

Japan

ブラジル銀行

平成30年度ディスクロージャー誌

業務及び財産の状況に関する説明書 平成30年12月期

Banco do Brasil S.A.
Disclosure Report 2018



BANCO DO BRASIL

ブラジル銀行

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本説明書は、銀行法第21条ならびに銀行法施行規則第19条の2(業務及び財産の状況に関する説明書類の縦覧等)に基づき、在日支店ならびに当行全体の業務および財産の状況等について作成したものであり、同規則第19条の4に定める期限である平成31年3月31日までに営業所に備置します。

ブラジル銀行東京支店は、平成30年6月6日付で銀行法第49条第2項第3号の規定に基づいて、事業年度の変更を行いました。この変更により、当期末は平成30年12月31日となり、平成30年4月1日より9ヶ月間での決算となりました。

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This disclosure document was prepared under article 21 of the Banking Act and article 19-2 of the Ordinance for Enforcement of the Banking Act (Disclosure of Explanatory Documents on the Status of Business and Property for Public Inspection, etc.) and it represents the operational and financial situation of the Japan Branch as well as the whole bank. This document will be available to the public until the end of September 2018, as stipulated on article 19-4 of the same Ordinance.

"Fiscal period" changed to a fiscal calendar year in comply with Article 49, Paragraph 2, Item 3 of the Banking Law issued on June 6, 2018. As a result of this change, the reporting period was 9 months from April 1, 2018 to December 31, 2018.

ブラジル銀行在日支店は、ホールセール業務とリテール業務に従事しております。

リテール部門では、個人や中小企業のお客様向けに、当座預金、定期預金、また送金などの商品・サービスを提供しております。ホールセール部門では、日本国内向け貸付業務やブラジル関連の貿易金融取引を行っており、またブラジル銀行のアジアにおけるリクイディティー・センターとしての役割も担っております。

ブラジル銀行組織内で在日支店の位置づけとして、主に輸入貿易貸付を担当していることにより、ホールセール部門のビジネスはブラジルのマクロ経済状況の影響を受ける傾向があります。このため、近年のブラジルの経済不況が終了するとの見通しにより在日支店の資産残高などの状況は徐々に良い環境になると予想しております。

今後数年間、ブラジル経済や企業業績の回復がブラジル銀行在日支店にとって良い影響をもたらすと考えられるものの、私どもは引き続き利益の向上のために新たなビジネスを開拓し、また業務効率の改善に努めてまいります。

この点に関しては2018年12月期の9ヶ月間の平均利益は前年のそれより増加し、これまでの取り組みの成果があらわれております。

このように、ブラジル経済が回復する見通しであると共に、私どもの収益向上への取り組みが今後実を結ぶと考えているため、在日支店の将来の業績については明るい見通しを持っております。

ブラジル銀行 東京支店
支店長
マルセロ・アッシ

ブラジル銀行東京支店の概況

名称	ブラジル銀行(バンコ・ド・ブラジル・エス・エイ)在日支店
住所	東京都千代田区丸の内1丁目6番5号 丸の内北口ビル5F
代表者	マルセロ・アッシ(支店長)
電話	03-3213-6660
業務開始	昭和47年2月17日
業務内容	預金の受入れ業務(当座預金、普通預金、通知預金、定期預金、譲渡性預金、非居住者円預金、外貨預金等)、資金の貸付業務等(手形貸付、証書貸付、当座貸越、商業手形の割引、またシンジケート・ローン等の業務)、内国為替業務(送金、振込および代金取立)、外国為替業務等(送金、振込および代金取立、貿易金融(貿易手形の割引等)、L/C業務、外国為替(外国通貨)売買業務等の外国為替に関する各種業務)、その他
従業員数	158名(平成30年12月31日現在)

日本における営業所の所在地

東京支店	〒100-0005 東京都千代田区丸の内1-6-5 丸の内北口ビル5F
東京支店五反田出張所	〒141-0022 東京都品川区東五反田5-25-19東京デザインセンター1F
東京支店浜松出張所	〒430-0946 静岡県浜松市中区元城町216-18大同生命浜松ビル1F
東京支店名古屋出張所	〒460-0002 愛知県名古屋市中区丸の内1-17-19キリックス丸の内ビル

主要財務データ

(単位:百万円)

	平成29年3月	平成30年3月	平成30年12月 (9ヶ月)
経常収益	12,706	11,531	8,921
経常利益	2,570	1,659	1,512
純利益	1,907	1,166	1,113
	平成29年3月	平成30年3月	平成30年12月
純資産額	14,234	15,405	16,519
総資産額	355,411	282,803	281,404
預金残高	119,744	84,880	82,819
貸出金残高	99,428	92,909	104,580

沿革

- 1808年 ブラジル銀行設立
- 1972年 ブラジル銀行東京支店開設
- 1993年 浜松出張所開設
- 1998年 名古屋出張所開設
- 2001年 群馬出張所開設
- 2001年 インターネットバンキング サービス開始
- 2002年 茨城・長野・岐阜出張所開設
- 2002年 ゆうちょ銀行とのATM提携
- 2002年 レミッタンスカードによる送金サービス開始
- 2003年 テレフォンバンキング サービス開始
- 2004年 三井住友銀行とのATM提携
- 2005年 浜松・名古屋・群馬出張所の支店へ昇格認可
- 2006年 携帯電話による自動取引サービス開始
- 2007年 セブン銀行とのATM提携
- 2008年 ユーロ建預金開始
- 2008年 ライフカードとの提携
- 2009年 レアル建普通預金及び定期預金取扱開始
- 2012年 イオン銀行とのATM提携
- 2013年 五反田出張所開設
- 2014年 茨城出張所、長野出張所、岐阜出張所、群馬支店閉鎖
- 2014年 浜松、名古屋支店を出張所に変更

大株主の状況

株主名	所有株式 (千株)	保有割合 (%)
ブラジル連邦政府 (国庫)	1,453,494	50.7254%
ブラジル銀行従業員福祉年金	181,161	6.3223%
BANCO DO BRASIL S A	79,886	2.7879%
F.I. DO FUNDO DE GARANTIA DO TEMPO DE SERVICIO - FI	68,507	2.3908%
THE BANK OF NEW YORK ADR DEPARTMENT	33,477	1.1683%
THE LAZARD FUNDS INC	29,058	1.0141%
GOVERNMENT OF SINGAPORE	26,955	0.9407%
NORGES BANK	22,218	0.7754%
ISHARES MSCI BRAZIL CAPPED ETF	19,486	0.6801%
VANGUARD EMERGING MARKETS STOCK INDEX FUND	16,072	0.5609%

貸借対照表

(単位:百万円)

資産の部	平成30年3月	平成30年12月	負債・資本の部	平成30年3月	平成30年12月
現金預け金	37,396	56,474	預金	84,880	82,819
コールローン	-	-	譲渡性預金	-	-
買現先勘定	-	-	コールマネー	-	-
債券貸借取引支払保証金	-	-	売現先勘定	-	-
買入手形	-	-	債券貸借取引受入担保金	-	-
買入金銭債権	-	-	売渡手形	-	-
商品有価証券	-	-	コマーシャル・ペーパー	-	-
金銭の信託	-	-	借入金	166,177	148,805
有価証券	12,009	12,009	外国為替	3,422	4,407
貸出金	92,909	104,580	その他負債	2,065	2,876
外国為替	351	363	賞与引当金	28	92
その他資産	3,770	2,838	退職給付引当金	432	459
有形固定資産	268	245	特別法上の引当金	-	-
無形固定資産	40	41	金融商品取引責任準備金	-	-
前払年金費用	-	-	繰延税金負債	-	-
繰延税金資産	189	192	支払承諾	77	84
支払承諾見返	77	84	本支店勘定	10,323	25,340
貸倒引当金	-	-	小計	267,398	264,885
本支店勘定	135,790	104,572	持込資本金	2,621	2,621
			繰越利益剰余金	12,785	13,899
			その他有価証券評価差額金	(1)	(1)
			繰延ヘッジ損益	-	-
			土地再評価差額金	-	-
合計	282,803	281,404	合計	282,803	281,404

損益計算書

(単位:百万円)

	平成30年3月 (12ヶ月)	平成30年12月 (9ヶ月)
経常収益	11,531	8,921
資金運用収益	8,578	6,142
(うち貸出金利息)	3,690	2,957
(うち有価証券利息配当金)		-
役務取引等収益	1,065	973
その他業務収益	1,553	1,719
その他経常収益	334	86
経常費用	9,871	7,408
資金調達費用	6,181	4,711
(うち預金利息)	1,037	560
役務取引等費用	830	664
その他業務費用	24	12
営業経費	2,775	1,959
その他経常費用	59	60
経常利益	1,659	1,512
特別利益		-
特別損失	0	0
税引前当期純利益	1,659	1,512
法人税、住民税及び事業税	495	402
法人税等調整額	(3)	(3)
法人税等合計	492	399
当期純利益	1,166	1,113

注記事項

(貸借対照表関係)

1. 貸出金のうち、破綻先債権、延滞債権、貸出条件緩和債権に区分される貸出債権はありません。
2. 有形固定資産の減価償却累計額は161百万円であります。
3. 支店の代表者に対する金銭債権はありません。
4. 担保に供している資産は次のとおりであります。

担保に供している資産 有価証券(国債) 2,000百万円

なお担保資産に対応する債務はありません。

(損益計算書関係)

1. その他の経常収益には、睡眠預金の利益処理196百万円が含まれております。
2. その他の経常費用には、睡眠預金の利益計上後の払戻処理59百万円が含まれております。

(金融商品関係)

金融商品の状況に関する事項

1. 金融商品に対する取組方針

当支店は、市場環境や長短のバランスを勘案して、顧客の預金による直接調達、および金融機関借り入れ等による間接調達による資金調達を行っております。また、資金の運用については、主に本店保証・信用による融資業務を行い運用しております。金利変動を伴う金融資産負債につきましては金利変動による不利な影響が生じないように総合的管理を行っております。外国為替業務以外のデリバティブ取引による投機的な取引は行っておりません。

2. 金融商品の内容及びそのリスク

貸出金および未収収益には顧客の信用リスクがありますが、当該リスク管理のため、当支店の与信管理規定に従い取引先ごとの期日管理および残高管理を行うとともに、取引先の信用状況を定期的に把握しております。外貨建資産負債には市場リスクがあり為替変動リスクについては資産負債の総合的なポジション管理を行い為替変動の継続的モニタリングを行っております。

重要な会計方針

1. 記載金額は、百万円未満を切り捨てて表示しております。
2. 当支店の貸借対照表及び損益計算書は、銀行法施行規則第18条第2項及び別紙様式第4号に準拠しております。
3. 有価証券の評価は、その他有価証券については、原則として決算日の市場価格等に基づく時価法（売却原価は主として移動平均法により算定）により行っております。なお、その他有価証券の評価差額については、全部純資産直入法により処理しております。
4. デリバティブ取引の評価は、時価法により行っております。
5. 有形固定資産の減価償却は、定額法を採用しております。なお、主な耐用年数は次のとおりであります。

建 物	5年～15年
その他	3年～20年
6. 外貨建資産・負債は、決算日の為替相場による円換算額を付しております。
7. 貸倒引当金は、予め定めている償却・引当基準に則り、次のとおり計上しております。破産、特別清算等、法的に経営破綻の事実が発生している債務者（以下「破綻先」という。）に係る債権については、債権額から担保の処分可能見込額及び保証による回収可能見込額を控除し、その残額のうち必要と認める額を引き当てております。上記以外の債権については、債務者の社内信用格付け毎に倒産確率等に基づき発生が見込まれる損失率を求め、これを債権額に乗じた金額を引き当てております。すべての債権は、資産の自己査定基準に基づき、本店における資産査定部署が資産査定を実施し、その査定結果に基づいて上記の引当を行っております。
8. 退職給付引当金は、従業員の退職給付に備えるため、退職金規定に基づく自己都合による期末要支給額の100%相当額を計上しております。
9. 賞与引当金は、従業員への賞与の支払に備えるため、従業員に対する賞与の支給見込額のうち、当事業年度に帰属する額を計上しております。
10. 消費税及び地方消費税の会計処理は、税抜方式によっております。

「財務諸表の正確性、内部監査の有効性についての経営者責任の明確化について(要請)」(平成17年10月7日付金監第2835号)に基づく、当行在日支店の財務諸表の正確性、及び、財務諸表作成に係る内部監査の有効性に関する責任者の確認書は下記の通りです。

確認書

2019年3月31日

私は、当行在日支店の2018年4月1日から2018年12月31日までの会計期間に関わる財務諸表に記載した事項について、私の知る限りにおいて、すべての重要な点において虚偽の記載及び記載すべき事項の記載もれはありません。

財務諸表の作成に当たって、その業務分掌と所属部署が明確化されており、所属部署において適切に業務を遂行する体制を整備し、財務諸表の適正性を確保しております。

ブラジル銀行 東京支店
支店長
マルセロ・アッシ

ブラジル銀行 東京支店
経理部長
大友正毅

Earnings Summary

Adjusted Net Income of R\$13.5 billion in 2018

Banco do Brasil delivered R\$13.5 billion in 2018, an increase of 22.2% over 2017. This performance was primarily due to the decrease in ALLL, increase in fee income over inflation, and the administrative expenses growth below inflation. The ROE grew to 13.9%, from 12.3% in 2017, strengthening the commitment to increase profitability. In the quarter, the ROE was 16.3%.

