

01.09.2009 - Strategic Partnership with Banco Votorantim

Rule 12g3-2(b) Exemption # 82-35186

| | |
|--------------------------------------|--------------------------------------|
| BANCO DO BRASIL S.A. | VOTORANTIM FINANÇAS S.A. |
| Public and Traded Company | Public Company |
| CNPJ/MF nº 00.000.000/0001-91 | CNPJ/MF nº 01.386.256/0001-41 |

Pursuant to § 4 of Article 157 of Law 6,404/76, dated December 15, 1976 and according to CVM (Brazilian Securities and Exchange Commission) Regulation 358, dated of January 3, 2002, Banco do Brasil S.A. (“BB”) and Votorantim Finanças S.A. (“VF”) inform that they constituted strategic partnership, in this date, signing a sales and purchase and underwriting agreement, to which BB will detain a 49.99% stake at the voting capital and a 50.00% stake of Banco Votorantim S.A. (“Banco Votorantim”) total capital (the “Transaction”).

The Transaction

(i) Precedent Restructuring of Banco Votorantim and VF.

Nowadays, Banco Votorantim total capital is divided into 74,126,202,673 common shares. Prior to the conclusion of the Transaction, VF (i) will acquire the shares correspondent to Banco Votorantim total capital; (ii) will convert 7,412,620,267 common shares issued by Banco Votorantim in an equivalent number of preferred shares issued by Banco Votorantim; (iii) will sell, to Banco Votorantim, the stake currently held by VF in its subsidiaries BV Sistemas Ltda., CP Promotora de Vendas Ltda., Votorantim Corretora de Seguros Ltda. and Votorantim Bank Limited, in which way that those companies will be then controlled by Banco Votorantim; and (iv) will approve a dividend distribution, by Banco Votorantim, in the total amount of R\$ 750 million.

(ii) Transaction.

The Transaction will be realized by: (i) an acquisition of 33,356,791,198 common shares issued by Banco Votorantim and owned by VF for R\$ 3,000 million (“Acquisition”); and (ii) new issuance of 7,412,620,277 preferred shares by Banco Votorantim (“Issuance”) for R\$ 1,200 million, as detailed in the table below. As previously described, prior to the conclusion of the Transaction a dividend distribution of R\$ 750 million will go to VF, reducing shareholders’ equity before the conclusion of the Transaction to R\$5,671 million.

Detailed Transaction Scheme

| | Quantity (million) | | | Disburse Amount (R\$ million) | | | BB Stake (%) | |
|---|--------------------|---------|----------|-------------------------------|-------|-------|---------------|---------------|
| | ON | PN | TOTAL | ON | PN | TOTAL | ON | PN |
| Acquisition of shares of Banco Votorantim owned by VF | 33,356.8 | 0.0 | 33,356.8 | 3,000 | 0 | 3,000 | 49.9999999925 | 0.00 |
| Capital Increase at Banco Votorantim | 0.0 | 7,412.6 | 7,412.6 | 0 | 1,200 | 1,200 | 0.00 | 50.0000000337 |
| TOTAL | 33,356.8 | 7,412.6 | 40,769.4 | 3,000 | 1,200 | 4,200 | 50.00 | |

The value of the Transaction, consistent with Banco do Brasil current market capitalization, was achieved according to a financial analysis by independent consultants hired by Banco do Brasil, which considered that, among other methodologies, future profitability perspectives and Banco Votorantim discounted cash flows, correctly adjusted by current economic environment. The Acquisition price shall be reduced due to eventual contingencies related to the period prior to the conclusion of the Transaction.

The independent consultants hired by BB were Banco UBS Pactual S.A. (financial advisor), Velloza, Giroto e Lindenbojm Advogados Associados (due diligence and legal advisor of the financial advisor), França e Nunes Pereira Advogados (legal advisory) and Banco Fator S.A. (fairness opinion). The independent consultants hired by VF were The Boston Consulting Group (strategic advisory) and Machado, Meyer, Sendacz e Opice – Advogados (legal advisory).

The purpose of the Transaction

The proposed partnership has a strong business rationality and focus on the long term growth, joining together two Brazilian financial institutions with historical importance, combining two major forces, two business models and two complementary strategies, as described below:

- From BB standpoint, the Transaction comprises its effort to further strength its positioning in the vehicle financing market, in which Banco Votorantim has a recognized specialization and strong historical growth, and that will benefit from synergies and complementarities with BB solid funding structure. Nonetheless, the strategic stake at Banco Votorantim will further strength BB positioning in other segments as corporate banking and capital markets.
- From VF and Banco Votorantim standpoint, the Transaction reinforces and accelerates Banco Votorantim's growth history, leveraging its origination and distribution capacity not only in the consumer finance market, as well as in all segments that Banco Votorantim operates. The partnership will generate strong value for the financial business, which is a core segment for Grupo Votorantim.

Banco Votorantim

Banco Votorantim, which is the seventh largest bank in terms of assets in the Brazilian Financial Industry, acts in a diversified manner in markets such as consumer finance, corporate banking, capital markets, brokerage, treasury, international business and asset management. Headquartered in São Paulo, it has branches in major capitals of the country, as well as a representative office in London and a brokerage house in New York. The table below shows major figures from the institution:

Banco Votorantim S.A. (Conglomerate) - Major Figures - R\$ million

| | Sep/07 | Sep/08 | Change (%) |
|-------------------------|--------|--------|------------|
| Assets | 64,837 | 81,872 | 26.27% |
| Loan Portfolio | 23,622 | 38,222 | 61.81% |
| Individuals | 14,562 | 21,697 | 49.00% |
| Corporations | 9,060 | 16,525 | 82.40% |
| Deposits | 16,255 | 23,424 | 44.10% |
| Shareholders' Equity | 5,802 | 6,421 | 10.67% |
| Assets Under Management | 20,297 | 18,763 | -7.56% |
| Net Income (9 months) | 787 | 773 | -1.78% |
| Basel Index - % | 13.98 | 13.58 | |

Banco Votorantim is a relevant part of Grupo Votorantim portfolio of assets, a Brazilian conglomerate with more than 90 years of history, up to 50 thousand employees and operations in 12 countries. Grupo Votorantim is one of the largest Brazilian conglomerates which operates, besides the financial industry, in cement, mining and steel, pulp and paper, orange juice, chemicals specialties, self-generation of energy and new business segments. In 2007, the total revenues of the group and its EBITDA were of R\$ 30.4 billion and R\$ 8.4 billion, respectively.

Accounting effects to BB

After the Transaction conclusion, the consolidated balance sheet of BB will reflect Banco Votorantim and its subsidiaries financials in the exact proportion of BB stake in the total capital of the owned company. Considering the financials from the nine months of 2008 (01/01/2008 to 09/30/2008), the partnership will result in the following:

| R\$ billion | BB 1 | Votorantim | Combination 2 |
|----------------|-------|------------|---------------|
| Assets | 512.4 | 81.9 | 553.3 |
| Loan Portfolio | 213.7 | 38.2 | 232.8 |
| Deposits | 264.0 | 23.4 | 275.7 |

1. Considering the acquisition of Banco Nossa Caixa

2. Pro-forma combination of BB and its 50% stake at Banco Votorantim

Necessary Approvals

The Transaction conclusion is subject to the approval of the Brazilian Central Bank and other authorities, events that, once occurred, will be announced to the market.

Brasília, January 09th, 2009

BANCO DO BRASIL S.A.

VOTORANTIM FINANÇAS S.A.

Aldo Luiz Mendes

Milton Roberto Pereira

CFO - Capital Markets and Investors Relations

Investors Relations Director