BANK BRADESCO
Form 6-K
May 04, 2010

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

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 May, 2010

Commission File Number 1-15250

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 ___X___ 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 ___X____

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Highlights

The main figures obtained by Bradesco in the first quarter of 2010 are presented below:

1. Adjusted Net Income[(1)] in the first quarter of 2010 was R$2.147 billion (an increase of 9.8% from R$1.956 billion in the first quarter of 2009), corresponding to earnings per share of R$2.27 accrued over twelve months and Return on Average Shareholders Equity[(2)] of 22.2%.

2. Adjusted Net Income was composed of R$1.444 billion from financial activities, which represented 67% of the total, and R$703 million from insurance, private pension and savings bond operations, which accounted for 33% of the total.

3. Bradesco s market capitalization stood at R$100.885 billion[(3)] on March 31, 2010, with the preferred shares gaining 60.5%[(4)] in the last twelve months.

4. Total Assets stood at R$532.626 billion in March 2010, an increase of 10.5% from the balance in the first quarter of 2009. Return on average assets was 1.7% in the quarter.

5. The Total Loan Portfolio[(5)] stood at R$235.238 billion in March 2010, up 10.4% from the first quarter of 2009. Operations with individuals totaled R$86.012 billion (up 16.7%), while operations with companies totaled R$149.226 billion (up 7.1%).

6. Total Assets under Management stood at R$739.894 billion, an increase of 15.5% from March 2009.

7. Shareholders Equity was R$43.087 billion in March 2010, increasing by 22.0% from the ending balance in the same period a year earlier. The Capital Adequacy Ratio (Basel II) stood at 16.8% in March 2010, 14.3% of which under Tier I Capital.

8. In the first quarter of 2010, Interest on Shareholders Equity and Dividends in the amount of R$2.498 billion were paid and provisioned, of which R$746 million was related to income generated in the period and R$1.752 billion to income from fiscal year 2009.

9. The Efficiency Ratio[(6)] stood at 41.2% in March 2010 (42.5% in March 2009), increasing by 1.3 p.p. in the period.

10. Insurance Premiums written, Social Security Contributions and Savings Bonds Revenue reached a total of R$7.196 billion in the first quarter of 2010. Technical provisions reached the high level of R$77.685 billion, representing 31.8% of Brazil s insurance industry (period: January 2010). Bradesco s Insurance Group serves nearly 34 million clients, participants and insured individuals.

11. Investments in infrastructure, technology and telecommunications amounted to R$765 million in the first quarter of 2010.

12.Taxes and contributions, including social security, paid or provisioned, amounted to R$3.197 billion, of which R$1.360 billion corresponding to taxes withheld and collected from third-parties and R$1.837 billion calculated based on the activities of Bradesco Organization in the first quarter of 2010, equivalent to 85.6% of Adjusted Net Income.

13. Banco Bradesco has an extensive distribution network in Brazil, with 6,106 Branches, PABs mini-branches and PAAs (3,455 Branches, 1,200 PABs and 1,451 PAAs). Customers can also make use of the 1,564 PAEs, 30,909 ATMs in the Bradesco Dia&Noite (Day&Night) network, 21,501 Bradesco Expresso service points, 6,110 Banco Postal (Postal Bank) branches and 7,863 ATMs in the Banco24Horas (24HourBank) network.

14. In the first quarter of 2010, employee payroll plus charges and benefits totaled R$1.795 billion. Social benefits provided to the 85,893 employees of the Bradesco Organization and their dependents amounted to R$417.442 million, while investments in training and development programs totaled R$11.469 million.

(1) According to the non-recurring events described on page 8 of the Report on Economic and Financial Analysis; (2) Excludes the asset valuation adjustments recorded under Shareholders Equity; (3) or R$112.189 billion, considering the total number of shares (less treasury shares) x closing quote of preferred shares on the last day of the period (most liquid share); (4) Considers reinvestment of dividends/interest on shareholders equity; (5) Includes Sureties and Guarantees, advances of credit cards receivables and loan assignments (receivables-backed investment funds and mortgage-backed receivables); (6) In last twelve months.

15.Bradesco, helping to capitalize companies, intermediated through Banco Bradesco BBI S.A. issuances of primary and secondary shares, debentures, promissory notes, mortgage-backed securities and receivables-backed investment funds, which amounted to R$6.980 billion in the period, representing 45.1% of the total volume of these issuances registered at the Securities and Exchange Commission of Brazil (CVM). Bradesco also registered strong volumes of project finance and structured operations, and was responsible for the origination, distribution and management of clients assets, cash flows and financial inventories.

16.Main Awards and Recognitions in the period:

· Bradesco was the leading bank in the 7th edition of the survey Companies that Most Respect the Consumer (*Consumidor Moderno* magazine and Shopper Experience);

· Bradesco ranked 1st in the new quality ranking of companies with the best customer service in 2009 (*Exame* magazine, in partnership with the Brazilian Customer Relations Institute);

· Bradesco won, for the second consecutive year, the International Golden Peacock Global Award for Corporate Social Responsibility 2010, which is only awarded to companies that adopt the best corporate social responsibility practices;

· Bradesco was the only Brazilian bank included in the ten most valuable brands in the world among financial institutions, with the brand worth US$13.3 billion (Global Banking 500 - Brand Finance/The Banker magazine);

· Bradesco won the International Technology Application of the Year - *Transpromo* award for the study case Application to Checking Account Statements *(Xplor International*);

· The Bradesco Brazil Bond Fund Dividend Focus Fund was selected the best investment fund of the year in the category Brazilian fixed-income securities (MorningStar);

· Bradesco Corretora ranked first in an annual survey of institutions with the best stock recommendations for components of the Morgan Stanley Capital International index (MSCI) - *Emerging Markets Free Latin* America stock; and

· Bradesco was the best Brazilian company in the Canadian Corporate Knight ranking of the 100 most sustainable companies in the world.

17. Bradesco s sustainability actions are divided into three pillars: (i) Sustainable Finances, with a focus on banking inclusion, social and environmental variables for loan approvals and offering social and environmental products; (ii) Responsible Management, focused on valuing professionals, improving the workplace and adopting eco-efficient practices; and (iii) Social and Environmental Investments, focused on education, the environment, culture and sports. The highlight in this area is Fundação Bradesco, which for 53 years has been developing a broad social and educational program that operates 40 schools across Brazil. In 2010, a R$268.010 million budget will provide over 662 thousand services, of which 112 thousand were provided to students in its own schools. In addition, the over 50 thousand students enrolled in basic education also receive, at no charge, uniforms, school materials, food and medical and dental care. Over 550 thousand students will be served through the Virtual School, its e-learning portal, through the Digital Inclusion Centers (CIDs) and through programs conducted under strategic partnerships, like Educa+Ação.

Main Information

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08	Variation % 1Q10 x 4Q09	Variation % 1Q10 x 1Q09
Statement of Income for the Period - R$ million										
Net Income	2,103	2,181	1,811	2,297	1,723	1,605	1,910	2,002	(3.6)	22.1
Adjusted Net Income	2,147	1,839	1,795	1,996	1,956	1,806	1,910	2,002	16.7	9.8
Total Financial Margin	7,689	7,492	7,587	7,560	7,115	5,924	5,674	5,959	2.6	8.1
Gross Loan Financial Margin	5,630	5,373	5,150	4,979	4,576	4,256	4,081	3,969	4.8	23.0
Net Loan Financial Margin	3,442	2,678	2,242	1,861	1,814	2,368	2,410	2,217	28.5	89.7
Expenses with Allowance for Loan Losses	(2,188)	(2,695)	(2,908)	(3,118)	(2,762)	(1,888)	(1,671)	(1,752)	(18.8)	(20.8)
Fee and Commission Income	3,124	3,125	2,857	2,911	2,723	2,698	2,698	2,657	(0.0)	14.7
Administrative and Personnel Expenses	(4,767)	(4,827)	(4,485)	(4,141)	(4,007)	(4,230)	(4,019)	(3,777)	(1.2)	19.0
Premiums fromInsurance, Private Pension Plans Contribution and Income fromSavings Bonds	7,196	8,040	6,685	6,094	5,514	6,204	5,822	5,756	(10.5)	30.5
Balance Sheet - R$ million										
Total Assets	532,626	506,223	485,686	482,478	482,141	454,413	422,662	403,232	5.2	10.5
Securities	157,309	146,619	147,724	146,110	130,816	131,598	132,373	118,956	7.3	20.3
Loan Operations (1)	235,238	228,078	215,536	212,768	212,993	213,602	195,604	180,123	3.1	10.4
- Individuals	86,012	82,085	75,528	74,288	73,694	73,646	69,792	65,622	4.8	16.7
- Corporate	149,226	145,993	140,008	138,480	139,299	139,956	125,812	114,501	2.2	7.1
Allow ance for Loan Losses (PLL)	(15,836)	(16,313)	(14,953)	(13,871)	(11,424)	(10,263)	(9,136)	(8,652)	(2.9)	38.6
Total Deposits	170,722	171,073	167,987	167,512	169,104	164,493	139,170	122,752	(0.2)	1.0
Technical Provisions	77,685	75,572	71,401	68,829	66,673	64,587	62,888	62,068	2.8	16.5
Shareholders' Equity	43,087	41,754	38,877	37,277	35,306	34,257	34,168	33,711	3.2	22.0
Funds Raised and Managed	739,894	702,065	674,788	647,574	640,876	597,615	570,320	550,582	5.4	15.5
Performance Indicators (%) on Adjusted Net Income (except when otherwise stated)										

Adjusted Net Income per Share - R$ (2)	2.27	2.22	2.24	2.27	2.27	2.25	2.27	2.25	2.3	-
Book Value per Share (Common and Preferred) - R$	12.60	12.21	11.53	11.04	10.46	10.15	10.12	9.98	3.2	20.4
Annualized Return on Average Shareholders' Equity (3)(4)	22.2	20.3	21.5	23.3	24.1	23.8	25.4	27.2	1.9 p.p	(1.9) p.p
Annualized Return on Average Assets (4)	1.7	1.6	1.6	1.7	1.7	1.9	2.0	2.1	0.1 p.p	0.0 p.p
Average Rate - (Adjusted Financial Margin / Total Average Assets - Repos - Permanent Assets) Annualized	8.1	8.1	8.3	8.2	7.8	7.0	7.4	8.4	0.1 p.p	0.3 p.p
Fixed Assets Ratio - Total Consolidated	19.8	18.6	15.4	15.1	14.1	13.5	17.6	16.2	1.2 p.p	5.7 p.p
Combined Ratio - Insurance (5)	85.2	85.3	88.9	85.5	86.2	89.7	84.4	84.9	(0.1) p.p	(1.0) p.p
Efficiency Ratio (ER) (2)	41.2	40.5	40.9	41.5	42.5	43.3	43.0	42.6	0.7 p.p	(1.3) p.p
Coverage Ratio (Fee and Commission Income/Administrative and Personnel Expenses)(2)	66.0	66.5	66.4	67.3	67.2	68.4	70.4	72.7	(0.5) p.p	(1.2) p.p
Market Capitalization - R$ million (6)	100,885	103,192	98,751	81,301	65,154	65,354	88,777	95,608	(2.2)	54.8
Loan Portfolio Quality % (7)										
PLL / Loan Portfolio	8.0	8.5	8.3	7.7	6.3	5.7	5.5	5.6	(0.5) p.p	1.6 p.p
Non-Performing Loans (> 60 days (8) / Loan Portfolio)	5.3	5.7	5.9	5.6	5.2	4.4	4.0	4.1	(0.5) p.p	0.1 p.p
Delinquency Ratio (> 90 days (8) / Loan Portfolio)	4.4	4.9	5.0	4.6	4.2	3.4	3.4	3.4	(0.5) p.p	0.3 p.p
Coverage Ratio (> 90 days (8))	180.8	174.6	166.5	169.1	152.4	165.6	163.6	165.9	6.2 p.p	28.4 p.p
Coverage Ratio (> 60 days (8))	151.3	148.6	139.4	137.9	122.3	130.7	135.7	136.6	2.7 p.p	29.0 p.p
Operating Limits %										
Capital Adequacy Ratio - Total Consolidated (9)	16.8	17.8	17.7	17.0	16.0	16.1	15.6	12.9	(1.0) p.p	0.8 p.p
- Tier I	14.3	14.8	14.3	14.3	13.2	12.9	12.5	10.1		1.1 p.p

									(0.5) p.p	
- Tier II	2.6	3.1	3.5	2.8	2.9	3.3	3.3	2.9	(0.5) p.p	(0.3) p.p
- Deductions	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	0.0 p.p	0.0 p.p

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Main Information

	Mar10	Dec09	Sep09	Jun09	Mar09	Dec08	Sep08	Jun08	Variation % Mar10 x Dec09	Variation % Mar10 x Mar09
Structural Information - Units										
Service Points	46,570	44,577	42,563	41,003	39,275	38,027	35,924	34,441	4.5	18.6
- Branches	3,455	3,454	3,419	3,406	3,375	3,359	3,235	3,193	0.0	2.4
- Advanced Service Branch (PAAs) (10)	1,451	1,371	1,338	1,260	1,183	1,032	902	584	5.8	22.7
- Mini-Branches (PABs) (10)	1,200	1,190	1,194	1,192	1,184	1,183	1,185	1,181	0.8	1.4
- Electronic Service Branch (PAEs) (10)	1,564	1,551	1,539	1,528	1,512	1,523	1,561	1,545	0.8	3.4
- External ATM Network Terminals	3,664	3,577	3,569	3,516	3,389	3,296	3,074	2,904	2.4	8.1
- Banco24Horas ATMNetwork Terminals	6,912	6,486	5,980	5,558	5,068	4,732	4,378	4,153	6.6	36.4
- Banco Postal (Postal Bank)	6,110	6,067	6,038	6,011	5,959	5,946	5,924	5,882	0.7	2.5
- Bradesco Expresso (Correspondent Banks)	21,501	20,200	18,722	17,699	16,710	16,061	14,562	13,413	6.4	28.7
- Bradesco Promotora de Vendas (Correspondent Banks)	702	670	753	822	884	883	1,078	1,561	4.8	(20.6)
- Credicerto Promotora de Vendas (Branches)	-	-	-	-	-	-	13	13	-	-
- Branches/Subsidiaries Abroad	11	11	11	11	11	12	12	12	-	-
ATMterminals	38,772	37,957	37,178	36,430	35,443	34,524	32,942	31,993	2.1	9.4
- Own	30,909	30,657	30,414	30,191	29,764	29,218	28,092	27,362	0.8	3.8
- Banco24Horas	7,863	7,300	6,764	6,239	5,679	5,306	4,850	4,631	7.7	38.5
Credit and Debit Card (11) - in millions	135.6	132.9	88.4	86.3	85.2	83.2	81.6	79.3	2.0	59.2
Employees	85,893	85,548	85,027	85,871	86,650	86,622	85,577	84,224	0.4	(0.9)
Employees and Interns	9,605	9,589	9,606	9,439	9,292	9,077	8,971	8,704	0.2	3.4
Foundations' Employees (12)	3,713	3,654	3,696	3,645	3,674	3,575	3,622	3,607	1.6	1.1
Clients - in millions										
Checking Accounts	21.2	20.9	20.7	20.4	20.2	20.1	20.0	19.8	1.4	5.0
Savings Accounts (13)	36.2	37.7	35.1	33.9	34.2	35.8	33.8	32.5	(4.0)	5.8
Insurance Group	33.8	30.8	30.3	29.1	28.6	27.5	26.8	26.0	9.7	18.2
- Policyholders	29.2	26.3	25.8	24.6	24.1	23.0	22.4	21.7	11.0	21.2

