

## **EARNINGS RELEASE**

2<sup>nd</sup> Semester of 2013

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BANCO PAULISTA has announced its results for 2S13.

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\$ 9,2 million, accumulating earnings in 2013 of R\$ 20,8 million. After stripping out non-recurring events of R\$ 12,2 million in 2S13, the Bank's annual earnings would have been R\$ 33,1 million, representing a return on average shareholders' equity (ROAE) of 23.3%. The progress in earnings shows that the change in the 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.

The Bank continues to prioritize quality when granting credit, less concerned about higher transaction volume, while further strengthening the focus on managing the existing portfolio and on providing additional services to those customers already comprising the base. Thus there is strong belief in a gradual increase in the portfolio, with an increasing share of the range of services in the area's results. 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 – were well represented within the consolidated result. Foreign exchange transactions once again proved to be the Bank's flagship area.

The Basel Ratio stood at the comfortable level of 24.0% in December 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 subsidiary fund management company, has established itself an important group subsidiary, with around R\$ 5,8 billion under management, allocated between Equity Investment Funds (FIP), Share Funds (FIA), Multimarket Funds (FIM), overseas funds and Credit Receivables Funds (FIDC). Two Real Estate Investment Funds (FII) and a FIP fund in the aquaculture area are currently at the launch phase, 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 and which will be essential in the constant search for efficiency.

## MAIN INDICATORS

Main Indicators (R\$ thousands)	2S13	1S13	Var. (%)	2S12	Var. (%)	2013	2012	Var. (%)
Result from Financial Intermediation	49,620	61,055	-18.7%	71,251	-30.4%	110,675	206,546	-46.4%
Operating Result	10,576	18,450	-42.7%	26,043	-59.4%	29,026	54,906	-47.1%
Net Income (Loss)	9,217	11,628	-20.7%	22,640	-59.3%	20,846	28,669	-27.3%
Shareholders' Equity	146,953	144,964	1.4%	136,399	7.7%	146,953	136,399	7.7%
Total Assets	1,367,583	1,647,645	-17.0%	1,362,894	0.3%	1,367,583	1,362,894	0.3%
Total Credit Portfolio	235,815	189,581	24.4%	167,519	40.8%	235,815	167,519	40.8%
Total Funding	945,312	990,676	-4.6%	842,384	12.2%	945,312	842,384	12.2%
Net Interest Margin (NIM) (% p.a.)	11.3%	13.7%	-2.4 p.p.	15.3%	-4.0 p.p.	11.8%	24.3%	-12.4 p.p.
Return on Average SE (ROAE)	12.6%	16.5%	-3.9 p.p.	34.3%	-21.6 p.p.	14.7%	22.4%	-7.7 p.p.
Efficiency Ratio	68.9%	61.3%	7.6 p.p.	54.1%	14.8 p.p.	64.8%	55.2%	9.6 p.p.
Basel Ratio	24.0%	25.8%	-1.9 p.p.	27.7%	-3.7 p.p.	24.0%	27.7%	-3.7 p.p.

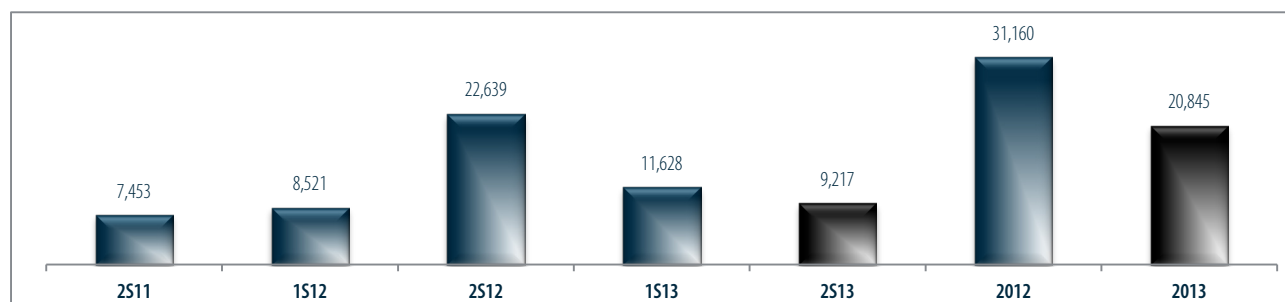
# PERFORMANCE

## Net Income

Net Income rose to R\$ 9,2 million in 2S13, accumulating R\$ 20,8 million for 2013. The performance in the second semester was adversely affected by the recognition of non-recurring expenses amounting to R\$ 12,2 million, referring to lawyers' expenses and provisions established for civil contingencies in accordance with the recommendations of the Central Bank (BACEN). If disregarding this impact, annual earnings would have been R\$ 33,1 million, growth of 15.4% in comparison with 2012, reflecting the sustained operating improvement of BANCO PAULISTA and reiterating the strength and profitability of the traditional business areas.

The highlight continued to be the revenues arising from services rendered, which have increased their share of the consolidated results with every reporting period.

