currency		National		Foreign Currency Deposit		Foreign Currency Debt	
		Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
A	1	AAA	F1	AAA	F1	AAA(bra)	<b>F1+(bra)</b>	Aaa	P-1	Aaa	
A/B	2	AA+	F2	AA+	F2	AA+(bra)	F1 (bra)	Aa1	P-2	Aa1	
B	3	AA	F3	AA	F3	<b>AA(bra)</b>	F2 (bra)	Aa2	P-3	Aa2	
B/C	4	AA	<b>B</b>	AA	<b>B</b>	AA (bra)	F3 (bra)	Aa3	<b>NP</b>	Aa3	
C	5	A+	C	A+	C	A+ (bra)	B (bra)	A1		A1	
C/D		A	D	A	D	A (bra)	C (bra)	A2		A2	
D		A		A		A (bra)	D (bra)	A3		A3	
D/E		BBB+		BBB+		BBB+ (bra)		Baa1		Baa1	
E		BBB		BBB		BBB (bra)		Baa2		Baa2	
		BBB		BBB		BBB (bra)		Baa3		Baa3	
		BB+		<b>BB+</b>		BB+ (bra)		Ba1		Ba1	
		BB		BB		BB (bra)		<b>Ba2</b>		<b>Ba2</b>	
		<b>BB</b>		BB		BB (bra)		Ba3		Ba3	
		B+		B+		B+ (bra)		B1		B1	
		B		B		B (bra)		B2		B2	
		B		B		B (bra)		B3		B3	
		CCC		CCC		CCC (bra)		Caa1		Caa1	
		CC		CC		CC (bra)		Caa2		Caa2	
		C		C		C (bra)		Caa3		Caa3	
		DDD		DDD		DDD (bra)		Ca		Ca	
		DD		DD		DD (bra)		C		C	
		D		D		D (bra)					

**N.B.:** Bradesco's risk ratings are among the highest attributed to Brazilian Banks.

(\*) See recognition note at page 154.

**Risk Ratings - Insurance and Savings Bond Companies**

Fitch Ratings		Insurance		Savings Bonds	
		Standard & Poor's		SR Rating	Standard & Poor's
National Scale	International Scale	National Scale	International Scale	National Scale	National Scale
AAA (bra)	AAA	brAAA	AAA <sup>SR</sup>	brAAA	brAAA
AA+ (bra)	AA+	brAA+	AA+ <sup>SR</sup>	<b>brAA+</b>	brAA+
<b>AA (bra)</b>	AA	<b>brAA</b>	AA <sup>SR</sup>	brAA	<b>brAA</b>
AA (bra)	AA	brAA	AA <sup>SR</sup>	brAA	brAA
A+ (bra)	A+	brA+	A+ <sup>SR</sup>	brA+	brA+
A (bra)	A	brA	<b>A<sup>SR</sup></b>	brA	brA
A (bra)	A	brA	A <sup>SR</sup>	brA	brA
BBB+ (bra)	BBB+	brBBB+	BBB+ <sup>SR</sup>	brBBB+	brBBB+
BBB (bra)	BBB	brBBB	BBB <sup>SR</sup>	brBBB	brBBB
BBB (bra)	BBB	brBBB	BBB <sup>SR</sup>	brBBB	brBBB
BB+ (bra)	BB+	brBB+	BB+ <sup>SR</sup>	brBB+	brBB+
BB (bra)	BB	brBB	BB <sup>SR</sup>	brBB	brBB
BB (bra)	<b>BB</b>	brBB	BB <sup>SR</sup>	brBB	brBB
B+ (bra)	B+	brB+	B+ <sup>SR</sup>	brB+	brB+
B (bra)	B	brB	B <sup>SR</sup>	brB	brB
B (bra)	B	brB	B <sup>SR</sup>	brB	brB
CCC (bra)	CCC	brCCC	CCC <sup>SR</sup>	brCCC	brCCC
CC (bra)	CC	brCC	CC <sup>SR</sup>	brCC	brCC
C (bra)	C	brC	C <sup>SR</sup>	brC	brC
	DDD	brD	D <sup>SR</sup>	brD	brD
	DD				
	D				

**Ranking**

Source	Criterion	Position	Reference Date
The Forbes Global 2000 Research	Banks/Forbes 2000*	1 <sup>st</sup> (Brazil)	March 2005
The Forbes Global 2000 Research	Banks/Forbes 2000*	38 <sup>th</sup> (Worldwide)	March 2005
The Forbes Global 2000 Research	Overall/Forbes 2000*	2 <sup>nd</sup> (Brazil)	March 2005
The Forbes Global 2000 Research			March 2005

Edgar Filing: BANK BRADESCO - Form 6-K

Overall/Forbes 208<sup>th</sup>  
2000\* (Worldwide)

\* Forbes 2000: companies comprising The Forbes Global 2000 list are rated based on a combination of criteria which takes into consideration income, profit, assets and market value.

118

---

## **Market Segmentation**

Bradesco operates on a segmented service basis, seeking to match its different products and services to the different profiles and size of its target public. In line with a world market trend, Bradesco's structure allows to grouping together customers with similar profiles, facilitating superior quality customer service, extending business opportunities with a greater focus on relationship actions.

## **Bradesco Corporate Banking**

### **Mission and Values**

Bradesco Corporate's mission is to meet client's needs, developing long-term ethical and innovative relationship in harmony with stockholders' interest.

The area's principal values and which permeate its day-to-day activities comprise the following:

- teamwork;
- ongoing pursuit of innovation and excellence in customer service;
- transparency in all actions;
- commitment to self-development;
- adherence to strategic guidelines;
- creativity, flexibility and initiative; and
- agile customer delivery.

### **Background and Achievements**

The Corporate Banking segment was introduced in 1999, designed to serve companies from its target market based on a customer, rather than product standpoint, under a centralized relations management, offering as well as traditional products, structured, Tailor-made and Capital Market solutions, through specific Managers who have a clear vision of risk, market, industries and relationship.

Among the various significant achievements obtained, we point out the ISO 9001:2000 quality certification received by all areas of the Corporate Banking structure, including its Corporate Banking exclusive customer service platforms, as well as the important partnerships entered into with major international banks: UFJ Japan, BBVA Spain and BES Portugal.





## **Bradesco Corporate**

### **Brazilian Desk**

Bradesco was the first Brazilian bank to carry out an operating agreement with a Japanese bank allowing the inclusion of approximately 300 thousand Brazilians living and working in Japan.

This partnership between the different professionals from the two Banks, which was entered into two years ago, offers checking accounts and products and services destined to meet the needs of this community.

Customers have access to an exclusive UFJ-Bradesco Branch 7-days-a-week with bilingual (Japanese and Portuguese) employees who answer via Automated Consulting and Contract Machines – ACMs, which are fully integrated with the UFJ Branch Network, for local bank services and remittances to Brazil.

These facilities will also be available, initially, via 6,000 ATMs with screens in Portuguese, offering ease and convenience to customers.

The operating agreement establishes a strategic alliance between Bradesco and the UFJ Bank, which will become the world's largest bank following its merger with Banco Tokyo Mitsubishi.

Another example of a solution with significant added value for the Institution are the partnerships entered into with major retail networks for consumer sales financing, made feasible as a result of the relationship, familiarity with this industry's production chain and the synergy which exists among the Bank's various segments.

Total resources comprising assets (credit, bonds and guarantees) and liabilities (deposits and funds/portfolios) amount to R\$62.3 billion.

### **Target Market**

The 1,245 Economic Groups comprising Bradesco Corporate's target market, which is comprised by large corporations which record sales results in excess of R\$ 180 million per annum, are located in the states of São Paulo, both the capital and inner state, Rio de Janeiro, Minas Gerais, Paraná, Rio Grande do Sul, Santa Catarina, Goiás, Pernambuco and Bahia.

