BANCO CENTRAL DO BRASIL
BALANCE SHEET (as at September 30, 2009)
In thousands of Reais

ASSETS		LIABILITIES	
ASSETS IN FOREIGN CURRENCIES	**426,890,996**	**LIABILITIES IN FOREIGN CURRENCIES**	**34,730,289**
Cash and Cash Equivalents	18,648,578	Items in the Course of Collection	11,636,065
Time Deposits Placed with Financial Institutions	6,785,923	Deposits Received from Financial Institutions	480
Financial Assets Purchased Under Resell Agreement	7,389,214	Financial Assets Sold Under Repurchase Agreement	7,387,028
Derivatives	12,357	Derivatives	42,577
Debt Securities	378,717,612	Accounts Paybale	8,149,055
Credits Receivables	4,800,621	Deposit Received from International Financial Organizations	7,514,299
Gold	1,912,570	Other	785
Investments in International Financial Organizations	8,621,352		
Other	2,769		
ASSETS IN LOCAL CURRENCY	**680,596,772**	**LIABILITIES IN LOCAL CURRENCY**	**936,172,124**
Deposits	611,919	Items in the Course of Collection	110,280
Derivatives	38,230,776	Deposits Received from Financial Institutions	98,692,259
Debt Securities	532,746,273	Financial Assets Sold Under Repurchase Agreement	455,724,862
Receivables from the Federal Government	74,745,851	Payables to the Federal Government	367,047,873
Credits Receivables	30,541,832	Accounts Paybale	1,347,657
Property, Plant and Equipment	773,107	Deposit Received from International Financial Organizations	15
Other	2,947,014	Provision	13,220,792
		Other	28,386
		CURRENCY IN CIRCULATION	**110,167,848**
		NET EQUITY	**24,258,523**
		Capital	24,675,451
		Income Reserve	1,606,019
		Revaluation Reserve	469,583
		Gains (Losses) Recognized Directly in Equity	(2,492,530)
		INCOME ACCOUNTS	**2,158,984**
		Creditor	67,190,330
		(Debtor)	(65,031,346)
TOTAL	**1,107,487,768**	**TOTAL**	**1,107,487,768**

INCOME STATEMENT - PERIOD FROM JULY TO SEPTEMBER 2009

In Thousands of Reais **2**

Interest income	15,261,333
Interest expenses	(20,193,122)
(=) Net interest income	(4,931,789)
Gains (losses) on financial assets classified as "At fair value through profit or loss" - held for trading	8,327,944
Gains (losses) on financial assets classified as "At fair value through profit or loss" - designated by management	625,287
Gains (losses) on foreign exchange	(1,577,064)
Other income	405,193
Other expenses	(690,587)
NET INCOME (LOSS) RECOGNIZED IN ACCORDANCE WITH IFRSs	**2,158,984**

EXPLANATORY NOTE TO THE FINANCIAL STATEMENTS – September 30, 2009
(In thousands of Reais)

FISCAL RESPONSABILITY LAW – MANDATORY INFORMATION

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

The sole paragraph of Article 8 of Law 4,595/1964, as amended by Decree-Law 2,376/1987, stipulates that "the results obtained by Banco Central do Brasil, considering the revenues and expenses of all its operations, shall be, effective from January 1, 1988, 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:

"Article 7. The positive result of Banco Central, calculated after constitution or reversal of reserves, constitutes a revenue of the National Treasury and shall be transferred not later than the tenth business day subsequent to approval of the half-year balance sheets."

Paragraph 1: The negative results will constitute a Treasury liability owed to the Banco Central do Brasil and will be consigned to a specific budget allocation account."

In accordance with Item II of Article 2 of Provisional Measure 2,179-36, these negative results must be covered not later than the tenth business day of the fiscal year subsequent to the year of approval of the financial statements by the CMN.

Therefore:

I - The result of the Bank is comprised of revenues and expenses related to all of its operations;

II - Positive results are transferred as revenues to the National Treasury, and negative results are covered as expenses of the National Treasury;

III - Such results are included in the Fiscal Budget of the National Treasury account.

The Bank experienced a surplus of R$2,158,984 in the third quarter, that, with the result of the fourth quarter, will compose the result of the second half-year to be transferred to or covered by the National Treasury. In conformity with Article 9, Paragraph 5, of the Fiscal Responsibility Law, within ninety days after the end of the semester, the Bank shall present, in a joint meeting of the interested committees of the National Congress (among which the Economic Subjects Commission, the Finances and Taxation Commission, and the Public Budget Commission), an evaluation report on compliance with the objectives and targets of the monetary, credit and foreign exchange policies; and also demonstrating the impact and fiscal costs of its operations and the results depicted in its financial statements.

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

The cost corresponding to the remuneration of the National Treasury deposits amounted to R$9,028,133 in the third quarter of 2009.

c) Cost of maintaining foreign exchange reserves - Fiscal Responsibility Law, Article 7, Paragraph 3:

The cost of maintaining foreign exchange reserves is calculated as the difference between the yield on international reserves, including the exchange rate variation, and the average funding cost of the Bank.

On September 30, 2009, the debt securities represented 93% of total international reserves, as disclosed in the International Reserves and Liquidity in Foreign Currencies table, prepared in accordance with the Special Data Dissemination Standard – SDDS of the International Monetary Fund, available on the Bank's website (www.bcb.gov.br).

	International Reserves		Cost of funding	Cost of Maintaining International Reserves	
	Average Balance (R$ '000)	Profitability (%)	(%)	(%)	(R$ '000)
3rd quarter/2009	397,717,718	(7.95)	(1.65)	(9.61)	(38,214,228)

The international reserves had negative returns of 7,95% in the third quarter, already considering the appreciation of the Brazilian Real in relation to the main currencies that compounded the reserves in the period. Excluding the funding cost of the Bank, the net result of the international reserves was negative by 9,61% (R$38,214,228).

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

The profitability of the securities portfolio, which is composed exclusively by Brazilian sovereign debt securities, was R$12,567,391, in the third quarter of 2009.

Governor of the Banco Central do Brasil
Henrique de Campos Meirelles

Deputy Governors
Alexandre Antônio Tombini
Alvir Alberto Hoffmann
Anthero de Moraes Meirelles
Antônio Gustavo Matos do Vale
Maria Celina Berardinelli Arraes
Mário Gomes Torós
Mário Magalhães Carvalho Mesquita

Head of the Accounting and Financial Department
Jefferson Moreira – Accountant – CRC-DF 7.333