Table 1. Net Income – R\$ million

R\$ million	4Q17	3Q18	4Q18	Chg. %		2017	2018	Chg. % On 2017
				On 4Q17	On 3Q18			
Net Interest Income	12,820	12,578	12,490	(2.6)	(0.7)	52,706	49,625	(5.8)
Net Allowance for Loan Losses	(3,909)	(3,226)	(3,168)	(19.0)	(1.8)	(20,094)	(14,221)	(29.2)
ALLL Expenses - Credit Risk	(5,637)	(4,858)	(4,788)	(15.1)	(1.4)	(25,265)	(20,229)	(19.9)
Credit Recovery	1,728	1,632	1,620	(6.2)	(0.7)	5,172	6,008	16.2
Net Financial Margin	8,911	9,352	9,322	4.6	(0.3)	32,613	35,404	8.6
Fee income	6,735	6,871	7,236	7.4	5.3	25,941	27,452	5.8
Contribution Margin	14,396	15,109	15,399	7.0	1.9	53,553	58,267	8.8
Administrative Expenses	(8,236)	(7,916)	(8,220)	(0.2)	3.8	(31,787)	(31,966)	0.6
Commercial Income	6,031	7,062	7,052	16.9	(0.1)	21,264	25,761	21.1
Other Operating Income	32	232	773	2,288.6	233.5	21	1,481	-
Income Before Taxes	5,475	6,016	6,604	20.6	9.8	18,750	23,319	24.4
Income and Social Contribution Taxes	(1,476)	(1,832)	(1,989)	34.8	8.6	(4,604)	(6,696)	45.4
Corporate Profit Sharing	(412)	(432)	(488)	18.4	12.9	(1,436)	(1,715)	19.4
Adjusted Net Income	3,188	3,402	3,845	20.6	13.0	11,060	13,513	22.2
One-Off Items	(80)	(227)	(42)	(47.7)	(81.6)	(49)	(651)	-
Net Income	3,108	3,175	3,803	22.3	19.8	11,011	12,862	16.8
Market ROE - %	14.5	14.3	16.3			12.3	13.9	
Shareholders' ROE - %	16.0	15.7	17.8			13.6	15.1	

The ROE methodologies are presented in the Glossary.

Market Indicators

The increase in the adjusted earnings per share stands out, with an increase from R\$3.97 in 2017 to R\$4.85 in 2018.

Table 2. Market Indicators

	4Q17	4Q18	2017	2018	2019 E ¹	2020 E ¹
Earnings per Share - R\$	1.10	2.45	3.91	4.54	5.67	6.57
Adjusted Earnings per Share - R\$	1.14	1.38	3.97	4.85	5.59	6.40
Dividend Yield ² - %	3.64	3.99	3.64	3.99	4.15	5.12
Price/Earnings 12 months	8.05	10.07	8.05	10.07	9.33	8.15
Price/Book Value	0.90	1.27	0.90	1.27	1.32	1.22

¹ Bloomberg estimate, on February, 13, 2019/5p.m, based on the average projections of market analysts. BB takes no responsibility for this information.

² Dividends and Interest on Shareholders' Equity (12 months) / Market Capitalization.

Net Interest Income

As from 1Q18, the Net Interest Income (NII) is presented without considering the recovery of written of credits, which is now shown as a result of the ALLL. The series was reprocessed from the 1Q14.

The NII's main changes in the quarter were:

- I Increase of R\$63 million in revenues from credit operations, mainly due to the increase of individuals loan portfolio.
- II Funding expenses were affected by the increase in the interest rate in Argentina, which increased Banco Patagonia's time deposits expense by R\$177 million, offset by Securities result. Institutional funding expenses decreased by R\$158 million, driven by the impact of instruments issued abroad expenses, such as subordinated perpetual bonds, securities and subordinated debt issued abroad, which decreased due to the appreciation of the average exchange rate in 4Q18, as well as the decrease of these funding balance.
- III Treasury income was affected negatively by the result with financial derivatives and securities mark to market.

Table 3. NII – R\$ Million and NIM (%)

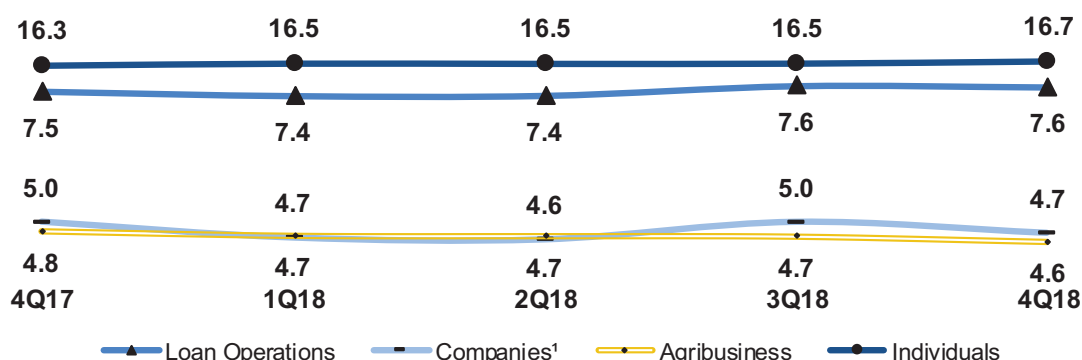
R\$ million	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q17	3Q18	4Q18	4Q17	3Q18	2017	2018	2017
Net Interest Income	12,820	12,578	12,490	(2.6)	(0.7)	52,706	49,625	(5.8)
Loan Operations income	19,532	18,390	18,452	(5.5)	0.3	86,342	73,683	(14.7)
Funding Expenses	(6,469)	(6,190)	(6,437)	(0.5)	4.0	(32,441)	(24,594)	(24.2)
Financial Expense for Institutional Funding ¹	(2,823)	(2,734)	(2,576)	(8.8)	(5.8)	(12,426)	(10,887)	(12.4)
Treasury Income ²	2,580	3,112	3,051	18.3	(2.0)	11,232	11,422	1.7
NIM - %³	4.2	3.9	4.0	-	-			
Risk Adjusted NIM	2.9	2.9	3.0					

1 - It includes senior bonds, subordinated debt, and Hybrid Instruments in Brazil and abroad;

2 - It includes the result from interest, tax hedging, derivatives, and other financial instruments that offset the effects of the exchange rate variation on result.

3 - NII/Earning Assets average, annualized;

Figure 1. Managerial net interest margin by Segment – %



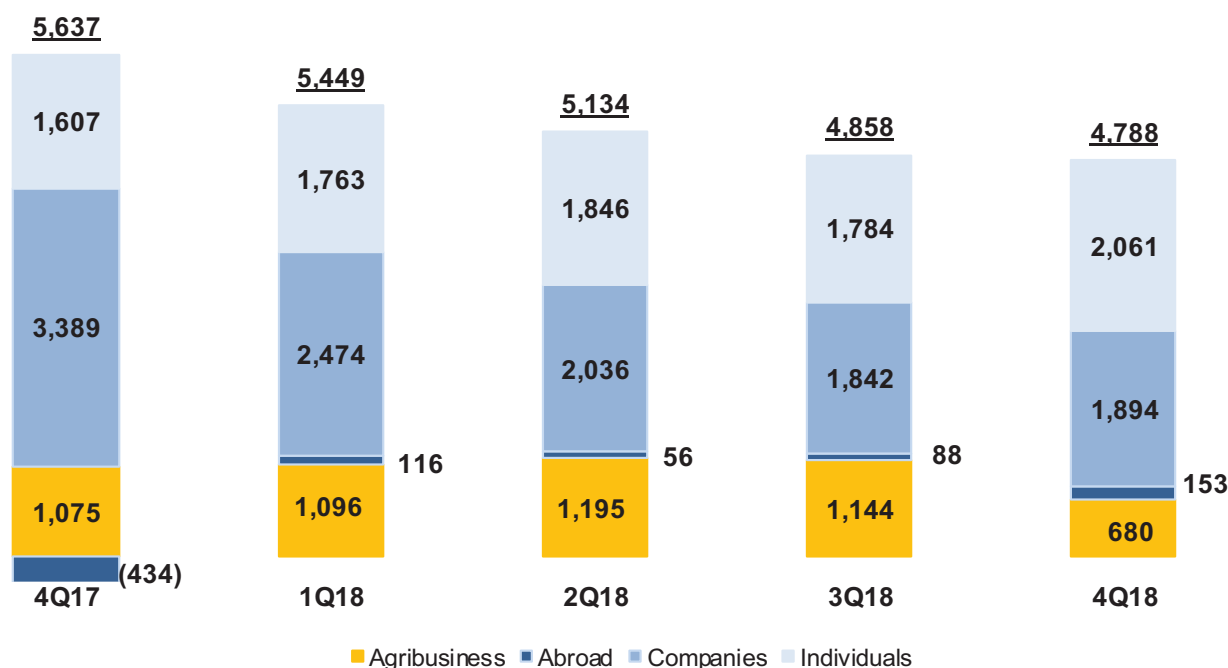
1 – It does not include transactions with the Government.

ALLL continues on downward trajectory

The ALLL – Credit Risk decreased 19.9% over 2017 at R\$20.2 billion with the highlight to the ALLL decrease in the Agro portfolio.

The ALLL with credit recovery decreased 29.2% compared to 2017, reaching R\$14.2 billion in 2018, due to the greater credit recovery volume (growth 16.2%).

Figure 2. ALLL Expenses by Segment – R\$ million¹



¹ – Does not consider the credit recovery

Fee Income increased by 5.8%

In the 2018/2017 comparison, the checking account fees has growth of 6.2% in service package revenue. The Bank position the services packages value at a level close to the private financial institutions.

The volume of resources managed related to Asset Management rose from R\$864.5 billion in Dec/17 to R\$941.1 billion in Dec/18. In the 4Q18/3Q18 comparison, there was a reduction due to the decrease of net funding and lower the number of business days. More information in Chapter 9.2.

In comparison with 3Q18, the increase in insurance, pension and premium bonds revenues was influenced by revenues from brokerage with Brasilprev VGBL. Still in the Insurance line, highlighting the annual performance bonus of R\$276.1 million, paid by BB MAPFRE SH1 due to the achievement of insurance marketing goals from April to December 2018, as agreed in the renegotiation of the partnership with Mapfre Group.

Consortium sales exceeded R\$11 billion in 2018. 304 thousand quotas were sold in 2018, compared to 218 thousand in the previous year. Highlight for auto consortium with more than 251 thousand quotas sold in 2018. In the 4Q18, BB Consórcios registered more than 81 thousand new quotas totaling R\$3 billion.

Table 4. Fee Income – R\$ million

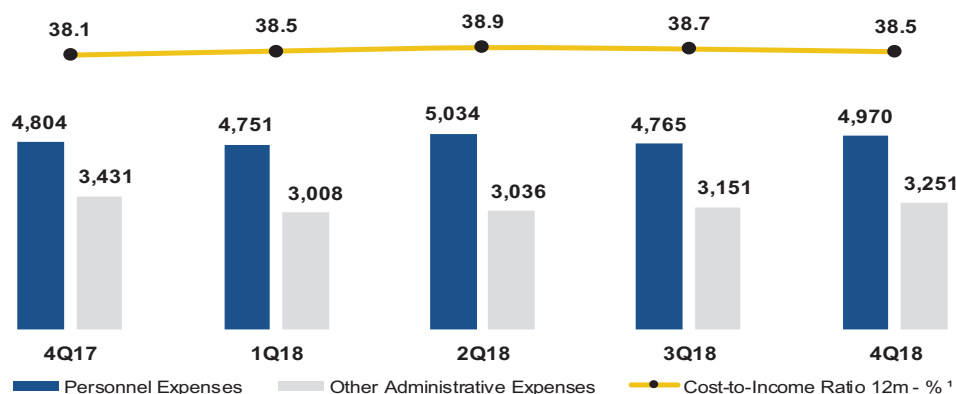
	4Q17	3Q18	4Q18	Chg. %		2017	2018	Chg. % On 2017
				On 4Q17	On 3Q18			
Fee Income	6,735	6,871	7,236	7.4	5.3	25,941	27,452	5.8
Checking Account	1,882	1,857	1,902	1.1	2.4	6,997	7,331	4.8
Asset Management	1,347	1,556	1,487	10.4	(4.5)	5,397	6,023	11.6
Insurance, P. Plans and Premium Bonds	810	714	1,039	28.2	45.4	3,048	3,221	5.7
Loan Fees	517	462	558	7.8	20.8	1,853	1,999	7.8
Credit/Debit Cards	421	491	507	20.4	3.2	1,881	1,942	3.2
<i>Brazil</i> ¹	394	423	426	8.2	0.8	1,521	1,657	8.9
Collections	338	314	312	(7.7)	(0.5)	1,448	1,290	(10.9)
Billings	274	277	283	3.3	2.4	1,087	1,116	2.7
Consortium	198	236	275	38.9	16.8	725	942	29.9
Capital Market	227	185	188	(17.3)	1.6	775	788	1.7
Nat. Treasury and Manag. of Official Funds	173	225	110	(36.6)	(51.2)	689	605	(12.1)
Other	152	131	149	(2.0)	13.9	520	540	3.8

1 - Fee Income earned in the country.