### **Specialized Structures**

In addition to the teams specialized in the different economic sectors, this service also maintains structures entirely dedicated to the management of specific clients:

**Euro Desk** – this structure is focused on the management of customers of Spanish origin and the development of financial solutions for Bradesco Corporate companies, prospecting business synergies in Europe and Latin America.

**Asian Desk** – this desk serves Asian descendent clients, by developing financial solutions as an economic financial advisor in businesses with Japan and the entire Asia.

**Bradesco Empresas (Middle Market)**

Bradesco's middle market segment (Bradesco Empresas) was implemented with a view to offering services to companies with annual sales results from R\$15 million to R\$180 million, through 66 exclusive Branches in the main Brazilian capitals.

Bradesco Empresas aims at offering the best business management, such as: Loans, Investments, Foreign Trade, Derivatives, Cash Management and Structured Finance, targeting customers' satisfaction and results to Bradesco.

The 66 Branches are distributed throughout Brazil as follows: Southeast (41), South (16), Mid-West (4), Northeast (3) and North (2).

Bradesco Empresas is formed by a team of 369 Relationship Managers, who are included in the ANBID Certification Program, serving on average from 28 to 33 economic groups per Manager, on a tailor-made concept, encompassing 19,839 companies from all sectors of the economy.

120

---

## **Bradesco Private Banking**

Bradesco Private Banking, through its highly qualified and specialized professionals focused on personalized advisory services, offers the Bank's high-income individual customers with minimum funds available for investment of R\$ 1 million, an exclusive line of products and services aimed at increasing their equity by maximizing returns. Therefore, the most appropriate financial solution is sought, considering each customer's profile, under the Tailor-Made concept, providing advisory services for asset allocation and fiscal, tax and successor advisory services. Aiming the proximity to its customer base, Bradesco Private Banking has two offices in the cities of São Paulo and Rio de Janeiro, as well as 7 service units in Porto Alegre, Blumenau, Curitiba, Belo Horizonte, Brasília, Salvador and Recife. Bradesco Private Banking is also certified by ISO 9001:2000 with scope on the relationship management of high net wealth individuals.

## **Bradesco Prime**

Bradesco Prime's target public comprises individual customers with monthly income of more than R\$ 4 thousand, or with investments in excess of R\$ 50 thousand. This high-income segment is aligned to Bradesco's commitment in offering a *BancoCompleto* (all-inclusive bank) to all its clients.

Bradesco Prime's Mission is to be the first Client's Bank, focusing on relationship quality and in offering appropriate solutions to their needs, with prepared staff, adding value to stockholders and employees, within high ethical and professional standards.

Bradesco Prime's customers are provided with:

- VIP facilities specifically designed to provide comfort and privacy;
- Customized service by the Relationship Managers who, due to their small client portfolios, are able to dedicate special attention to each client;
- Differentiated products and services, amongst them, the Bradesco Prime Checking Account, a loyalty program which is designed to add value and provide incentives to the client relationship with Bradesco through the offer of increasing benefits, the chat on-line, real time financial consultant, besides investments funds exclusively created for Bradesco Prime clients.

Bradesco Prime clients have access to a Network comprising 186 exclusive Branches throughout Brazil. In addition, clients use unique Internet Banking and Call Center facilities, in addition to the extensive Bradesco Customer Service Network, which includes its nationwide Branches and ATM equipment.

Some Prime branches also offer differentiated services, such as:

- Prime Digital Branch: focused on customer service via call center at extended business hours (from 8:00 am to 8:00 pm, 7 days-a-week, including bank holidays).
- Prime Branch at Cidade de Deus, Latin America's first Wireless Branch, where managers use remote-connected equipment, enabling client to conduct his/her business from his/her own facilities.

The Relationship Managers are continually enhancing their professional qualifications to meet the financial needs of their clients. Moreover, all of these Managers are included in the ANBID Certification Program.



## **Bradesco Varejo (Retail)**

Bradesco maintains its Retail specialty, serving with high quality service all segments of the Brazilian population regardless of income level. The Bank has 15 million individuals and corporate customers account holders, who carry out millions of transactions daily at our Branches, Service Branches, Banco Postal (Post-Office Branches) and Bradesco Expresso, comprising Brazil's largest Customer Service Network, besides thousands of teller machines, providing easy and convenient services over extended hours.

In addition to the extensive service network, clients are offered the comfort of alternative service channels such as the Easy Phone (*Fone Fácil*) service and Internet Banking, which are already used for a significant portion of daily transactions.

Micro, small and medium-sized companies (SME), as well as individuals, are given special attention through oriented management.

The Retail segment has been focusing on the development of financial products, tailor-made to meet the customers' profile in an ongoing effort to offer quality, agile and reliable services to all customers, in particular, bearing in mind the value of customer relations.

The main focus of this segment is directed towards meeting the diverse customer demands, which include the offer of microcredit, onlending, foreign exchange and a complete range of financing products for individuals, which allied with the Bradesco Brand Name and nationwide Branch Network comprise an important source for increasing Bradesco's results.

Significant investments have been made in staff training, designed to qualify employees for customized and efficient customer service, seeking to preserve relations and increase the customers' loyalty to the Bank.

Bradesco Retail also makes available a Digital Branch, operating in a virtual environment and offering courier service. The Branch has a team of managers who serve its clients, regardless of location, from 8:00 am to 8:00 pm, seven days a week.

## **Banco Postal**

Banco Postal is a brand through which the Brazilian Post Office Company ECT renders services as Correspondent Bank of Bradesco.

Banco Postal is present throughout the country and aims at serving the low income population, deprived of banking services, especially in 1,700 cities where there are no other financial institution.

Services offered are:

- Acceptance and sending of proposals to open accounts;
- Acceptance and sending of loan proposals;
- Acceptance and sending of credit card proposals;

- Withdrawals;
- Deposits;
- Consultations of balances and bank statements; and
- Payment of utilities bills, bank slips and taxes.

Under the social and economic point of view, Banco Postal has been transforming the reality of cities where it is present, by improving people's lives. A greater circulation of money now existing in such places creates development and foments the rising of new entrepreneurs, generating employment and recovering the citizenship. Another issue to be pointed out is the incentive to savings, practically non-existent prior to the arrival of Banco Postal, since now people have the opportunity to save their monies with a financial institutional.

Edgar Filing: BANK BRADESCO - Form 6-K

In addition, Banco Postal offers convenience to those people who no longer need to walk dozens or even hundreds of kilometers to receive benefits or pay utilities bills. It is also worth mentioning the access to credit from a regulated institution, and also, the possibility of replacing the physical money with electronic currency, by using debit and credit cards on trade, then reducing the risks and improving the management of funds.

In the last quarter, Banco Postal reached the mark of 5,439 operational branches and more than 4.2 million of opened accounts, confirming its position as the most important Brazilian banking project.

Number of Transactions Made in thousands

**Customer Service Network**

	2004				2005					
	September				June			September		
	Branches	PABs	PAEs	PAAs	Branches	PABs	PAEs	Branches	PABs	PAEs
<b>Consolidated</b>	<b>3,049</b>	<b>806</b>	<b>1,458</b>	<b>19</b>	<b>2,913</b>	<b>903</b>	<b>1,429</b>	<b>2,916</b>	<b>937</b>	<b>1,453</b>
Bradesco	2,972	789	1,448		2,912	903	1,429	2,915	937	1,453
BEM <sup>(1)</sup>	76	17	10	19						
Banco Finasa	1				1			1		
<b>Banco Postal</b>		<b>5,299</b>				<b>5,403</b>			<b>5,439</b>	
<b>Branches Abroad</b>		<b>6</b>				<b>4</b>			<b>3</b>	
<b>Subsidiaries Abroad</b>		<b>6</b>				<b>5</b>			<b>4</b>	
<b>ATMs</b>		<b>21,733</b>				<b>22,247</b>			<b>22,658</b>	
<b>ATMs Network Outplaced Terminais</b>			<b>1,866</b>			<b>2,081</b>			<b>2,164</b>	
<b>Finasa Promotora de Vendas</b>			<b>52</b>			<b>203</b>			<b>224</b>	
<b>Promovel Empreendimentos e Serviços <sup>(2)</sup></b>			<b>69</b>							

PAB (Corporate Site Branch), PAA (Advanced Service Branch) and PAE (Electronic Banking Branch).

