

3Q09 Earnings Release

Anis Chacur Neto
Deputy CEO

Sérgio Lulia Jacob
Director Vice-President & IRO

Alexandre Sinzato, CFA
IR Superintendent

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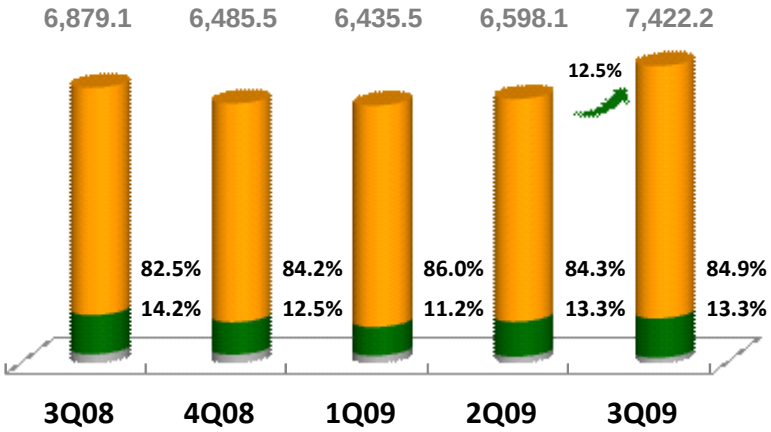
Highlights

- The **Credit Portfolio*** reached BRL 7,422.2 million, an increase of 12.5% over 2Q09 (BRL 6,598.1 million).
- **Credit Portfolio quality** improved during the quarter. The NPL ratio over 90 days fell to 0.6% of the loan book, a change of -30bps compared to 2Q09.
- In 3Q09, the **total of clients** increased by 9.4% compared to the previous quarter (1,096 clients in 3Q09 versus 1,002 clients in 2Q09).
- **Net Income** in 3Q09 totaled BRL 38.1 million, an increase of 7.7% compared to 2Q09 net income of BRL 35.4 million. The total gross value of BRL 16.4 million was paid to shareholders as Interest on Equity referring to 3Q09.
- The **Return On Average Equity** (ROAE) reached 13.0% p.a. in 3Q09 compared to 12.0% p.a. in 2Q09.

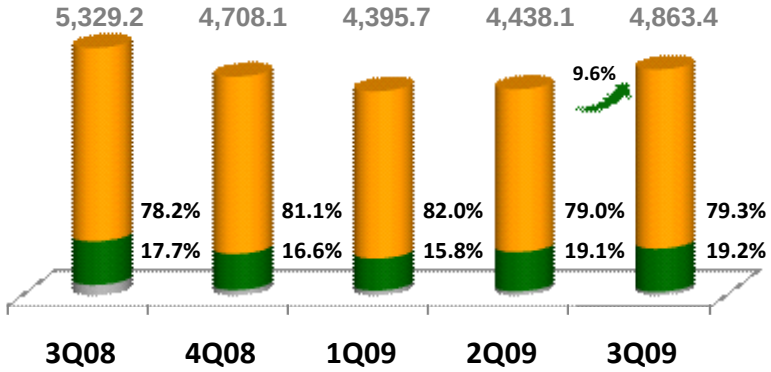
** including guarantees issued.*

Credit Portfolio

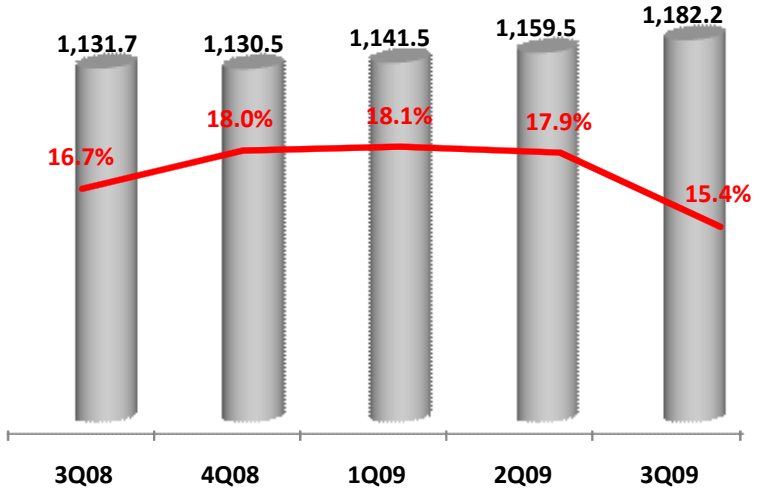
CREDIT PORTFOLIO (BRL million)
Including guarantees issued