Administrative Expenses grew 0.6% in 2018

The administrative expenses grew below inflation, resulting in a cost-to-income ratio of 38.5% in 4Q18, improvement of 20bps if compared to 3Q18.

Figure 3. Administrative Expenses – R\$ million



¹ Cost-to-Income ratio: Administrative Expenses/Operating Revenues. Data from Income Statement with Reallocations.

BIS Ratio to 18.9%

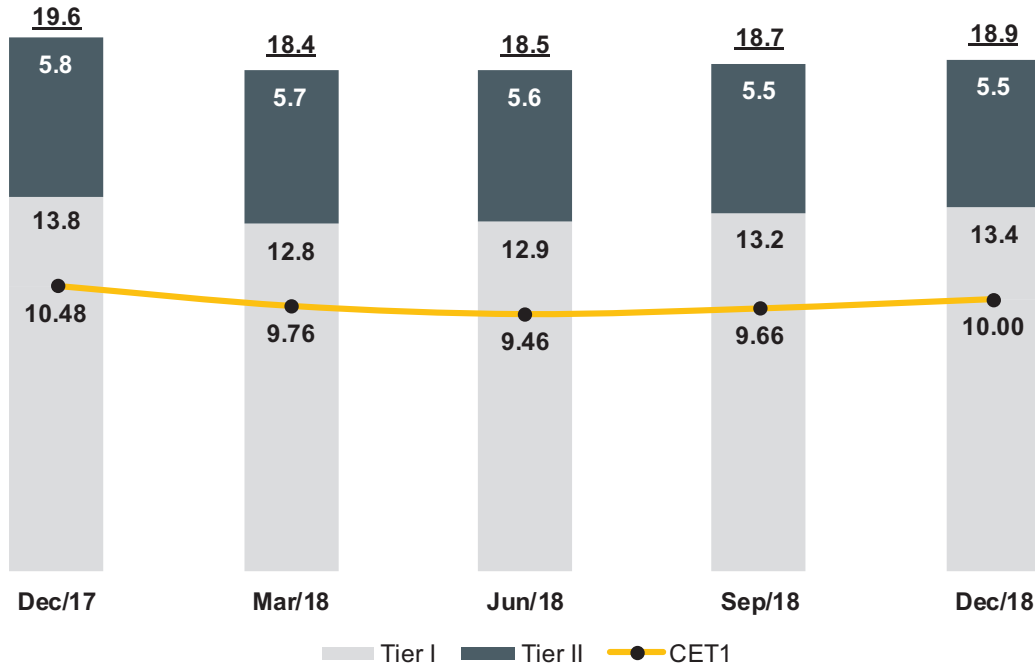
Banco do Brasil has a three-year prospective Capital Plan incorporating the effects defined by future regulatory and prudential and considering (a) the Declaration of Appetite and Risk Tolerance, (b) the Corporate Strategy and (c) the Corporate Budget.

The BIS Ratio reached 18.9% in December 2018. The Tier I was 13.4%, 10.0% of CET1 and reference equity reached R\$134.2 billion.

As a goal, the objective to maintain the CET1 above 9.5% in 2019, when the rules of Basel III will be fully implemented in Brazil. In addition, following the Statement of Appetite and Risk Tolerance and Capital Plan, for January 2022, the goal is to maintain at least 11.0% of CET1. The focus is on organic

capital generation with profit growth supported by the attractive lines under the criterion of return versus risk allocation and lower capital consumption.

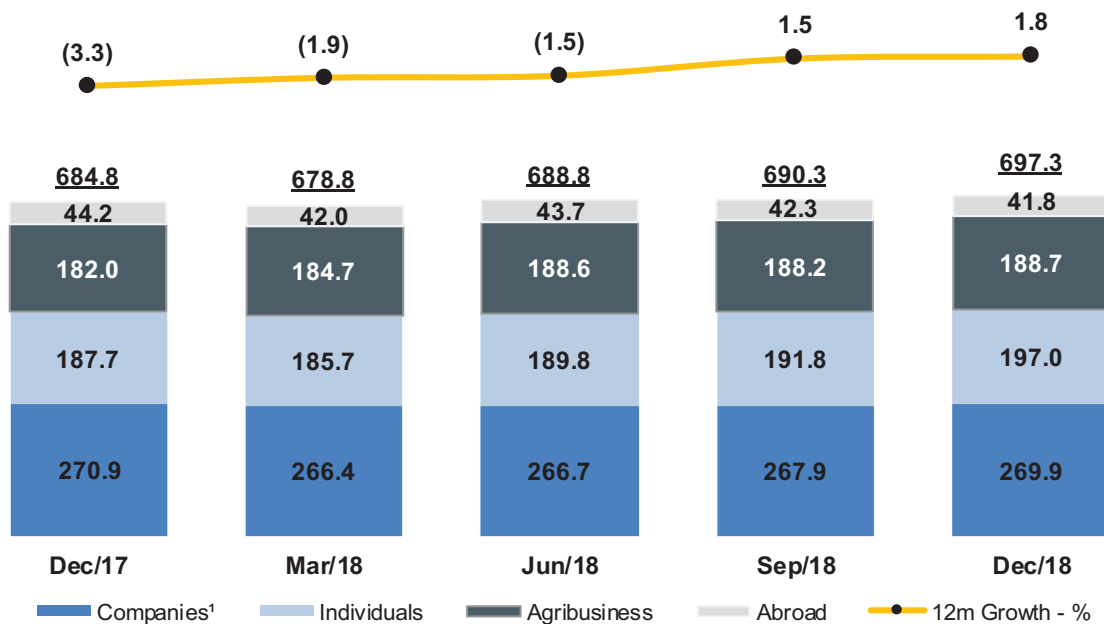
Figure 4. Basel – %



Loan Portfolio

The Expanded View loan portfolio grew 1.8% in compared to December/17. If compared to September/18, the individuals, companies and agribusiness portfolio grew, 2.7%, 0.7% and 0.2% respectively.

Figure 5. Loan Portfolio (Expanded View) – R\$ billion



1 – The Companies Loan Portfolio reprocessed until 1Q17 on the "Receivable" line.

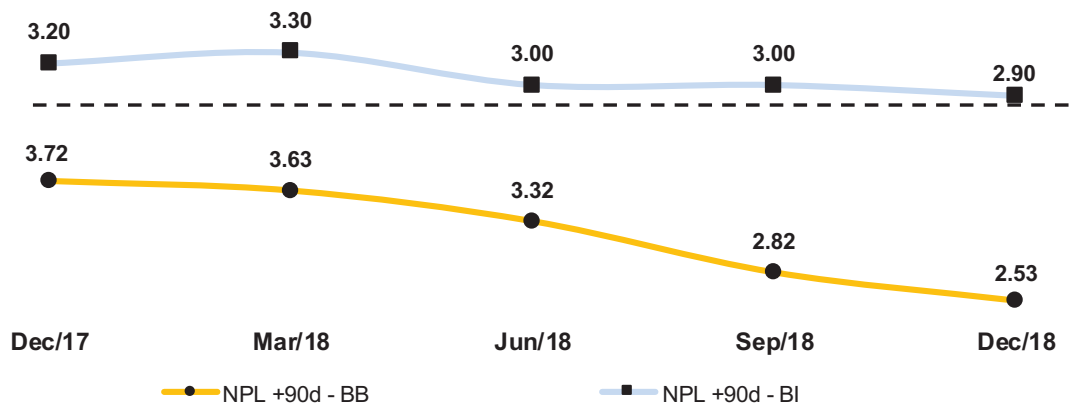
The companies expanded grew 0.7% if compared to September/18, with highlight to the growth of R\$ 1.4 billion in ACC/ACE (7.7%) and R\$ 1.3 billion (11.7%) in receivables. This increase was offset by the decrease of investments (R\$897 million) and mortgage (R\$563 million). The Very Small and Small Companies grew 1.2% compared to September/18, with highlight to foreign trade and working capital lines.

The individuals organic portfolio increased by 7.6% in 12 months (R\$13.4 billion), because of the positive performance in payroll loans (R\$3.8 billion), the 8.7% increase in mortgage (R\$3.9 billion) and credit card of 14.4%. Highlight to Personal Loans, that grew to R\$7.3 billion (55.2%) as a result of the evolution of the non-payroll loan growth strategy within BB's customer base.

The agribusiness portfolio registered a positive performance of 5.6% or R\$8.9 billion compared to December 2017, especially on FCO Rural (R\$4.0 billion), Agricultural Investments (R\$3.5 billion) e Working Capital (R\$1.7 billion), which was offset by the R\$3.1 billion decrease in loans to agribusiness companies and BNDES/Finame Rural in R\$1.5 billion

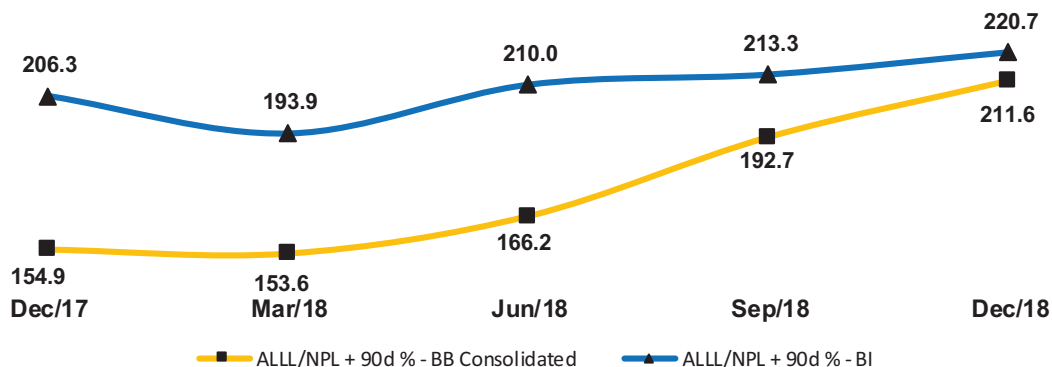
The NPL +90d (ratio between transactions more than 90 days overdue and the classified loan portfolio balance), which still with on a downward trend, was 2.53% in December/2018.

Figure 6. NPL +90 days – %



The Bank maintains coverage compatible with the risk profile of its portfolio. The index presented a relevant evolution, due to the lower NPL in the period.

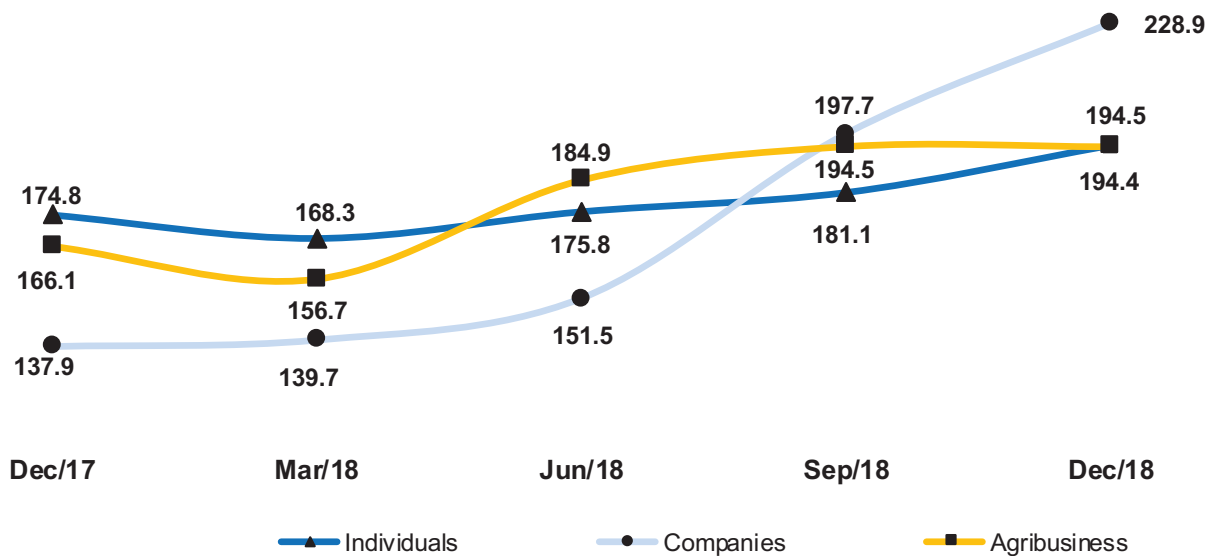
Figure 7. Coverage¹



¹ Ratio between the total balance of the provision (required plus additional) and the balance of operations more than 90 days overdue.

