

BANCO CENTRAL DO BRASIL
BALANCE SHEET - AS AT OCTOBER 31, 2006
(In thousands of Reais)

ASSETS		LIABILITIES	
ASSETS IN FOREIGN CURRENCIES	<u>183,042,036</u>	LIABILITIES IN FOREIGN CURRENCIES	<u>15,098,438</u>
Cash and Cash equivalents	12,338,845	Items in the Course of Collection	3,037,333
Financial Assets Purchased Under Agreements to Resell	623,501	Financial Assets Sold Under Agreements to Repurchase	623,490
Time Deposits placed with Financial Institutions	26,308,079	Deposits Received from Financial Institutions	579
Gold	1,397,317	Derivatives	25,597
Derivatives	21,455	Loans Payable	1,481,963
Debt Securities	132,463,518	Deposits Received from International Financial Organizations	9,826,613
Credits Receivable	182,546	Other	102,863
Investments in International Financial Organizations	9,706,775	LIABILITIES IN LOCAL CURRENCIES	<u>424,375,706</u>
ASSETS IN LOCAL CURRENCIES	<u>336,927,955</u>	Items in the Course of Collection	3,350,924
Financial Assets Purchased Under Agreements to Resell	1,314,597	Financial Assets Sold Under Agreements to Repurchase	104,950,733
Deposits	608,243	Deposits Received from Financial Institutions	107,414,622
Derivatives	125,504	Derivatives	76,662
Debt Securities Issued by the Federal Government	299,128,298	Debt Securities in Issue	2,772,702
Receivables from the Federal Government	13,415,239	Payables to the Federal Government	202,510,233
Credits Receivable	21,451,162	Actuarial Liabilities	1,160,976
Property, Plant and Equipment	786,084	Provisions	1,527,623
Other	98,828	Accounts Payable	586,768
		Other	24,463
		CURRENCY IN CIRCULATION	<u>71,119,021</u>
		EQUITY	<u>11,626,377</u>
		Income Reserve	4,662,369
		Revaluation Reserve	488,707
		Gains/Losses Recognized Directly in Equity	1,992,928
		Net IFRS Transition Adjustments	1,906,017
		Retained Earnings	2,576,356
		INCOME ACCOUNTS	<u>(2,249,551)</u>
		Creditor	25,222,677
		(Debtor)	(27,472,228)
TOTAL	<u>519,969,991</u>	TOTAL	<u>519,969,991</u>

(In thousands of Reais)

INCOME STATEMENT - PERIOD FROM JULY TO OCTOBER 2006

FOREIGN CURRENCY OPERATIONS	<u>1,609,056</u>
Interest income	2,347,716
Interest expenses	(36,596)
(=) Net interest income	2,311,120
Gains/losses on financial assets classified as "At fair value through profit or loss"	947,914
Foreign exchange gains/losses	(1,649,978)
LOCAL CURRENCY OPERATIONS	<u>(3,358,092)</u>
Interest income	15,118,767
Interest expenses	(16,096,781)
(=) Net interest income	(978,014)
Gains/losses on financial assets classified as "At fair value through profit or loss"	(1,792,839)
Net investment income/loss	(458,899)
Gains/Losses with foreign currency-linked operations	(128,340)
NET PROVISIONS	(737)
OTHER INCOME	345,022
OTHER EXPENSES	(844,800)
NET INCOME/LOSS	<u>(2,249,551)</u>

Governor of the Banco Central do Brasil: Henrique de Campos Meirelles

Board of Directors: Afonso Sant'Anna Bevilaqua, Alexandre Antonio Tombini, Antonio Gustavo Matos do Vale,
João Antônio Fleury Teixeira, Mário Magalhães Carvalho Mesquita, Paulo Sérgio Cavalheiro,
Paulo Vieira da Cunha, Rodrigo Telles da Rocha Azevedo.

Head of the Accounting and Financial Department: Jefferson Moreira

Accountant, CRC-DF 7.333