

EARNINGS RELEASE

1st Semester of 2013

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BANCO PAULISTA has announced its results for 1S13.

BANCO PAULISTA is recognized for providing foreign exchange and treasury services and funding for middle market companies and administration, settlement and custody of assets. Furthermore, it offers Settlement Bank services at the CETIP, SELIC, BM&FBOVESPA and CBLC for financial institutions, complementing its role as Clearing House agent for brokerage houses at the CBLC.

MESSAGE FROM THE MANAGEMENT

BANCO PAULISTA ended the semester with net income of R\$ 11,6 million, confirming that the change in its business focus to emphasize maximum shareholder returns has been successful. The benefits of having restructured the business model are increasingly evident with the passage of every business period, which leaves no doubts as to the Bank's future prospects, whereby a conservative approach will be the basis for sustainable growth of its activities.

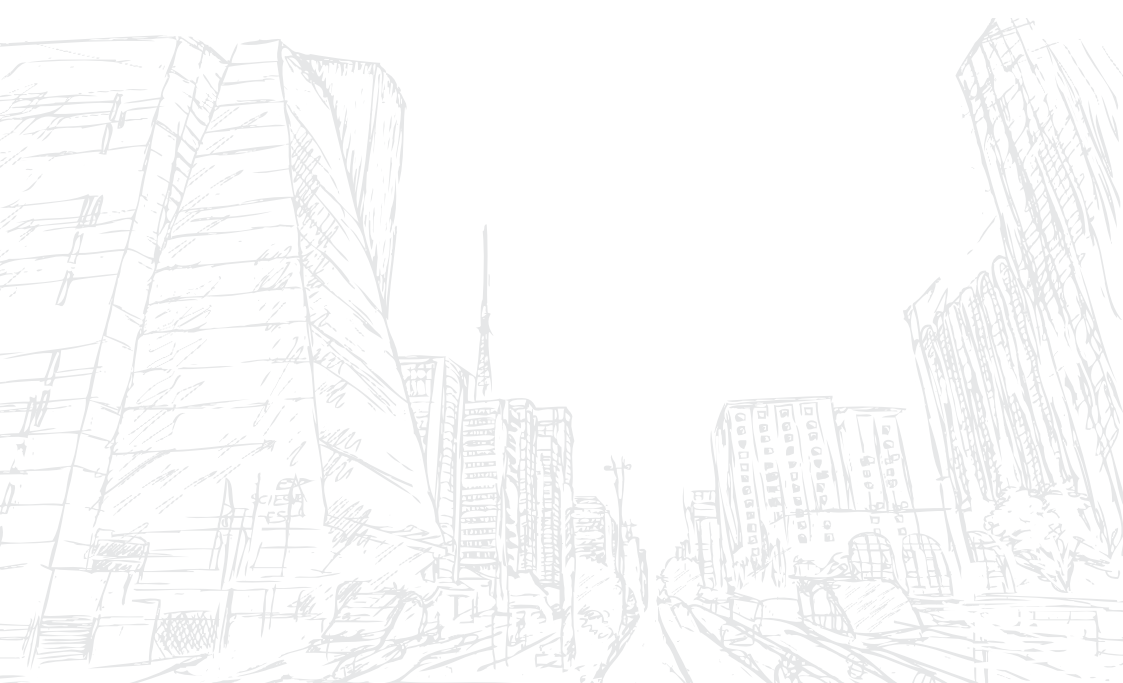
Higher default levels at the end of 2012 and in early 2013⁴ spurred management to reduce as the lending business and conserve cash, a decision that hurt short-term result, but one that is in line with the strategy of balancing the profitability and conservatism of its operations.

Foreign exchange was once again the flagship area of the Bank, in spite of the sudden decline in results experienced in the semester. On the other hand, revenue from asset origination services provided to institutional clients – with the same strict internal analysis parameters applied when choosing credit transactions for the Bank's own portfolio – has increased its share of the consolidated result. As a result, BANCO PAULISTA is enhancing its focus on foreign exchange transactions and services, business lines where it is acknowledged for its capabilities.

The Basel Ratio stood at the comfortable level of 25.8% in June 2013, affording the Bank a substantial margin for available growth, but always backed up by rigorous analysis of quality assets.

Riviera Investimentos, the Bank's fund management company, has established itself an important group subsidiary, with around R\$ 5,7 billion under management, allocated between Equity Investment Funds (FIP), Share Funds (FIA) and Multimarket Funds (FIM). Two real estate investment funds (FII) are currently at the launch phase (FII), in addition to a higher volume of credit assets (performing and impaired).

BANCO PAULISTA is enhancing its commitment to strength, transparency and governance, the pillars that have supported the Bank's operational improvements in its results over recent quarters, and which will be essential in the constant search for efficiency.



MAIN INDICATORS

Main Indicators (R\$ thousands)	1S13	2S12	Var. (%)	1S12	Var. (%)
Income from Financial Intermediation	61,055	71,251	-14.3%	72,745	-16.1%
Operating Income	18,450	26,043	-29.2%	18,228	1.2%
Net Income (Loss)	11,628	22,639	-48.6%	8,521	36.5%
Shareholders' Equity	144,964	136,399	6.3%	127,847	13.4%
Total Assets	1.647,645	1,362,894	20.9%	1,630,344	1.1%
Total Credit Portfolio	189,581	167,519	13.2%	220,952	-14.2%
Total Funding	990,676	842,384	17.6%	866,197	14.4%
Net Interest Margin (NIM) (% p.a.)	13.7%	15.3%	-1.6 p.p.	17.0%	-3.3 p.p.
Efficiency Ratio	61.3%	54.1%	7.2 p.p.	52.1%	9.2 p.p.
Basel Ratio	25.8%	27.7%	-1.9 p.p.	21.3%	4.5 p.p.