In the case of the Companies coverage, growth has been consistent due to the fall in the NPL balance in this portfolio.

Figure 8. Coverage by Segment – %



BALANCE SHEET

ASSETS	Note	Dec 31, 2018	Dec 31, 2017
CURRENT ASSETS		831,685,184	769,102,140
Cash and cash equivalents	6	13,614,866	13,480,903
Interbank investments	7.a	412,306,070	370,906,503
Open market investments		386,121,022	347,671,300
Interbank deposits		26,185,048	23,235,203
Securities and derivative financial instruments	8	22,312,810	17,406,636
Own portfolio		19,892,244	13,669,831
Subject to repurchase agreements		1,543,982	2,590,049
Pledged in guarantee		268,521	634,070
Derivative financial instruments		608,063	512,686
Interbank accounts		64,762,041	74,516,282
Payments and receipts pending settlement	9.a	591,555	4,069
Restricted deposits	9.b	61,888,022	71,892,280
Deposits with Banco Central do Brasil		59,115,355	69,081,139
National Treasury - rural credits resources		38,533	16,252
National Housing Finance System		2,734,134	2,794,889
Correspondent banks		2,282,464	2,619,933
Interdepartmental accounts		254,747	404,870
Internal transfers of funds		254,747	404,870
Loans	10	186,269,969	179,791,353
Public sector		576,035	1,169,169
Private sector		198,248,722	192,639,735
Loan operations linked to assignment		505	165
(Allowance for loan losses)		(12,555,293)	(14,017,716)
Leasing transactions	10	106,335	166,952
Private sector		113,772	183,601
(Allowance for leasing transactions losses)		(7,437)	(16,649)
Other receivables		131,161,499	111,906,397
Receivables from guarantees honored		362,737	601,739
Foreign exchange portfolio	11.a	25,103,044	19,057,714
Accrued income		3,448,674	2,879,303
Securities trading		509,122	417,544
Specific credits	12.a	493	533
Sundry	12.b	104,477,547	91,070,544
(Allowance for other losses)		(2,740,118)	(2,120,980)
Other assets	13	896,847	522,244
Assets not for own use and materials in stock		551,276	412,543
(Allowance for impairment)		(155,818)	(157,586)
Prepaid expenses		501,389	267,287

ASSETS	Note	Dec 31, 2018	Dec 31, 2017
NON-CURRENT ASSETS		585,458,532	600,099,031
LONG-TERM RECEIVABLES		555,165,692	568,267,266
Interbank investments	7.a	2,785,527	2,116,825
Open market investments		754,933	515,460
Interbank deposits		2,030,594	1,601,365
Securities and derivative financial instruments	8	128,783,655	121,515,935
Own portfolio		89,416,471	91,713,584
Subject to repurchase agreements		36,071,681	28,682,860
Pledged in guarantee		3,220,404	977,258
Derivative financial instruments		75,099	142,233
Interbank accounts		4,092,928	4,118,336
Payments and receipts pending settlement	9.a	3,445,430	3,467,187
Restricted deposits	9.b	15,115	187
National Treasury - rural credits resources		15,115	187
Interbank onlendings		632,383	650,962
Loans	10	362,718,150	364,498,414
Public sector		74,180,719	74,100,972
Private sector		308,355,612	311,327,864
Loan operations linked to assignment		404,563	495,891
(Allowance for loan losses)		(20,222,744)	(21,426,313)
Leasing transactions	10	117,125	211,102
Private sector		119,942	214,956
(Allowance for leasing transactions losses)		(2,817)	(3,854)
Other receivables		56,656,517	75,788,225
Foreign exchange portfolio	11.a	10,497	--
Accrued income		32,730	69,228
Securities trading		382,841	473,626
Specific credits	12.a	392,414	416,269
Sundry	12.b	57,065,563	75,676,085
(Allowance for other losses)		(1,227,528)	(846,983)
Other assets	13	11,790	18,429
Prepaid expenses		11,790	18,429
PERMANENT ASSETS		30,292,840	31,831,765
Investments		16,973,191	17,489,734
Investments in subsidiaries and associates	14.a	16,754,357	17,262,707
Domestic		16,181,548	17,216,404
Abroad		572,809	46,303
Other investments	14.c	274,152	246,161
(Provision for losses)		(55,318)	(19,134)
Property and equipment	15	7,537,617	7,415,302
Land and buildings		8,102,145	7,722,889
Other property and equipment		9,453,968	10,182,774
(Accumulated depreciation)		(10,018,496)	(10,490,361)
Intangible	16	5,782,032	6,926,729
Intangible assets		14,459,342	19,055,527
(Accumulated amortization)		(8,677,310)	(12,128,798)
TOTAL ASSETS		1,417,143,716	1,369,201,171

LIABILITIES/SHAREHOLDERS' EQUITY	Note	Dec 31, 2018	Dec 31, 2017
CURRENT LIABILITIES		1,039,439,783	1,006,184,142
Deposits	17.a	442,285,753	405,168,767
Demand deposits		67,810,697	69,981,063
Savings deposits		174,854,743	160,289,875
Interbank deposits		30,351,705	21,382,405
Time deposits		169,057,376	153,338,582
Other deposits		211,232	176,842
Securities sold under repurchase agreements	17.c	393,556,860	365,536,950
Own portfolio		30,226,030	29,529,818
Third-party portfolio		363,330,830	336,007,132
Funds from acceptance and issuance of securities	18	32,565,915	67,394,565
Bonds backed by real estate, mortgage and other credits		29,256,810	58,716,935
Foreign securities		3,192,679	8,610,339
Certificates of structured operations		116,426	67,291
Interbank accounts		1,638	1,149
Receipts and payments pending settlement	9.a	1,638	1,149
Interdepartmental accounts		2,490,770	2,495,532
Third-party funds in transit		2,490,638	2,495,532
Internal transfers of funds		132	--
Borrowings	19.a	18,179,594	16,872,613
Foreign borrowing		18,179,594	16,872,613
Domestic onlending - official institutions	19.b	38,148,447	44,419,452
National Treasury		4	--
BNDES		4,450,146	6,091,846
Caixa Econômica Federal		29,413,089	26,558,065
Finame		4,036,156	4,549,264
Other institutions		249,052	7,220,277
Foreign onlending	19.b	95	95
Derivative financial instruments	8.d	593,508	577,070
Other liabilities		111,617,203	103,717,949
Billing and collection of taxes and contributions		426,786	493,167
Foreign exchange portfolio	11.a	12,067,141	8,134,346
Shareholders and statutory distributions		3,961,830	2,177,094
Taxes and social security	20.a	10,788,134	11,464,023
Securities trading		655,805	907,009
Financial and development funds	20.b	9,855,261	9,339,505
Subordinated debts	20.c	9,440,498	9,168,341
Equity and debt hybrid securities	20.d	62,168	283,071
Other liabilities	20.e	64,359,580	61,751,393

LIABILITIES/SHAREHOLDERS' EQUITY	Note	Dec 31, 2018	Dec 31, 2017
NON-CURRENT LIABILITIES		275,451,051	264,293,627
LONG-TERM LIABILITIES		275,002,814	263,864,254
Deposits	17.a	43,751,018	45,060,595
Interbank deposits		3,316,890	2,770,354
Time deposits		40,434,128	42,290,241
Securities sold under repurchase agreements	17.c	9,344,342	10,705,745
Own portfolio		9,344,337	10,705,734
Third-party portfolio		5	11
Funds from acceptance and issuance of securities	18	92,252,581	66,371,232
Bonds backed by real estate, mortgage and other credits		72,348,342	50,941,594
Foreign securities		19,886,856	15,394,376
Certificates of structured operations		17,383	35,262
Borrowings	19.a	2,807,154	2,699,881
Foreign borrowing		2,807,154	2,699,881
Domestic onlending - official institutions	19.b	28,582,617	36,465,287
National Treasury		165,553	145,264
BNDES		17,314,666	20,844,346
Finame		11,102,398	15,225,834
Other institutions		--	249,843
Foreign onlending	19.b	382	382
Derivative financial instruments	8.d	215,693	212,817
Other liabilities		98,049,027	102,348,315
Foreign exchange portfolio	11.a	2,455,716	1,605,681
Shareholders and statutory distributions		905	726
Taxes and social security	20.a	768,983	911,945
Securities trading		322,059	298,639
Financial and development funds	20.b	5,667,160	7,455,245
Special operations		2,216	2,216
Subordinated debts	20.c	41,129,651	46,513,485
Equity and debt hybrid securities	20.d	4,245,895	5,324,708
Debt instruments eligible as capital	20.c and 20.d	29,085,685	25,771,771
Other liabilities	20.e	14,370,757	14,463,899
DEFERRED INCOME		448,237	429,373
SHAREHOLDERS' EQUITY	23	102,252,882	98,723,402
Capital		67,000,000	67,000,000
Local residents		51,606,403	52,954,778
Domiciled abroad		15,393,597	14,045,222
Instruments qualifying as common equity tier 1 capital	23.c	8,100,000	8,100,000
Capital reserves		14,692	12,436
Revaluation reserves		2,240	2,371
Profit reserves		42,612,582	35,280,691
Accumulated other comprehensive income		(16,154,116)	(13,219,725)
(Treasury shares)		(1,833,431)	(1,850,043)
Non-controlling interests		2,510,915	3,397,672
TOTAL LIABILITIES		1,417,143,716	1,369,201,171

STATEMENT OF INCOME

	Note	2nd half/2018	2018	2017
INCOME FROM FINANCIAL INTERMEDIATION		62,575,962	134,487,863	142,438,857
Loans	10.b	40,915,621	86,493,451	83,669,131
Leasing transactions	10.i	90,111	196,945	255,815
Securities	8.b	19,560,906	41,600,526	52,144,046
Derivative financial instruments	8.e	(323,352)	568,930	(465,274)
Foreign exchange results	11.b	816,514	2,247,071	917,229
Reserve requirement	9.c	1,136,920	2,519,272	4,302,545
Operations of sale and transfer of financial assets		379,242	861,668	1,615,365
EXPENSES FROM FINANCIAL INTERMEDIATION		(45,470,171)	(102,973,435)	(110,820,864)
Deposits and securities sold under repurchase agreements	17.d	(31,997,488)	(63,413,576)	(77,153,666)
Borrowings and onlendings	19.c	(3,167,285)	(18,383,042)	(7,734,066)
Leasing transactions	10.i	(60,814)	(129,647)	(147,591)
Operations of sale and transfer of financial assets		(297,568)	(318,617)	(86,373)
Allowance for loan losses	10.f and 10.g	(9,947,016)	(20,728,553)	(25,699,168)
INCOME FROM FINANCIAL INTERMEDIATION		17,105,791	31,514,428	31,617,993
OTHER OPERATING INCOME/EXPENSES		(5,882,387)	(12,006,850)	(14,026,526)
Service fee income and bank fee income	21.a	14,068,941	27,414,692	25,941,416
Service fee income		8,682,941	16,934,672	16,305,668
Bank fee income		5,386,000	10,480,020	9,635,748
Personnel expenses	21.b	(10,664,762)	(20,899,024)	(20,574,976)
Other administrative expenses	21.c	(6,605,118)	(12,819,069)	(14,516,719)
Tax expenses	24.c	(2,530,776)	(5,053,736)	(5,482,503)
Equity in earnings (losses) in associates and joint ventures	14	1,649,477	3,741,668	3,962,261
Other operating income	21.d	5,724,967	9,585,643	8,226,850
Other operating expenses	21.e	(7,525,116)	(13,977,024)	(11,582,855)
OPERATING INCOME		11,223,404	19,507,578	17,591,467
NON-OPERATING INCOME	22	891,061	1,156,118	542,365
Incomes		1,002,104	1,353,435	756,616
Expenses		(111,043)	(197,317)	(214,251)
PROFIT BEFORE TAXATION AND PROFIT SHARING		12,114,465	20,663,696	18,133,832
INCOME TAX AND SOCIAL CONTRIBUTION	24.a	(3,614,686)	(4,767,368)	(4,050,863)
Income tax and social contribution current		(1,759,641)	(3,304,217)	(3,290,685)
Income tax and social contribution deferred		(1,855,045)	(1,463,151)	(760,178)
EMPLOYEE AND DIRECTORS PROFIT SHARING		(890,797)	(1,638,453)	(1,422,159)
NON-CONTROLLING INTERESTS		(630,776)	(1,395,849)	(1,650,034)
NET INCOME		6,978,206	12,862,026	11,010,776
EARNINGS PER SHARE	23.f			
Weighted average number of shares - basic and diluted		2,785,468,140	2,785,290,260	2,784,905,261
Basic and diluted earnings per share (R\$)		2.45	4.54	3.91

See the accompanying notes to the financial statements.