LOANS (BRL million)



SHAREHOLDERS' EQUITY (BRL million) AND BASEL INDEX



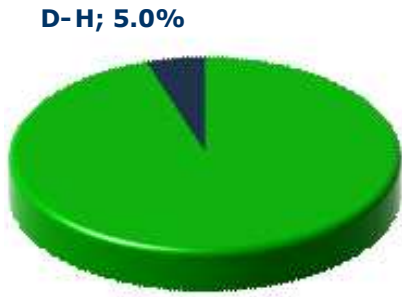
- Wholesale + Large Middle
- Middle Market
- Other

Credit Portfolio Quality

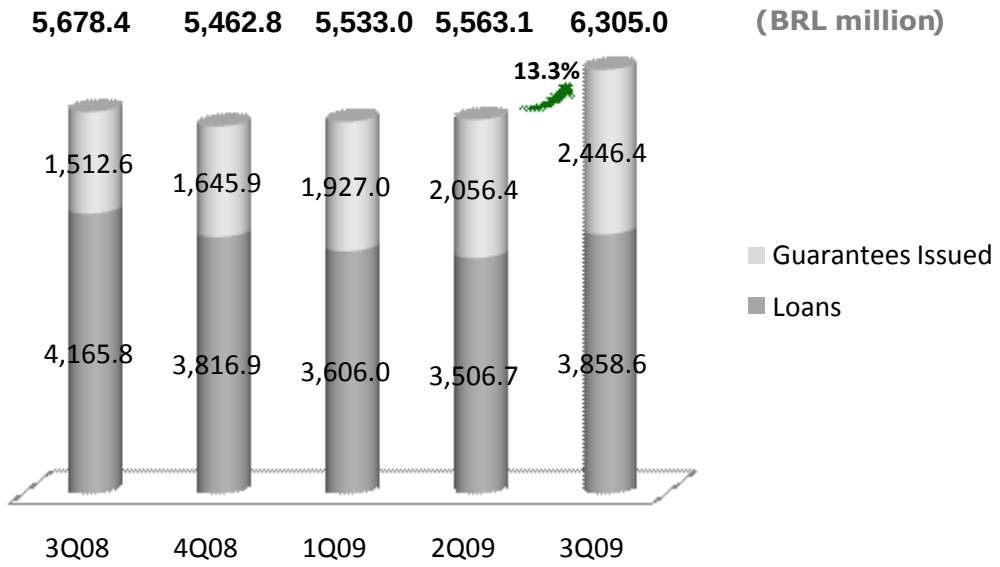
	1	2	3	4	5	6	7
Segments	**Loan Portfolio (BRL million)***	**Write Off (BRL million)**	**Write Off / Loan Portfolio**	**LLP (BRL million)**	**LLP / Loan Portfolio**	**Past Due > 90 days (BRL million)**	**Past Due > 90 days / Loan Portfolio**
Wholesale+L.Middle	3,858.6	(5.7)	-0.1%	83.5	2.2%	20.3	0.5%
Middle Market	932.5	(6.5)	-0.7%	40.9	4.4%	9.7	1.0%
Other	72.3	(1.4)	-1.9%	4.0	5.5%	1.5	2.1%
Total - 3Q09	**4,863.4**	**(13.6)**	**-0.3%**	**128.4**	**2.6%**	**31.5**	**0.6%**
Total - 2Q09	4,438.1	7.7	0.2%	132.4	3.0%	42.1	0.9%
Total - 1Q09	4,395.7	6.9	0.2%	123.4	2.8%	51.9	1.2%
Total - 4Q08	4,708.1	2.0	0.0%	105.2	2.2%	30.3	0.6%
Total - 3Q08	5,329.2	2.8	0.1%	56.2	1.1%	18.3	0.3%