Edgar Filing: BANK BRADESCO - Form 6-K

- (1) The BEM Branches were incorporated on October 25, 2004; 29 Branches were integrated under the Bradesco flag; 12 PAAs were converted into Branches; 15 PABs and 3 PAEs were transferred to Bradesco and 2 PAEs were converted into PABs; and
- (2) Merged into Finasa Promotora de Vendas in November 2004.

123

---



Customer Service Network    Branches

Client/Branch Ratio    thousand

124

---

## Bradesco and Market Share

Region/State	September 2004			September 2005		
	Bradesco	Total banks in market (1)	Market share (%)	Bradesco	Total banks in market (1)	Market share (%)
<b>Northern</b>						
Acre	5	31	16.1	5	33	15.2
Amazonas	59	132	44.7	58	135	43.0
Amapá	4	21	18.2	4	24	16.7
Pará	50	271	18.5	49	279	17.6
Rondônia	18	88	20.5	18	89	20.2
Roraima	2	17	11.8	2	17	11.8
Tocantins	13	78	16.7	13	85	15.3
<b>Total</b>	<b>151</b>	<b>638</b>	<b>23.7</b>	<b>149</b>	<b>662</b>	<b>22.5</b>
<b>Northeast</b>						
Alagoas	12	122	9.8	11	125	8.8
Bahia	231	740	31.2	209	733	28.5
Ceará	29	359	8.1	29	371	7.8
Maranhão <sup>(2)</sup>	102	254	40.2	67	226	29.6
Paraíba	17	169	10.1	17	174	9.8
Pernambuco	65	468	13.9	63	478	13.2
Piauí	10	113	8.8	8	115	7.0
Rio Grande do Norte	14	133	10.5	13	144	9.0
Sergipe	13	152	8.6	12	158	7.6
<b>Total</b>	<b>493</b>	<b>2,510</b>	<b>19.6</b>	<b>429</b>	<b>2,524</b>	<b>17.0</b>
<b>Mid-West</b>						
Distrito Federal	33	292	11.3	30	307	9.8
Goiás	107	538	19.9	106	550	19.3
Mato Grosso	61	229	26.6	62	241	25.7
Mato Grosso do Sul	56	223	25.1	56	224	25.0
<b>Total</b>	<b>257</b>	<b>1,282</b>	<b>20.0</b>	<b>254</b>	<b>1,322</b>	<b>19.2</b>
<b>Southeast</b>						
Espírito Santo	40	315	12.7	40	330	12.1
Minas Gerais	286	1,822	15.7	276	1,828	15.1
Rio de Janeiro <sup>(3)</sup>	271	1,648	16.4	257	1,652	15.6
São Paulo	1,104	5,522	20.0	1,073	5,639	19.0
<b>Total</b>	<b>1,701</b>	<b>9,307</b>	<b>18.3</b>	<b>1,646</b>	<b>9,449</b>	<b>17.4</b>
<b>South</b>						

Edgar Filing: BANK BRADESCO - Form 6-K

Paraná	178	1,248	14.3	171	1,265	13.5
Rio Grande do Sul	161	1,396	11.6	157	1,427	11.0
Santa Catarina	108	820	13.2	110	833	13.2
<b>Total</b>	<b>447</b>	<b>3,464</b>	<b>12.9</b>	<b>438</b>	<b>3,525</b>	<b>12.4</b>
<b>Overall Total</b>	<b>3,049</b>	<b>17,201</b>	<b>17.7</b>	<b>2,916</b>	<b>17,482</b>	<b>16.7</b>

- (1) Source: UNICAD Information on Entities of Interest to the Brazilian Central Bank (in 2005 August).  
 (2) Includes 76 Banco BEM's branches (September/2004).  
 (3) Includes one Banco Finasa's branch.

Customer Service Network (Branches) Market Share

**Bradesco Day and Night Customer Service Channels**

In addition to the Branch Network, Bradesco's clients are able to consult their banking transactions, carry out financial transactions and purchase products and services available via state-of-the-art technology through the following alternative channels: Self-Service (Auto-Atendimento), Easy Phone (Fone Fácil) and Internet Banking.

**Bradesco Day and Night ATM Network**

This ATM network is distributed in strategic points throughout Brazil, with 22,658 machines as of 9.30.2005.

**Bradesco ATM Network Distribution Productivity from January to September 2005**

ATM Network Number of Transactions in thousands

ATM Network Financial Volume Evolution R\$ million

ATM Network Highlights in millions

Items	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
Cash Withdrawal Transactions	103.4	107.8	312.3	109.1	111.8	328.4
Deposit Transactions	48.7	50.2	146.8	48.5	59.1	154.8

Items	2004		2005	
	June	September	June	September
Banking Service Outlets (nationwide network)	6,783	6,858	7,155	7,271
Outplaced Terminals (excluding branches, PABs and PAEs)	1,822	1,866	2,081	2,164

**Highlights for the 3Q05**

439.2 million transactions carried out, a 6.4% increase compared to the same period of 2004, comprising a daily average of 4.8 million;

Traded financial volume amounted to R\$ 56.7 billion, up 6.8% compared to same period last year, comprising a daily average of R\$ 641.9 million;

A 39% growth in the quantity and 49% in the personal loans amounts when compared to 3Q04;

819 ATMs were installed, which accounted for an increase of 155 machines when compared to 2Q05.

Bradesco Day and Night Fone Fácil (Easy Phone Service)

Nationwide 24-hour call-center access, 7 days a week, with Electronic Voice-Response (EVR) technology and personalized calls.

Personalized calls are routed via Bradesco's Data and Voice Network to call centers sites in São Paulo Santa Cecília and Osasco (Headquarters).

Fone Fácil Number of Calls million

Fone Fácil Number of Transactions in thousands

Fone Fácil Financial Volume Evolution R\$ million

### 3Q05 Highlight

In 3Q05, we received 70.6 million calls, which accounts for a growth of 20.1% in the total volume of calls compared to the same period in 2004.

Bradesco Day and Night Internet Banking

Bradesco Day and Night Internet Banking Bradesco Day and Night manages a Portal, which contains links to 40 related websites, 27 of which are institutional, and 13 are transactional. Since it was first launched, Bradesco Internet Banking has been focused on providing the largest number of online services as possible to its clients.

Bradesco Internet Banking currently offers to its clients 590 different services, of which 338 for individuals and 252 for corporate clients, which can be accessed around-the-clock, seven days a week from anywhere.

The figures evidence the enormous potential of the Internet.

Internet Banking thousands of registered users

Internet Banking Number of Transactions in thousands (\*)

(\*) Via Internet Banking, ShopInvest, Cards, ShopCredit, Net Empresa and Net Empresa WebTA (Web File Transmission).

Internet Banking Financial Volume R\$ million (\*)

(\*) Financial Volume transacted through the Internet Banking, ShopInvest, Cards, ShopCredit, Net Empresa and Net Empresa WebTA (File Web Transmission).

130

---



<b>Services</b>	<b>Transactions 3Q05</b>
<b>Bradesco Internet Banking</b> (www.bradesco.com.br)	6.8 million registered users on 9.30.2005; 79,9 million transactions carried out.
<b>ShopInvest Bradesco</b> (www.shopinvest.com.br)	1,078 thousand registered users on 9.30.2005; 317,4 million transactions carried out.
<b>ShopCredit</b> (www.shopcredit.com.br)	4.2 thousand transactions/operations carried out.
<b>Bradesco Net Empresa</b> (www.bradesco.com.br)	343,600 registered companies on 9.30.2005. 8.2 million transactions/operations carried out.
<b>Bradesco Cards</b> (www.bradescocartoes.com.br)	8.8 million transactions carried out.
<b>Net Empresa WebTA</b> (Web file Transmission)	56.7 million transactions/operations carried out.

