

BANK BRADESCO  
Form 6-K  
November 08, 2004

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the month of November, 2004**

**Commission File Number 1-15250**

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**BANCO BRADESCO S.A.**  
(Exact name of registrant as specified in its charter)

**BANK BRADESCO**  
(Translation of Registrant's name into English)

**Cidade de Deus, s/n, Vila Yara  
06029-900 - Osasco - SP  
Federative Republic of Brazil**  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

Report on Economic and  
Financial Analysis

September 2004

## Financial Market Indicators (%)

Index	2003			2004		
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September
CDI	5.78	5.61	18.06	3.67	3.86	11.72
IBOVESPA	15.07	23.42	42.08	(4.49)	9.92	4.54
USD - Commercial rate	(14.35)	1.79	(17.26)	6.84	(8.01)	(1.06)
IGP-M	(0.35)	1.14	7.10	3.95	3.25	10.26
IPCA - IBGE	1.43	1.32	8.05	1.60	1.94	5.49
TJLP	2.87	2.87	8.62	2.35	2.35	7.29
TR	1.31	1.29	3.93	0.42	0.57	1.35
Collective labor agreement (*)	-	12.60	12.60	-	8.50	8.50

## Closing Price

USD - Commercial rate - sell (in reais)	2.8720	2.9234	2.9234	3.1075	2.8586	2.8586
Sovereign risk (points)	788	695	695	646	466	466
SELIC Central Bank reference rate COPOM (% p.a.)	26.00	20.00	20.00	16.00	16.25	16.25
Prefixed BMF rate 1 yr. (% p.a.)	22.00	18.10	18.10	17.02	17.40	17.40

(\*) Increase proposed in 2004.

## Compulsory Deposit Rates (%)

Deposits	2003		2004	
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter
Demand deposits <sup>(1)</sup>	60	45	45	45
Additional <sup>(2)</sup>	8	8	8	8
Time deposits <sup>(3)</sup>	15	15	15	15
Additional <sup>(2)</sup>	8	8	8	8
Savings deposits <sup>(4)</sup>	20	20	20	20
Additional <sup>(2)</sup>	10	10	10	10

(1) Cash deposit - no remuneration.

(2) Cash deposit - SELIC rate.

(3) Deposit in Government Securities.

(4) Cash deposit - Reference Rate (TR) + interest of 6.17% p.a.

## Rates and Limits (%)

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Items	2003		2004	
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter
Income tax	25	25	25	25
Social contribution	9	9	9	9
PIS <sup>(1)</sup>	0.65	0.65	0.65	0.65
COFINS <sup>(2)</sup>	3	4	4	4
Legal reserve on net income	5	5	5	5
Maximum fixed assets <sup>(3)</sup>	50	50	50	50
Minimum capital Base <sup>(4)</sup>	11	11	11	11

(1) The rate applicable to non-financial and similar companies is 1.65% (non-cumulative PIS).

(2) The rate applicable to financial and similar companies was increased to 4% in September 2003 and for other companies to 7.60% in February 2004 (non-cumulative COFINS).

(3) On reference equity.

(4) Reference equity may not be lower than 11% of weighted assets.

Forward-Looking Statements

This Report on Economic and Financial Analysis contains forward-looking statements relating to our business which are based on management's current expectations, estimates and projections about future events and financial trends which could affect our business. Words such as: believes, anticipates, plans, expects, intends, aims, evaluates, predicts, foresees, projects, guidelines, should and similar expressions identify forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties which are difficult to predict and which could be beyond our control. Furthermore, certain forward-looking statements are based on assumptions which future events may prove to be inaccurate. Therefore, actual results may differ materially from the plans, objectives, expectations, projections and intentions expressed or implied in such forward-looking statements.

Factors which could cause actual results to differ materially include, among others, changes in regional, national and international commercial and economic conditions; inflation rates, increases in customer default and any other delays in credit operations; increases in the allowance for loan loss; loss of funding capacity; loss of clientele or revenues; our capacity to sustain and improve performance; changes in interest rates which could, among others, have an adverse effect on our margins; competition in the banking sector, in financial services, credit card services, insurance, asset management and other related sectors; government regulations and fiscal matters; disputes or adverse legal proceedings or ruling; as well as credit risks and other loan and investment activity risks.

Accordingly, the reader should not place undue reliance on these forward-looking statements. In all cases, these forward-looking statements are valid only as at the date they are made. Except as required under applicable legislation, we assume no obligation whatsoever to update these statements, whether as a result of new information, future events or any other motive.

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Certain figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.



1 - Bradesco Line by Line

## Highlights

## Earnings In millions of reais

	2004			Accumulated to September		
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation	2003	2004	% Variation
	Financial margin	3,081	3,304	7.2	9,135	9,715
Provision for loan losses	514	478	(7.0)	1,998	1,553	(22.3)
Commission and fees	1,375	1,455	5.8	3,282	4,149	26.4
Insurance premiums, private pension plans and savings bonds	2,989	3,464	15.9	8,291	9,447	13.9
Personnel expenses	1,234	1,273	3.2	3,507	3,684	5.0
Other administrative expenses	1,216	1,225	0.7	3,486	3,649	4.7
Operating income	621	1,163	87.3	2,667	2,583	(3.1)
Net income	641	752	17.3	1,591	2,002	25.8

## Balance Sheet In millions of reais

	2004			September		
	June	September	% Variation	2003	2004	% Variation
	Total assets	176,254	179,703	2.0	164,363	179,703
Securities	56,212	58,155	3.5	47,906	58,155	21.4
Credit operations	58,402	59,976	2.7	52,776	59,976	13.6
Permanent assets	5,271	5,030	(4.6)	5,069	5,030	(0.8)
Total deposits	64,133	64,787	1.0	58,346	64,787	11.0
Borrowings and onlendings	16,817	16,715	(0.6)	15,186	16,715	10.1
Technical reserves	29,478	31,585	7.1	24,461	31,585	29.1
Stockholders equity	13,650	14,678	7.5	12,967	14,678	13.2

## Change in Number of Outstanding Shares

	Common Stock	Preferred Stock	Total
Number of shares held at December 31, 2003 (*)	79,836,525	78,693,936	158,530,461
Shares acquired and not canceled	(386,082)	(4)	(386,086)
Number of shares held at September 30, 2004	79,450,443	78,693,932	158,144,375

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\* Shares divided by 10,000, as a result of the reverse stock split.

Share Performance in reais

	2004			Accumulated to September		
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation	2003	2004	% Variation
Net income per share	4.05	4.75	17.3	10.03	12.66	26.2
Dividends/JCP per share ON (net of income tax)	1.664	1.702	2.3	5.179	5.032	(2.8)
Dividends/JCP per share PN (net of income tax)	1.831	1.872	2.2	5.697	5.535	(2.8)
Net book value (ON and PN)	86.30	92.81	7.5	81.76	92.81	13.5
Average last day price (ON)	115.36	118.43	2.7	94.70	118.43	25.1
Average last day price (PN)	142.63	150.00	5.2	117.20	150.00	28.0
Market value of stockholders' equity (in millions of reais) (*)	20,404	21,213	4.0	16,810	21,213	26.3

(\*) Number of shares x average last day quotation for the period.

JCP = Interest attributed to own capital

Cash Generation In millions of reais

	2003			2004		
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September
Net income	519	564	1,591	641	752	2,002
Equity in the earnings of associated companies	28	(7)	26	(122)	3	(119)
Allowance for loan losses	587	603	1,998	514	478	1,553
Technical reserves	1,465	1,625	4,946	1,392	2,019	4,941
(Reversal of) allowance for mark-to-market	16	(1)	30	-	-	(4)
Depreciation and amortization	150	179	470	143	134	421
Amortization of goodwill	62	62	862	226	188	501
Other	12	(22)	(5)	(43)	20	(17)
<b>Total</b>	<b>2,839</b>	<b>3,003</b>	<b>9,918</b>	<b>2,751</b>	<b>3,594</b>	<b>9,278</b>

Added Value In millions of reais

	2003			2004		
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Accumulated to September
<b>ADDED VALUE (A+B+C)</b>	<b>2,192</b>	<b>2,395</b>	<b>6,840</b>	<b>2,311</b>	<b>2,702</b>	<b>7,398</b>
A - Gross profit from financial intermediation	2,028	2,555	7,137	2,567	2,826	8,162
B - Commissions and fees	1,083	1,182	3,282	1,375	1,455	4,149

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C - Other operating expenses	(919)	(1,342)	(3,579)	(1,631)	(1,579)	(4,913)
<b>DISTRIBUTION OF ADDED VALUE (D+E+F+G)</b>	<b>2,192</b>	<b>2,395</b>	<b>6,840</b>	<b>2,311</b>	<b>2,702</b>	<b>7,398</b>
D - Employees	923	1,094	2,878	995	1,030	2,968
E - Government	750	737	2,371	675	920	2,428
F - JCP/Dividends to stockholders (paid and accrued)	343	367	1,000	325	333	985
G - Reinvestment of profits	176	197	591	316	419	1,017

Performance Ratios (annualized)

	2004		Accumulated to September	
	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	2003	2004
Return on stockholders' equity (total)	20.1	22.1	16.7	18.6
Return on stockholders' equity (average)	20.5	23.3	18.2	20.0
Return on total assets (total)	1.5	1.7	1.3	1.5
Stockholders' equity to total assets	7.7	8.2	7.9	8.2
Capital adequacy ratio (Basel) - financial consolidated	18.1	19.9	18.4	19.9
Capital adequacy ratio (Basel) - total consolidated	15.7	17.0	15.9	17.0
Permanent assets to stockholders' equity - financial consolidated	41.4	42.7	44.3	42.7
Permanent assets to stockholders' equity - total consolidated	26.1	24.2	29.9	24.2
Efficiency ratio (accumulated over the prior 12-month period)	60.1	58.3	55.9	58.3

Other Information

	2004			September		
	June	September	% Variation	2003	2004	% Variation
Managed funds - in millions of reais	86,816	90,171	3.9	76,602	90,171	17.7
Number of employees	74,784	74,227	(0.7)	77,154	74,227	(3.8)
Number of branches	3,054	3,049	(0.2)	3,033	3,049	0.5
Checking account holders - million	15.4	15.3	(0.6)	14.4	15.3	6.3
Debit and credit card base - million	43.5	45.2	3.9	39.1	45.2	15.6
Profitability						

Bradesco reported net income of R\$ 2,002 million, for the first nine months of 2004, up by 25.8%, compared to the same period in 2003. Stockholders' equity was R\$ 14.678 billion at September 30, 2004, an increase of 13.2% compared to the prior-year. The return on stockholders' equity (ROE) was 18.6%. Assets totaled R\$ 179,703 billion at the end of September 2004, a growth rate of 9.3% compared to the balance at the same date in 2003. Return on total assets (RO) for the first nine months of 2004 was 1.5% per annum.

Third-quarter consolidated net income was R\$ 752 million, up by R\$ 111 million, or 17.3% compared to second-quarter results (2Q04). Annualized return on stockholders' equity (ROE) was 22.1% for the quarter and return on total assets (ROA) was 1.7%.

3Q04 was marked by the good performance of revenues comprising financial margin, especially non-interest income which totaled R\$ 504 million, up by R\$ 380 million, compared to 2Q04, mainly due to increased gains with securities (TVM) and treasury operations, as well as credit recovery improvements, in line with a more favorable economic environment. We also highlight the increase in commissions and fees, up by 5.8% compared to 2Q04, in particular, income on credit operations and fund management.

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The improved credit portfolio scenario, in sync with our ongoing selective credit granting policy, was mirrored by improved portfolio risk ratings and the lower provision for loan loss recorded in the amount of R\$ 36 million for the quarter, totaling R\$ 1,553 million for the first nine months of 2004.

The Operating Efficiency Ratio (accumulated over the prior 12 months) in 3Q04 was 58.3%, down by 0.4% compared to 2Q04, after adjustments for extraordinary events, evidencing the strong commitment of the entire Bradesco management to the strict control of expenses and growing revenues for the quarter.

### Comparative Statement of Income - In millions of reais

	Accumulated to September 2003	Accumulated to September 2004	% Variation	2 <sup>nd</sup> Quarter 2004	3 <sup>rd</sup> Quarter 2004	% Variation
<b>Income from lending and trading activities</b>	<b>20,087</b>	<b>20,001</b>	<b>(0.4)</b>	<b>7,720</b>	<b>5,525</b>	<b>(28.4)</b>
Credit operations	9,126	9,629	5.5	3,659	2,870	(21.6)
Leasing operations	229	215	(6.1)	57	73	28.1
Securities	5,098	4,163	(18.3)	2,121	362	(82.9)
Financial income on insurance, private pension plans and savings bonds	3,948	3,763	(4.7)	1,181	1,337	13.2
Derivative financial instruments	46	709	1,441.3	(69)	582	(943.5)
Foreign exchange transactions	543	663	22.1	502	-	(100.0)
Compulsory deposits	1,097	859	(21.7)	269	301	11.9
<b>Expenses</b>	<b>12,950</b>	<b>11,839</b>	<b>(8.6)</b>	<b>5,153</b>	<b>2,699</b>	<b>(47.6)</b>
Deposits	7,930	6,776	(14.6)	3,030	1,292	(57.4)
Price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds	2,419	2,294	(5.2)	699	943	34.9
Borrowings and onlendings	593	1,203	102.9	905	(18)	(102.0)
Leasing operations	10	13	30.0	5	4	(20.0)
Provision for loan losses	1,998	1,553	(22.3)	514	478	(7.0)
<b>Income on financial intermediation</b>	<b>7,137</b>	<b>8,162</b>	<b>14.4</b>	<b>2,567</b>	<b>2,826</b>	<b>10.1</b>
<b>Other operating income (expenses)</b>	<b>(4,470)</b>	<b>(5,579)</b>	<b>24.8</b>	<b>(1,946)</b>	<b>(1,663)</b>	<b>(14.5)</b>
Commissions and fees	3,282	4,149	26.4	1,375	1,455	5.8
Income from insurance premiums, private pension plans and savings bonds	8,291	9,447	13.9	2,989	3,464	15.9
Insurance premiums retained	4,067	4,663	14.7	1,525	1,673	9.7
Private pension plan contributions	3,382	3,744	10.7	1,068	1,453	36.0
Income on savings bonds	842	1,040	23.5	396	338	(14.6)
<b>Variation in technical reserves for insurance, pension plans and savings bonds</b>	<b>(2,527)</b>	<b>(2,647)</b>	<b>4.7</b>	<b>(693)</b>	<b>(1,076)</b>	<b>55.3</b>
Variation in technical reserves for insurance	(199)	(160)	(19.6)	(70)	(112)	60.0
Variation in technical reserves for pension plans	(2,271)	(2,441)	(7.5)	(617)	(974)	57.9
Variation in technical reserves for savings bonds	(57)	(46)	(19.3)	(6)	10	(266.7)
Claims - insurance operations	(3,061)	(3,842)	25.5	(1,282)	(1,328)	3.6
Savings bond draws and redemptions	(798)	(932)	16.8	(346)	(313)	(9.5)
<b>Insurance and pension plan selling expenses</b>	<b>(553)</b>	<b>(633)</b>	<b>14.5</b>	<b>(205)</b>	<b>(216)</b>	<b>5.4</b>
Insurance product selling expenses	(446)	(517)	15.9	(167)	(177)	6.0
Pension plan selling expenses	(107)	(116)	8.4	(38)	(39)	2.6
Expenses with pension plan benefits and redemptions	(1,406)	(1,620)	15.2	(590)	(497)	(15.8)
Personnel expenses	(3,507)	(3,684)	5.0	(1,234)	(1,273)	3.2
Other administrative expenses	(3,486)	(3,649)	4.7	(1,216)	(1,225)	0.7

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Tax expenses	(761)	(1,053)	38.4	(343)	(374)	9.0
Equity in the earnings of associated companies	(26)	119	(557.7)	122	(3)	(102.5)
Other operating income	1,954	888	(54.6)	280	351	25.4
Other operating expenses	(1,872)	(2,122)	13.4	(803)	(628)	(21.8)
<b>Operating income</b>	<b>2,667</b>	<b>2,583</b>	<b>(3.1)</b>	<b>621</b>	<b>1,163</b>	<b>87.3</b>
<b>Non-operating income</b>	<b>(768)</b>	<b>(343)</b>	<b>(55.3)</b>	<b>(202)</b>	<b>(130)</b>	<b>(35.6)</b>
<b>Income before taxes and profit sharing</b>	<b>1,899</b>	<b>2,240</b>	<b>18.0</b>	<b>419</b>	<b>1,033</b>	<b>146.5</b>
Provision for income tax and social contribution	(301)	(233)	(22.6)	225	(279)	(224.0)
Minority interest in subsidiaries	(7)	(5)	(28.6)	(3)	(2)	(33.3)
<b>Net income</b>	<b>1,591</b>	<b>2,002</b>	<b>25.8</b>	<b>641</b>	<b>752</b>	<b>17.3</b>
<b>Return on stockholders equity (%) annualized</b>	<b>16.7</b>	<b>18.6</b>	<b>-</b>	<b>20.1</b>	<b>22.1</b>	<b>-</b>

Analysis of the Statement of Income In millions of reais

Income from Credit and Leasing Operations

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
9,345	9,831	5.2	3,711	2,939	(20.8)

Income was up mostly as a result of: (i) the increase in the volume of the credit portfolio, which totaled R\$ 60.0 billion, particularly in the consumer customer segment, up by 26.8%, as compared to the corporate segment up by 8.5%, reflecting the small demand for credit by the latter; (ii) negative exchange variation of 1.1% for the nine-month period through September 2004 (period/04), compared to negative exchange variation of 17.3% in the nine-month period through September 2003 (period/03), impacting foreign-currency indexed and/or denominated operations, which comprise 12.5% of the portfolio (not considering advances on foreign exchange contracts ACC which comprise 9.4% of the portfolio and whose results impact the foreign exchange transactions account); offset substantially by: (iii) falling average interest rates in line with the variation in CDI of 18.1% for period/03 as compared to 11.7% for period/04.

The variation was mainly due to: (i) negative exchange variation of 8.0% in 3Q04, against positive exchange variation of 6.8% in 2Q04, impacting foreign-currency indexed and/or denominated operations, comprising 12.5% of the portfolio (not considering advances on foreign exchange contracts ACC which comprise 9.4% of the portfolio and whose results impact the foreign exchange transactions account); partially offset by: (ii) increase in the credit portfolio balance, particularly the 4.8% increase for the quarter in the consumer customer segment, compared to a growth rate of 1.8% in the corporate customer segment, partially affected by foreign-currency indexed and/or denominated operations.

Results of Securities (TVM) and Derivative Financial Instrument Operations

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
5,144	4,872	(5.3)	2,052	944	(54.0)

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The variation for the period is mainly due to: (i) falling average interest rates for the period; (ii) decrease in non-interest income of R\$ 315 in period/04 against R\$ 520 in period/03, as a result of less gains on securities and treasury transactions, offset substantially by: (iii) negative exchange variation of 1.1% in period/04, against negative exchange variation of 17.3% in period/03, impacting foreign-currency-indexed and or denominated securities, which comprise 17.8% of the portfolio; and (iv) increase in the average volume of the securities portfolio, particularly federal government securities.

This decrease reflects mainly: (i) negative exchange variation of 8% in 3Q04, against positive exchange variation of 6.8% in 2Q04, impacting foreign currency-indexed and or denominated securities, which comprise 17.8% of the total portfolio; partially offset by: (ii) increase in non-interest income of R\$ 216 in 3Q04 compared to R\$ (6) in 2Q04, as a result of increased gains with securities and treasury operations.

### Financial Income on Insurance, Private Pension Plans and Savings Bonds

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
3,948	3,763	(4.7)	1,181	1,337	13.2

During the period, there was an increase in the average volume of the securities portfolio, comprising federal government securities, related to technical reserves, especially PGBL and VGBL products. However, overall results were down mainly due to: (i) the decrease in average interest rates, especially CDI, from 18.1% in period/03 to 11.7% for period/04; partially offset by: (ii) variation in the IGP-M index, of 7.1% for period/03, against 10.3% in 2004.

Results were up mainly due to: (i) the increase in the average volume of the securities portfolio for the quarter, comprising federal government securities, as a result of the increase in the sale of supplementary pension plans and insurance policies, especially PGBL and VGBL, partially offset by: (ii) less variation in the IGP-M index, from 3.3% in 3Q04, against 4% in 2Q04.

### Results of Foreign Exchange Transactions

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
543	663	22.1	502	-	(100.0)

During the period, there was an increase in the volume of the foreign exchange portfolio. Considering the adjustments to foreign funding expenses used to finance import/export transactions (Note 13 to the financial statements), results would present a decrease from R\$ 247 in period/03 to R\$ 143 in period/04, affected by falling average fx portfolio interest rates (*spread*).

The volume of the fx portfolio for the quarter presents a decrease, when measured in reais, mainly as a result of negative exchange variation of 8% in 3Q04. Considering the adjustments to foreign funding expenses used to finance import/export transactions, results would present increases of R\$ 35 and R\$ 45 in 2Q04 and 3Q04, respectively.