Disclosure Report 2018

Financial and Business Report

As of December 31, 2018

Banco do Brasil's operation in Japan can be divided into two main business: wholesale and retail. In the retail segment, we serve individuals and small businesses with products and services focused on savings accounts, term deposits and remittances. In the wholesale segment, among other products and services, we perform local credit and trade finance operations related to Brazil, in addition to act as a liquidity center for Banco do Brasil in Asia.

Since we work in our organization as a booking center for all import financing operations from Brazil, wholesale business has a correlation to Brazilian macroeconomic conditions. In this sense, the recent end of the largest Brazilian economic recession will gradually reflect positively in many indicators.

Although economic and business recovery are projected to be favorable for the coming years, we keep working to develop new alternatives of revenues as well as improvement in our operation efficiency.

In this regard, we have already seen progress, which is reflected in the results of December of 2018 (9 months) in comparison, proportionally, with the average of previous 12 months.

We are optimistic about the future, not only for the Brazilian economic perspectives, but also for the maturing, in the coming years, of projects that we have started recently, which will further increase our results in Japan.

Marcelo Assi
Tokyo Branch General Manager
Banco do Brasil S.A.

Branch Profile

Name	Banco do Brasil S.A.
Address	Marunouchi Kitaguchi Building 5F, 1-6-5 Marunouchi, Chiyoda-ku, Tokyo
General Manager	Marcelo Assi
Phone Number	03-3213-6660
Commence of Operation	February 17, 1972
Business Overview	Deposits (Demand deposit, savings deposit, call deposit, time deposit, negotiable deposit, non-resident Yen deposit, foreign currency deposit, etc.), Fund Lending (Loan on bills, Loan on deeds, Overdraft, Commercial bill discount, etc.), Fund Transfer (Remittance, Transfer and Collection of payment.), Trade Finance (Trade bills discount, etc.), L/C, Foreign Exchange dealing, and other services in comply with Banking Law
Number of Employee	158 (as of December 31, 2018)

Places of Branch and Sub-branches

Tokyo Branch	Marunouchi Kitaguchi Building 5F, 1-6-5 Marunouchi, Chiyoda-ku, Tokyo
Gotanda Sub-branch	Tokyo Design Center, 5-25-19 Higashi-Gotanda, Shinagawa-ku, Tokyo
Hamamatsu Sub-branch	Daido Seimei Hamamatsu Bldg 1F, 216-18 Motoshiro-Machi, Naka-ku, Hamamatsu-shi, Shizuoka
Nagoya Sub-branch	Kirix Marunouchi Building, 1-17-19 Marunouchi, Naka-ku, Nagoya-shi, Aichi

Key Financial Summary

	(Unit: Millions of Yen)		
	2017/3	2018/3	2018/12 (9 months)
Ordinary Income	12,706	11,531	8,921
Ordinary Profit	2,570	1,659	1,512
Net Income after Tax	1,907	1,166	1,113
	2017/3	2018/3	2018/12
Total Net Assets	14,234	15,405	16,519
Total Assets	355,411	282,803	281,404
Deposits	119,744	84,880	82,819
Loans and Bills Discount	99,428	92,909	104,580

History

- 1808 Banco do Brasil established
- 1972 Banco do Brasil Tokyo Branch established
- 1993 Hamamatsu Sub-branch established
- 1998 Nagoya Sub-branch established
- 2001 Gunma Sub-branch established
- 2001 Internet Banking services commenced
- 2002 Ibaraki, Nagano and Gifu Sub-branches established
- 2002 ATM card alliance with Japan Post Bank
- 2002 Remittance Card services commenced
- 2003 Telephone Banking services commenced
- 2004 ATM card alliance with Sumitomo Mitsui Banking Corporation
- 2005 Hamamatsu, Nagoya and Gunma promoted to Branch status
- 2006 Mobile Transaction commenced
- 2007 ATM card alliance with SEVEN Bank
- 2008 EURO currency deposit commenced
- 2008 Business alliance with LIFE Card
- 2009 Brazilian REAL currency deposit commenced
- 2012 ATM card alliance with AEON Bank
- 2013 Gotanda Sub-branch established
- 2014 Close operations in Ibaraki, Nagano and Gifu Sub-branches and Gunma Branch
- 2014 Hamamatsu and Nagoya Branches changed the status to SUB-BRANCH

Details of Major Shareholders

Name of shareholders	(Thousands of shares)	(%)
MINISTERIO DA FAZENDA	1,453,494	50.7254%
CAIXA DE PREVIDENCIA DOS FUNCIONARIOS DO BANCO DO	181,161	6.3223%
BANCO DO BRASIL S A	79,886	2.7879%
F.I. DO FUNDO DE GARANTIA DO TEMPO DE SERVICO - FI	68,507	2.3908%
THE BANK OF NEW YORK ADR DEPARTMENT	33,477	1.1683%
THE LAZARD FUNDS INC	29,058	1.0141%
GOVERNMENT OF SINGAPORE	26,955	0.9407%
NORGES BANK	22,218	0.7754%
ISHARES MSCI BRAZIL CAPPED ETF	19,486	0.6801%
VANGUARD EMERGING MARKETS STOCK INDEX FUND	16,072	0.5609%

Balance Sheet

(Unit: Millions of Yen)

Assets	As of March 2018	As of December 2018	Liabilities / Equities	As of March 2018	As of December 2018
Cash & Due from banks	37,396	56,474	Deposits	84,880	82,819
Call Loan	-	-	Certificated Deposit	-	-
Receivable under Resale Agreements	-	-	Call Money	-	-
Receivable under Sec. Borrowing	-	-	Payable under Repurchase agreements	-	-
Bills Bought	-	-	Payable under Sec. Lending	-	-
Monetary Claims Bought	-	-	Bills Sold	-	-
Investment Securities	-	-	Commercial Paper	-	-
Money Trust	-	-	Borrowed Money	166,177	148,805
Securities	12,009	12,009	Foreign Exchange Liabilities	3,422	4,407
Loan & Bills Discount	92,909	104,580	Other liabilities	2,065	2,876
Foreign Exchange	351	363	Accrued Bonuses	28	92
Other Assets	3,770	2,838	Accrued Retirement Benefits	432	459
Fixed Assets	268	245	Provisions under Laws	-	-
Intangible Fixed Assets	40	41	Reserve for liab for Financial Instruments	-	-
	-	-	Deferred Tax Liabilities	-	-
Deferred Tax Assets	189	192	Acceptance & Guarantees	77	84
Liab for Acceptance	77	84	Due to Interbranches	10,323	25,340
Reserve for Loan Losses	-	-	Total Liabilities	267,398	264,885
Due from Interbranches	135,790	104,572	Paid-in Capital	2,621	2,621
			Retained Earning	12,785	13,899
			Net Unrealized Gains on Securities	(1)	(1)
			Net deferred Losses on Hedging Instruments	-	-
			Revaluation Reserve for Land	-	-
Total Assets	282,803	281,404	Total Liabilities & Equities	282,803	281,404

Income Statement

(Unit: Millions of Yen)

	Mar 2018 (12 months)	Dec 2018 (9 months)
Ordinary Income	11,531	8,921
Interest Income	8,578	6,142
(Interest on Loan)	3,690	2,957
(Dividends on Gains on Securities)	0	-
Fees and Commissions	1,065	973
Other Ordinary Income	1,553	1,719
Other Income	334	86
Ordinary Expenses	9,871	7,408
Interest Expense	6,181	4,711
(Interest on Deposits)	1,037	560
Fees and Commissions Paid	830	664
Other Ordinary Expenses	24	12
General & Administrative Expenses	2,775	1,959
Other Expenses	59	60
Ordinary profit	1,659	1,512
Extraordinary Income	0	-
Extraordinary Loss	0	0
Income Before Taxes	1,659	1,512
Corporation Taxes at Current	495	402
Corporation Taxes Deferred	(3)	(3)
Total Taxes	492	399
Current Net Income	1,166	1,113

Footnotes

(Relating to balance sheet)

1. Among loans, there are no loan claims classified as loans to bankrupt borrowers, delinquent loans and restructured loans.
2. Accumulated depreciation of tangible fixed assets is 161 million yen.
3. There is no monetary claim against the representative of the branch office.
4. Assets pledged as collateral are as follows.
Assets pledged as collateral Government bond 2,000 million yen
No debts corresponding to collateral assets is noted.

(Related to income statement)

1. Other ordinary income includes 196 million yen of profit treatment of dormant deposits.
2. Other ordinary expenses includes 82 million yen of refund processing after posting profit of dormant accounts.

(Financial instruments related)

Regarding to Financial Products

1. Policy on Financial Products

The branch takes into consideration the market environment and the balance between long and short term, and procures funds directly through customer deposits and indirect procurement through borrowing from financial institutions. Regarding the assets, we mainly operate the loan business guaranteed by the head office's credit. For financial assets and liabilities which may be affected by interest rate fluctuations, comprehensive management is carried out in order not to receive adverse effect of interest rate fluctuations. We do not conduct speculative transactions by derivative transactions other than foreign exchange business.

2. Financial instruments and their risks

Loans and accrued earnings have customer credit risk, but in order to manage this risk, we conduct due date control and balance management for each business partner according to the credit management provisions of our branch and regular tracking of their credit situation. Asset and liabilities denominated in foreign currency are subject to market risk, therefore we conduct comprehensive position management of assets and liabilities in order to manage exchange rate fluctuation risk and continuously monitor foreign exchange fluctuations.

Summary of Significant Accounting Policies

1. Amounts stated are rounded down to the nearest million yen.
2. The balance sheet and income statement of this branch comply with Article 18, Paragraph 2 and No. 4 of the Attachment of the Ordinance for Enforcement of the Banking Act.
3. Market value method is used for valuation of Other securities based on market value as of reporting date in principle. (Cost of securities sold is determined in principle by the moving average method.). In addition, valuation difference are included in net assets, net of income taxes.
4. Derivative instruments are utilized principally to reduce interest rate and foreign exchange rate risks. The Branch has established a control environment which includes policies and procedures for risk assessment and for the approval, reporting and monitoring of transactions involving derivative financial instruments. The Branch does not hold or issue derivative financial instruments for trading purposes. The Group is exposed to certain market risks arising from its forward exchange contracts and swap agreements. The Group is also exposed to the risk of credit loss in the event of non performance by the counterparties to the currency and interest; however, the Group does not anticipate nonperformance by any of these counterparties all of whom are financial institutions with high credit ratings.
5. Property, plant and equipment are stated at cost. Depreciation is computed at rates based on the estimated useful lives of assets using the straight-line method. The principal estimated useful lives are as follows:

Buildings and structures 5 to 15 years

Machinery and equipment 3 to 20 years

Costs of maintenance, repairs and minor renewals are charged to expenses in the year incurred, although major renewals and improvements are capitalized. When assets are sold or otherwise disposed of, the profits or losses thereon, computed on the basis of the difference between depreciated cost and proceeds, are credited or charged to income in the year of disposal, and cost and accumulated depreciation are removed from the respective accounts.

6. Every monetary assets and liabilities denominated in foreign currencies are translated into yen at the rate of exchange in effect at the balance sheet date and translation adjustments of foreign currency financial statements are reflected in shareholders' equity and minority interests in the balance sheets.
7. Allowance for doubtful accounts are recorded as follows based on predefined standards for write-offs and reserves. With respect to claims related to obligors (hereinafter referred to as "bankrupt borrowers") in which the fact of bankruptcy has occurred legally, such as bankruptcy, special liquidation, etc., from the amount of claims, the expected disposal amount of collateral and the probability of collection by guarantee. We deduct the amount and we have allocated the amount deemed necessary out of the remaining amount. For claims other than the above, the loss rate that is expected to occur based on the probability of bankruptcy etc. is obtained for each internal credit rating of the obligor, and the credit amount is multiplied by this amount. Based on the self-assessment criteria of assets, the asset assessment department in the head office conducts asset assessment of all receivables, and the reserves mentioned above are made based on the assessment result.
8. Reserve for retirement benefits is provided for employees' retirement benefits at an amount equivalent to 100% of the amount required to be paid at the end of the fiscal year due to self-circumstances based on the retirement allowance provision.
9. Reserve for bonuses is provided for the payment of bonuses to employees based on the estimated bonus payable to employees attributable to the current fiscal year.
10. Consumption tax and local consumption tax are accounted for using the tax exclusion method.

Please see the confirmation below which business manager wrote regarding the accuracy of financial statements of BB Japan and effectiveness of internal audit of preparing the financial statements based on “Requirement of clarification of the business manager’s responsibility regarding the accuracy of financial statements and effectiveness of internal audit”(FSA Supervisory Bureau No.2835 Oct 7, 2005).

Confirmation Note

March 31, 2019

I declare that there are no false descriptions and erroneously omits on all the important descriptions of financial statements as far as I know when checking financial statements of Japan branches with the account period from April 1, 2018 to December 31, 2018.

BB Japan ensures the appropriateness of financial statements by establishing a system which makes each division in charge play an appropriate role with split of work and division in charge clarified when preparing financial statements.

Marcelo Assi
Tokyo Branch General Manager
Banco do Brasil S.A.

