

ASSETS		LIABILITIES AND EQUITY	
ASSETS IN FOREIGN CURRENCIES	<u>1,512,638,166</u>	LIABILITIES IN FOREIGN CURRENCIES	<u>56,292,556</u>
Cash and Cash Equivalents	42,860,827	Items in the Course of Collection	9,220,592
Time Deposits Placed with Financial Institutions	68,351,126	Deposits Received from Financial Institutions	2,825
Funds Under External Management	24,719,100	Financial Assets Sold Under Repurchase Agreements	9,029,577
Financial Assets Purchased Under Resale Agreements	47,612,508	Derivatives	28,006
Derivatives	931	Accounts Payable	16,100,557
Securities	1,290,753,059	Deposits Received from International Financial Organizations	21,904,062
Receivables	4,934,589	Other	6,937
Gold	9,565,235		
Investment in International Financial Organizations	23,840,791		
ASSETS IN LOCAL CURRENCY	<u>1,318,394,208</u>	LIABILITIES IN LOCAL CURRENCY	<u>2,439,940,919</u>
Cash and Cash Equivalents	2,063,543	Items in the Course of Collection	23,636
Deposits	1,722,942	Deposits Received from Financial Institutions	357,900,229
Derivatives	81,434,890	Financial Assets Sold Under Repurchase Agreements	892,380,061
Federal Government Securities	1,205,766,825	Derivatives	239,537,182
Receivables from the Federal Government	124	Payables to the Federal Government	917,988,917
Receivables	24,881,416	Accounts Payable	1,059,621
Property and Equipment	838,213	Deposits Received from International Financial Organizations	17,943
Other	1,686,255	Provisions	30,975,969
		Other	57,361
		CURRENCY IN CIRCULATION	<u>196,014,794</u>
		EQUITY	<u>101,215,614</u>
		Capital	99,675,451
		Revenue Reserve	6,624,205
		Revaluation Reserve	431,529
		Gains (Losses) Recognized Directly in Equity	(5,515,571)
		INCOME ACCOUNTS	<u>37,568,491</u>
		Creditor	461,161,112
		(Debtor)	(423,592,621)
TOTAL ASSETS	<u>2,831,032,374</u>	TOTAL LIABILITIES AND EQUITY	<u>2,831,032,374</u>

BANCO CENTRAL DO BRASIL
INCOME STATEMENT - PERIOD FROM JULY TO SEPTEMBER 2015
In thousands of Reais

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Interest income	34,188,550
Interest expenses	<u>(64,488,671)</u>
Net interest result	(30,300,121)
Gains (losses) on financial instruments classified as At fair value through profit or loss, held for trading	50,779,349
Gains (losses) on financial instruments classified as At fair value through profit or loss, by designation of the management	(758,978)
Gains (losses) from foreign currencies	16,121,475
Gains (losses) from monetary gold	1,675,571
Other income	749,247
Other expenses	(698,052)
NET INCOME FOR THE PERIOD	<u>37,568,491</u>



EXPLANATORY NOTE TO THE FINANCIAL STATEMENTS – September 30, 2015

FISCAL RESPONSIBILITY LAW – MANDATORY SUPPLEMENTARY INFORMATION

a) Impact and fiscal cost of operations – Fiscal Responsibility Law, paragraph 2 of Article 7

The sole paragraph of Article 8 of Law 4,595, of December 31, 1964, with the wording given by Decree Law 2,376, of November 25, 1987, establishes that “as from January 1st, 1988, the results obtained by Banco Central, considering the revenues and expenses related to all its operations, shall be determined on an accrual basis and transferred to the National Treasury, after offsetting any losses from prior fiscal years”.

This provision was partially amended by the Fiscal Responsibility Law (Complementary Law 101 of May 4, 2000):

“Article 7. The result of the Banco Central do Brasil, calculated after the recording or reversal of reserves, constitutes revenue of the National Treasury and will be transferred no later than the 10th working day subsequent to the approval of the semiannual balance sheets.