- Pension Plan Participants	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.9	-	-
- Savings Bonds Clients	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.4	4.0	4.0
Bradesco Financiamentos	3.8	4.0	4.1	4.0	4.2	4.9	4.9	5.0	(5.0)	(9.5)

(1) Includes sureties and guarantees, advances of credit card receivables and credit assignments (receivables-backed investment funds and mortgage-backed receivables);
(2) In last twelve months;
(3) Excludes the asset valuation adjustments recorded under Shareholders Equity;
(4) Adjusted Net Income in period;
(5) Excluding additional provisions;
(6) Number of shares (less treasury shares) multiplied by the closing price of the common and preferred shares on the period s last trading day;
(7) Excludes Sureties and Guarantees, advanced payment of credit card receivables and loan assignments (mortgage-backed receivables and receivables-backed investment funds);
(8) Credits overdue;
(9) (i) As of the third quarter of 2008, calculated in accordance with the new Basel Capital Accord (BIS II). (ii) Excluding: (a) the additional provision that currently comprises the Reference Assets of Tier I Capital, due to CMN Resolution 3,825/09 revoking its use as of April 2010; and (b) the perpetual subordinated debt installment of US$300 million, whose call option was approved by the Central Bank in April 2010 and will adversely impact Tier II, Bradesco s consolidated adjusted Capital Adequacy Ratio in March 2010 would be 15.7%;
(10) PAB: Branch located on the premises of a company and with Bradesco employees; PAE: ATM located on the premises of a company; PAA: service point located in a municipality without a Bank branch;
(11) Includes Prepaid, Private Label, Pague Fácil and Banco Ibi as of the fourth quarter of 2009;
(12) Comprises Fundação Bradesco, Digestive System and Nutritional Disorder Foundation (Fimaden) and Bradesco Sports Association (ADC Bradesco); and
(13) Number of accounts.

Ratings

Main Ratings

Fitch Ratings							
International Scale						**Domestic Scale**	
Individual	**Support**	**Domestic Currency**		**Foreign Currency**		**Domestic**	
B/C	3	Long-Term BBB +	Short-Term F2	Long-Term BBB	Short-Term F2	Long-Term AAA (bra)	Short-Term F1 + (bra)

Moody´s Investors Service							
Financial Strength	**International Scale**					**Domestic Scale**	
B -	Foreign Currency Debt	Domestic Currency Deposit		Foreign Currency Deposit		Domestic Currency	
	Long-Term	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term
	Baa2	A1	P - 1	Baa3	P-3	Aaa.br	BR - 1

Standard & Poor's						**R&I Inc.**	**Austin Rating**		
International Scale - Counterparty Rating				**Domestic Scale**		**International Scale**	**Corporate Governance**	**Domestic Scale**	
Foreign Currency		**Domestic Currency**		**Counterparty Rating**		**Issuer Rating**		**Long-Term**	**Short-Term**
Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term				
BBB	A - 3	BBB	A - 3	brAAA	brA - 1	BBB -	AA	AAA	A -1

Book Net Income vs. Adjusted Net Income

The main non-recurring events that influenced book net income in the quarters are presented below in a comparative chart:

			R$ million
	1Q10	**4Q09**	**1Q09**
Net Income - Book	**2,103**	**2,181**	**1,723**
Non-Recurring Events	**44**	**(342)**	**233**
- Additional PLL	-	-	177
- Records of Tax Credits	(242)	-	-
- Provision for Tax Contingencies	397	-	-
	36	111	176

- Provision for Civil Contingencies - Economic Plans			
- Law 11,941/09 (REFIS) (1)	-	(388)	-
- Other (2)	-	(23)	-
- Tax Effects	(147)	(42)	(120)
Adjusted Net Income	**2,147**	**1,839**	**1,956**
ROAE %	**21.7%** (*)	**21.4%** (*)	**21.0%** (*)
ROAE (ADJUSTED) %	**22.2%** (*)	**20.3%** (*)	**24.1%** (*)

(*) Annualized ROAE;
(1) Net effect from the payment of taxes under the amnesty program for settlement of tax debits through cash and installment payments under Law 11,941/09 (REFIS); and
(2) R$60 million relative gain from the IPO of Laboratório Fleury obtained through our affiliate Integritas Participações, R$64 million in expenses with impairment testing, R$26 million in allowance for investment losses, and gross gain of R$53 million from the partial divestment of Cetip.

Summarized Analysis of Adjusted Income

To provide a better understanding, comparison and analysis of Bradesco s results, we use the Adjusted Statement of Income for the analyses and comments contained in this Report on Economic and Financial Analysis, which is obtained from adjustments made to the Book Statement of Income, which is detailed at the end of this Press Release. We emphasize that the Adjusted Statement of Income will be the base used for the analysis and comments of chapters 1 and 2 of this report.

								R$ million
	Adjusted Statement of Income							
	1Q10	4Q09	Variation 1Q10 x 4Q09		1Q10	1Q09	Variation 1Q10 x 1Q09	
			Amount	%			Amount	%
Financial Margin	**7,689**	**7,492**	**197**	**2.6**	**7,689**	**7,115**	**574**	**8.1**
- Interest	7,406	7,144	262	3.7	7,406	6,422	984	15.3
- Non-Interest	283	348	(65)	(18.7)	283	693	(410)	(59.2)
PLL	(2,188)	(2,695)	507	(18.8)	(2,188)	(2,762)	574	(20.8)
Gross Income from Financial Intermediation	**5,501**	**4,797**	**704**	**14.7**	**5,501**	**4,353**	**1,148**	**26.4**
Income fromInsurance, Private Pension Plans and Savings Bonds Operations (*)	583	484	99	20.5	583	537	46	8.6
Fee and Commission Income	3,124	3,125	(1)	-	3,124	2,723	401	14.7
Personnel Expenses	(2,120)	(2,081)	(39)	1.9	(2,120)	(1,852)	(268)	14.5
Other Administrative Expenses	(2,647)	(2,746)	99	(3.6)	(2,647)	(2,155)	(492)	22.8
Tax Expenses	(749)	(694)	(55)	7.9	(749)	(587)	(162)	27.6
Equity in the Earnings (Losses) of Unconsolidated Companies	29	82	(53)	(64.6)	29	6	23	383.3
Other Operating Income/Expenses	(550)	(539)	(11)	2.0	(550)	(412)	(138)	33.5
Operating Income	**3,171**	**2,428**	**743**	**30.6**	**3,171**	**2,613**	**558**	**21.4**
Non-Operating Income	4	(62)	66	-	4	72	(68)	(94.4)
Income Tax / Social Contribution	(1,010)	(519)	(491)	94.6	(1,010)	(723)	(287)	39.7
Minority Interest	(18)	(8)	(10)	125.0	(18)	(6)	(12)	200.0
Adjusted Net Income	**2,147**	**1,839**	**308**	**16.7**	**2,147**	**1,956**	**191**	**9.8**

(*) Result of Insurance, Private Pension and Savings Bond Operations = Insurance, Private Pension and Savings Bond Retained Premiums Variation in the Technical Provisions of Insurance, Private Pension Plans and Savings Bonds Retained Claims Drawings and Redemption of Savings Bonds Selling Expenses for Insurance Plans, Private Pension Plans and Savings Bonds.

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Adjusted Net Income and Profitability

In the first quarter of 2010, Adjusted Net Income was R$2,147 million, an increase of 16.7% or R$308 million on the previous quarter. Compared with the same quarter of 2009, this increase was 9.8% or R$191 million. This growth was mainly driven by the better economic environment as of the third quarter of 2009, with lower delinquency and recovery in loan growth.

Shareholders   Equity stood at R$43,087 million on March 31, 2010, increasing 22.0% from the previous year. The Capital Adequacy Ratio reached 16.8%, 14.3% of which under Tier I Reference Assets.

The main reasons for this result are described below in the analysis of the main income statement items, with the consolidation of the income accounts of Banco Ibi as of November 2009.

Efficiency Ratio

In March 2010, Bradesco s Efficiency Ratio* stood at 41.2%, up 0.7 p.p. from the end of the previous quarter. The variation was basically due to other administrative and personnel expenses, which were impacted in part by the merger of Banco Ibi and lower non-interest financial margin offset primarily by the higher revenue.

Compared to the first quarter of 2009, the 1.3 p.p. improvement was mainly due to the higher revenue from financial margin and fee and commission income, and was offset by the recording of allowances for contingencies related to civil claims and by higher personnel and administrative expenses.

* Efficiency Ratio (ER) in last twelve months = Personnel Expenses Employee Profit Sharing (PLR) + Administrative Expenses / Financial Margin + Income from Insurance + Fee and Commission Income + Equity in the Earnings (Losses) of Unconsolidated Companies Other Operating Expenses + Other Operating Income. If we considered the ratio between total administrative costs (Personnel Expenses + Administrative Expenses + Other Operating Expenses + Tax Expenses not related to revenue generation) and revenue net of related taxes (not considering Claims Expenses from the Insurance Group), our Efficiency Ratio in the first quarter of 2010 would be 40.5%

Financial Margin

The increase of R$197 million between the first quarter of 2010 and the fourth quarter of 2009 was due to:

· the increase in income from interest-earning operations of R$262 million, mainly due to the higher average volume of loan operations;

offset by:

· the R$65 million reduction in non-interest income caused by the lower treasury/securities gains.

In the comparison between the first quarter of 2010 and the same period of 2009, financial margin improved by R$574 million, or 8.1%, driven by the following factors:

· the R$984 million increase in the result of interest-earning operations as a result of an increase in loans, due to the higher business volume and increased margins;

offset by:

· the decrease in non-interest income of R$410 million, basically derived from lower treasury/securities gains.

Total Loan Portfolio

In March 2010, Bradesco s loan operations (considering sureties, guarantees, advances of credit card receivables and assignment of receivables-backed investment funds and mortgage-backed securities) totaled R$235.2 billion. This expansion of 3.1% in the quarter was due to growth of 4.8% in the Individuals portfolio, 4.2% in the SME portfolio and 0.7% in the Large Corporate portfolio.

In the comparison between the 12-month periods, the portfolio expanded by 10.4%, composed of the following growth rates: Individuals 16.7%, SMEs 14.5% and Large Corporate 1.7%.

In the Individuals segment, the products registering the strongest growth in the last twelve months were: payroll-deductible loans, credit cards and vehicle loans. In the Corporate segment, growth was led by real estate financing -corporate plans, BNDES/Finame onlending operations and working capital loans.

Allowance for Loan Losses (PLL)

In the first quarter of 2010, the balance of expenses with the allowance for loan losses fell for the third consecutive quarter, by 18.8% from the previous quarter, mainly due to the reduction in the allowance, which occurred despite the 3.1% expansion in the loan portfolio in the first quarter of 2010. Compared to the same period of 2009, expenses in the first quarter of 2010 decreased by 20.8%, demonstrating the growth, accompanied by quality, of Bradesco s loan portfolio.

Delinquency Ratio > 90 days

The delinquency ratio for credits overdue more than 90 days decreased to 4.4% in the first quarter of 2010, benefitted by the better economic scenario and recovery in economic activity, which fueled growth in loan operations in the quarter.

Improvement was observed in all segments and we expect this trend to continue over the next few months, given the current economic scenario.

Coverage Ratio

The balance of the Allowance for Loan Losses of R$15.8 billion in March 2010 was composed of R$12.8 billion in provisions required by the Central Bank of Brazil and R$3.0 billion in additional provisions.

The graph below presents the evolution of the coverage ratio of the Allowance for Loan Losses for loans overdue more than 90 days. In March 2010, the ratio stood at 180.8%, the highest level in the data series and representing a very comfortable level of provisioning, especially when compared to a year earlier (152.4%).

Adjusted Results of the Insurance, Private Pension and Savings Bond Operations

Adjusted Net Income in the first quarter of 2010 was R$703 million, for Return on Average Equity of 27.9% and growth of 16.8% from Adjusted Net Income in the fourth quarter of 2009 of R$602 million.

Compared to the same quarter of 2009, Adjusted Net Income increased by 8.2%.

(1) Excludes additional provisions.

	R$ million (except w hen otherw ise indicated)									
									Variation %	
	1Q10	**4Q09**	**3Q09**	**2Q09**	**1Q09**	**4Q08**	**3Q08**	**2Q08**	**1Q10 x 4Q09**	**1Q10 x 1Q09**
Adjusted Net Income	703	602	607	638	650	550	629	723	16.8	8.2
Insurance Written Premiums, Private Pension Plan Contributions and Savings Bonds Income (*)	7,196	8,040	6,685	6,094	5,514	6,204	5,822	5,756	(10.5)	30.5
Technical Provisions	77,685	75,572	71,400	68,828	66,673	64,587	62,888	62,068	2.8	16.5
Financial Assets	86,928	83,733	79,875	76,451	73,059	71,309	73,059	70,795	3.8	19.0
Claims Ratio	73.3	74.3	77.2	73.3	73.7	78.0	72.4	73.1	(1.3)	(0.5)
Combined Ratio	85.2	85.3	88.9	85.5	86.2	89.7	84.4	84.9	(0.1)	(1.2)
Policyholders / Participants and Clients (in thousands)	33,768	30,822	30,339	29,178	28,590	27,482	26,858	26,042	9.6	18.1
Market Share fromPremiums fromInsurance, Private Pension Plan Contribution and Income fromSavings Bonds (**)	25.8	23.7	23.5	23.1	23.7	23.8	23.7	23.8	8.9	8.9

Note: For comparison purposes, we excluded the ratios of the first quarter of 2010 the build in Technical Provision for benefits to be granted Remission (Health), and did not consider in the calculation of combined ratios the effects of RN 206/09, which had an effect on health revenues;
(*) Market Share Excludes the R$345 million (health) impact of RN 206/09 (ANS), which as of January 2010 eliminated PPNG (SES), with revenue from premiums now accounted Pro-rata temporis. This accounting change did not affect Earned Premiums.
(**) Data as of January 2010, November 2009, August 2009, May 2009, January 2009, November 2008, July 2008 and May 2008.

In the first quarter of 2010, revenue from the Insurance Group (insurance premiums written, private pension contributions and savings bonds income) decreased by 10.5% from the previous quarter, basically reflecting the seasonality of the fourth quarter of 2009, which historically records stronger growth than the other quarters, mainly due to the high concentration of private pension plan contributions.

