Banco do Brasil

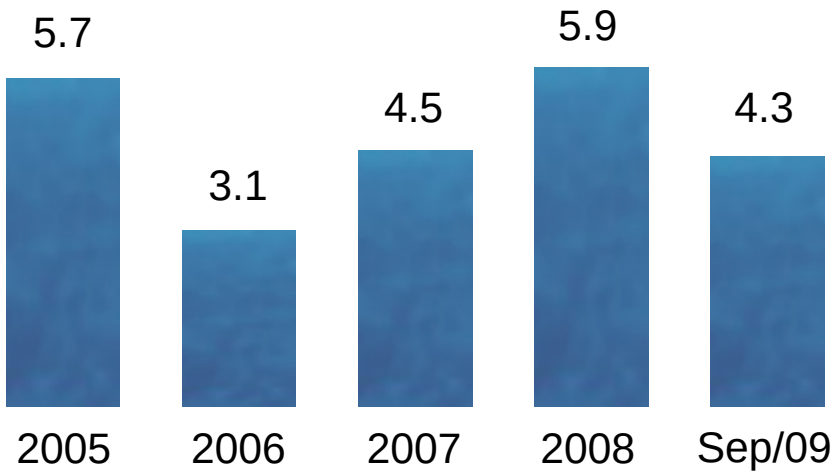
3Q09

Disclaimer

This presentation may include references and statements, planned synergies, increasing estimates, projections of results and future strategy for Banco do Brasil, it's Associated and Affiliated Companies and Subsidiaries. Although these references and statements reflect the management's belief, they also involve imprecision and high difficult risks to be foreseen, consequently, they may conduct to a different result than the one anticipated here. These expectations are highly dependent on market conditions, on Brazil's economic and banking system performances, as well as on international market one. Banco do Brasil is not responsible for bringing up to date any estimate in this presentation.

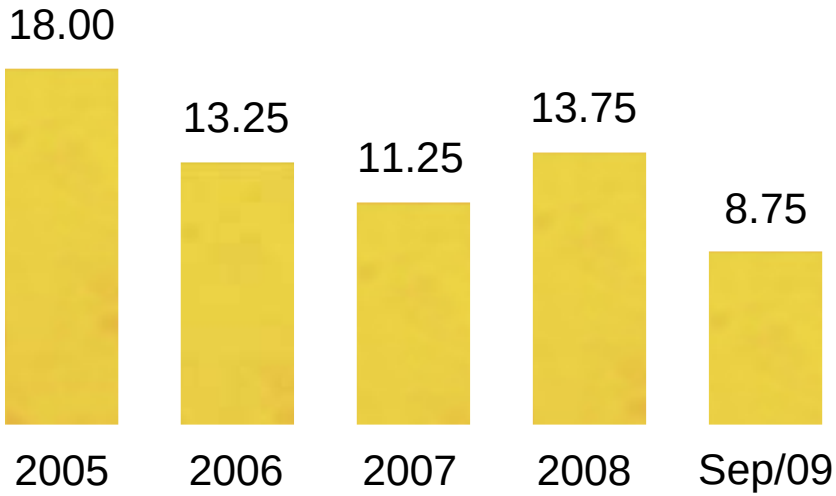
Macroeconomic data reflect the beginning of economic recovery...

Price Index IPCA[1] - %



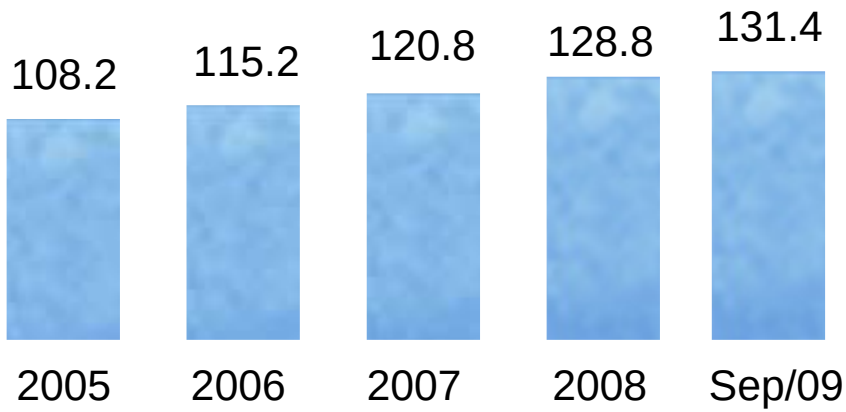
(1) 12 months
Source: IBGE

Interest Rate Selic[2] - %



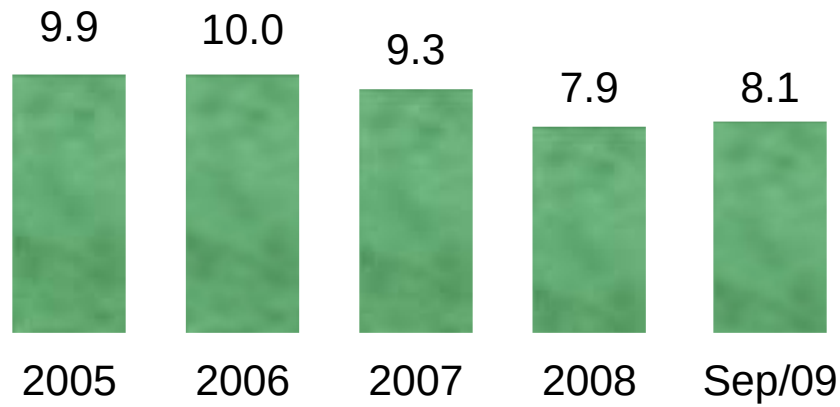
(2) End of Period
Source: Brazilian Central Bank

Total Payroll Index[3]



(3) Base 100 Dec/2004
Source: IBGE

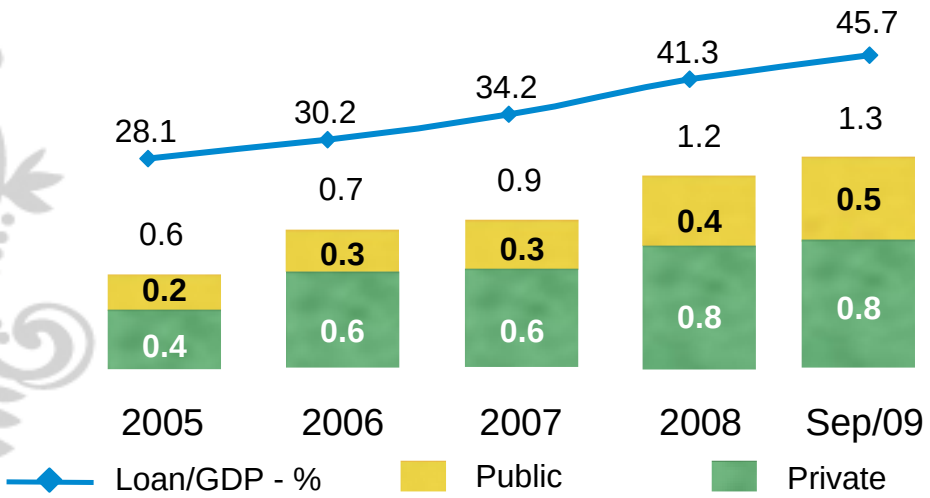
Unemployment Index[4] - %



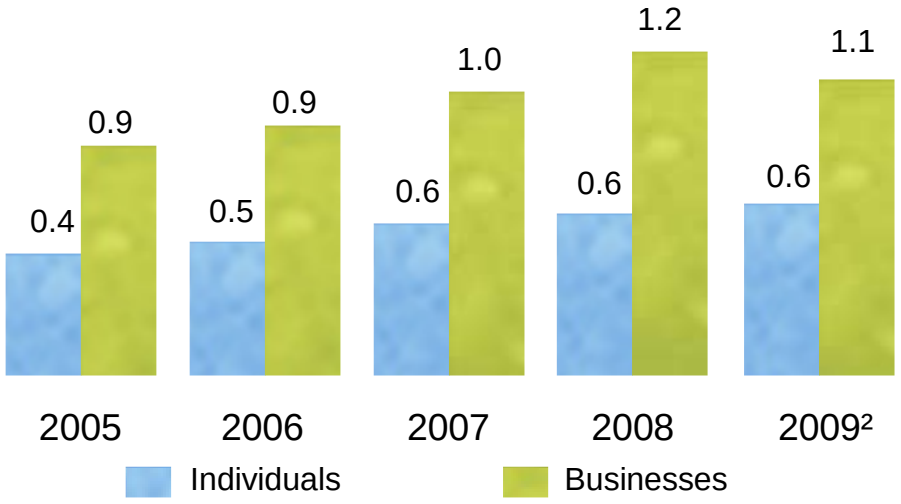
(4) 12 months average
Source: IBGE

... backed by the banking industry credit expansion, highlighting individual operations.

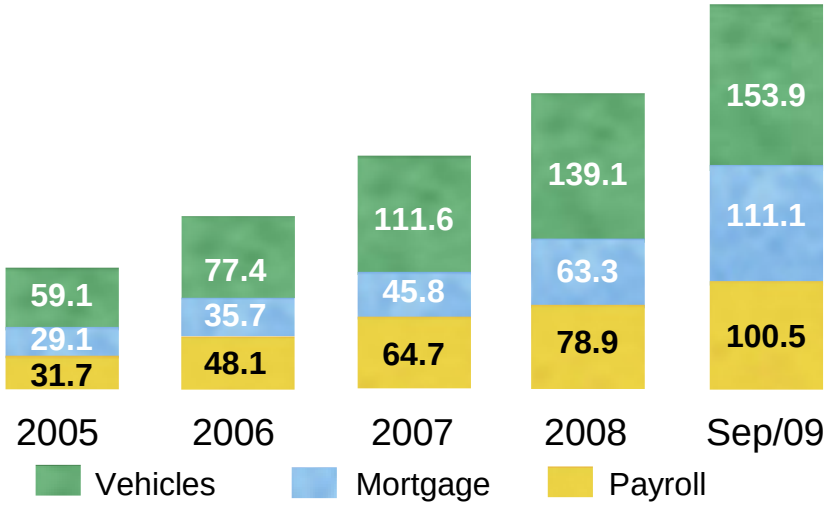
Banking Industry Loan Portfolio - R$ trillion



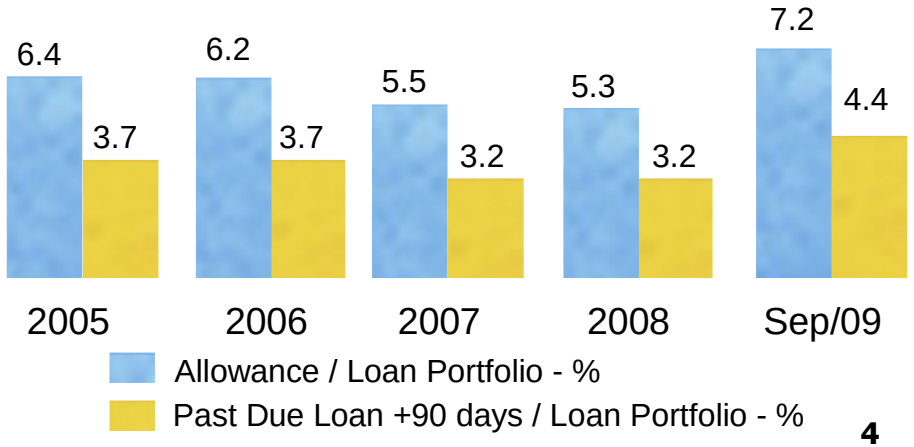
Banking Industry Loan Operations[1] - R$ trillion



