

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

ASSETS		LIABILITIES	
ASSETS IN FOREIGN CURRENCIES	<u>169,122,017</u>	LIABILITIES IN FOREIGN CURRENCIES	<u>17,860,991</u>
Cash and Cash equivalents	6,440,885	Items in the Course of Collection	3,454,189
Financial Assets Purchased Under Agreements to Resell	2,840,102	Financial Assets Sold Under Agreements to Repurchase	2,839,923
Time Deposits placed with Financial Institutions	22,522,310	Deposits Received from Financial Institutions	577
Gold	1,546,862	Derivatives	2,813
Derivatives	4,792	Loans Payable	1,639,457
Debt Securities	125,893,243	Deposits Received from International Financial Organizations	9,857,102
Credits Receivable	130,552	Other	66,930
Investments in International Financial Organizations	9,743,262	LIABILITIES IN LOCAL CURRENCIES	<u>402,428,760</u>
Other	9	Items in the Course of Collection	3,631,061
ASSETS IN LOCAL CURRENCIES	<u>324,990,011</u>	Financial Assets Sold Under Agreements to Repurchase	94,772,812
Deposits	606,183	Deposits Received from Financial Institutions	110,411,807
Derivatives	338,988	Derivatives	1,317
Debt Securities Issued by the Federal Government	288,979,817	Debt Securities in Issue	6,340,231
Receivables from the Federal Government	13,132,054	Payables to the Federal Government	184,056,065
Credits Receivable	21,043,473	Actuarial Liabilities	1,144,720
Property, Plant and Equipment	791,405	Provisions	1,471,434
Other	98,091	Accounts Payable	574,608
		Other	24,705
		CURRENCY IN CIRCULATION	<u>66,384,249</u>
		EQUITY	<u>10,065,096</u>
		Income Reserve	4,662,369
		Revaluation Reserve	488,707
		Gains/Losses Recognized Directly in Equity	431,647
		Net IFRS Transition Adjustments	1,906,017
		Retained Earnings	2,576,356
		INCOME ACCOUNTS	<u>(2,627,068)</u>
		Creditor	12,260,527
		(Debtor)	(14,887,595)
TOTAL	<u>494,112,028</u>	TOTAL	<u>494,112,028</u>

(In thousands of Reais)

INCOME STATEMENT - PERIOD FROM JULY TO AUGUST 2006

FOREIGN CURRENCY OPERATIONS	<u>36,751</u>
Interest income	1,135,222
Interest expenses	(11,470)
(=) Net interest income	1,123,752
Gains/losses on financial assets classified as "At fair value through profit or loss"	763,648
Foreign exchange gains/losses	(1,850,649)
LOCAL CURRENCY OPERATIONS	<u>(2,361,185)</u>
Interest income	7,530,044
Interest expenses	(8,032,127)
(=) Net interest income	(502,083)
Gains/losses on financial assets classified as "At fair value through profit or loss"	(1,217,791)
Net investment income/loss	(509,440)
Gains/Losses with foreign currency-linked operations	(131,871)
NET PROVISIONS	218
OTHER INCOME	204,842
OTHER EXPENSES	(507,694)
NET INCOME/LOSS	<u>(2,627,068)</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