The 30.5% increase in production in the first quarter of 2010 compared with the same quarter a year earlier was mainly driven by growth in the products Life, PGBL and VGBL (38.6%), Auto (38.8%) and Savings Bonds (27.4%).

Adjusted Net Income in the first quarter of 2010 grew by 16.8% from the previous quarter, mainly due to the net result of: (i) the improvement of 1.0 percentage point in the claims ratio, despite the severe rain events in São Paulo state during the period; and (ii) the increase in personnel expenses as a result of the collective bargaining agreement, with the base date of January. Note that Adjusted Net Income in the fourth quarter of 2009 was impacted by: (i) expenses with the creation of a provision for insufficient contribution (PIC); and (ii) a technical provision for administrative expenses (PDA) due to the decrease in the interest rate used to calculate these reserves from 4.3% p.a. to 4% p.a.

Adjusted Net Income in the first quarter of 2010 increased by 8.2% from the first quarter of 2009, due to: (i) the revenue growth of 30.5%; (ii) the slight drop in claims, despite the intense rain events in São Paulo state; (iii) the improvement in the financial result; and offset by: (iv) the increase in administrative expenses due to the collective bargaining agreement.

In January 2010, Net Income from Bradesco s Insurance Group accounted for 40% of net income in Brazil s entire insurance industry and 53% of the net income from insurance companies associated with banks (Source: Insurance Superintendence Susep).

Meanwhile, the Insurance Group s technical provisions represented 31.8% of the insurance industry in January 2010, according to Susep and the National Supplementary Health Agency (ANS).

In terms of solvency, Grupo Bradesco de Seguros e Previdência complies with the Susep rules that took effect on January 1, 2008, and also with international standards (Solvency II). The financial leverage ratio stood at 2.7 times Shareholders Equity.

Fee and Commission Income

In the first quarter of 2010, Fee and Commission Income totaled R$3,124 million, remaining practically stable in relation to the previous quarter. An important factor was the increase in the credit card line, basically reflecting the impacts from the merger of Banco Ibi as of November 2009, which offset the decrease in revenue from credit and underwriting transactions in the period.

In comparison with the same quarter of 2009, the 14.7% increase was driven by the strong performance of credit card operations, the higher income from underwriting operations and the higher income from fund management due to the expansion in business volume and the client base, which grew some 5% from the previous twelve months.

Personnel Expenses

In the first quarter of 2010, the R$39 million increase from the previous quarter was composed of variations in the following components:

· structural - R$10 million, essentially related to the higher expenses with salaries and compulsory social charges resulting from the collective bargaining agreement for insurance workers in January 2010, the change in the Occupational Accident Insurance (SAT) rate and the merger of Banco Ibi and Odontoprev, which were offset by the higher concentration of vacations in the first quarter; and

· non-structural R$29 million, basically related to the higher expenses with the provision for employee profit sharing.

In the comparison with the same quarter last year, the R$268 million increase reflects:

· the R$147 million increase in structural expenses related primarily to the higher expenses with salaries, social charges and benefits, which were mainly impacted by the wage increase (6% under the 2009 collective bargaining agreement) and the merger of Banco Ibi; and

· the R$121 million increase in "non-structural expenses , which was basically due to higher expenses with the provision for employee profit sharing and higher provisions for labor claims.

Note: Structural Expenses = Salaries + Compulsory Social Charges + Benefits + Private Pension.
Non-Structural Expenses = Employee Profit Sharing (PLR) + Training + Labor Provision + Severance Expenses.

Administrative Expenses

Administrative Expenses fell 3.6% from the fourth quarter of 2009, mainly explained by the lower advertising and marketing expenses due to seasonality, which was partially offset by higher expenses with outsourced services.

In comparison with the first quarter of 2009, the 22.8% increase basically reflects the expansion in the Customer Service Network, the higher business volume, the expansion in the client base and the impact of the Banco Ibi merger.

Tax Expenses

Tax expenses in the first quarter of 2010 increased by R$55 million from the prior quarter, basically due to the growth in taxable revenue, especially financial margin.

In comparison with the same period of the previous year, the increase of 27.6% or R$162 million was primarily driven by the higher expenses with PIS/Cofins taxes due to the higher taxable revenue from financial margin and fee and commission income in the period.

Other Operating Income and Expenses

In the first quarter of 2010, other operating expenses, net of other operating income, increased by R$11 million on the previous quarter, primarily due to: (i) higher expenses with the provision for civil contingencies; (ii) higher expenses with goodwill amortization; and offset by (iii) lower expenses with sundry losses.

Compared with the same quarter of 2009, the R$138 million increase in other operating expenses net of other operating income basically reflects: (i) higher expenses with provisions for civil contingencies; (ii) higher expenses with goodwill amortization; and (iii) higher expenses with sundry losses.

Income Tax and Social Contribution

The R$491 million contraction in the first quarter of 2010 from the previous quarter is basically explained by the increase in taxable income.

In comparison with the first quarter of 2009, income tax and social contribution rose by 39.7%, due to the higher operating income in the first quarter of 2010.

Tax credits from prior periods, which resulted from the increase in the CSLL tax rate to 15%, are recorded in the book financial statements up to the limit of corresponding consolidated tax liabilities. The balance of unused tax credits is R$736 million. Further details can be found in Note 34 to the Financial Statements.

Unrealized Gains

Unrealized gains totaled R$10,911 million in the first quarter of 2010, up R$788 million from the previous quarter. The variation was mainly represented by: (i) gains on investments, in particularly from our remaining interest in Cielo; and (ii) the increase in unrealized gains in the held-to-maturity securities portfolio.

Economic Scenario

The recovery in the world economy continues to advance, despite the more pessimistic predictions. The performance of the U.S. economy, in particular, has been quite surprising, and, combined with robust growth in the developing world, has led to recovery in production, trade and employment levels worldwide. Asia and Latin America continue to lead the recovery among emerging markets, led by China and Brazil. Meanwhile, Europe, through Germany and France, is showing signs of recovery, while more fiscally vulnerable countries, like Greece, Portugal, Spain, Ireland and the United Kingdom, will have to make important adjustments to their economies to address the high public-sector deficits, which should lead to slower growth in the region in the medium term. However, fiscal imbalances will remain on the radar for several quarters, however, these issue should not prevent the slow (albeit consistent and sustainable) recovery in the world economy.

Brazil remains a highlight in the global economy, demonstrating an unmatched capacity to respond to the crisis, and is now benefitting from internal growth dynamics, with the economic recovery expanding to include all sectors, even those not directly benefitted by government incentives. This dynamic is rooted in the strong job market and income growth, which has led to strong growth in investment in the industrial sector and one of the highest diffusion rates in recent history. The 31.4% increase in capital goods production since the onset of the recovery in March last year shows the extent to which Brazilian companies are preparing for this strong cycle of demand growth. Despite the growth in investment, capacity utilization has increased rapidly, generating increased inflationary pressures in the industrial sector and for consumers.

In view of these indicators and the prospects for the favorable scenario remaining in place, we have revised our forecast for Brazil GDP growth in 2010 to 6.4%. Annual inflation in 2010, which should reach 8.0% for the IGP-M reading and 5.5% for the IPCA reading, is expected to lead the Central Bank to concentrate its hikes in the Selic basic interest rate somewhat more than in our previous forecast, with a cumulative hike of 2.25 p.p. in three meetings and continuing the tightening cycle into 2011, taking the Selic rate to 12.25%. In spite of the higher interest rates, the outlook for growth in employment and income levels, as well as for output in the industrial, agricultural and services sectors, remains extremely favorable.

Main Economic Indicators

Main Indicators (%)	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Interbank Deposit Certificate (CDI)	2.02	2.12	2.18	2.37	2.89	3.32	3.21	2.74
Ibovespa	2.60	11.49	19.53	25.75	8.99	(24.20)	(23.80)	6.64
USD Commercial Rate	2.29	(2.08)	(8.89)	(15.70)	(0.93)	22.08	20.25	(8.99)
General Price Index - Market (IGP-M)	2.77	(0.11)	(0.37)	(0.32)	(0.92)	1.23	1.54	4.34
CPI (IPCA IBGE)	2.06	1.06	0.63	1.32	1.23	1.09	1.07	2.09
Federal Government Long-Term Interest Rate (TJLP)	1.48	1.48	1.48	1.54	1.54	1.54	1.54	1.54
Reference Interest Rate (TR)	0.08	0.05	0.12	0.16	0.37	0.63	0.55	0.28
Savings Accounts	1.59	1.56	1.63	1.67	1.89	2.15	2.06	1.80
Business Days (number)	61	63	65	61	61	65	66	62
Indicators (Closing Rate)	**Mar10**	**Dec09**	**Sep09**	**Jun09**	**Mar09**	**Dec08**	**Sep08**	**Jun08**
USD Commercial Selling Rate (R$)	1.7810	1.7412	1.7781	1.9516	2.3152	2.3370	1.9143	1.5919
Euro (R$)	2.4076	2.5073	2.6011	2.7399	3.0783	3.2382	2.6931	2.5063
Country Risk (points)	185	192	234	284	425	428	331	228
Selic Basic Interest Rate (Copom) (% p. a.)	8.75	8.75	8.75	9.25	11.25	13.75	13.75	12.25
BM&F Fixed Rate 1 year (% p.a.)	10.85	10.46	9.65	9.23	9.79	12.17	14.43	14.45

Projections through 2012

%	2010	2011	2012
USD - Commercial Rate (year-end) - R$	1.90	1.95	2.00
Extended Consumer Price Index (IPCA)	5.50	4.70	4.50
General Price Index - Market (IGP-M)	8.00	4.85	4.50
Selic (year-end)	11.00	12.25	10.75

Gross Domestic Product (GDP)	6.40	4.30	4.40

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Guidance

Bradesco s Outlook for 2010

This guidance contains forward-looking statements that are subject to risks and uncertainties, since they are based on Management s expectations and assumptions and on the information available to the market as of the present date.

Loan Portfolio	**21 to 25%**
Individuals	16 to 20%
Corporate	25 to 29%
SMEs	28 to 32%
Large Corporates	22 to 26%
Products	
Vehicles	10 to 14%
Cards	9 to 13%
Real Estate Financing (origination)	R$6.5 bi
Payroll Deductible Loans	32 to 36%
Financial Margin(1)	**14 to 18%**
Fee and Commission Income	**7 to 11%**
Operating Expenses (2)	**9 to 13%**
Insurance Premiums	**10 to 12%**

(1) Under the current criterion, guidance for Financial Margin; and
(2) Administrative and Personnel Expenses.

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Statement of Income   Book vs. Managerial vs. Adjusted

Analytical Breakdown of Statement of Book vs. Managerial Income vs. Adjusted

First quarter of 2010

												R$ million
	1Q10											
	Accounting Statement of Income	**Reclassifications (1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**Fiscal Hedge (8)**	**Managerial Statement of Income**	**Non-Recurring Effects (9)**	**Adjusted Statement of Income**
Financial Margin	**8,002**	**(105)**	**35**	**(60)**	**(240)**	**-**	**-**	**-**	**57**	**7,689**	**-**	**7,689**
PLL	(2,159)	-	-	-	70	(99)	-	-	-	(2,188)	-	(2,188)
Gross Income from Financial Intermediation	**5,843**	**(105)**	**35**	**(60)**	**(170)**	**(99)**	**-**	**-**	**57**	**5,501**	**-**	**5,501**
Income from Insurance, Private Pension Plans and Savings Bonds Operations (*)	583	-	-	-	-	-	-	-	-	583	-	583
Fee and Commission Income	3,080	-	-	-	-	-	44	-	-	3,124	-	3,124
Personnel Expenses	(2,120)	-	-	-	-	-	-	-	-	(2,120)	-	(2,120)
Other Administrative Expenses	(2,564)	-	-	-	-	-	-	(83)	-	(2,647)	-	(2,647)
Tax Expenses	(743)	-	-	-	-	-	-	-	(6)	(749)	-	(749)
Equity in the Earnings (Losses) of Unconsolidated Companies	29	-	-	-	-	-	-	-	-	29	-	29
Other Operating Income/Expenses	(1,322)	105	(35)	60	170		(44)	83	-	(983)	433	(550)
Operating Income	**2,786**	**-**	**-**	**-**	**-**	**(99)**	**-**	**-**	**51**	**2,738**	**433**	**3,171**
Non-Operating Income	(95)	-	-	-	-	99	-	-	-	4	-	4
Income Tax / Social	(588)	-	-	-		-	-	-	(51)	(639)	(389)	(1,028)

Contribution and Minority Interest												
Net Income	**2,103**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,103**	**44**	**2,147**

(1) Commission Expenses on the placement of loans and financing were reclassified from the item Other Operating Expenses to the item Financial Margin ;
(2) Interest Income/Expenses from the insurance segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(3) Interest Income/Expenses from the Financial Segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(4) Revenue from Loan Recovery classified under the item Financial Margin ; Expenses with Discounts Granted classified under the item Other Operating Revenues/Expenses and Expenses with Write-offs of Leasing Operations classified under the item Financial Margin were reclassified to the item PDD Expenses - Allowance for Loan Losses ;
(5) Losses from the Sale of Foreclosed Assets BNDU classified under the item Non-Operating Income , were reclassified to the item PDD Expenses - Allowance for Loan Losses ;
(6) Income from Commissions and Credit Card Fees, Insurance Premium Commissions and Insurance Policy Fees classified under the item Other Operating Revenues/Expenses were reclassified to the item Fee and Commission Income ;
(7) Credit Card Operations Interchange Expenses classified under the item Other Operating Revenues/Expenses were reclassified to the item Other Administrative Expenses ;
(8) The partial result of Derivatives used to hedge investments abroad, which simply cancels the tax effects (IR/CS and PIS/Cofins) of this hedge strategy in terms of Net Income; and
(9) For more information see page 8 of this chapter.
(*) Result of Insurance, Private Pension and Savings Bonds Operations = Insurance, Private Pension and Savings Bond Retained Premiums Variation in the Technical Provisions of Insurance, Private Pension Plans and Savings Bonds Retained Claims Drawings and Redemption of Savings Bonds Selling Expenses with Insurance Plans, Private Pension Plans and Savings Bonds.