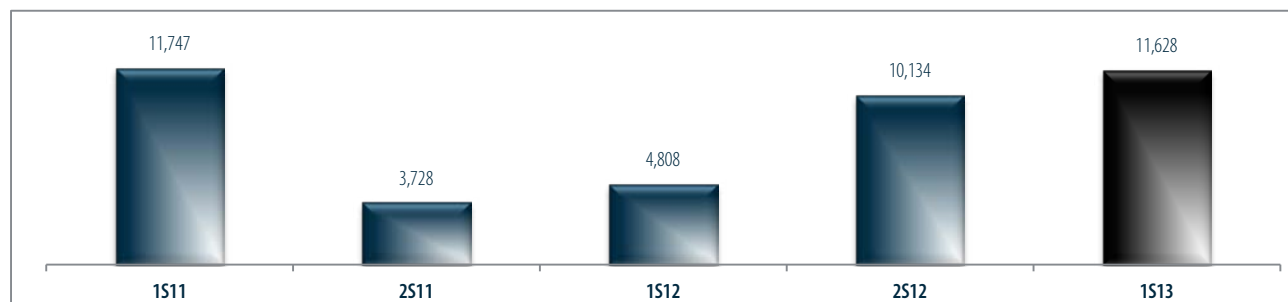
PERFORMANCE

Net Income

Net Income stood at R\$ 11,6 million in 1S13, an increase of 36.5% over the same period of the previous year, further proof of the sustained operational improvement of BANCO PAULISTA and underlining the soundness and profitability of its traditional business areas.

The highlight was the services revenue line, which more than offset the deceleration in the Bank's loan portfolio, and which has carved out a higher share of the consolidated result.

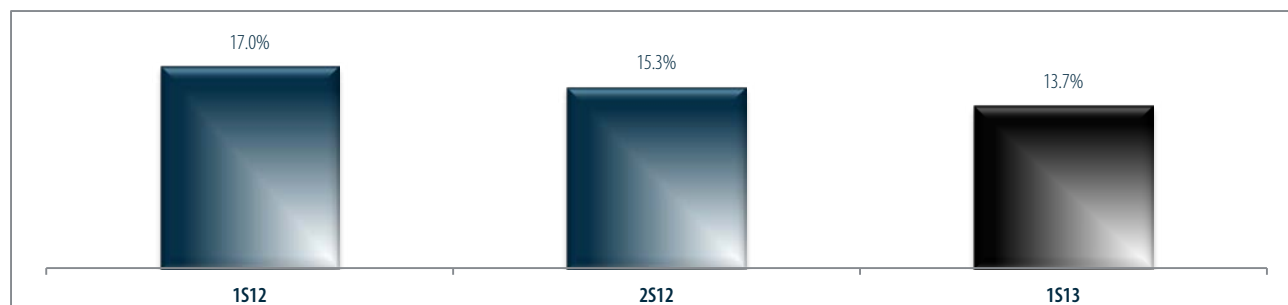
NET INCOME (LOSS) - R\$ thousands



Interest Margin

Annualized Net Interest Margin (NIM) was 13.7% in June 2013 and 17.0% in the same period of 2012. The decline in NIM reflects the lower income from financial intermediation, influenced by the lower volume of credit and foreign exchange transactions in the six-month period.

NET INTEREST MARGIN (NIM) (% p.a.)



EFFICIENCY RATIO

The efficiency ratio stood at 61.3%, against 52.1% in the same semester of 2012. Expenses in the period rose by 19.6%, but revenues did not increase at the same pace. Lower revenues from the credit area in the wake of the Bank's more selective approval of transactions, and the sudden decline in foreign exchange results adversely affected the margin performance. We expect to see a dilution in the effect of these expenses, with a resulting improvement in the ratio in future semesters.

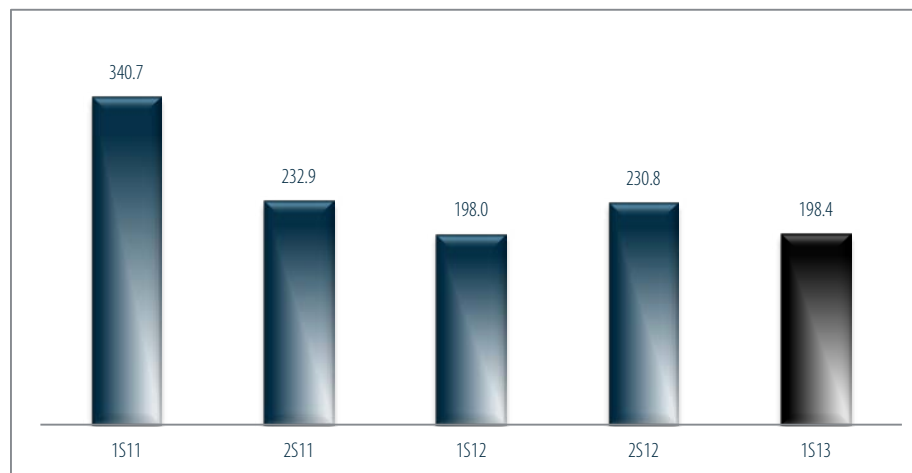
Efficiency Ratio (R\$ thousands)	1S13	2S12	Var. (%)	1S12	Var. (%)
Expenses	61,643	56,031	10.0%	51,543	19.6%
personnel	22,612	20,727	9.1%	19,278	17.3%
administrative	30,551	28,431	7.5%	26,095	17.1%
tax	8,480	6,873	23.4%	6,170	37.4%
Revenues	100,537	103,528	-2.9%	98,994	1.6%
result from financial intermediation	61,055	71,251	-14.3%	72,745	-16.1%
+ provision for doubtful debts	9,339	7,475	24.9%	13,680	-31.7%
services income	30,143	24,802	21.5%	12,569	139.8%
Efficiency Ratio	61.3%	54.1%	7.2 p.p.	52.1%	9.2 p.p.