### Results of Compulsory Deposits

Accumulated to September			2004		
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2003	2004	% Variation
1,097	859	(21.7)

The decrease for the period reflects: (i) drop in the SELIC rate from 18.1% for period/03 to 11.7% for period/04, used to remunerate the additional compulsory deposit; (ii) the decrease in the TR reference rate used to remunerate compulsory savings account deposits, from 3.9% in period/03 to 1.4% for period/04, partially offset by: (iii) the increase in the average volume of deposits for the period.

Interest and Charges on Deposits

2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
269	301	11.9

This increase was mainly due to: (i) increase in the SELIC rate from 3.7% in 2Q04 to 3.9% in 3Q04, which is used to remunerate the additional compulsory deposit; (ii) the increase in the TR reference rate used to remunerate compulsory savings account deposits, from 0.4% in 2Q04 to 0.6% for 3Q04, partially offset by: (iii) the increase in the average volume of deposits for the quarter.

Accumulated to September		
2003	2004	% Variation
7,930	6,776	(14.6)

The decrease mainly reflects: (i) falling average interest rates, in line with the variation in the CDI from 18.1% in period/03 against 11.7% in period/04, impacting expenses for time deposits and purchase and sale commitments – third-party portfolio - R\$ 1,050 and R\$ 623 respectively, partially offset by: (ii) greater expense for securities abroad - R\$ 928, generated by negative exchange variation of 1.1% in period/04 as compared to negative exchange variation of 17.3% in period/03; and (iii) increase in the average volume of funding for the period.

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
3,030	1,292	(57.4)

The decrease in this expense mainly reflects negative exchange variation of 8% in 3Q04, compared to positive exchange variation of 6.8% in 2Q04, impacting securities and other funds obtained abroad by Bradesco - R\$ 2,051, which was partially offset by increased expense for purchase and sale commitments and time deposits of R\$ 148 and R\$ 130, respectively, as a result of an increase in interest rates, in line with the variation in the CDI of 3.7% in 2Q04 to 3.9% in 3Q04.

Price-level Restatement and Interest on Technical Reserves for Insurance, Private Pension Plans and Savings Bonds

Accumulated to September		
2003	2004	% Variation
2,419	2,294	(5.2)

The decrease mainly reflects (i) the fall in average interest rates, in line with the variation in the CDI rate of 18.1% for period/03 as compared to 11.7% for period/04; offset by: (ii) the increase in the average volume of technical reserves, for insurance, private pension plans and premium bonds, particularly PGBL and VGBL products – and (iii) the improved accounting policies in period/04, with R\$ 171, recorded in this account rather than in Variation in technical reserves for insurance, private pension plans and savings bonds – pursuant to

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
699	943	34.9

The variation was mainly due to growth from: (i) the increase in sales of supplementary pension plans and insurance policies, particularly PGBL and VGBL; (ii) the improved accounting policies in 3Q04, with R\$ 171, recorded in this account rather than in Variation in technical reserves for insurance, private pension plans and savings bonds – pursuant to prior policy; partially offset by: (iii) less variation in the IGP-M, from 3.3% in 3Q04 against 4% in 2Q04, one of the indexes used to remunerate technical reserves for insurance, private pension plans and savings bonds.



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prior policy.

Expenses for Borrowings and Onlendings

Accumulated to September		
2003	2004	% Variation
593	1,203	102.9

The increase reflects negative exchange variation of 17.3% in period/03, against negative exchange variation of 1.1% in period/04, impacting borrowings and onlendings indexed and/or denominated in foreign currency, as well as the increase in local funding through onlendings from BNDES/FINAME.

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
905	(18)	(102,0)

This decrease reflects negative exchange variation of 8% in 3Q04 against positive exchange variation of 6.8% in 2Q04, impacting borrowings and onlendings indexed and/or denominated in foreign currency.

Financial Margin

Accumulated to September		
2003	2004	% Variation
9,135	9,715	6.3

The variation for the period was mainly due to: (i) increase in interest income - R\$ 1,024, comprising the effect of appreciation of the real in period/03 (17.3%) compared with period/04 (1.1%) - R\$ 510 and growth in the average volume of business - R\$ 514; (ii) financial expenses recorded formerly in the Variation in technical reserves for insurance, private pension plans and savings bonds account - R\$ 171; and (iii) decrease in non-interest income - R\$ 273, mainly due to lower gains on securities and treasury transactions for period/04.

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
3,081	3,304	7.2

The variation for the quarter was mainly due to: (i) increase in interest income - R\$ 14, comprising growth in the average volume of business - R\$ 111 and the drop in spread - R\$ 97; (ii) financial expenses recorded formerly in the Variation in technical reserves for insurance, private pension plans and savings bonds account - R\$ 171; and (iii) increase in non-interest income - R\$ 380, derived from the increase in gains on securities and treasury transactions and credit recoveries in 3Q04.

Expenses for Provision for Loan Losses

Accumulated to September		
2003	2004	% Variation
1,998	1,553	(22.3)

Excluding additional provisions - R\$ 318 in period/03 and R\$ 54 in period/04, the decrease in expenses for PDD in the amount of R\$ 181, was mainly due to our ongoing selective

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
514	478	(7.0)

Excluding additional provisions - R\$ 8 in 3Q04 and R\$ 20 in 2Q04, the decrease in expenses for PDD in the amount of R\$ 24, was mainly due to our ongoing selective credit granting policy and tool/instrument

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credit granting policy and tool/instrument enhancements, reflected in the improvement of our credit portfolio risk ratings. In September 2003 and September 2004, our AA to C rated portfolio comprised 90.4% and 91.6% respectively of our total portfolio.

enhancements, reflected in the improvement of our credit portfolio risk ratings. In June 2004 and September 2004, our AA to C rated portfolio comprised 91.3% and 91.6% respectively of our total portfolio.

### Income on Commissions and Fees

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
3,282	4,149	26.4	1,375	1,455	5.8

Growth for the period is derived substantially from the increase in the average volume of transactions and number of customers, as well as the readjustment of certain fees during the period, especially: (i) fund management - R\$ 248; (ii) credit operations - R\$ 162; (iii) checking accounts - R\$ 158; and (iv) income on cards R\$ 125; and (v) consortium purchase plan management R\$ 46.

Growth for the quarter was mainly due to the increase in the average volume of transactions, with: (i) credit operations - R\$ 27; (ii) fund management - R\$ 21; (iii) collection R\$9; and (iv) checking account R\$ 8.

### Income from Insurance Premiums, Private Pension Plans and Savings Bonds

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
8,291	9,447	13.9	2,989	3,464	15.9

The variation for the period is detailed below:

The variation for the quarter is detailed below:

#### a) Insurance Premiums Retained

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
4,067	4,663	14.7	1,525	1,673	9.7

The variation for the period was mainly due to growth in sales of Health (corporate) - R\$ 335, Auto - R\$ 136 and Vida - R\$ 116 products.

The increase for the third quarter was mainly due to growth in sales of Auto - R\$ 61 and Health (corporate) - R\$ 58.

#### b) Private Pension Plan Contributions

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Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
3,382	3,744	10.7	1,068	1,453	36.0

The variation for the period was substantially due to: (i) growth in VGBL product sales - R\$ 382; (ii) receipt of the transfer of the Previllares supplementary pension plan portfolio - R\$ 117; e partially offset by (iii) lower PGBL product sales -R\$ 123.

The growth for the quarter was substantially derived from; (i) growth in VGBL product sales - R\$ 332; (ii) receipt of the transfer of the Previllares supplementary pension plan portfolio - R\$ 117; partially offset by (iii) lower PGBL product sales - R\$ 31.

c) Income on Savings Bonds

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
842	1,040	23.5	396	338	(14.6)

This variation reflects the increase in sales and re-investment of bonds maturing during the period.

The variation is partly due to the decrease in the re-investment of bonds matured in 3Q04.

Variation in Technical Reserves for Insurance, Pension Plans and Savings Bonds

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(2,527)	(2,647)	4.7	(693)	(1,076)	55.3

The variation for the period is detailed below:

The variation for the quarter is detailed below:

a) Variation in Technical Reserves for Insurance

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(199)	(160)	(19.6)	(70)	(112)	60.0

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Variations in technical reserves for insurance are directly related to the production of premiums in their respective effective periods. In period/04, the most significant variation occurred as a result of the lower reserve recorded in the Auto line - R\$ 41.

Variations in technical reserves for insurance are directly related to the production of premiums in their respective effective periods. In 3Q04, the most significant amount was recorded in the Auto line - R\$ 40.

### b) Variation in Technical Reserves for Pension Plans

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(2,271)	(2,441)	7.5	(617)	(974)	57.9

Variations in technical reserves are directly related to the production of premium and contributions in diverse selling periods, against benefits and redemptions. During the period, reserves were recorded in VGBL and traditional products - R\$ 351 and R\$ 787, respectively, offset by a lower reserve recorded for the PGBL product - R\$ 797 and by the improved accounting policies in period/04, with R\$ 171, recorded in Price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds rather than in this account.

Variations in technical reserves are directly related to the production of premium and contributions in diverse selling periods, against benefits and redemptions. During the quarter, reserves were recorded, mainly, in VGBL and traditional products - R\$ 326 and R\$ 272, respectively, offset by a lower reserve recorded for the PGBL product - R\$ 70 and improved accounting policies in 3Q04, with R\$ 171, recorded in Price-level restatement and interest on insurance, private pension plans and savings bonds rather than in this account.

### c) Variation in Technical Reserves for Savings Bonds

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(57)	(46)	(19.3)	(6)	10	(266.7)

The variations in technical reserves are directly related to income on savings bonds, against related draws.

The variations in technical reserves are directly related to income on savings bonds, against related draws.

### Claims - Insurance Operations

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(3,061)	(3,842)	25.5	(1,282)	(1,328)	3.6

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The increase in expense with claims for the period was mainly due to: (i) improved calculation of the provision for claims incurred but not reported (IBNR) during the period, used to analyze the movement of claims for a period of 54 months rather than 12, as in prior periods, which resulted in the recording of an extraordinary reserve of R\$ 276; (ii) an amount of R\$ 74, arising from civil contingencies related to insurance operations which were recorded in 2Q04 in Other operating expenses; and (iii) the increase in indemnities in Health, Auto and Life lines - R\$ 393, compatible with earned premium growth.

Excluding the extraordinary reserves in 2Q04 - R\$ 145, recorded as a result of improved calculation of IBNR and in 3Q04 - R\$ 74, arising from civil contingencies related to insurance operations which were recorded in 2Q04 in Other operating expenses, the amounts of retained claims would be R\$ 1,137 and R\$ 1,254, respectively, compatible with earned premium growth.

### Savings Bond Draws and Redemptions

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(798)	(932)	(16.8)	(346)	(313)	(9.5)

The increase for the period is due to increased provision recorded for redemptions and draws - R\$ 134, as a result of increased sales of savings bonds.

The decrease in this expense for the quarter is due mostly to decreased provision recorded for redemptions - R\$ 40, as a result of the decreased volume of sales of savings bonds in 3Q04 as compared to 2Q04.

### Insurance and Pension Plan Selling Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(553)	(633)	14.5	(205)	(216)	5.4

The variation for the period is detailed below:

The variation for the quarter is detailed below:

#### a) Insurance Product Selling Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(446)	(517)	15.9	(167)	(177)	6.0

The increase in selling expenses for the period occurred mainly in Auto - R\$ 28, Life - R\$ 24 and Health line - R\$ 13 products, in line with the ratio of selling expenses to earned premium.

The increase in selling expenses for the period occurred mainly in the Auto - R\$ 4, Life - R\$ 4 and Health - R\$ 2 lines, even though the ratio of selling expenses to earned premium decreased for the quarter.

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b) Pension Plan Selling Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(107)	(116)	8.4	(38)	(39)	2.6

The increase in these expenses for the period reflects substantially the growth in VGBL product sales.

Expenses for the quarter remained practically stable.

Expenses with Pension Plan Benefits and Redemptions

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(1,406)	(1,620)	15.2	(590)	(497)	(15.8)

The variation for the period was mainly due to the increase in the payment of benefits and redemptions of traditional private pension plans - R\$ 170.

The decrease in these expenses for the quarter mainly reflects a lower volume of traditional private pension plan redemption payments in 3Q04 compared to 2Q04 - R\$ 113.

Personnel Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(3,507)	(3,684)	5.0	(1,234)	(1,273)	3.2

The variation for the period reflects for the most part: (i) the effect of the collective bargaining agreement (12.6%) and single payment bonus R\$ 171, appropriated in Sept/03 and R\$ 279 which impacted period/04; (ii) the effect of the provision recorded for the proposed collective bargaining agreement (8.5%) in Sept/04 R\$ 69 ; (iii) increased expenses for labor claims R\$ 40; and (iv) consolidation of BBV Banco, Zogbi and BEM - R\$ 186. Disregarding the above events the decrease in payroll would amount to R\$ 225 for the period, mainly as a result of the synergy following the merger of banks acquired.

The variation was mainly due to: (i) payroll decrease as a result of the synergy following the merger of banks acquired; partially offset by: (ii) the provision recorded for the proposed collective bargaining agreement (8.5%) in Sept/04, with an impact of R\$ 69.

Other Administrative Expenses

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Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(3,486)	(3,649)	4.7	(1,216)	(1,225)	0.7

The increase for the period was mainly due to consolidation of BBV Banco, Zogbi and BEM R\$ 208, acquired in 2004.

The variation for the quarter was mainly due to the increase in expense for : (i) transport - R\$ 12; (ii) communications - R\$ 4; offset by: (iii) decrease in expenses with leased assets - R\$ 7.

Tax Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(761)	(1,053)	38.4	(343)	(374)	9.0

This variation was substantially generated by: (i) the increase in expenses for COFINS - R\$ 197, as a result of the rise in the calculation base rate from 3% to 4% in September 2003, as well as an increase in taxable income; (ii) the increase in expenses for ISS - R\$ 47, as a result of a change in legislation; and (iii) increased expense for CPMF - R\$ 29.

The increase for the quarter was mainly generated by an increase in expenses for COFINS - R\$ 33, which is compatible with the growth in taxable income during the quarter.

Equity in the Earnings of Associated Companies

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(26)	119	(557.7)	122	(3)	(102.5)

The variation was mainly derived from improved results in associated companies for period/04, which include R\$ 79 of non-recurring income in associated Insurance Group companies.

The variation was mainly derived from improved results in associated companies determined in 2Q04, which include R\$ 79 of non-recurring income in associated Insurance Group companies.

Other Operating Income

Accumulated to September			2004		
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2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
1,954	888	(54.6)	280	351	25.4

The variation for the period was mainly derived from: (i) reversal of provisions for exchange variation - R\$ 504 and other operating provisions - R\$ 334, in period/03; and (ii) decrease as a result of the non-consolidation of Latasa following disposal in period/03 - R\$ 123.

The variation for the quarter reflects the reversal of other operating provisions, in particular, the reversal of tax contingencies.

Other Operating Expenses

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(1,872)	(2,122)	13.4	(803)	(628)	(21.8)

The increase was generated in particular: (i) by the growth in operating provisions/other R\$ 219; (ii) the increase in sundry losses (discounts granted on credit operations and fraud) R\$ 128; (iii) greater expenses for amortization of goodwill, as a result of the operations of BBV Banco, Zogbi and BEM - R\$ 83; and partially offset by: (iv) less financial expense R\$ 233.

The variation was mainly due to the addition to provisions for civil contingencies arising from insurance operations - R\$ 109, in 2Q04. In 3Q04, R\$ 74 of this provision was reversed and allocated to the Claims insurance operations account. Disregarding these factors, there was almost no variation in this account.

Operating Income

Accumulated to September			2004		
2003	2004	% Variation	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
2,667	2,583	(3.1)	621	1,163	87.3

The variation for the period was due to: (i) increase in income on commissions and fees - R\$ 867; (ii) increase in financial margin - R\$ 580; (iii) less expenses for provision for loan losses - R\$ 445; (iv) increase in equity and earnings in associated companies - R\$ 145; partially offset by: (v) decrease in operating revenue (net of expenses) R\$ 1,315; (vi) increase in the personnel and administrative expenses - R\$ 340; (vii) decrease in the margin of contribution of insurance, private pension plan and savings bond operations - R\$ 173; and (viii) increased tax expense - R\$ 292.

The variation for the quarter was derived from: (i) increase in financial margin - R\$ 223; (ii) increase in the margin of contribution of insurance, private pension plan and savings bond operations R\$ 161; (iii) less operating expenses (net of revenues) R\$ 246; increase in commissions and fees R\$ 80; (v) less expenses for provision for loan losses - R\$ 36; partially offset by: (vi) decrease in equity and earnings in associated companies - R\$ 125; (vii) increased personnel and administrative expenses - R\$ 48; (viii) increased tax expense -R\$ 31.

Non-operating Income



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Accumulated to September		
2003	2004	% Variation
(768)	(343)	(55.3)

The variation for the period mainly reflects extraordinary amortization of goodwill - R\$ 681 for period/03; offset by extraordinary amortization of goodwill in period/04 - R\$ 237.

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
(202)	(130)	(35.6)

The variation for the quarter reflects substantially: (i) extraordinary amortization of goodwill - R\$ 135 in 2Q04 compared to R\$ 102 in 3Q04 and the increase in non-operating provisions recorded in 2Q04.

Income Tax and Social Contribution

Accumulated to September		
2003	2004	% Variation
(301)	(233)	(22,6)

The variation in the expense for income tax and social contribution, for the period, reflects tax charges on pre-tax income, after additions and exclusions, as described in Note 35 to the financial statements.

2004		
2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	% Variation
225	(279)	(224,0)

The variation in this expense for the quarter, reflects the increase in income before income tax and social contribution, as well as the effect of exchange gain (loss) and equity accounting, which totaled - R\$ 142 in 2Q04 and R\$ (127) in 3Q04.

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Comparative Balance Sheet - In millions of reais