Fourth quarter of 2009

R$ mill

	4Q09											
	Accounting Statement of Income	**Reclassifications**							**Fiscal Hedge (8)**	**Managerial Statement of Income**	**Non-Recurring Effects (9)**	**Adjust Statem of Inco**
		(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**				
Financial Margin	**8,098**	**(116)**	**119**	**(155)**	**(372)**	**-**	**-**	**-**	**(106)**	**7,468**	**24**	**7,4**
PLL	(2,730)	-	-	-	159	(124)	-	-	-	(2,695)	-	(2,6
Gross Income from Financial Intermediation	**5,368**	**(116)**	**119**	**(155)**	**(213)**	**(124)**	**-**	**-**	**(106)**	**4,773**	**24**	**4,7**
Income from Insurance, Private Pension Plans and Savings Bonds Operations (*)	484	-	-	-	-	-	-	-	-	484	-	4
Fee and Commission Income	3,094	-	-	-	-	-	31	-	-	3,125	-	3,1
Personnel Expenses	(2,081)	-	-	-	-	-	-	-	-	(2,081)	-	(2,0
Other Administrative Expenses	(2,674)	-	-	-	-	-	-	(72)	-	(2,746)	-	(2,7
Tax Expenses	(708)	-	-	-	-	-	-	-	14	(694)	-	(6
Equity in the Earnings (Losses) of Unconsolidated Companies	142	-	-	-	-	-	-	-	-	142	(60)	
Other Operating Income/Expenses	(734)	116	(119)	155	213	-	(31)	72	-	(328)	(211)	(5
Operating Income	**2,891**	**-**	**-**	**-**	**-**	**(124)**	**-**	**-**	**(92)**	**2,675**	**(247)**	**2,4**
Non-Operating Income	(133)	-	-	-	-	124	-	-	-	(9)	(53)	(
Income Tax / Social Contribution and Minority Interest	(577)	-	-	-		-	-	-	92	(485)	(42)	(5
Net Income	**2,181**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,181**	**(342)**	**1,8**

(1) Commission Expenses on the placement of loans and financing were reclassified from the item Other Operating

Expenses to the item Financial Margin ;
(2) Interest Income/Expenses from the insurance segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(3) Interest Income/Expenses from the Financial Segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(4) Revenue from Loan Recovery classified under the item Financial Margin ; Expenses with Discounts Granted classified under the item Other Operating Revenues/Expenses and Expenses with Write-offs of Leasing Operations classified under the item Financial Margin were reclassified to the item PDD Expenses - Allowance for Loan Losses ;
(5) Losses from the Sale of Foreclosed Assets BNDU classified under the item Non-Operating Income , were reclassified to the item PDD Expenses - Allowance for Loan Losses ;
(6) Income from Commissions and Credit Card Fees, Insurance Premium Commissions and Insurance Policy Fees classified under the item Other Operating Revenues/Expenses were reclassified to the item Fee and Commission Income ;
(7) Credit Card Operations Interchange Expenses classified under the item Other Operating Revenues/Expenses were reclassified to the item Other Administrative Expenses ;
(8) The partial result of Derivatives used to hedge investments abroad, which simply cancels the tax effects (IR/CS and PIS/Cofins) of this hedge strategy in terms of Net Income; and
(9) For more information see page 8 of this chapter.
(*) Result of Insurance, Private Pension and Savings Bonds Operations = Insurance, Private Pension and Savings Bond Retained Premiums Variation in the Technical Provisions of Insurance, Private Pension Plans and Savings Bonds Retained Claims Drawings and Redemption of Savings Bonds Selling Expenses with Insurance Plans, Private Pension Plans and Savings Bonds.

First quarter of 2009

R$ million

	1Q09											
	Accounting Statement of Income	**Reclassifications**							**Fiscal Hedge (8)**	**Managerial Statement of Income**	**Non-Recurring Effects (9)**	**Adjusted Statement of Income**
		(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**				
Financial Margin	**7,752**	**(124)**	**25**	**(195)**	**(252)**	**-**	**-**	**-**	**(91)**	**7,115**	**-**	**7,115**
PLL	(2,920)	-	-	-	(19)	-	-	-	-	(2,939)	177	(2,762)
Gross Income from Financial Intermediation	**4,832**	**(124)**	**25**	**(195)**	**(271)**	**-**	**-**	**-**	**(91)**	**4,176**	**177**	**4,353**
Income from Insurance, Private Pension Plans and Savings Bonds Operations (*)	537	-	-	-	-	-	-	-	-	537	-	537
Fee and Commission Income	2,750	-	-	-	-	(61)	34	-	-	2,723	-	2,723
Personnel Expenses	(1,852)	-	-	-	-	-	-	-	-	(1,852)	-	(1,852)
Other Administrative Expenses	(2,158)	-	-	-	-	61	-	(58)	-	(2,155)	-	(2,155)
Tax Expenses	(597)	-	-	-	-	-	-	-	10	(587)	-	(587)
Equity in the Earnings (Losses) of Unconsolidated Companies	6	-	-	-	-	-	-	-	-	6	-	6
Other Operating Income/Expenses	(1,066)	124	(25)	195	160	-	(34)	58	-	(588)	176	(412)
Operating Income	**2,452**	**-**	**-**	**-**	**(111)**	**-**	**-**	**-**	**(81)**	**2,260**	**353**	**2,613**
Non-Operating Income	(39)	-	-	-	111	-	-	-	-	72	-	72
Income Tax / Social Contribution and Minority Interest	(690)	-	-	-		-	-	-	81	(609)	(120)	(729)
Net Income	**1,723**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,723**	**233**	**1,956**

(1) Commission Expenses on the placement of loans and financing were reclassified from the item Other Operating

Expenses to the item Financial Margin ;
(2) Interest Income/Expenses from the insurance segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(3) Interest Income/Expenses from the Financial Segment were reclassified from the item Other Operating Revenues/Expenses to the item Financial Margin ;
(4) Revenue from Loan Recovery classified under the item Financial Margin ; Expenses with Discounts Granted classified under the item Other Operating Revenues/Expenses and Expenses with Write-offs of Leasing Operations classified under the item Financial Margin ; and losses from the Sale of Foreclosed Assets BNDU classified under the item Non-Operating Income , were reclassified to the item PDD Expenses - Allowance for Loan Losses ;
(5) Outsourced services expenses classified under item Other Administrative Expenses were reclassified to item Fee and Commission Income
(6) Income from Commissions and Credit Card Fees, Insurance Premium Commissions and Insurance Policy Fees classified under the item Other Operating Revenues/Expenses were reclassified to the item Fee and Commission Income ;
(7) Credit Card Operations Interchange Expenses classified under the item Other Operating Revenues/Expenses were reclassified to the item Other Administrative Expenses ;
(8) The partial result of Derivatives used to hedge investments abroad, which simply cancels the tax effects (IR/CS and PIS/Cofins) of this hedge strategy in terms of Net Income; and
(9) For more information see page 8 of this chapter.
(*) Result of Insurance, Private Pension and Savings Bonds Operations = Insurance, Private Pension and Savings Bond Retained Premiums Variation in the Technical Provisions of Insurance, Private Pension Plans and Savings Bonds Retained Claims Drawings and Redemption of Savings Bonds Selling Expenses with Insurance Plans, Private Pension Plans and Savings Bonds.

Consolidated Balance Sheet and Adjusted Statement of Income

Balance Sheet

								R$ million
	Mar10	**Dec09**	**Sep09**	**Jun09**	**Mar09**	**Dec08**	**Sep08**	**Jun08**
Assets								
Current and Long-Term Assets	**522,709**	**496,028**	**477,458**	**474,301**	**474,124**	**446,802**	**416,161**	**397,746**
Funds Available	8,705	6,947	8,571	9,001	7,533	9,295	7,259	5,134
Interbank Investments	97,165	110,797	97,487	89,636	93,342	74,191	57,351	73,692
Securities and Derivative Financial Instruments	157,309	146,619	147,724	146,110	130,816	131,598	132,373	118,956
Interbank and Interdepartmental Accounts	36,674	18,723	17,718	16,620	15,691	13,804	27,081	26,163
Loan and Leasing Operations	181,490	172,974	163,699	160,174	160,975	160,500	153,335	140,324
Allow ance for Loan Losses (PLL)	(15,836)	(16,313)	(14,953)	(13,871)	(11,424)	(10,263)	(9,136)	(8,652)
Other Receivables and Assets	57,202	56,281	57,212	66,631	77,191	67,677	47,898	42,129
Permanent Assets	**9,917**	**10,195**	**8,228**	**8,177**	**8,017**	**7,611**	**6,501**	**5,486**
Investments	1,537	1,549	1,392	1,359	1,400	1,048	823	784
Premises and Leased Assets	3,244	3,418	3,272	3,300	3,286	3,250	2,309	2,198
Intangible Assets	5,136	5,228	3,564	3,518	3,331	3,313	3,369	2,504
Total	**532,626**	**506,223**	**485,686**	**482,478**	**482,141**	**454,413**	**422,662**	**403,232**
Liabilities								
Current and Long-Term Liabilities	**488,431**	**463,350**	**446,152**	**444,574**	**446,225**	**419,561**	**387,640**	**369,151**
Deposits	170,722	171,073	167,987	167,512	169,104	164,493	139,170	122,752
Federal Funds Purchased and Securities Sold under Agreements to Repurchase	128,172	113,273	102,604	99,710	91,659	79,977	87,464	98,278
Funds from Issuance of Securities	8,550	7,482	7,111	7,694	9,280	9,011	6,535	5,455
Interbank and Interdepartmental Accounts	2,063	2,950	2,257	1,904	2,287	2,914	2,538	2,458
Borrow ing and Onlending	30,208	27,328	27,025	29,081	30,420	31,947	31,979	24,736
Derivative Financial Instruments	2,469	531	1,669	2,599	2,294	2,042	2,326	1,598
Provisions for Insurance, Private Pension Plans and Savings Bonds	77,685	75,572	71,401	68,829	66,673	64,587	62,888	62,068
Other Liabilities	68,562	65,141	66,098	67,245	74,508	64,590	54,740	51,806
Deferred Income	**292**	**321**	**297**	**272**	**273**	**274**	**227**	**208**
Minority Interest in Subsidiaries	**816**	**798**	**360**	**355**	**337**	**321**	**627**	**162**

Shareholders' Equity	**43,087**	**41,754**	**38,877**	**37,277**	**35,306**	**34,257**	**34,168**	**33,711**
Total	**532,626**	**506,223**	**485,686**	**482,478**	**482,141**	**454,413**	**422,662**	**403,232**

Consolidated Balance Sheet and Adjusted Statement of Income

Adjusted Statement of Income

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	R$ million 2Q08
Financial Margin	**7,689**	**7,492**	**7,587**	**7,560**	**7,115**	**5,924**	**5,674**	**5,959**
Interest	7,406	7,144	6,891	6,771	6,422	5,944	5,815	5,632
Non-Interest	283	348	696	789	693	(20)	(141)	327
PLL	(2,188)	(2,695)	(2,908)	(3,118)	(2,762)	(1,888)	(1,671)	(1,752)
Gross Income from Financial Intermediation	**5,501**	**4,797**	**4,679**	**4,442**	**4,353**	**4,036**	**4,003**	**4,207**
Income from Insurance, Private Pension Plans and Savings Bonds Operations (*)	583	484	433	529	537	544	629	567
Fee and Commission Income	3,124	3,125	2,857	2,911	2,723	2,698	2,698	2,657
Personnel Expenses	(2,120)	(2,081)	(2,126)	(1,908)	(1,852)	(1,932)	(1,889)	(1,775)
Other Administrative Expenses	(2,647)	(2,746)	(2,359)	(2,233)	(2,155)	(2,298)	(2,130)	(2,002)
Tax Expenses	(749)	(694)	(639)	(615)	(587)	(498)	(540)	(573)
Equity in the Earnings (Losses) of Unconsolidated Companies	29	82	39	13	6	47	23	33
Other Operating Revenues and Expenses	(550)	(539)	(539)	(459)	(412)	(259)	(223)	(417)
- Other Operating Revenues	265	279	209	311	198	212	318	124
- Other Operating Expenses	(815)	(818)	(748)	(770)	(610)	(471)	(541)	(541)
Operating Income	**3,171**	**2,428**	**2,345**	**2,680**	**2,613**	**2,338**	**2,571**	**2,697**

Non-Operating Income	4	(62)	63	37	72	96	45	58
Income Tax and Social Contribution	(1,010)	(519)	(607)	(717)	(723)	(611)	(696)	(750)
Minority Interest	(18)	(8)	(6)	(4)	(6)	(17)	(10)	(3)
Adjusted Net Income	**2,147**	**1,839**	**1,795**	**1,996**	**1,956**	**1,806**	**1,910**	**2,002**

(*) Results from Insurance, Private Pension and Savings Bonds Operations = Retained Insurance, Private Pension Plan and Savings Bonds Premiums Variation in the Technical Provisions of Insurance, Private Pension Plans and Savings Bonds Retained Claims Drawings and Redemption of Savings Bonds Selling Expenses with Insurance, Private Pension Plan and Savings Bonds.

Financial Margin Interest and Non-Interest

Financial Margin Breakdown

Financial Margin Interest and Non-Interest

Average Financial Margin Rate

	Financial Margin				R$ million
				Variation	
	1Q10	4Q09	1Q09	Quarter	12M
Interest - due to volume				269	656
Interest - due to spread				(7)	328
- Financial Margin - Interest	7,406	7,144	6,422	262	984
- Financial Margin - Non-Interest	283	348	693	(65)	(410)
Financial Margin	**7,689**	**7,492**	**7,115**	**197**	**574**
Average Margin Rate (*)	**8.1%**	**8.1%**	**7.8%**		

(*) Average Margin Rate = (Financial Margin / Average Assets Purchase and Sale Commitments Permanent Assets) Annualized

Financial margin was R$7,689 million in the first quarter of 2010, 2.6% or R$197 million higher than in the previous quarter. Note that this increase comes from interest financial margin, which was positively impacted by the higher average volume of transactions, which contributed R$269 million, and partially offset by the lower average spread of R$7 million in the period.

In relation to the first quarter of 2009, financial margin grew by 8.1% or R$574 million. This variation was impacted by the R$984 million increase in interest financial margin, R$359 million of which refer to the merger of Banco Ibi, offset by the non-interest financial margin drop of R$410 million, as a result of lower gains from Securities/Other .

Financial Margin - Interest

Interest Financial Margin - Breakdown

Interest Financial Margin Breakdown	R$ million

	1Q10	4Q09	1Q09	Variation Quarter	Variation 12M
Loans	5,630	5,373	4,576	257	1,054
Funding	593	603	749	(10)	(156)
Insurance	744	697	578	47	166
Securities/Other	439	471	519	(32)	(80)
Financial Margin	**7,406**	**7,144**	**6,422**	**262**	**984**

The performance of the interest financial margin was driven by the growth of loan operations, and its business strategy focused on individuals and small to medium sized companies.

In the comparison between quarters, interest financial margin grew by 3.7%, or R$262 million, posting R$7,406 million in the first quarter of 2010 and R$7,144 million in the previous quarter. This growth was led by the loans line, details of which can be found in the item Loan Financial Margin Interest.

In the first quarter of 2010, interest financial margin grew by 15.3% or R$984 million, compared with the first quarter of 2009. The line that most contributed to this growth was loans, with highlights to the merger of Banco Ibi, which contributed R$ 359 million. Such effect was partially offset by the decrease in the funding and Securities/Other lines, whose spreads were lower due to the decrease in interest rates.

Financial Margin - Interest

Interest Financial Margin Rates

The annualized interest financial margin rate in relation to total average assets was 7.8% in the first quarter of 2010, the same result as in the previous quarter. In relation to the first quarter of 2009, the 0.8 p.p. positive variation reflects: (i) higher average volume of operations with individuals with higher spreads; (ii) better funding conditions, given the decrease in funding costs and (iii) the merger of Banco Ibi.