### **3Q05 Highlights**

New Bradesco Private Website;

New Bradesco Corporate Website;

New ShopCredit Website;

New Bradesco Empresas (Middle Market) Website;

Real time payment at the Internet Banking;

Implementation of New Real Estate System with Pre-Fixed Installments at the ShopCredit Website;

New version of Corporate Governance at the Investor Relations Website;

Implementation of Service Network at Bradesco Prime Website;

Best Consumer Internet Bank Brazil Melhor Internet Banking Pessoa Física ;

Best Corporate/Institutional Internet Bank Brazil Melhor Internet Banking Pessoa Jurídica ;

Best Information Security Initiatives Latin America Melhor Site Pessoa Física em Iniciativas de Segurança ;

Best Corporate/Institutional Web Site Design Latin America Melhor Site Pessoa Jurídica em Design ;

Best Corporate/Institutional Integrated Site Latin America Melhor Site Pessoa Jurídica Integrado .



**Investments in Infrastructure, Information Technology and Telecommunications**

The investments for expanding the capacity of infrastructure, IT and telecommunications at Bradesco Organization are designed to maintain a modern, practical and secure customer service network, characterizing Bradesco as one of the world's most contemporary companies and creating added value for its clients and users at home and abroad.

## Investments

	<b>R\$ million</b>					<b>September</b>
	<b>Years</b>					<b>YTD</b>
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Infrastructure	227	509	613	469	230	159
IT/Telecommunications	617	743	947	1,225	1,302	909
<b>Total</b>	<b>844</b>	<b>1,252</b>	<b>1,560</b>	<b>1,694</b>	<b>1,532</b>	<b>1,068</b>

**Risk Management and Compliance****Credit Risks, Operating Risks, Market Risks, Internal Controls and Compliance**

## Activity and Structure

Risk management is becoming increasingly important, not only as a result of the global economy but also because of the most complex services and products provided to communities. Accordingly, Bradesco is constantly enhancing its risk management related activities in the pursuit to incorporate best international practices.

At Bradesco, risk management is seen as a competitive advantage, which adds value to the Bradesco Brand, since it provides the support required by the business areas for planning their activities, ensuring that resources are optimized and capital is allocated to the benefit of stockholders and society as a whole.

Accordingly, Bradesco has been providing important incentives over the years to its technical staff training programs, in particular regarding the professional qualification of those involved in the control and of risk management. The Department relies on an employee certified by GARP (Global Association of Risk Professionals) as financial risk manager, which consists of an internationally recognized exam for risk management professionals. In this regard, Bradesco has been encouraging over the years the technical improvement of its staff and especially the professionalization of those related to the risk control and management.

Aware that integrated risk management provides a competitive edge to activities, Bradesco established the Risk Management Department in July 1998, which, subsequent to the incorporation of compliance duties in March 2002, became the Risk Management and Compliance Department - DGRC. In July 2003, the department gained a statutory department director, aggregating the activities related to credit risk and other initiatives already in place in other areas

of the Organization. The department became structured to perform the integrated management of loan, market, and operating risks, besides the compliance duties (comprising money laundering prevention, internal controls, information security, validation of transactions and Brazilian Payments System risks).

132

---

Organizational Structure of the Risk Management and Compliance Department:

The structure of the Risk Management and Compliance Department is designed not only to guarantee its independence, but also to place greater focus on these important value-added activities, demonstrating the Organization's commitment to the implementation of best corporate governance practices. Every effort is made to invest in and build its risk management capabilities. This is due to the fact that, as well as its own banking activities, Bradesco is extending risk analysis procedures to cover its equity related companies, such as BRAM Bradesco Asset Management and all the insurance companies (Life, Private Pension Plans, Health, Savings Bonds and others), referring to market and actuarial risks, consolidating a single risk management culture throughout the Organization.

The Risk Management and Compliance Department is also responsible for coordinating compliance with the regulations to be issued by the Brazilian Central Bank, complementing Notice 12,746 as regards the New Capital Accord (Basel II) introduced by the Basel Committee in June 2004, and also the provisions of Section 404 of the Sarbanes-Oxley Act.

Risk Management Process

Bradesco adopts a comprehensive and integrated approach for managing all risks inherent to its activities, based on the support from its Internal Controls and Compliance structure. This integrated view allows the improvement of its risk management models, filling possible gaps, which could jeopardize the correct identification and assessment of risks.

## Credit Risk Management

As part of its Credit Risk Management improvement process, Bradesco is working uninterruptedly to improve the procedures for gathering and controlling portfolio information, developing new loss estimation models to examine and prepare the rating inventories used in the different sectors where the Bank operates, follow-up of credit analysis, granting and settlement processes, monitoring credit concentration and identifying the causes of default and prepare risk mitigation strategies.

Efforts are focused on the adoption of advanced and robust models, which are used to assess the risks inherent to all the components of the loan process, in line with best practices, as well as the recommendations of the most advanced models comprising the New Basel Capital Accord.

An important instrument settled in 2004 is the Executive Credit Risk Committee, which takes place monthly with the participation of senior management, focusing on assuring the strategic management of the Organization's loan portfolio.

The following efforts, among others, are pointed out:

- implementation of expected and unexpected losses calculation system, besides of the allocation of the corresponding capital in Compliance with the New Basel Accord's requirements;
- backtesting of the models used for measuring loan portfolio's risks.
- optimization of the manageable IT systems in order to meet the current approach of department and customers segmentation, emphasizing decision-making and loan portfolio's management.
- follow-up of critical risks: periodical monitoring of the main events of default, by means of individual analysis based on the growth of clients' balances and recovery estimates by main areas involved (Business, Loan and Recovery); and
- continuous review and restructuring of the internal processes, involving roles and responsibilities, qualification, organizational structures review and IT demands.

## Operating Risk Management

Bradesco deems as fundamental the risk management activity, generating a great added value to the Organization, by improving supporting processes and systems, focused on reducing the need of capital allocation.

We continuously work to be aligned to the best practices of the market in the operating risk management, and we have conditions to meet the guidelines enacted by the Basel New Capital Accord and the schedule set forth by the Central Bank of Brazil through Notice 12,746, issued in December 2004.

Under the corporate scope, Bradesco Organization defines operating risk as a manifestation of events resulting in the business interruption, systems failure, errors, omissions, frauds, or events in various activities, with impacts over clients and the Institution.

Its management is based on the preparation and implementation of methodologies, using a standardization specific system of collection format and treatment of operating loss historical data. In 2003, after the conclusion of the review of corporate accounts plan, we opened specific accounting items, we improved records and the analysis of events related to operating risk, resulting in improved internal processes. Such work also started in 2005 with the Affiliated Companies, Branches and Subsidiaries overseas. This conceptual and practical structure enables benefits related not only to the reduction of regulatory capital to be allocated, but also the understanding and detailed assessment of events and possibility of occurrence by means of inferences on the operating losses basis.

In addition, since 2002, we have been annually conducting a theoretical calculation of operating risk capital allocation, using the Basic (BIA), Standardized (STA) and Alternative (ASA) approaches. Through such studies, we verified a lower utilization of capital with the Alternative Approach (ASA), when compared to the Basic (BIA) approach. The Bradesco Organization's goal is to obtain qualification for the Capital Allocation Model by the Advanced Internal

Measurement Approach (AMA), since the adoption of such model will enable a reduced allocation of capital and a greater competitive advantage, as a result of increased operational efficiency and reduction of losses.

A new corporate systemic platform is under development process, which will integrate into a single database the Operating Risk and Internal Controls information, also including, the requirements set forth by Sarbanes-Oxley Act. The result obtained assumes to assist the Organization in improving the quality of managing risks and operating controls, contributing to enhance operational efficiency ratios, besides meeting the legal requirements.