ASSETS	September 2003	September 2004	% Variation	June 2004	September 2004	% Variation
<b>Current assets and long-term receivables</b>	<b>159,294</b>	<b>174,673</b>	<b>9.7</b>	<b>170,983</b>	<b>174,673</b>	<b>2.2</b>
<b>Funds available</b>	<b>2,234</b>	<b>2,386</b>	<b>6.8</b>	<b>2,222</b>	<b>2,386</b>	<b>7.4</b>
<b>Interbank investments</b>	<b>28,558</b>	<b>25,126</b>	<b>(12.0)</b>	<b>20,529</b>	<b>25,126</b>	<b>22.4</b>
<b>Securities and derivative financial instruments</b>	<b>47,906</b>	<b>58,155</b>	<b>21.4</b>	<b>56,212</b>	<b>58,155</b>	<b>3.5</b>
<b>Interbank and interdepartmental accounts</b>	<b>13,253</b>	<b>15,336</b>	<b>15.7</b>	<b>14,683</b>	<b>15,336</b>	<b>4.4</b>
Restricted deposits:						
Brazilian Central Bank	12,069	14,244	18.0	13,637	14,244	4.5
Other	1,184	1,092	(7.8)	1,046	1,092	4.4
<b>Credit and leasing operations</b>	<b>41,863</b>	<b>49,859</b>	<b>19.1</b>	<b>47,488</b>	<b>49,859</b>	<b>5.0</b>
Credit and leasing operations	45,845	53,832	17.4	51,511	53,832	4.5
Allowance for loan and leasing losses	(3,982)	(3,973)	(0.2)	(4,023)	(3,973)	(1.2)
<b>Other receivables and assets</b>	<b>25,480</b>	<b>23,811</b>	<b>(6.6)</b>	<b>29,849</b>	<b>23,811</b>	<b>(20.2)</b>
Foreign exchange portfolio	11,926	8,960	(24.9)	15,126	8,960	(40.8)
Other receivables and assets	13,724	15,059	9.7	14,913	15,059	1.0
Allowance for losses	(170)	(208)	22.4	(190)	(208)	9.5
<b>Permanent assets</b>	<b>5,069</b>	<b>5,030</b>	<b>(0.8)</b>	<b>5,271</b>	<b>5,030</b>	<b>(4.6)</b>
<b>Investments</b>	<b>504</b>	<b>971</b>	<b>92.7</b>	<b>1,006</b>	<b>971</b>	<b>(3.5)</b>
<b>Property and equipment in use and leased assets</b>	<b>2,613</b>	<b>2,288</b>	<b>(12.4)</b>	<b>2,326</b>	<b>2,288</b>	<b>(1.6)</b>
<b>Deferred charges</b>	<b>1,952</b>	<b>1,771</b>	<b>(9.3)</b>	<b>1,939</b>	<b>1,771</b>	<b>(8.7)</b>
Deferred charges	555	541	(2.5)	540	541	0.2
Goodwill on acquisition of subsidiaries, net of amortization	1,397	1,230	(12.0)	1,399	1,230	(12.1)
<b>Total</b>	<b>164,363</b>	<b>179,703</b>	<b>9.3</b>	<b>176,254</b>	<b>179,703</b>	<b>2.0</b>
<b>LIABILITIES</b>						
	<b>September 2003</b>	<b>September 2004</b>	<b>% Variation</b>	<b>June 2004</b>	<b>September 2004</b>	<b>% Variation</b>
<b>Current and long-term liabilities</b>	<b>151,256</b>	<b>164,907</b>	<b>9.0</b>	<b>162,500</b>	<b>164,907</b>	<b>1.5</b>
<b>Deposits</b>	<b>58,346</b>	<b>64,787</b>	<b>11.0</b>	<b>64,133</b>	<b>64,787</b>	<b>1.0</b>
Demand deposits	11,240	14,782	31.5	13,541	14,782	9.2
Savings deposits	20,897	23,186	11.0	22,457	23,186	3.2
Interbank deposits	411	14	(96.6)	47	14	(70.2)
Time deposits	25,798	26,805	3.9	28,088	26,805	(4.6)
<b>Deposits received under security repurchase agreements</b>	<b>23,069</b>	<b>21,551</b>	<b>(6.6)</b>	<b>16,746</b>	<b>21,551</b>	<b>28.7</b>
<b>Funds from issuance of securities</b>	<b>7,895</b>	<b>6,116</b>	<b>(22.5)</b>	<b>7,080</b>	<b>6,116</b>	<b>(13.6)</b>
Securities issued abroad	7,008	5,227	(25.4)	5,989	5,227	(12.7)
Other resources	887	889	0.2	1,091	889	(18.5)
<b>Interbank and interdepartmental accounts</b>	<b>1,474</b>	<b>1,739</b>	<b>18.0</b>	<b>1,090</b>	<b>1,739</b>	<b>59.5</b>
<b>Borrowings and onlendings</b>	<b>15,186</b>	<b>16,715</b>	<b>10.1</b>	<b>16,817</b>	<b>16,715</b>	<b>(0.6)</b>
Borrowings	8,123	8,695	7.0	8,895	8,695	(2.2)
Onlendings	7,063	8,020	13.5	7,922	8,020	1.2
<b>Derivative financial instruments</b>	<b>331</b>	<b>308</b>	<b>(6.9)</b>	<b>785</b>	<b>308</b>	<b>(60.8)</b>
<b>Technical reserves for insurance, private pension plans and savings bonds</b>	<b>24,461</b>	<b>31,585</b>	<b>29.1</b>	<b>29,478</b>	<b>31,585</b>	<b>7.1</b>
<b>Other liabilities</b>	<b>20,493</b>	<b>22,106</b>	<b>7.9</b>	<b>26,371</b>	<b>22,106</b>	<b>(16.2)</b>
Foreign exchange portfolio	5,966	3,974	(33.4)	8,750	3,974	(54.6)
Taxes and social security contributions, social and statutory payables	4,912	5,208	6.0	4,771	5,208	9.2
Subordinated debt	3,482	6,089	74.9	6,181	6,089	(1.5)
Sundry	6,133	6,835	11.4	6,669	6,835	2.5
<b>Deferred income</b>	<b>30</b>	<b>44</b>	<b>46.7</b>	<b>38</b>	<b>44</b>	<b>15.8</b>
<b>Minority interest in subsidiaries</b>	<b>111</b>	<b>74</b>	<b>(33.3)</b>	<b>66</b>	<b>74</b>	<b>12.1</b>
<b>Stockholders equity</b>	<b>12,967</b>	<b>14,678</b>	<b>13.2</b>	<b>13,650</b>	<b>14,678</b>	<b>7.5</b>
<b>Total</b>	<b>164,363</b>	<b>179,703</b>	<b>9.3</b>	<b>176,254</b>	<b>179,703</b>	<b>2.0</b>

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Equity Analysis - In millions of reais

Funds Available

September/2003	September/2004	% Variation
2,234	2,386	6.8

This increase reflects the increase in the volume of local currency cash funds - R\$ 377, offsetting the decrease in the volume of foreign currency cash funds - R\$ 225.

June/2004	September/2004	% Variation
2,222	2,386	7.4

This variation was due mainly to the increase in the volume of foreign currency cash funds - R\$ 163.

Interbank Investments

September/2003	September/2004	% Variation
28,558	25,126	(12.0)

The variation for the period reflects: (i) the decrease in the third-party portfolio and own portfolio positions of open market investments, down by R\$ 5,096 and R\$ 1,131, respectively; partially offset by: (ii) the increase in interbank deposits up by R\$ 2,795.

June/2004	September/2004	% Variation
20,529	25,126	22.4

The increase for the quarter is mainly due to the increase in the third-party portfolio and own portfolio positions of open market investments, up by R\$ 2,202 and R\$ 1,090 respectively, and interbank deposits - R\$ 1,356.

Securities (TVM) and Derivative Financial Instruments

September/2003	September/2004	% Variation
47,906	58,155	21.4

The increase for the period is due substantially to: (i) additional funds derived from the increase in funding, particularly technical reserves for insurance, private pension plans and savings bonds, as well as issuance of subordinated debt and mitigated in part by: (ii) negative exchange variation of 2.2% for the period/03 to period/04, impacting foreign-currency indexed and/or denominated securities, which comprise 17.8% of the portfolio; and (iii) the redemption/maturity of securities during the period.

June/2004	September/2004	% Variation
56,212	58,155	3.5

The variation is mainly due to: (i) additional funds derived from the increase in funding, particularly technical reserves for insurance, private pension plans and savings bonds; partially offset by (ii) negative exchange variation of 8% for the quarter, impacting foreign-currency indexed and/or denominated securities, which comprise 17.8% of the portfolio; and (iii) the redemption/maturity of securities during the quarter.

Interbank and Interdepartmental Accounts

September/2003	September/2004	% Variation
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June/2004	September/2004	% Variation
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13,253

15,336

15.7

14,683

15,336

4.4

The variation for the period reflects the increase in compulsory Brazilian Central Bank (BACEN) deposits, as a result of the increase in the volume of demand and savings deposits which grew 31.5% and 11.0%, respectively.

The increase for the quarter reflects the growth in compulsory BACEN deposits, as a result of the increase in the volume of demand and savings deposits which grew 9.2% and 3.2%, respectively.

Credit and Leasing Operations

September/2003	September/2004	% Variation
52,776	59,976	13.6

June/2004	September/2004	% Variation
58,402	59,976	2.7

The growth was mainly due to: (i) the individual customer segment with a growth rate of 26.8%, in particular, vehicle products up by 43.6% and Personal Credit, up by 45.7%, reflecting increased consumer confidence in the present economic scenario. Among corporate customers, the growth rate of 8.5% reflects the reduced demand in this segment, mainly as a result of excess liquidity of major corporations. In this segment, we highlight the rural credit product, up by 37.2%, due to the increase in production and price recovery of the majority of products, in both foreign and domestic markets; and prices in the ; (ii) consolidation of Banco Zogbi and Banco BEM; (iii) contract adjustments; partially offset by: (iv) negative exchange variation of 2.2% for period/03 to period/04, affecting foreign-currency indexed and/or denominated contracts, comprising 21.9% of the total portfolio; and (v) contract settlements.

This growth was mainly due to: (i) increase in the balance of the credit portfolio, especially the 4.8% increase for the quarter in the individual customer segment, in particular vehicle products up by 9.5% and Personal Credit, up by 9.3%, while the corporate customer segment was up by 1.8% partially affected by its participation in foreign-currency indexed and/or denominated operations; (ii) contract adjustments; and mitigated in part by: (iii) negative exchange variation of 8.0% in 3Q04, affecting foreign-currency indexed and/or denominated contracts, comprising 21.9% of the total portfolio; and (iv) contract settlements.

N.B. Includes advances on foreign exchange contracts and other receivables and does not include the allowance for loan losses, as described in Note 12 to the financial statements.

N.B. Includes advances on foreign exchange contracts and other receivables and does not include the allowance for loan losses, as described in Note 12 to the financial statements.

Allowance for Loan Losses (PDD)

September/2003	September/2004	% Variation
(4,151)	(4,181)	0.7

June/2004	September/2004	% Variation
(4,213)	(4,181)	(0.8)

The balance of PDD remained practically stable for the period, evidencing the excellent quality of the Bank's credit portfolio. We noted that the ratio of total PDD to the credit portfolio dropped from 7.9% in September/03 to 7.0% in September/04, and the ratio of allowance coverage to the abnormal course credit portfolio, rated from D to H, increased from 142.1% in September/03 to 165.1% in September/04. These ratios evidence the improvement in credit portfolio quality, as a result of our safe, selective and consistent credit granting strategy. During the period, R\$ 2,004 was recorded, R\$ 2,051 was written off and R\$ 77 was added from acquisitions. Additional allowance over minimum requirements increased from R\$ 822 in September/03 to R\$ 913 in September/04.

The balance of PDD remained practically stable for the quarter, evidencing the excellent quality of the Bank's credit portfolio. We noted that the ratio of total PDD to the credit portfolio dropped from 7.2% in June/04 to 7% in September/04, and the ratio of allowance coverage to the abnormal course credit portfolio, rated from D to H, increased from 159.0% in June/04 to 165.1% in September/04. These ratios evidence the improvement in credit portfolio quality, as a result of our safe, selective and consistent credit granting strategy. During the quarter, R\$ 478 was recorded and R\$ 510 was written off. Additional allowance over minimum requirements increased from R\$ 905 in June/04 to R\$ 913 in September/04.

Other Receivables and Assets

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September/2003	September/2004	% Variation	June/2004	September/2004	% Variation
24,886	23,493	(5.6)	29,407	23,493	(20.1)

This variation is mainly due to: (i) the decrease in fx portfolio volume R\$ 2,965; partially mitigated by: (ii) the increase in credit card transactions during the period.  
N.B. This total is less (net of corresponding PDD) an amount of R\$ 595 in September/03 and R\$ 318 in September/04, allocated to the Credit Operations and Leasing Operations and Allowance for loan losses accounts.

This variation mostly reflects: (i) the decrease in fx portfolio volume R\$ 6,166. N.B. This total is less (net of corresponding PDD) an amount of R\$ 442 in June/04 and R\$ 318 in September/04, allocated to the Credit Operations and Leasing Operations and Allowance for loan losses accounts.

Permanent Assets

September/2003	September/2004	% Variation	June/2004	September/2004	% Variation
5,069	5,030	(0.8)	5,271	5,030	(4.6)

The variation mainly reflects: (i) transfer of the investment in Banco Espírito Santo (BES) from current to permanent assets R\$ 356; (ii) goodwill on the acquisition of Banco Zogbi and Banco BEM; partially offset by: (iii) sale of permanent assets in Latasa - R\$ 306, following its sale in December/03; and (iv) amortization of goodwill in subsidiaries R\$ 675, of which R\$ 355 was amortized on an extraordinary basis during the period.

The variation for the quarter was substantially due to amortization of goodwill in subsidiaries - R\$ 188, of which R\$ 102 was amortized on an extraordinary basis.

Demand Deposits

September/2003	September/2004	% Variation	June/2004	September/2004	% Variation
11,240	14,782	31.5	13,541	14,782	9.2

The increase for the period is principally due to the growing number of individual customers, as well as the increase in funds deposited by corporate entities.

The increase for the quarter is principally due to the increase in funds deposited by corporate entities.

Savings Deposits

September/2003	September/2004	% Variation	June/2004	September/2004	% Variation
20,897	23,186	11.0	22,457	23,186	3.2

This growth reflects substantially: (i) 8.3% remuneration (TR + 0.5% p.m.) for the period on deposits; (ii) increase in the number of customers; offset by: (iii) withdrawals during the period.

This growth reflects substantially: (i) 2.1% remuneration (TR + 0.5% p.m.) for the quarter on deposits; (ii) increase in average volume; offset by: (iii) withdrawals during the quarter.

Time Deposits

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September/2003	September/2004	% Variation
25,798	26,805	3.9

This increment is due to: (i) remuneration recognized for the period; (ii) increased volume of deposits by institutional investors; and (iii) net of redemptions during the period.

Interbank Deposits

September/2003	September/2004	% Variation
411	14	(96.6)

The variation for the period is due to decreased funding between national financial system institutions.

Deposits Received under Security Repurchase Agreements

September/2003	September/2004	% Variation
23,069	21,551	(6.6)

The variation in this account balance for the period was due mostly to: (i) decrease in the third-party portfolio R\$ 5,161; partially offset by: (ii) increase in own portfolio R\$ 3,540.

N.B. Includes investment fund and managed portfolio resources invested in purchase and sale commitments with Banco Bradesco, the investors in which are subsidiary companies included in the consolidated financial statements in the amounts of R\$ 10,512 (September/03) and R\$ 8,518 (September/04).

Funds from Acceptance and Issuance of Securities

September/2003	September/2004	% Variation
7,895	6,116	(22.5)

The decrease is due to the redemption of securities issued broad (Eurobonds) matured and not renewed during the period, as well as negative exchange variation of 2.2% for the period.

Interbank and Interdepartmental Accounts

September/2003	September/2004	% Variation
1,474	1,739	18.0

June/2004	September/2004	% Variation
28,088	26,805	(4.6)

This decrease is due to: (i) the volume of funds redeemed by institutional investors; partially offset by (iii) remuneration recognized for the quarter.

June/2004	September/2004	% Variation
47	14	(70.2)

The oscillation for the quarter is due to decreased funding between national financial system institutions.

June/2004	September/2004	% Variation
16,746	21,551	28.7

The variation in this account balance for the quarter was mostly due to increases in the own and third-party portfolios of R\$ 2,720 and R\$ 2,085, respectively.

N.B Includes investment fund and managed portfolio resources invested in purchase and sale commitments with Banco Bradesco, the investors in which are subsidiary companies included in the consolidated financial statements in the amounts of R\$ 8,537 (June/04) and R\$ 8,518 (September/04).

June/2004	September/2004	% Variation
7,080	6,116	(13.6)

The decrease is due to the redemption of securities issued abroad (Eurobonds) matured and not renewed during the quarter, as well as negative exchange variation of 8% for the quarter.

June/2004	September/2004	% Variation
1,090	1,739	59.5

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The variation reflects mainly the increased volume of foreign currency money orders in September/04 as compared to September/03.

The variation reflects mainly the increased volume of foreign currency money orders in September/04 as compared to June/04.

Borrowings and Onlendings

September/2003	September/2004	% Variation
15,186	16,715	10.1

June/2004	September/2004	% Variation
16,817	16,715	(0.6)

The variation is due mainly to: (i) the increase in the volume of funds obtained in Brazil via onlendings from BNDES/FINAME; and (ii) new funding transactions abroad, partially offset by: (iii) negative exchange variation of 2.2% for period/03 to period/04, affecting the foreign borrowings and onlendings account, whose transactions are indexed and/or denominated in foreign currency.

The decrease for the quarter is mainly due to: (i) negative exchange variation of 8.0% in 3Q04, affecting the foreign borrowings and onlendings account, whose transactions are indexed and/or denominated in foreign currency; and partially offset by: (ii) interest appropriated for the quarter.

Other Liabilities and Derivative Financial Instruments

September/2003	September/2004	% Variation
26,992	28,032	3.9

June/2004	September/2004	% Variation
33,415	28,032	(16.1)

The increase was due mostly to: (i) new issuance of subordinated debt in foreign currency; offset by (ii) decrease in the volume of the fx portfolio; and (iii) negative exchange variation of 2.2% for the period.

The variation for the quarter reflects substantially: (i) the decrease in the volume of the fx portfolio - R\$ 4,776; and (ii) negative exchange variation of 8.0% for 3Q04.

N.B. Excludes advances on foreign exchange contracts of R\$ 6,168 and R\$ 5,618, allocated to the specific account in credit operations in September/03 and September/04, respectively.

N.B. Excludes advances on foreign exchange contracts of R\$ 6,259 and R\$ 5,618, allocated to the specific account in credit operations in June/04 and September/04, respectively.

Technical Reserves for Insurance, Private Pension Plans and Savings Bonds

September/2003	September/2004	% Variation
24,461	31,585	29.1

June/2004	September/2004	% Variation
29,478	31,585	7.1

The increase for the period reflects mainly the increased sales of private supplementary pension plans and insurance policies, in particular, PGBL and VGBL products, for which reserves were accordingly recorded.

The growth for the quarter is substantially due to the increased sales of private supplementary pension plans and insurance policies, in particular, PGBL and VGBL products, for which reserves were accordingly recorded.

Minority Interest in Subsidiaries

September/2003	September/2004	% Variation
111	74	(33.3)

June/2004	September/2004	% Variation
66	74	12.1

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The decrease for the period was due to the sale of our stake in Sete Quedas Empreendimentos Imobiliários e Participações Ltda.

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This variation reflects minority interest in the increased results determined for 3Q04.

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Stockholders Equity

September/2003	September/2004	% Variation
12,967	14,678	13.2

June/2004	September/2004	% Variation
13,650	14,678	7.5

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This variation is due to: (i) appropriation of net income for the period - R\$ 2,718; (ii) increase in the mark-to-market adjustment reserve of securities and derivatives - R\$ 378; (iii) others - R\$ 3; offset by: (iv) interest attributed to own capital, paid and accrued - R\$ 1,332; and (v) acquisition of own shares - R\$ 56.

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This variation is due to: (i) appropriation of net income for 3Q04 - R\$ 752; (ii) increase in the mark-to-market adjustment reserve of securities and derivatives - R\$ 612; offset by: (iii) interest attributed to own capital, paid and accrued - R\$ 333 and (iv) acquisition of own shares - R\$ 3.

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## 2 Main Statement of Income Information

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Consolidated Statement of Income In thousands of reais

	9 months					
	2004	2003	2002	2001	2000	1999
<b>Income from lending and trading activities</b>	<b>20,001,283</b>	<b>27,529,706</b>	<b>31,913,379</b>	<b>21,411,673</b>	<b>15,519,008</b>	<b>18,286,815</b>
Credit operations	9,629,398	12,294,528	15,726,929	11,611,236	7,787,745	9,602,701
Leasing operations	215,294	307,775	408,563	420,365	512,962	730,929
Securities transactions	4,162,688	7,328,805	9,527,663	7,367,600	6,122,486	5,875,823
Financial income on insurance, private pension plans and savings bonds	3,763,277	5,359,939	3,271,913	-	-	-
Derivative financial instruments	708,965	55,192	(2,073,247)	(270,572)	-	-
Foreign exchange transactions	662,657	797,702	4,456,594	2,045,092	872,234	1,776,925
Compulsory deposits	859,004	1,385,765	594,964	237,952	223,581	300,437
<b>Expenses</b>	<b>11,839,195</b>	<b>17,201,888</b>	<b>23,259,783</b>	<b>13,312,726</b>	<b>9,132,137</b>	<b>12,821,198</b>
<b>Interest and charges on:</b>						
Deposits	6,776,173	10,535,497	10,993,327	6,986,027	5,521,407	4,954,854
Price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds	2,293,659	3,120,342	2,241,283	-	-	-
Borrowings and onlendings	1,203,254	1,083,379	7,194,161	4,316,682	2,158,725	5,819,063
Leasing operations	13,192	12,981	12,486	-	93	18,852
Provision for loan losses	1,552,917	2,449,689	2,818,526	2,010,017	1,451,912	2,028,429
<b>Income from financial intermediation</b>	<b>8,162,088</b>	<b>10,327,818</b>	<b>8,653,596</b>	<b>8,098,947</b>	<b>6,386,871</b>	<b>5,465,617</b>
<b>Other operating income (expenses)</b>	<b>(5,579,130)</b>	<b>(6,774,710)</b>	<b>(6,343,850)</b>	<b>(5,324,166)</b>	<b>(4,647,041)</b>	<b>(4,404,370)</b>
Commissions and fees	4,148,774	4,556,861	3,711,736	3,472,560	3,042,699	2,099,937
Income on insurance premiums, private pension plans and savings bonds	9,447,520	11,726,088	10,134,873	8,959,259	6,919,942	5,975,488
Variation in technical reserves for insurance, private pension plans and savings bonds	(2,647,145)	(3,670,163)	(2,784,647)	(3,492,217)	(3,001,118)	(2,341,648)
Claims - insurance operations	(3,841,992)	(3,980,419)	(3,614,963)	(3,251,706)	(2,511,146)	(2,532,768)
Savings bond draws and redemptions	(931,517)	(1,099,554)	(720,932)	(744,402)	(355,243)	(311,403)
Insurance and pension plan selling expenses	(633,248)	(762,010)	(667,527)	(689,352)	(645,020)	(635,351)
Expenses with pension plan benefits and redemptions	(1,619,539)	(2,362,771)	(1,688,639)	(1,369,424)	(912,784)	(557,608)
Personnel expenses	(3,684,584)	(4,779,491)	(4,075,613)	(3,548,805)	(3,220,607)	(2,783,627)
Other administrative expenses	(3,648,632)	(4,814,230)	(4,028,377)	(3,435,759)	(2,977,665)	(2,566,657)
Tax expenses	(1,052,952)	(1,054,397)	(847,739)	(790,179)	(670,138)	(651,801)
Equity in the earnings of associated companies	118,560	5,227	64,619	70,764	156,300	127,100
Other operating income	887,869	2,163,639	1,320,986	1,326,459	902,807	1,069,562
Other operating expenses	(2,122,244)	(2,703,490)	(3,147,627)	(1,831,364)	(1,375,068)	(1,295,594)
<b>Operating income</b>	<b>2,582,958</b>	<b>3,553,108</b>	<b>2,309,746</b>	<b>2,774,781</b>	<b>1,739,830</b>	<b>1,061,247</b>
<b>Non-operating income (expenses), net</b>	<b>(342,963)</b>	<b>(841,076)</b>	<b>186,342</b>	<b>(83,720)</b>	<b>(123,720)</b>	<b>(224,874)</b>