Consumer Loans[3] - R$ billion

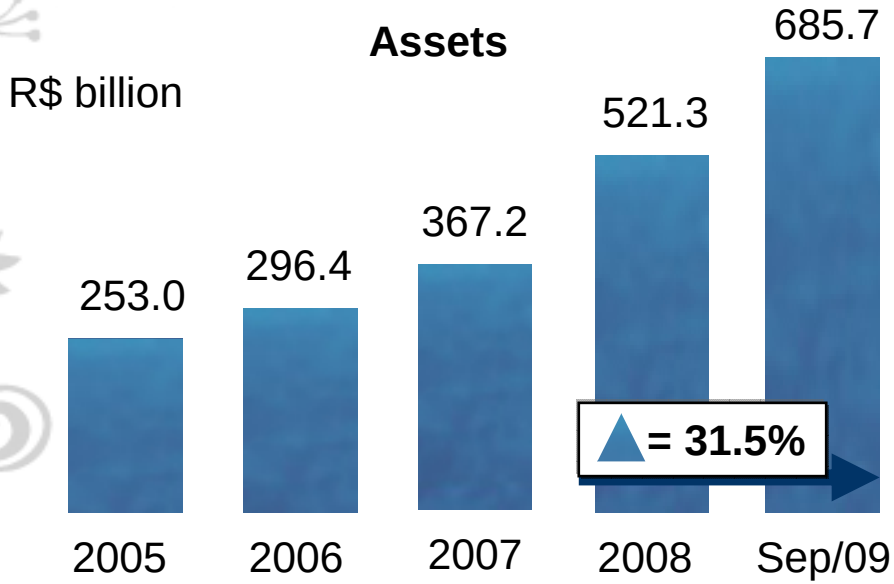


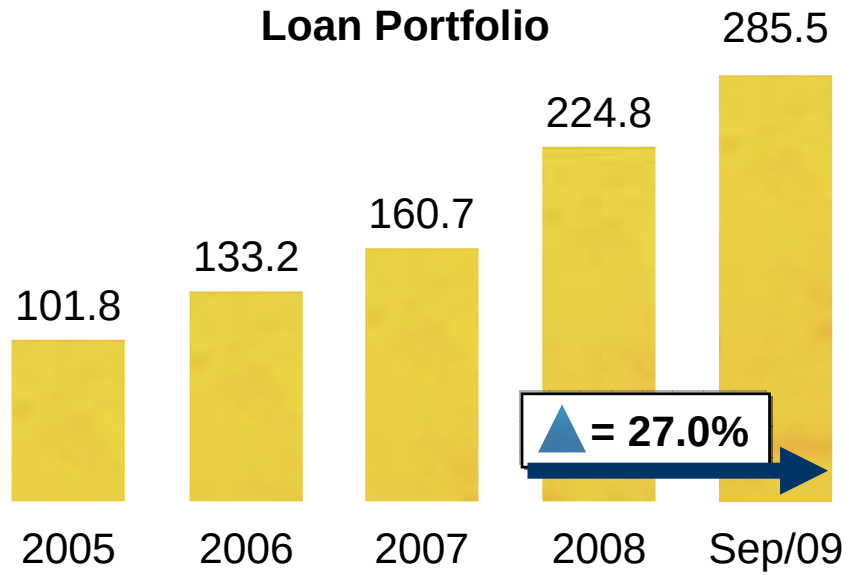
Credit Risk

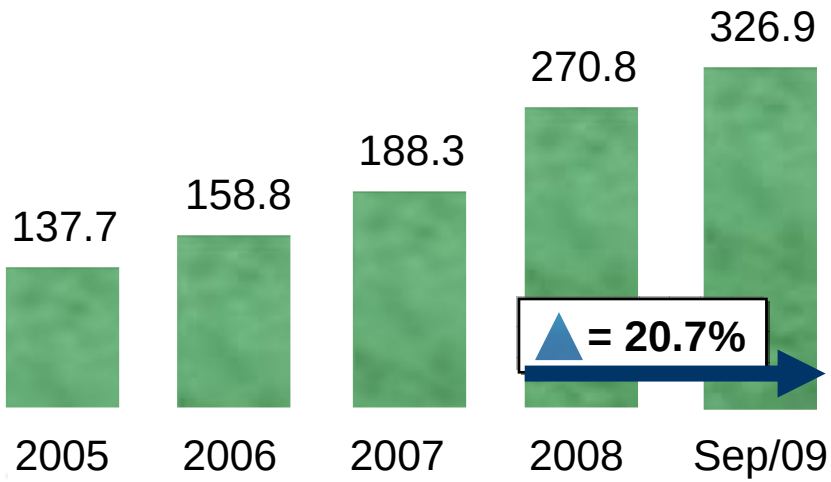


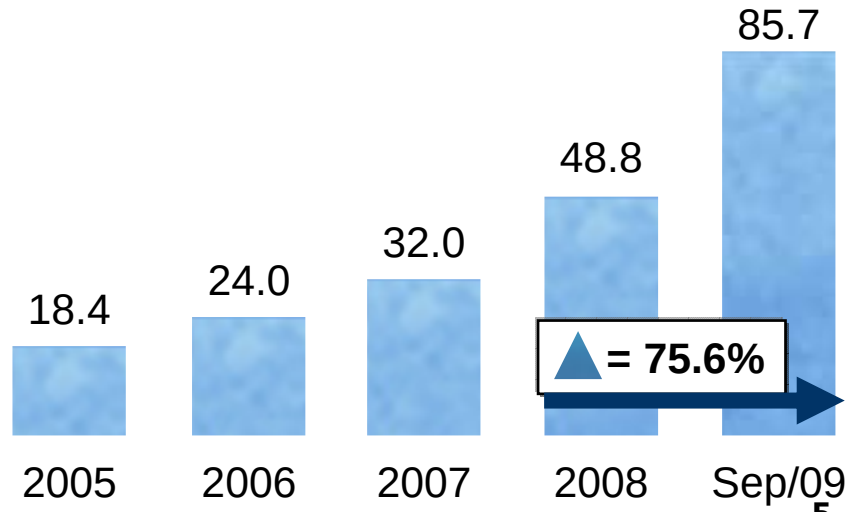
(1) Loan as Reference for Interest Rate
(2) Projection made over 9- month volume
(3) Free Resources Source: Central Bank

BB takes advantage of the environment to grow, specially, in the individuals segment.



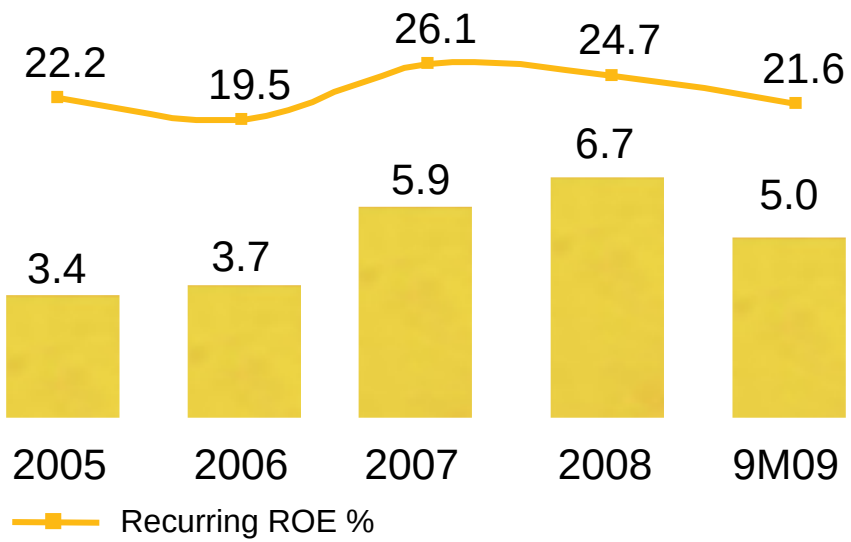




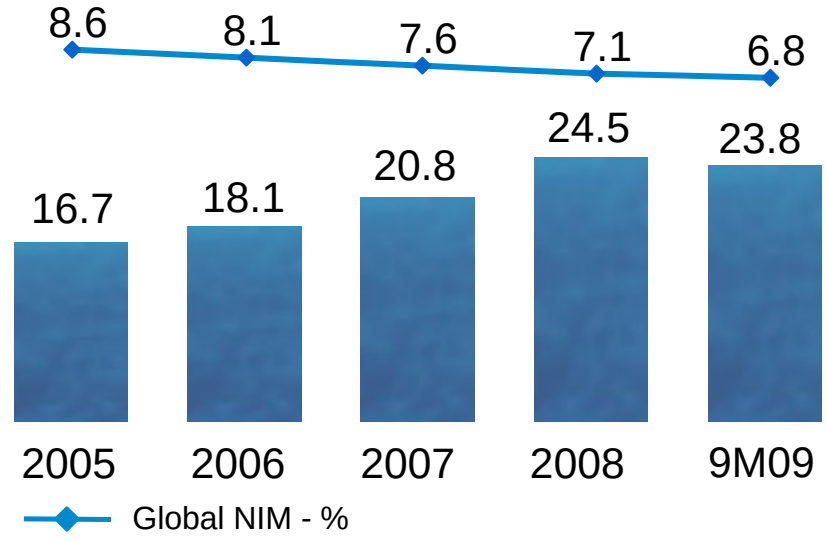


Despite the challenge imposed by the scenario, BB keeps its profitability over 20% with efficiency gains ...

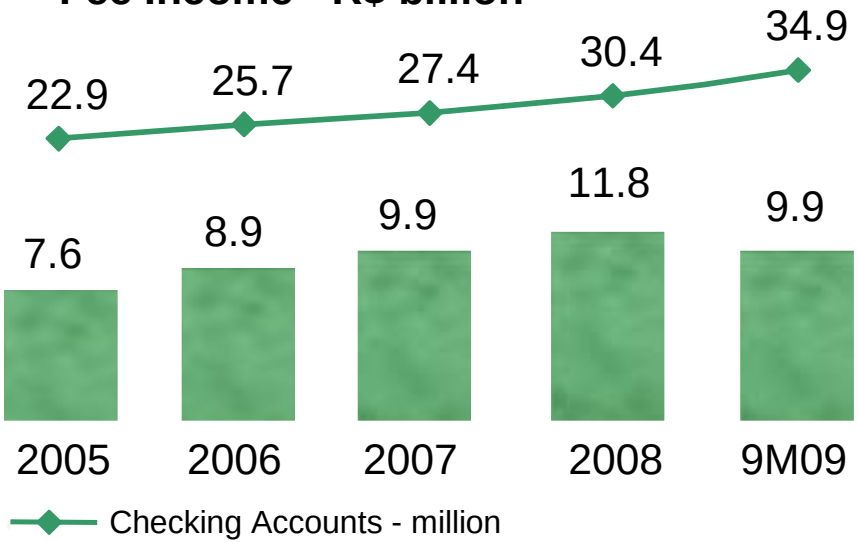
Recurring Net Income - R$ billion



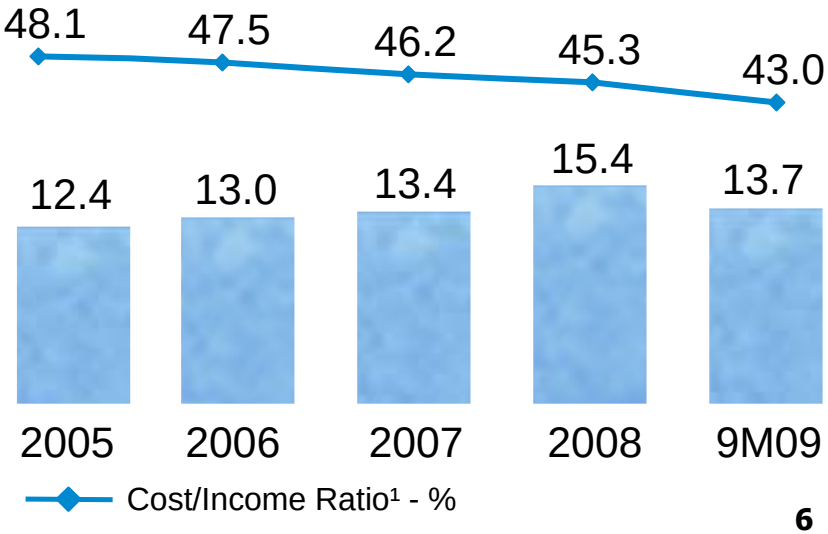
Net Interest Income - R$ billion



Fee Income - R$ billion



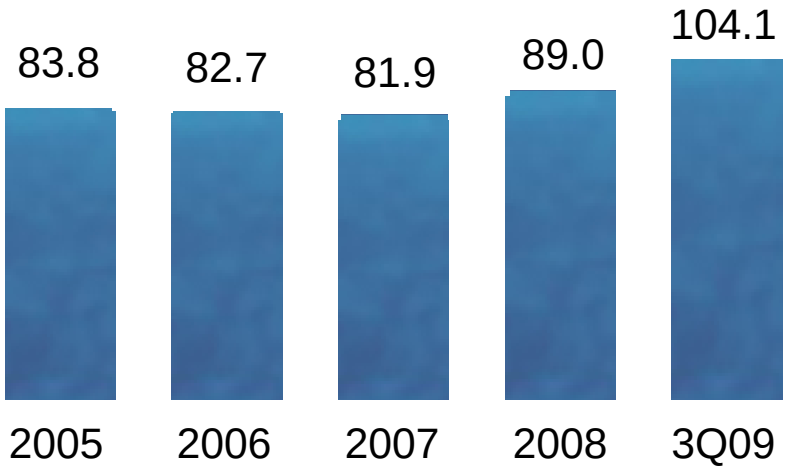
Administrative Expenses - R$ billion



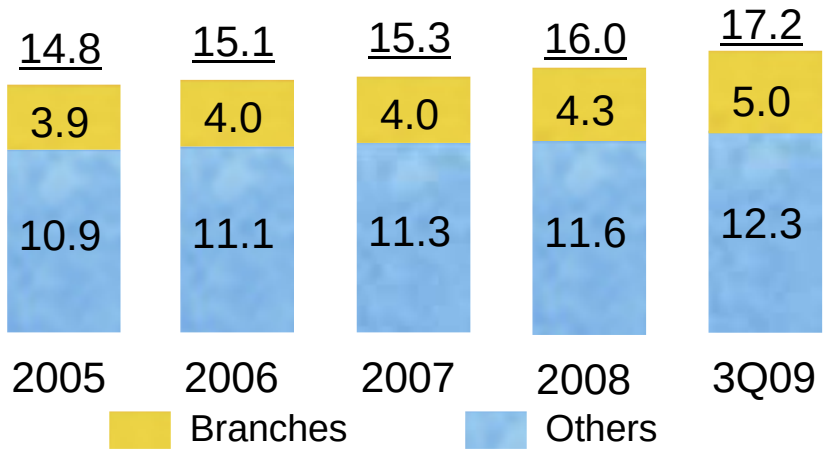
(1) YTD ratio and without one-off items

... supported by its large distribution network and technology platform.