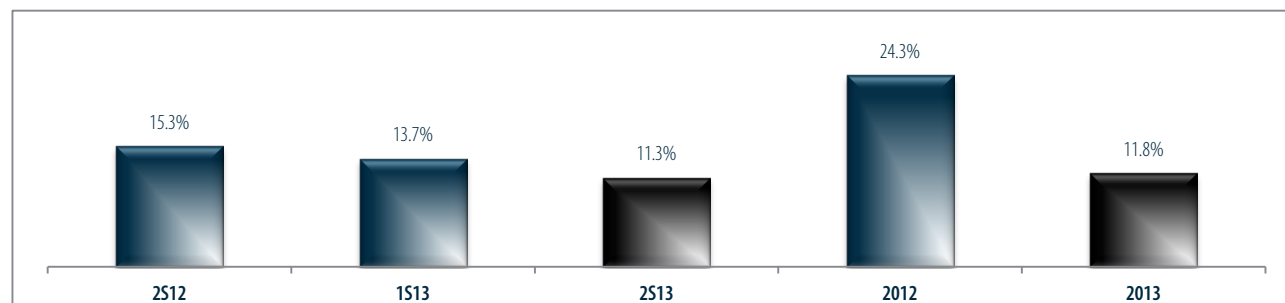
**NET INCOME - R\$ thousands**



## Interest Margin

The annualized Net Interest Margin (NIM) stood at 11.3% in Dec/13 with an accumulated figure of 11.8% in 2013. During the second semester of 2012, the margin stood at 15.3%, against 24.3% in 2012. The decline in the NIM primarily reflects the higher cost of funding (the Brazilian benchmark Selic rate rose from 7.25% p.a. in January, to 10.0% at the close of 2013), as well as losses from marking to market government securities held in the portfolio. In 2012, on the other hand, the marking to market of these securities had a positive effect on the consolidated results.

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



## EFFICIENCY RATIO

The efficiency ratio ended 2013 at 64.8%, against 55.2% in 2012. Lower revenues from credit, on account of the Bank's greater selectivity in approving transactions, in addition to the impacts mentioned above, adversely affected the performance of the margin. However, it is worth pointing out management's efforts to control costs, which resulted in a reduction of 23.6% in personnel expenses, and 28.2% in administrative expenses. The efficiency ratio should gradually improve, now that the structure is much leaner, but without sacrificing efficiency and quality in the services provided.

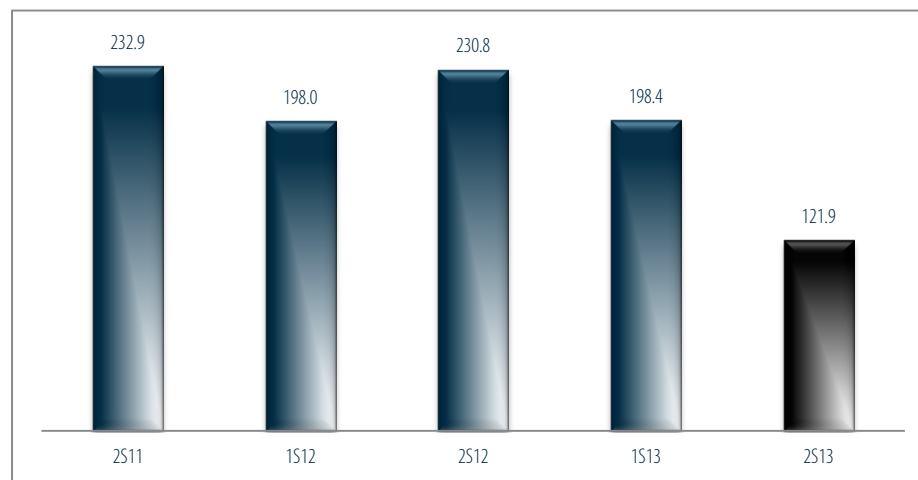
Efficiency Ratio (R\$ thousands)	2S13	1S13	Var. (%)	2S12	Var. (%)	2013	2012	Var. (%)
<b>Expenses</b>	<b>59,294</b>	<b>61,643</b>	<b>-3.8%</b>	<b>56,031</b>	<b>5.8%</b>	<b>120,937</b>	<b>164,730</b>	<b>-26.6%</b>
Personnel	24,109	22,612	6.6%	20,727	16.3%	46,721	61,168	-23.6%
Administrative	28,881	30,551	-5.5%	28,431	1.6%	59,432	82,741	-28.2%
Tax	6,304	8,480	-25.7%	6,873	-8.3%	14,784	20,820	-29.0%
<b>Revenues</b>	<b>86,076</b>	<b>100,537</b>	<b>-14.4%</b>	<b>103,528</b>	<b>-16.9%</b>	<b>186,613</b>	<b>298,525</b>	<b>-37.5%</b>
Result from financial intermediation	49,620	61,055	-18.7%	71,251	-30.4%	110,675	206,546	-46.4%
+ provision for doubtful debts	6,271	9,339	-32.9%	7,475	-16.1%	15,610	36,698	-57.5%
from services	30,185	30,143	0.1%	24,802	21.7%	60,328	55,281	9.1%
<b>Efficiency Ratio</b>	<b>68.9%</b>	<b>61.3%</b>	<b>7.6 p.p.</b>	<b>54.1%</b>	<b>14.8 p.p.</b>	<b>64.8%</b>	<b>55.2%</b>	<b>0.2 p.p.</b>

## LIQUIDITY

Distribution of Liquid Assets (R\$ thousands)	2S13	1S13	Var. (%)	2S12	Var. (%)
Cash and cash equivalents	250,356	215,701	16.1%	187,409	33.6%
Short-term interbank investments	102,089	93,404	9.3%	106,668	-4.3%
Open Market Investments (net)	73,499	32,022	129.5%	66,037	11.3%
Investments in Interbank Deposits	28,590	61,382	-53.4%	40,631	-29.6%
Securities and Derivatives (Trading Book - Available for Sale)	122,276	175,377	-30.3%	96,244	27.0%
Interbranch Business (Net)	19,939	19,845	0.5%	26,640	-25.2%
<b>Total Liquid Assets</b>	<b>494,660</b>	<b>504,327</b>	<b>-1.9%</b>	<b>416,961</b>	<b>18.6%</b>