Paragraph 1. The negative result will constitute a liability of the Treasury owed to the Banco Central do Brasil and will be consigned in a specific budget allocation account.”

Pursuant to Clause II of Article 2 of Provisional Measure 2,179-36, of August 24, 2001, this negative result must be covered no later than the 10th working day of the year following the approval of the balance sheet by the National Monetary Council.

Accordingly:

- I - the result of the Banco Central do Brasil considers the revenues and expenses related to all its operations;
- II - the positive results are transferred as revenues to the National Treasury and the negative results are covered as expenses of the National Treasury;
- III - these results are included in the budget in the National Treasury account.

The Banco Central do Brasil presented a positive result of R\$37,568,491 thousand in the third quarter of 2015 and, together with the result to be determined in the fourth quarter, will compose the result of the second half of 2015, which will be transferred to or covered by the National Treasury. In conformity with paragraph 5 of Article 9 of the Fiscal Responsibility Law, within 90 days after the half-year end, the Banco Central do Brasil shall present, in a joint meeting of the pertinent thematic committees of the National Congress, an evaluation report on the fulfillment of the objectives and goals of the monetary, credit and foreign exchange policies, clearly showing the impact and the fiscal cost of its operations and the results presented in the balance sheets.

b) Cost of remunerating the deposits of the National Treasury – Fiscal Responsibility Law, paragraph 3 of Article 7

The cost corresponding to the remuneration of the deposits of the National Treasury amounted to R\$22,561,668 thousand in the third quarter of 2015.

c) Cost of maintaining the foreign exchange reserves – Fiscal Responsibility Law, paragraph 3 of Article 7

The cost of maintaining the foreign exchange reserves is calculated, on a daily basis, by the difference between the rate of profitability of the international reserves, including foreign exchange variation, and the average rate of funding calculated by the Banco Central do Brasil.



BANCO CENTRAL DO BRASIL

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At September 30, 2015, 91.14% of the reserve assets were composed of securities, as published in the International Reserves and Liquidity in Foreign Currencies table, available on the Banco Central do Brasil's website (www.bcb.gov.br).

In the third quarter of 2015, the international reserves presented a positive return of 24.42%, totaling 18.27% positive (R\$239,537,182 thousand) when taking into consideration the funding cost.

	International Reserves		Funding Cost (%)	Cost of Maintaining International Reserves	
	Average Balance (R\$ thousand)	Profitability (%)		(%)	(R\$ thousand)
3rd quarter/2015	1,311,439,538	24.42	(6.15)	18.27	239,537,182

It should be pointed out that the foreign exchange restatement presents a difference resulting from the translation of the amounts of the reserve assets into Reais, and it is not a realized result from a financial point of view. Therefore, after excluding this restatement, the international reserves presented in the third quarter of 2015 a positive return of 0.18%, which is composed by accrued interest (0.15%) and the positive mark-to-market adjustment of the assets (0.03%). After deducting the funding cost, the net result of the reserves in the third quarter of 2015 was negative by 5.97% (R\$78,267,583 thousand).

	International Reserves		Funding Cost (%)	Cost of Maintaining International Reserves	
	Average Balance (R\$ thousand)	Profitability, excluding foreign exchange variation (%)		(%)	(R\$ thousand)
3rd quarter/2015	1,311,439,538	0.18	(6.15)	(5.97)	(78,267,583)

d) Profitability of the securities portfolio – Fiscal Responsibility Law, paragraph 3 of Article 7

The profitability of the securities portfolio of the Banco Central do Brasil, composed exclusively of securities issued by the Federal Government, was R\$33,991,644 thousand in the third quarter of 2015.

Governor: Alexandre Antonio Tombini

Deputy governors: Aldo Luiz Mendes, Altamir Lopes, Anthero de Moraes Meirelles, Luiz Edson Feltrim, Otávio Ribeiro Damaso, Sidnei Corrêa Marques and Tony Volpon

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