Interest Financial Margin Annualized Average Rates

						R$ million (except %)
	1Q10			4Q09		
	Interest	Average Balance	Average Rate	Interest	Average Balance	Average Rate
Loans	5,630	194,704	12.08%	5,373	187,247	11.98%
Funding	593	221,851	1.07%	603	216,792	1.12%
Insurance	744	76,591	3.94%	697	73,767	3.83%
Securities/Other	439	110,367	1.60%	471	107,364	1.77%
Financial Margin	**7,406**	-	-	**7,144**	-	-

	1Q10			1Q09		
	Interest	Average Balance	Average Rate	Interest	Average Balance (1)	Average Rate
Loans	5,630	194,704	12.08%	4,576	178,106	10.68%
Funding	593	221,851	1.07%	749	210,085	1.43%
Insurance	744	76,591	3.94%	578	66,035	3.55%
Securities/Other	439	110,367	1.60%	519	99,693	2.10%
Financial Margin	**7,406**	-	-	**6,422**	-	-

(1) To improve comparability, we included card operations (cash and credit purchase from merchants) from prior periods.

Loan Financial Margin - Interest

Loan Financial Margin Breakdown

					R$ million
	Financial Margin - Loan				
	1Q10	4Q09	1Q09	Variation Quarter	12M
Interest - due to volume				216	480
Interest - due to spread				41	574
Interest Financial Margin	5,630	5,373	4,576	257	1,054
Revenues	9,210	8,888	8,733	322	477
Expenses	(3,580)	(3,515)	(4,157)	(65)	577

Interest" financial margin from loan operations in the first quarter of 2010 performed better than both the fourth quarter and the first quarter of 2009. The increase was influenced by the return of favorable macroeconomic and loan scenarios, a drop in interest rates and the extension of financing and loan terms, all of which favored household consumption and business investments.

In the first quarter of 2010, interest financial margin from loan operations was R$5,630 million, a growth of 4.8%, or R$257 million, in relation to the fourth quarter of 2009. This variation was positively impacted by R$216 million from higher average business volume, growth led by the following products: payroll-deductible loans, vehicle financing (CDC), BNDES/Finame onlending and working capital.

In relation to the first quarter of 2009, financial margin grew by 23.0%, or R$1,054 million. This variation was positively impacted by a R$480 million expansion in average transaction volume, due principally to the merger of Banco Ibi and by R$574 million, due to the increase in average spread, resulting from the reduction of funding costs and an increase in the average volume of operations with higher margins.

As for the good performance of the credit portfolio, upon comparing the first quarter of 2010 to the same period last year, we can highlight the following products in the individual segment: payroll-deductible loans, credit cards, supported by the merger of Banco Ibi operations and vehicle financing (CDC). In the corporate segment, the following products stood out: mortgages corporate plans, BNDES/Finame onlending and working capital.

Loan Financial Margin - Interest

Loan Financial Margin Net Margin

The above graph presents a summary of loan activity. The Gross Margin line refers to interest income from loans, net of opportunity cost (basically the accrued Interbank Deposit Certificate CDI over rate in the period).

The PLL curve shows delinquency costs, which are represented by the Allowance for Loan Losses (PLL) expenses plus discounts granted in negotiations and net of loan recoveries, the result of the sale of foreclosed assets and other items.

The net margin curve presents the result of loan interest income, net of losses, which in the first quarter of 2010 recorded growth on the previous quarter of 28.5%, which was due to lower delinquency costs and the higher average volume of business.

Loan Financial Margin - Interest

Total Loan Portfolio

Loan operations (including sureties, guarantees, advances of credit card receivables and assignments of receivables-backed investment funds and mortgage-backed receivables) ended the first quarter of 2010 at R$235.2 billion, an increase of 10.4% in the last twelve months and 3.1% on the previous quarter.

Strong growth of R$7.2 billion stood out during the quarter, keeping in mind that first quarters are historically marked by a reduction in the level of economic activity.

Loan Portfolio Breakdown by Product and Type of Client (Individuals and Corporate)

A breakdown of loan products for Individuals is presented below:

Individuals	R$ million			Variation %	
	Mar10	Dec09	Mar09	Quarter	12M
Vehicles - CDC	20,609	18,711	19,540	10.1	5.5
Leasing	11,329	12,323	12,575	(8.1)	(9.9)
Credit Card (1)	14,195	14,564	8,986	(2.5)	58.0
Personal Loan	9,342	8,903	8,179	4.9	14.2
Payroll Deductible Loan (2)	11,491	9,450	6,978	21.6	64.7
Rural Loan	4,785	4,866	4,063	(1.7)	17.8
BNDES/Finame Onlending	3,439	2,879	2,876	19.4	19.6
Real Estate Financing (3)	3,189	3,031	2,622	5.2	21.6
Overdraft Facilities	2,635	2,267	2,413	16.2	9.2
Sureties and Guarantees	551	412	387	33.9	42.5
Other (4)	4,448	4,680	5,075	(5.0)	(12.4)
Total	**86,012**	**82,085**	**73,694**	**4.8**	**16.7**

(1) In March 2010, includes R$3.7 billion related to the merger of Banco Ibi and in December 2009 R$3.3 billion.

(2) In March 2010, includes loan assignments (receivables-backed investment funds) of R$360 million, R$351 million in December 2009 and R$381 million in March 2009;

(2) In March 2010, includes loan assignments (mortgage-backed receivables) of R$354 million, R$378 million in December 2009 and R$354 million in March 2009; and

(3) In March 2010, includes loan assignments (receivables-backed investment funds) related to acquisitions of goods of R$18 million, R$24 million in December 2009 and R$41 million in March 2009.

The individuals segment, which recorded growth of 16.7% in the last twelve months, was led by our payroll-deductible loans, vehicle/CDC financing, and credit cards. In the first quarter of 2010, this segment grew by 4.8%, when compared to the previous quarter, and the products that most contributed to this growth were: payroll-deductible loans and vehicle financing (CDC).

Loan Financial Margin - Interest

A breakdown of growth in loan products in the Corporate segment is presented below:

Corporate	R$ million			Variation %	
	Mar10	**Dec09**	**Mar09**	**Quarter**	**12M**
Working Capital	29,526	27,676	25,795	6.7	14.5
Export Financing	8,016	8,750	13,922	(8.4)	(42.4)
BNDES/Finame Onlending	16,762	15,361	13,639	9.1	22.9
Operations Abroad	14,017	13,128	11,410	6.8	22.8
Overdraft Account	8,226	8,369	9,134	(1.7)	(9.9)
Leasing	8,642	8,896	9,013	(2.9)	(4.1)
Credit Card	7,738	7,314	6,674	5.8	15.9
Rural Loan	4,144	4,122	3,661	0.5	13.2
Vehicles - CDC	3,062	2,949	3,099	3.8	(1.2)
Real Estate Financing - Corporate Plans(1)	5,119	4,745	3,554	7.9	44.0
Sureties and Guarantees (2)	34,162	34,256	30,325	(0.3)	12.7
Other	9,812	10,427	9,073	(5.9)	8.1
Total	**149,226**	**145,993**	**139,299**	**2.2**	**7.1**

(1) Includes loan assignments (mortgage-backed receivables) of R$388 million in March 2010, R$393 million in December 2009 and R$303 million in March 2009; and

(2) Around 90% of surety and guarantees from corporate clients are carried out with large corporations.

The corporate segment grew by 7.1% in the last twelve months and 2.2% in the quarter. The main highlights for both periods were real estate financing corporate plans, BNDES/Finame onlending and working capital.

Loan Portfolio Consumer Financing

The graph below shows the types of credit related to Consumer Financing to individuals (CDC/vehicle leasing, personal loans, financing of goods, revolving credit cards and cash and installment purchases from merchants).

Consumer financing amounted to R$68.2 billion, for growth of 4.5% in the quarter and 18.2% in the last twelve months. Growth was led by vehicle financing (CDC/Leasing) and payroll-deductible loans, which together amounted to R$43.4 billion, accounting for 63.6% of the total consumer financing balance and, given the guarantees and characteristics, providing the portfolio with an adequate level of credit risk.

Loan Financial Margin - Interest

Breakdown of Vehicle Portfolio

	R$ million			Variation %	
	Mar10	Dec09	Mar09	Quarter	12M
CDC Portfolio	**23,671**	**21,660**	**22,639**	**9.3**	**4.6**
Individuals	20,609	18,711	19,540	10.1	5.5
Corporate	3,062	2,949	3,099	3.8	(1.2)
Leasing Portfolio	**17,291**	**18,522**	**18,746**	**(6.6)**	**(7.8)**
Individuals	11,329	12,323	12,575	(8.1)	(9.9)
Corporate	5,962	6,199	6,171	(3.8)	(3.4)
Finame Portfolio	**3,590**	**3,984**	**4,085**	**(9.9)**	**(12.1)**
Individuals	108	117	78	(7.7)	38.5
Corporate	3,482	3,867	4,007	(10.0)	(13.1)
Total	**44,552**	**44,166**	**45,470**	**0.9**	**(2.0)**
Individuals	32,046	31,151	32,193	2.9	(0.5)
Corporate	12,506	13,015	13,277	(3.9)	(5.8)

Vehicle financing operations totaled R$44.6 billion in March 2010, for an increase of 0.9% on the previous quarter and a decrease of 2.0% in relation to the first quarter of 2009. Of the total Vehicle Portfolio, nearly 53.1% refers to CDC, 38.8% to Leasing and 8.1% to Finame. Individuals represented 71.9% of the portfolio, and Corporate Clients the remaining 28.1%.

Loan Portfolio - By Type

The table below presents all operations with credit risk (including sureties and guarantees, advances on credit card receivables, loan assignments, and other operations with some type of credit risk), which increased by 4.2% in the quarter and 10.5% in the last twelve months.

	R$ million		
	Mar10	Dec09	Mar09
Loans and Discounted Securities	92,366	86,808	77,599
Financings	56,537	52,730	51,011
Rural and Agribusiness Financing	12,338	11,968	10,703
Leasing Operations	20,249	21,468	21,662

Advances on Exchange Contracts	5,126	5,603	10,220
Other Loans	11,491	12,412	8,853
Total Loan Operations (1)	**198,107**	**190,989**	**180,048**
Sureties and Guarantees Provided (Clearing Accounts) (2)	34,714	34,668	30,712
Other (3)	1,298	1,277	1,154
Total Exposures - Loan Operations	**234,119**	**226,934**	**211,914**
Loan Assignments (FIDC / CRI)	1,119	1,144	1,079
Total	**235,238**	**228,078**	**212,993**
Other Operations w ith Credit Risk (4)	22,828	19,646	20,566
Total Operations with Credit Risk	**258,066**	**247,724**	**233,559**

(1) Concept determined by the Central Bank of Brazil;

(2) Operations in which Banco Bradesco S/A Grand Cayman branch was the beneficiary were not considered, and for comparison purposes the previous periods were adjusted;

(3) Refers to advances of credit card receivables; and

(4) Includes operations involving interbank deposit certificates, debentures, commercial paper, international treasury, swaps, forward currency contracts and investments in receivables-backed investment funds and mortgage-backed receivables.

Loan Financial Margin - Interest

Portfolio Concentration by Sector*

The distribution of the loan portfolio by sector of economic activity did not change significantly, as shown in the table below:

Activity Sector	Mar10	%	Dec09	%	Mar09	% R$ million
Public Sector	**1,546**	**0.8**	**1,621**	**0.8**	**1,562**	**0.9**
Private Sector	**196,561**	**99.2**	**189,368**	**99.2**	**178,486**	**99.1**
Corporate	**111,832**	**56.4**	**108,447**	**56.8**	**105,979**	**58.9**
Industry	39,351	19.9	39,285	20.6	40,871	22.7
Commerce	27,004	13.6	26,436	13.8	24,040	13.4
Financial Intermediaries	788	0.4	821	0.4	1,105	0.6
Services	42,104	21.3	39,250	20.6	37,268	20.7
Agriculture, Cattle Raising, Fishing, Forestry and Forest Exploration	2,585	1.3	2,654	1.4	2,697	1.5
Individuals	**84,729**	**42.8**	**80,922**	**42.4**	**72,506**	**40.3**
Total	**198,107**	**100.0**	**190,989**	**100.0**	**180,048**	**100.0**

(*) Concept determined by the Central Bank of Brazil.

Changes in the Loan Portfolio*

The R$31.6 billion in assets from new loan contracts more than offset the volume of operations that were settled or transferred to losses in the period, enabling growth of R$18.1 billion in the loan portfolio in the last twelve months. This fact demonstrates Bradesco s excellent capacity to expand and diversify its customer base, thereby avoiding portfolio concentration.

* Concept determined by the Central Bank of Brazil.

Loan Financial Margin - Interest

Changes in the Loan Portfolio - By Rating

In the chart below, we show that both new borrowers, as well as remaining debtors from March 2009, presented a good level of credit quality (AA-C), demonstrating the adequacy and consistency of the credit policy and credit rating instruments used by Bradesco.

Changes in the Loan Portfolio by Rating between March 2009 and 2010

Rating	Total Loans in March 2010		New Borrowers between April 2009 and March 2010		Remaining Borrowers in March 2009	
	R$ million	%	R$ million	%	R$ million	%
AA - C	180,984	91.4	28,996	91.7	151,988	91.3
D	3,961	2.0	555	1.7	3,406	2.0
E - H	13,162	6.6	2,073	6.6	11,089	6.7
Total	**198,107**	**100.0**	**31,624**	**100.0**	**166,483**	**100.0**

Loan Portfolio by Client Portfolio

The table below presents a breakdown of the loan portfolio by client profile, with growth in the balance of the Individuals and Micro, Small and Mid-Sized Companies portfolios, both in the quarter and in the last twelve months.

The Large Corporations portfolio, on the other hand, was negatively affected primarily by the appreciation of the Brazilian real during the last twelve months, as detailed in the Loan Portfolio By Currency item.

Type of Client	R$ million			Variation %	
	Mar10	Dec09	Mar09	Quarter	12M
Large Corporates	50,343	49,695	52,662	1.3	(4.4)
SMEs	63,034	60,372	54,879	4.4	14.9
Individuals	84,729	80,922	72,507	4.7	16.9
Total Loan Operations (1)	**198,107**	**190,989**	**180,048**	**3.7**	**10.0**

(1) Concept determined by the Central Bank of Brazil.

Loan Portfolio By Client Portfolio and Rating (%)

The increase in the share of loans rated between AA C compared with the previous quarter reflects an improvement of the loan portfolio, as a result not only of the quality of our credit policy and processes, but also of the improvement in the economic scenario and favorable outlook in the period, as compared to the previous quarter, when the rating profile of clients was still impacted by the effects of the global financial crisis.