Loan Portfolio Rating (BRL million)	**3Q09**	**% Portfolio**	**2Q09**	**% Portfolio**	**3Q08**	**% Portfolio**
AA	595.1	12.2	640.7	14.4	916.3	17.2
A	1,650.9	33.9	1,368.0	30.8	2,393.7	44.9
B	1,786.2	36.7	1,580.6	35.6	1,729.4	32.5
C	586.9	12.1	576.9	13.0	255.3	4.8
D	155.3	3.2	187.4	4.2	8.7	0.2
E	34.2	0.7	21.7	0.5	3.4	0.1
F	19.2	0.4	34.5	0.8	10.8	0.2
G	1.8	0.0	3.5	0.1	2.1	0.0
H	33.8	0.7	24.8	0.6	9.6	0.2
Total	**4,863.4**	**100.0**	**4,438.2**	**100.0**	**5,329.3**	**100.0**

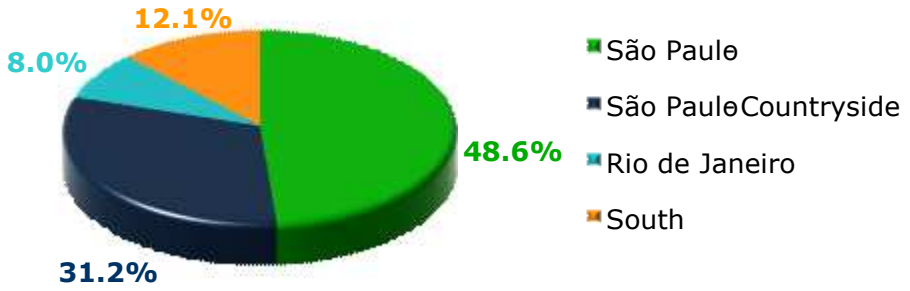
Sep 09



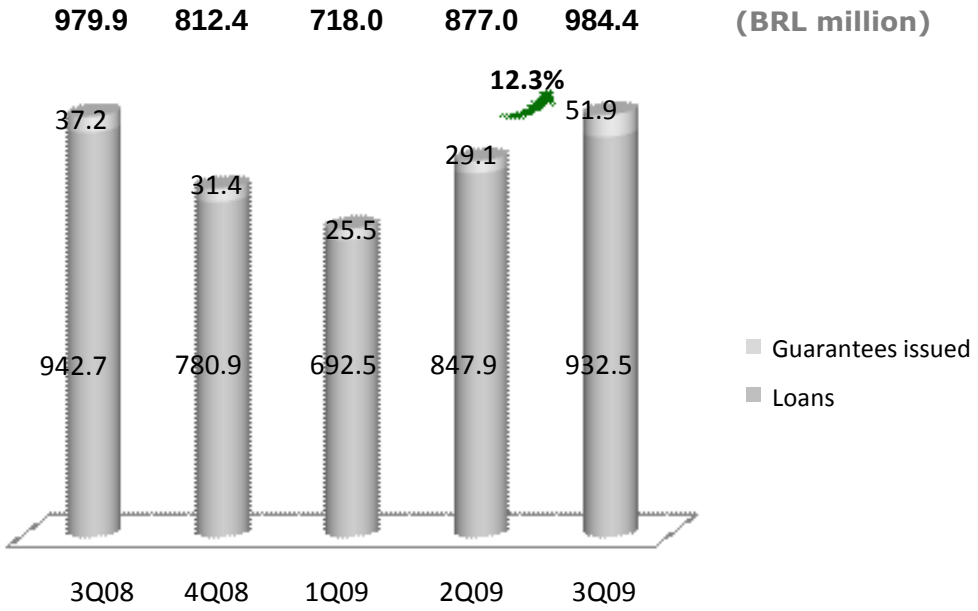
Wholesale & Large Middle



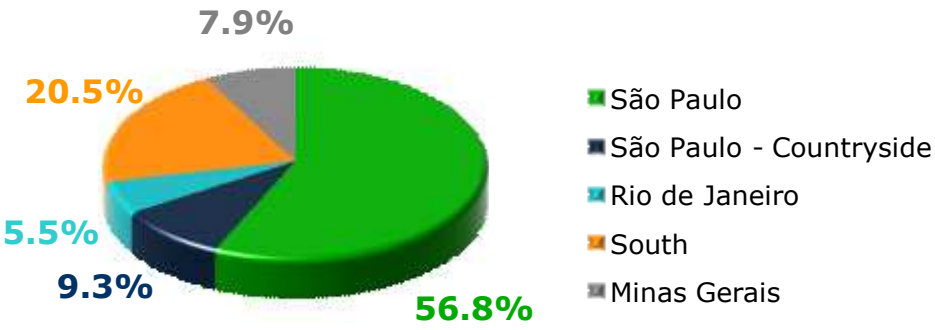
Wholesale + L. Middle	3Q08	2Q09	3Q09
Average Ticket (BRL million)	10.7	10.9	11.5
Duration (days)	340	316	322
Groups	529	509	549



