

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

ASSETS		LIABILITIES	
ASSETS IN FOREIGN CURRENCIES	<u>172,218,660</u>	LIABILITIES IN FOREIGN CURRENCIES	<u>27,146,997</u>
Cash and Cash equivalents	18,876,790	Items in the Course of Collection	14,578,741
Financial Assets Purchased Under Agreements to Resell	796,451	Financial Assets Sold Under Agreements to Repurchase	796,442
Time Deposits placed with Financial Institutions	37,165,149	Deposits Received from Financial Institutions	587
Gold	1,486,498	Derivatives	1,284
Derivatives	307	Loans Payable	1,668,910
Debt Securities	104,010,828	Deposits Received from International Financial Organizations	10,016,894
Investments in International Financial Organizations	9,882,628	Accounts Payable	17,265
Other	9	Other	66,874
ASSETS IN LOCAL CURRENCIES	<u>330,349,728</u>	LIABILITIES IN LOCAL CURRENCIES	<u>395,974,445</u>
Financial Assets Purchased Under Agreements to Resell	1,198,970	Items in the Course of Collection	1,486,858
Deposits	604,709	Financial Assets Sold Under Agreements to Repurchase	113,075,159
Derivatives	258,730	Deposits Received from Financial Institutions	105,381,592
Debt Securities Issued by the Federal Government	293,226,664	Derivatives	28,134
Receivables from the Federal Government	12,985,238	Debt Securities in Issue	6,389,463
Credits Receivable	21,184,809	Payables to the Federal Government	166,633,661
Property, Plant and Equipment	790,279	Actuarial Liabilities	1,136,817
Other	100,329	Provisions	1,249,116
		Accounts Payable	568,819
		Other	24,826
		CURRENCY IN CIRCULATION	<u>65,769,979</u>
		EQUITY	<u>13,143,675</u>
		Income Reserve	4,662,369
		Revaluation Reserve	488,707
		Gains/Losses Recognized Directly in Equity	3,510,226
		Net IFRS Transition Adjustments	1,906,017
		Retained Earnings	2,576,356
		INCOME ACCOUNTS	<u>533,292</u>
		Creditor	6,360,436
		(Debtor)	(5,827,144)
TOTAL	<u>502,568,388</u>	TOTAL	<u>502,568,388</u>

INCOME STATEMENT - PERIOD JULY 2006
(In thousands of Reais)

FOREIGN CURRENCY OPERATIONS	<u>1,472,975</u>
Interest income	547,010
Interest expenses	3,879
(=) Net interest income	550,889
Gains/losses on financial assets classified as "At fair value through profit or loss"	372,701
Foreign exchange gains/losses	549,385
LOCAL CURRENCY OPERATIONS	<u>(909,255)</u>
Interest income	3,604,289
Interest expenses	(3,794,180)
(=) Net interest income	(189,891)
Gains/losses on financial assets classified as "At fair value through profit or loss"	(206,907)
Net investment income/loss	(577,769)
Gains/Losses with foreign currency-linked operations	65,312
NET PROVISIONS	(101)
OTHER INCOME	131,317
OTHER EXPENSES	(161,644)
NET INCOME/LOSS	<u>533,292</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 Department of Financial Administration: Jefferson Moreira
Accountant, CRC-DF 7,333