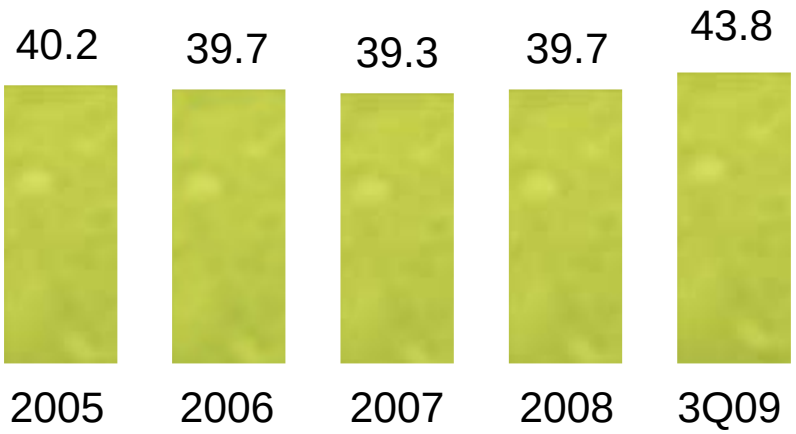
Employees - thousand



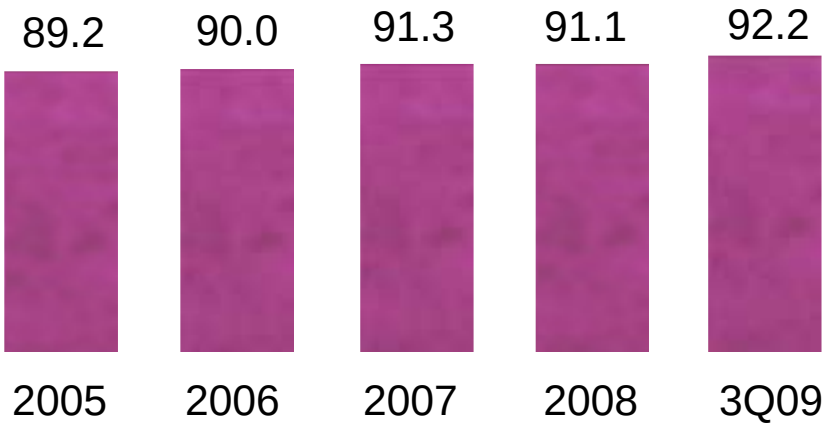
Points of Service - thousand



ATM - thousand



Transaction in Automated Channels - %



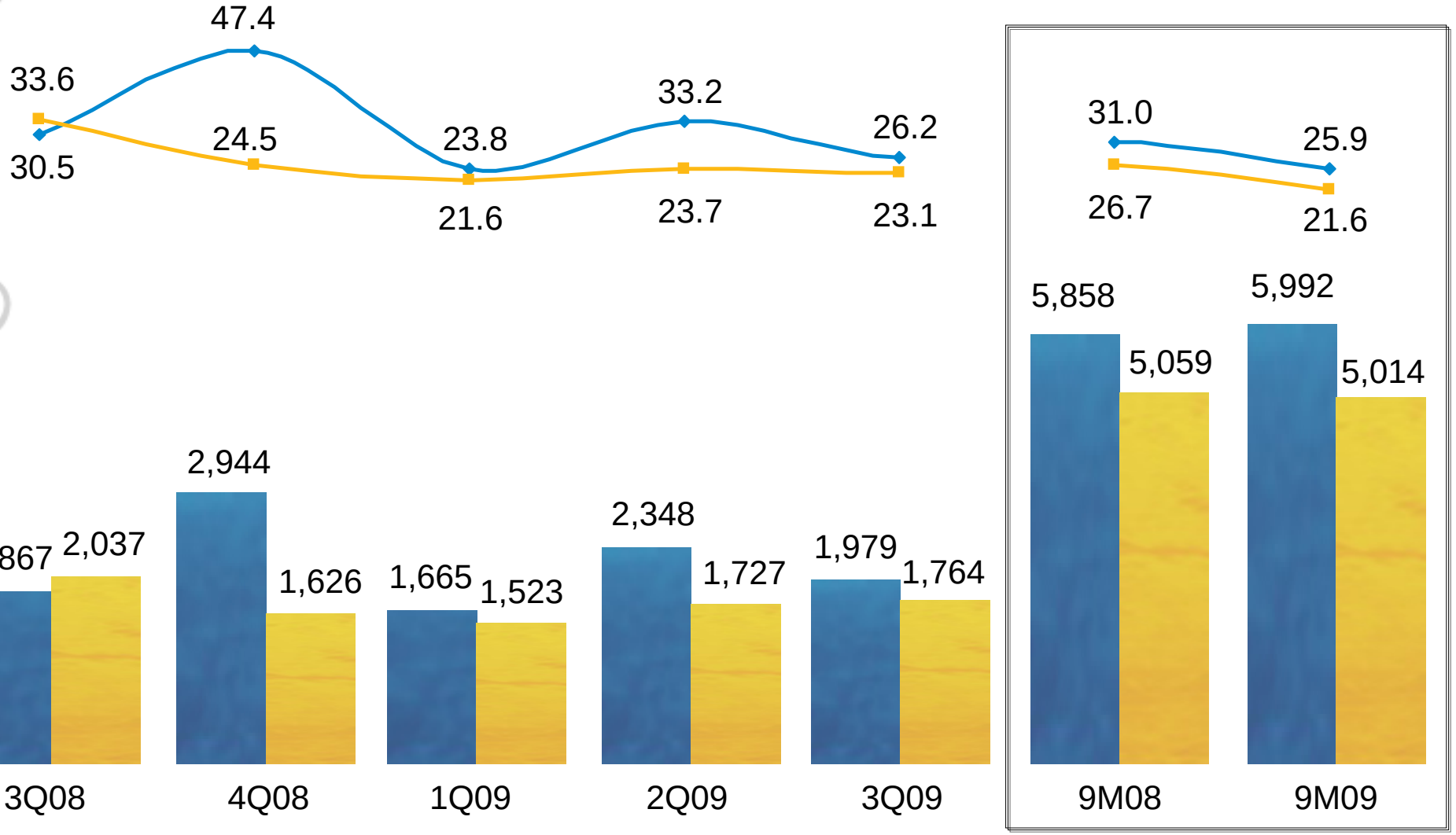
BB is the leader in key industry segments.

Market Share - %	
Assets[1]	19.7
Domestic Loan Portfolio[2]	20.1
Total Funding[1]	23.6
Total Deposits	25.3
Demand Deposits[1]	33.4
Saving Deposits[1]	24.4
Time Deposits[1]	23.9
Assets under Management	22.3
ACC/ACE	37.7
Foreign Exchange for Exports	31.1
Foreign Exchange for Imports	23.1
Cards (Revenues)	19.0

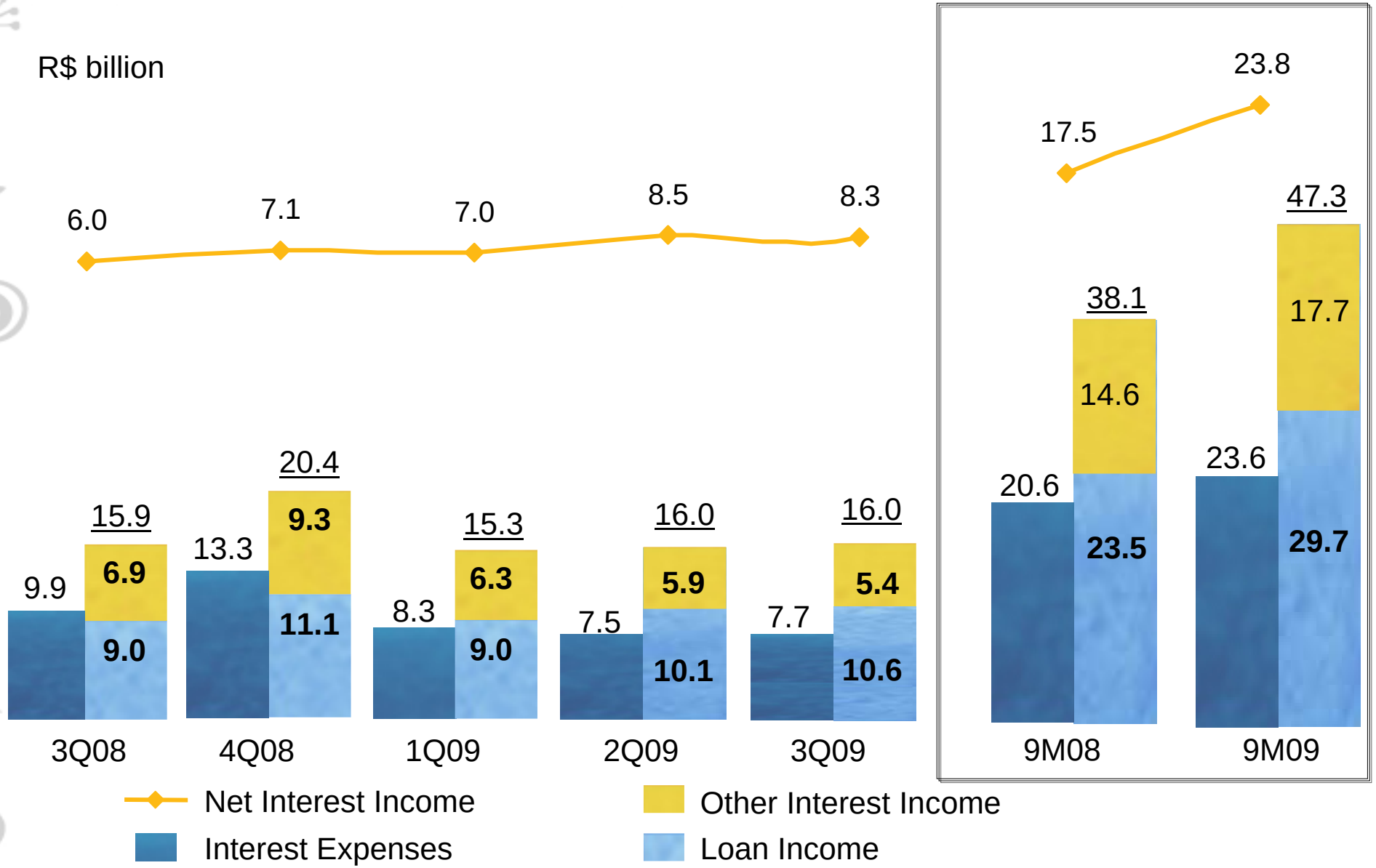
(1) As of June/09

(2) Including BV

BB delivers solid recurring results.

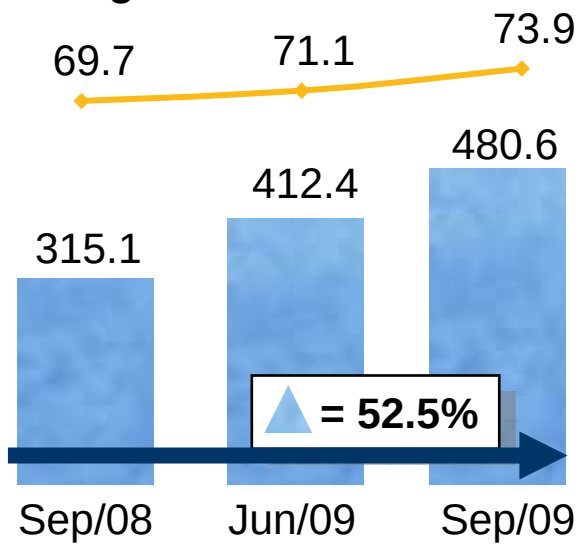


Loan expansion pumps NII up...

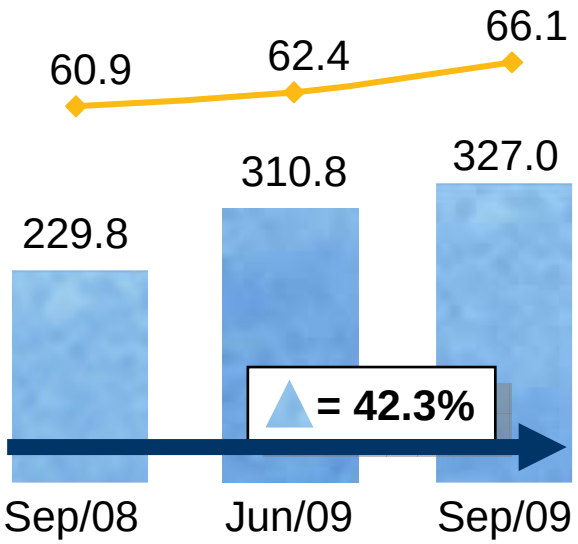


... backed by funding expansion.