Middle Market



Middle Market	3Q08	2Q09	3Q09
Average Ticket (BRL million)	2.4	1.8	1.8
Duration (days)	193	206	241
Groups	409	493	547



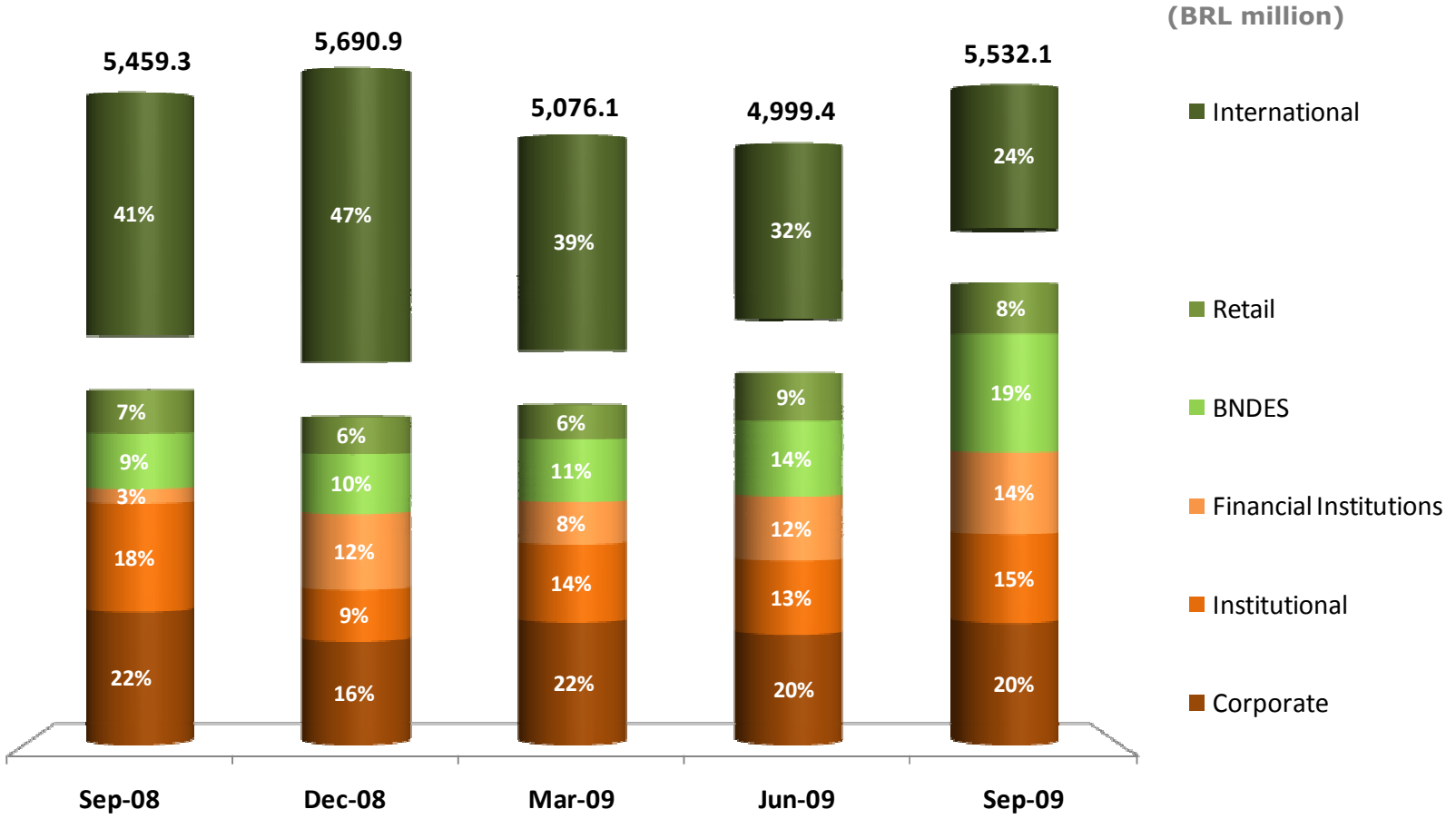
Other Activities

TREASURY AND CAPITAL MARKETS

Treasury (BRL million)	3Q09	2Q09	3Q08
Revenues	7.8	8.9	4.5
Consolidated Average VaR	4.9	4.1	4.3

Capital Markets (BRL million)	3Q09	2Q09	3Q08
Underwriting Fees and Structured Operations	-	0.5	2.3
Number of deals	1	2	5

Funding


(BRL million)
5,459.3
5,690.9
5,076.1
4,999.4
5,532.1
41%
47%
39%
32%
24%
7%
9%
3%
18%
22%
6%
10%
12%
9%
16%
6%
11%
8%
14%
22%
9%
14%
12%
13%
20%
8%
19%
14%
15%
20%
Sep-08
Dec-08
Mar-09
Jun-09
Sep-09
International
Retail
BNDES
Financial Institutions
Institutional
Corporate

Managerial Income Statement

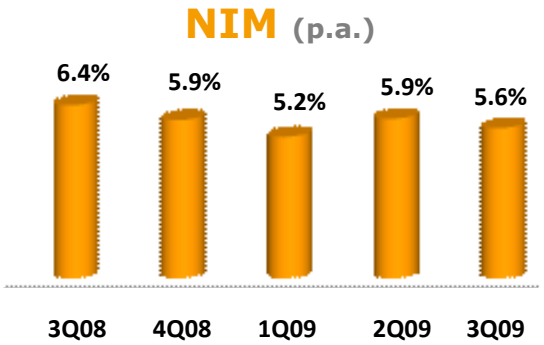
Managerial Income Statement (R$ MM)	3Q09	2Q09	Chg.(%)	3Q08	Chg.(%)	Sept 09 YTD	Sept 08 YTD	Chg.(%)
Net Interest Margin before Loan-Loss Provisions (LLP)	104.6	118.5		81.4		311.8	272.5	
Exchange Gain/Losses effect - Cayman - **A**	(7.3)	(16.1)		16.6		(24.4)	8.6	
Fiscal benefit from exchange effect - Cayman + Gov. Sec. - Abroad - **B**	(3.4)	(8.0)		6.6		(10.2)	6.6	
Net Interest Margin before LLP	**93.8**	**94.5**	**(0.8)**	**104.5**	**(10.3)**	**277.2**	**287.6**	**(3.6)**