LIQUIDITY

Distribution of Net Assets (R\$ thousands)	1S13	2S12	Var. (%)	1S12	Var. (%)
Cash and cash equivalents	215,701	187,409	15.1%	164,222	31.3%
Short-term interbank investments	93,404	106,668	-12.4%	208,970	-55.3%
Open Market Investments (net)	32,022	66,037	-51.5%	134,317	-76.2%
Investments in Interbank Deposits	61,382	40,631	51.1%	74,653	-17.8%
Securities and Derivatives (Trading Book - Available for Sale)	175,377	96,244	82.2%	217,114	-19.2%
Interbranch Business (Net)	19,845	26,640	-25.5%	26,959	-26.4%
Total Net Assets	504,327	416,961	21.0%	617,265	-18.3%

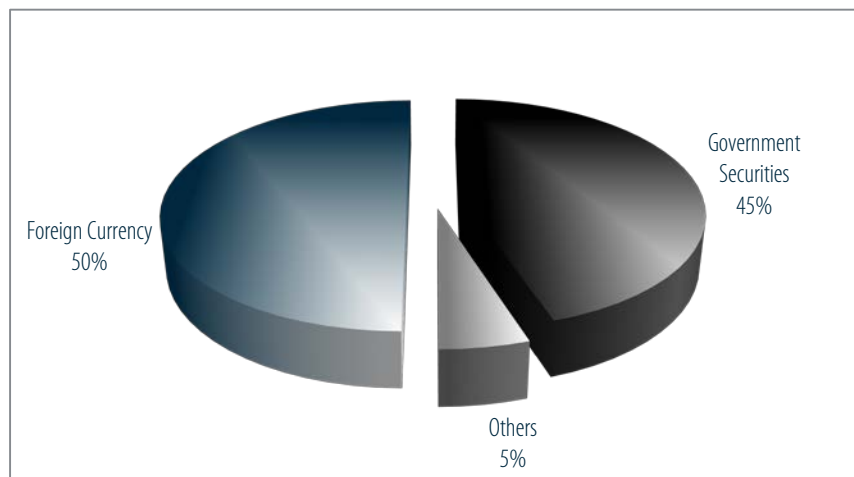
Net assets totaled R\$ 504,3 million, down by 18.3% in relation to 1S12. Liquidity remains comfortable and sufficient for the Institution's requirements. Attention should also be drawn to the fact that BANCO PAULISTA also has access to additional liquidity through the Term Deposits with Special Guarantee mechanism (DPGE), amounting to R\$ 238 million, funds to which the bank has access as and when management deems it to be in its interest. In addition, the Bank has adopted a more conservative approach to renewing the current DPGEs, as these involve higher costs on account of the high level of liquidity they provide.

CASH GROWTH - R\$ thousands

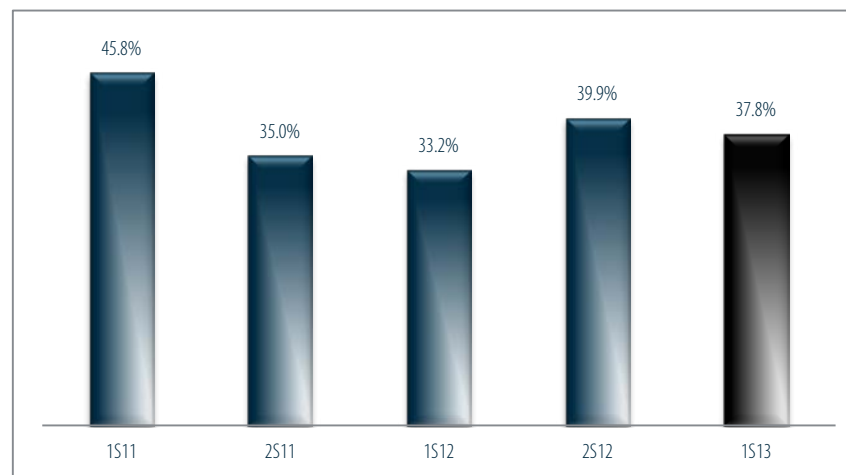


The Bank's cash position remained at comfortable levels at the close of the semester, amounting to R\$ 198,4 million. This amount was primarily channeled to meeting the demand for short-term foreign exchange transactions. During the semester, the cash position was divided 50.0% in foreign currency; 45.0% in government securities; and 5.0% in other investments.

BREAKDOWN OF THE CASH POSITION (June/13)



CASH / TOTAL DEPOSITS



BANCO PAULISTA also monitors its liquidity level using the ratio of the cash position to total deposits, which in 1S13 stood at 37.8%.