Masaki Otomo
Tokyo Branch Accounting Manager
Banco do Brasil S.A.

Earnings Summary

Adjusted Net Income of R\$13.5 billion in 2018

Banco do Brasil delivered R\$13.5 billion in 2018, an increase of 22.2% over 2017. This performance was primarily due to the decrease in ALLL, increase in fee income over inflation, and the administrative expenses growth below inflation. The ROE grew to 13.9%, from 12.3% in 2017, strengthening the commitment to increase profitability. In the quarter, the ROE was 16.3%.

Table 1. Net Income – R\$ million

R\$ million	4Q17	3Q18	4Q18	Chg. %		2017	2018	Chg. % On 2017
				On 4Q17	On 3Q18			
Net Interest Income	12,820	12,578	12,490	(2.6)	(0.7)	52,706	49,625	(5.8)
Net Allowance for Loan Losses	(3,909)	(3,226)	(3,168)	(19.0)	(1.8)	(20,094)	(14,221)	(29.2)
ALLL Expenses - Credit Risk	(5,637)	(4,858)	(4,788)	(15.1)	(1.4)	(25,265)	(20,229)	(19.9)
Credit Recovery	1,728	1,632	1,620	(6.2)	(0.7)	5,172	6,008	16.2
Net Financial Margin	8,911	9,352	9,322	4.6	(0.3)	32,613	35,404	8.6
Fee income	6,735	6,871	7,236	7.4	5.3	25,941	27,452	5.8
Contribution Margin	14,396	15,109	15,399	7.0	1.9	53,553	58,267	8.8
Administrative Expenses	(8,236)	(7,916)	(8,220)	(0.2)	3.8	(31,787)	(31,966)	0.6
Commercial Income	6,031	7,062	7,052	16.9	(0.1)	21,264	25,761	21.1
Other Operating Income	32	232	773	2,288.6	233.5	21	1,481	-
Income Before Taxes	5,475	6,016	6,604	20.6	9.8	18,750	23,319	24.4
Income and Social Contribution Taxes	(1,476)	(1,832)	(1,989)	34.8	8.6	(4,604)	(6,696)	45.4
Corporate Profit Sharing	(412)	(432)	(488)	18.4	12.9	(1,436)	(1,715)	19.4
Adjusted Net Income	3,188	3,402	3,845	20.6	13.0	11,060	13,513	22.2
One-Off Items	(80)	(227)	(42)	(47.7)	(81.6)	(49)	(651)	-
Net Income	3,108	3,175	3,803	22.3	19.8	11,011	12,862	16.8
Market ROE - %	14.5	14.3	16.3			12.3	13.9	
Shareholders' ROE - %	16.0	15.7	17.8			13.6	15.1	

The ROE methodologies are presented in the Glossary.

Market Indicators

The increase in the adjusted earnings per share stands out, with an increase from R\$3.97 in 2017 to R\$4.85 in 2018.

Table 2. Market Indicators

	4Q17	4Q18	2017	2018	2019 E ¹	2020 E ¹
Earnings per Share - R\$	1.10	2.45	3.91	4.54	5.67	6.57
Adjusted Earnings per Share - R\$	1.14	1.38	3.97	4.85	5.59	6.40
Dividend Yield ² - %	3.64	3.99	3.64	3.99	4.15	5.12
Price/Earnings 12 months	8.05	10.07	8.05	10.07	9.33	8.15
Price/Book Value	0.90	1.27	0.90	1.27	1.32	1.22

¹ Bloomberg estimate, on February, 13, 2019/5p.m, based on the average projections of market analysts. BB takes no responsibility for this information.

² Dividends and Interest on Shareholders' Equity (12 months) / Market Capitalization.

Net Interest Income

As from 1Q18, the Net Interest Income (NII) is presented without considering the recovery of written of credits, which is now shown as a result of the ALLL. The series was reprocessed from the 1Q14.

The NII's main changes in the quarter were:

- I Increase of R\$63 million in revenues from credit operations, mainly due to the increase of individuals loan portfolio.
- II Funding expenses were affected by the increase in the interest rate in Argentina, which increased Banco Patagonia's time deposits expense by R\$177 million, offset by Securities result. Institutional funding expenses decreased by R\$158 million, driven by the impact of instruments issued abroad expenses, such as subordinated perpetual bonds, securities and subordinated debt issued abroad, which decreased due to the appreciation of the average exchange rate in 4Q18, as well as the decrease of these funding balance.
- III Treasury income was affected negatively by the result with financial derivatives and securities mark to market.

Table 3. NII – R\$ Million and NIM (%)

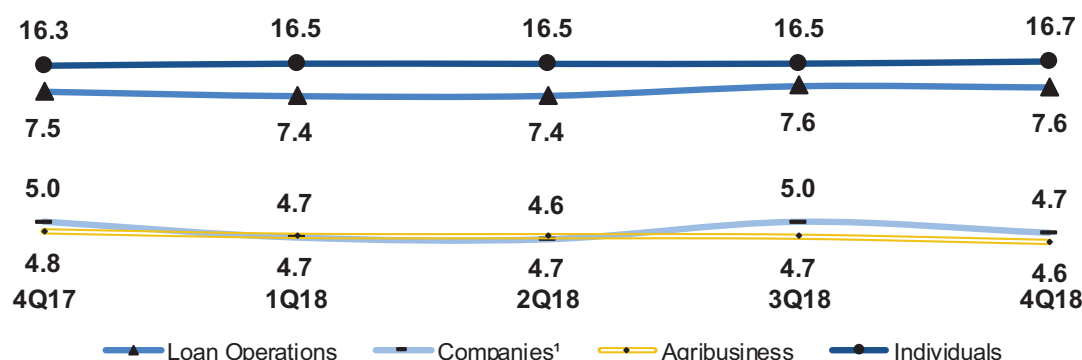
R\$ million	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q17	3Q18	4Q18	4Q17	3Q18	2017	2018	2017
Net Interest Income	12,820	12,578	12,490	(2.6)	(0.7)	52,706	49,625	(5.8)
Loan Operations income	19,532	18,390	18,452	(5.5)	0.3	86,342	73,683	(14.7)
Funding Expenses	(6,469)	(6,190)	(6,437)	(0.5)	4.0	(32,441)	(24,594)	(24.2)
Financial Expense for Institutional Funding ¹	(2,823)	(2,734)	(2,576)	(8.8)	(5.8)	(12,426)	(10,887)	(12.4)
Treasury Income ²	2,580	3,112	3,051	18.3	(2.0)	11,232	11,422	1.7
NIM - %³	4.2	3.9	4.0	-	-			
Risk Adjusted NIM	2.9	2.9	3.0					

1 - It includes senior bonds, subordinated debt, and Hybrid Instruments in Brazil and abroad;

2 - It includes the result from interest, tax hedging, derivatives, and other financial instruments that offset the effects of the exchange rate variation on result.

3 - NII/Earning Assets average, annualized;

Figure 1. Managerial net interest margin by Segment – %



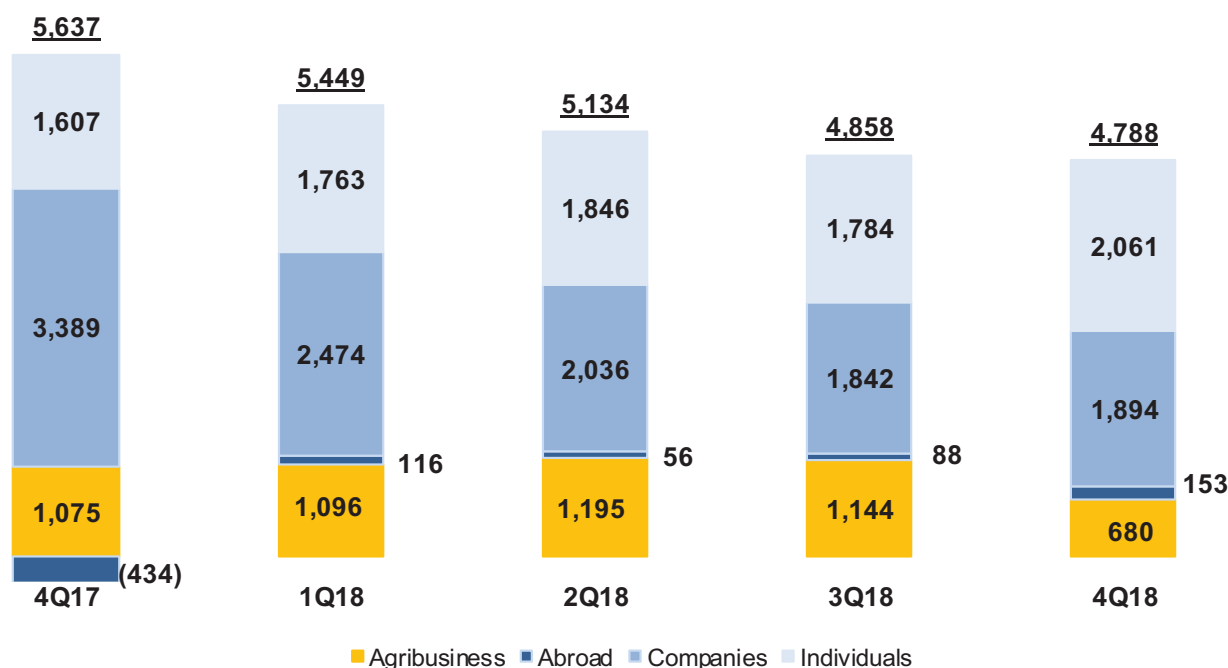
1 – It does not include transactions with the Government.

ALLL continues on downward trajectory

The ALLL – Credit Risk decreased 19.9% over 2017 at R\$20.2 billion with the highlight to the ALLL decrease in the Agro portfolio.

The ALLL with credit recovery decreased 29.2% compared to 2017, reaching R\$14.2 billion in 2018, due to the greater credit recovery volume (growth 16.2%).

Figure 2. ALLL Expenses by Segment – R\$ million¹



¹ – Does not consider the credit recovery

Fee Income increased by 5.8%

In the 2018/2017 comparison, the checking account fees has growth of 6.2% in service package revenue. The Bank position the services packages value at a level close to the private financial institutions.

The volume of resources managed related to Asset Management rose from R\$864.5 billion in Dec/17 to R\$941.1 billion in Dec/18. In the 4Q18/3Q18 comparison, there was a reduction due to the decrease of net funding and lower the number of business days. More information in Chapter 9.2.

In comparison with 3Q18, the increase in insurance, pension and premium bonds revenues was influenced by revenues from brokerage with Brasilprev VGBL. Still in the Insurance line, highlighting the annual performance bonus of R\$276.1 million, paid by BB MAPFRE SH1 due to the achievement of insurance marketing goals from April to December 2018, as agreed in the renegotiation of the partnership with Mapfre Group.

Consortium sales exceeded R\$11 billion in 2018. 304 thousand quotas were sold in 2018, compared to 218 thousand in the previous year. Highlight for auto consortium with more than 251 thousand quotas sold in 2018. In the 4Q18, BB Consórcios registered more than 81 thousand new quotas totaling R\$3 billion.

Table 4. Fee Income – R\$ million

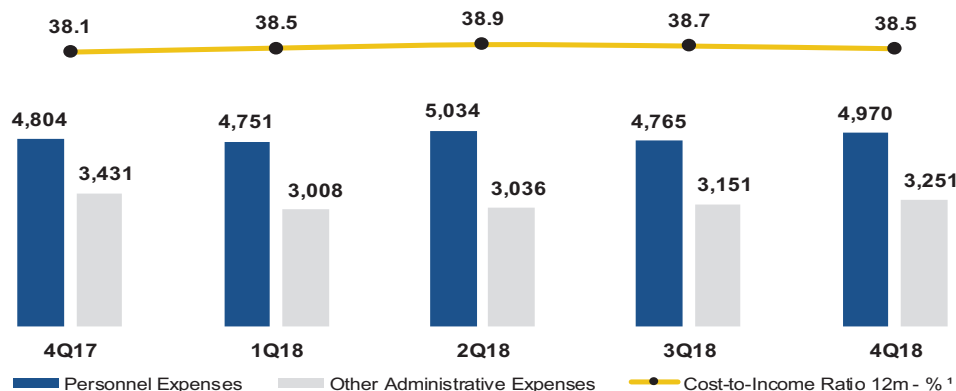
	4Q17	3Q18	4Q18	Chg. %		2017	2018	Chg. % On 2017
				On 4Q17	On 3Q18			
Fee Income	6,735	6,871	7,236	7.4	5.3	25,941	27,452	5.8
Checking Account	1,882	1,857	1,902	1.1	2.4	6,997	7,331	4.8
Asset Management	1,347	1,556	1,487	10.4	(4.5)	5,397	6,023	11.6
Insurance, P. Plans and Premium Bonds	810	714	1,039	28.2	45.4	3,048	3,221	5.7
Loan Fees	517	462	558	7.8	20.8	1,853	1,999	7.8
Credit/Debit Cards	421	491	507	20.4	3.2	1,881	1,942	3.2
<i>Brazil</i> ¹	394	423	426	8.2	0.8	1,521	1,657	8.9
Collections	338	314	312	(7.7)	(0.5)	1,448	1,290	(10.9)
Billings	274	277	283	3.3	2.4	1,087	1,116	2.7
Consortium	198	236	275	38.9	16.8	725	942	29.9
Capital Market	227	185	188	(17.3)	1.6	775	788	1.7
Nat. Treasury and Manag. of Official Funds	173	225	110	(36.6)	(51.2)	689	605	(12.1)
Other	152	131	149	(2.0)	13.9	520	540	3.8

1 - Fee Income earned in the country.