Type of Client	**By Rating**								
	Mar10			**Dec09**			**Mar09**		
	AA-C	**D**	**E-H**	**AA-C**	**D**	**E-H**	**AA-C**	**D**	**E-H**
Large Corporates	97.1	1.2	1.6	97.0	1.1	1.9	98.0	1.0	1.0
SMEs	90.8	2.5	6.7	90.2	2.6	7.1	92.0	2.6	5.4
Individuals	88.3	2.1	9.6	87.4	2.0	10.6	88.8	2.2	9.0
Total	**91.4**	**2.0**	**6.6**	**90.8**	**2.0**	**7.2**	**92.5**	**2.0**	**5.6**

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Loan Financial Margin - Interest

Loan Portfolio By Business Segment

The table below shows the growth in the shares of individual business segments in Bradesco s total loan portfolio. We highlight, in the quarter and in the last twelve months, the growth in the Retail/Postal and Prime segments.

The Banco Ibi operations, which were incorporated in the fourth quarter of 2009, boosted growth (50.2%) in the Bradesco Promotora de Vendas and Other segment in the last twelve months. Not considering Banco Ibi operations, growth in this segment would be 15.0% in the period.

Business Segments	R$ million						Variation %	
	Mar10	**%**	**Dec09**	**%**	**Mar09**	**%**	**Quarter**	**12M**
Retail / Postal	63,594	32.1	60,190	31.5	53,657	29.8	5.7	18.5
Corporate	59,566	30.1	56,249	29.4	59,529	33.1	5.9	0.1
Bradesco Financiamentos	27,885	14.1	28,558	15.0	28,132	15.6	(2.4)	(0.9)
Middle Market	24,664	12.4	23,889	12.5	22,832	12.7	3.2	8.0
Bradesco Promotora de Vendas and Other	15,982	8.1	16,004	8.4	10,637	5.9	(0.1)	50.2
Prime	6,416	3.2	6,098	3.2	5,261	2.9	5.2	22.0
Total	**198,107**	**100.0**	**190,989**	**100.0**	**180,048**	**100.0**	**3.7**	**10.0**

Loan Portfolio By Currency

Despite the increase in volume of foreign currency operations, these transactions share remained steady in the last twelve months.

The balance of foreign currency-indexed and/or denominated loans and onlending operations (excluding ACCs) totaled US$8.8 billion in March 2010, which represented a growth - in terms of U.S. dollars - by 47.0% in the last twelve months and 4.1% in the quarter (and in terms of Brazilian reais by 13.1% and 6.5%, respectively). Foreign currency operations totaled R$15.7 billion (R$14.8 billion in December 2009 and R$13.9 billion in March 2009).

In March 2010, total loan operations with domestic currency stood at R$182.4 billion (R$176.2 billion in December 2009 and R$166.1 billion in March 2009), representing an increase of 9.8% in the last twelve months.

Loan Portfolio - By Debtor

In the first quarter of 2010, the credit exposure levels of the 100 largest debtors were less concentrated upon comparison with the previous quarter.

Loan Financial Margin - Interest

Loan Portfolio By Flow of Maturities

The flow of maturities of performing loan operations and/or installments coming due presented an extended profile, mainly thanks to CDC/vehicle leasing and real estate financing operations which have inherently longer terms, but also have lower risk, due to the characteristics and guarantees typically involved.

Loan Financial Margin - Interest

Loan Portfolio Delinquency over 90 days

As expected, the delinquency ratio for operations over 90 days declined in the first quarter of 2010, benefited by improved economic indicators in the period, driven by the recovery in economic activity, which allowed for improvement in loan operations. Bradesco ended the quarter with delinquency of 4.4%, likely to drop in the coming months.

The graph below presents the slight decrease in delinquency for operations overdue from 61 to 90 days compared to the same quarter in the year before, yet in the quarterly comparison this indicator remains steady.

Loan Financial Margin - Interest

Analysis of delinquency by client type shows that operations overdue from 61 to 90 days slightly decreased for Individuals and remained steady for Corporate clients.

Loan Financial Margin - Interest

PLL vs. Delinquency vs. Losses

The total volume of Allowance for Loan Losses (PLL) was R$15.8 billion, corresponding to 8.0% of the total portfolio. The total allowance is composed of generic provisions (classification by client and/or operation), specific provisions (non-performing) and excess provisions (internal policies and criteria).

Improvement in rating levels, in addition to a decrease in delinquency, resulted in lower requirements for the allowance for doubtful accounts in the same period.

It is important to highlight the adequacy of provisioning criteria adopted, which can be proved by analyzing the historical data for the recorded allowances for loan losses and the effective losses in the subsequent 12-month period. For instance, in March 2009, for an existing provision of 6.3% of the portfolio, the loss in the subsequent twelve months was 4.9%, which means the existing provision covered the loss by a 30% margin.

Loan Financial Margin - Interest

Analysis in terms of net recovery of losses shows a significant increase in the coverage margin. For instance, in March 2009, for an existing provision of 6.3% of portfolio, the net loss in the subsequent twelve months was 3.8%, i.e., the existing provision covered the loss by a margin of more than 65%.

Loan Financial Margin - Interest

Allowance for Loan Losses

Bradesco holds allowances in excess of Central Bank requirements of R$3.0 billion. The current provisioning levels reflect Bradesco s cautious approach for supporting potential changes in scenarios, such as higher delinquency levels and/or changes in the loan portfolio profile.

Delinquency of over 60 days (non performing loans) presented the same tendency to decrease as delinquency of more than 90 days. Moreover, additional comfort stemmed from higher Operating Coverage Ratios in March 2010, both for Non Performing Loans (151.3%) and delinquency over 90 days (180.8%).

(*) Loan operations overdue for over 60 days and that do not generate revenue appropriation under the accrual accounting method.

Loan Financial Margin - Interest

Loan Portfolio Portfolio Indicators

To facilitate monitoring of the quantitative and qualitative performance of Bradesco s loan portfolio, a comparative summary of the main figures and indicators is presented below:

			R$ million (except %)
	Mar10	**Dec09**	**Mar09**
Total Loan Operations	198,107	190,989	180,048
- Individuals	84,729	80,922	72,507
- Corporate	113,378	110,067	107,541
Existing Provision	15,836	16,313	11,424
- Specific	8,230	8,886	6,794
- Generic	4,601	4,424	2,941
- Excess	3,005	3,003	1,689
Specific Provision / Existing Provision (%)	52.0	54.5	59.5
Existing Provision / Loan Operations (%)	8.0	8.5	6.3
AA - C Rated Loan Operations / Loan Operations (%)	91.4	90.8	92.4
D Rated Operations under Risk Management / Loan Operations (%)	2.0	2.0	2.0
E - H Rated Loan Operations / Loan Operations (%)	6.6	7.2	5.6
D Rated Loan Operations	3,961	3,777	3,521
Existing Provision for D Rated Operations	1,046	996	923
D Rated Provision / Loan Operations (%)	26.4	26.4	26.2
D - H Rated Non-Performing Loans	11,651	12,299	10,342
Existing Provision/D - H Rated Non-Performing Loans (%)	135.9	132.6	110.5
E - H Rated Loan Operations	13,161	13,845	10,040
Existing Provision for E - H Rated Loan Operations	11,622	12,226	8,595
E - H Rated Provison / Loan Operations (%)	88.3	88.3	85.6
E - H Rated Non-Performing Loans	9,742	10,501	8,397
Existing Provision/E - H Rated Non-Performing Loan (%)	162.6	155.3	136.1
Non-Performing Loans (*)	10,465	10,978	9,339
Non-Performing Loans (*) / Loan Operations (%)	5.3	5.7	5.2
Existing Provision / Non-Performing Loans (*) (%)	151.3	148.6	122.3

Loan Operations Overdue for Over 90 days	8,760	9,344	7,498
Existing Provision / Operations Overdue for Over 90 days	180.8	174.6	152.4

(*) Loan operations overdue for over 60 days and that do not generate revenue appropriation under the accrual accounting method.

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Funding Financial Margin - Interest

Funding Financial Margin - Breakdown

					R$ million
			Financial Margin - Funding		
	1Q10	**4Q09**	**1Q09**	**Variation Quarter**	**12M**
Interest - due to volume				14	31
Interest - due to spread				(24)	(187)
Interest Financial Margin	**593**	**603**	**749**	**(10)**	**(156)**

In the first quarter of 2010, the interest funding financial margin was R$593 million, compared with R$603 million in the previous quarter. The decrease of 1.7%, or R$10 million, was due to a reduction in the average spread of R$24 million, which was partially offset by an increase in average business volume of R$14 million.

In the first quarter of 2010 in relation to the first quarter of 2009, financial margin fell by 20.8% (or R$156 million). This variation was negatively impacted by R$187 million from spreads due to lower market interest rates (Selic). However, this effect was partially offset by the implementation of new funding strategies, which led to expansion in the average volume of demand and savings deposits.

Funding Financial Margin - Interest

Loans vs. Funding

To analyze loan operations in relation to funding, it is first necessary to deduct, from the total clients funding, the amount committed to compulsory deposits at the Central Bank and the amount of available funds held at units in the customer service network, and to add the funds from domestic and offshore lines that provide the institution s funding to meet loan and financing needs.

Bradesco presents low reliance on interbank deposits and foreign credit lines, given its effective capacity to obtain funding from clients. This efficiency is the result of its extensive network, broad product portfolio and market s confidence in the Bradesco brand.

Note that the percentage of funds used increased in both annual and quarterly comparisons. This shows that Bradesco was basically able to meet the funding needs of its loan operations through funding operations with its clients.

Funding x Investments	**R$ million**			**Variation %**	
	Mar10	**Dec09**	**Mar09**	**Quarter**	**12M**
Demand Deposits + Investment Account	32,585	35,663	25,882	(8.6)	25.9
Sundry Floating	3,715	1,522	2,991	144.1	24.2
Savings Deposits	45,195	44,162	37,392	2.3	20.9
Time Deposits + Debentures (1)	134,122	128,198	138,606	4.6	(3.2)
Other	10,851	10,089	7,051	7.6	53.9
Clients Funds	**226,468**	**219,634**	**211,922**	**3.1**	**6.9**
(-) Compulsory Deposits / Funds Available (2)	(46,064)	(38,203)	(33,866)	20.6	36.0
Clients Funds Net of Compulsory Deposits	**180,404**	**181,431**	**178,056**	**(0.6)**	**1.3**
Onlending	20,646	18,812	17,124	9.7	20.6
Foreign Credit Lines	14,272	9,271	11,087	53.9	28.7
Funding Abroad	15,383	13,081	16,566	17.6	(7.1)
Total Funding (A)	**230,705**	**222,595**	**222,833**	**3.6**	**3.5**
Loan Portfolio/Leasing/Cards (Other Loans)/Acquired CDI (B) (3)	199,605	191,970	184,837	4.0	8.0
B/A (%)	**86.5**	**86.2**	**82.9**	**0.3 p.p**	**3.6 p.p**

(1) Debentures used basically to back purchase and sale commitments;

(2) Excludes government bonds tied to savings accounts; and

(3) Amount related to cards operations (cash and installment purchases from merchants) and amounts related to interbank deposits calculated towards compulsory deposits.

Funding Financial Margin - Interest

Main Funding Sources

The following table presents the changes in the main funding sources:

	R$ million			Variation %	
	Mar10	**Dec09**	**Mar09**	**Quarter**	**12M**
Demand Deposits + Investment Account	32,584	35,663	25,882	(8.6)	25.9
Savings Deposits	45,195	44,162	37,392	2.3	20.9
Time Deposits	92,577	90,496	105,424	2.3	(12.2)
Debentures (*)	40,790	36,962	31,651	10.4	28.9
Borrow ing and Onlending	30,208	27,328	30,420	10.5	(0.7)
Funds from Issuance of Securities	8,550	7,482	9,280	14.3	(7.9)
Subordinated Debts	23,541	23,104	20,274	1.9	16.1
Total	**273,445**	**265,197**	**260,323**	**3.1**	**5.0**

(*) Considers only debentures used to back purchase and sale commitments.

Demand Deposits and Investment Account

The 8.6% or R $3,079 million reduction during the quarter was due to decreased funding volume, caused by the seasonality of the fourth quarter of 2009 and marketability caused by the 13^{th} salary.

The 25.9%, or R$6,702 million increase from March 2009 to March 2010 reflects the funds related to the acceleration in economic activity, which led to improvements in funding.

Savings Deposits

The variation in the quarter is basically due to the higher inflows and the remuneration of deposits (TR + 0.5% p.m.), which reached 1.6% in the first quarter of 2010, representing growth of 2.3%. We believe savings accounts will remain a good investment alternative, especially for smaller-scale savers, enabling the continued increase in deposits.

Compared with the same quarter in the year before, the growth in deposits is mainly the result of increased funding that exceeded redemptions and the remuneration of balances (TR + 0.5% p.m.), which reached a 20.9% growth.

Funding Financial Margin - Interest

Time Deposits

In the first quarter of 2010, time deposits grew 2.3% (or R$2,081 million) over the previous quarter.

The variation in comparison to the previous quarter is due mainly to an upturn in the global economic scenario, thus providing greater liquidity and generating alternatives for other funding sources.

Debentures

The positive variation of 10.4% in the first quarter of 2010 basically reflects the placement of these securities, which are used to back purchase and sale commitments.

Borrowings and Onlending

The 10.5%, or R$2,880 million increase in the quarter is mainly due to the following: (i) the R$1,809 million increase in the volume of funds from borrowings and onlending in the country, especially through Finame operations; and (ii) the positive variation of the foreign exchange rate of 2.3% in the first quarter of 2010, which impacted borrowings and onlendings denominated and/or indexed in foreign currency, whose balance was R$8,005 million in December 2009 and R$9,077 million in March 2010.

The slight reduction in the first quarter of 2010 in comparison with the first quarter of 2009 was basically due to: (i) the 23.1% negative exchange rate variation, which directly impacted borrowings and onlendings denominated and/or indexed in foreign currency, whose balance was R$12,680 million in March 2009 and R$9,077 million in March 2010; which was partially offset by (ii) the

R$3,391 million increase in the volume of funds from borrowings and onlending in the country, especially through Finame and BNDES operations, whose balance was R$17,740 million in March 2009 and R$21,131 million in March 2010.

Funding Financial Margin - Interest
Funds from Security Issuances

The 14.3% increase, or R$1,068 million, in the quarter was basically due to (i) the issuance of securities in the external market in March 2010, which provided greater funding of approximately R$1,335 million; (ii) new operations with Mortgage Letters in the amount of R$97 million; and (iii) the positive exchange rate variation of 2.3%; which was offset by (iv) the lower volume in Agribusiness Mortgage Letters in the amount of R$123 million.

In the comparison between the first quarter of 2010 and the first quarter of 2009, the reduction of 7.9% or R$730 million was mainly due to: (i) the reduction in volume of operations with MT100 securities of R$947 million; (ii) the reduction in funds from Debentures of R$775 million, stemmed from repurchase by third parties; (iii) the reduction in operations with Agribusiness Mortgage Letters of R$171 million; which were offset by (iv) the issue of securities in the external market amounting to R$1,082 million.

Subordinated Debt

In March 2010, Bradesco s Subordinated Debt totaled R$23,541 million (R$3,854 million abroad and R$19,687 million in Brazil). In the 12-month period, Bradesco issued R$2,803 million in Subordinated Debts in Brazil and Abroad, R$2,616 million of which eligible for Level II of the Capital Adequacy Ratio (Basel II) with maturity in 2015 and 2019, respectively.