Asset and Liability Management

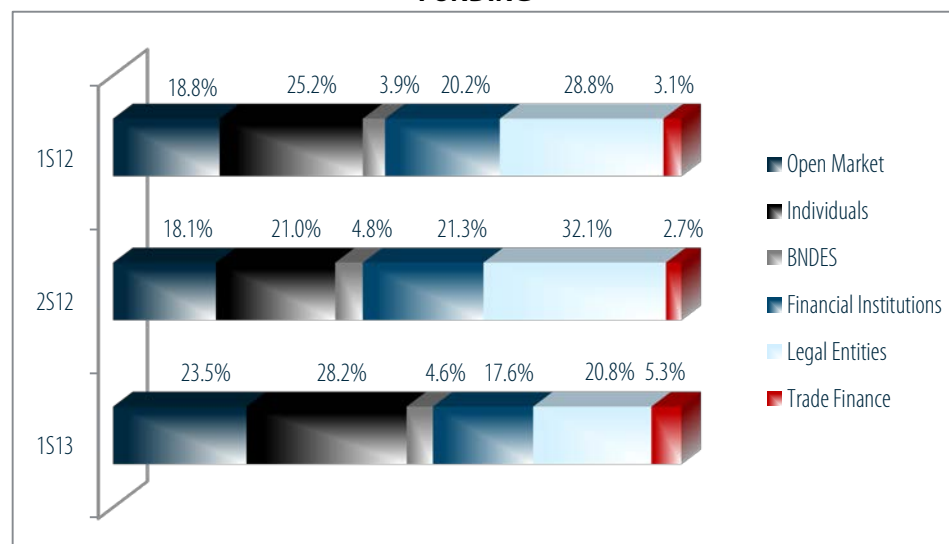
The Bank remains adequately matched in terms of assets and liabilities, enabling it to minimize exposure to occasional mismatches between rates and terms applied. The average term of (middle market) credit transactions is 194 days, while the average funding term is 431 days, creating a positive gap of 237 days.

FUNDING

During 1S13, total funding reached R\$ 990,7 million, growth of 14.4% in comparison with the same semester of the previous year. This increase, however, was achieved through a mix of funding that prioritized operations that were more interesting for the Bank. Given its very comfortable cash position, BANCO PAULISTA has been more selective in renewing its current funding portfolio, which is at a perfectly healthy level to address the institution's requirements, both in terms of maturities and volume.

Funding (R\$ thousands)	1S13	2S12	Var. (%)	1S12	Var. (%)
Call deposits	106,494	94,790	12.3%	55,344	92.4%
Term deposits	392,070	321,753	21.9%	369,881	6.0%
Up to 1 year	227,845	197,062	15.6%	262,258	-13.1%
Over 1 year	164,225	124,691	31.7%	107,623	52.6%
Interbank deposits	87,849	118,090	-25.6%	98,734	-11.0%
Open Market Funding	232,922	152,737	52.5%	162,674	43.2%
Liabilities for overseas loans and on-lending	52,252	22,723	130.0%	27,176	92.3%
BNDES/FINAME On-lending	45,892	40,833	12.4%	34,060	34.7%
DPGE	73,197	91,457	-20.0%	118,327	-38.1%
Total	990,676	842,384	17.6%	866,197	14.4%

FUNDING



OPERATING HIGHLIGHTS

CREDIT PORTFOLIO

The total credit portfolio stood at R\$ 179,6 million at the end of 1S13, a reduction of 21.5% in relation to 1S12 and slightly up by 4.4% in comparison with December 2012. When assigned transactions are included, the credit portfolio in the semester rose to R\$ 183,5 million, a reduction of 28.5% over the same period of 2012. Taking the Middle Market portfolio on its own, there was a decline of 19.7% against 1S12, but growth of 4.4% over the end of 2012, totaling R\$ 186,7 million. The year-on-year reduction in the Middle Market portfolio was part of management's strategy to protect the cash position amid the recent increase in delinquencies in the market.

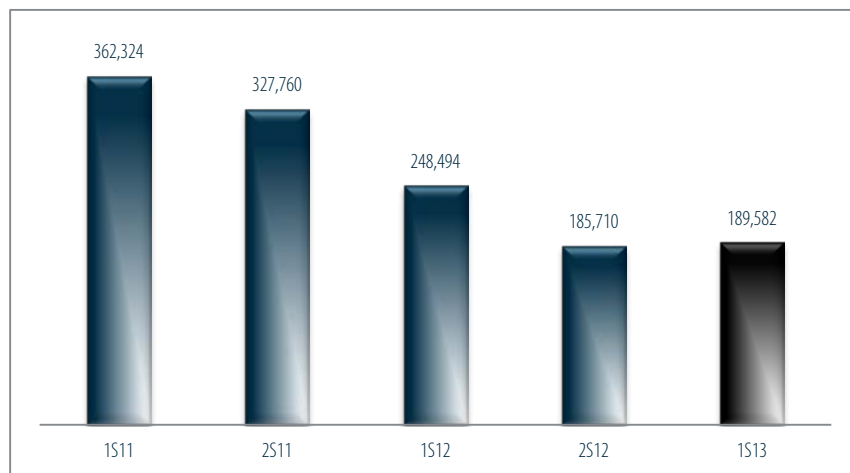
Worthy of note in the semester were the asset origination services provided to institutional clients, where the same rigorous analysis criteria used in the bank's trading book are also applied.