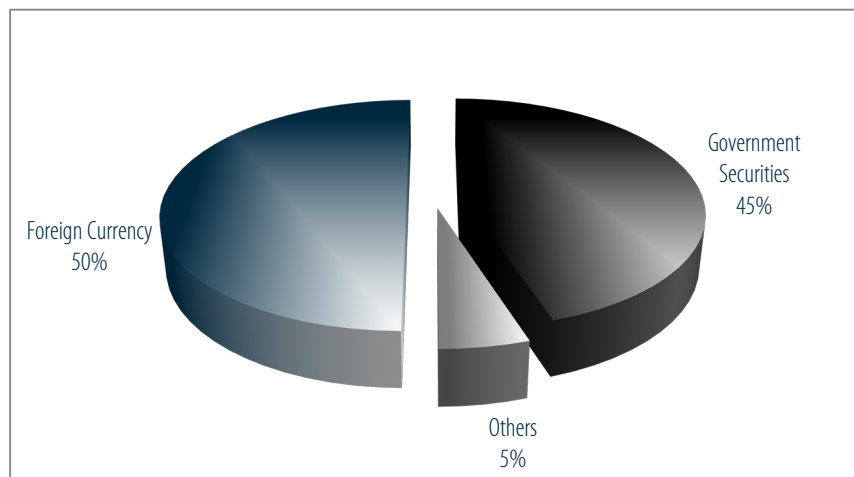
Liquid Assets totaled R\$ 494,7 million, an increase of 18.6 in relation to 2S12. Liquidity remains comfortable and sufficient for the Institution's requirements. Attention should also be drawn to the fact that BANCO PAULISTA also has access to additional liquidity through the Term Deposits with Special Guarantee mechanism (DPGE), amounting to R\$ 251,7 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

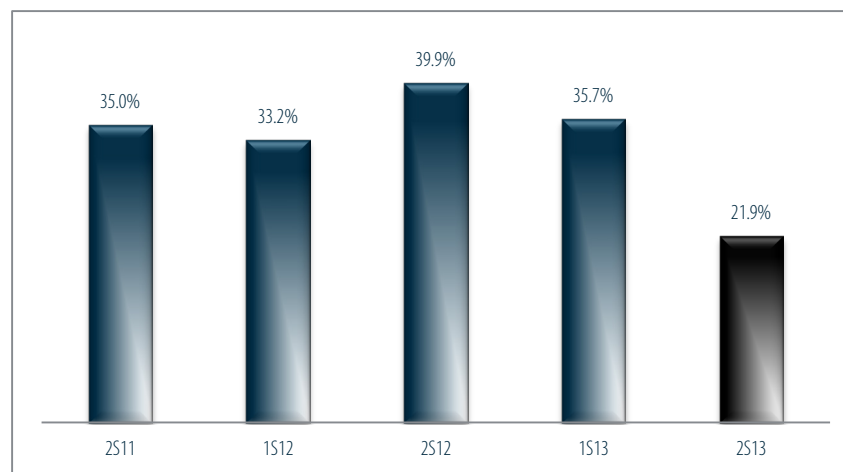


The Bank's cash position remained at a comfortable level at the close of the quarter, amounting to R\$ 121,9 million. This amount was primarily channeled to meeting the demand for short-term foreign exchange transactions. For the quarter, the cash position was allocated: 50.0% in foreign currency; 45.0% in government securities; and 5.0% in other investments.

**BREAKDOWN OF THE CASH POSITION (December/13)**



**CASH / TOTAL DEPOSITS**



BANCO PAULISTA also monitors its liquidity level using the ratio of the cash position to total deposits, which in 2Q13 stood at 21.9%.

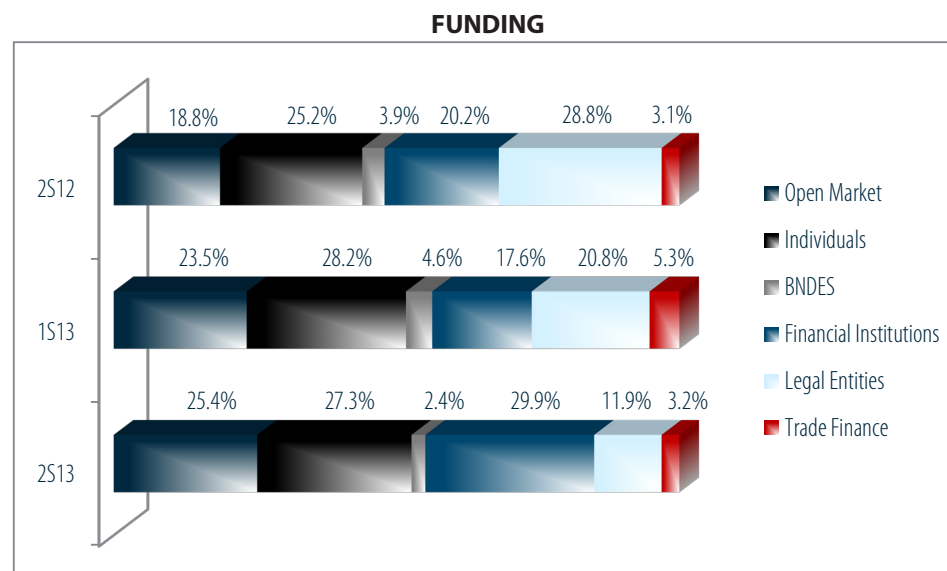
### Asset and Liability Management

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 for liquidating credit transactions (middle market) is 164 days, while the average term for liquidating funding transactions is 276 days, excluding Financial Notes, which generate a positive gap of 112 days.