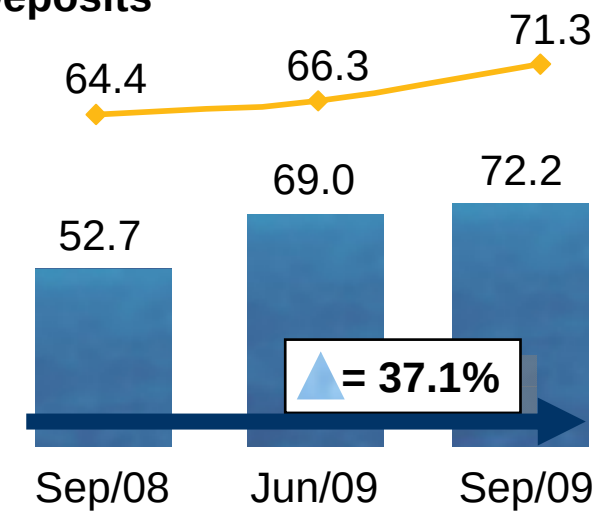
Total Funding



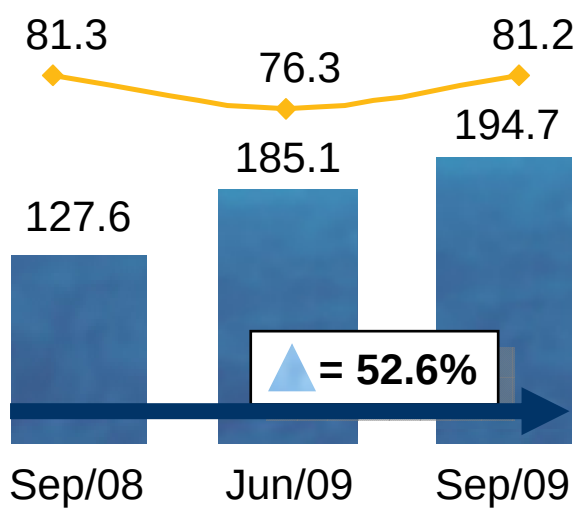
Total Deposits



Savings Deposits

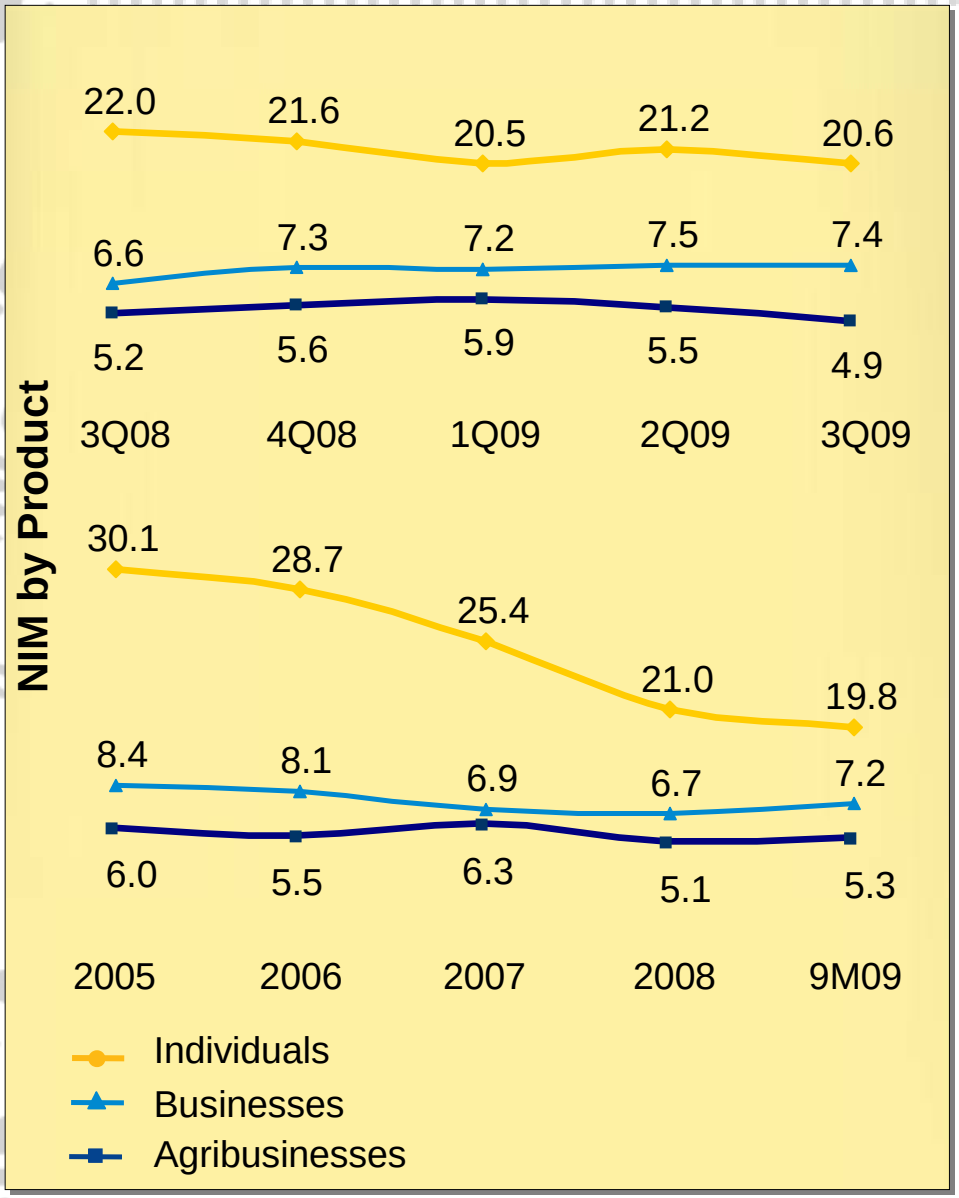


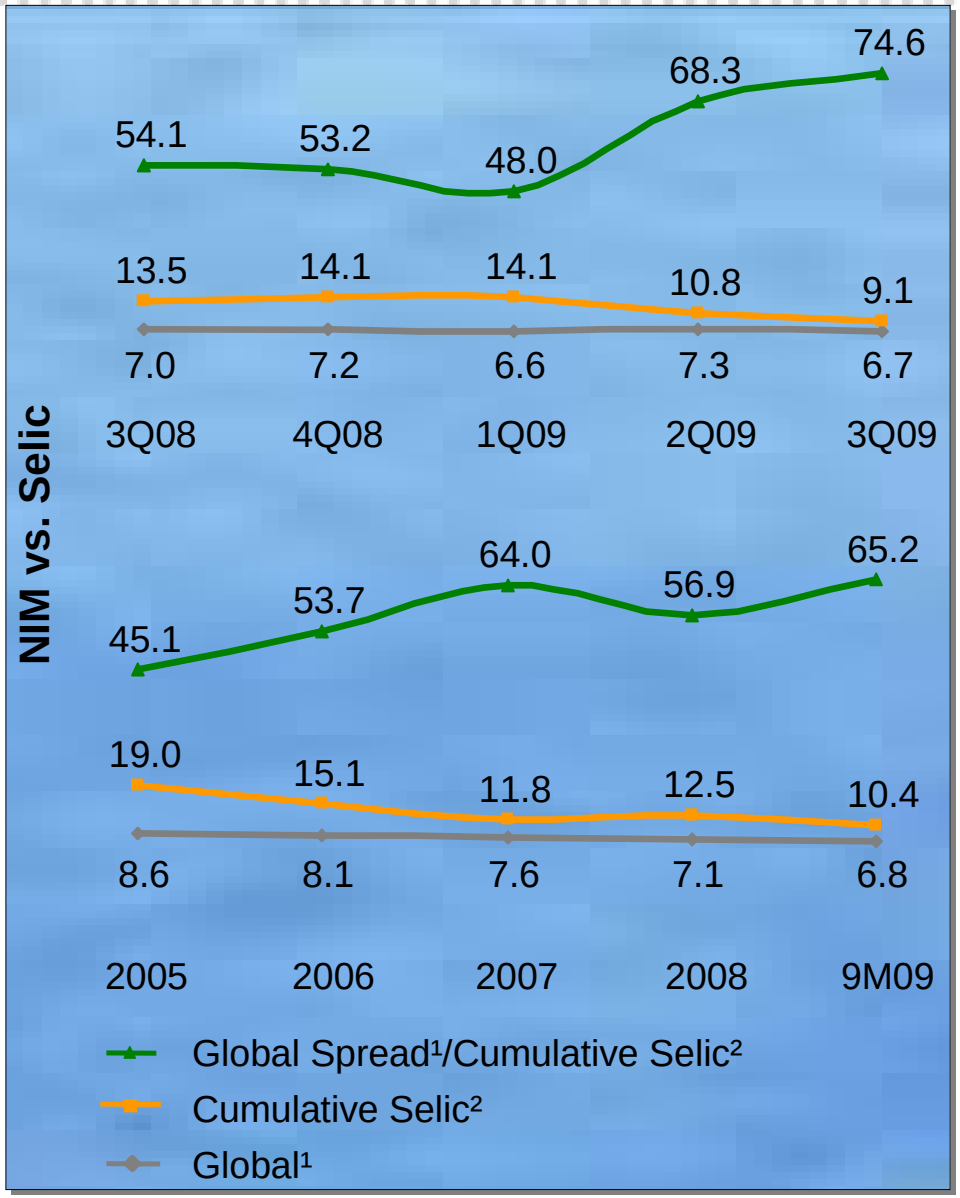
Time Deposits



Balance – R$ billion Cost - % Selic

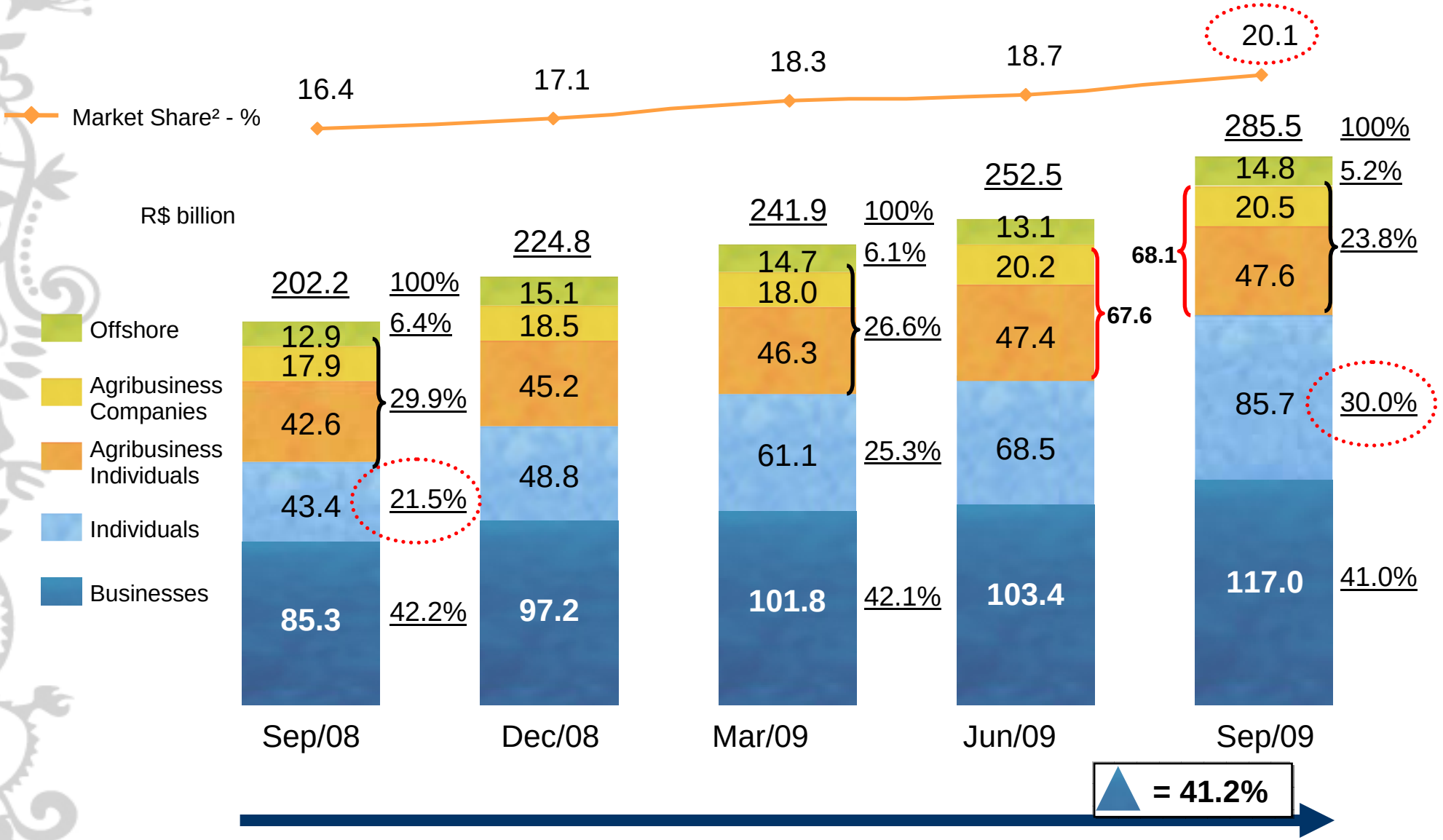
Consumer finance holds BB's margins, if compared to the Selic evolution.





(1) Net Interest Income over Earning Assets
(2) Annualized

BB[1] share in the credit market surpasses 20%...



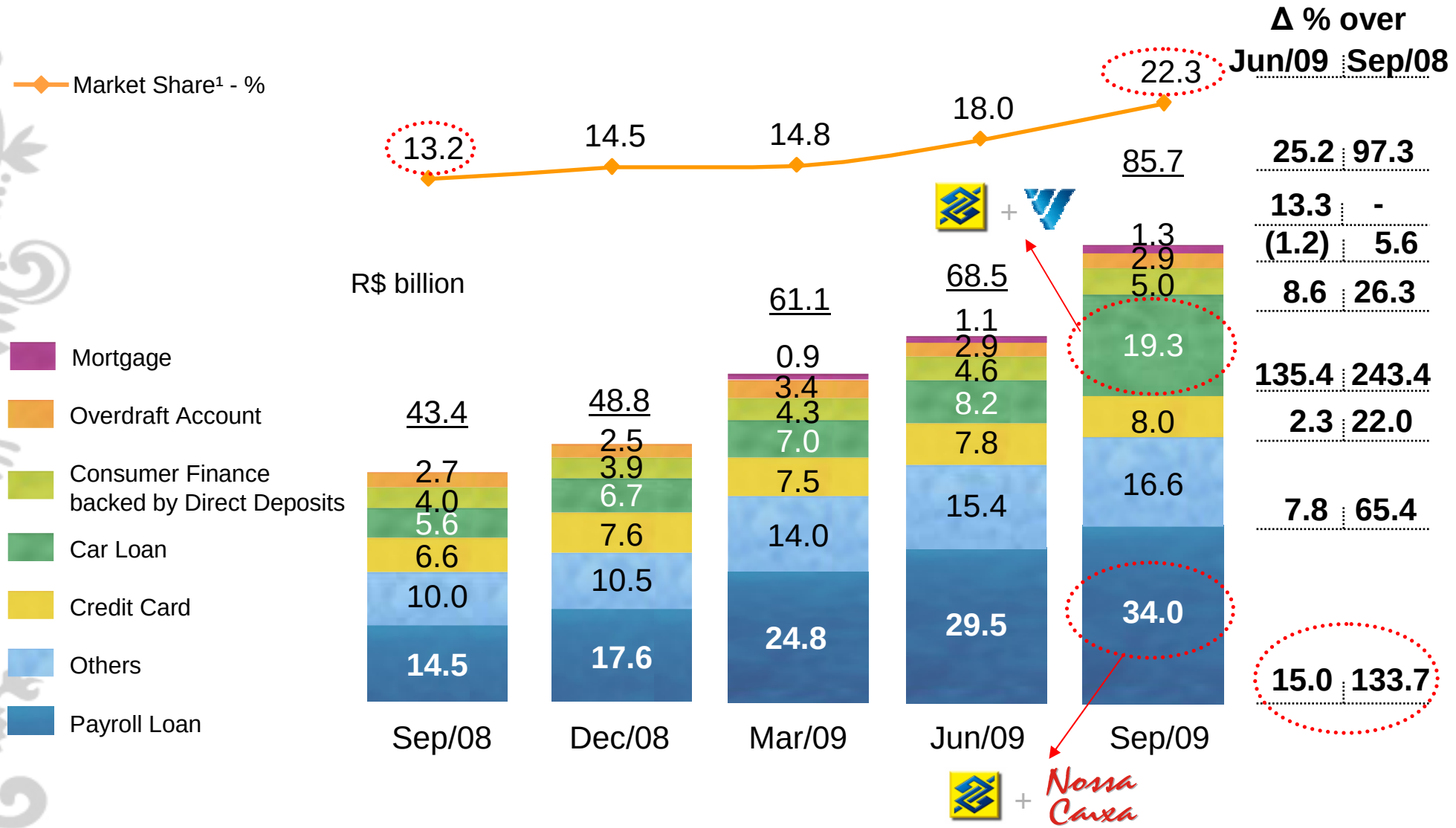
(1) Including Banco Votorantim
(2) Domestic Portfolio

... as a result of organic growth and acquisition strategies.