The mitigation of operating risk is considered as a key objective for improving efficiency and business quality.

#### Market Risk Management

Market risk is related to the possibility of the loss of income from fluctuating rates caused by mismatched maturities, currencies and indices of the Institution's asset and liability portfolios. This risk has been accompanied by growing strictness by the market, with significant technical evolvement over the past years, with a view to avoiding, or at least, minimizing, eventual losses to institutions, due to higher complexity in operations carried out domestically and internationally.

At Bradesco, market risks are managed through methodologies and models, which are consistent with local and international market realities, ensuring that the Organization's strategic decisions are implemented with speed and a high level of reliability.

The Organization adopts a conservative policy regarding market risk exposure; VaR (Value at Risk) limits are defined by Senior Management, and compliance therewith is daily monitored by an independent area to the portfolio management. The methodology used to determine VaR has a reliability level of 97.5% . The volatilities and correlations used by the models are calculated on a statistical basis and used in processes based on future prospects in accordance with economic studies. The methodology applied and current statistical models are validated daily using backtesting techniques.

As from March 2005, VaR started to include positions abroad (previously followed-up on an independent basis), thus, consolidating the market risk. In the chart below, we show Global VaR positions (Treasury, position in Brazil and abroad, and Trade Portfolio). In order to allow comparisons, the calculation for June, September and December 2004 was retroactive.



Risk Factors	R\$ thousand				
	2004		2005		
	September	December	March	June	September
Pre-fixed	4,661	11,697	8,806	18,621	7,172
IGP-M	7,962	4,086	3,420	4,432	4,917
TR	4,012	4,168	5,226	3,297	12,481
Exchange Coupon	13,291	17,947	33,051	11,673	44,659
Foreign Currency	2,572	195	9,699	3,100	7,133
Variable Income		339	839	773	183
Brady Bonds / Treasury (USA)	29,973	21,983	57,844	30,361	26,456
Other	722	699	810	436	775
Correlated Effect	(18,139)	(20,367)	(41,466)	(24,862)	(39,901)
<b>VaR</b>	<b>45,054</b>	<b>40,747</b>	<b>78,229</b>	<b>47,831</b>	<b>63,875</b>

Investments abroad protected by hedge operations are not considered in the VaR calculation, since these are strategically managed on a different basis, with amounts taking into account the tax effects, which minimize the sensitivity to risks and corresponding impacts on results, as well as foreign securities positions, which are funding-matched.

Besides the follow-up and control via VaR, a Gap Analysis is made daily, which measures the effect on domestic interest rate curve portfolio and exchange coupon curve (differential of interest paid above the exchange variation), as well as possible impacts on stress scenarios positions are periodically assessed.

Complementing the market risk monitoring, control and management structure and in accordance with Central Bank regulations, a daily verification is made of the values at risk for the pre-fixed and foreign exchange positions of the Organization's entire portfolio and of minimum remaining capital requirements.

#### Management of Internal Controls and Compliance

The Organization is continually developing policies, systems and internal controls to mitigate possible potential losses generated by its exposure to risk, destined to optimize processes and procedures, among which we point out the following:

- Internal Control System based on 25 Basel Internal Control Principles and in the methodology of Committee of Sponsoring Organizations – COSO, in the businesses areas, referring to control environment components, risk assessment, control activities, information, communication and monitoring and Control Objectives for Information and related Technology – COBIT, for the information technology areas. This system reinforces the ongoing improvement in the identification process and assessment of controls used in risks mitigation, also in compliance with the Sarbanes-Oxley Act, Section 404.

- SPB Management Brazilian Payment System, with a view to ensuring the effective transmission of communications between Organization's Banks and all the entities taking part of this system. The activity is based on Organization's information system monitoring tools, combined with a solid training and professional qualification, with a view to ensuring full operation and availability of the system. In addition, the Organization has a PCN Continuous Operation Plan for SPB, documented in specific tool and with corporate access, taking into account scenarios and pre-defined actions, which enable to reduce risk of systemic non-availability. The areas involved in the process also rely on a room located in the city of Alphaville, for continuous operation of SPB processes, in the occurrence of possible claim (fire, collapse, strike, etc.), on headquarters premises or Nova Central, hindering the activities carried out there.
- The TED (Online Money Transfers) validation system, with a view to reducing operating risks generated by the unauthorized transfer of funds from the Organization, providing a greater level of security and reliability in transactions.
- Measures preventing and combating Money Laundering observe the best market practices and are based on the policy Conheça seu Cliente (Know your Client). Training and awareness programs are exhaustively provided to all employees and the use of technological tools to monitor financial transactions are constantly upgraded, with a view to protecting the Institution and Management, Stockholders, Clients and Employees and avoid the use of Organization in transactions or situations, which may be directly or indirectly related to crimes preceding money laundering, characterized in the Law 9,613/98.
- Information Security Management, a series of measures comprised mainly by controls and a Security Policy designed to protect customer and corporate information. Bradesco Organization has a formal structure, with specific objectives and responsibilities, for defining, maintaining and improving information security in the corporate environment, which is based on the Corporate Information Security Policy and Standards approved by the Executive Information Security Committee. The following policies are adopted in relation to client information:

- information is collected legally and under the client's awareness;

- information sent to Bradesco is fully and securely stored and undergoes no modification with access restricted to authorized personnel only;

- information is only used for purposes, which have been properly approved by the Organization;

- clients information is never disclosed to third parties, except upon legal or judicial determination.

### **Liquidity Risk Management**

Liquidity risk management is designed to control the different mismatched settlement terms of the Institution's rights and obligations, as well as the liquidity of the financial instruments used to manage the financial positions.

Knowledge and monitoring of this risk are critical since they enable the Organization to settle transactions on a timely and secure manner.

At Bradesco, liquidity risk management involves a series of controls, mainly with respect to the establishment of technical limits, with constant assessment of the positions assumed and the financial instruments used.

### **Capital Risk Management**

The Organization's capital is managed to optimize the risk to return ratio, in such a way to minimize losses through the implementation of well-defined business strategies and maximizing efficiency in the combination of factors which impact the Capital Adequacy Ratio (Basel).

137

---

**Risk Management and Compliance**

Capital Adequacy Ratio (Basel) September 2005 R\$ million

Calculation

Calculation Basis	Consolidated financial (1)	Total consolidated (2)
<b>Stockholders' Equity</b>	<b>18,261,593</b>	<b>18,261,593</b>
<b>Minority Interest/Other</b>	<b>5,391</b>	<b>52,967</b>
Decrease in Tax Credits BACEN Resolution 3,059	(82,366)	(82,366)
<b>Reference Equity Level I</b>	<b>18,184,618</b>	<b>18,232,194</b>
<b>Reference Equity Level II (Subordinated Debt)</b>	<b>6,076,829</b>	<b>6,077,852</b>
<b>Total Reference Equity (Level I + Level II)</b>	<b>24,261,447</b>	<b>24,310,046</b>
<b>Risk-Weighted Assets</b>	<b>136,843,876</b>	<b>156,815,121</b>
<b>Capital Adequacy Ratio (%)</b>		
Tier I	<b>13.29</b>	<b>11.63</b>
Tier II	<b>4.44</b>	<b>3.87</b>

**Ratio Variation - %**

<b>Ratio in September 2004</b>	<b>19.89</b>	<b>16.95</b>
<b>Movement in Stockholders equity(%)</b>		
Net income for the period	4.95	4.25
Interest on own capital	(1.82)	(1.57)
Mark-to-market adjustment marketable securities and derivatives	(0.21)	(0.18)
Capital increase by subscription, merger of stocks and goodwill	0.71	0.61
Subordinated debt	0.29	0.25
Other	(0.31)	(0.10)
<b>Variation in Weighted Assets:</b>		
Marketable Securities	0.59	(0.31)
Loan operations	(3.06)	(2.14)
Tax credit	(0.02)	(0.02)
Risk (swap, market, interest rate and foreign exchange)	(2.40)	(1.81)
Memorandum accounts	(0.26)	(0.19)
Other assets	(0.66)	(0.24)
<b>Ratio in September 2005</b>	<b>17.73</b>	<b>15.50</b>

(1) Financial companies only.