Credit Portfolio (R\$ thousands)	Jun/13	Dec/12	Var. (%)	Jun/12	Var. (%)
Middle Market	186,734	178,833	4.4%	232,458	-19.7%
Loans	175,411	167,315	4.8%	205,647	-14.7%
Bills Discounted	4,725	3,970	19.0%	7,683	-38.5%
Financing	6,598	7,496	-12.0%	18,800	-64.9%
Others	-	51	-100.0%	329	-100.0%
Retail	2,848	6,878	-58.6%	16,036	-82.2%
Payroll-deductible Loans + CDC Others ^(*)	314	259	21.1%	341	-7.9%
Vehicles	2,534	6,618	-61.7%	15,695	-83.9%
Total Assets	189,582	185,710	2.1%	248,494	-23.7%
PDD Middle Market	(9,053)	(11,796)	-23.3%	(15,582)	-41.9%
PDD Retail Market	(903)	(1,788)	-49.5%	(4,116)	-78.1%
Total Net Assets	179,626	172,126	4.4%	228,796	-21.5%
CDC (Assigned)	5,368	15,712	-65.8%	35,812	-85.0%
PDD CDC (Assigned)	(1,533)	(4,607)	-66.7%	(7,844)	-80.5%
Total Portfolio	183,461	183,231	0.1%	256,764	-28.5%

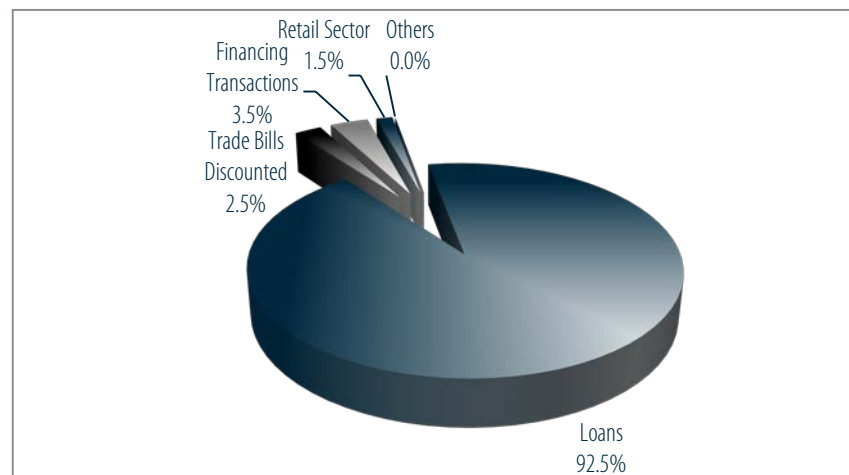
^(*) includes CDC transactions, personal overdrafts, trade bills discounted and other transactions

The personal loan portfolio stood at R\$ 8,2 million (including CDC) at June 30, 2013, a drop of 84.2% in relation to 1S12. This decline reflects the Bank's strategy, namely the assignment of its CDC portfolio at the end of 2009, and a complete halt to new transactions of this nature.

EVOLUTION OF THE CREDIT PORTFOLIO – R\$ thousands



DISTRIBUTION OF THE CREDIT PORTFOLIO BY MODALITY



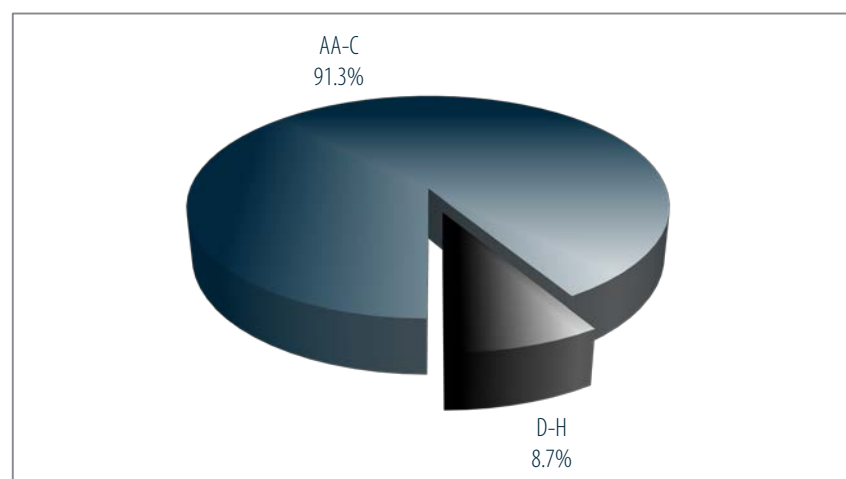
Loans

Loans via call account to meet companies' working capital requirements, with partial amortization of principal permitted at any time up to the final maturity date. These also consist of loans for no specific purpose under the following modalities: Bank Credit Notes, Commercial Credit Notes and Industrial Credit Notes. At the end of semester BANCO PAULISTA had a total loan portfolio of R\$ 175,4 million.

PORTFOLIO AND PROVISIONS BY RISK LEVELS

Classification	Provision Required (%)	Past Due	Outstanding maturities	Total Portfolio	Relative Participation (%)	Provision for Past Dues	Provision for Outstanding maturities	Total Provision	CDC Provision
AA	-	-	-	-	0.0%	-	-	-	-
A	0.5	-	2,351	2,351	1.2%	-	12	12	-
B	1.0	206	79,141	79,347	41.9%	2	791	793	11
C	3.0	1,868	89,495	91,362	48.2%	56	2,685	2,741	39
D	10.0	701	1,401	2,102	1.1%	70	140	210	30
E	30.0	1,632	7,925	9,557	5.0%	490	2,378	2,867	40
F	50.0	118	2,274	2,392	1.3%	59	1,137	1,196	56
G	70.0	646	465	1,112	0.6%	453	326	778	81
H	100.0	1,358	1	1,358	0.7	1,358	1	1,358	646
Total		6,529	183,052	189,581	100.0%	2,847	7,469	9,956	903

PORTFOLIO BY GROUPED RISK LEVELS



RATIO OF NON-PERFORMING LOANS (D-H Portfolio Past Due) per Type of Client

	Jun/13	Dec/12	Jun/12	Jun/13 x Dec/12	Jun/13 x Jun/12
Individuals	0.4%	0.9%	1.4%	-0.4 p.p.	-1.0 p.p.
Corporate Customers	1.7%	5.1%	3.8%	-3.4 p.p.	-2.1 p.p.
Total	1.5%	4.5%	3.2%	-3.0 p.p.	-1.7 p.p.