R$ billion	Sep/08	Jun/09	Sep/09	Δ % Sep/08	Δ % Jun/09
Banco do Brasil	**202.2**	**235.4**	**245.7**	**21.5**	**4.4**
Individuals	43.4	55.2	58.7	35.3	6.3
Businesses	85.3	100.3	105.0	23.0	4.6
Agribusinesses	60.5	66.8	67.2	11.1	0.7
Offshore	12.9	13.1	14.8	14.5	13.0
Nossa Caixa	**-**	**17.0**	**19.3**	**-**	**13.2**
Individuals	-	13.2	14.5	0.0	9.8
Businesses	-	3.0	4.0	0.0	32.7
Agribusinesses	-	0.8	0.8	0.0	-3.0
Banco Votorantim*	**-**	**-**	**20.5**	**-**	**-**
Individuals	-	-	12.4	-	-
Businesses	-	-	8.1	-	-
Total	**202.2**	**252.5**	**285.5**	**41.2**	**13.1**
Banking Industry	**1.152.8**	**1.276.8**	**1.347.4**	**16.9**	**5.5**

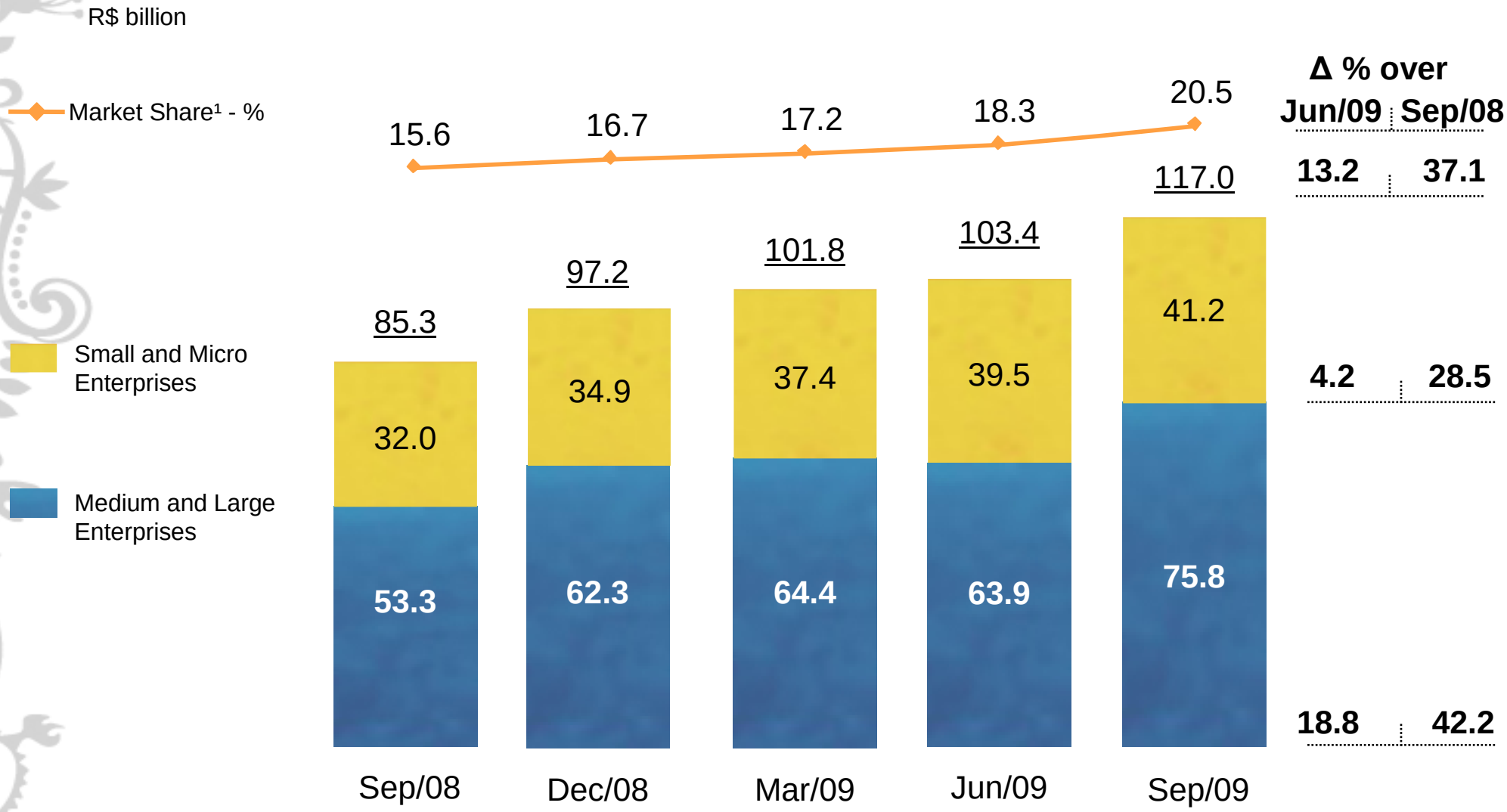
* 50% of BV loan portfolio

Payroll and car loans are the main drivers of this growth.



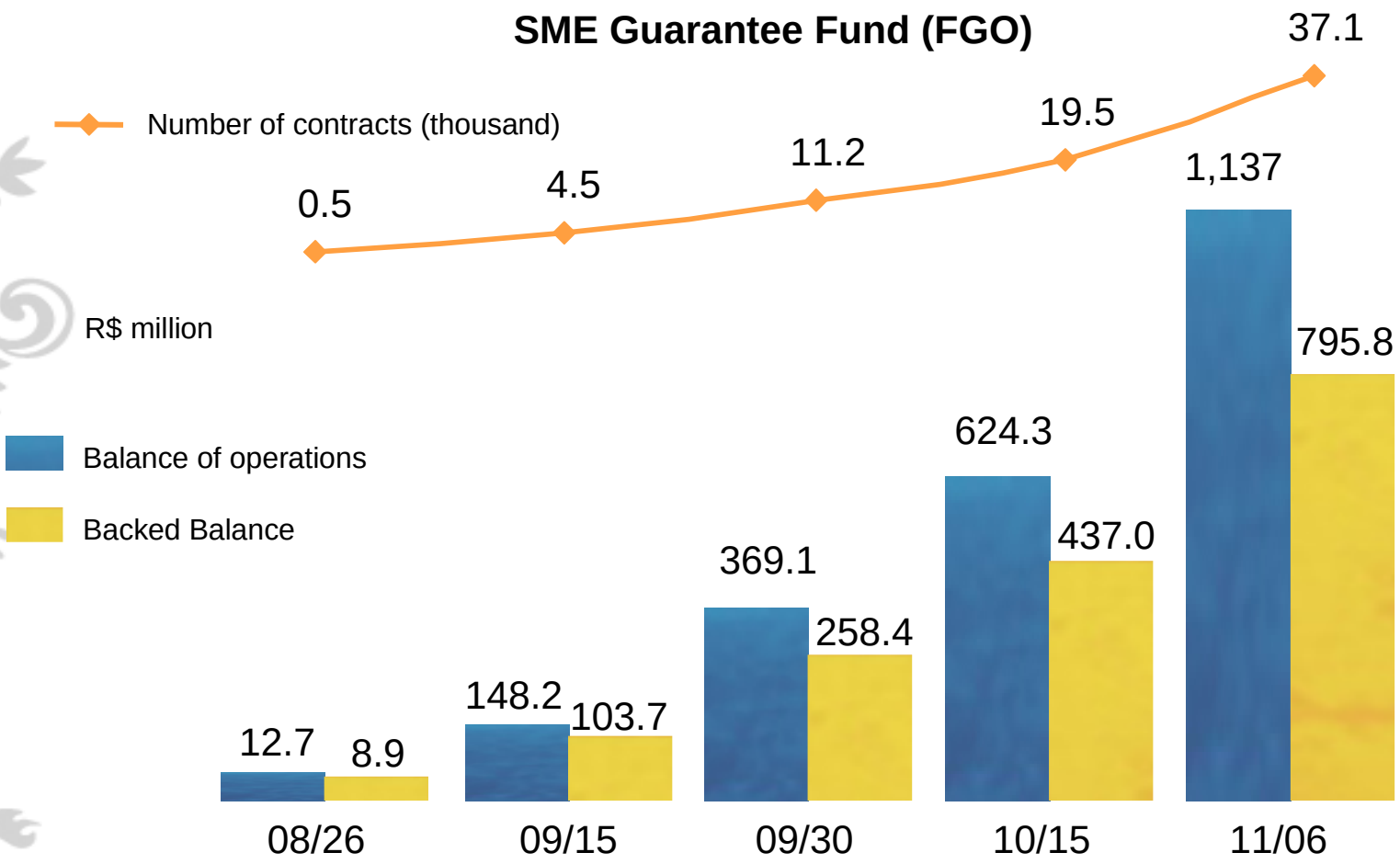
(1) Loan as Reference for Interest Rate

Business loans grow more than 37% in 12 months.

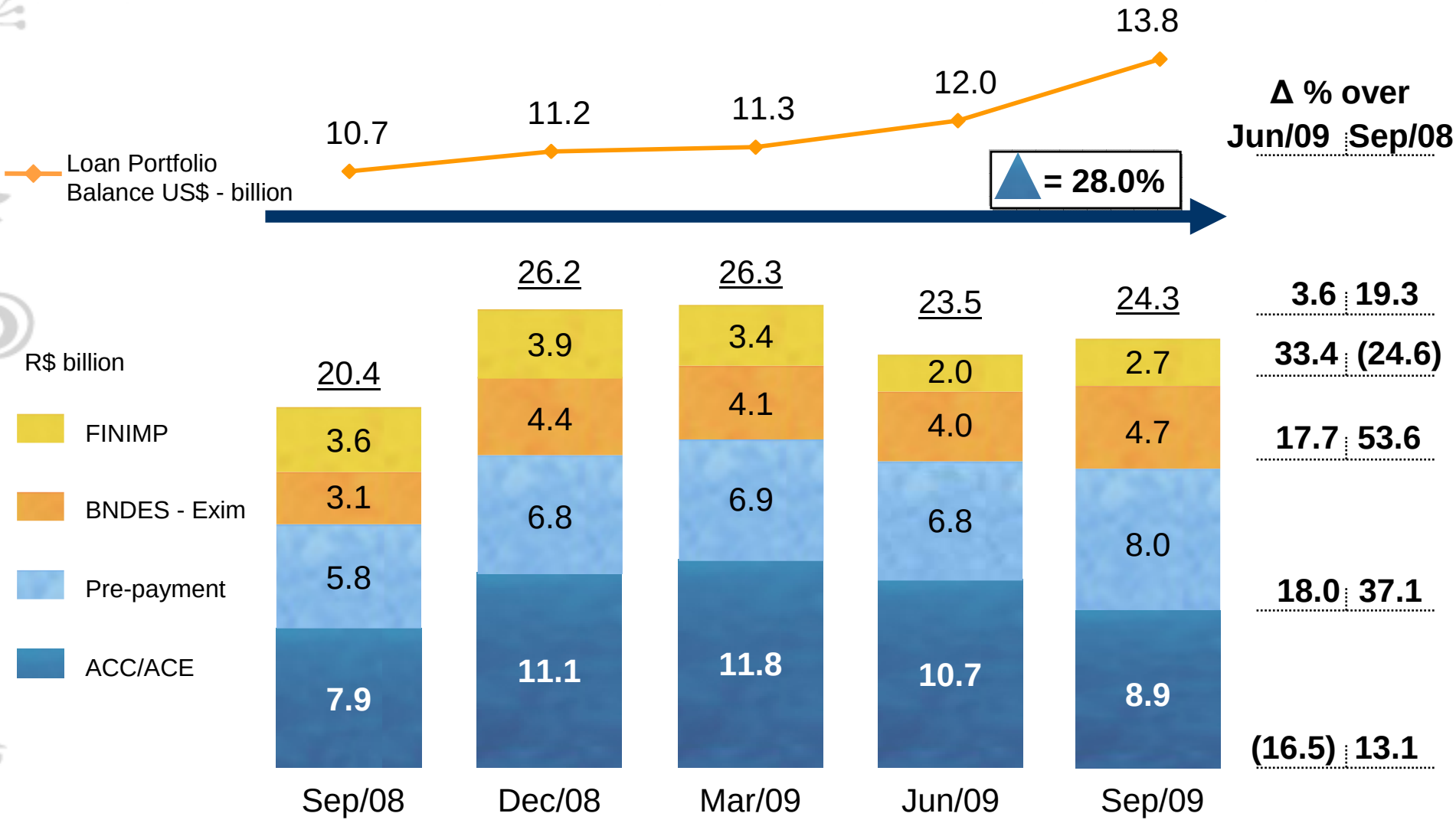


(1) Loan as Reference for Interest Rate

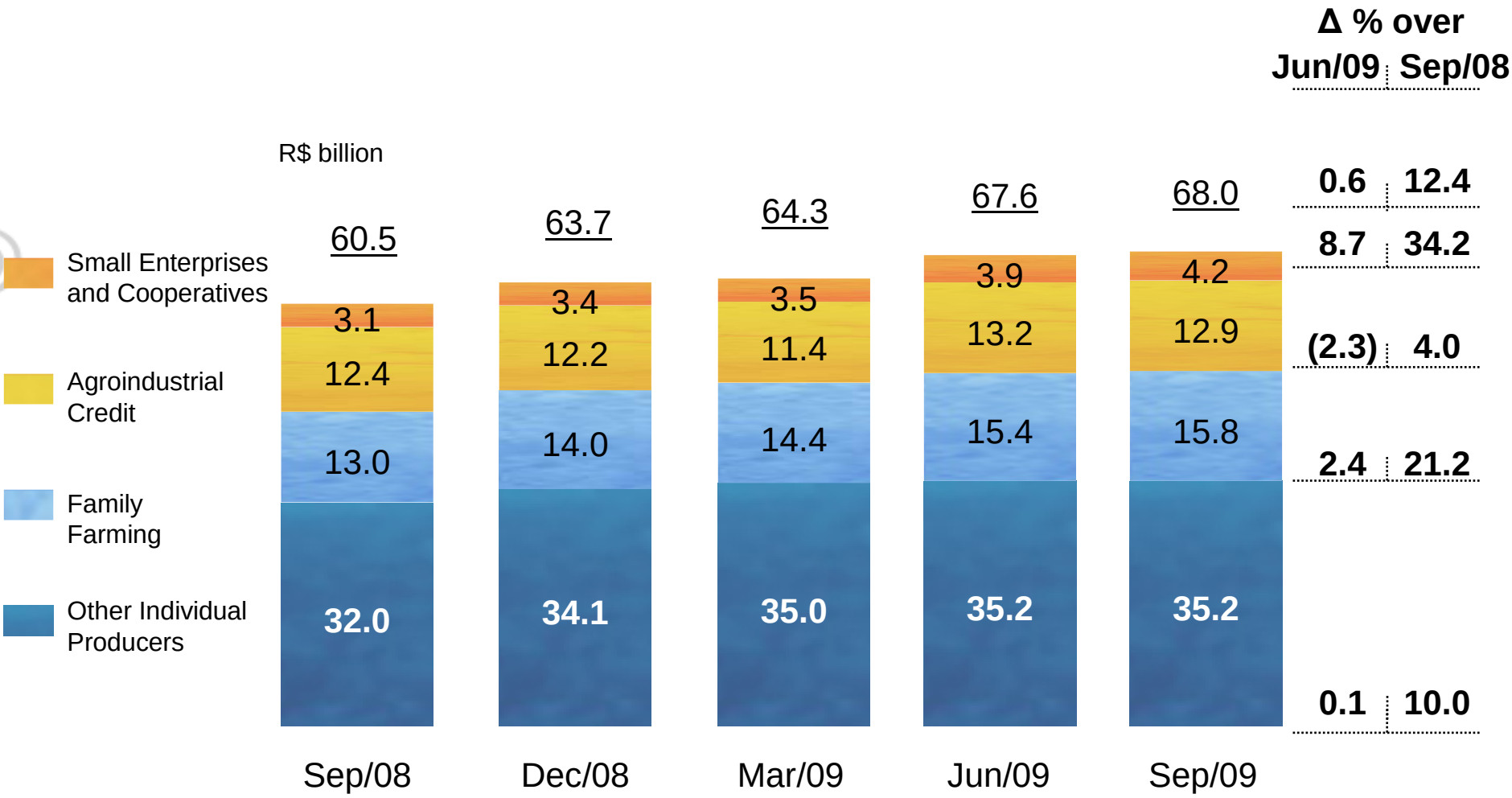
SME Guarantee Fund allows BB to expand its credit and to reduce the SME risk.