Credit Operations	86.0	85.7	0.3	100.1	(14.1)	260.4	261.4	(0.4)
Treasury	7.8	8.9		4.5		16.9	26.2	
LLP	**(8.6)**	**(14.9)**	**(42.2)**	**(11.3)**	**(24.0)**	**(49.0)**	**(25.7)**	**90.6**
LLP (Brazilian Central Bank resolution nº 2,682)	(17.0)	(10.3)		(11.3)	50.4	(52.4)	(25.7)	103.7
Additional LLP	8.4	(4.5)		-	-	3.4	-	-
Net Interest Income after LLP	**85.2**	**79.7**	**7.0**	**93.2**	**(8.6)**	**228.2**	**261.9**	**(12.9)**
Banking services fees	16.1	13.4	19.9	12.1	33.5	39.9	32.0	24.7
Personnel Expenses/Other Administrative/Tax	(34.2)	(31.2)	9.5	(30.7)	11.3	(98.9)	(82.9)	19.2
Other operating income/expenses	(4.7)	(6.3)	(24.4)	(4.9)	(2.2)	(14.4)	(13.6)	5.9
Other operating income/expenses	(12.1)	(22.3)		11.7		(38.8)	(5.1)	
Exchange Gain/Losses effect - Cayman - **A**	7.3	16.1		(16.6)		24.4	(8.6)	
Non Operating Income	(0.2)	(1.0)		1.2		(3.0)	1.2	
Earnings before Income tax	**62.2**	**54.6**	**13.9**	**71.0**	**(12.4)**	**151.7**	**198.5**	**(23.5)**
Taxes	(15.7)	(17.9)		(6.0)		(36.0)	(29.6)	
Fiscal benefit from exchange effect - Cayman + Gov. Sec. - Abroad - **B**	3.4	8.0		(6.6)		10.2	(6.6)	
Profit Sharing	(11.8)	(9.2)	27.8	(14.0)	(15.4)	(28.6)	(40.3)	(29.2)
Net Income	**38.1**	**35.4**	**7.7**	**44.4**	**(14.2)**	**97.5**	**121.9**	**(20.1)**