RATIO OF NON-PERFORMING LOANS (Portfolio more than 15 days Past Due) per Type of Client

	Jun/13	Dec/12	Jun/12	Jun/13 x Dec/12	Jun/13 x Jun/12
Individuals	0.5%	1.0%	1.6%	-0.5 p.p.	-1.1 p.p.
Corporate Customers	1.7%	6.4%	4.5%	-4.7 p.p.	-2.7 p.p.
Total	1.5%	5.7%	3.7%	-4.21 p.p.	-2.2 p.p.

CREDIT PORTFOLIO COVERAGE RATIO (*)

	Jun/13	Dec/12	Jun/12	Jun/13 x Dec/12	Jun/13 x Jun/12
Total	246.55%	136.67%	134.98%	109.9 p.p.	111.6 p.p.

(*) The coverage ratio is calculated by dividing the balance of the provisions for doubtful debtors by the balance of transactions more than 90 days past due

FOREIGN EXCHANGE

Since 1992 BANCO PAULISTA operates in the spot and future currency markets in exports, imports, financial transactions and tourism (bank notes), a combination of the extensive variety of transactions existing in this department. It has arrangements with logistics companies, trading companies and international credit agencies. Its foreign currency settlement banks are Bank of America Merrill Lynch, Commerzbank AG and Standard Chartered Bank, and it is also a member of SWIFT.

» Over the last two years the Bank has been among the 20 largest financial institutions by trading volume, with a turnover in the last semester of around US\$ 24,5 billion, and among the 10 largest in the number of transactions, booking around 76,000 transactions in the last semester among a universe of 147 institutions authorized to operate in the foreign exchange market (Source: Brazilian Central Bank);

» In the case of bank notes (imports, exports and distribution of foreign and domestic currency in cash), BANCO PAULISTA provides custody at cash delivery companies in over 50 cities strategically distributed across Brazil, with more than 80 active clients, hoisting the Bank to the position of leader in the wholesale market.

The foreign exchange department of BANCO PAULISTA remains focused on the services segment, consolidating its excellent track record in structured transactions, thanks to proper investment by and the support of the technology and business areas, plus the technical knowledge and effort of its entire staff complement, whether in over-the-counter (tourism) or (commercial) foreign exchange transactions.

SOCOPA – SOCIEDADE CORRETORA PAULISTA

SOCOPA, a full subsidiary of BANCO PAULISTA, operates on the domestic and international stock and commodities exchanges, in addition to brokering foreign exchange transactions for financial institutions, pension and investment funds and private and corporate investors. It also operates for private customers in general, providing personalized products such as investment clubs and managed portfolios, in addition to internet investments and home broker services through Socopa Home Broker, the first web site in Brazil to offer real-time stock exchange investments.

SOCOPA advises its clients when they close foreign exchange transactions with both BANCO PAULISTA and other financial institutions.

The equity pick-up from SOCOPA in 1S13 was R\$ 0,6 million, against a loss of R\$ 3,5 million in the same period of 2012 and a surplus of R\$ 4,4 million in the last semester of the previous year.

SOCOPA ended the semester with R\$ 7,66 billion in funds under management, significant growth over the figure of R\$ 1,82 billion in 1S12.

ASSET MANAGEMENT

The end of 2012 and the early part of this year were extremely challenging periods for the funds sector in the principal market where the bank operates, namely credit funds (FIDC). This market segment shrank, while the new investments in custody services required for adapting to the new rules were very time-consuming and demanded much higher levels of investment than in previous years, which affected profitability in the first semester.

The benefits of adopting the new FIDC custody system are easily observed, representing greater productivity gains as well as a better quality service to meet the growing demand for this product, which should lead to higher profitability and a better position in relation to the competition.

The position in the FIDC segment remained sound, with R\$ 2,8 billion under custody and R\$ 2,0 billion under management. SOCOPA has bolstered its present in the FIDC management segment, with the clear objective of diversifying the services it provides to clients.

It is worth pointing out that BANCO PAULISTA and SOCOPA held important positions in the 2012 ranking organized by Uqbar.

- » 1st place – Custodian in the number of transactions (BANCO PAULISTA);
- » 1st place – Administrator in the number of transactions (SOCOPA);
- » 2nd place – Leader in CRI distribution by number of transactions (SOCOPA).

RIVIERA INVESTIMENTOS

In 2011 BANCO PAULISTA invested in creating Riviera Investimentos (RIVIERA), an asset management subsidiary of the Bank whose focus is on meeting the demand from institutional investors for structured products. The difficulty in achieving actuarial targets has created the need for managers to look for fixed income assets with higher returns, a market of which Riviera is acclaimed for its knowledge .