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<b>Income before taxes and profit sharing</b>	<b>2,239,995</b>	<b>2,712,032</b>	<b>2,496,088</b>	<b>2,691,061</b>	<b>1,616,110</b>	<b>836,373</b>
<b>Provision for income tax and social contribution</b>	<b>(232,229)</b>	<b>(396,648)</b>	<b>(460,263)</b>	<b>(502,257)</b>	<b>(258,776)</b>	<b>307,186</b>
<b>Non-recurring/extraordinary income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400,813</b>	<b>-</b>
<b>Minority interest in subsidiaries</b>	<b>(5,368)</b>	<b>(9,045)</b>	<b>(13,237)</b>	<b>(18,674)</b>	<b>(17,982)</b>	<b>(38,753)</b>
<b>Net income</b>	<b>2,002,398</b>	<b>2,306,339</b>	<b>2,022,588</b>	<b>2,170,130</b>	<b>1,740,165</b>	<b>1,104,806</b>
<b>Return on stockholders' equity</b>	<b>18.59%</b>	<b>17.02%</b>	<b>18.65%</b>	<b>22.22%</b>	<b>21.50%</b>	<b>16.32%</b>

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	2004				2003			2002
	3rd Qtr.	2nd Qtr.	1st Qtr.	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.	4th Qtr.
<b>INCOME FROM LENDING AND TRADING ACTIVITIES</b>	<b>5,525,100</b>	<b>7,719,563</b>	<b>6,756,620</b>	<b>7,443,322</b>	<b>7,911,617</b>	<b>5,096,140</b>	<b>7,078,627</b>	<b>3,083,730</b>
Credit operations	2,870,585	3,659,023	3,099,790	3,169,261	3,504,644	2,685,193	2,935,430	1,519,950
Leasing operations	73,467	56,715	85,112	78,660	85,952	65,777	77,386	74,886
Securities transactions	361,241	2,120,909	1,680,538	2,230,775	2,312,036	995,040	1,790,954	(712,805)
Financial income on insurance, private pension plans and savings bonds	1,337,097	1,181,151	1,245,029	1,411,927	1,334,756	1,172,214	1,441,042	1,398,046
Derivative financial instruments	582,105	(68,697)	195,557	8,877	33,158	(360,489)	373,646	307,885
Foreign exchange transactions	(746)	502,246	161,157	254,543	275,508	168,153	99,498	169,630
Compulsory deposits	301,351	268,216	289,437	289,279	365,563	370,252	360,671	326,138
<b>EXPENSES</b>	<b>2,699,294</b>	<b>5,152,601</b>	<b>3,987,300</b>	<b>4,251,574</b>	<b>5,357,189</b>	<b>3,068,353</b>	<b>4,524,772</b>	<b>721,442</b>
<b>Interest and charges on:</b>								
Deposits	1,291,812	3,029,988	2,454,373	2,605,171	3,434,326	1,826,314	2,669,686	(5,216)
Price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds	942,651	698,695	652,313	701,184	761,148	755,950	902,060	978,809
Borrowings and onlendings	(18,123)	905,617	315,760	490,305	555,389	(103,670)	141,355	(834,266)
Leasing operations	4,585	4,747	3,860	3,398	3,187	3,194	3,202	3,204
Provision for loan losses	478,369	513,554	560,994	451,516	603,139	586,565	808,469	578,911
<b>INCOME FROM FINANCIAL INTERMEDIATION</b>	<b>2,825,806</b>	<b>2,566,962</b>	<b>2,769,320</b>	<b>3,191,748</b>	<b>2,554,428</b>	<b>2,027,787</b>	<b>2,553,855</b>	<b>2,362,288</b>
<b>OTHER OPERATING INCOME (EXPENSES)</b>	<b>(1,663,296)</b>	<b>(1,945,378)</b>	<b>(1,970,456)</b>	<b>(2,305,000)</b>	<b>(1,887,139)</b>	<b>(1,168,690)</b>	<b>(1,413,881)</b>	<b>(1,703,272)</b>
Commissions and fees	1,454,636	1,375,202	1,318,936	1,274,590	1,182,359	1,082,637	1,017,275	991,101
Income on insurance premiums, private pension plans and savings bonds	3,464,550	2,989,637	2,993,333	3,434,634	2,873,832	2,728,022	2,689,600	3,243,557
Variation in technical reserves for insurance, private pension plans and savings bonds	(1,076,201)	(693,433)	(877,511)	(1,143,458)	(863,897)	(708,447)	(954,361)	(1,484,011)
Claims - insurance operations	(1,328,082)	(1,281,728)	(1,232,182)	(920,068)	(1,066,766)	(1,055,767)	(937,818)	(937,460)
Savings bond draws and redemptions	(312,043)	(346,151)	(273,323)	(301,838)	(283,009)	(282,275)	(232,432)	(169,295)
Insurance and pension plan selling expenses	(215,775)	(205,157)	(212,316)	(208,229)	(190,761)	(182,499)	(180,521)	(179,671)
Expenses with pension plan benefits and redemptions	(496,399)	(590,492)	(532,648)	(955,812)	(555,691)	(461,256)	(390,012)	(508,501)
Personnel expenses	(1,273,981)	(1,233,345)	(1,177,258)	(1,272,063)	(1,306,415)	(1,147,838)	(1,053,175)	(1,047,093)
Other administrative expenses	(1,225,032)	(1,215,747)	(1,207,853)	(1,328,021)	(1,232,599)	(1,152,697)	(1,100,913)	(1,111,005)
Tax expenses	(373,965)	(343,100)	(335,887)	(293,466)	(254,650)	(238,429)	(267,852)	(257,997)
Equity in the earnings of associated companies	(3,708)	122,309	(41)	30,723	7,218	(27,989)	(4,725)	32,855
Other operating income	350,660	279,688	257,521	209,159	422,630	855,810	676,040	(70,632)
Other operating expenses	(627,956)	(803,061)	(691,227)	(831,151)	(619,390)	(577,962)	(674,987)	(205,120)
<b>OPERATING INCOME</b>	<b>1,162,510</b>	<b>621,584</b>	<b>798,864</b>	<b>886,748</b>	<b>667,289</b>	<b>859,097</b>	<b>1,139,974</b>	<b>659,016</b>
<b>NON-OPERATING INCOME (EXPENSES), NET</b>	<b>(129,249)</b>	<b>(202,568)</b>	<b>(11,146)</b>	<b>(73,495)</b>	<b>9,854</b>	<b>(95,872)</b>	<b>(681,563)</b>	<b>54,804</b>
<b>INCOME BEFORE TAXES AND PROFIT SHARING</b>	<b>1,033,261</b>	<b>419,016</b>	<b>787,718</b>	<b>813,253</b>	<b>677,143</b>	<b>763,225</b>	<b>458,411</b>	<b>713,820</b>

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<b>PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(278,499)</b>	<b>224,907</b>	<b>(178,637)</b>	<b>(95,620)</b>	<b>(111,614)</b>	<b>(242,190)</b>	<b>52,776</b>	<b>5,271</b>
<b>MINORITY INTEREST IN SUBSIDIARIES</b>	<b>(2,413)</b>	<b>(2,587)</b>	<b>(368)</b>	<b>(2,496)</b>	<b>(1,638)</b>	<b>(1,325)</b>	<b>(3,586)</b>	<b>(21,058)</b>
<b>NET INCOME</b>	<b>752,349</b>	<b>641,336</b>	<b>608,713</b>	<b>715,137</b>	<b>563,891</b>	<b>519,710</b>	<b>507,601</b>	<b>698,033</b>

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Results by Business Segment - In millions of reais

Amounts Accumulated from January to September

	Financial		Insurance Group		Other Activities	Amount Eliminated	Consolidated Bradesco
	Local	Foreign	Local	Foreign			
<b>Income from financial intermediation</b>	<b>6,298</b>	<b>373</b>	<b>1,476</b>	<b>1</b>	<b>11</b>	<b>3</b>	<b>8,162</b>
<b>Other operating income (expenses)</b>	<b>(5,160)</b>	<b>(98)</b>	<b>(901)</b>	<b>(1)</b>	<b>3</b>	<b>(3)</b>	<b>(6,160)</b>
Commissions and fees	3,675	14	224	-	528	(292)	4,149
Personnel expenses	(3,123)	(17)	(371)	(1)	(172)	-	(3,684)
Other administrative expenses	(3,406)	(59)	(400)	(1)	(133)	350	(3,649)
Other revenue (expenses)	(2,306)	(36)	(354)	1	(220)	(61)	(2,976)
<b>Net income accumulated to September 2004</b>	<b>1,138</b>	<b>275</b>	<b>575</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>2,002</b>
<b>Net income accumulated to September 2003</b>	<b>918</b>	<b>164</b>	<b>451</b>	<b>2</b>	<b>56</b>	<b>-</b>	<b>1,591</b>

Composition of Income - %

Increase in the Main Statement of Income Items

Accumulated over the first nine months of 2004 as compared to the same period in 2003 In millions of reais

(\*) Composition: Premiums and contributions, net of variations in technical reserves for insurance, private pension plans and savings bonds, less claims, redemptions, benefits and commissions, not including financial income on insurance activities and price-level restatement and interest on technical reserves which are included in financial margin.

(\*\*) Mainly reversal of provision for exchange variation of R\$ 504 and other operating provisions of R\$ 334.

3Q04 in relation to 2Q04 - In millions of reais

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- (\*) Composition: Premiums and contributions, net of variations in technical reserves for insurance, private pension plans and savings bonds, less claims, redemptions, benefits and commissions, not including financial income on insurance activities and price-level restatement and interest on technical reserves which are included in financial margin.

Increase in Financial Margin Items plus Exchange Adjustment

Accumulated over the first nine months of 2004 as compared to the same period in 2003 In millions of reais

3Q04 in relation to 2Q04 - In millions of reais

- (1) Includes income on credit operations + income on leasing operations + income on foreign exchange transactions (Note 13a).  
 (2) Includes interest and charges on deposits, excluding expenses for purchase and sale commitments + expenses for borrowings and onlendings + income on compulsory deposits + adjustments to income on foreign exchange transactions (Note 13a).  
 (3) Includes income on securities transactions, less expenses with purchase and sale commitments + financial income on insurance, private pension plans and savings bonds + income on derivative financial instruments + adjustments to income on foreign exchange transactions (Note 13a).  
 (4) Includes price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds.

Analysis of the Adjusted Financial Margin and Average Rates

Credit Operations x Income

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
Credit operations	43,575	48,814	48,460	51,270
Leasing operations	1,496	1,400	1,364	1,402
Advances on foreign exchange contracts	5,799	6,031	6,162	5,938
1 - Total Average balance (quarterly)	50,869	56,245	55,986	58,610
2 - Income (*)	9,430	9,891	3,704	2,983
3 - Average return annualized exponentially (2/1)	25.5%	24.1%	29.2%	22.0%

- (\*) Includes income from credit operations, net results from leasing operations and adjusted results on foreign exchange transactions (Note 13a).

Securities x Income on Securities Transactions

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
Securities	40,534	55,329	54,679	57,184
Interbank investments	23,609	24,153	19,881	22,827
Subject to repurchase agreements	(17,998)	(21,543)	(15,915)	(19,149)
Derivative financial instruments	(389)	(371)	(562)	(546)
4 Total - Average balance (quarterly)	45,755	57,568	58,083	60,316

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5	Income on securities transactions (net of expenses for repurchase agreements) (*)	6,133	6,266	2,582	1,509
6	Average rate annualized exponentially (5/4)	18.3%	14.8%	19.0%	10.4%

(\*) Includes financial income on insurance, private pension plans, savings bonds, derivative financial instruments and foreign exchange adjustments (Note 13a).

Total Assets x Income from Financial Intermediation

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
7 - Total assets - Average balance (quarterly)	151,659	173,255	168,610	177,979
8 - Income from financial intermediation	20,086	20,001	7,720	5,525
9 - Average rate annualized exponentially (8/7)	18.0%	15.7%	19.6%	13.0%

Funding x Expenses



In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
Deposits	56,601	61,532	61,660	64,460
Funds from acceptance and issuance of securities	5,435	6,651	6,821	6,598
Interbank and interdepartmental accounts	1,744	1,580	1,135	1,415
Subordinated debt	3,383	5,602	5,661	6,135
10 - Total funding - average balance (quarterly)	67,163	75,366	75,277	78,608
11 - Expenses (*)	3,881	3,584	2,138	218
12 - Average rate annualized exponentially (11/10)	7.8%	6.4%	11.9%	1.1%

(\*) Funding expenses without repurchase agreements less income on compulsory deposits and foreign exchange adjustments (Note 13a).  
 Technical Reserves for Insurance, Private Pension Plans and Savings Bonds x Expenses

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
13 Technical reserves for insurance, private pension plans and savings bonds - Average balance (quarterly)	21,850	28,855	28,713	30,532
14 Expenses (*)	2,419	2,294	699	943
15 Average rate annualized exponentially (14/13)	15.0%	10.7%	10.1%	12.9%

(\*) Price-level restatement and interest on technical reserves for insurance, private pension plans and savings bonds.  
Borrowings and Onlendings (Local and Foreign) x Expenses

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
Borrowings	8,663	8,152	8,345	8,795
Onlendings	6,943	7,883	7,971	7,971
16 - Total borrowings and onlendings - Average balance (quarterly)	15,607	16,036	16,316	16,766
17 - Expenses for borrowings and onlendings (*)	128	564	369	26
18 - Average rate annualized exponentially (17/16)	1.1%	4.7%	9.4%	0.6%

(\*) Includes foreign exchange adjustments (Note 13a).  
Total Assets x Financial Margin

In millions of reais	Accumulated to September 2003	Accumulated to September 2004	2 <sup>nd</sup> Qtr. 2004	3 <sup>rd</sup> Qtr. 2004
19 - Total assets - Average balance (quarterly)	151,659	173,255	168,610	177,979
20 - Financial margin (*)	9,135	9,715	3,081	3,304
21 - Average rate annualized exponentially (20/19)	8.1%	7.5%	7.5%	7.6%

(\*) Income from financial intermediation excluding provision for loan losses (PDD).  
Financial Market Indicators

#### Analysis of Financial Margin

Banco Bradesco's consolidated financial margin totaled R\$ 9,715 million for the nine-month period accumulated to September 2004, up by 6.3% as compared to the same period in 2003 (R\$ 9,135 million).

The increase of R\$ 1,024 million in interest income comprised growth of R\$ 514 million in average business volume and R\$ 510 million as effects of appreciation of the real in period/03 (17.3%) compared to period/04 (1.1%). This variation was offset by financial expenses recorded formerly in the Variation in technical reserves for insurance, private pension plans and savings bonds account of R\$ 171 million. However, results of non-interest income decreased margin by R\$ 273 million, following a decrease in gains on securities and treasury transactions, totaling a positive variation of R\$ 580 million between amounts accumulated to September 2004 and for the same period in 2003.

In 3Q04, financial margin totaled R\$ 3,304 million, compared to R\$ 3,081 million in 2Q04, i.e. up by 7.2% or R\$ 223 million. Compared to the prior quarter, interest income was up by R\$ 14 million, as a result of growth in the volume of operations in the amount of some R\$ 111 million and a drop in spread of R\$ 97 million. Interest income was affected by financial expenses of R\$ 171, recorded formerly in the Variation in technical reserves for insurance, private pension plans and savings bonds account. On the other hand, non-interest income had a positive effect on margin of R\$ 380 million, as a result of the strongly positioned securities portfolio and the sound recovery of credits in 3Q04.

The average financial margin rate annualized (obtained by dividing the result of financial margin by the average balance of total assets) was up by 0.1 percentage point from 7.5% in 2Q04 to 7.6% in 3Q04. However, there is a decrease of 0.6 percentage points if we compare the accumulated rate to September 2004 (7.5%) with the same period in 2003 (8.1%). This downturn was influenced in particular by the sharp fall in the interest rate (CDI) used to remunerate own working capital, funding and float, considering that up to September 2003, CDI annualized was 24.9%, compared to 15.9% for the same period in 2004.

We highlight the following items responsible for generating financial margin:

- Credit operations, particularly, in the individual customer segment, up by 4.8% for 3Q04, with increases in the Vehicle and Personal Loan products of 9.5% and 9.3%, respectively.

Comparing the balance at September 2004 with the same month in 2003, the individual customer segment was up by 26.8%, with increases of 43.6% in Auto Financings and 45.7% in Personal Credits. We stress that this increment was partially affected by the acquisitions of Banco Zogbi and Banco BEM in 2004.

The improving economic scenario and the increase in consumer confidence, as well as the supply of products designed to meet different customer profiles, were decisive factors in this segment's good performance.

We also stress that Bradesco is improving the quality of its credit granting process to guarantee minimum risk of loss.

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- Insurance area transactions also contributed to financial margin, as a result of the good performance recorded by insurance, private pension plan and savings bond activities, mainly as a result of the increase in sales of supplementary pension plans (PGBL and VGBL) and insurance policies with the corresponding amounts recorded as reserves, since between the second and third quarters, the average volume of technical reserves grew by 7.1%, from R\$ 29,478 million in June 2004 to R\$ 31,585 million in September 2004 and by 29.1% compared with the same period in 2003.
- Emphasis should also be given to the performance of demand and savings account deposits, between June 2004 and September 2Q04, up by 9.2% and 3.2% respectively. Comparing the growth of the closing balances at September 2003 and 2004, demand deposits were up by some 31.5% and savings deposits by 11%.

### Provision for Loan Losses (PDD)

Movement of Allowance for Loan Losses - In millions of reais

	2003			2004		
	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September
<b>Opening balance</b>	<b>3,902</b>	<b>4,109</b>	<b>3,665</b>	<b>4,192</b>	<b>4,213</b>	<b>4,059</b>
Amount recorded for the period	587	603	1,998	514	478	1,553
Amount written off for the period	(551)	(561)	(1,683)	(493)	(510)	(1,508)
Balance derived from acquired institutions	171	-	171	-	-	77
<b>Closing balance</b>	<b>4,109</b>	<b>4,151</b>	<b>4,151</b>	<b>4,213</b>	<b>4,181</b>	<b>4,181</b>
Specific provision	2,006	1,939	1,939	1,876	1,885	1,885
Generic provision	1,286	1,390	1,390	1,432	1,383	1,383
Additional provision	817	822	822	905	913	913
<b>Credit recoveries</b>	<b>117</b>	<b>138</b>	<b>351</b>	<b>124</b>	<b>228</b>	<b>458</b>

Allowance for Loan Losses (PDD) on Credit and Leasing Operations - In millions of reais

	2003		2004		
	June	September	June	September	
Allowance for loan losses - PDD (A)		4,109	4,151	4,213	4,181
Credit operations (B)		53,048	52,776	58,402	59,976
PDD on credit operations (A/B)		7.7%	7.9%	7.2%	7.0%
Ratio of PDD Coverage to Abnormal Course Credits (D to H)					

In millions of reais

	2003		2004	
	June	September	June	September
Total provisions (1)	4,109	4,151	4,213	4,181
Abnormal course credits (D to H) (2)	2,871	2,922	2,649	2,533
PDD coverage ratio (1/2)	143.1%	142.1%	159.0%	165.1%
Commissions and Fees				

In millions of reais						
2003			2004			
2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September	
Checking account	264	287	796	316	324	954
Cards	193	203	598	241	241	723
Fund management	131	163	401	212	233	649
Collection	146	155	440	151	160	461
Credit operations	143	149	420	195	222	582
Interbank charges	61	65	189	63	67	192
Collection of taxes	45	48	138	49	50	150
Custody and brokerage services	19	21	55	26	24	73
Consortium purchase plan management	4	8	12	20	23	58
Other	77	83	233	102	111	307
<b>Total</b>	<b>1,083</b>	<b>1,182</b>	<b>3,282</b>	<b>1,375</b>	<b>1,455</b>	<b>4,149</b>

## Administrative and Personnel Expenses

In millions of reais						
2003			2004			
2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September	2 <sup>nd</sup> Qtr.	3 <sup>rd</sup> Qtr.	Accumulated to September	
Third-party services	193	214	583	218	216	630
Communications	151	163	463	155	159	476
Depreciation and amortization	138	137	403	118	118	359
Financial system services	85	92	260	102	101	300
Publicity and advertising	81	83	233	86	88	285
Transport	87	91	258	88	100	282
Leasing	62	79	209	83	76	236
Rents	67	72	206	75	73	223
Data processing	65	73	199	71	70	199
Maintenance and repairs	61	60	174	68	69	197
Materials	43	47	129	35	36	109
Water, electricity and gas	28	27	83	31	30	95
Travel	15	17	46	13	14	41
Other	77	78	240	73	75	217
<b>Administrative expenses</b>	<b>1,153</b>	<b>1,233</b>	<b>3,486</b>	<b>1,216</b>	<b>1,225</b>	<b>3,649</b>
Remuneration	577	632	1,734	613	636	1,863
Single payment bonus (*)	-	98	98	-	14	14
Benefits	240	265	706	243	257	736
Social charges	206	196	587	229	228	683
Employee profit sharing	38	48	128	39	43	127
Training	20	16	46	11	15	37

