

<b>ASSETS</b>		<b>LIABILITIES AND EQUITY</b>	
<b>ASSETS IN FOREIGN CURRENCIES</b>	<b><u>866,958,938</u></b>	<b>LIABILITIES IN FOREIGN CURRENCIES</b>	<b><u>38,223,921</u></b>
Cash and Cash Equivalents	24,791,583	Items in the Course of Collection	15,257,514
Time Deposits Placed with Financial Institutions	38,465,149	Deposits Received from Financial Institutions	1,585
Funds Under External Management	14,482,045	Financial Assets Sold Under Repurchase Agreements	1,820,910
Financial Assets Purchased Under Resale Agreements	22,070,874	Derivatives	10,241
Derivatives	11,959	Accounts Payable	9,876,511
Securities	742,014,031	Deposits Received from International Financial Organizations	11,253,396
Receivables	4,088,404	Other	3,764
Gold	6,410,748		
Investment in International Financial Organizations	14,624,145		
<b>ASSETS IN LOCAL CURRENCY</b>	<b><u>981,898,727</u></b>	<b>LIABILITIES IN LOCAL CURRENCY</b>	<b><u>1,616,375,448</u></b>
Cash and Cash Equivalents	3,836,605	Items in the Course of Collection	27,409
Deposits	1,488,646	Deposits Received from Financial Institutions	360,467,767
Derivatives	3,125,465	Financial Assets Sold Under Repurchase Agreements	702,798,273
Federal Government Securities	924,125,773	Derivatives	4,461,930
Receivables from the Federal Government	10,707,019	Payables to the Federal Government	517,619,567
Receivables	36,898,747	Accounts Payable	999,903
Property and Equipment	778,678	Deposits Received from International Financial Organizations	5,461
Other	937,794	Provisions	29,964,280
		Other	30,858
		<b>CURRENCY IN CIRCULATION</b>	<b><u>175,857,887</u></b>
		<b>EQUITY</b>	<b><u>14,768,977</u></b>
		Capital	24,675,451
		Revenue Reserve	6,624,205
		Revaluation Reserve	444,441
		Gains (Losses) Recognized Directly in Equity	(16,975,120)
		<b>INCOME ACCOUNTS</b>	<b><u>3,631,432</u></b>
		Creditor	151,549,627
		(Debtor)	(147,918,195)
<b>TOTAL ASSETS</b>	<b><u>1,848,857,665</u></b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>1,848,857,665</u></b>

**INCOME STATEMENT - PERIOD FROM JULY TO SEPTEMBER 2013****In thousands of Reais****2**

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Interest income	21,926,412
Interest expenses	<u>(33,099,978)</u>
Net interest result	(11,173,566)
Gains (losses) on financial instruments classified as At fair value through profit or loss, held for trading	14,867,099
Gains (losses) on financial instruments classified as At fair value through profit or loss, by designation of the management	(239,337)
Gains (losses) from foreign currencies	(712,678)
Gains (losses) from monetary gold	568,683
Other income	1,226,169
Other expenses	(904,938)
<b>NET INCOME FOR THE PERIOD</b>	<b><u>3,631,432</u></b>

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**EXPLANATORY NOTE TO THE FINANCIAL STATEMENTS – September 30, 2013**

**FISCAL RESPONSIBILITY LAW - MANDATORY 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 1, 1988, the results obtained by the Banco Central do Brasil, considering the income and expenses of 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 formation 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 semi-annual balance sheets.*

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

Pursuant to Clause II of Article 2 of Provisional Measure 2179-36, 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 (CMN).

Accordingly:

- I) the result of Banco Central 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 Fiscal Budget in the National Treasury account.

The Banco Central presented a positive result of R\$ 3,631,532 thousand in the third quarter and together with the result to be determined in the fourth quarter, will compose the result of the second half of 2013, which will be transferred to or covered by the National Treasury. In compliance with paragraph 5 of Article 9 of the Fiscal Responsibility Law, within 90 days of the closing of the semester, the Banco Central must present in a joint meeting of the relevant 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.



## BANCO CENTRAL DO BRASIL

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

In the third quarter of 2013, the cost corresponding to the remuneration of the deposits of the National Treasury was R\$ 10,630,443 thousand.

### 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 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.

At September 30, 2013, 91.47% of the reserve assets were composed of securities, as published in the Press Release of the External Sector (table 49), available on the Banco Central's website ([www.bcb.gov.br](http://www.bcb.gov.br)).

In the third quarter of 2013, the international reserves hold positive return of 1.47%, totaling 0.14% negative (R\$1,218,845 thousand) after considering the Banco Central's funding cost.

	International Reserves		Cost of Funding (%)	Cost of Maintaining International Reserves	
	Average Balance (R\$ thousand)	Profitability (%)		(%)	(R\$ thousand)
3rd quarter/2013	853,337,796	1.47	(1.61)	(0.14)	(1,218,845)

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, in the third quarter of 2013, the international reserves presented a positive return of 0.35%, which is composed by accrued interest (0.21%) and the mark-to-market adjustment of the assets (0.14%). After deducting the funding costs, the net result of the reserves was negative by 1.26% (R\$ 10,768,436 thousand).

	International Reserves		Cost of Funding (%)	Cost of Maintaining International Reserves	
	Average Balance (R\$ thousand)	Profitability, excluding exchange restatement (%)		(%)	(R\$ thousand)
3rd quarter/2013	853,337,796	0.35	(1.61)	(1.26)	(10,768,436)



**d) Profitability of the securities portfolio, disclosing those issued by the Federal Government – Fiscal Responsibility Law, paragraph 3 of Article 7:**

The profitability of the Banco Central's securities portfolio, composed exclusively of securities issued by the Federal Government, was R\$ 21,542,807 thousand in the third quarter of 2013.

Governor: Alexandre Antonio Tombini

Deputy governors: Aldo Luiz Mendes, Altamir Lopes, Anthero de Moraes Meirelles, Carlos Hamilton Vasconcelos Araújo, Luiz Awazu Pereira da Silva, Luiz Edson Feltrim and Sidnei Corrêa Marques

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Accountant - CRC-DF 12.005/O-9