Revenues

MANAGERIAL NET INTEREST INCOME

NII (BRL million)	3Q09	2Q09	Chg.(%)	3Q08	Chg.(%)
Credit Operations	86.0	85.7	0.3	100.1	(14.1)
Treasury*	7.8	8.9	(11.4)	4.5	76.1
Net Interest Income before Loan-Loss Provisions (LLP)	93.8	94.5	(0.8)	104.5	(10.3)
LLP	(8.6)	(14.9)	(42.2)	(11.3)	(24.0)
LLP (Brazilian Central Bank resolution nº 2,682)	(17.0)	(10.3)	64.5	(11.3)	50.4
Additional LLP	8.4	(4.5)	(285.5)	-	-
Net Interest Income	**85.2**	**79.7**	**7.0**	**93.2**	**(8.6)**

** Treasury result with managerial adjustments*



INCOME FROM SERVICES RENDERED

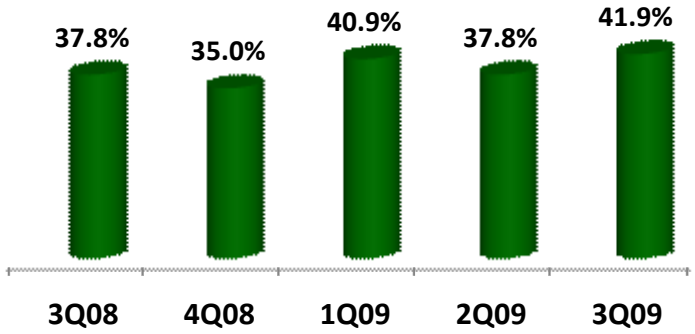
Income from services rendered (BRL million)	3Q09	2Q09	Chg.(%)	3Q08	Chg.(%)	Sept 09 YTD	Sept 08 YTD	Chg.(%)
Guarantees issued	12.4	9.9	25.0	5.7	116.8	29.6	15.4	92.5
Underwriting Fees and Structured Operations	-	0.2		2.3		0.5	3.6	
Banking Fees	3.7	3.3	11.8	4.1	(8.3)	9.7	13.0	(25.4)
Fee Income - Total	**16.1**	**13.4**	**19.9**	**12.1**	**33.5**	**39.9**	**32.0**	**24.7**

Expenses

PERSONNEL, ADMINISTRATIVE AND PROFIT-SHARING EXPENSES

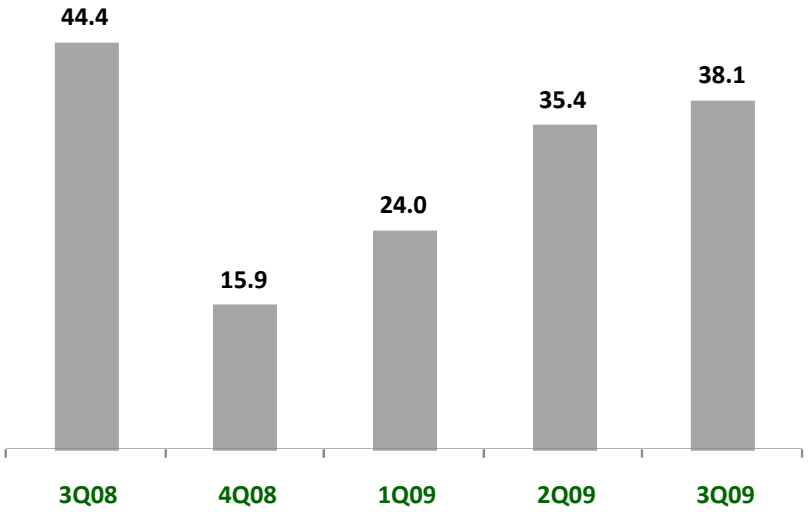
Expenses (BRL million)	3Q09	2Q09	Chg.(%)	3Q08	Chg.(%)	Sept 09 YTD	Sept 08 YTD	Chg.(%)
Personnel	(19.5)	(17.5)	11.7	(17.6)	11.0	(57.7)	(47.8)	20.6
Other administrative expenses	(14.1)	(13.2)	6.7	(12.3)	14.3	(39.6)	(32.9)	20.4
Profit Sharing	(11.8)	(9.2)	27.8	(14.0)	(15.4)	(28.6)	(40.3)	(29.2)
Taxes	(0.6)	(0.5)	6.6	(0.8)	(26.9)	(1.7)	(2.3)	(26.8)
Total	**(46.0)**	**(40.4)**	**13.7**	**(44.7)**	**3.0**	**(127.4)**	**(123.3)**	**3.4**