## FUNDING

In 2Ss13, total funding reached R\$ 945,3 million, growth of 12.2% in comparison with the same semester of the previous year, and slightly down by 4.6% over 1S13. Management has altered the funding mix that had prioritized transactions 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)	2S13	1S13	Var. (%)	2S13	Var. (%)
Total Call Deposits	72,584	106,494	-31.8%	94,790	-23.4%
Term deposits	448,353	392,070	14.4%	321,753	39.3%
Up to 1 year:	234,664	227,845	3.0%	197,062	19.1%
Over 1 year	213,689	164,225	30.1%	124,691	71.4%
Interbank Deposits	59,599	87,849	-32.2%	118,090	-49.5%
Open Market Funding	239,681	232,922	2.9%	152,737	56.9%
Liabilities for Loans and On-lending Abroad	29,817	52,252	-42.9%	22,723	31.2%
BNDES/FINAME On-lending	23,014	45,892	-49.9%	40,833	-43.6%
DPGE	72,264	73,197	-1.3%	91,457	-21.0%
<b>Total</b>	<b>945,312</b>	<b>990,676</b>	<b>-4.6%</b>	<b>842,384</b>	<b>12.2%</b>





## OPERATING HIGHLIGHTS

### CREDIT PORTFOLIO

The total credit portfolio balance stood at R\$ 216,4 million at the end of 2S13, growth of 25.7% in relation to the same period of 2012, and up by 20.5% in comparison with 1S13. The Bank decided to repurchase the outstanding balance of the assigned portfolio, which in June 2013 showed a net provision balance of R\$ 3,8 million. If we consider the Middle Market portfolio alone, there was an increase of 25.9% over 2S12 and an increase of 25.9% over 1S13, amounting to R\$ 225,2 million.

The Bank continues to prioritize quality when granting credit, and is less concerned with increasing the volume of transactions. This further strengthens the emphasis on managing the current portfolio and on providing additional services to the customers comprising the base. Thus we strongly believe in a gradual increase in the portfolio, but where the range of services will take an increasingly larger share of the area's result.

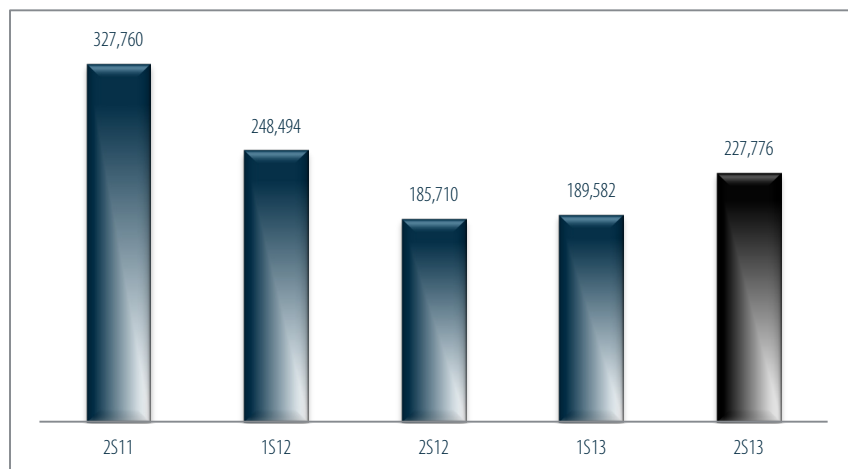
The average tenor of the Middle Market portfolio declined to 4 months in 2S13 as a result of the greater share of loan transactions with shorter maturities and the reduction in CDC transactions.

Credit Portfolio (R\$ 000)	Dec/13	Jun/13	Var. (%)	Dec/12	Var. (%)
<b>Middle Market</b>	<b>225,195</b>	<b>186,734</b>	<b>20.6%</b>	<b>178,833</b>	<b>25.9%</b>
Loans	200,774	175,411	14.5%	167,315	20.0%
Bills Discounted	9,892	4,725	109.4%	3,970	149.2%
Financing	14,529	6,598	120.2%	7,496	93.8%
Others	-	-	-	51	-
<b>Retail</b>	<b>2,582</b>	<b>2,848</b>	<b>-9.3%</b>	<b>6,878</b>	<b>-62.5%</b>
Payroll-deductible loans + CDC Others <sup>(*)</sup>	450	314	43.5%	259	73.8%
Vehicles	2,131	2,534	-15.9%	6,618	-67.8%
<b>Total Assets</b>	<b>227,776</b>	<b>189,582</b>	<b>20.1%</b>	<b>185,710</b>	<b>22.7%</b>
PDD - Middle Market	(10,884)	(9,053)	20.2%	(11,796)	-7.7%
PDD - Retail Market	(469)	(903)	-48.1%	(1,788)	-73.8%
<b>Total Net Assets</b>	<b>216,424</b>	<b>179,626</b>	<b>20.5%</b>	<b>172,126</b>	<b>25.7%</b>
CDC (Assigned)	5,368	5,368	0.0%	15,712	-65.8%
PDD CDC (Assigned)	(1,533)	(1,533)	0.0%	(4,607)	-66.7%
<b>Total Portfolio</b>	<b>220,260</b>	<b>183,461</b>	<b>20.1%</b>	<b>183,231</b>	<b>20.2%</b>