(2) Financial and non-financial companies.

Loan Policy

The Organization's Loan Policy complies with resolutions of the Board of Executive Officers and Brazilian Central Bank, besides guiding their actions by goals of security, quality, liquidity and diversification in the assets utilization.

In a continuous search to offer agile and profitable business, we apply appropriate methodology directed to each Bradesco's business segment, as well as guiding the establishment of operating limits and the granting of loan.

Within rules and Loan Policy, the Branches maintain their limit values variable, according to the size and guarantees of operations, and the automatic classification is verified against global risk of client/economic group.

The loan proposals pass through an automated system and under parameters in a continuous improvement process, with a view to supplying indispensable subsidies for analysis, granting and follow-up of loans granted, minimizing the risks inherent to loan operations.

For the granting of mass loan, the specialized Credit Scoring systems enable to attain greater agility and reliability, besides the standardization of procedures in the credit analysis and granting processes.

The Loan Committees located at the Bradesco's Headquarters aims joint decision-making processes within their skills referring to consultations about limits or operations proposed by the Branches (Prime, Private, Varejo (Retail), Corporate and Corporate and Exchange Departments, including External Branches), previously analyzed and with opinion of the Loan Department.

Operations are diversified, non-selective and focused on individuals and corporate customers with sound payment capacity and proven creditworthiness. Care is taken to ensure that the underlying guarantees are sufficient to cover the risks assumed, considering the purpose and terms of the loan granted.

#### Methodology Used for Loan Portfolio and Client Classification

The credit risk assessment methodology, besides delivering data to establish minimum parameters in the loan concession and risk management, also enables to define differentiated loan policies in view of characteristics and size of client, providing grounds not only for the correct pricing of operations, but also the definition of adequate guarantees according to each situation.

Concerning the internal policy, the risk ratings of Bradesco's clients are given on a corporate basis and periodically followed-up, with a view to preserving the quality of loan portfolio, according to the following levels:

#### Classification Corporate

<b>Rating</b>	<b>Bradesco</b>	<b>% Allowance</b>	<b>Concept</b>
AA	Excellent	0.0	Premium clients, with size, tradition and market leadership, with excellent reputation and economic and financial position.
A	Very good	0.5	Clients with size, sound economic and financial position, acting in markets with good prospects and/or potential for expansion.
B	Good	1.0	Clients which, regardless of size, have a good economic and financial position.
C	Acceptable	3.0	Clients with a satisfactory economic and financial position but with performance sensitive to economic scenario variations.
D	Fair	10.0	Clients with economic and financial position in decline or unsatisfactory accounting information, under risk management.
E	Deficient	30.0	Loan operations with any expectation of not being paid or in default, classified under the possibility of loss.
F	Bad	50.0	
G	Critical	70.0	
H	Uncollectible	100.0	

In the case of individuals, the risk ratings mentioned above are mainly defined based on their registered reference variables which include: income, equity, restrictions and indebtedness, besides standard and past relationship with Bradesco.

## Cards

	Million					
	2004			2005		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	September YTD
<b>Number of Cards</b>	<b>43.5</b>	<b>45.2</b>	<b>45.2</b>	<b>48.5</b>	<b>50.9</b>	<b>50.9</b>
Credit	7.0	7.2	7.2	7.7	9.2	9.2
Debit	36.5	38.0	38.0	40.8	41.7	41.7
<b>Average Amount Billed R\$</b>	<b>4,869.9</b>	<b>5,194.5</b>	<b>14,723.1</b>	<b>6,039.9</b>	<b>6,519.6</b>	<b>18,424.4</b>
Credit	2,745.8	2,879.4	8,330.1	3,238.4	3,566.5	9,923.2
Debit	2,124.1	2,315.1	6,393.0	2,801.5	2,953.1	8,501.2
<b>Number of Transactions</b>	<b>95.8</b>	<b>102.1</b>	<b>288.5</b>	<b>116.0</b>	<b>123.9</b>	<b>353.2</b>
Credit	44.0	46.8	134.0	51.8	55.8	158.2
Debit	51.8	55.3	154.5	64.2	68.1	195.0

Total Credit Card Base (Debit and Credit) million

## Credit Cards

In September 2005, Bradesco increased 27.8% its credit card base compared to September 2004.

The number of transactions climbed 18.1% from January to September 2005 in relation to the same period of previous year.

Sales for the year reached the mark of R\$ 9,923.2 million, a growth rate of 19.1% as compared to the same period in 2004, with a market share of 12.7% of cards under the Visa and MasterCard flags.

Bradesco launched this quarter Cred Mais for employees of companies with payroll at Bradesco, with more attractive fees for revolving credit.

This quarter, o Bradesco concluded one more partnership with Grupo Leader Magazine, retail network with performance focused on the markets of Rio de Janeiro and Espírito Santo to manage more than 2.4 million Private Label cards, through a finance company, under phase of ratification by the Central Bank of Brazil, with stock control divided by 50% for each party.

Including 50% of cards of partnership with Leader plus the cards of partnerships entered into in previous quarters with Supermercados Comper and Dois Irmãos and Lojas Hering, Bradesco ended the quarter with 1.4 million Private Label cards.

Cards Base in percentage

Credit Cards Sales R\$ million

Debit Cards

In September 2005, the debit card base increased by 9.7%, compared to the September 2004, confirming Bradesco's leadership as Brazil's largest issuer in the Visa Electron market.

The quantity of transactions grew with a fee higher than the quantity of cards, evidencing the best quality of use with a 14.6% increase in the average quantity per card. The total quantity of transactions made by debit card from January to September 2005 was 195.0 million, a 26.2% growth.

In terms of sales results, from January to September 2005, the financial volume posted a significant increase of 33.0% over same period of 2004, reaching R\$ 8,501.2 million versus R\$ 6,393.0 million in the same period of 2004.

141

---



These two indicators clearly demonstrate that Brazilians are changing their payment habits, replacing checks and cash for the use of cards, especially debit cards.

Bradesco believing in a solid growth of e-commerce through virtual stores, via Internet, the Bank was the first and the single one to make available the payment via Visa Electron card for this type of transaction and offer the Verified by Visa service – electronic means of card transactions at virtual stores, providing client with greater protection and security.

Debit Card Base   million

Debit Card Sales   R\$ million

## Meal Cards

In partnership with other issuers and Visa International, Bradesco actively participated in the distribution of Visa Vale cards, which already it is the third largest company in this sector, with only 2 years and half of operation.

The value proposal for this business, besides reducing the operational cost of this mean of payment with 100% of electronic transactions, it offers higher security and agility for companies and workers.

In September 2005, Bradesco contributed in the formation of Visa Vale total portfolio, with 1,088.6 thousand cards, representing a 136.9% growth over September 2004 and sales results in the period from January to September 2005 of R\$ 861.3 million, with a 121.3% increase compared to the same period of 2004. Bradesco contributed with 57% of all Visa Vale cards sales in the period between January and September 2005.

## Visanet

Bradesco holds interest of 39.7% in the capital of Visanet, acquirer company of Visa in Brazil, the purpose of which is to capture and authorize transactions within the Brazilian territory and manage the chain of commercial establishments affiliated to Visa System.

In September 2005, Visanet had more than 800 thousand affiliated establishments throughout Brazil, present in more than 4,800 Brazilian cities. It is a market leader, with a 58% share in the volumes transacted with credit and debit cards.

## Income from Credit Cards

Income derived from card services totaled R\$ 929 million from January to September 2005, a 27.8% increase when compared to the same period of 2004, mainly in revenues from commissions on purchases made with Credit and Debit cards and various Credit Cards transactions fees. This quarter, revenues from services were R\$ 334.7 million, accounting for a growth of 10.0% when compared to 2Q05.