EFFICIENCY RATIO
(including profit sharing)

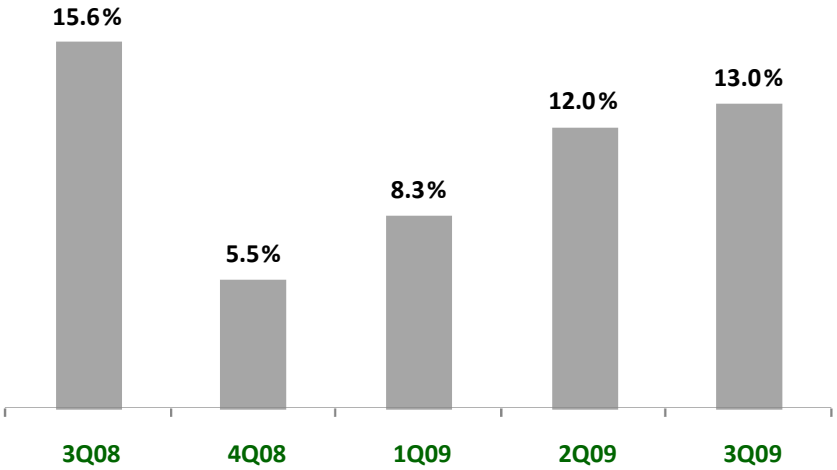


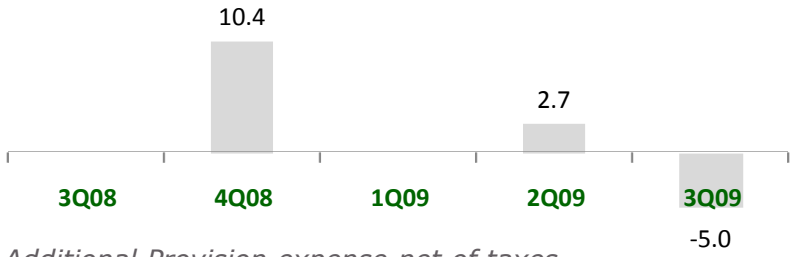
Profitability

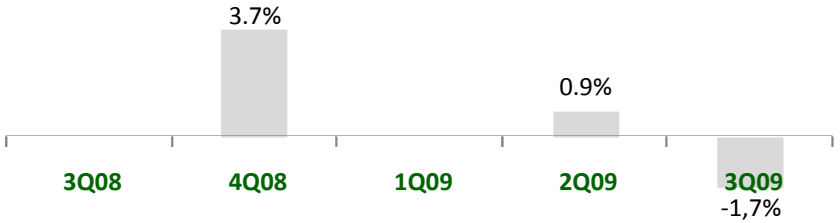
NET INCOME
BRL million



ROAE
(p.a.)







Additional Provision expense net of taxes
(above the minimum required by Brazilian Central Bank resolution nº 2,682)

Contatcs

Investor Relations

Sérgio Lulia Jacob
Director Vice-President & IRO

Alexandre Sinzato, CFA
IR Superintendent

Web Site: www.abcbrasil.com.br/ir
Email: ri@abcbrasil.com.br
Phone: +55 (11) 3170-2186