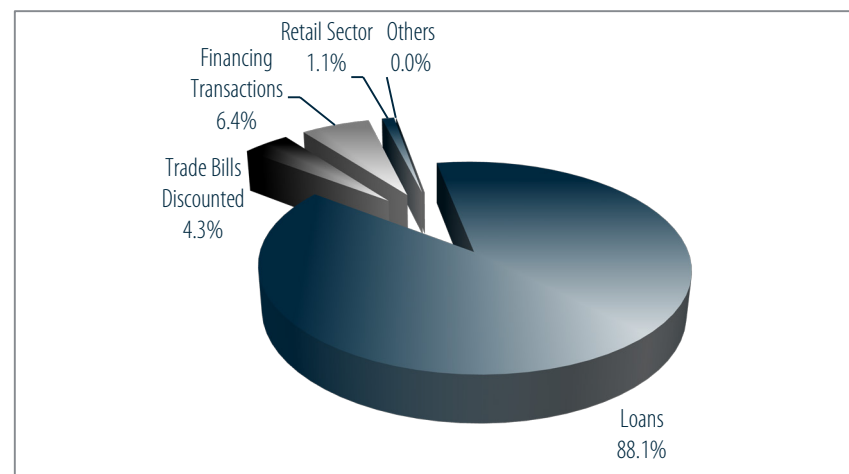
<sup>(\*)</sup> includes CDC transactions, personal overdrafts, trade bills discounted and other transactions

The personal loan portfolio stood at R\$ 2,6 million (including CDC) at December 31, 2013, a drop of 62.5% in relation to 2S12. This decline reflects the strategy of the Bank, which at the end of 2009 assigned its CDC portfolio and ceased originations of this product.

**EVOLUTION OF THE CREDIT PORTFOLIO – R\$ thousands**



**DISTRIBUTION OF THE CREDIT PORTFOLIO BY MODALITY**



BANCO PAULISTA is still incurring CDC-related expenses, and this will prevail until the transactions assigned with co-obligation have matured. These expenses primarily involve pre-payments, provisions for doubtful loans, insurance and collection expenses. They show a gradual decline, and it is expected that they will decline even more significantly by the end of the year, given the accelerated reduction in the portfolio.

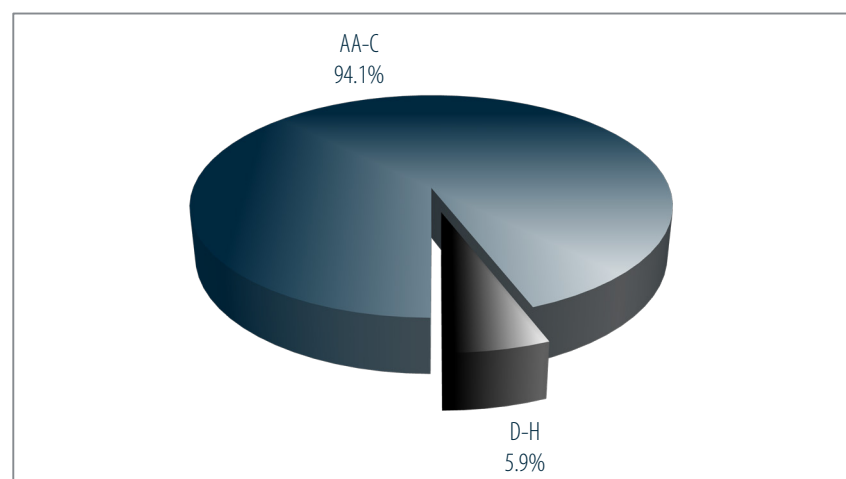
## Loans

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\$ 200,8 million.

### PORTFOLIO AND PROVISIONS BY RISK LEVELS

Classific.	(%) Provision Required	Past due	Outstanding maturities	Total Portfolio	(%) Relative Participation	Provision for Past Dues	Provision on Outstanding items	Total Provision	Provision Excl. CDC	Provision for CDC
AA	-	-	-	-	-	-	-	-	-	-
A	0.5	-	2,609	2,609	1.1%	-	13	13	12	1
B	1.0	104	94,517	94,621	40.1%	1	945	946	933	13
C	3.0	1,458	123,163	124,621	52.8%	44	3,695	3,739	3,733	6
D	10.0	213	1,210	1,423	0.6%	21	121	142	121	21
E	30.0	2,811	2,272	5,083	2.2%	843	682	1,525	1,482	43
F	50.0	1,562	2,149	3,711	1.6%	781	1,075	1,855	1,823	32
G	70.0	1,637	414	2,051	0.9%	1,146	290	1,436	1,374	62
H	100.0	442	1,254	1,696	0.7%	442	1,254	1,696	1,406	289
<b>Total</b>		<b>8,228</b>	<b>227,587</b>	<b>235,815</b>	<b>100.0%</b>	<b>3,278</b>	<b>8,074</b>	<b>11,352</b>	<b>10,884</b>	<b>469</b>

### PORTFOLIO BY GROUPED RISK LEVELS



### RATIO OF NON-PERFORMING LOANS (D-H Portfolio delinquencies) per Type of Client

	Dec/13	Jun/13	Dec/12	Dec/13 x Jun/13	Dec/13 x Dec/12
Individuals	0.2%	0.4%	0.9%	-0.2 p.p.	-0.7 p.p.
Businesses	1.2%	1.7%	5.1%	-0.5 p.p.	-3.9 p.p.
<b>Total</b>	<b>1.1%</b>	<b>1.5%</b>	<b>4.5%</b>	<b>-0.4 p.p.</b>	<b>-3.4 p.p.</b>

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

	Dec/13	Jun/13	Dec/12	Dec/13 x Jun/13	Dec/13 x Dec/12
Individuals	0.2%	0.5%	1.0%	-0.3 p.p.	-0.8 p.p.
Businesses	1.2%	1.7%	6.4%	-0.5 p.p.	-5.2 p.p.
<b>Total</b>	<b>1.1%</b>	<b>1.5%</b>	<b>5.7%</b>	<b>-0.4 p.p.</b>	<b>-4.6 p.p.</b>

### CREDIT PORTFOLIO COVERAGE RATIO (\*)

	Dec/13	Jun/13	Dec/12	Dec/13 x Jun/13	Dec/13 x Dec/12
<b>Total</b>	<b>353.23%</b>	<b>246.55%</b>	<b>136.67%</b>	<b>106.7 p.p.</b>	<b>216.6 p.p.</b>

(\*) Coverage ratio is calculated by dividing the balance of the provision for doubtful loans by the balance of transactions more than 90 days past due

## FOREIGN EXCHANGE

Since 1992 BANCO PAULISTA has operated 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. Its centralizing banks for foreign currency transactions are Bank of America and Commerzbank AG and it is also a member of SWIFT.