Administrative Expenses grew 0.6% in 2018

The administrative expenses grew below inflation, resulting in a cost-to-income ratio of 38.5% in 4Q18, improvement of 20bps if compared to 3Q18.

Figure 3. Administrative Expenses – R\$ million



¹ Cost-to-Income ratio: Administrative Expenses/Operating Revenues. Data from Income Statement with Reallocations.

BIS Ratio to 18.9%

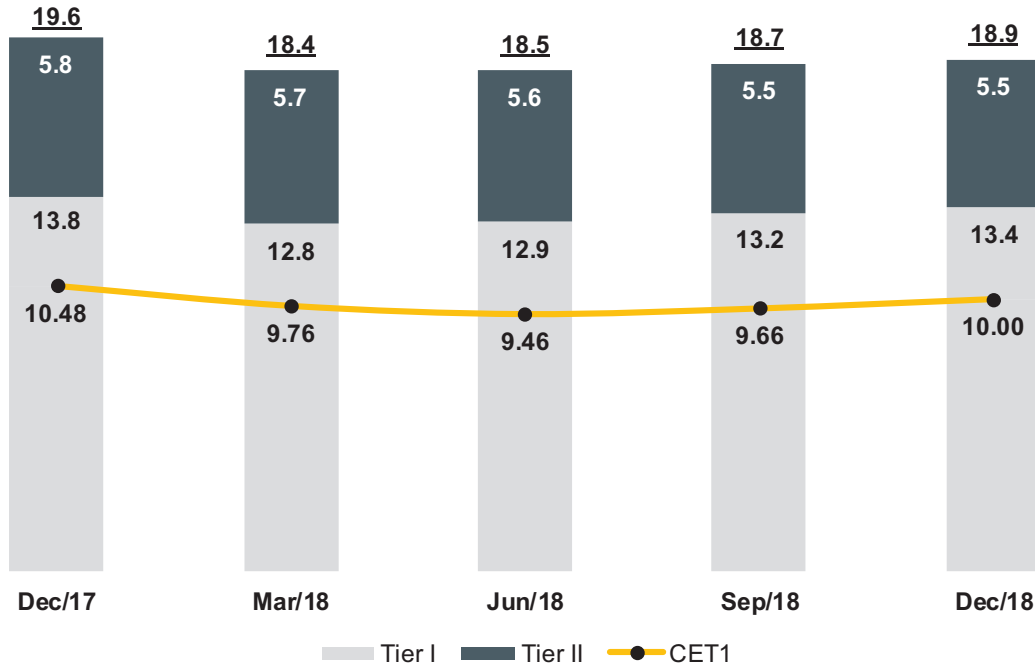
Banco do Brasil has a three-year prospective Capital Plan incorporating the effects defined by future regulatory and prudential and considering (a) the Declaration of Appetite and Risk Tolerance, (b) the Corporate Strategy and (c) the Corporate Budget.

The BIS Ratio reached 18.9% in December 2018. The Tier I was 13.4%, 10.0% of CET1 and reference equity reached R\$134.2 billion.

As a goal, the objective to maintain the CET1 above 9.5% in 2019, when the rules of Basel III will be fully implemented in Brazil. In addition, following the Statement of Appetite and Risk Tolerance and Capital Plan, for January 2022, the goal is to maintain at least 11.0% of CET1. The focus is on organic

capital generation with profit growth supported by the attractive lines under the criterion of return versus risk allocation and lower capital consumption.

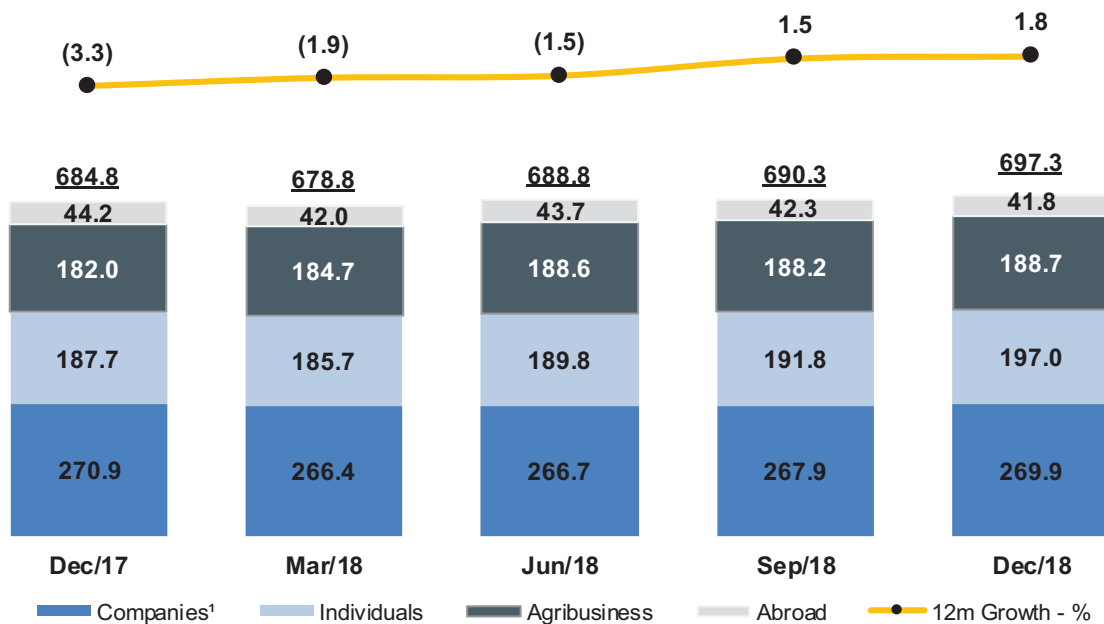
Figure 4. Basel – %



Loan Portfolio

The Expanded View loan portfolio grew 1.8% in compared to December/17. If compared to September/18, the individuals, companies and agribusiness portfolio grew, 2.7%, 0.7% and 0.2% respectively.

Figure 5. Loan Portfolio (Expanded View) – R\$ billion



1 – The Companies Loan Portfolio reprocessed until 1Q17 on the "Receivable" line.

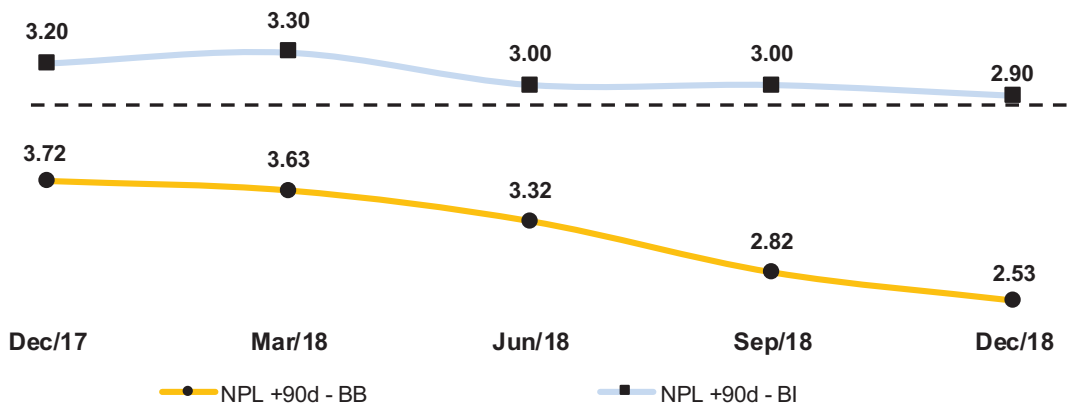
The companies expanded grew 0.7% if compared to September/18, with highlight to the growth of R\$ 1.4 billion in ACC/ACE (7.7%) and R\$ 1.3 billion (11.7%) in receivables. This increase was offset by the decrease of investments (R\$897 million) and mortgage (R\$563 million). The Very Small and Small Companies grew 1.2% compared to September/18, with highlight to foreign trade and working capital lines.

The individuals organic portfolio increased by 7.6% in 12 months (R\$13.4 billion), because of the positive performance in payroll loans (R\$3.8 billion), the 8.7% increase in mortgage (R\$3.9 billion) and credit card of 14.4%. Highlight to Personal Loans, that grew to R\$7.3 billion (55.2%) as a result of the evolution of the non-payroll loan growth strategy within BB's customer base.

The agribusiness portfolio registered a positive performance of 5.6% or R\$8.9 billion compared to December 2017, especially on FCO Rural (R\$4.0 billion), Agricultural Investments (R\$3.5 billion) e Working Capital (R\$1.7 billion), which was offset by the R\$3.1 billion decrease in loans to agribusiness companies and BNDES/Finame Rural in R\$1.5 billion

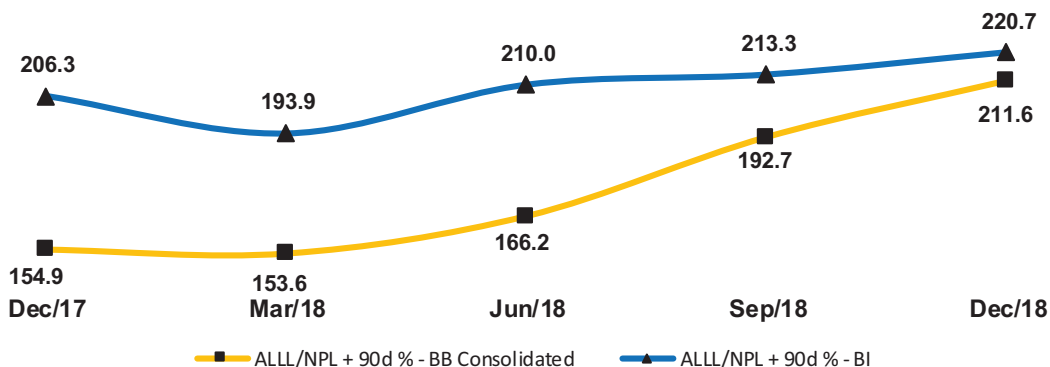
The NPL +90d (ratio between transactions more than 90 days overdue and the classified loan portfolio balance), which still with on a downward trend, was 2.53% in December/2018.

Figure 6. NPL +90 days – %



The Bank maintains coverage compatible with the risk profile of its portfolio. The index presented a relevant evolution, due to the lower NPL in the period.

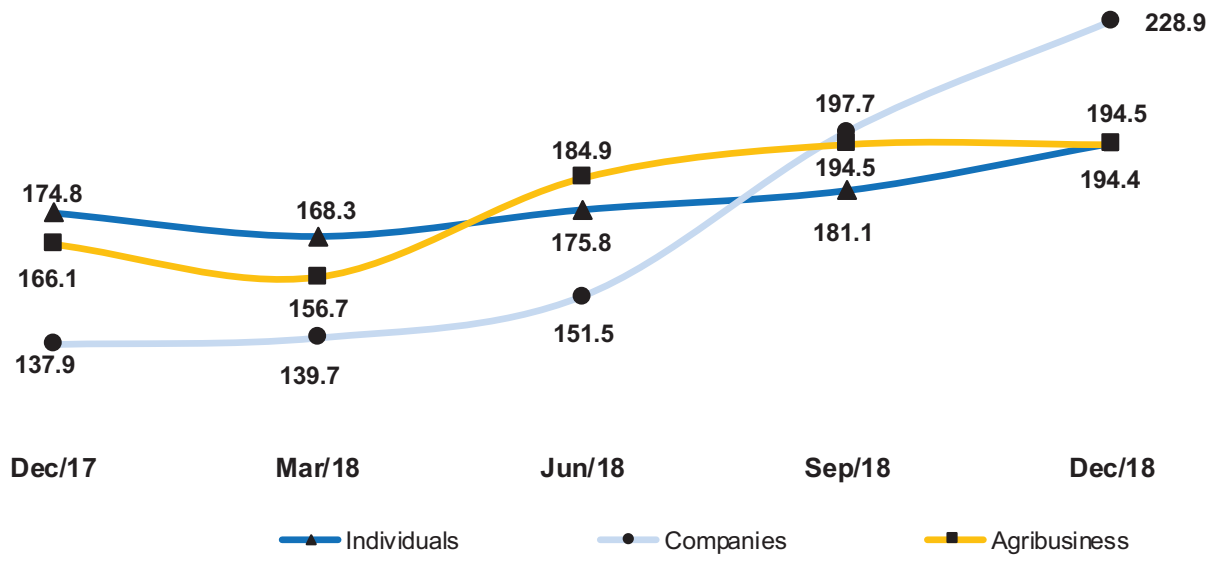
Figure 7. Coverage¹



¹ Ratio between the total balance of the provision (required plus additional) and the balance of operations more than 90 days overdue.