Financial income climbed 38.4% when comparing the period between January and September 2005 with same period of 2004, reaching R\$700 million in 2005.

## Credit Card Assets

In September 2005, Credit Card assets, which include financings to the bearer, advances to establishments and credits for cash purchases and by installments increased 39.4% compared to September 2004, ending the quarter with R\$ 3,873.6 million.

Credit Card Assets R\$ million



## **International Area**

The International Area operates under the following framework:

### **7 Units Abroad (Branches and Subsidiaries)**

#### **Branches**

Nova York Bradesco  
Grand Cayman Bradesco  
Nassau Boavista

#### **Subsidiaries:**

Buenos Aires Banco Bradesco Argentina S.A.  
Luxemburgo Banco Bradesco Luxembourg S.A.  
Tóquio Bradesco Services Co., Ltd.  
Grand Cayman Cidade Capital Markets Ltd.

### **12 Operational Units in Brazil**

Belo Horizonte (with support platform in Brasília), Blumenau, Campinas (with support platforms in Ribeirão Preto, Franca and Sorocaba), Curitiba, Fortaleza, Manaus (with support platform in Belém), Porto Alegre, Recife, Rio de Janeiro, Salvador, São Paulo (with support platforms in Guarulhos and Santos) and Vitória.

Exports exchange closing carried out by Bradesco in the first nine months of 2005 reached the amount of US\$ 18.3 billion, which enabled a 25.3% increase against US\$14.6 billion in same period of 2004. This performance allowed the International Area to post in July a record of exports exchange closing in one single month with an amount of US\$ 2.3 billion, exceeding the previous record of US\$ 2.2 billion obtained in May.

The market share obtained in September was 21.0% . Considering the period from January to September, Bradesco recorded US\$6.5 billion in exports financing.

The Brazilian exports in the first 9 months of 2005 reached the significant amount of US\$ 86.7 billion, a 23.3% growth over same period of 2004 of US\$ 70.3 billion.

It is worth mentioning the performances obtained in July and August, US\$11.1 and US\$11.3 billion exports, respectively, which allowed for the first time Brazil to surpass the boundary of US\$11 billion of exports shipped in a single month.

Referring to imports, total exchange closed by Bradesco at the end of 3<sup>rd</sup> quarter was highly greater than the performance obtained in same period of previous year. Exchange closings increased from US\$ 5.2 billion to US\$ 7.6 billion, a growth of nearly 46.0% . The market share was 14.7%, a 14.0% increase over 12.9% obtained in the same period of 2004.

It is worth mentioning that in September, Bradesco for the first time exceeded the boundary of US\$ 1.0 billion contracted under the imports type, 18.2% higher than the highest value then closed. This contributed to the amount contracted until September to exceed by 2.7% the amount contracted during the entire year of 2004.

The International Area ends the 3<sup>rd</sup> quarter recording balance of US\$ 4.7 billion in Export and Import Financing, Foreign Collateral provided and loans to Brazilian companies abroad. Aiming to offer increased support to companies operating in the international market or those seeking to operate in that market, Bradesco is expanding its International Area, creating exchange platforms in the main Brazilian exporting regions. These platforms are located jointly with Bradesco Empresas segment and are staffed by professionals specialized in foreign exchange and foreign trade.

These figures show that once more Bradesco through its International Area, maintains its commitment assumed over the past years for the expansion, reinforcement and consolidation of Brazilian foreign trade.

**International Area**

Volume of Foreign Currency Trade US\$ billion

Export Market

Import Market

145

---

Edgar Filing: BANK BRADESCO - Form 6-K

The performances observed in volumes operated made the quantity of contracts also to increase when added all other types of operations. The quantity jumped from 447.7 thousand exchange contracts between January and September 2004 to 491.9 thousand contracts in the same period of 2005, a 9.9% increase.

Bradesco already uses a Digital Certification system for foreign exchange contracts. This new service allows the customer to electronically sign exchange contracts, which, besides making the clients transaction easier, speeds up the flow of contracting, reducing operating risks and costs.

The portfolios of Export and Import Financing, International Guarantees and Loans to Brazilian companies headquartered abroad ended the 3<sup>rd</sup> quarter recording the following balances:

Foreign Trade Portfolio	September 2004		September 2005	
	US\$ million	R\$ million	US\$ million	R\$ million
<b>Export Financing</b>				
Advance on foreign exchange contracts - undelivered bills	1,427.2	4,078.7	1,512.9	3,360.7
Advance on foreign exchange contracts - delivered bills	545.5	1,558.9	526.2	1,168.9
Export Prepayments	963.0	2,752.8	1,252.1	2,782.2
Onlending of funds borrowed from BNDES/EXIM	229.5	656.1	421.2	935.7
Exports Credit Note NCE			106.1	235.7
Documentary drafts and bills of exchange in foreign currency	13.8	39.5	3.6	8.0
Indirect exports	6.2	17.8	5.9	13.1
<b>Total Export Financing</b>	<b>3,185.2</b>	<b>9,103.8</b>	<b>3,828.0</b>	<b>8,504.3</b>
<b>Import Financing</b>				
Foreign currency	308.6	882.0	272.7	605.9
Imports draft discounted	155.8	445.4	192.1	426.8
Open import credit	55.0	157.0	73.6	163.5
<b>Total Import Financing</b>	<b>519.4</b>	<b>1,484.4</b>	<b>538.4</b>	<b>1,196.2</b>
<b>Guarantees</b>				
International guarantees	127.8	365.2	157.7	350.3
<b>Total International Guarantees</b>	<b>127.8</b>	<b>365.2</b>	<b>157.7</b>	<b>350.3</b>
<b>Total Foreign Trade Portfolio</b>	<b>3,823.4</b>	<b>10,953.4</b>	<b>4,524.1</b>	<b>10,050.8</b>
Loans via branches abroad			149.9	333.1
<b>Overall Total</b>	<b>3,823.4</b>	<b>10,953.4</b>	<b>4,674.0</b>	<b>10,383.9</b>

The foreign exchange portfolio is financed by credit lines obtained from correspondent Banks abroad and at the end of September, 93 U.S., European and Asian Banks had extended credit lines to Bradesco.

The cost of obtaining such financing lines has been showing the lower levels over the last years, even with increases in the U.S. basic rates recently promoted by the Federal Reserve. Spreads have been located between 20 and 30 basis points above LIBOR for a period between 180 days and 360 days, respectively.

Compared to the same period of 2004, the decrease totaled approximately 24 basis points, evidencing a substantial improvement in the Brazil risk perception by the international market.

146

---



We present below the balance of assets and stockholders' equity of the foreign units on respective dates.

Foreign Branches and Subsidiaries	US\$ million			
	9.30.2004		9.30.2005	
	Total Assets	Stockholders' equity	Total Assets	Stockholders' equity
Bradesco New York	1,666.7	142.0	1,181.4	146.5
Bradesco Grand Cayman	6,497.6	1,089.2	7,378.1	1,983.7
Boavista Grand Cayman and Nassau (*)	442.2	87.3	8.4	8.4
Cidade Capital Markets Ltd. Grand Cayman	30.3	30.3	32.0	31.9
Bradesco Services Co. Ltd. Tokyo	0.5	0.4	0.2	
Banco Bradesco Argentina S.A.	18.4	16.6	19.0	16.8
Banco Bradesco Luxembourg S.A.	291.4	130.4	350.9	134.1
<b>Total</b>	<b>8,947.1</b>	<b>1,496.2</b>	<b>8,970.0</b>	<b>2,321.4</b>

(\*) Boavista Grand Cayman: branch closed on 9.16.2005

The core objective of the Foreign Branches and Subsidiaries is to obtain funds in the international market for onlending to clients, mainly through the financing of Brazilian foreign trade.

The main activity of the subsidiary Banco Bradesco Luxembourg S.A. is to provide additional services to private banking clients and to increase foreign trade operations.