» In the last three years the Bank has been ranked among the 20 largest financial institutions in this segment. During this semester it was between 14th and 19th position (average: 16th) in trading volume, with a turnover of around US\$ 28,2 billion, of which US\$ 2,0 billion on the primary market, and among the 10 largest in the number of transactions closed, registering in the last semester around 92,000 transactions closed, of which 27,000 were on the primary market, in a universe of 173 institutions authorized to deal in foreign exchange (Source: Central Bank of Brazil);

» In the case of Bank Notes (imports, exports and distribution of foreign and domestic currency in cash), BANCO PAULISTA provided custody services at cash delivery companies in over 50 cities strategically distributed across Brazil, with more than 100 active clients, hoisting the Bank to the position of leader in the wholesale (banks and brokers) physical cash market during this semester.

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 accumulated equity pick-up result from SOCOPA for the year 2013 was R\$ 1,2 million, against earnings of R\$ 1,0 million in 2012.

SOCOPA ended the year with R\$ 8,28 billion in funds under management, significant growth over the figure of R\$ 7,16 billion in 2012.

## 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\$ 4 billion under custody and R\$ 3 billion under management. SOCOPA has bolstered its presence 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 2013 ranking organized by Uqbar:

- » 1<sup>st</sup> place – Custodian in the number of transactions (BANCO PAULISTA);
- » 1<sup>st</sup> place – Administrator in the number of transactions (SOCOPA);
- » 4<sup>th</sup> 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 in 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\$ 5.8 billion under management achieved during the semester, allocated between Equity Interest Investment Funds (FIP), Share Funds (FIA), Multimarket Funds (FIM), Real Estate Funds (FII), Overseas Investment Funds, Credit Rights Investment Funds and Credit Funds.

In 2013 it is worth drawing attention to the fact that the team was strengthened, primarily with regard to the credit recovery area. The in-house legal department works alongside law offices that are retained 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 2 Real Estate Investment Funds (FII) and an Equity Interest Investment Fund (FIP), while also increasing investments in aquiculture and exposure to credit funds. The FIP logistics warehouse investment fund is currently developing its assets, while the overseas investment fund (FIM Mortgage) has shown consistent growth in terms of returns.

## RATINGS

### Moody's attributes the following ratings to BANCO PAULISTA:

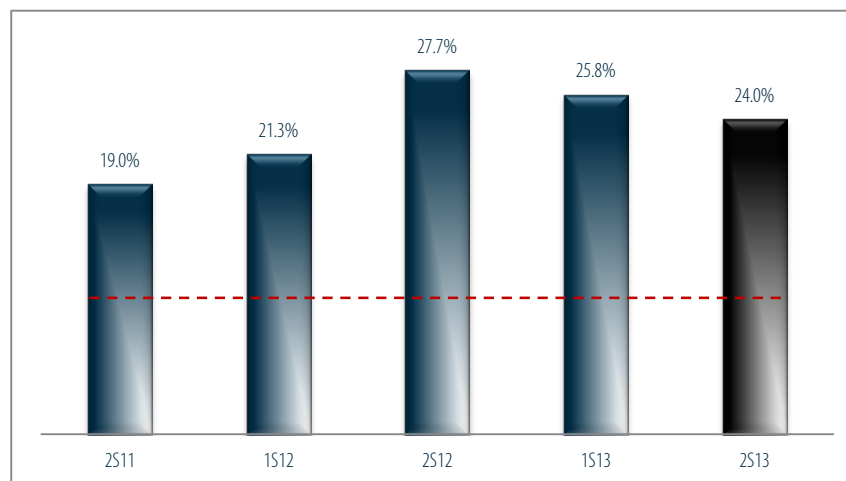
- » Banks Financial Strength: E+
- » Long-term Global Local Currency Deposits: B1
- » Short-term Global Local Currency Deposits: Not Prime
- » Long-term foreign currency deposits: B1
- » Short-term foreign currency deposits: Not Prime
- » Long-term national scale deposits in BR: Baa3.br
- » Short-term 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 December 31, 2013, the Basle Ratio as ascertained in accordance with Resolution 2.099, as amended by Resolutions 3.444 and 3.490, and Circular 3.360, stood at 24.0%, (25.8% in 1S13 and 27.7% in 2S12). 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 has been reviewed by Ernst & Young Terco, who issued an opinion on February 19, 2014, with no reservations.

## CONTACTS

### **São Paulo**

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### **Marcelo Varejão**

Financial Analyst

### **Marcelo Guimarães**

Head of Market Relations



## EXHIBIT I - BALANCE SHEET

ASSETS - R\$ thousands	2S13	1S13	2S12
<b>Current</b>	<b>1,186,444</b>	<b>1,329,496</b>	<b>1,022,287</b>
Cash and cash equivalents	250,356	215,701	187,409
Interbank investments	222,516	260,740	249,140
Securities e derivative financial instruments	258,476	192,644	96,244
Interbank relations	20,743	20,879	27,380
Credit transactions	215,833	168,194	129,080
Foreign exchange transactions	162,264	409,419	275,934
Other credits	54,768	60,728	54,649
Other valuables and assets	1,488	1,191	2,451
<b>Long-term receivables</b>	<b>92,393</b>	<b>230,833</b>	<b>253,854</b>
Securities e derivative financial instruments	-	132,018	136,918
Credit transactions	8,630	11,431	24,740
Other credits	83,763	87,384	92,196
<b>Permanent assets</b>	<b>88,746</b>	<b>87,316</b>	<b>86,753</b>
Investments	84,611	83,749	83,107
Fixed assets for use	3,031	2,714	2,773
Intangible Assets	1,104	853	873
<b>Total Assets</b>	<b>1,367,583</b>	<b>1,647,645</b>	<b>1,362,894</b>