In the case of the Companies coverage, growth has been consistent due to the fall in the NPL balance in this portfolio.

Figure 8. Coverage by Segment – %



BALANCE SHEET

ASSETS	Note	Dec 31, 2018	Dec 31, 2017
CURRENT ASSETS		831,685,184	769,102,140
Cash and cash equivalents	6	13,614,866	13,480,903
Interbank investments	7.a	412,306,070	370,906,503
Open market investments		386,121,022	347,671,300
Interbank deposits		26,185,048	23,235,203
Securities and derivative financial instruments	8	22,312,810	17,406,636
Own portfolio		19,892,244	13,669,831
Subject to repurchase agreements		1,543,982	2,590,049
Pledged in guarantee		268,521	634,070
Derivative financial instruments		608,063	512,686
Interbank accounts		64,762,041	74,516,282
Payments and receipts pending settlement	9.a	591,555	4,069
Restricted deposits	9.b	61,888,022	71,892,280
Deposits with Banco Central do Brasil		59,115,355	69,081,139
National Treasury - rural credits resources		38,533	16,252
National Housing Finance System		2,734,134	2,794,889
Correspondent banks		2,282,464	2,619,933
Interdepartmental accounts		254,747	404,870
Internal transfers of funds		254,747	404,870
Loans	10	186,269,969	179,791,353
Public sector		576,035	1,169,169
Private sector		198,248,722	192,639,735
Loan operations linked to assignment		505	165
(Allowance for loan losses)		(12,555,293)	(14,017,716)
Leasing transactions	10	106,335	166,952
Private sector		113,772	183,601
(Allowance for leasing transactions losses)		(7,437)	(16,649)
Other receivables		131,161,499	111,906,397
Receivables from guarantees honored		362,737	601,739
Foreign exchange portfolio	11.a	25,103,044	19,057,714
Accrued income		3,448,674	2,879,303
Securities trading		509,122	417,544
Specific credits	12.a	493	533
Sundry	12.b	104,477,547	91,070,544
(Allowance for other losses)		(2,740,118)	(2,120,980)
Other assets	13	896,847	522,244
Assets not for own use and materials in stock		551,276	412,543
(Allowance for impairment)		(155,818)	(157,586)
Prepaid expenses		501,389	267,287

ASSETS	Note	Dec 31, 2018	Dec 31, 2017
NON-CURRENT ASSETS		585,458,532	600,099,031
LONG-TERM RECEIVABLES		555,165,692	568,267,266
Interbank investments	7.a	2,785,527	2,116,825
Open market investments		754,933	515,460
Interbank deposits		2,030,594	1,601,365
Securities and derivative financial instruments	8	128,783,655	121,515,935
Own portfolio		89,416,471	91,713,584
Subject to repurchase agreements		36,071,681	28,682,860
Pledged in guarantee		3,220,404	977,258
Derivative financial instruments		75,099	142,233
Interbank accounts		4,092,928	4,118,336
Payments and receipts pending settlement	9.a	3,445,430	3,467,187
Restricted deposits	9.b	15,115	187
National Treasury - rural credits resources		15,115	187
Interbank onlendings		632,383	650,962
Loans	10	362,718,150	364,498,414
Public sector		74,180,719	74,100,972
Private sector		308,355,612	311,327,864
Loan operations linked to assignment		404,563	495,891
(Allowance for loan losses)		(20,222,744)	(21,426,313)
Leasing transactions	10	117,125	211,102
Private sector		119,942	214,956
(Allowance for leasing transactions losses)		(2,817)	(3,854)
Other receivables		56,656,517	75,788,225
Foreign exchange portfolio	11.a	10,497	--
Accrued income		32,730	69,228
Securities trading		382,841	473,626
Specific credits	12.a	392,414	416,269
Sundry	12.b	57,065,563	75,676,085
(Allowance for other losses)		(1,227,528)	(846,983)
Other assets	13	11,790	18,429
Prepaid expenses		11,790	18,429
PERMANENT ASSETS		30,292,840	31,831,765
Investments		16,973,191	17,489,734
Investments in subsidiaries and associates	14.a	16,754,357	17,262,707
Domestic		16,181,548	17,216,404
Abroad		572,809	46,303
Other investments	14.c	274,152	246,161
(Provision for losses)		(55,318)	(19,134)
Property and equipment	15	7,537,617	7,415,302
Land and buildings		8,102,145	7,722,889
Other property and equipment		9,453,968	10,182,774
(Accumulated depreciation)		(10,018,496)	(10,490,361)
Intangible	16	5,782,032	6,926,729
Intangible assets		14,459,342	19,055,527
(Accumulated amortization)		(8,677,310)	(12,128,798)
TOTAL ASSETS		1,417,143,716	1,369,201,171

LIABILITIES/SHAREHOLDERS' EQUITY	Note	Dec 31, 2018	Dec 31, 2017
CURRENT LIABILITIES		1,039,439,783	1,006,184,142
Deposits	17.a	442,285,753	405,168,767
Demand deposits		67,810,697	69,981,063
Savings deposits		174,854,743	160,289,875
Interbank deposits		30,351,705	21,382,405
Time deposits		169,057,376	153,338,582
Other deposits		211,232	176,842
Securities sold under repurchase agreements	17.c	393,556,860	365,536,950
Own portfolio		30,226,030	29,529,818
Third-party portfolio		363,330,830	336,007,132
Funds from acceptance and issuance of securities	18	32,565,915	67,394,565
Bonds backed by real estate, mortgage and other credits		29,256,810	58,716,935
Foreign securities		3,192,679	8,610,339
Certificates of structured operations		116,426	67,291
Interbank accounts		1,638	1,149
Receipts and payments pending settlement	9.a	1,638	1,149
Interdepartmental accounts		2,490,770	2,495,532
Third-party funds in transit		2,490,638	2,495,532
Internal transfers of funds		132	--
Borrowings	19.a	18,179,594	16,872,613
Foreign borrowing		18,179,594	16,872,613
Domestic onlending - official institutions	19.b	38,148,447	44,419,452
National Treasury		4	--
BNDES		4,450,146	6,091,846
Caixa Econômica Federal		29,413,089	26,558,065
Finame		4,036,156	4,549,264
Other institutions		249,052	7,220,277
Foreign onlending	19.b	95	95
Derivative financial instruments	8.d	593,508	577,070
Other liabilities		111,617,203	103,717,949
Billing and collection of taxes and contributions		426,786	493,167
Foreign exchange portfolio	11.a	12,067,141	8,134,346
Shareholders and statutory distributions		3,961,830	2,177,094
Taxes and social security	20.a	10,788,134	11,464,023
Securities trading		655,805	907,009
Financial and development funds	20.b	9,855,261	9,339,505
Subordinated debts	20.c	9,440,498	9,168,341
Equity and debt hybrid securities	20.d	62,168	283,071
Other liabilities	20.e	64,359,580	61,751,393

LIABILITIES/SHAREHOLDERS' EQUITY	Note	Dec 31, 2018	Dec 31, 2017
NON-CURRENT LIABILITIES		275,451,051	264,293,627
LONG-TERM LIABILITIES		275,002,814	263,864,254
Deposits	17.a	43,751,018	45,060,595
Interbank deposits		3,316,890	2,770,354
Time deposits		40,434,128	42,290,241
Securities sold under repurchase agreements	17.c	9,344,342	10,705,745
Own portfolio		9,344,337	10,705,734
Third-party portfolio		5	11
Funds from acceptance and issuance of securities	18	92,252,581	66,371,232
Bonds backed by real estate, mortgage and other credits		72,348,342	50,941,594
Foreign securities		19,886,856	15,394,376
Certificates of structured operations		17,383	35,262
Borrowings	19.a	2,807,154	2,699,881
Foreign borrowing		2,807,154	2,699,881
Domestic onlending - official institutions	19.b	28,582,617	36,465,287
National Treasury		165,553	145,264
BNDES		17,314,666	20,844,346
Finame		11,102,398	15,225,834
Other institutions		--	249,843
Foreign onlending	19.b	382	382
Derivative financial instruments	8.d	215,693	212,817
Other liabilities		98,049,027	102,348,315
Foreign exchange portfolio	11.a	2,455,716	1,605,681
Shareholders and statutory distributions		905	726
Taxes and social security	20.a	768,983	911,945
Securities trading		322,059	298,639
Financial and development funds	20.b	5,667,160	7,455,245
Special operations		2,216	2,216
Subordinated debts	20.c	41,129,651	46,513,485
Equity and debt hybrid securities	20.d	4,245,895	5,324,708
Debt instruments eligible as capital	20.c and 20.d	29,085,685	25,771,771
Other liabilities	20.e	14,370,757	14,463,899
DEFERRED INCOME		448,237	429,373
SHAREHOLDERS' EQUITY	23	102,252,882	98,723,402
Capital		67,000,000	67,000,000
Local residents		51,606,403	52,954,778
Domiciled abroad		15,393,597	14,045,222
Instruments qualifying as common equity tier 1 capital	23.c	8,100,000	8,100,000
Capital reserves		14,692	12,436
Revaluation reserves		2,240	2,371
Profit reserves		42,612,582	35,280,691
Accumulated other comprehensive income		(16,154,116)	(13,219,725)
(Treasury shares)		(1,833,431)	(1,850,043)
Non-controlling interests		2,510,915	3,397,672
TOTAL LIABILITIES		1,417,143,716	1,369,201,171

STATEMENT OF INCOME

	Note	2nd half/2018	2018	2017
INCOME FROM FINANCIAL INTERMEDIATION		62,575,962	134,487,863	142,438,857
Loans	10.b	40,915,621	86,493,451	83,669,131
Leasing transactions	10.i	90,111	196,945	255,815
Securities	8.b	19,560,906	41,600,526	52,144,046
Derivative financial instruments	8.e	(323,352)	568,930	(465,274)
Foreign exchange results	11.b	816,514	2,247,071	917,229
Reserve requirement	9.c	1,136,920	2,519,272	4,302,545
Operations of sale and transfer of financial assets		379,242	861,668	1,615,365
EXPENSES FROM FINANCIAL INTERMEDIATION		(45,470,171)	(102,973,435)	(110,820,864)
Deposits and securities sold under repurchase agreements	17.d	(31,997,488)	(63,413,576)	(77,153,666)
Borrowings and onlendings	19.c	(3,167,285)	(18,383,042)	(7,734,066)
Leasing transactions	10.i	(60,814)	(129,647)	(147,591)
Operations of sale and transfer of financial assets		(297,568)	(318,617)	(86,373)
Allowance for loan losses	10.f and 10.g	(9,947,016)	(20,728,553)	(25,699,168)
INCOME FROM FINANCIAL INTERMEDIATION		17,105,791	31,514,428	31,617,993
OTHER OPERATING INCOME/EXPENSES		(5,882,387)	(12,006,850)	(14,026,526)
Service fee income and bank fee income	21.a	14,068,941	27,414,692	25,941,416
Service fee income		8,682,941	16,934,672	16,305,668
Bank fee income		5,386,000	10,480,020	9,635,748
Personnel expenses	21.b	(10,664,762)	(20,899,024)	(20,574,976)
Other administrative expenses	21.c	(6,605,118)	(12,819,069)	(14,516,719)
Tax expenses	24.c	(2,530,776)	(5,053,736)	(5,482,503)
Equity in earnings (losses) in associates and joint ventures	14	1,649,477	3,741,668	3,962,261
Other operating income	21.d	5,724,967	9,585,643	8,226,850
Other operating expenses	21.e	(7,525,116)	(13,977,024)	(11,582,855)
OPERATING INCOME		11,223,404	19,507,578	17,591,467
NON-OPERATING INCOME	22	891,061	1,156,118	542,365
Incomes		1,002,104	1,353,435	756,616
Expenses		(111,043)	(197,317)	(214,251)
PROFIT BEFORE TAXATION AND PROFIT SHARING		12,114,465	20,663,696	18,133,832
INCOME TAX AND SOCIAL CONTRIBUTION	24.a	(3,614,686)	(4,767,368)	(4,050,863)
Income tax and social contribution current		(1,759,641)	(3,304,217)	(3,290,685)
Income tax and social contribution deferred		(1,855,045)	(1,463,151)	(760,178)
EMPLOYEE AND DIRECTORS PROFIT SHARING		(890,797)	(1,638,453)	(1,422,159)
NON-CONTROLLING INTERESTS		(630,776)	(1,395,849)	(1,650,034)
NET INCOME		6,978,206	12,862,026	11,010,776
EARNINGS PER SHARE	23.f			
Weighted average number of shares - basic and diluted		2,785,468,140	2,785,290,260	2,784,905,261
Basic and diluted earnings per share (R\$)		2.45	4.54	3.91



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