In September 2013, rating agency Standard & Poor's (S&P) granted a score of 3 to the AMP (Asset Manager Practices) of RIVIERA, which corresponds to "Practices considered GOOD" on the global scale used by S&P. This recognition by S&P is supremely important for Riviera as an asset management company with a relatively recent track record in the market.

Notwithstanding this short track record, worthy of note are the R\$ 5,7 billion under management achieved during the semester, allocated between Equity Investment Funds (FIP), Share Funds (FIA) and Multimarket Funds (FIM), Real Estate Funds (FII) and Credit Funds.

Also in this semester it is worth drawing attention to the fact that the team was strengthened, primarily with regard to the credit recovery area. RIVIERA's in-house legal department works alongside outsourced law offices in order to better respond to the needs of the credit funds under management. Thus RIVIERA is strengthening its involvement in investments in corporate credits, both performing and distressed.

The next steps will concentrate on the roll-out of two real estate investment funds (FII) and an equity interest investment fund (FIP), while also increasing exposure to credit funds.

RATINGS

Moody's attributes the following ratings to BANCO PAULISTA:

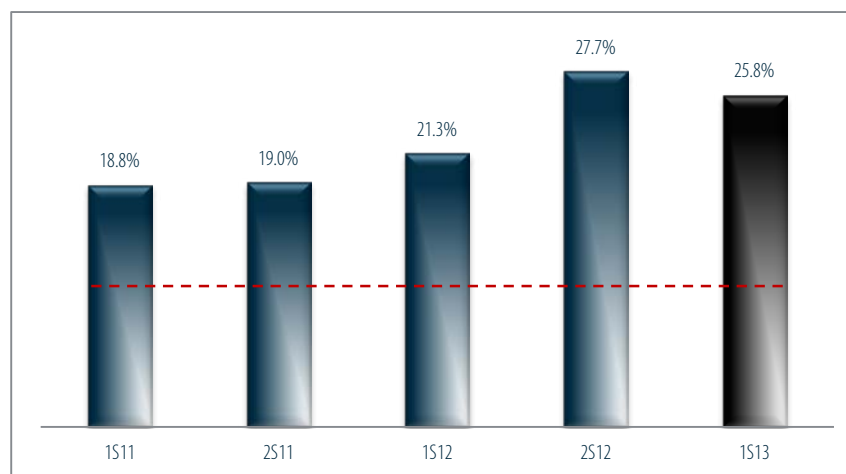
- » Banks Financial Strength: E+
- » Long-term Global Local Currency Deposits: B2
- » Short-term Global Local Currency Deposits: Not Prime
- » Long-term foreign currency deposits: B2
- » Short-term foreign currency deposits: Not Prime
- » Long-term national scale deposits in BR: Baa3.br
- » Short-term national scale deposits in BR: BR-3
- » Ratings outlook: Stable

Austin attributes the following ratings to BANCO PAULISTA:

- » Long-term credit rating: brBBB+
- » Short-term rating: brA-2
- » Ratings outlook: Stable

BASEL RATIO

As at June 30, 2013, the Basel Ratio as ascertained in accordance with Resolution 2.099, as amended by Resolutions 3.444 and 3.490, and Circular 3.360, stood at 25.8%, (27.7% in 2S12 and 21.3% in 1S12). The Bank is comfortable with its Basel Ratio, and there is sufficient leeway for leveraging its operations as and when management deems this appropriate.



EXTERNAL AUDIT

The financial information (IFT) has been reviewed by Ernst & Young Terco, who issued an opinion on August 15 2013, with no reservations.

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EXHIBIT I - BALANCE SHEET

ASSETS - R\$ thousands	1S13	2S12	1S12
Current	1,329,496	1,022,287	1,433,424
Cash and cash equivalents	215,701	187,409	164,222
Short-term interbank investments	260,740	249,140	290,617
Securities and derivative financial instruments	192,644	96,244	217,496
Interbranch business	20,879	27,380	27,927
Credit transactions	168,194	129,080	180,335
Foreign exchange transactions	409,419	275,934	451,954
Other credits	60,728	54,649	92,038
Other valuables and assets	1,191	2,451	8,835
Long-term assets	230,833	253,854	114,492
Securities and derivative financial instruments	132,018	136,918	1,619
Credit transactions	11,431	24,740	25,035
Other credits	87,384	92,196	87,838
Permanent assets	87,316	86,753	82,428
Investments	83,749	83,107	78,813
Fixed assets for use	2,714	2,773	3,011
Intangible assets	853	873	604
Total Assets	1,647,645	1,362,894	1,630,344

LIABILITIES - R\$ thousands	1S13	2S12	1S12
Current	1,227,665	1,040,010	1,263,783
Deposits	440,408	452,866	460,145
Open Market funding	232,922	152,737	162,674
Interbank and interbranch relations	13,632	16,139	17,742
Liabilities for loans and on-lending	98,144	63,556	90,655
Foreign exchange portfolio	407,521	261,567	453,907
Other liabilities	35,038	93,145	78,660
Long-term liabilities	275,016	186,485	238,714
Deposits	169,715	125,657	136,503
Liabilities for loans and on-lending	-	-	20,007
Other liabilities	105,301	60,828	82,204
Shareholders' Equity	144,964	136,939	127,847
Capital stock – domiciled in Brazil	127,000	127,000	127,000
Capital reserve	97	97	97
Profit reserves	20,471	8,843	426
Mark-to-Market – Securities and Derivatives (+/-)	(2,604)	459	-
Retained earnings/accumulated losses	-	-	324
Total Liabilities	1,647,645	1,362,894	1,630,344