LIABILITIES - R\$ thousands	2S13	1S13	2S12
<b>Current</b>	<b>955,291</b>	<b>1,227,665</b>	<b>1,040,010</b>
Deposits	383,053	440,408	452,866
Open market funding	239,681	232,922	152,737
Acceptances and securities issued	44,610	-	-
Interbranch and interbank relations	24,626	13,632	16,139
Liabilities for loans and on-lending	52,898	98,144	63,556
Foreign exchange portfolio	157,876	407,521	261,567
<b>Other liabilities</b>	<b>52,547</b>	<b>35,038</b>	<b>93,145</b>
Long-term liabilities	265,339	275,016	186,485
Deposits	172,968	169,715	125,657
Acceptances and securities issued	100	-	-
<b>Other liabilities</b>	<b>92,271</b>	<b>105,301</b>	<b>60,828</b>
Shareholders' Equity	146,953	144,964	136,399
<b>Capital Stock - domiciled in Brazil</b>	<b>127,000</b>	<b>127,000</b>	<b>127,000</b>
Capital reserve	97	97	97
Profit reserves	22,692	20,471	8,843
Mark-to-market – Securities and Derivatives (+/-)	(2,836)	(2,604)	459
<b>Total Liabilities</b>	<b>1,367,583</b>	<b>1,647,645</b>	<b>1,362,894</b>

## EXHIBIT II - STATEMENT OF INCOME

Six-Month Statement of income - R\$ thousands	2S13	1S13	Var. %	2S12	Var. %	2S13	1S13	Var. %
<b>Revenue from financial intermediation</b>	<b>101,461</b>	<b>108,653</b>	<b>-6.6%</b>	<b>115,599</b>	<b>-12.2%</b>	<b>101,461</b>	<b>108,653</b>	<b>-6.6%</b>
Credit transactions	19,535	17,264	13.2%	19,340	1.0%	19,535	17,264	13.2%
Income from securities	23,928	31,359	-23.7%	33,165	-27.9%	23,928	31,359	-23.7%
Income from derivative financial instruments	(5,576)	(4,593)	21.4%	(1,403)	297.4%	(5,576)	(4,593)	21.4%
Income from foreign exchange transactions	63,574	64,623	-1.6%	64,497	-1.4%	63,574	64,623	-1.6%
<b>Expenses with financial intermediation</b>	<b>(51,841)</b>	<b>(47,598)</b>	<b>8.9%</b>	<b>(44,348)</b>	<b>16.9%</b>	<b>(51,841)</b>	<b>(47,598)</b>	<b>8.9%</b>
Funding transactions	(38,525)	(29,869)	29.0%	(28,534)	35.0%	(38,525)	(29,869)	29.0%
Loans and on-lending transactions	(7,045)	(8,390)	-16.0%	(8,339)	-15.5%	(7,045)	(8,390)	-16.0%
Provision for doubtful debts	(6,271)	(9,339)	-32.9%	(7,475)	-16.1%	(6,271)	(9,339)	-32.9%
<b>Gross Income from financial intermediation</b>	<b>49,620</b>	<b>61,055</b>	<b>-18.7%</b>	<b>71,251</b>	<b>-30.4%</b>	<b>49,620</b>	<b>61,055</b>	<b>-18.7%</b>
<b>Operating revenues (expenses)</b>	<b>(39,044)</b>	<b>(42,605)</b>	<b>-8.4%</b>	<b>(45,208)</b>	<b>-13.6%</b>	<b>(39,044)</b>	<b>(42,605)</b>	<b>-8.4%</b>
Revenues from services rendered	30,185	30,143	0.1%	24,802	21.7%	30,185	30,143	0.1%
Personnel expenses	(24,109)	(22,612)	6.6%	(20,727)	16.3%	(24,109)	(22,612)	6.6%
Other administrative expenses	(28,881)	(30,551)	-5.5%	(28,431)	1.6%	(28,881)	(30,551)	-5.5%
Tax Expenses	(6,304)	(8,480)	-25.7%	(6,873)	-8.3%	(6,304)	(8,480)	-25.7%
Income from equity interests in associate companies and subsidiaries	818	594	37.7%	4,445	-81.6%	818	594	37.7%
Other operating revenues	10,386	8,026	29.4%	6,714	54.7%	10,386	8,026	29.4%
Other operating expenses	(21,139)	(19,725)	7.2%	(25,138)	-15.9%	(21,139)	(19,725)	7.2%
<b>Operating Result</b>	<b>10,576</b>	<b>18,450</b>	<b>-42.7%</b>	<b>26,043</b>	<b>-59.4%</b>	<b>10,576</b>	<b>18,450</b>	<b>-42.7%</b>
Non-operating result	79	40	97.5%	8,015	-99.0%	79	40	97.5%
<b>Income before taxes and minority interests</b>	<b>10,655</b>	<b>18,490</b>	<b>-42.4%</b>	<b>34,058</b>	<b>-68.7%</b>	<b>10,655</b>	<b>18,490</b>	<b>-42.4%</b>
<b>Income and social contribution taxes</b>	<b>(1,438)</b>	<b>(6,862)</b>	<b>-79.0%</b>	<b>(11,419)</b>	<b>-87.4%</b>	<b>(1,438)</b>	<b>(6,862)</b>	<b>-79.0%</b>
Provision for income tax	316	(316)	-200.0%	3,871	-91.8%	316	(316)	-200.0%
Provision for social contribution tax	202	(202)	-200.0%	1,716	-88.2%	202	(202)	-200.0%
Deferred fiscal assets	(1,471)	(5,732)	-74.3%	(15,815)	-90.7%	(1,471)	(5,732)	-74.3%
Statutory profit sharing	(485)	(612)	-20.8%	(1,191)	-59.3%	(485)	(612)	-20.8%
<b>Net Income (Loss)</b>	<b>9,217</b>	<b>11,628</b>	<b>-20.7%</b>	<b>22,640</b>	<b>-59.3%</b>	<b>9,217</b>	<b>11,628</b>	<b>-20.7%</b>
<b>Equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,046)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loss per 1000 shares - R\$</b>	<b>42.13</b>	<b>52.17</b>	<b>-19.2%</b>	<b>103.50</b>	<b>-59.3%</b>	<b>42.13</b>	<b>52.17</b>	<b>-19.2%</b>