BB expands its presence in foreign trade.



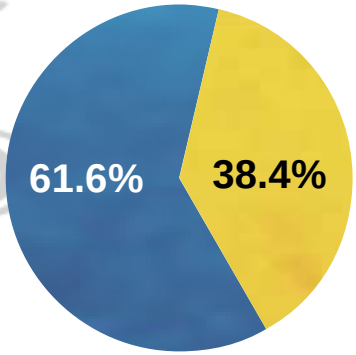
BB maintains its leadership in agribusiness...



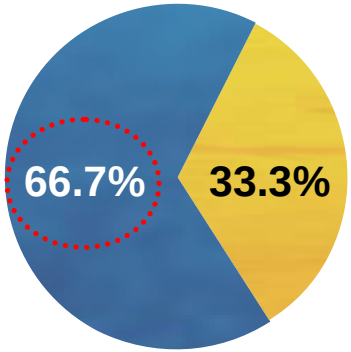
... increasing crop insurance.

Working Capital

08/09 Crop
R$ 15.5 billion



09/10* Crop
R$ 5.6 billion

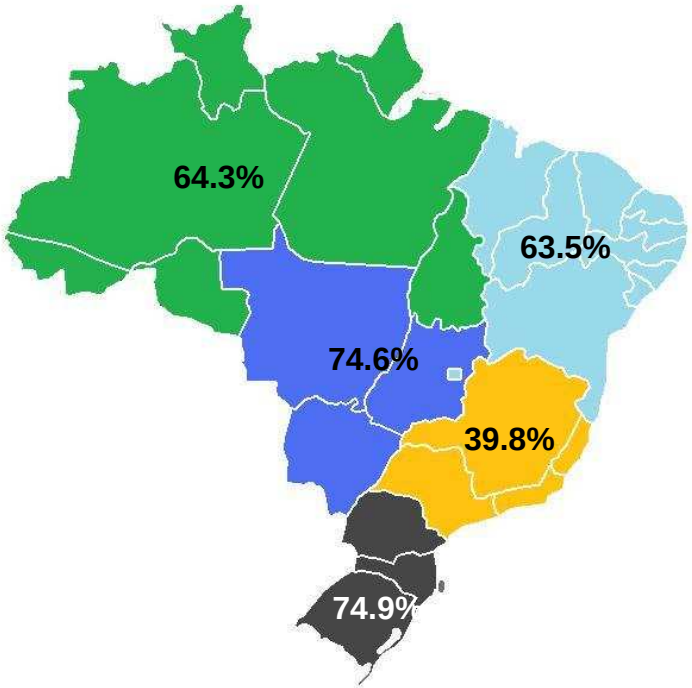


With insurance Without insurance

*until September/2009

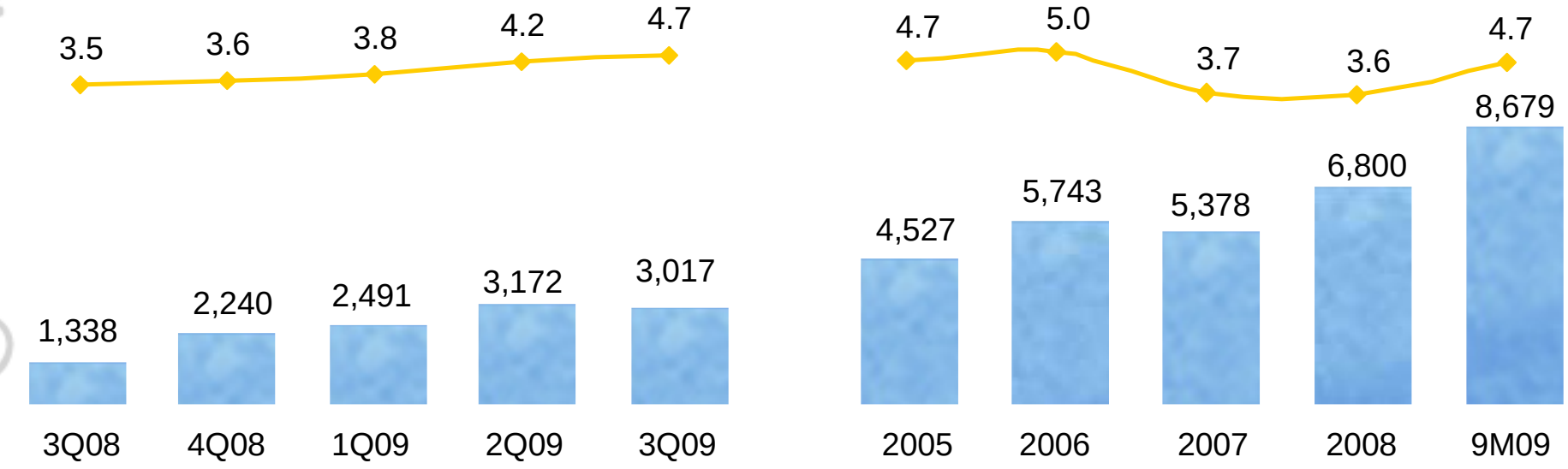
Reinsurance	%
IRB	24
SCOR	15
SWISS RE	15
PARTNER RE	15
MÜNCHENER RÜCK	10
MAPFRE RE	4
OTHERS	7
Total	**90**

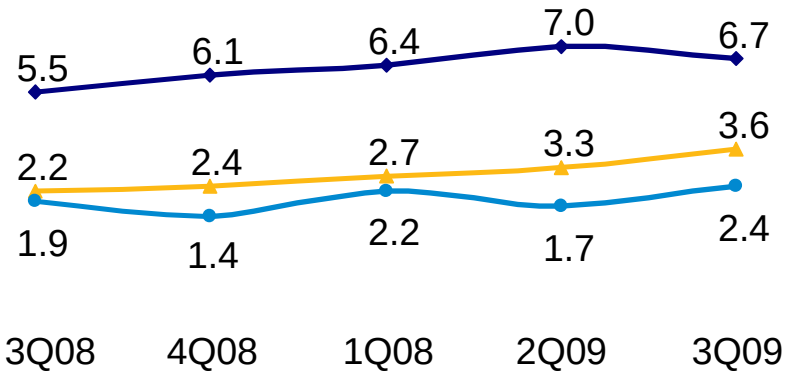
Crop Insurance Breakdown - %

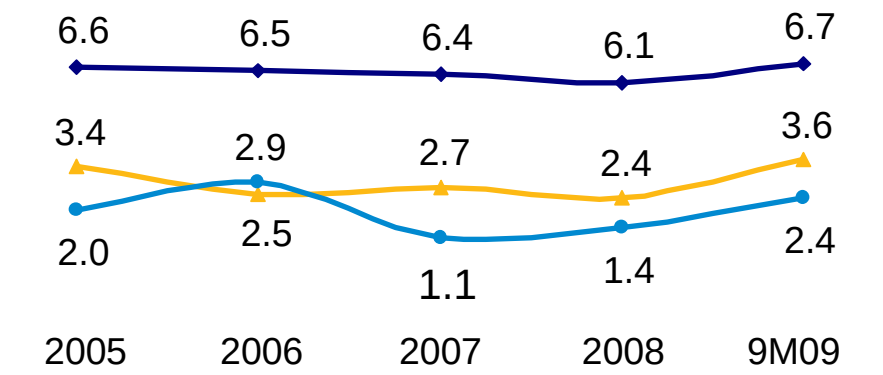


R$ million	Working Capital Total	Insured	% Insured
North	32.2	20.7	64.3%
Northeast	109.2	69.3	63.5%
Mid-West	929.4	693.2	74.6%
Southeast	1,258.2	500.8	39.8%
South	3,326.2	2,489.8	74.9%
Total	**5,655.2**	**3,773.8**	**66.7%**

Banco do Brasil provisions guarantee a comfortable credit risk coverage.





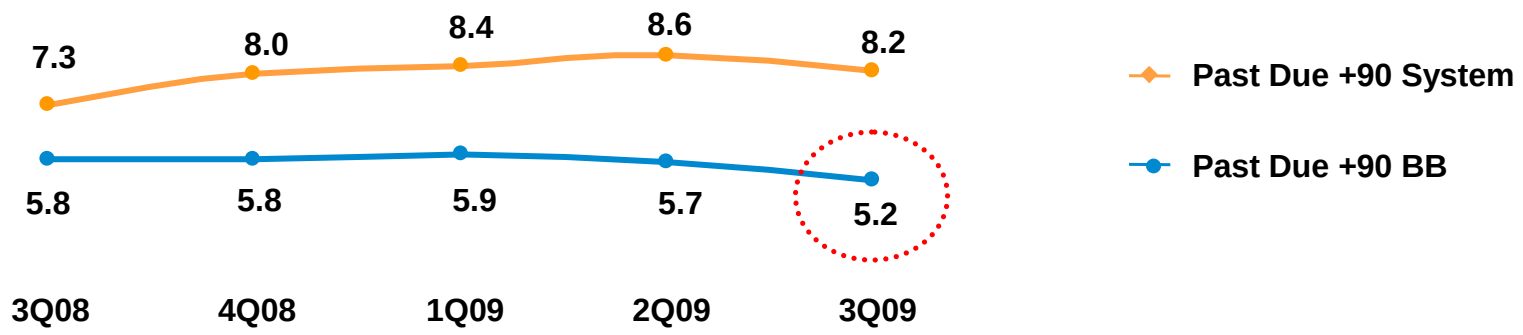


(1) Average Loan Portfolio and 12 months expenses
(2) Without one-off items

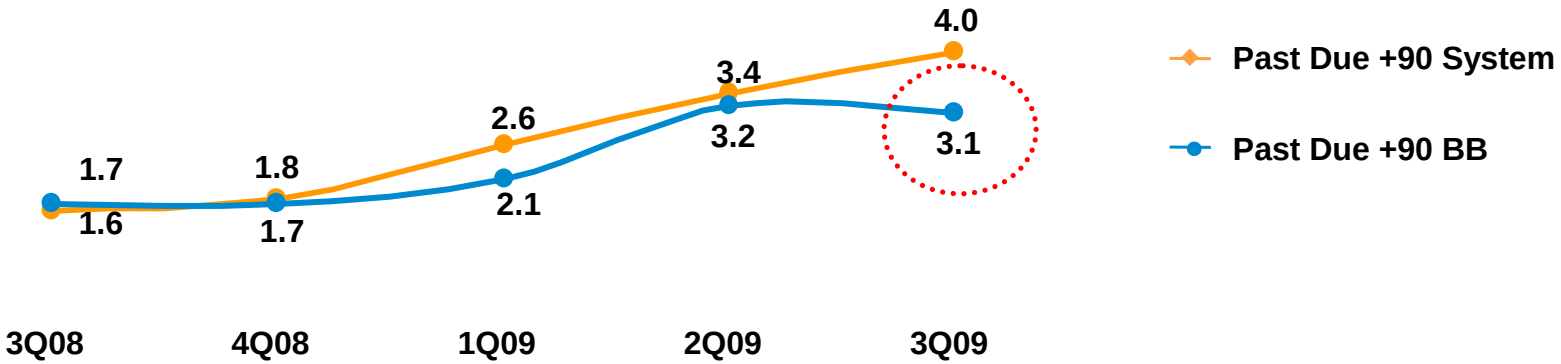
(3) Net of credit recovery

Individual and business loan portfolios show an improvement in delinquency ratios.