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Labor/other	67	51	208	99	80	224
<b>Personnel expenses</b>	<b>1,148</b>	<b>1,306</b>	<b>3,507</b>	<b>1,234</b>	<b>1,273</b>	<b>3,684</b>
<b>Total administrative and personnel expenses</b>	<b>2,301</b>	<b>2,539</b>	<b>6,993</b>	<b>2,450</b>	<b>2,498</b>	<b>7,333</b>

(\*) In 2004, the single payment bonus refers to the proposed additional food basket.  
Operating Efficiency

	In millions of reais					
	Year					September/2004(*)
	1999	2000	2001	2002	2003	
Personnel expenses	2,784	3,221	3,549	4,076	4,780	4,957
Employee profit sharing	(104)	(112)	(160)	(140)	(171)	(170)
Other administrative expenses	2,567	2,978	3,436	4,028	4,814	4,976
<b>Total (1)</b>	<b>5,247</b>	<b>6,087</b>	<b>6,825</b>	<b>7,964</b>	<b>9,423</b>	<b>9,763</b>
Financial margin = Gross income from financial intermediation less PDD	7,494	7,839	10,109	11,472	12,778	13,358
Commissions and fees	2,100	3,043	3,473	3,712	4,557	5,424
Income from insurance premiums, private pension plans and savings bonds	5,975	6,920	8,959	10,135	11,726	12,881
Variation in technical reserves for insurance, pension plans and savings bonds	(2,342)	(3,001)	(3,492)	(2,785)	(3,670)	(3,790)
Claims - insurance operations and savings bond draws and redemptions	(2,844)	(2,866)	(3,996)	(4,336)	(5,080)	(5,995)
Insurance and pension plan selling expenses	(635)	(645)	(689)	(667)	(762)	(841)
Expenses with pension plan benefits and redemptions	(558)	(913)	(1,370)	(1,689)	(2,363)	(2,577)
Subtotal	<b>(404)</b>	<b>(505)</b>	<b>(588)</b>	<b>658</b>	<b>(149)</b>	<b>(322)</b>
Equity in the earnings of associated companies	127	156	71	65	5	150
Other operating expenses	(1,296)	(1,376)	(1,831)	(3,148)	(2,704)	(2,953)
Other operating income	1,070	903	1,326	1,321	2,164	1,097
<b>Total (2)</b>	<b>9,091</b>	<b>10,060</b>	<b>12,560</b>	<b>14,080</b>	<b>16,651</b>	<b>16,754</b>
<b>Efficiency ratio (%) = (1/2)</b>	<b>57.7</b>	<b>60.5</b>	<b>54.3</b>	<b>56.6</b>	<b>56.6</b>	<b>58.3</b>

(\*) Amounts accumulated over prior 12-month period.  
Operating Efficiency Ratio (%)

In 2Q04, results were impacted negatively as a result of additional provisions, mainly relating to IBNR and labor and civil contingencies. Disregarding these extraordinary events, the Operating Efficiency Ratio (accumulated for the 12-month period) would be 58.7% rather than 60.1%.

The Operating Efficiency Ratio (accumulated for the 12-month period) in 3Q04 was 58.3%, down by 0.4% as compared to the prior quarter adjusted by extraordinary events, prompted mainly by the combination of the strong commitment of the entire Bradesco management to the strict control of expenses and the increase in revenue for the quarter, especially in financial margin and commissions and fees.

The strict control of expenses, enhanced as a result of the creation of the Expenditure Appraisal Committee in March 2004, as well as the synergy process of acquired institutions, have had a positive effect on the Operating Efficiency Ratio.

Another initiative adopted for rationalizing expenditure was the implementation of the PROGRAMA BIS - DE OLHO NA ECONOMIA, exclusively focused on economic ideas and suggestions.

Other Indicators

Other Indicators





### 3 Main Balance Sheet Information

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Consolidated Balance Sheet - In thousands of reais

ASSETS	September			December		
	2004	2003	2002	2001	2000	1999
<b>Current assets and long-term receivables</b>	<b>174,673,737</b>	<b>171,141,348</b>	<b>137,301,711</b>	<b>105,767,892</b>	<b>90,693,025</b>	<b>75,136,910</b>
<b>Funds available</b>	<b>2,386,029</b>	<b>2,448,426</b>	<b>2,785,707</b>	<b>3,085,787</b>	<b>1,341,653</b>	<b>827,329</b>
<b>Interbank investments</b>	<b>25,125,701</b>	<b>31,724,003</b>	<b>21,472,756</b>	<b>3,867,319</b>	<b>2,308,273</b>	<b>2,590,599</b>
Open market investments	18,279,891	26,753,660	19,111,652	2,110,573	1,453,461	1,890,828
Interbank deposits	6,848,497	4,970,343	2,370,345	1,760,850	854,815	699,771
Provision for losses	(2,687)	-	(9,241)	(4,104)	(3)	-
<b>Securities and derivative financial instruments</b>	<b>58,154,659</b>	<b>53,804,780</b>	<b>37,003,454</b>	<b>40,512,688</b>	<b>33,119,843</b>	<b>29,196,857</b>
Own portfolio	48,943,603	42,939,043	29,817,033	27,493,936	21,743,924	20,950,342
Subject to repurchase agreements	2,624,914	5,682,852	1,497,383	9,922,036	10,822,637	5,987,713
Subject to negotiation and intermediation of securities	-	-	-	526,219	9,394	157
Restricted deposits - Brazilian Central Bank	3,920,427	3,109,634	3,536,659	1,988,799	421,727	2,359,466
Privatization currencies	73,773	88,058	77,371	25,104	9,526	7,241
Subject to collateral provided	1,185,998	1,752,882	1,836,169	715,858	783,501	449,536
Derivative financial instruments	584,317	232,311	238,839	581,169	-	-
Allowance for mark-to-market	-	-	-	(740,433)	(670,866)	(557,598)
Unrestricted notes	821,627	-	-	-	-	-
<b>Interbank accounts</b>	<b>15,236,591</b>	<b>14,012,837</b>	<b>12,943,432</b>	<b>5,141,940</b>	<b>5,060,628</b>	<b>6,454,553</b>
Unsettled payments and receipts	638,390	20,237	16,902	10,118	6,920	7,635
Restricted deposits:						
- Brazilian Central Bank	14,244,337	13,580,425	12,519,635	4,906,502	4,848,668	6,184,959
- National Treasury - Rural funding	578	578	578	712	660	599
- National Housing System - SFH	320,955	391,871	374,177	217,518	197,191	142,653
Interbank onlendings	-	-	-	-	2,024	116,733
Correspondent banks	32,331	19,726	32,140	7,090	5,165	1,974
<b>Interdepartmental accounts</b>	<b>99,863</b>	<b>514,779</b>	<b>191,739</b>	<b>176,073</b>	<b>111,636</b>	<b>49,018</b>
Internal transfer of funds	99,863	514,779	191,739	176,073	111,636	49,018
<b>Credit operations</b>	<b>48,508,061</b>	<b>42,162,718</b>	<b>39,705,279</b>	<b>35,131,359</b>	<b>30,236,106</b>	<b>21,535,633</b>
Credit operations:						
- Public sector	623,495	186,264	254,622	199,182	275,479	154,266
- Private sector	51,757,706	45,768,970	42,842,693	37,689,671	32,244,482	22,848,128
Allowance for loan losses	(3,873,140)	(3,792,516)	(3,392,036)	(2,757,494)	(2,283,855)	(1,466,761)
<b>Leasing operations</b>	<b>1,351,242</b>	<b>1,306,433</b>	<b>1,431,166</b>	<b>1,567,927</b>	<b>1,914,081</b>	<b>1,712,343</b>
Leasing receivables:						
- Public sector	-	-	45	138	160	800
- Private sector	2,892,388	2,859,533	3,141,724	3,248,050	3,813,369	3,515,396
Unearned lease income	(1,441,224)	(1,438,534)	(1,560,278)	(1,557,642)	(1,760,305)	(1,490,803)
Allowance for leasing losses	(99,922)	(114,566)	(150,325)	(122,619)	(139,143)	(313,050)
<b>Other receivables</b>	<b>22,665,995</b>	<b>24,098,765</b>	<b>20,690,054</b>	<b>15,685,433</b>	<b>16,226,725</b>	<b>12,420,787</b>
Receivables on guarantees honored	434	624	1,577	1,131	2,020	-
Foreign exchange portfolio	8,960,299	11,102,537	10,026,298	5,545,527	6,417,431	3,375,563
Income receivable	242,843	331,064	249,849	187,910	191,873	109,734
Negotiation and intermediation of securities	85,323	602,543	175,185	761,754	497,655	839,758
Specific credits	-	-	-	146,919	124,776	206,952
Insurance premiums receivable	961,615	889,358	718,909	995,662	818,773	994,718

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Sundry	12,623,797	11,324,857	9,640,966	8,107,714	8,258,402	7,021,988
Allowance for other losses	(208,316)	(152,218)	(122,730)	(61,184)	(84,205)	(127,926)
<b>Other assets</b>	<b>1,145,596</b>	<b>1,068,607</b>	<b>1,078,124</b>	<b>599,366</b>	<b>374,080</b>	<b>349,791</b>
Other assets	523,128	575,182	679,515	415,484	409,771	406,910
Allowance for losses	(255,587)	(245,373)	(243,953)	(164,290)	(171,876)	(166,447)
Prepaid expenses	878,055	738,798	642,562	348,172	136,185	109,328
<b>Permanent assets</b>	<b>5,029,761</b>	<b>4,956,342</b>	<b>5,483,319</b>	<b>4,348,014</b>	<b>4,185,458</b>	<b>5,186,682</b>
<b>Investments</b>	<b>970,926</b>	<b>862,323</b>	<b>512,720</b>	<b>884,773</b>	<b>830,930</b>	<b>2,453,425</b>
Investments in associated companies:						
- Local	471,130	369,935	395,006	742,586	689,002	2,044,120
Other investments	863,376	857,985	439,342	452,871	525,316	753,901
Allowance for losses	(363,580)	(365,597)	(321,628)	(310,684)	(383,388)	(344,596)
<b>Property and equipment in use</b>	<b>2,263,225</b>	<b>2,291,994</b>	<b>2,523,949</b>	<b>2,152,680</b>	<b>2,017,093</b>	<b>1,683,069</b>
Buildings in use	1,368,973	1,398,735	1,748,409	1,475,581	1,491,847	1,415,720
Other fixed assets	3,512,586	3,480,636	3,459,950	2,988,008	2,705,577	2,285,918
Accumulated depreciation	(2,618,334)	(2,587,377)	(2,684,410)	(2,310,909)	(2,180,331)	(2,018,569)
<b>Leased assets</b>	<b>24,581</b>	<b>34,362</b>	<b>34,323</b>	<b>46,047</b>	<b>10,688</b>	<b>17,026</b>
Leased assets	66,216	63,812	51,198	51,214	19,421	18,451
Accumulated depreciation	(41,635)	(29,450)	(16,875)	(5,167)	(8,733)	(1,425)
<b>Deferred charges</b>	<b>1,771,029</b>	<b>1,767,663</b>	<b>2,412,327</b>	<b>1,264,514</b>	<b>1,326,747</b>	<b>1,033,162</b>
Organization and expansion costs	1,220,472	1,124,058	1,037,559	874,970	731,717	477,058
Accumulated amortization	(679,317)	(572,620)	(568,525)	(481,127)	(391,417)	(190,510)
Goodwill on acquisition of subsidiaries, net of amortization	1,229,874	1,216,225	1,943,293	870,671	986,447	746,614
<b>T O T A L</b>	<b>179,703,498</b>	<b>176,097,690</b>	<b>142,785,030</b>	<b>110,115,906</b>	<b>94,878,483</b>	<b>80,323,592</b>

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LIABILITIES AND STOCKHOLDERS' EQUITY	September			December		
	2004	2003	2002	2001	2000	1999
<b>Current and long-term liabilities</b>	<b>164,907,794</b>	<b>162,406,307</b>	<b>131,652,394</b>	<b>100,199,709</b>	<b>86,654,746</b>	<b>73,249,480</b>
<b>Deposits</b>	<b>64,786,810</b>	<b>58,023,885</b>	<b>56,363,163</b>	<b>41,083,979</b>	<b>36,468,659</b>	<b>34,723,630</b>
Demand deposits	14,781,735	12,909,168	13,369,917	8,057,627	7,500,518	6,803,429
Savings deposits	23,186,217	22,140,171	20,730,683	18,310,948	17,835,745	17,244,520
Interbank deposits	14,267	31,400	23,848	40,446	568,416	468,950
Time deposits	26,804,591	22,943,146	22,238,715	14,674,958	10,563,980	10,206,731
<b>Deposits received under security repurchase agreements</b>	<b>21,551,113</b>	<b>32,792,725</b>	<b>16,012,965</b>	<b>14,057,327</b>	<b>12,108,350</b>	<b>7,814,288</b>
Own portfolio	5,820,361	6,661,473	915,946	12,178,855	10,696,199	5,973,260
Third-party portfolio	15,628,952	17,558,740	12,188,054	1,878,472	1,412,151	1,841,028
Unrestricted portfolio	101,800	8,572,512	2,908,965	-	-	-
<b>Funds from issuance of securities</b>	<b>6,115,921</b>	<b>6,846,896</b>	<b>3,136,842</b>	<b>4,801,410</b>	<b>4,111,171</b>	<b>4,628,344</b>
Exchange acceptances	-	-	1,214	-	-	-
Mortgage notes	889,114	1,030,856	384,727	780,425	741,248	452,379
Debentures	-	7,291	100,369	48,921	1,039	1,043,125
Securities issued abroad	5,226,807	5,808,749	2,650,532	3,972,064	3,368,884	3,132,840
<b>Interbank accounts</b>	<b>322,154</b>	<b>529,332</b>	<b>606,696</b>	<b>192,027</b>	<b>107,129</b>	<b>59,607</b>
Interbank onlendings	-	-	-	-	-	-
Correspondent banks	171,619	159,098	35,686	4,519	1,059	10,016
<b>Interdepartmental accounts</b>	<b>150,535</b>	<b>370,234</b>	<b>571,010</b>	<b>187,508</b>	<b>106,070</b>	<b>49,591</b>
Third-party funds in transit	1,417,570	1,782,068	1,337,729	762,505	904,188	879,592
<b>Borrowings</b>	<b>1,417,570</b>	<b>1,782,068</b>	<b>1,337,729</b>	<b>762,505</b>	<b>904,188</b>	<b>879,592</b>
Local borrowings - official institutions	8,694,942	7,223,356	9,390,630	7,887,154	6,463,555	4,864,414
Local borrowings - other institutions	1,648	2,070	3,368	2,979	9,737	10,178
Foreign borrowings	11,784	4,010	216,812	230,468	170,775	138,279
<b>Local onlendings - official institutions</b>	<b>8,681,510</b>	<b>7,217,276</b>	<b>9,170,450</b>	<b>7,653,707</b>	<b>6,283,043</b>	<b>4,715,957</b>
National Treasury	7,969,414	7,554,266	7,000,046	5,830,633	5,096,604	4,123,486
National Bank for Economic and Social Development (BNDES)	57,950	51,398	62,187	-	-	-
Federal Savings Bank (CEF)	3,568,367	3,403,462	3,437,319	3,067,220	2,589,284	1,650,243
Government Agency for Machinery and Equipment Financing (FINAME)	399,298	459,553	453,803	433,381	405,264	388,109
Other institutions	3,939,822	3,638,966	3,045,176	2,321,508	2,090,374	2,064,153
<b>Foreign onlendings</b>	<b>3,977</b>	<b>887</b>	<b>1,561</b>	<b>8,524</b>	<b>11,682</b>	<b>20,981</b>
Foreign onlendings	50,855	17,161	47,677	316,283	108,178	185,774
<b>Derivative financial instruments</b>	<b>50,855</b>	<b>17,161</b>	<b>47,677</b>	<b>316,283</b>	<b>108,178</b>	<b>185,774</b>
<b>Technical reserves for insurance, private pension plans and savings bonds</b>	<b>308,046</b>	<b>52,369</b>	<b>576,697</b>	<b>111,600</b>	-	-
<b>Other liabilities</b>	<b>31,584,982</b>	<b>26,408,952</b>	<b>19,155,479</b>	<b>13,853,426</b>	<b>10,338,065</b>	<b>7,563,919</b>
Collection of taxes and other contributions	22,105,987	21,175,297	18,024,470	11,303,365	10,948,847	8,406,426
Foreign exchange portfolio	1,211,707	130,893	108,388	181,453	128,785	113,693
Social and statutory payables	3,974,239	5,118,801	5,002,132	1,343,769	2,439,657	1,029,963
Taxes and social security contributions	737,548	851,885	666,409	572,265	560,533	603,405
Negotiation and intermediation of securities	4,470,918	4,781,458	4,376,031	3,371,127	3,094,628	2,665,681
Subordinated debt	6,089,471	4,994,810	3,321,597	969,842	-	-
Sundry	5,547,973	4,701,492	4,440,439	3,557,524	4,132,849	3,079,557
<b>Deferred income</b>	<b>44,032</b>	<b>31,774</b>	<b>15,843</b>	<b>9,020</b>	<b>34,632</b>	<b>17,543</b>
Deferred income	44,032	31,774	15,843	9,020	34,632	17,543
<b>Minority interest in subsidiary companies</b>	<b>73,965</b>	<b>112,729</b>	<b>271,064</b>	<b>139,231</b>	<b>96,903</b>	<b>287,350</b>
<b>Stockholders' equity</b>	<b>14,677,707</b>	<b>13,546,880</b>	<b>10,845,729</b>	<b>9,767,946</b>	<b>8,092,202</b>	<b>6,769,219</b>
Capital:						
- Local residents	6,343,955	6,343,955	4,960,425	4,940,004	5,072,071	4,206,644
-Foreign residents	656,045	656,045	239,575	259,996	74,429	58,856
Unpaid capital	-	-	-	-	(400,500)	(465,500)
Capital reserves	10,645	8,665	7,435	7,435	19,002	5,643
Revenue reserves	7,084,529	6,066,640	5,715,317	4,614,110	3,403,020	2,963,576
Mark-to-market adjustment - securities and derivatives	638,628	478,917	9,152	-	-	-

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Treasury stock	(56,095)	(7,342)	(86,175)	(53,599)	(75,820)	-
<b>Stockholders' equity managed by the parent company</b>	<b>14,751,672</b>	<b>13,659,609</b>	<b>11,116,793</b>	<b>9,907,177</b>	<b>8,189,105</b>	<b>7,056,569</b>
<b>TOTAL</b>	<b>179,703,498</b>	<b>176,097,690</b>	<b>142,785,030</b>	<b>110,115,906</b>	<b>94,878,483</b>	<b>80,323,592</b>

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Balance Sheet by Currency and Exchange Exposure at September 30, 2004 - In millions of reais

	Balance Sheet	Currency	
		Local	Foreign <sup>(1) (2)</sup>
<b>ASSETS</b>			
<b>Current and long-term receivables</b>	<b>174,673</b>	<b>144,625</b>	<b>30,048</b>
Funds available	2,386	1,955	431
Interbank investments	25,126	19,730	5,396
Securities and derivative financial instruments	58,155	48,865	9,290
Interbank and interdepartmental accounts	15,336	15,328	8
Credit and leasing operations	49,859	42,418	7,441
Other receivables and assets	23,811	16,329	7,482
<b>Permanent assets</b>	<b>5,030</b>	<b>4,597</b>	<b>433</b>
Investments	971	541	430
Property and equipment in use and leased assets	2,288	2,285	3
Deferred charges	1,771	1,771	-
<b>Total assets</b>	<b>179,703</b>	<b>149,222</b>	<b>30,481</b>
<b>LIABILITIES</b>			
<b>Current and long-term liabilities</b>	<b>164,907</b>	<b>138,401</b>	<b>26,506</b>
Deposits	64,787	61,663	3,124
Deposits received under security repurchase agreements	21,551	19,300	2,251
Funds from issuance of securities	6,116	889	5,227
Interbank and interdepartmental accounts	1,740	464	1,276
Borrowings and onlendings	16,715	7,474	9,241
Derivative financial instruments	308	308	-
Technical reserves for insurance, private pension plans and savings bonds	31,585	31,561	24
Other liabilities			
- Subordinated debt	6,089	2,963	3,126
- Other	16,016	13,779	2,237
<b>Deferred income</b>	<b>44</b>	<b>44</b>	<b>-</b>
<b>Minority interest in subsidiaries</b>	<b>74</b>	<b>74</b>	<b>-</b>
<b>Stockholders' equity</b>	<b>14,678</b>	<b>14,678</b>	<b>-</b>
<b>Total</b>	<b>179,703</b>	<b>153,197</b>	<b>26,506</b>
<b>Net position of assets and liabilities</b>			<b>3,975</b>
Net position of derivatives (2)			(3,781)
Other memorandum accounts, net (3)			(404)
<b>Net exchange position (liability)</b>			<b>(210)</b>

(1) Amounts expressed and/or indexed mainly in USD.