The Organization continued the rationalization process started in 2004 of units headquartered abroad, and on 9.16.2005 closed the branch Boavista Grand Cayman.

At the end of 3<sup>rd</sup> quarter, it is worth mentioning that besides the short-term funds obtained from correspondent banks for foreign trade financing, Bradesco Organization obtained on a consolidated basis, nearly US\$ 766 million in the international capital markets by means of public and private, medium and long-term placements, earmarked for foreign trade financing and working capital loans.

It is worth pointing out in this funding environment, the US\$ 300 million operation named as Perpetual Non-cumulative Junior Subordinated Securities. This instrument will pay to investor, annual interest of 8.875%. The operation, led by Merrill Lynch, was the first one carried out by an emerging country financial institution, which evidences the quality of the Institution's image with foreign investors. In addition, when issuing perpetual securities, Bradesco contributed in reinforcing the perception towards the Brazilian economy in the foreign market. This also shows Bradesco's confidence in the ongoing expansion of credit in the country.

Edgar Filing: BANK BRADESCO - Form 6-K

Foreign Public Issuances Outstanding Reference Date September/2005 (Amounts exceeding US\$50 million)

Issues	Currency	Million	Date issued	Maturity
Subordinated Debt	US\$	150.0	12.17.2001	12.15.2011
Subordinated Debt (US\$133.2 million)	Yen	17,500.0	4.25.2002	4.17.2012
Subordinated Debt	US\$	500.0	10.24.2003	10.24.2013
Subordinated Debt (US\$275.9 million)	Euro	225.0	15.4.2004	15.4.2014
FIRN	US\$	125.0	12.11.2004	12.11.2014
FIRN	US\$	100.0	8.8.2005	8.4.2015
FxRN	US\$	100.0	9.2.2004	9.2.2006
FxRN	US\$	100.0	12.26.2003	12.26.2006
FxRN	US\$	100.0	2.3.2004	1.3.2007
FxRN BRL (US\$174.6 million)	Reais	461.7	12.10.2004	12.10.2007
FxRN	US\$	100.0	2.10.2005	1.2.2008
Securitization MT 100 Series 2003-1 Fixed - (*)	US\$	200.0	8.20.2003	8.20.2010
Securitization MT 100 Series 2004-1 Fixed (*)	US\$	100.0	7.28.2004	8.20.2012
Perpetual Securities (**)	US\$	300.0	6.3.2005	Perpetual
<b>Public Issuance</b>	<b>US\$</b>	<b>2,493.4</b>		
<b>Private Issuance</b>	<b>US\$</b>	<b>369.4</b>		
<b>Total (in US\$)</b>	<b>US\$</b>	<b>2,862.8</b>		

(\*) International Diversified Payment Rights Company

(\*\*) Perpetual Non-cumulative Junior Subordinated Securities

## Capital Markets

### Underwriting Transactions

In 3Q05, Bradesco coordinated important stock, debentures and promissory notes transactions, which amounted to R\$ 7.4 billion. This volume accounts for 56% of the total amount of stock, debentures and promissory notes issuance recorded by CVM in the same period.

Among the operations in which we participated, we point out the Debentures Public Offering of Net

Serviços de Comunicação S.A., in the amount of R\$ 650.0 million, the Promissory Notes Public Offering of Suzano Petroquímica S.A., in the amount of R\$ 540.0 million and the Stock Public Offering of Energias do Brasil S.A., in the amount of R\$ 1.185 billion and Brazil Realty S.A., in the amount of R\$ 902.2 million.

### Special Operations

The Special Operations department is responsible for structuring and executing advisory services, comprising acquisitions, mergers, spin-offs and joint ventures operations, added to studies considering corporate restructurings.

Besides such studies, the Special Operations department also develops works connected with privatization processes. In 3Q05, one more incumbency was achieved, this time in the food industry.

#### Project Finance Operations

In 3Q05, Bradesco operated in the project finance operations, under the type of Corporate and Project Finance as finance advisor and structuring financings for companies of the electric energy, sugar and alcohol, steel and telecommunications industry.

## Structured Finance

The Structured Finance Area is responsible for the following:

- development of structures used to segregate credit risks, through Special Purpose Entities (SPEs), Credit Acquisitions, Credit Right Investment Funds (FIDCs) and Certificates of Real Estate Receivables (CRIs);
- structuring of properly protected medium and long-term financings based on pre-defined cash flows pursuant to specific covenants and guarantees which minimize the risks of each transaction;
- development of structured solutions with a view to meeting specific needs of companies, such as: decreased use of working capital, increased liquidity, optimization of financial and tax costs, compliance with legal technical limits/financial covenants, sale of permanent assets and structured financings; and
- coordination of syndicated loan processes, including the extension of debts which can be refinanced, structured by the Bank or by third parties.

## Tax Payment and Collections

### Cash Management

Bradesco's cash management solutions comprise a portfolio of more than 40 products designed to meet public and private sector customer management needs in the areas of receipts, payments, human resources and administration, ensuring that their bank transactions are carried out with speed and convenience, in line with high quality (ISO 9001:2000) and security (electronic certification and sound cryptography) standards.

The innovations have secured the preference of a growing number of clients from all market segments and niches in diverse locations and different activity fields, using latest-generation technology means for connecting the Bank and its clients online.

In particular, we point out the activities of the Government Authority area, whose mission is to provide a specialized service to federal, state and local bodies, identifying business opportunities and structuring customized solutions, through a specific Internet portal ([www.bradescopoderpublico.com.br](http://www.bradescopoderpublico.com.br)).

Among the key product and service solutions made available by Bradesco, we point out the following:

### Receivables Solutions

#### Bradesco Online Collection

The high efficiency standards of Bradesco's online collection service generate confidence, minimizing costs and maximizing customer returns, covering all of their accounts receivable management needs. As a result of these features, Bradesco Collection is the market leader, generating other business opportunities for the Organization.

Online collection is responsible for processing some 98% of all documents registered in the Bradesco collection portfolio.

#### Tax Payment and Collections

Developed based on high standards of efficiency and quality, Bradesco's tax payment and collections serve a dual purpose. On the one hand, they seek to provide customer satisfaction with appropriate and innovative solutions for the settlement of taxes, duties and contributions. On the other hand, they effectively interact with the different Government Departments in the federal, state and local spheres and with Public Utility concessionaires. These are emphasized for the speed and security in processed information and amounts collected.

**Payment Solutions**

Net Empresa, Pag-For and PTRB (Online Tax Payments)

As part of the same efficiency commitment, Bradesco's payment solutions available via the Net Empresa, Pag-For and PTRB products, meet all clients' needs, enabling supplier payments, tax settlements and electronic transfers, online or through the transmission of files with maximum speed and security.

In the first nine months of 2005, an amount of R\$ 345.7 billion was recorded, corresponding to 94.3 million payment transactions, facilitating the management of Trade Accounts Payable for more than 342 thousand companies.

	<b>R\$ billion</b>					
	<b>2004</b>			<b>2005</b>		
	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>	<b>2<sup>nd</sup> Qtr.</b>	<b>3<sup>rd</sup> Qtr.</b>	<b>September YTD</b>
Receipt solutions (1)	190.0	209.2	582.2	229.5	234.6	680.3
Payment solutions	97.0	104.9	287.2	115.6	118.7	345.7
<b>Total</b>	<b>287.0</b>	<b>314.1</b>	<b>869.4</b>	<b>345.1</b>	<b>353.3</b>	<b>1,026.0</b>
Taxes	23.7	25.5	73.1	27.3	27.5	82.5
Water, electricity, telephone and gas	4.7	4.9	14.1	5.4	5.6	16.2
Social security payments	5.1	5.3	15.5	5.8	6.1	17.5
<b>Total Public Sector (*)</b>	<b>33.5</b>	<b>35.7</b>	<b>102.7</b>	<b>38.5</b>	<b>39.2</b>	<b>116.2</b>