Individual Loan Portfolio Delinquency[1] - %

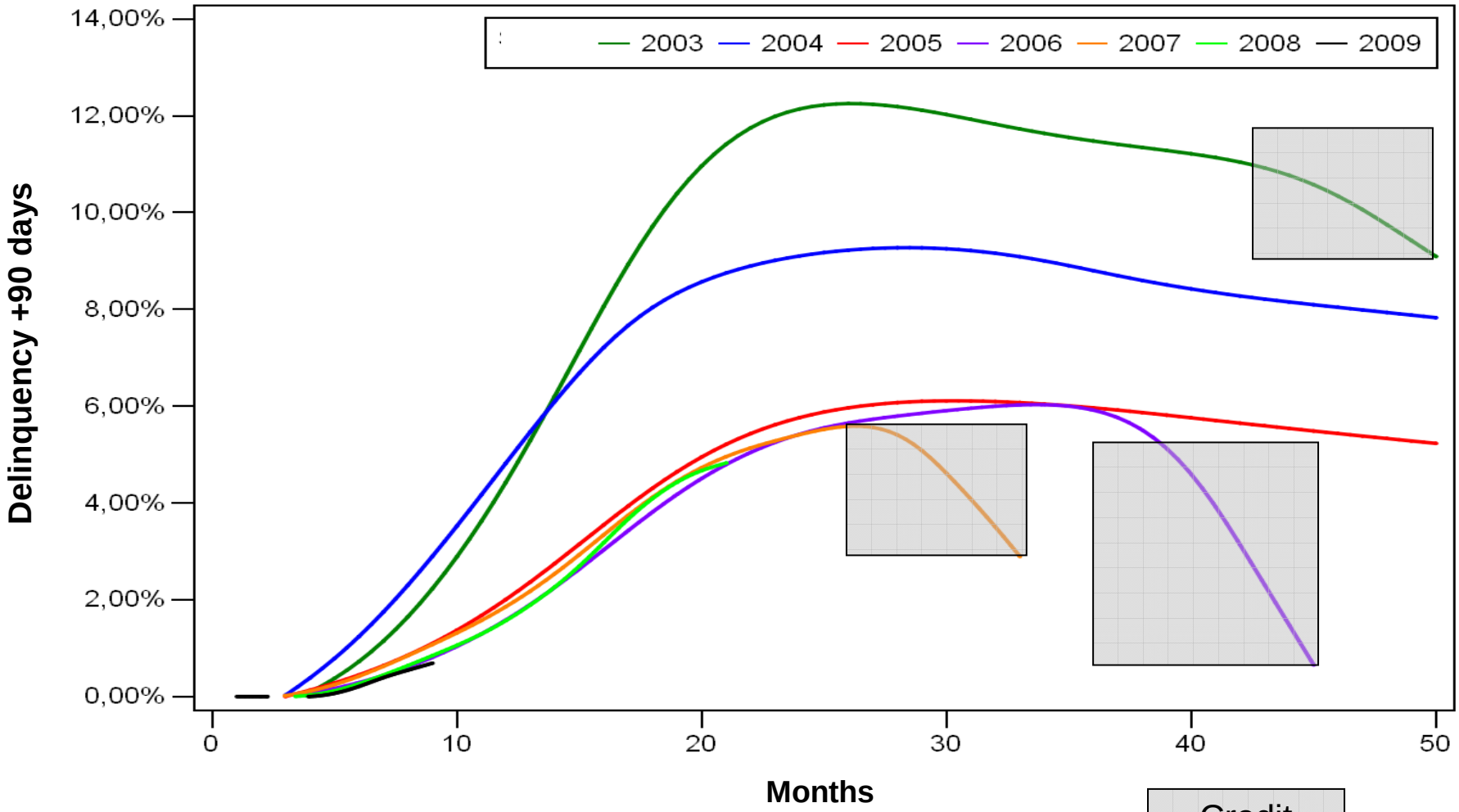


Business Loan Portfolio Deliquency[1] - %



(1) Loan as Reference for Interest Rate

Newest vintage[1] lines present lower delinquency levels.

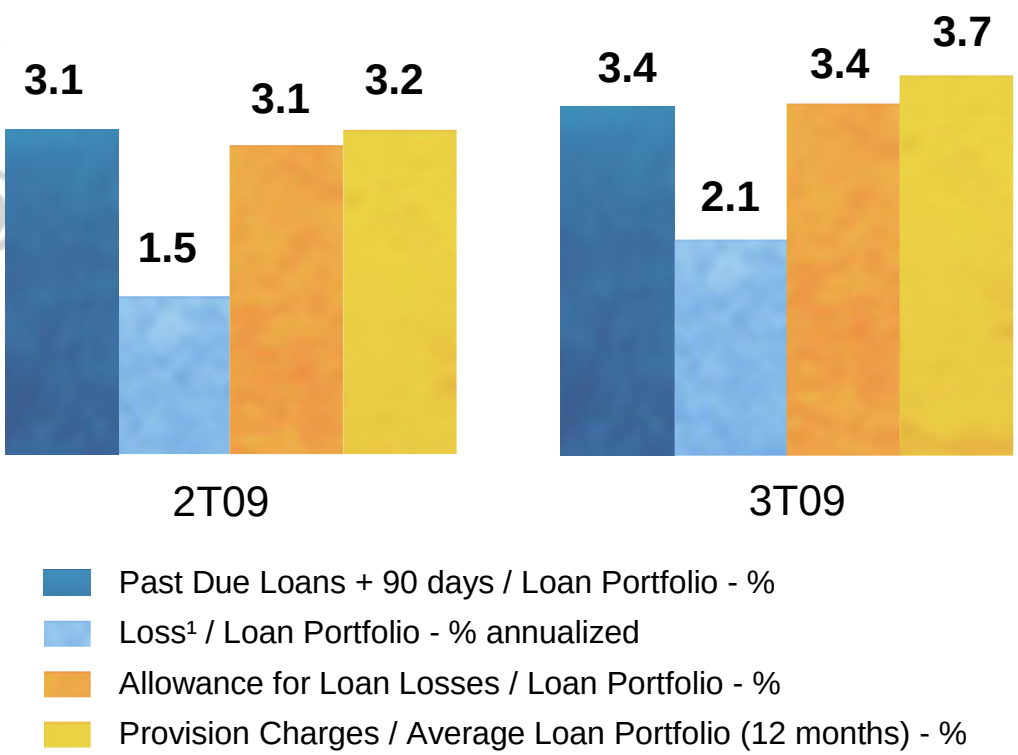


Individual Annual Vintage Analysis (since 2003)
Customer Risk: A,B,C,D and E
Delinquency: 90 days

Credit Assignment Effects

(1) Individual Loan Operations except overdraft account, credit cards and car loans.

Banco Votorantim loan portfolio maintains its sound quality.



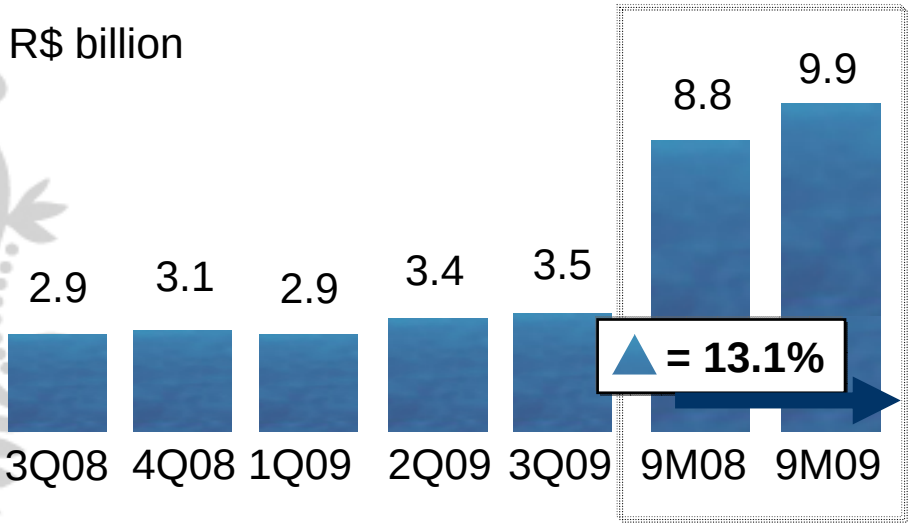
Car Loan Portfolio

- 82.9% of the loan portfolio is compounded by second-hand cars.
- In Sep/09, the average term of the contracted vintage was 49 months.
- Loan to Value of 69.9%
- Financed cars average age is 5.8 years.
- 1.7% p.m. average interest rate in Sep/09 vintage.

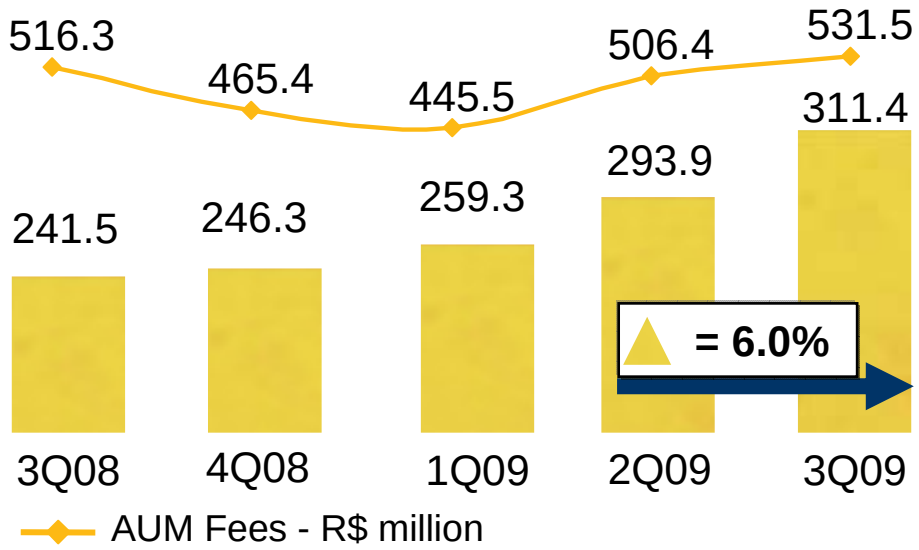
(1) Net of Recovery

Card and insurance businesses boost fee income.

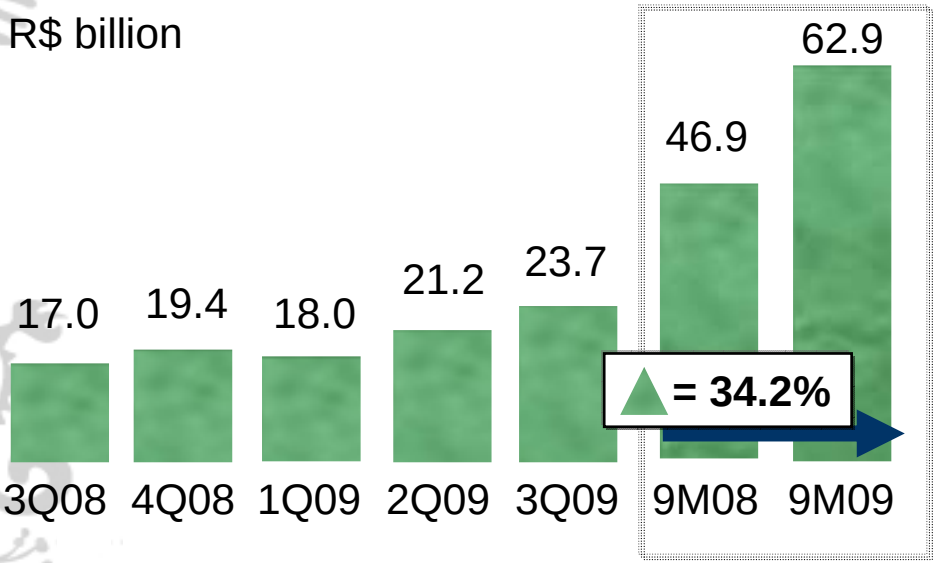
Fee Income



Assets under management[1]

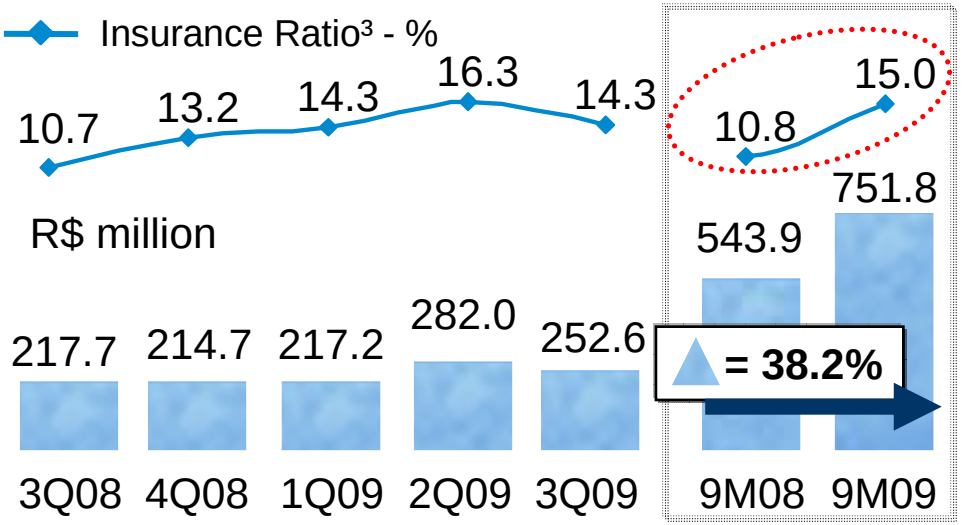


Credit Cards



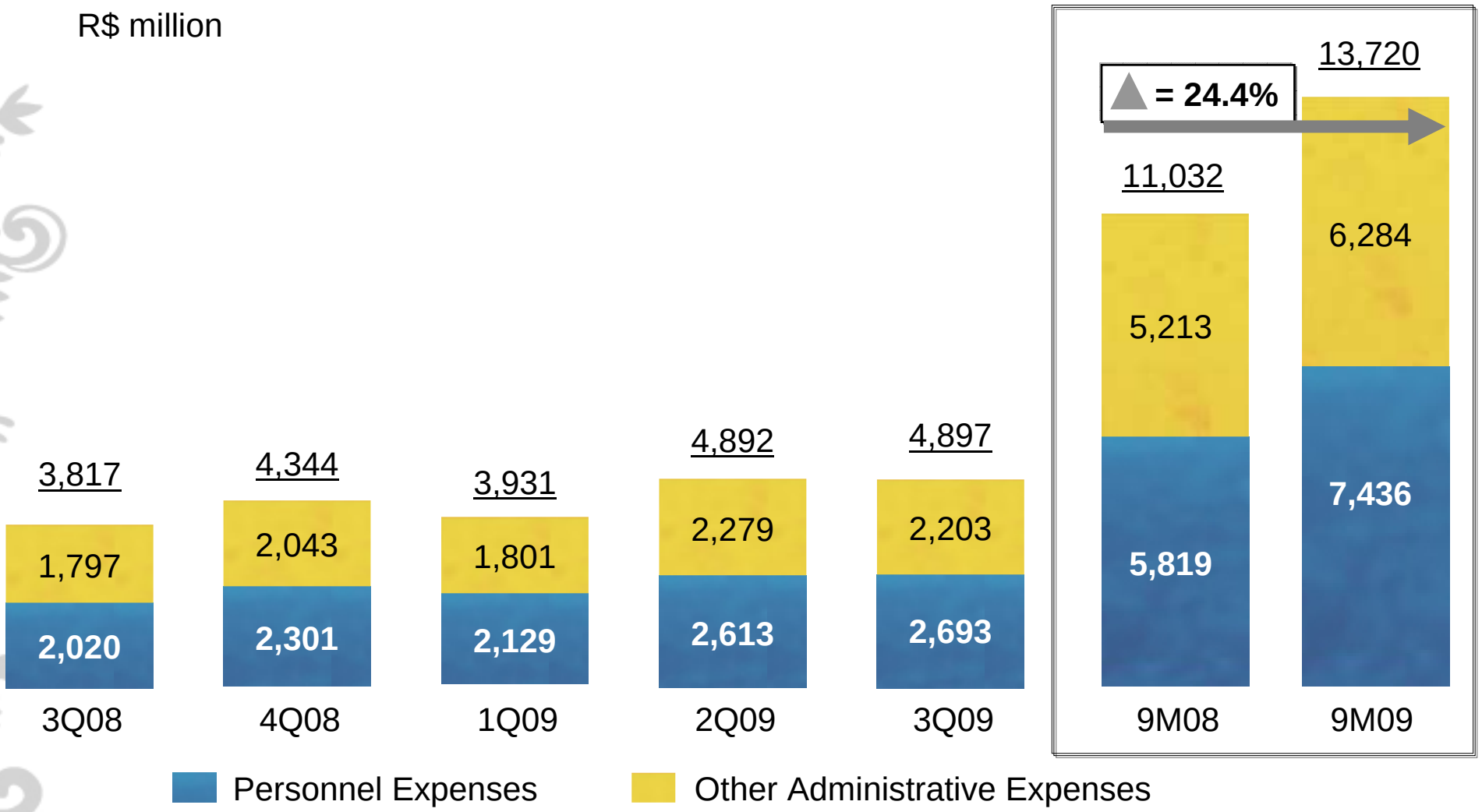
(1) Including BV

Insurance Net Income[2]