(2) Excluding operations maturing in D +1, to be settled in currency at September 30, 2004 price levels.

(3) Leasing commitments and others are controlled in memorandum accounts.

Total assets by currency

Balance Sheet by Maturity at September 30, 2004 - In millions of reais

	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	Indeterminate	Total
<b>ASSETS</b>						
<b>Current assets and long-term receivables</b>	<b>104,470</b>	<b>18,798</b>	<b>14,430</b>	<b>36,975</b>	-	<b>174,673</b>
Funds available	2,386	-	-	-	-	2,386
Interbank investments	23,570	502	387	667	-	25,126
Securities and derivative financial instruments <sup>(1)</sup>	41,121	840	3,741	12,453	-	58,155
Interbank and interdepartmental accounts	15,042	6	8	280	-	15,336
Credit and leasing operations	8,959	16,420	8,745	15,735	-	49,859
Other receivables and assets	13,392	1,030	1,549	7,840	-	23,811
<b>Permanent assets</b>	<b>57</b>	<b>284</b>	<b>342</b>	<b>2,766</b>	<b>1,581</b>	<b>5,030</b>
Investments	-	-	-	-	971	971
Property and equipment in use and leased assets	20	98	118	1,442	610	2,288
Deferred charges	37	186	224	1,324	-	1,771
<b>Total</b>	<b>104,527</b>	<b>19,082</b>	<b>14,772</b>	<b>39,741</b>	<b>1,581</b>	<b>179,703</b>
<b>LIABILITIES</b>						
<b>Current and long-term liabilities</b>	<b>94,702</b>	<b>14,723</b>	<b>9,775</b>	<b>45,707</b>	-	<b>164,907</b>
Deposits <sup>(2)</sup>	41,195	4,517	4,959	14,116	-	64,787
Deposits received under security repurchase agreements	19,290	635	247	1,379	-	21,551
Funds from the acceptance and issuance of securities	249	2,725	217	2,925	-	6,116
Interbank and interdepartmental accounts	1,740	-	-	-	-	1,740
Borrowings and onlendings	1,766	5,215	3,639	6,095	-	16,715
Derivative financial instruments	276	4	19	9	-	308
Technical reserves for insurance, private pension plans and savings bonds <sup>(2)</sup>	19,504	980	291	10,810	-	31,585
Other liabilities:						
- Subordinated debt	114	24	-	5,951	-	6,089
- Other	10,568	623	403	4,422	-	16,016
<b>Deferred income</b>	<b>44</b>	-	-	-	-	<b>44</b>



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Minority interest in subsidiaries	-	-	-	-	74	74
Stockholders' equity	-	-	-	-	14,678	14,678
<b>Total</b>	<b>94,746</b>	<b>14,723</b>	<b>9,775</b>	<b>45,707</b>	<b>14,752</b>	<b>179,703</b>
Accumulated net assets in 2004	9,781	14,140	19,137	13,171	-	-
Accumulated net assets in 2003	14,690	19,810	22,053	11,970	-	-

(1) Investment fund applications are classified as up to 30 days.

(2) Demand and savings account deposits and technical reserves for insurance and private pension plans, comprising VGBL and PGBL products, are classified as up to 30 days without considering average historical turnover.

Total Assets by Maturity

Securities - In millions of reais

Consolidated Portfolio Composition by Issuer at September 30, 2004 (1)

Securities (1)	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	Market/Book value (4), (5) and (6)	Restated cost value	Mark-to-market adjustment
<b>GOVERNMENT SECURITIES</b>	<b>1,396</b>	<b>4,618</b>	<b>7,083</b>	<b>25,907</b>	<b>39,004</b>	<b>38,879</b>	<b>125</b>
Financial Treasury Notes	643	2,235	2,017	10,868	15,763	15,771	(8)
Federal Treasury Notes	210	479	57	8,332	9,078	9,092	(14)
National Treasury Bonds	200	1,881	4,958	58	7,097	7,099	(2)
Brazilian foreign debt notes	198	-	-	6,522	6,720	6,571	149
Central Bank Notes	-	-	-	55	55	56	(1)
Other	145	23	51	72	291	290	1
<b>CORPORATE BONDS</b>	<b>3,156</b>	<b>2,609</b>	<b>262</b>	<b>4,606</b>	<b>10,633</b>	<b>9,798</b>	<b>835</b>
Certificates of Bank Deposit	292	2,399	52	1,117	3,860	3,860	-
Debentures	105	11	61	1,354	1,531	1,562	(31)
Shares	2,257	-	-	-	2,257	1,368	889
Corporate bonds abroad	39	36	66	1,402	1,543	1,507	36
Derivative financial instruments	319	146	70	49	584	594	(10)
Other	144	17	13	684	858	907	(49)
<b>PURCHASE AND SALE COMMITMENTS(3)</b>	<b>-</b>	<b>2,329</b>	<b>2,597</b>	<b>3,592</b>	<b>8,518</b>	<b>8,518</b>	<b>-</b>

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<b>Total at September 30, 2004</b>	<b>4,552</b>	<b>9,556</b>	<b>9,942</b>	<b>34,105</b>	<b>58,155</b>	<b>57,195</b>	<b>960</b>
<b>Total at September 30, 2003</b>	<b>3,148</b>	<b>3,165</b>	<b>7,581</b>	<b>34,011</b>	<b>47,905</b>	<b>47,297</b>	<b>608</b>

Composition by Maturity at September 30, 2004

Securities (1)	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	Market/Book value (4), (5) and (6)	Restated cost value	Mark-to-market adjustment
<b>Trading securities (2)</b>	<b>2,013</b>	<b>8,926</b>	<b>9,748</b>	<b>22,222</b>	<b>42,909</b>	<b>42,952</b>	<b>(43)</b>
Financial Treasury Notes	569	1,990	1,970	10,237	14,766	14,768	(2)
Purchase and Sale Commitments (3)	-	2,329	2,597	3,592	8,518	8,518	-
National Treasury Bonds	200	1,875	4,958	58	7,091	7,093	(2)
Federal Treasury Notes	210	268	57	4,575	5,110	5,128	(18)
Debentures	16	11	-	922	949	949	-
Certificates of Bank Deposit	130	2,395	47	1,094	3,666	3,666	-
Brazilian foreign debt notes	36	-	-	862	898	876	22
Shares	560	-	-	-	560	560	-
Other	292	58	119	882	1,351	1,394	(43)
<b>Securities available for sale (2)</b>	<b>2,181</b>	<b>399</b>	<b>124</b>	<b>7,463</b>	<b>10,167</b>	<b>9,154</b>	<b>1,013</b>
Brazilian foreign debt notes	124	-	-	4,333	4,457	4,330	127
Shares	1,697	-	-	-	1,697	808	889
Corporate bonds abroad	10	1	-	1,076	1,087	1,043	44
National Treasury Bonds	73	224	47	630	994	1,000	(6)
Federal Treasury Notes	-	126	-	714	840	836	4
Debentures	89	-	61	431	581	612	(31)
Brazilian foreign debt notes	161	5	4	23	193	193	-
Other	27	23	12	256	318	332	(14)
<b>Securities held to maturity (7)</b>	<b>39</b>	<b>85</b>	<b>-</b>	<b>4,371</b>	<b>4,495</b>	<b>4,495</b>	<b>-</b>
Federal Treasury Notes	-	85	-	3,043	3,128	3,128	-
Brazilian foreign debt notes	38	-	-	1,327	1,365	1,365	-
Other	1	-	-	1	2	2	-
<b>Derivative financial instruments</b>	<b>319</b>	<b>146</b>	<b>70</b>	<b>49</b>	<b>584</b>	<b>594</b>	<b>(10)</b>
<b>Total at September 30, 2004</b>	<b>4,552</b>	<b>9,556</b>	<b>9,942</b>	<b>34,105</b>	<b>58,155</b>	<b>57,195</b>	<b>960</b>
<b>Total at September 30, 2003</b>	<b>3,148</b>	<b>3,165</b>	<b>7,581</b>	<b>34,011</b>	<b>47,905</b>	<b>47,297</b>	<b>608</b>
<b>Derivative financial instruments (Liabilities)</b>							
<b>Total at September 30, 2004</b>	<b>(276)</b>	<b>(4)</b>	<b>(19)</b>	<b>(9)</b>	<b>(308)</b>	<b>(307)</b>	<b>(1)</b>
<b>Total at September 30, 2003</b>	<b>(206)</b>	<b>(18)</b>	<b>(23)</b>	<b>(84)</b>	<b>(331)</b>	<b>(302)</b>	<b>(29)</b>

- (1) Investments in fund quotas were distributed based on the securities comprising their portfolios maintaining the fund category classification.
- (2) Securities of Banco BEM, in the amount of R\$ 521 million, mainly financial treasury notes, classified as securities held to maturity, were reclassified at June 30, 2004, R\$ 499 million of which to trading securities, decreasing results by R\$ 7 million, net of tax effects and R\$ 22 million to securities available for sale, decreasing the specific stockholders' equity account by R\$ 4 million, net of tax effects. In Banco

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Zogbi, equity securities in the amount of R\$ 5 million, classified as trading securities, were transferred to securities available for sale, pursuant to BACEN Circular 3068/2001, in line with the portfolio profile of Banco Bradesco, the new parent company.

- (3) Investment fund and managed portfolio resources invested in purchase and sale commitments with Banco Bradesco, the investors in which are subsidiary companies, included in the consolidated financial statements.
- (4) The number of days to maturity was based on the maturity of the securities, regardless of accounting classification.
- (5) This column reflects book value subsequent to mark-to-market adjustment, except for securities held to maturity, the market value of which is higher than purchase cost by R\$ 884 million (September 2003 - R\$ 448 million).
- (6) The market value of securities is determined based on the market price practiced on the balance sheet date. In the event no market prices are available, amounts are estimated based on the prices quoted by dealers, on price definition models, quotation models or quotations for instruments with similar characteristics.
- (7) In compliance with the provisions of Article 8 of BACEN Circular 3068/2001, Bradesco declares that it has both the financial capacity and the intention to hold to maturity the securities classified in the securities held to maturity category. This financial capacity is evidenced in Note 7, which presents the maturities of asset and liability operations at the base date of September 30, 2004.

Summary of the Classification of Securities at September 30, 2004

	Financial	Insurance/ Savings Bond	Private Pension Plan	Other Activities	Total	%
Trading securities	13,826	4,722	24,280	81	<b>42,909</b>	<b>73.80</b>
Securities available for sale	7,195	1,459	1,492	21	<b>10,167</b>	<b>17.47</b>
Securities held to maturity	1,452	-	3,043	-	<b>4,495</b>	<b>7.73</b>
Derivative financial instruments	584	-	-	-	<b>584</b>	<b>1.00</b>
<b>Total at September 30, 2004</b>	<b>23,057</b>	<b>6,181</b>	<b>28,815</b>	<b>102</b>	<b>58,155</b>	<b>100.00</b>
<b>Total at September 30, 2003</b>	<b>21,285</b>	<b>4,302</b>	<b>22,185</b>	<b>133</b>	<b>47,905</b>	

Classification of Securities by Segment %

### Credit Operations

We present below the composition of the credit portfolio by type of operation and economic activity sector.

By Type of Operation - In millions of reais

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	2003		2004	
	June	September	June	September
Discount of trade receivables and other loans	24,826	24,481	25,731	26,818
Financings	16,082	15,721	18,815	19,608
Rural and agribusiness loans	4,007	4,204	5,613	5,955
Leasing operations	1,521	1,439	1,352	1,451
Advances on foreign exchange contracts	5,814	6,168	6,259	5,618
<b>Credit operations - Subtotal</b>	<b>52,250</b>	<b>52,013</b>	<b>57,770</b>	<b>59,450</b>
Other receivables	798	763	632	526
<b>Total credit operations</b>	<b>53,048</b>	<b>52,776</b>	<b>58,402</b>	<b>59,976</b>
<b>Sureties and guarantees recorded in memorandum accounts</b>	<b>5,581</b>	<b>6,433</b>	<b>6,751</b>	<b>6,960</b>

By Economic Activity Sector - In millions of reais

	2004			
	June	%	September	%
<b>Public Sector</b>	<b>608</b>	<b>1.0</b>	<b>625</b>	<b>1.0</b>
<b>Private Sector</b>	<b>57,794</b>	<b>99.0</b>	<b>59,351</b>	<b>99.0</b>
Manufacturing	18,530	31.8	18,458	30.8
Commerce	8,698	14.9	9,544	15.9
Financial intermediation	657	1.1	355	0.6
Services	10,989	18.8	11,203	18.7
Agriculture, livestock raising, fishing, forest development and management	1,092	1.9	1,103	1.8
Individuals	17,828	30.5	18,688	31.2
<b>Total</b>	<b>58,402</b>	<b>100.0</b>	<b>59,976</b>	<b>100.0</b>

By Segment

At the end of the third quarter of 2004, 99.0% of the credit portfolio was directed to the private sector, remaining stable as compared with the prior quarter. By economic activity sector, manufacturing maintained the majority of credit volume, with a 30.8% share of total operations, particularly food and beverage, steel, metal products and mechanics. Credits directed to the service sector, including financial intermediaries, comprised 19.3%, whereas commerce and farming/livestock activities recorded a 15.9% and 1.8% portfolio share, respectively. Loans to consumers comprised 31.2% of the portfolio.

#### Portfolio Performance

The balance of credit operations in 3Q04 was compatible with economic activity for the quarter, reflecting the continued dynamic export performance and recovery of internal demand, strengthened by the expansion of income and employment, and recovery of consumer customer payment capacity.

As a result, the balance of Bradesco's consolidated credit portfolio at September 30, totaled R\$ 60.0 billion, an increase of 2.7%, as compared to June 30, or 13.6% when analyzed over the prior 12-month period.

For 4Q04, the rhythm of economic growth is expected to be maintained, especially considering seasonal year-end factors, with the increases in internal demand and private investment reflected in credit expansion.

#### Composition of the Credit Portfolio by Risk Levels

The classification and quality of the credit portfolio by risk level, at the end of September 2004, improved in comparison with the second quarter of 2004. AA to C rated operations, classified by BACEN as normal course operations, totaled 91.6% of portfolio balance, maintaining the trend for improvement, while 2.9% of operations were classified at risk administration level D and will remain so until this risk is reduced or guarantees with greater liquidity are obtained. Only 5.5% were considered to be abnormal course operations, subject to partial loss after the application of customary recovery procedures. The maintenance of these rates reflects the Bank's permanent use and enhancement of credit assessment and monitoring instruments.

By Rating In millions of reais

Risk Level	Portfolio Balance	Accumulated Percentage (1)	Minimum Requirement			Additional Allowance (4)	Existing Allowance
			Specific (2)		Generic (3)		
			Past Due	Falling Due			

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AA	15,957	26.6	-	-	-	-	-	-
A	23,117	65.1	-	-	115	115	68	183
B	6,061	75.3	1	5	55	61	21	82
C	9,789	91.6	6	16	272	294	368	662
<b>Subtotal</b>	<b>54,924</b>	<b>91.6</b>	<b>7</b>	<b>21</b>	<b>442</b>	<b>470</b>	<b>457</b>	<b>927</b>
D	1,765	94.5	14	22	141	177	221	398
E	385	95.2	35	35	45	115	62	177
F	579	96.1	61	65	163	289	89	378
G	354	96.7	83	63	102	248	84	332
H	1,969	100.0	1,015	464	490	1,969	-	1,969
<b>Total at September 30, 2004</b>	<b>59,976</b>	<b>-</b>	<b>1,215</b>	<b>670</b>	<b>1,383</b>	<b>3,268</b>	<b>913</b>	<b>4,181</b>
<b>Total at June 30, 2004</b>	<b>58,402</b>	<b>-</b>	<b>1,146</b>	<b>730</b>	<b>1,432</b>	<b>3,308</b>	<b>905</b>	<b>4,213</b>

- (1) On total portfolio.
- (2) For operations with installments overdue by more than 14 days.
- (3) Recorded based on the customer/transaction classification.
- (4) The additional provision is recorded based on management's experience and expected collection of the credit portfolio to determine the total allowance deemed sufficient to cover specific and general portfolio risks, as well as the provision calculated based on risk level ratings and the corresponding minimum provision requirements established by CMN Resolution 2682. The additional provision per customer was classified in the above table according to the corresponding risk levels.

The volume of the allowance for loan losses in September 2004 totaled R\$ 4,181 million, corresponding to 7.0% of total credit operations. However, of this amount, only 45.1% effectively comprises overdue operations (past due and falling due), and the remaining portion is recorded as a precaution only, based on the customers' internal classification (33.1%) or to cover specific and general portfolio risks (21.8%).

Credit Portfolio by Maturity - in millions of reais

The maturity of the normal course credit portfolio evidences a concentration of short-term credits, with 40.7% maturing in up to 90 days. However, over the prior 12-month period, operation terms have gradually lengthened, as a result of economic stability.

N.B. percentage rates are accumulated.

Movement of the Portfolio between September 2003 and 2004

The performance of the consolidated credit portfolio over the prior twelve months up to September 2004, despite the low level of economic activity, evidences the maintenance of the quality of the assets, in particular as a result of new borrowers, corresponding to an increase of 17.1%, compared to the balance of the credit portfolio up to September 2003.

Portfolio Movement between September 2003 and 2004

Level	Borrowers remaining from September 2003		New borrowers between September 2003 and 2004		Total credit at September 2004	
	In millions reais	%	In millions reais	%	In millions reais	%
AA to C	46,318	90.9	8,606	95.2	54,924	91.6
D	1,658	3.3	107	1.2	1,765	2.9
E to H	2,960	5.8	327	3.6	3,287	5.5
<b>Total</b>	<b>50,936</b>	<b>100.0</b>	<b>9,040</b>	<b>100.0</b>	<b>59,976</b>	<b>100.0</b>

As a result, the quality of the credits granted to new borrowers during the year has proved satisfactory and accordingly the percentage of credit operations classified as normal course (from AA to C) maintained its customary high level, totaling 91.6% at the end of September 2004, compared to 91.3% at the end of June 2004 and 90.4% in September 2003.

Concentration of Credit Portfolio In millions of reais

	2003				2004			
	June	%	September	%	June	%	September	%
Largest borrower	784	1.5	771	1.5	779	1.3	931	1.6
10 largest borrowers	4,871	9.2	5,060	9.6	5,536	9.5	5,746	9.6
20 largest borrowers	7,926	14.9	8,111	15.4	8,497	14.5	8,803	14.7
50 largest borrowers	13,265	25.0	13,500	25.6	14,028	24.0	14,196	23.7

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100 largest borrowers	17,305	32.6	17,493	33.1	18,234	31.2	18,062	30.1
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Credit Portfolio Indicators

To facilitate the analysis of the Bank's credit portfolio performance, we present below a comparative summary of the main parameters, based on the rules established by BACEN for recording provisions.

Items	In millions of reais			
	2003		2004	
	June	September	June	September
Total Credit Operations	53,048	52,776	58,402	59,976
- Consumer	14,406	14,740	17,828	18,688
- Corporate	38,642	38,036	40,574	41,288
Existing Allowance	4,109	4,151	4,213	4,181
- Specific	2,006	1,939	1,876	1,885
- Generic	1,286	1,390	1,432	1,383
- Additional	817	822	905	913
Specific Allowance/Existing Allowance (%)	48.8	46.7	44.5	45.1
Existing Allowance/Total Credit Operations (%)	7.7	7.9	7.2	7.0
Normal Course Operations (from AA to C)/Total Credit Operations (%)	90.2	90.4	91.3	91.6
Operations under risk management (D)/Total Credit Operations (%)	3.4	2.8	2.8	2.9
Abnormal Course Operations (from E to H)/Total Credit Operations (%)	6.4	6.8	5.9	5.5
Credit Operations (D)	1,841	1,460	1,629	1,765
Existing Allowance (D)	520	413	374	398
Allowance/Credit Operations (D) (%)	28.2	28.3	23.0	22.5
Credit Operations (from E to H)	3,375	3,580	3,464	3,287
Existing Provision (from E to H)	2,939	3,027	2,966	2,856
Allowance/Credit Operations (from E to H) (%)	87.1	84.6	85.6	86.9

The figures at the end of September 2004 continue to confirm the low credit risk of the Bradesco portfolio, as a result of its comfortable coverage levels and moreover that the Organization's credit granting strategy is being applied on a secure, selective and consistent basis.

Funding

Deposits by Maturity - In millions of reais

Days to maturity	2004					Total
	June		September			
	Total	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	
Demand	13,541	14,782	-	-	-	14,782
Savings	22,456	23,186	-	-	-	23,186
Interbank	47	14	-	-	-	14



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Time	28,089	3,213	4,517	4,959	14,116	26,805
<b>Total</b>	<b>64,133</b>	<b>41,195</b>	<b>4,517</b>	<b>4,959</b>	<b>14,116</b>	<b>64,787</b>

Demand Deposits - In billions of reais

Checking Accounts - Million

Increase in Checking Accounts - million

#### Savings Accounts

The balance of Bradesco Organization Savings Accounts totaled R\$ 23.2 billion in deposits at the end of the third quarter of 2004, corresponding to a 19.1% market share of the Brazilian Savings and Loan System (SBPE).