Note that only R$9,816 million of the total subordinated debt is used for calculating the Capital Adequacy Ratio (Basel II), given the maturity of each subordinated debt operation.

Securities/Other Financial Margin - Interest

Securities/Other Financial Margin - Breakdown

					R$ million
	Financial Margin - Securities / Other				
	1Q10	4Q09	1Q09	Variation Quarter	12M
Interest - due to volume				12	42
Interest - due to spread				(44)	(122)
Interest Financial Margin	439	471	519	(32)	(80)
Revenues	3,750	3,641	4,423	109	(673)
Expenses	(3,311)	(3,170)	(3,904)	(141)	593

In relation to the fourth quarter of 2009, interest financial margin from Securities/Other decreased by 6.8% or R$32 million in the first quarter of 2010, due to the average spread reduction of R$44 million, partially offset by the increase in average business volume in the amount of R$12 million.

In the first quarter of 2010, interest financial margin was down R$80 million or 15.4% in relation to the same period in the previous year, represented by the average spread drop in the amount of R$122 million, offset by the increase in average business volume in the amount of R$42 million.

Insurance Financial Margin - Interest

Insurance Financial Margin - Breakdown

					R$ million
	Financial Margin - Insurances				
	1Q10	4Q09	1Q09	Variation Quarter	12M
Interest - due to volume				27	103
Interest - due to spread				20	63
Interest Financial Margin	744	697	578	47	166
Revenues	2,276	1,914	1,952	362	324
Expenses	(1,532)	(1,217)	(1,374)	(315)	(158)

The interest financial margin of insurance operations increased by R$47 million, or 6.7%, in relation to the fourth quarter of 2009, due to the average business volume growth of R$27 million and the R$20 million increase of average spread.

In relation to the first quarter of 2009, interest financial margin of insurance operations increased by R$166 million or 28.7% which was impacted by the growth of average business volume of R$103 million and the R$63 million increase of average spread, which was due to higher profitability of assets indexed to IPCA and to an improved performance of multimarket funds in the first quarter of 2010.

Financial Margin Non-Interest

Financial Margin Non-Interest - Breakdown

					R$ million
	Non-Interest Financial Margin				
	1Q10	**4Q09**	**1Q09**	**Variation Quarter**	**12M**
Loans	-	-	(64)	-	64
Funding	(63)	(62)	(60)	(1)	(3)
Insurance	69	143	59	(74)	10
Securities/Other	277	267	758	10	(481)
Total	**283**	**348**	**693**	**(65)**	**(410)**

In the first quarter of 2010, the non-interest financial margin dropped by R$65 million in relation to the previous quarter. In the first quarter of 2010 this item decreased by R$410 million from the same period in the previous year. The variations in non-interest financial margin were basically due to:

· Loans , represented by commissions for placing financing and loans. Expenses were lower due to a change in the accounting policy as of the second quarter of 2008, with financing commissions incorporated under the balances of financing/leasing operations;

· Funding , represented by expenses with the Credit Guarantee Fund (*Fundo Garantidor de Crédito* -FGC). The increase in the periods compared was mainly due to expansion in the client base.

· Insurance , represented by gains from equity investments and variations between the periods are associated with market conditions, which provided better/worse opportunities for realizing gains; and

· Securities/Other , the increase of R$10 million in the first quarter of 2010 on the previous quarter arises from higher treasury/securities gains. When compared to the first quarter of 2009, the R$481 million drop was led by the recovery of financial markets in the quarter, which caused a positive variation in mark-to-market adjustments of credit derivatives (Credit Default Swaps - CDSs) linked to Brazilian government bonds issued abroad and securities pegged to IPCA inflation rates.

Insurance, Private Pensions and Savings Bonds

Analysis of the balance sheets and adjusted income statements of Grupo Bradesco de Seguros, Previdência e Capitalização:

Balance Sheet

			R$ million
	Mar10	**Dec09**	**Mar09**
Assets			
Current and Long-Term Assets	**92,552**	**89,991**	**79,154**
Securities	86,928	83,733	73,059
Insurance Premiums Receivable	1,337	1,638	1,345
Other Loans	4,287	4,620	4,750
Permanent Assets	**2,116**	**2,117**	**1,581**
Total	**94,668**	**92,108**	**80,735**
Liabilities			
Current and Long-Term Liabilities	**83,494**	**80,384**	**71,209**
Tax, Civil and Labor Contingencies	1,590	1,518	1,928
Payables on Insurance, Private Pension Plans and Savings Bonds Operations	296	302	308
Other Liabilities	3,923	2,992	2,300
Insurance Technical Provisions	6,972	6,856	6,549
Technical Provisions for Life and Private Pension Plans	67,572	65,692	57,384
Technical Provisions for Savings Bonds	3,141	3,024	2,740
Minority Interest	**613**	**597**	**142**
Shareholders' Equity	**10,561**	**11,127**	**9,384**
Total	**94,668**	**92,108**	**80,735**

Adjusted Consolidated Statement of Income

			R$ million
	1Q10	**4Q09**	**1Q09**
Insurance Written Premium, Pension Plan Contributions and Savings Bonds Income (*)	7,196	8,040	5,514
Premiums Earned from Insurance, Private Pension Plans Contribution and Savings Bonds	3,672	3,719	3,182

Reduction of PIC/PDA Interest Rate	-	(180)	-
Interest Income of the Operation	791	712	622
Sundry Operating Revenues	261	197	241
Retained Claims	(2,267)	(2,197)	(1,982)
Savings Bonds Draw ing and Redemptions	(451)	(522)	(364)
Selling Expenses	(372)	(335)	(299)
General and Administrative Expenses	(402)	(368)	(308)
Other (Operating Income/Expenses)	(17)	(86)	(46)
Tax Expenses	(85)	(80)	(72)
Operating Income	**1,130**	**860**	**974**
Equity Result	55	99	46
Non-Operating Income	(7)	(16)	12
Taxes and Contributions and Minority Interest	(475)	(341)	(382)
Adjusted Net Income	**703**	**602**	**650**

(*) We did not consider the effect of RN 206/09 (ANS) in the total of R$345 million (health), which, as of January 2010, excluded PPNG

(SES) and the accounting of premiums Pro-rata temporis. This change in accounting did not affect Earned Premiums.

Insurance, Private Pensions and Savings Bonds
Adjusted Income Distribution of Grupo Bradesco de Seguros e Previdência

								R$ million
	1Q10	**4Q09**	**3Q09**	**2Q09**	**1Q09**	**4Q08**	**3Q08**	**2Q08**
Life and Private Pension Plans	409	394	347	366	357	383	392	385
Health	148	129	89	107	137	113	115	115
Savings Bonds	65	44	65	58	50	55	64	76
Basic Lines and Other	81	35	106	107	106	(1)	58	147
Total	**703**	**602**	**607**	**638**	**650**	**550**	**629**	**723**

Performance Ratios

								%
	1Q10	**4Q09**	**3Q09**	**2Q09**	**1Q09**	**4Q08**	**3Q08**	**2Q08**
Claims Ratio (1)	73.3	74.3	77.2	73.3	73.7	78.0	72.4	73.1
Selling Ratio (2)	10.6	9.6	9.9	9.9	9.5	10.1	10.3	10.7
Administrative Expenses Ratio (3)	5.6	4.6	5.4	5.4	5.6	6.0	5.9	5.1
Combined Ratio (*) (4)	85.2	85.3	88.9	85.5	86.2	89.7	84.4	84.9

(*) Excludes additional provisions.

(1) Retained Claims/Earned Premiums;

(2) Selling Expenses/Earning Premiums;

(3) Administrative Expenses/Net Premiums Written; and

(4) (Retained Claims + Selling Expenses + Other Operating Revenues and Expenses) / Earned Premiums + (Administrative Expenses + Taxes) / Net Premiums Written.

Premiums Written, Pension Plan Contributions and Savings Bonds Income (*)

(*) We did not consider the effect of RN 206/09 (ANS) in the total of R$345 million (health), which, as of January 2010, excluded PPNG (SES) and the accounting of premiums Pro-rata temporis. This change in accounting did not affect Earned Premiums.

In the first quarter of 2010, premiums written, pension plan contributions and savings bonds income increased by 30.5% on the same quarter of the previous year.

According to Susep and ANS, in the insurance, private pension plans and savings bonds segment, Bradesco Seguros e Previdência collected R$2.5 billion up to January 2010, maintaining its leadership position in the ranking, with market share of 25.8%. In the same period, the insurance industry collected R$9.5 billion.

Insurance, Private Pensions and Savings Bonds

Retained Claims by Insurance Line

Obs: for comparison purposes, we have excluded Technical Provisions complements on benefits to be granted - Remission, from the selling ratio calculation (Premiums earned), amounting to R$149 million (health insurance).

Insurance Selling Expenses by Insurance Line

Obs: for comparison purposes, we have excluded Technical Provisions complements on benefits to be granted - Remission, from the selling ratio calculation (Premiums earned), amounting to R$149 million (health insurance).

Efficiency Ratio

General and Administrative Expenses / Revenue

Insurance, Private Pensions and Savings Bonds

Insurance Technical Provisions

Insurance Group technical provisions accounted for 31.8% of the insurance market in January 2010, according to Susep and ANS data.

Obs. 1: According to RN 206/09, as of January 2010, provisions for unearned premiums (PPNG) were excluded.
Obs. 2: According to Susep 379/08, as of January 2009, technical provisions for reinsurance were recorded under assets.

Bradesco Vida e Previdência

	R$ million (except when otherwise indicated)							
	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Adjusted Net Income	409	394	347	366	357	383	392	385
Income from Premiums and Contribution Revenue*	3,910	4,933	3,697	3,304	2,822	3,517	3,117	3,224
- Income from Private Pension Plans and VGBL	3,291	4,295	3,100	2,758	2,294	2,964	2,599	2,732
- Income from Life/Accidents Insurance Premiums	619	638	597	546	528	553	518	492
Technical Provisions	67,572	65,692	61,918	59,533	57,384	56,052	54,530	53,881
Investment Portfolio	70,920	68,780	64,646	61,736	59,063	57,357	56,564	56,145
Claims Ratio	45.1	50.9	48.1	43.9	43.7	48.4	48.4	36.2
Selling Ratio	18.8	14.4	16.5	17.1	14.9	17.5	16.9	16.2
Combined Ratio	73.9	70.6	74.4	69.4	68.6	71.9	69.9	66.8
Participants / Policyholders (in thousands)	21,326	21,389	21,206	20,231	19,838	18,918	18,553	17,984
Premiums and Contributions Revenue Market Share (%)**	36.3	31.1	31.1	30.4	34.2	34.5	35.3	35.7
Life/AP Market Share - Insurance Premiums (%)**	18.6	16.5	16.0	16.1	17.4	16.7	16.6	16.1

*Life/VGBL/Traditional

**Data for January 2010, November 2009, August 2009, May 2009, January 2009, November 2008, July 2008 and May 2008.

Due to its solid structure, policy of product innovation and the consumer reliance, Bradesco Vida e Previdência maintained its leadership, holding market share of 36.3% in terms of income from pension plans and VGBL.

Bradesco Vida e Previdência is also a leader in VGBL plans, with a 38.6% share, and in Private Pension plans, with 27.1% (source: Fenaprevi -data as of January 2010).

The 3.8% increase in the adjusted net income of first quarter of 2010 versus the previous quarter was due to the 5.8 percentage point reduction in the life line's claims ratio, combined with increased general and administrative expenses, which were impacted by a collective agreement in January. It is worth noting that, despite the period s sound financial performance, the fourth quarter of 2009 was impacted by expenses related to the recording of the provision for contribution insufficiency (PIC) and the technical provision for administrative expenses (PDA), due to the interest rate reduction used in the calculation of these reserves, from 4.3% p.a. to 4.0% p.a.

Adjusted net income in the first quarter of 2010 was 14.6% higher than the figure of the same period of the previous year, due to (i) an impressive revenue growth of 38.6%; (ii) a drop in the recording of PIC and PDA technical provisions; (iii) improved interest income, partially offset by: (iv) the slight increase in claims ratios in the Life/AP lines; and (v) increased sales costs.

Bradesco Vida e Previdência

The technical provisions of Bradesco Vida e Previdência in March 2010 totaled R$67.6 billion, of which R$64.6 billion was from private pension and VGBL and R$3 billion from life, personal accident and other lines, representing growth of 17.8% in relation to March 2009.

The investment portfolio of Bradesco Vida e Previdência stood at R$70.9 billion in March 2010.

Evolution of Participants and Life and Personal Accident Policyholders

In March 2010, the number of Bradesco Vida e Previdência clients grew by 7.5% compared to March 2009, surpassing the mark of 2 million private pension and VGBL plans participants and of 19.3 million personal accident and life insurance policyholders. This strong growth was

fueled by the strength of the Bradesco Brand and adequate selling and management policies.

Bradesco Saúde Consolidated*

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Net Income (R$ million)	148	129	89	107	137	113	115	115
Net Premiums Written (R$ million)*	1,705	1,622	1,573	1,484	1,419	1,410	1,389	1,327
Technical Provisions (R$ million)	3,405	3,555	3,479	3,447	3,429	3,416	3,385	3,332
Claims Ratio	83.0	85.7	89.2	86.0	83.6	89.4	82.9	85.4
Selling Ratio	4.5	4.1	3.9	4.0	3.8	3.7	3.5	3.5
Combined Ratio	96.8	96.8	99.4	98.2	94.5	99.5	95.7	99.0
Policyholders (in thousands)	7,075	4,310	4,193	4,063	3,929	3,826	3,696	3,484
Written Premiums Market Share (%)**	48.2	48.5	47.9	47.0	46.8	46.0	42.5	43.5

(*) We did not consider the effect of RN 206/09 (ANS) in the total of R$345 million (health), which, as of January 2010, excluded PPNG (SES) and the accounting of premiums Pro-rata temporis. This change in accounting did not affect Earned Premiums.

Obs.: for comparison purposes, we have excluded build in Technical Provisions for benefits to be granted - Remission, from the first quarter of 2010 ratios, amounting to R$149 million (health insurance).

** Data as of January 2010, November 2009, August 2009, May 2009, January 2009, November 2008, July 2008 and May 2008.

Adjusted net Income in the first quarter of 2010 was 15% higher than in the previous quarter. This increase is the result of: (i) 5.1% revenue growth; (ii) a 2.7 percentage points drop in claims ratios (iii) improved interest income, and partially offset by (iv) build in Technical Provision for benefits to be Granted Remission, individual segment.

The adjusted net income of the first quarter of 2010, in comparison with the same period in the previous year, was impacted by: (i) a 20.2% profit increase; (ii) interest income improvement; (iii) a slight decrease in claims ratios, by 0.6 percentage points; and offset by (iv) build in Technical Provision for benefits to be granted Remission, individual segment.