## EXHIBIT III - STATEMENT OF CASH FLOW

Statement of Cash Flow - R\$ thousands	2S13	1S13	2S12	2013	2012
<b>Adjusted net income for the six-month period</b>	<b>16,560</b>	<b>23,128</b>	<b>41,030</b>	<b>39,688</b>	<b>62,203</b>
<b>Profit/Loss for the six-month period</b>	<b>9,217</b>	<b>11,628</b>	<b>22,639</b>	<b>20,845</b>	<b>31,160</b>
<b>Adjustments for reconciling net loss to net cash</b>	<b>7,343</b>	<b>11,500</b>	<b>18,391</b>	<b>18,843</b>	<b>31,042</b>
Provision for doubtful debts	6,271	9,339	7,474	15,610	21,154
Provisions for deferred income and social contribution taxes	1,471	5,732	15,815	7,203	14,728
Depreciations and amortizations	515	496	500	1,011	1,004
Equity income from subsidiaries	(818)	(594)	(4,445)	(1,412)	(964)
Reversal of operating provisions	-	(2,285)	(4,920)	(2,285)	(9,863)
Monetary restatement of funds received in advance for assigned retail credit transactions	225	545	1,947	770	2,963
Provision for losses on retail transaction credits assigned with co-obligation	(6,799)	(3,226)	902	(10,025)	902
Provisions for civil, fiscal and labor contingencies	6,478	1,493	-	7,971	
Reversal of provision for fiscal risks	-	-	659	-	1,132
M-T-M adjustments	-	-	459	-	459
<b>Variance in assets and liabilities</b>	<b>1,142</b>	<b>(30,138)</b>	<b>(10,158)</b>	<b>(28,996)</b>	<b>8,125</b>
Reduction (increase) in short-term interbank investments	12,614	(12,781)	(12,871)	(167)	(10,249)
Reduction (increase) in securities	50,888	(78,852)	(14,119)	(27,964)	22,276
Reduction (increase) in interbranch business	11,130	3,995	(1,056)	15,125	51,204
Reduction (increase) in credit transactions	(51,109)	(35,144)	44,076	(86,253)	132,304
Reduction (Increase) in other credits	255,420	(140,485)	193,237	114,935	(165,657)
Reduction (increase) in other valuables and assets	(297)	1,260	10,532	963	21,395
Reduction (increase) in derivative financial instruments - (assets) liabilities	15,359	(16,129)	491	(770)	1,733
(Reduction) increase in other liabilities	(245,518)	136,212	(202,386)	(109,306)	99,870
(Reduction) Increase in deposits	(54,103)	31,600	(18,125)	(22,503)	(86,381)
(Reduction) Increase in liabilities for repo transactions	6,758	80,186	(9,937)	86,944	(58,843)
<b>Net cash from operations</b>	<b>17,702</b>	<b>(7,010)</b>	<b>30,872</b>	<b>10,692</b>	<b>70,327</b>

Statement of Cash Flow - R\$ thousands	2S13	1S13	2S12	2013	2012
<b>From investments</b>					
<b>Net cash (used) in investments</b>	<b>(1,127)</b>	<b>(466)</b>	<b>(381)</b>	<b>(1,593)</b>	<b>(738)</b>
Acquisitions of fixed assets for use	(794)	(395)	(160)	(1,189)	(470)
Investments in intangibles	(402)	(112)	(381)	(514)	(488)
Divestments	(44)	(48)	150	(92)	150
Divestment of fixed assets for use	113	89	10	202	70
<b>From Financing</b>	<b>-</b>	<b>-</b>		<b>-</b>	
<b>Net cash generated (used) in financing</b>	<b>(7,531)</b>	<b>34,587</b>	<b>(61,652)</b>	<b>27,056</b>	<b>(16,585)</b>
(Reduction) in proceeds of acceptances and securities issued	44,710	-	(20,007)	44,710	-
Increase (reduction) in obligations for loans and on-lending	(45,245)	34,587	(27,099)	(10,658)	(2,039)
Equity interest	(6,996)	-	(7,046)	(6,996)	(7,046)
Dividends proposed	-	-	(7,500)	-	(7,500)
<b>Increase in cash and cash equivalents</b>	<b>9,044</b>	<b>27,111</b>	<b>(31,161)</b>	<b>36,155</b>	<b>53,004</b>
Cash and cash equivalents at the beginning of the six-month period	445,271	418,160	449,321	863,431	814,477
Cash and cash equivalents at the end of the six-month period	454,315	445,271	418,160	899,586	867,481
<b>Increase in cash and cash equivalents</b>	<b>9,044</b>	<b>27,111</b>	<b>(31,161)</b>	<b>36,155</b>	<b>53,004</b>