Savings Account Deposits - In billions of reais

Share of SBPE (Brazilian Savings and Loan System) - %

Savings Accounts - Million

Asset Management

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Bradesco ranked Best Fund Manager for the third time in a row

Bradesco was rated Brazil's Best Fund Manager for the third time running according to a study carried out by Guia Exame's Best Investment Funds, organized by Exame magazine in partnership with the Study Center maintained by Fundação Getúlio Vargas.

Net assets - In millions of reais

	2003		2004	
	June	September	June	September
Investment funds	60,949	67,552	78,059	80,852
Managed portfolios	9,279	9,050	8,757	9,319
<b>Total</b>	<b>70,228</b>	<b>76,602</b>	<b>86,816</b>	<b>90,171</b>

Distribution of Assets - In millions of reais

	2003		2004	
	June	September	June	September
Investment funds - fixed return	59,063	65,272	75,580	78,148
Investment funds - floating rate	1,886	2,280	2,479	2,704
<b>Total</b>	<b>60,949</b>	<b>67,552</b>	<b>78,059</b>	<b>80,852</b>
Fixed return customer portfolios	6,648	6,372	6,561	6,742
Floating rate customer portfolios	2,631	2,678	2,196	2,577
<b>Total</b>	<b>9,279</b>	<b>9,050</b>	<b>8,757</b>	<b>9,319</b>
Total fixed-return funds	65,711	71,644	82,141	84,890
Total floating-rate funds	4,517	4,958	4,675	5,281
<b>Total</b>	<b>70,228</b>	<b>76,602</b>	<b>86,816</b>	<b>90,171</b>

Total Volume of Managed Assets according to ANBID's Global Ranking - In millions of reais

Number of Funds, Portfolios and Quotaholders at September 30, 2004

	<b>Number</b>	<b>Quotaholders</b>
Investment funds	499	2,738,046
Customer portfolios	106	361
<b>Total</b>	<b>605</b>	<b>2,738,407</b>

## 4 Operating Companies

## Bradesco Insurance Group

## Insurance Companies

## Consolidated Balance Sheet - In millions of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>26,800</b>	<b>29,156</b>	<b>35,090</b>	<b>37,873</b>
Securities	24,451	26,735	32,470	35,157
Insurance premiums receivable	874	817	880	844
Other receivables	1,475	1,604	1,740	1,872
<b>Permanent assets</b>	<b>970</b>	<b>956</b>	<b>1,036</b>	<b>1,016</b>
<b>Total</b>	<b>27,770</b>	<b>30,112</b>	<b>36,126</b>	<b>38,889</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>24,819</b>	<b>26,819</b>	<b>32,231</b>	<b>34,551</b>
Tax, civil and labor contingencies	866	895	1,120	1,065
Payables on insurance, private pension plans and savings bonds	454	452	680	696
Other liabilities	767	1,011	953	1,205
Technical reserves for insurance	1,864	1,949	2,335	2,477
Technical reserves for private pension plans	19,170	20,733	25,134	27,059
Technical reserves for savings bonds	1,698	1,779	2,009	2,049
<b>Minority interest</b>	<b>45</b>	<b>45</b>	<b>35</b>	<b>36</b>
<b>Stockholders equity of the parent company</b>	<b>2,906</b>	<b>3,248</b>	<b>3,860</b>	<b>4,302</b>
<b>Total</b>	<b>27,770</b>	<b>30,112</b>	<b>36,126</b>	<b>38,889</b>

## Consolidated Statement of Income - In millions of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income on insurance premiums, private pension plans and premium bonds	2,729	2,873	8,291	2,989	3,464	9,447

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Variation in technical reserves	(763)	(952)	(2,755)	(693)	(1,077)	(2,647)
Commission and fees	41	52	128	73	83	224
Retained claims	(1,046)	(1,069)	(3,062)	(1,291)	(1,338)	(3,867)
Expenses for premium bond draws and redemptions	(282)	(283)	(797)	(346)	(313)	(932)
Expenses for private pension plan benefits and redemptions	(464)	(558)	(1,421)	(581)	(486)	(1,594)
Selling expenses	(184)	(194)	(560)	(206)	(216)	(637)
Other operating income (expenses)	13	(1)	15	(113)	46	(72)
Personnel and administrative expenses	(246)	(238)	(708)	(277)	(244)	(768)
Tax expenses	(22)	(16)	(59)	(36)	(32)	(97)
Financial results	405	624	1,596	469	405	1,462
<b>Operating income (expense)</b>	<b>181</b>	<b>238</b>	<b>668</b>	<b>(12)</b>	<b>292</b>	<b>519</b>
Non-operating income	(22)	12	(12)	(27)	18	(17)
Equity in the earnings of subsidiary and associated companies	(16)	34	7	158	(1)	174
Minority interest	-	-	-	2	-	3
<b>Income before taxes and contributions</b>	<b>143</b>	<b>284</b>	<b>663</b>	<b>121</b>	<b>309</b>	<b>679</b>
Taxes and contributions on income	(49)	(92)	(224)	90	(108)	(103)
<b>Net income</b>	<b>94</b>	<b>192</b>	<b>439</b>	<b>211</b>	<b>201</b>	<b>576</b>

Performance Ratios - %

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Claims ratio (1)	81.3	78.6	78.5	87.3	84.2	84.6
Selling ratio (2)	12.4	12.4	12.4	12.3	12.0	12.3
Combined ratio (3)	107.4	106.0	106.0	122.4	99.4	110.6
Expanded combined ratio (4)	99.2	92.6	95.7	113.6	88.6	100.3
Administrative expense ratio (5)	13.8	13.6	13.5	14.3	12.9	13.1

- (1) Retained claims/earned premiums.  
(2) Selling expenses/earned premiums.  
(3) (Retained claims + selling expenses + administrative costs + taxes + other operating expenses)/earned premiums.  
(4) (Retained claims + selling expenses + administrative costs + taxes + other operating expenses)/(earned premiums + financial result).  
(5) Administrative expenses/earned premiums.

Insurance Premiums - Market Share (%)

Up to August 2004, Bradesco Seguros secured R\$ 7.2 billion in premiums and maintained its industry leadership with a 25% market share. The insurance sector obtained a total of R\$ 28.8 billion in premiums through August 2004.

Growth in Technical Reserves

In millions of reais

Growth in Guaranteeing Assets of Technical Reserves

In millions of reais

Earned Premiums by Insurance Line - In millions of reais

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Line	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Health	630	661	1,909	710	792	2,231
Auto/RCF <sup>(a)</sup>	346	349	1,022	393	413	1,198
Life/AP <sup>(b)</sup> /VGBL <sup>(c)</sup>	196	242	626	257	268	778
Basic Lines	89	86	258	90	90	275
DPVAT <sup>(d)</sup>	25	22	84	28	26	88
<b>Total</b>	<b>1,286</b>	<b>1,360</b>	<b>3,899</b>	<b>1,478</b>	<b>1,589</b>	<b>4,570</b>

(a) Optional third-party liability.

(b) Personal accident.

(c) Long-term life products.

(d) Compulsory vehicle insurance.

In September of 2004, the Company's earned premiums grew by 17.2% compared to the same period in 2003.

Earned Premiums by Line - %

Retained Claims by Insurance Line - In millions of reais

Line	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Health	588	604	1,714	660	734	2,056
Auto/RCF	270	275	794	381	357	1,067
Life/AP	110	129	350	172	164	507
Basic Lines	56	40	134	57	61	166
DPVAT	22	21	70	21	22	71
<b>Total</b>	<b>1,046</b>	<b>1,069</b>	<b>3,062</b>	<b>1,291</b>	<b>1,338</b>	<b>3,867</b>

Retained Claims by Insurance Line (%)

N.B. Retained claims/earned premiums.

Selling Expenses by Insurance Line - In millions of reais

Line	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Health	19	20	58	23	25	71
Auto/RCF	64	64	189	71	77	219
Life/AP	61	68	191	69	72	220
Basic Lines	16	16	47	19	17	54



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<b>Total</b>	<b>160</b>	<b>168</b>	<b>485</b>	<b>182</b>	<b>191</b>	<b>564</b>
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### Selling Expenses by Insurance Line (%)

N.B. Expenses for selling/earned premiums  
 Number of Policyholders - Thousand

Up to September 2004, the average number of customers grew by 15.3% compared to the same period in 2003.

In comparison with the same period in 2003, Bradesco Saúde maintained its outstanding market position, especially in the corporate health insurance segment (source: ANS). Brazilian consumers are increasingly convinced that Health and Dental Insurance are the best alternatives for meeting their medical, hospital and dental care needs. At present, Bradesco Saúde has more than 2.5 million customers.

The increasing number of policyholders employed by micro, small and medium companies, as well as major corporations that have contracted Bradesco Saúde, confirms the insurance company's high level of expertise and personalization in Corporate Insurance services, a distinct advantage in the Supplementary Health Insurance market.

Almost 12 thousand companies in Brazil have acquired Bradesco Health Insurance. Out of Brazil's 100 largest companies in terms of billings, 33 are Bradesco clients in the Health and Dental Health lines and out of the country's 50 largest companies, 28% are Bradesco Saúde clients. (source: Exame Magazine's Biggest and Best List, July 2004).

Finally, emphasis should also be given to the user-friendly nature of the Bradesco Saúde Portal ([www.bradescosaude.com.br](http://www.bradescosaude.com.br)), which, in addition to providing information on available products, also offers access to a number of services for policyholders, prospects and brokers.

Through August 2004, the Bradesco Insurance Group maintained its position as one of the main players in the Brazilian Basic Line Insurance market, with a significant 10.6% share of total market billings in this area.

In the Corporate Risk area, Bradesco maintained its position among Brazil's largest insurance companies.

In particular, emphasis should be given to the successful launching of Bradesco FLIGHT INSURANCE, which after only 6 months, has already secured R\$ 6 million in premiums, for some 70 aircraft.

Another highlight during the nine-month period was the launching of the SIGA Transport (Integrated Policy Management System) website, in March 2004, the wide market acceptance of which has given Bradesco a marked advantage in terms of negotiating power.

In the mass market insurance segment, focusing on the consumer and small and medium corporate segments, Bradesco maintained a significant number of customers, in particular, for the Bradesco Bilhete Residencial product, with 589,572 homes insured.

In the pursuit to always offer our customers best quality services, the launching of our new products made a substantial contribution to the results achieved during the period.

In the Auto/RCF line, the market was affected by intense competition, aggravated by slacking vehicle sales. During the period, we maintained our technically correct pricing policy, guaranteeing balanced portfolio results. Emphasis should also be given to the launching of our new pricing policy based on the policyholders' specific characteristics and maintenance of the differentiated services which add value to our products, such as discounts given through the nationwide customer service networks and autoglass repair, as well as the increase in the number of relationships with brokers which are carried out exclusively online via the Internet.

Bradesco's market share of the Auto/RCF portfolio up to August, 2004 was 16.3%.

### Awards/Recognition

#### Bradesco Seguros

1. In April, Bradesco Seguros was rated among the 100 largest investors in this area for 2003, according to research carried out in Brazil by Info magazine. Indiana Seguros, another Bradesco Insurance Group company, was also highlighted in the 2004 edition of Brazil's 100 most wired

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companies .

2. Bradesco Seguros was the brand name preferred by consumers in the southern state of Rio Grande do Sul. This preference was revealed in May 2004 in the sixth edition of the poll *Decision-maker Brands* , prepared by the *Jornal do Comércio*, a regional newspaper specialized in business and economy, in partnership with Instituto Qualidata. Bradesco was rated preferred insurance company by 13.2% of those interviewed.
3. The Bradesco Insurance website is 3-time champion award winner at the iBEST awards, considered Brazil's equivalent to the Internet Oscar. In May, at the awards ceremony held in São Paulo, the insurance company was voted winner by popular jury in the "Insurance" category.
4. Bradesco Seguros won the *Segurador Brasil* award in the *Best Institutional Campaign* and *Arts and Culture Support Highlight* categories. These awards were given in June by *Brasil/Notícias Editora e Comunicação Empresarial*, publishers of the *Planeta Seguros* magazine.
5. Bradesco Seguros was rated best company in the vehicle insurance line according to the "*Gazeta Mercantil Financial Report*" prepared in partnership with the consultancy *Austin Rating* in June. The report was prepared based on data for 2003.
6. Bradesco Seguros won the insurance "Market Award" ("Prêmio Mercado de Seguros"), in June, given by the *Seguro Total* magazine in the "Excellence in Total Premiums" category.
7. Bradesco Seguros sponsors the *Dell Arte* series of International Concerts held at the Municipal Theater in Rio de Janeiro. The following concerts were held up to September 2004:
  - Nelson Freire (pianist) April 7.
  - Italian Concert May 17.
  - Academie Für Alte Musik June 22.
  - Emma Kirkby & The Romantic Chamber Group of London July 29.
  - Quartet Herold August 23.
  - Les Arts Florissants September 29.

### Bradesco Saúde

1. In May, Bradesco Saúde was announced winner of the *Prêmio Segurador Brasil* award in the *Excellence in Health Insurance* category. This award is given by *Brasil/Notícias Editora e Comunicação Empresarial*, publishers of the *Planeta Seguros* magazine.
2. Bradesco Saúde won the *Hospital Best* award in the *Health Operator of the Year* category, according to a poll carried out among innumerable physicians and other health professionals nationwide. The poll was organized by *Simonsen e Associados*. The first edition of this award held in June is an initiative of the Brazilian Association of Health Marketing (*Associação Brasileira de Marketing em Saúde*).

### Vida e Previdência (Private Pension Plan Companies)(1)

Bradesco Vida e Previdência is specialized in the preparation, implementation and administration of individual and corporate retirement, pension and savings plans, as well as life insurance. As a result of its solid structure, innovative product policy and trusted market standing, Bradesco maintained its leadership of all segments in which it operates and presented excellent results for the period in this economic sector, which is among the most dynamic in Brazil.

Balance Sheet - In millions of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>20,783</b>	<b>22,719</b>	<b>27,008</b>	<b>29,454</b>
Funds available	24	36	29	41
Interbank investments	19	19	-	-
Securities	20,355	22,197	26,489	28,826
Insurance operations and other receivables	385	467	490	587
<b>Permanent assets</b>	<b>256</b>	<b>253</b>	<b>1,063</b>	<b>1,194</b>

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<b>Total</b>	<b>21,039</b>	<b>22,972</b>	<b>28,071</b>	<b>30,648</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>19,695</b>	<b>21,404</b>	<b>26,017</b>	<b>28,171</b>
Tax and social security contingencies	402	503	554	704
Operating liabilities for insurance and private pension plans	91	124	256	331
Other liabilities	32	44	73	77
Technical reserves	19,170	20,733	25,134	27,059
<b>Stockholders' equity</b>	<b>1,344</b>	<b>1,568</b>	<b>2,054</b>	<b>2,477</b>
<b>Total</b>	<b>21,039</b>	<b>22,972</b>	<b>28,071</b>	<b>30,648</b>

In August 2004, the Previllares private pension plan portfolio in the amount of R\$ 117 million and the pending approval life insurance portfolio of Bradesco Auto/RE Companhia de Seguros (formerly União Novo Hamburgo de Seguros S.A.) in the amount of R\$ 67 million, were transferred to Bradesco Vida e Previdência.

Statement of Income - In millions of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Retained premiums	187	210	593	224	266	717
Variations in premium reserves	(19)	(5)	(48)	(4)	(25)	(39)
<b>Earned premiums</b>	<b>168</b>	<b>205</b>	<b>545</b>	<b>220</b>	<b>241</b>	<b>678</b>
Retained claims	(103)	(117)	(329)	(125)	(138)	(424)
Expenses with benefits - VGBL	-	-	-	(10)	(11)	(26)
Selling expenses - insurance	(43)	(45)	(135)	(50)	(55)	(162)
Other operating income (expenses)	35	45	116	49	75	188
Income from contributions and VGBL	1,206	1,348	3,767	1,396	1,810	4,670
Variation in technical reserves and VGBL	(669)	(821)	(2,494)	(617)	(973)	(2,440)
Expenses with benefits/matured plans	(463)	(559)	(1,422)	(581)	(486)	(1,594)
Expenses for redemptions VGBL	(138)	(200)	(385)	(330)	(357)	(926)
Selling expenses - pension plans and VGBL	(35)	(39)	(109)	(36)	(39)	(114)
Administrative expenses	(47)	(53)	(148)	(50)	(62)	(168)
Tax expenses	(5)	(3)	(11)	(13)	(12)	(32)
Financial income	973	1,081	3,295	988	1,117	3,112
Financial expenses	(736)	(701)	(2,261)	(691)	(926)	(2,251)
Equity income and expenses	2	4	7	167	58	227
Non-operating income (expense)	(1)	4	4	-	3	5
<b>Income before taxes and contributions</b>	<b>144</b>	<b>149</b>	<b>440</b>	<b>317</b>	<b>245</b>	<b>743</b>
Taxes and contributions on income	(42)	(42)	(132)	(49)	(64)	(173)
<b>Net income</b>	<b>102</b>	<b>107</b>	<b>308</b>	<b>268</b>	<b>181</b>	<b>570</b>

(1) Includes Bradesco Vida e Previdência S.A. and from June 2003, Alvorada Vida S.A. (formerly BBV Previdência e Seguradora Brasil S.A.).

Bradesco Vida e Previdência adopted a number of measures during the period designed to decrease expenses. As a result of these efforts, the percentage of administrative expenses for income on premiums and contributions decreased from 3.4%, up to September 2003 to 3.1% up to September 2004.

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Furthermore, we highlight the decrease in selling expenses comprising 5.1% of income on premiums and contributions up to September 2004 compared to 5.6% for the same period in 2003.

The following stockholdings influenced the composition of results accumulated to September 2004:

	In thousands of reais
Bradesco Capitalização S.A.	141,369
IRB - Brasil Resseguros S.A.	27,522
Other investments	52,626
<b>Total</b>	
	<b>221,517</b>

Income from Plans and VGBL - Market Share (%)

Bradesco Vida e Previdência is Brazil's sole leader in complementary pension plans and VGBL, with a 34.7% share of the market, more than double that held by its nearest rival. Up to September 2004, plan income totaled R\$ 4.670 billion, a 24.0% growth rate compared to the same period in 2003.

Life Insurance Premiums Market Share (%)

Income on premiums retained of R\$ 717 million accumulated up to September 2004 guaranteed Bradesco's leadership of the market with a 15.0% share. We highlight during the period the Vida Segura Bradesco and Vida Máxima Mulher Bradesco, products which strengthen the strategy designed to offer products to different market segments and facilitate access to life insurance to lower income bracket consumers.

Increase in Technical Reserves In millions of reais

Total technical reserves in September 2004 of R\$ 27,059 million comprise R\$ 18,386 million for supplementary pension plans, R\$ 7,853 million for VGBL, R\$ 748 million for life and personal accident, R\$ 67 million for DPVAT and R\$ 5 million for retrocession.

Growth in Guaranteeing Assets of Technical Reserves In millions of reais

The continuing increase in revenues and appropriate investment policy adjustments prompted a significant growth in the investment portfolios of Bradesco Vida e Previdência, thereby guaranteeing full coverage of technical reserves.

Pursuant to new legislation (SUSEP/DECON/GAB Circular Letter 5/04 of July 16, 2004), only the volume of guaranteeing assets necessary for covering technical reserves may be held under custody.

Pension Plan and VGBL Investment Portfolios Market Share (%)

In August, the investment portfolios totaled R\$ 28,226 million, comprising almost half of market resources.

Participants

Increase in Number of Participants thousand

N.B. Includes VGBL long-term life products

The strength of the Bradesco Brand, its commitment to innovation and the adoption of appropriate pricing and management policies, prompted a continuing growth in the number of customers, which is nearing 1.5 million.