EXHIBIT II - STATEMENT OF INCOME

Six-Month Statement of income - R\$ thousands	1S13	2S12	Var. %	1S12	Var. %
Revenue from financial intermediation	108,653	115,599	-6.0%	136,696	-20.5%
Credit transactions	17,264	19,340	-10.7%	28,621	-39.7%
Income from securities	31,359	33,165	-5.4%	42,590	-26.4%
Income from derivative financial instruments	(4,593)	(1,403)	-	(6,394)	-28.2%
Income from foreign exchange transactions	64,623	64,497	0.2%	71,880	-10.1%
Expenses with financial intermediation	(47,598)	(44,348)	7.3%	(63,951)	-25.6%
Funding transactions	(29,869)	(28,534)	4.7%	(41,681)	-28.3%
Loans and on-lending transactions	(8,390)	(8,339)	-	(8,590)	-2.3%
Provision for doubtful debts	(9,339)	(7,475)	24.9%	(13,680)	-31.7%
Gross Income from financial intermediation	61,055	71,251	-14.3%	72,745	-16.1%
Operating revenues (expenses)	(42,605)	(45,208)	-5.8%	(54,517)	-21.9%
Revenues from services rendered	30,143	24,802	21.5%	12,569	139.8%
Personnel expenses	(22,612)	(20,727)	9.1%	(19,278)	17.3%
Other administrative expenses	(30,551)	(28,431)	7.5%	(26,095)	17.1%
Tax Expenses	(8,480)	(6,873)	23.4%	(6,170)	37.4%
Income from equity interests in associate companies and subsidiaries	594	4,445	-86.6%	(3,481)	-
Other operating revenues	8,026	6,714	-	6,580	22.0%
Other operating expenses	(19,725)	(25,138)	-21.5%	(18,642)	5.8%
Operating Result	18,450	26,043	-29.2%	18,228	1.2%
Non-operating result	40	8,015	-99.5%	(1,376)	0.0%
Income before taxes and minority interests	18,490	34,058	-45.7%	16,852	9.7%
Income and social contribution taxes	(6,862)	(11,419)	-39.9%	(8,331)	-
Provision for income tax	(316)	3,871	-	(5,550)	-
Provision for social contribution tax	(202)	1,716	-	(3,419)	-
Deferred fiscal assets	(5,732)	(15,815)	-63.8%	1,087	-
Statutory profit sharing	(612)	(1,191)	-	(448)	-
Net Income (Loss)	11,628	22,639	-48.6%	8,521	36.5%
Equity interest	-	(7,046)	-	-	-
Loss per 1000 shares - R\$	53.00	103.50	-48.8%	38.96	36.1%

EXHIBIT III - STATEMENT OF CASH FLOW

Annual Statement of Cash Flow - R\$ thousands	1S13	2S12	1S12
Adjusted net income for the six-month period	23,128	41,030	21,173
Profit/Loss for the six-month period	11,628	22,639	8,522
Adjustments for reconciling net loss to net cash	11,500	18,391	12,651
Provision for doubtful debts	9,339	7,474	13,680
Provisions for deferred income and social contribution taxes	5,732	15,815	(1,087)
Depreciations and amortizations	496	500	504
Equity income from subsidiaries	(594)	(4,445)	3,481
Reversal of operating provisions	(2,285)	(4,920)	(4,943)
Monetary restatement of funds received in advance for assigned retail credit transactions	545	1,947	1,016
Provision for losses on retail transaction credits assigned with co-obligation	(3,226)	902	-
Provisions for civil, fiscal and labor contingencies	1,493	-	-
Reversal of provision for fiscal risks	-	659	-
M-T-M adjustments	-	459	-
Variance in assets and liabilities	(30,138)	(10,158)	18,283
Reduction (increase) in short-term interbank investments	(12,781)	(12,871)	2,622
Reduction (increase) in securities	(78,852)	(14,119)	36,395
Reduction (increase) in interbranch business	3,995	(1,056)	52,260
Reduction (increase) in credit transactions	(35,144)	44,076	88,228
Reduction (Increase) in other credits	(140,485)	193,237	(358,894)
Reduction (increase) in other valuables and assets	1,260	10,532	10,863
Reduction (increase) in derivative financial instruments - (assets) liabilities	(16,129)	491	1,242
(Reduction) increase in other liabilities	136,212	(202,386)	302,729
(Reduction) Increase in deposits	31,600	(18,125)	(68,256)
(Reduction) Increase in liabilities for repo transactions	80,186	(9,937)	(48,906)
Net cash from operations	(7,010)	30,872	39,456

Annual Statement of Cash Flow - R\$ thousands	1S13	2S12	1S12
From investments			
Net cash (used) in investments	(466)	(381)	(358)
Acquisitions of fixed assets for use	(395)	(160)	(311)
Investments in intangibles	(112)	(381)	(107)
Divestments	(48)	150	-
Divestment of fixed assets for use	89	10	60
From Financing			
Net cash generated (used) in financing	34,587	(61,652)	45,067
(Reduction) in proceeds of acceptances and securities issued	-	(20,007)	20,007
Increase (reduction) in obligations for loans and on-lending	34,587	(27,099)	25,060
Equity interest	-	(7,046)	-
Dividends proposed	-	(7,500)	-
Increase in cash and cash equivalents	27,111	(31,161)	84,165
Cash and cash equivalents at the beginning of the six-month period	418,160	449,321	365,156
Cash and cash equivalents at the end of the six-month period	445,271	418,160	449,321
Increase in cash and cash equivalents	27,111	(31,161)	84,165