(2) Not including Nossa Caixa
(3) Insurance Net Income / BB's Recurring Net Income

Expenses in line with business growth and acquisitions...



(1) Not including legal claims and one-off items

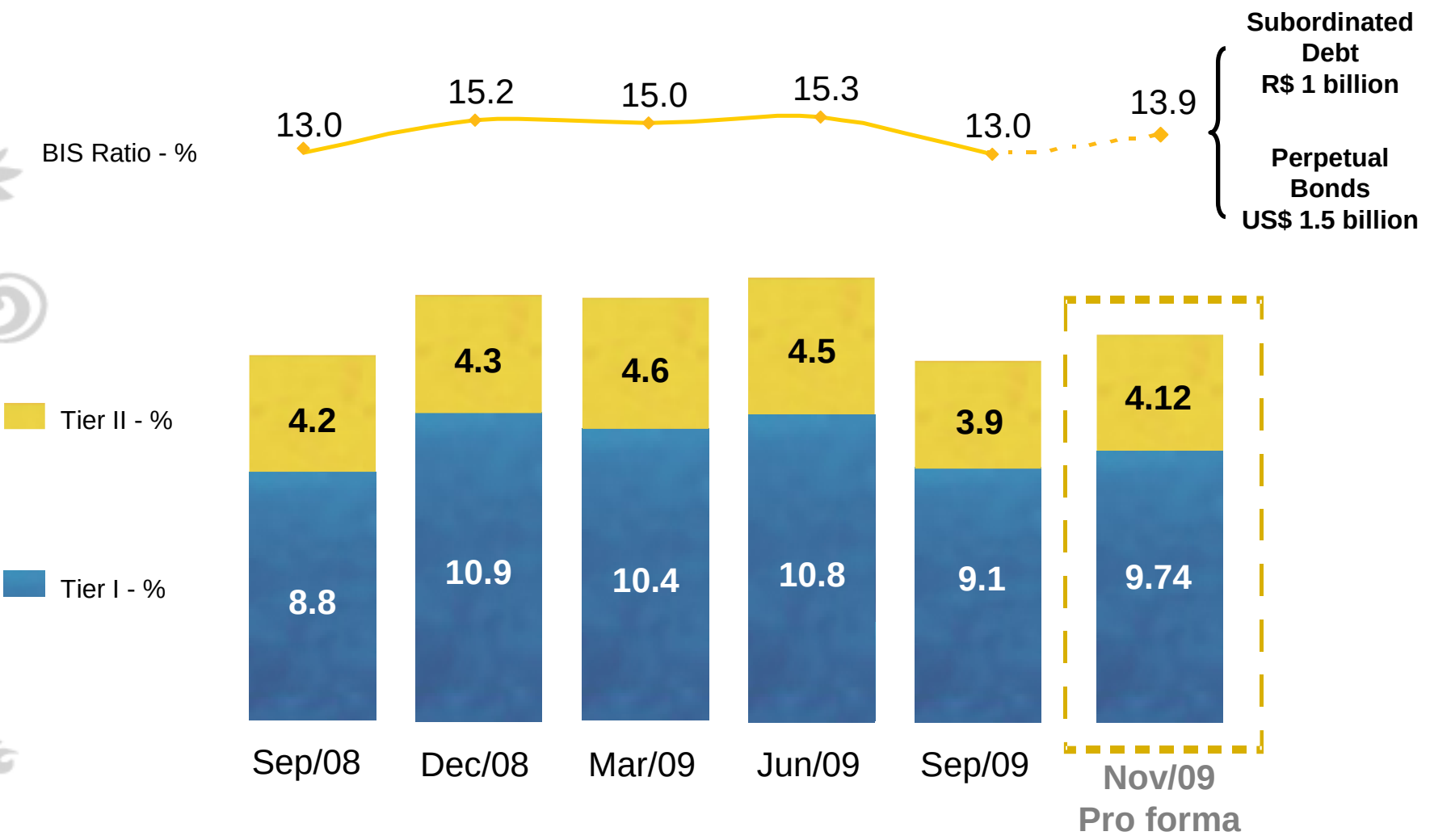
... and in line with the guidance.

R$ million

	9M09
Administrative Expenses	**13,720**
Visanet IPO Expenses	64
Banco Nossa Caixa Expenses	1,340
Consolidation Adjustments[1]	47
Adjusted Administrative Expenses	**12,268**
Change on Expenses (9M09 vs. 9M08)	**11.2%**

(1) Consolidation of the non-financial companies, respecting BB's fiscal period .

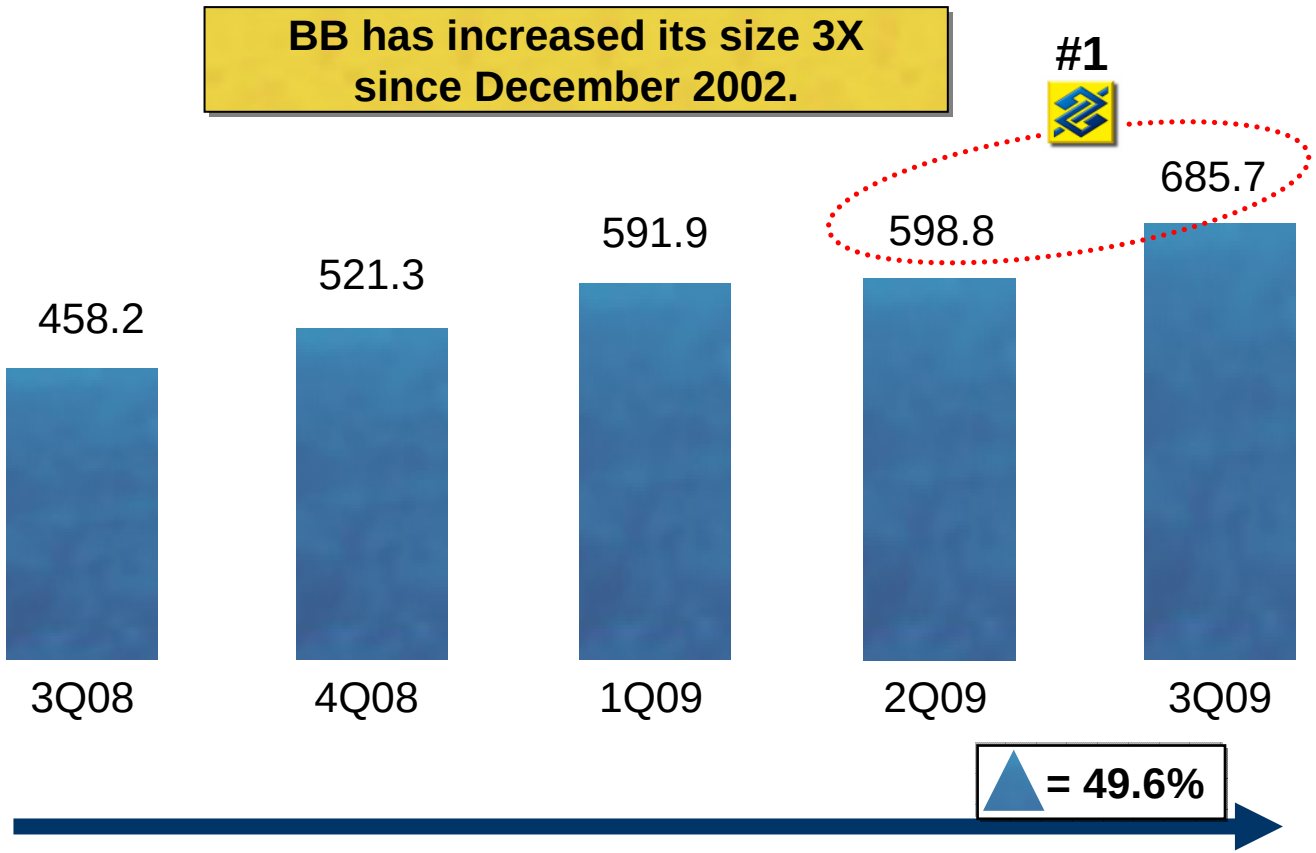
BIS Ratio reflecting business growth and acquisitions...



... allowing the recovery of assets leadership.

Total Assets

R$ billion

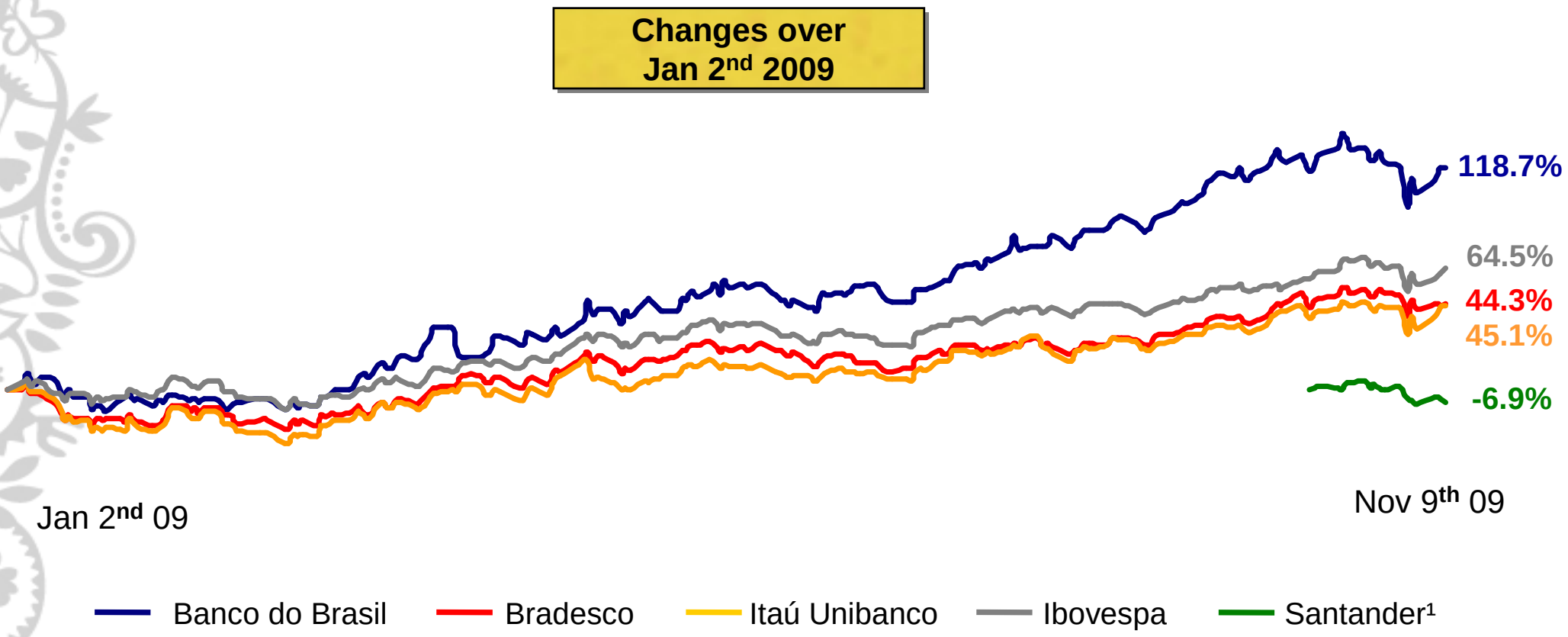


Consistent performance confirms 2009 guidance[1]...

Ratios	Realized - % 9M09	Estimate - %
Fee Income	6.1	5 - 8
Recurring ROE	20.6	19 - 22
Loan Portfolio – Domestic Portfolio	22.0	13 - 17
Individuals	35.3	23 - 25
Businesses	23.0	16 - 19
Agribusinesses	11.1	2 - 5
Total Deposits	19.8	10 - 14
NIM	6.6	6.8 - 7.2
Allowance for Loan Losses	4.6	3.8 - 4.2
Administrative Expenses[2]	12.2	9 - 12
Tax Rate	30.0	30 - 33

(1) *Stand Alone* - without Nossa Caixa and BV.

... and boosts BB's shares performance.



(1) Change since Oct 7th 09. Date of the first negotiation of SANB11.

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Índice de Ações com *Tag Along* Diferenciado

IBrX50

IBrX ÍNDICE BRASIL

Índice de Ações com Governança Corporativa Diferenciada IGC

Índice de Sustentabilidade Empresarial ISE