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Policyholders

Increase in Life Insurance Policyholders thousand

Savings Bond Companies<sup>(1)</sup>

Balance Sheet - In millions of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>1,946</b>	<b>2,152</b>	<b>2,683</b>	<b>2,813</b>
Securities	1,871	2,059	2,596	2,719
Accounts receivable and other receivable	75	93	87	94
<b>Permanent assets</b>	<b>294</b>	<b>329</b>	<b>201</b>	<b>205</b>
<b>Total</b>	<b>2,240</b>	<b>2,481</b>	<b>2,884</b>	<b>3,018</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>1,906</b>	<b>2,033</b>	<b>2,416</b>	<b>2,413</b>
Tax and labor contingencies	195	238	174	177
Other liabilities	13	16	233	187
Technical reserves	1,698	1,779	2,009	2,049
<b>Stockholders' equity</b>	<b>334</b>	<b>448</b>	<b>468</b>	<b>605</b>
<b>Total</b>	<b>2,240</b>	<b>2,481</b>	<b>2,884</b>	<b>3,018</b>

Statement of Income - In millions of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income from savings bonds	301	292	842	396	338	1,039
Variation in technical reserves	(14)	(42)	(55)	(7)	10	(46)
<b>Redemption of bonds</b>	<b>(282)</b>	<b>(283)</b>	<b>(797)</b>	<b>(346)</b>	<b>(313)</b>	<b>(932)</b>
Bonds redeemed	(279)	(277)	(783)	(336)	(298)	(896)
Winning bonds	(3)	(6)	(14)	(10)	(15)	(36)
Other operating income (expenses)	-	(1)	(2)	-	(1)	-
Financial income, net	81	110	249	71	60	237
Administrative expenses/taxes	(20)	(18)	(55)	(28)	(22)	(69)
Equity results	6	35	43	26	4	32
Non-operating income	-	1	1	-	-	1
<b>Income before taxes and contributions</b>	<b>72</b>	<b>94</b>	<b>226</b>	<b>112</b>	<b>76</b>	<b>262</b>
Taxes and contributions on income	(21)	(20)	(60)	(27)	(24)	(76)
<b>Net income</b>	<b>51</b>	<b>74</b>	<b>166</b>	<b>85</b>	<b>52</b>	<b>186</b>

(1) Includes: Bradesco Capitalização and Atlântica Capitalização (formerly BCN Capitalização).

Bradesco Capitalização's outstanding position in the premium bond market is the result of its transparent operating policy, which is focused on the deployment of products in line with potential consumer demand.

The company holds a leadership position in two Brazilian states, according to the latest figures for August, 2004 published by SUSEP. The company's market share was as follows: 35.4% in Amazonas and 26.5% in São Paulo.

In pursuit of a bond which is suited to its customers' different profiles and budgets, a number of products were developed varying in accordance with the type of payment (single or monthly), contribution terms, regularity of draws (weekly or monthly) and related prize amounts. This phase brought the general public closer and consolidated the success of the popular Pé Quente (Lucky Bond) savings bond series.

Bradesco Capitalização was the first private savings bond company in Brazil to receive ISO 9002 certification and in December 2002 this certificate was upgraded to the 2000 Version ISO 9001:2000. This certification from Fundação Vanzolini attests to the management quality of Bradesco savings bonds and confirms the principles on which their creation was based: good products, good services and continuous growth.

Income from Plans - Market Share (%)

Technical Reserves - Market Share (%)

Growth in Technical Reserves - In millions of reais

Bradesco Capitalização's fast-growing volume of technical reserves totaled R\$ 2.0 billion in September 2004, a growth rate of 15.2% compared to the same period in 2003. According to data for August 2004 published by SUSEP, the company has 22.8% of the total market volume of technical reserves.

These results transmit confidence and confirm the company's financial soundness and capacity to honor the commitments assumed with its customers.

Growth in Assets Guaranteeing Technical Reserves - In millions of reais

Number of Customers - Thousand

As a result of its customer loyalty building policy, focused on quality customer service and the offer of innovative products, the number of Bradesco Capitalização customers totaled more than 2.7 million at the end of 3Q04.

Outstanding Savings Bonds - Thousand

Outstanding Savings Bonds with Transfer of Draw Participation Rights - Thousand

Total Outstanding Savings Bonds - Thousand

The outstanding savings bond portfolio also presented a significant increase of 112.81% compared to the same period in 2003, with more than 45 million outstanding bonds. Of this amount, 90.2% are certificates with Transfer of Draw Participation Rights, which were sold via partnership agreements with companies in different market segments, including Bradesco Cartões, Bradesco Vida e Previdência, Banco Finasa etc. Since the purpose of this type of savings bond certificate is to add value to partners' products or to provide incentives for customer payments, these are low-priced bonds sold with reduced terms and grace periods and at a lower unit purchase price.

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The number of traditional bonds comprising 9.8% of the total portfolio, dropped slightly, as a result of the offer of single and monthly payment bonds at higher sales prices.

### Awards

In June, Bradesco Capitalização won the Insurance Market Award in the Best Savings Bond Company category, organized by Seguro Total magazine.

Banco Finasa

### Consolidated Balance Sheet - In millions of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>4,260</b>	<b>4,841</b>	<b>7,037</b>	<b>7,652</b>
Funds available	-	3	5	8
Interbank investments	28	25	111	37
Securities and derivative financial instruments	14	15	68	78
Interbank accounts	42	20	29	30
Credit and leasing operations	4,041	4,595	6,482	7,129
Allowance for loan losses	(133)	(134)	(227)	(233)
Other receivables and other assets	268	317	569	603
<b>Permanent assets</b>	<b>11</b>	<b>12</b>	<b>361</b>	<b>343</b>
<b>Total</b>	<b>4,271</b>	<b>4,853</b>	<b>7,398</b>	<b>7,995</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>3,988</b>	<b>4,557</b>	<b>7,023</b>	<b>7,551</b>
Demand, time and interbank deposits	3,624	4,128	6,479	7,025
Deposits received under security repurchase agreements and funds from the issuance of securities	3	3	-	-
Interbank accounts	2	-	3	2
Borrowings and onlendings	101	124	55	51
Derivative financial instruments	81	92	241	203
Other liabilities	177	210	245	270
<b>Deferred income</b>	<b>22</b>	<b>18</b>	<b>30</b>	<b>35</b>
<b>Stockholders equity</b>	<b>261</b>	<b>278</b>	<b>345</b>	<b>409</b>
<b>Total</b>	<b>4,271</b>	<b>4,853</b>	<b>7,398</b>	<b>7,995</b>

### Consolidated Statement of Income - In millions of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income from lending and trading activities	395	408	1,165	594	590	1,667
Expenses for lending and trading activities	(237)	(239)	(689)	(300)	(333)	(895)
<b>Gross profit from financial intermediation</b>	<b>158</b>	<b>169</b>	<b>476</b>	<b>294</b>	<b>257</b>	<b>772</b>

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Other operating income (expenses), net	(115)	(133)	(355)	(160)	(160)	(449)
<b>Operating income</b>	<b>43</b>	<b>36</b>	<b>121</b>	<b>134</b>	<b>97</b>	<b>323</b>
Non-operating income (expenses), net	(3)	-	(5)	(6)	1	(5)
<b>Income before taxes and contributions</b>	<b>40</b>	<b>36</b>	<b>116</b>	<b>128</b>	<b>98</b>	<b>318</b>
Taxes and contributions on income	(14)	(13)	(40)	(6)	(34)	(72)
<b>Net income</b>	<b>26</b>	<b>23</b>	<b>76</b>	<b>122</b>	<b>64</b>	<b>246</b>

Profile

Banco Finasa operates in the retail sector, financing new and used vehicles, consumer durables, clothing, footwear and services, as well as personal loans, through Finasa Promotora de Vendas and from February 16, 2004, also through Promovel Empreendimentos e Serviços, which is Banco Zogbi's sales promotion company. Banco Zogbi was acquired by the Bradesco Organization, through Banco Finasa on November 6, 2003, together with Promovel, Zogbi Leasing and Zogbi Distribuidora de Títulos e Valores Mobiliários.

At the end of September 2004, Banco Finasa operated through 121 Branches distributed nationwide (Finasa Promotora de Vendas 52 and Zogbi Promovel 69), 31,046 registered service outlets, including 13,270 new and used vehicle dealerships and 17,776 stores selling different types of goods and services.

Customers served totaled some 1,835 thousand (Banco Finasa 1,071 thousand and Banco Zogbi 764 thousand).

Measured by Austin Rating, Banco Finasa obtained the maximum AAA rating for financial soundness and a Low Risk long-term rating.

Operating Performance

At September 30, 2004, consolidated assets totaled R\$ 8.0 billion, a growth rate of 8.1% compared to June 2004 and 64.7% compared to September 2003. Credit operations, before the allowance for loans losses, totaled R\$ 7.1 billion, a growth rate of 10.0% compared to June 2004 and 55.2% as compared to the same period in 2003. Of this total, R\$ 6.6 billion comprised the new and used auto financing portfolio, compared to R\$ 6.0 billion at June 30, 2004 and R\$ 4.5 billion in September 2003.

Auto-financing production for 3Q04 totaled R\$ 1.6 billion and R\$ 4.4 billion for the period between January and September, a growth rate of 59.8% as compared to the same period in 2003. During the nine-month period, operations for the financing of other assets and services totaled R\$ 626.0 million, compared to R\$ 110.8 million for the same period in 2003 and a personal loans were granted in the amount of R\$ 114.6 million, compared to R\$ 5.0 million, in the prior period, including in 2004 production in Banco Zogbi.

Banco Finasa reported third-quarter net income of R\$ 63.7 million, totaling R\$ 245.5 million for the nine-month period. Stockholders' equity at September 30, 2004 increased to R\$ 408.7 million.

We stress that income in the amount of R\$ 18.1 million was recorded for 3Q04, derived from the mark-to-market (MTM) adjustment of swap transactions, in compliance with Central Bank Circular 3082, which totaled R\$ 98.0 million for the period from January to September. These transactions are designed to hedge overall credit operations and were entirely successful from an economic viewpoint. However, from a formal standpoint, these transactions are not acceptable as hedges pursuant to the aforementioned legislation. As a result, the asset transactions to which they are a counter entry receive a different accounting treatment, ie, they are adjusted based on the rates established in the corresponding contracts, whereas swaps are marked to market.

Net income for the period is comprised as follows:

	In millions of reais		
	2004		
	1st Half	3rd Qtr.	Accumulated to September
Net income before MTM - SWAP	101.9	45.6	147.5
Mark-to-market effect - SWAP	79.9	18.1	98.0



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<b>Net income</b>	<b>181.8</b>	<b>63.7</b>	<b>245.5</b>
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Moreover, we stress that expenses for amortization and provision for goodwill on investments made in 2004 totaled R\$ 11.6 million for the second quarter and R\$ 34.2 million for the first nine months of the year.

Leasing Companies

At September 30, 2004, the Bradesco Organization had the following leasing companies: Bradesco Leasing S.A. Arrendamento Mercantil, formerly Potenza Leasing S.A. Arrendamento Mercantil, Alvorada Leasing Brasil S.A. Arrendamento Mercantil, formerly BBV Leasing Brasil S.A. Arrendamento Mercantil and Zogbi Leasing S.A. Arrendamento Mercantil.

Balance Sheet in Aggregate - In millions of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>4,950</b>	<b>4,989</b>	<b>5,259</b>	<b>4,737</b>
Funds available	6	6	1	1
Interbank investments	3,081	2,105	2,325	2,257
Securities and derivative financial instruments	12	1,096	1,273	618
Leasing operations	1,477	1,405	1,271	1,348
Allowance for leasing losses	(127)	(122)	(107)	(95)
Other receivables and other assets	501	499	496	608
<b>Permanent assets</b>	<b>40</b>	<b>40</b>	<b>37</b>	<b>485</b>
<b>Total</b>	<b>4,990</b>	<b>5,029</b>	<b>5,296</b>	<b>5,222</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>3,012</b>	<b>2,994</b>	<b>3,060</b>	<b>3,131</b>
Interbank deposits	117	3	-	-
Securities received under security repurchase agreements and funds received from issuance of securities	1,523	1,593	1,766	1,834
Borrowings and onlendings	256	256	203	191
Derivative financial instruments	10	10	15	11
Subordinated debt	635	635	623	624
Other liabilities	471	497	453	471
<b>Stockholders' equity</b>	<b>1,978</b>	<b>2,035</b>	<b>2,236</b>	<b>2,091</b>
<b>Total</b>	<b>4,990</b>	<b>5,029</b>	<b>5,296</b>	<b>5,222</b>

Statement of Income - In millions of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income from lending and trading activities	242	283	723	426	257	1,098
Expenses for lending and trading activities	(132)	(161)	(378)	(324)	(191)	(819)
<b>Gross profit from financial intermediation</b>	<b>110</b>	<b>122</b>	<b>345</b>	<b>102</b>	<b>66</b>	<b>279</b>

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Other operating income (expenses), net	(12)	(20)	(57)	(25)	8	(31)
<b>Operating income</b>	<b>98</b>	<b>102</b>	<b>288</b>	<b>77</b>	<b>74</b>	<b>248</b>
Non-operating income	-	-	3	-	(5)	(4)
<b>Income before taxes and contributions</b>	<b>98</b>	<b>102</b>	<b>291</b>	<b>77</b>	<b>69</b>	<b>244</b>
Tax and contributions on income	(34)	(33)	34	(24)	(15)	(76)
<b>Net income</b>	<b>64</b>	<b>69</b>	<b>325</b>	<b>53</b>	<b>54</b>	<b>168</b>

Corporate Restructuring

Bradesco made the following changes to the organizational structure of the Leasing companies:

- In July, BancoCidade Leasing Arrendamento Mercantil S.A. was merged into Banco Alvorada S.A.

- In September Bradesco BCN Leasing S.A. Arrendamento Mercantil was merged into Bradesco Leasing S.A. Arrendamento Mercantil (formerly Potenza Leasing).

Leasing Performance - Consolidated Bradesco

Bradesco's leasing operations are carried out through Bradesco Leasing S.A. Arrendamento Mercantil and Banco Finasa S.A.

At September 30, 2004, leasing operations brought to present value totaled R\$ 1.451 billion, with a balance of R\$ 18.4 million receivable in operating leases.

According to the Brazilian Association of Leasing Companies (ABEL), the Bradesco Organization leasing companies are sector leaders, with a 12.3% share of this market (base date: July 2004). This sound performance is rooted in its Branch Network integrated operations and the maintenance of its diversified business strategies in various market segments, in particular, the implementation of operating agreements with major industries, mainly in the heavy vehicle and machinery/equipment sectors.

The following pie graph presents the composition of Bradesco's consolidated leasing portfolio by types of asset.

Portfolio by Types of Asset at September 30, 2004

Bradesco Consórcios (Consortium Purchase System)

Administradora (management company)

Balance Sheet - In thousands of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>22,521</b>	<b>19,956</b>	<b>47,501</b>	<b>61,552</b>
Funds available	-	-	-	8
Securities	18,853	17,335	45,765	60,217
Other receivables	3,668	2,621	1,736	1,327
<b>Permanent assets</b>	<b>726</b>	<b>731</b>	<b>800</b>	<b>770</b>
<b>Total</b>	<b>23,247</b>	<b>20,687</b>	<b>48,301</b>	<b>62,322</b>

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**LIABILITIES**

<b>Current and long-term liabilities</b>	<b>11,446</b>	<b>6,456</b>	<b>14,336</b>	<b>15,055</b>
Amounts refundable to former groups now closed	5,090	5,292	5,650	5,749
Other liabilities	6,356	1,164	8,686	9,306
<b>Stockholders equity</b>	<b>11,801</b>	<b>14,231</b>	<b>33,965</b>	<b>47,267</b>
<b>Total</b>	<b>23,247</b>	<b>20,687</b>	<b>48,301</b>	<b>62,322</b>

Statement of Income - In thousands of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income on commission and fees	3,820	8,437	12,451	20,023	22,935	58,293
Taxes payable	(280)	(591)	(902)	(1,183)	(1,370)	(3,457)
Financial income	510	560	1,438	1,263	1,780	3,962
Administrative expenses (including personnel expenses)	(1,461)	(1,790)	(4,967)	(2,443)	(2,522)	(6,898)
Selling expenses	(1,231)	(2,993)	(8,025)	(5,194)	(4,550)	(11,830)
Other operating (expenses) income	50	37	57	120	210	377
<b>Income before taxes and contributions</b>	<b>1,408</b>	<b>3,660</b>	<b>52</b>	<b>12,586</b>	<b>16,483</b>	<b>40,447</b>
Taxes and contributions on income	(521)	(1,239)	(123)	(2,657)	(3,181)	(7,789)
<b>Net income (loss)</b>	<b>887</b>	<b>2,421</b>	<b>(71)</b>	<b>9,929</b>	<b>13,302</b>	<b>32,658</b>

Quarterly Results 2003 and 2004 In thousands of reais

Consortium Groups

Balance Sheet - In thousands of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
Current assets and long-term receivables	19,342	49,809	164,330	201,818
Amount offset	1,465,378	2,750,813	5,499,952	6,189,691
<b>Total</b>	<b>1,484,720</b>	<b>2,800,622</b>	<b>5,664,282</b>	<b>6,391,509</b>

**LIABILITIES**

Current and long-term liabilities	233	1,595	21,626	30,923
Stockholders equity	19,109	48,214	142,704	170,895
Amount offset	1,465,378	2,750,813	5,499,952	6,189,691
<b>Total</b>	<b>1,484,720</b>	<b>2,800,622</b>	<b>5,664,282</b>	<b>6,391,509</b>

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### Operations

At September 30, 2004, a total of 108 thousand consortium quotas had been sold, with billings in excess of R\$ 3.3 billion, 17,349 participants had been selected by bid or draw and 10,537 items had been delivered to members comprising 564 groups. 78 new groups were formed in the third quarter of 2004.

The company uses all the facilities offered by the Bradesco Organization customer service network to commercialize the products offered, a distinct market advantage responsible for the rapid growth presented by the consortium purchase system segment. The extensive nature and security associated with the Bradesco brand name also favors the expansion of consortium plan sales.

### Mission

The company's mission is to manage consortium plans and groups for consumer and corporate purchasers regardless of whether they are Bradesco account holders or not, and to operate in the car, truck, tractor and combine harvester segment, as well as in real estate, maintaining excellent standards in the quality of the services offered and in consortium system practice, pursuant to regulations determined by the Brazilian Central Bank and in line with the Bradesco Organization's philosophy.

### Segmentation

The Bradesco Organization's entry into this segment is part of its strategy to offer the most complete range of product and services possible to its customers.

Providing all income brackets with the opportunity to purchase items through the consortium quota system, filling a market lacuna at accessible prices, especially considering, as regards the country's present housing deficit, real estate products.

### Representation

Within this segment, Bradesco plays a central role in providing Brazilians with the opportunity to acquire consumer durables and real estate. In this sector consumers can acquire apartments, houses, building plots or commercial offices.

From January to September 2004, Bradesco Consórcios sold a total of 62,751 quotas, with billings of R\$ 1.7 billion. Of this total, 36,015 are vehicle quotas, followed by 25,784 in real estate quotas sold during the period.

### Quotas sold in 2004

### Market leadership

Bradesco Consórcios maintained its leadership of the real-estate segment, according to information published by the Brazilian Central Bank, in August, with 36,001 active quotas.

This leadership position is the result of the efforts and motivation of our sales teams and the distribution force of our customer service network.

### Quotas sold in 3Q03 and 3Q04

### Quotas sold and accumulated to September 2003 and 2004

### Total outstanding real-estate quotas in 2004

### Number of active participants comprising the 10 largest real-estate consortium administrators (\*)

(\*) Brazilian Central Bank data for August 2004.

Bradesco S.A. - Corretora de Títulos e Valores Mobiliários

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Balance Sheet In thousands of reais

	2003		2004	
	June	September	June	September
<b>ASSETS</b>				
<b>Current assets and long-term receivables</b>	<b>153,910</b>	<b>188,853</b>	<b>128,999</b>	<b>110,193</b>
Funds available	10	6	38	27
Interbank investments and securities	88,530	96,730	69,514	73,695
Other receivables and other assets	65,370	92,117	59,447	36,471
<b>Permanent assets</b>	<b>18,908</b>	<b>19,753</b>	<b>22,154</b>	<b>23,058</b>
<b>Total</b>	<b>172,818</b>	<b>208,606</b>	<b>151,153</b>	<b>133,251</b>
<b>LIABILITIES</b>				
<b>Current and long-term liabilities</b>	<b>79,006</b>	<b>109,212</b>	<b>77,818</b>	<b>56,872</b>
Other liabilities	79,006	109,212	77,818	56,872
<b>Stockholders' equity</b>	<b>93,812</b>	<b>99,394</b>	<b>73,335</b>	<b>76,379</b>
<b>Total</b>	<b>172,818</b>	<b>208,606</b>	<b>151,153</b>	<b>133,251</b>

Statement of Income - In thousands of reais

	2003			2004		
	2nd Qtr.	3rd Qtr.	Accumulated to September	2nd Qtr.	3rd Qtr.	Accumulated to September
Income from lending and trading activities	4,583	4,943	13,979	2,557	2,741	7,796
<b>Gross profit from financial intermediation</b>	<b>4,583</b>	<b>4,943</b>	<b>13,979</b>	<b>2,557</b>	<b>2,741</b>	<b>7,796</b>
Other operating income (expenses), net	1,142	1,088	2,543	1,162	1,209	7,484
<b>Operating income</b>	<b>5,725</b>	<b>6,031</b>	<b>16,522</b>	<b>3,719</b>	<b>3,950</b>	<b>15,280</b>
<b>Non-operating income (expense)</b>	<b>(1)</b>	<b>(390)</b>	<b>(391)</b>	<b>2</b>	<b>-</b>	<b>2</b>
<b>Income before taxes and contributions</b>	<b>5,724</b>	<b>5,641</b>	<b>16,131</b>	<b>3,721</b>	<b>3,950</b>	<b>15,282</b>
Taxes and contributions on income	(1,898)	(2,051)	(5,569)	(1,234)	(1,341)	(5,136)
<b>Net income</b>	<b>3,826</b>	<b>3,590</b>				