In March 2010, Bradesco Saúde maintained its strong market position in the corporate segment (source: ANS). Brazilian companies are increasingly convinced that health and dental insurance are the best alternatives for meeting their medical and hospital needs.

Over 37.5 thousand companies in Brazil have Bradesco Saúde insurance. Of the 100 largest companies in Brazil in terms of revenue, 41 are Bradesco Saúde and Bradesco Dental clients. Considering Mediservice, this figure increases to

46 (Source: *Exame* magazine Melhores e Maiores ranking, July 2009).

Number of Policyholders of Bradesco Saúde Consolidated

Bradesco Saúde - Consolidated has over 7 million clients. The high share of corporate policies in the overall portfolio (91.9% in March 2010) shows the high level of specialization and customization in the corporate segment, which is a major advantage in today s supplementary health insurance market.

Mediservice S.A. became part of Grupo Bradesco de Seguros e Previdência as of February 22, 2008. With a portfolio of almost 247 thousand customers, Mediservice has healthcare and dental plans for corporate clients in post-payment basis.

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Bradesco Capitalização

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Net Income (R$ million)	65	44	65	58	50	55	64	76
Revenues from Savings Bonds (R$ million)	526	575	520	483	413	477	443	408
Technical Provisions (R$ million)	3,141	3,024	2,865	2,785	2,740	2,706	2,668	2,592
Clients (in thousands)	2,553	2,531	2,507	2,525	2,543	2,546	2,492	2,397
Market Share from Premiums and Contributions Revenues (%)*	19.6	19.7	19.2	18.8	19.3	18.9	18.9	18.3

* Data as of January 2010, November 2009, August 2009, May 2009, January 2009, November 2008, July 2008 and May 2008.

Impressive adjusted net income growth in the first quarter of 2010 versus the adjusted net income in the previous quarter is due to: (i) increased interest income; (ii) a fall in savings bond redemptions - which are historically larger in the last quarter of the year; and offset by: (iii) the effect of the collective bargaining agreement in January on personnel expenses.

Adjusted net Income in the first quarter of 2010 was 30% expressively higher than in the first quarter of 2009, due primarily to: (i) the 27.9% growth in revenue; and (ii) the improvement in financial income.

Bradesco Capitalização

Bradesco Capitalização ended the first quarter of 2010 as a leader in the savings bond industry, due to its policy of transparency and adjusting its products based on the potential demand from consumers.

To offer savings bonds that are ideally suited to the profile and budget of clients, various products were developed that vary in accordance with the payment conditions (lump-sum or monthly), contribution term, frequency of drawings and premium amounts. This phase was mainly characterized by a closer relationship with the public by consolidating the Pé Quente Bradesco family of products.

A highlight was the performance of social and environmental products, in which part of the amount collected is transferred to social responsibility projects, while also enabling the client to start a financial reserve. Bradesco Capitalização currently has partnership agreements with the following social and environmental institutions: *Fundação SOS Mata Atlântica*, which contributes to the development of reforestation projects; *Instituto Ayrton Senna*, whose main differential is the transfer of a percentage of the amount collected to social projects; Brazilian Cancer Control Institute, which contributes to the development of projects for the prevention, early diagnosis and treatment of cancer in Brazil; and *Fundação Amazonas Sustentável*, through which part of the amount collected is used to develop environmental preservation and sustainable development programs and projects.

The portfolio is composed of 16.1 million active bonds. Out of this total, 33.3% are represented by Traditional Bonds sold in the Branch Network and *Bradesco Dia&Noite* channels, posting a 6.1% growth compared to March 2009. The remaining 66.7% of the portfolio is represented by Incentive bonds (loan assignments from drawings), for instance: partnerships with Bradesco Vida e Previdência and Bradesco Auto/RE. Since the objective of this type of savings plan is to add value to the partner company s product or to foster the compliance of its clients, maturity and grace periods are reduced and have low unitary sale value.

Bradesco Capitalização S.A. maintains a quality management system and holds the latest version of the NBR ISO 9001:2008 certification for Management of Bradesco Savings Bonds . This certification, which is granted by *Fundação Vanzolini*, attests to the quality of its internal processes and confirms the principle that underpins Bradesco Savings Bonds: good products, services and continous growth.

Bradesco Auto/RE

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Net Income (R$ million)	22	43	33	40	32	(11)	35	39
Net Premiums Written (R$ million)	935	855	812	754	718	739	791	711
Technical Provisions (R$ million) (1)	3,402	3,162	2,998	2,940	3,000	2,315	2,203	2,158
Claims Ratio (2)	70.7	70.2	72.3	65.3	72.7	75.7	68.7	71.0
Selling Ratio	17.7	16.6	17.5	16.9	17.3	17.5	18.8	20.2
Combined Ratio (2)	104.3	107.8	106.4	99.9	106.2	111.6	104.6	105.9
Policyholders (in thousands)	2,814	2,592	2,433	2,359	2,280	2,192	2,117	2,177
Market Share from Premiums and Contributions Revenues (%)*	11.2	10.2	10.2	10.1	9.8	10.6	10.8	10.7

* Data as of January 2010, November 2009, August 2009, May 2009, January 2009, November 2008, July 2008 and May 2008.

Insurance premiums in the Auto/RE line held a market share of 11.2% (market data in January 2010).

Adjusted net Income in the first quarter of 2010 decreased by R$21 million when compared to the previous quarter, despite the 9.4% growth in sales and maintenance of the fourth quarter of 2009 claims ratio levels, already taking into consideration the severe impact of rain affecting the state of São Paulo in the period. This reduction was due to the following factors: (i) the financial result was impacted by the R$1 billion capital decrease; (ii) equity lower than the previous quarter; and (iii) a slight increase in selling expenses.

When compared to the same period of the previous year, the 31.3% reduction in the adjusted net income, despite the 30.2% substantial increase in revenues and the 2.0 percentage point drop in claims ratio is due to: (i) the capital decrease amounting to R$1 billion, which impacted financial income; and (ii) the 0.4 percentage point increase in selling costs.

Grupo Bradesco de Seguros e Previdência maintained its leadership position among major insurers of Brazil s Basic Lines Insurance market, with market share of 5.5% in January 2010.

In segments related to Property Insurance, Bradesco Auto/ RE has been renewing the insurance programs of its main clients through partnerships with brokers specialized in the segment and creating a closer relationship with Bradesco Corporate and Bradesco Empresas. The excellent performance of the oil industry and rebound in the construction industry have also contributed to the growth of Bradesco Auto/RE in this segment.

In Aviation and Maritime Hull insurance, the increased exchange with Managers at Bradesco Corporate and Bradesco Empresas has been drawn on extensively, taking full advantage of the stronger sales of new aircraft and naval construction.

The transportation segment is still the primary focus, with essential investments made to leverage new business, especially in the renewal of Reinsurance Agreements, which gives insurers the important power to assess and cover risk, and consequently increase competitiveness in more profitable businesses, such as international transportation insurance for shipping companies involved in international trade.

Despite strong competition in the Auto/RCF line, the insurer has increased its client base. This is mainly due to the improvement of current products and the creation of new products targeting specific publics. These include Bradesco Seguro Exclusivo Cliente Bradesco, which is exclusively for Banco Bradesco accountholders and Auto Mulher, which targets women.

Grupo Bradesco de Seguros e Previdência held a market share in the Auto/RCF market in January 2010 of 16.0%.

Bradesco Auto/RE

Number of Policyholders in Auto/RE

In the mass insurance segment of Basic Lines, where products target individuals, self-employed professionals and SMEs, the launch of new products and the continuous improvement of methods and systems have contributed to growth in the client base. This increase can be observed mainly in residential insurance, such as Bradesco Seguro Residencial and Bradesco Seguro Auto + Residencial. The new product Bradesco Seguro Residencial Preferencial, which targets preferred clients of Banco Bradesco, also stood out.

Fee and Commission Income

A breakdown of the variations in fee and commission income for the respective periods is presented below:

Fee and Commission Income	1Q10	4Q09	1Q09	R$ million Variation Quarter	12M
Card Income	972	953	834	19	138
Checking Account	542	543	487	(1)	55
Fund Management	429	430	369	(1)	60
Loan Operations	390	405	366	(15)	24
Collection	257	259	236	(2)	21
Custody and Brokerage Services	114	116	89	(2)	25
Consortium Management	97	95	80	2	17
Payment	69	66	63	3	6
Underw riting	75	105	22	(30)	53
Other	179	153	177	26	2
Total	**3,124**	**3,125**	**2,723**	**(1)**	**401**

Explanations of the main items that influenced the variation in fee and commission income between periods follow.

Fee and Commission Income

Card Income

In the first quarter of 2010, the R$19 million increase on the previous quarter was partially due to the inclusion of Banco Ibi figures.

In the first quarter of 2010, Card Fee Income was R$972 million, up 16.5% or R$138 million in comparison with the previous year. This performance results mainly from the increase in purchases and services income, plus a 59.3% increase in the cards base, which grew from 85,185 thousand in March 2009 to 135,661 thousand in March 2010, due to organic growth and the Banco Ibi merger. Services income for 2010 includes the partial divestment of interest in the acquirer Cielo, in July 2009, from 39.3% to 26.6%.

During the same period, credit card revenue grew by 41.5%, reaching R$16,678 million, and the number of transactions grew by 36.5%, from 158,070 thousand to 215,747 thousand.

Fee and Commission Income

Checking Account

In the first quarter of 2010, revenues from checking account services reached R$542 million, practically stable compared to the previous quarter.

Despite the suspension on the renewal fee in the third quarter of 2009, checking account service revenue increased by 11.3%, or R$55 million, in the first quarter of 2010, in comparison with the first quarter of 2009, due mainly to a net increase of 998 thousand new checking accounts (912 thousand individual and 86 thousand corporate checking accounts).

Loan Operations

In the first quarter of 2010, the decrease of 3.7%, or R$15 million, was mainly impacted by the lower volume of contracted financing operations, due to the seasonality of the fourth quarter of 2009.

The increase of R$24 million in the first quarter of 2010 versus the same period in the previous year is mainly due to: (i) the growth in income from guarantees, which raised 28.4%, basically deriving from the 13.0% increase in Sureties and Guarantees operations; (ii) and by an increase in contracted operations during the period.

Fee and Commission Income

Asset Management

In the first quarter of 2010, the asset management income remained almost steady in comparison with the previous quarter, even with less business days (2 days).

The R$60 million increase between the first quarter of 2009 and the first quarter of 2010 was mainly due to the growth in assets under Bradesco management of 28.7%. The highlight was income from equity investment funds, which grew by 91.2%, followed by growth in third party funds of 76.8%.

Shareholders' Equity	**R$ million**			**Variation %**	
	Mar10	**Dec09**	**Mar09**	**Quarter**	**12M**
Investment Funds	232,854	225,011	180,467	3.5	29.0
Managed Portfolios	17,960	16,142	16,131	11.3	11.3
Third-Party Fund Quotas	7,749	6,547	4,377	18.4	77.0
Total	**258,563**	**247,700**	**200,975**	**4.4**	**28.7**

Asset Distribution	**R$ million**			**Variation %**	
	Mar10	**Dec09**	**Mar09**	**Quarter**	**12M**
Investment Funds Fixed Income	207,081	201,012	166,984	3.0	24.0
Investment Funds Variable Income	25,773	23,999	13,483	7.4	91.2
Investment Funds Third-Party Funds	6,433	5,641	3,639	14.0	76.8
Total	**239,287**	**230,652**	**184,106**	**3.7**	**30.0**
Managed Portfolios Fixed Income	9,102	8,590	9,321	6.0	(2.3)
Managed Portfolios Variable Income	8,858	7,552	6,810	17.3	30.1
Managed Portfolios Third-Party Funds	1,316	906	738	45.3	78.3
Total	**19,276**	**17,048**	**16,869**	**13.1**	**14.3**
Total Fixed Income	216,183	209,602	176,305	3.1	22.6
Total Variable Income	34,631	31,551	20,293	9.8	70.7
Total Third-Party Funds	7,749	6,547	4,377	18.4	77.0

Overall Total	**258,563**	**247,700**	**200,975**	**4.4**	**28.7**

Fee and Commission Income

Cash Management Solutions (Payments and Collections)

In the first quarter of 2010, revenues from Payments and Collections were practically stable compared with the previous quarter.

The R$27 million increase in Payment and Collection Revenue in the first quarter of 2010 is mainly related to the increase in the number of documents processed, from 302.8 million on March 31, 2009 to 344.9 million on March 31, 2010.

Consortium Management

The 4.3% higher sales of active quotas in the first quarter of 2010 fueled income growth of 2.1% on the previous quarter at Bradesco Consórcios, which remained the leader in all segments (real estate, auto, trucks, tractors and agricultural implements) in which it operates.

In the first quarter of 2010, the 21.3% higher income in relation to the first quarter of 2009 mainly reflects the increase in active quotas, from 350,744 on March 31, 2009 to 412,507 on March 31, 2010.

Fee and Commission Income

Custody and Brokerage Services

In the first quarter of 2010, income from custody and brokerage services remained practically steady in comparison with the first quarter of 2009, mainly explained by the maintenance in trading volume on the BM&FBovespa in the periods.

In comparison with the first quarter of 2009, the 28.1% growth in income mainly reflects the recovery of volumes traded on the BM&FBovespa.

Underwriting

The R$30 million variation in the first quarter of 2010 versus the previous quarter refers to the increased volume of business in capital markets in the fourth quarter of 2009.

The R$53 million increase in the first quarter of 2010 versus the first quarter of 2009 mainly refers to increased business volume, explained by an improved capital market scenario in 2010. It is worth pointing out that fluctuations in this revenue are impacted by the volatile behavior of capital markets.

Administrative and Personnel Expenses

Administrative and Personnel Expenses	1Q10	4Q09	1Q09	R$ million Variation Quarter	12M
Administrative Expenses					
Third-Party Services	724	702	523	22	201
Communication	334	328	293	6	41
Data Processing	191	212	182	(21)	9
Depreciation and Amortization	221	203	157	18	64
Advertising and Marketing	152	283	110	(131)	42
Rent	144	145	133	(1)	11
Transportation	142	150	127	(8)	15
Assets Maintenance	108	112	94	(4)	14
Leasing	98	99	108	(1)	(10)
Financial System Services	86	89	62	(3)	24
Security and Surveillance	66	64	60	2	6
Materials	63	66	53	(3)	10
Water, Energy and Gas	55	52	50	3	5
Trips	21	22	15	(1)	6
Other	242	219	188	23	54
Total	**2,647**	**2,746**	**2,155**	**(99)**	**492**
Personnel Expenses					
Structural	**1,735**	**1,725**	**1,588**	**10**	**147**
Social Charges	1,317	1,328	1,226	(11)	91
Benefits	418	397	362	21	56
Non-Structural	**385**	**356**	**264**	**29**	**121**
Management and Employees Profit Sharing (PLR)	234	187	140	47	94
Provision for Labor Claims	109	111	82	(2)	27
Training	11	27	17	(16)	(6)
Termination Cost	31	31	25	-	6
Total	**2,120**	**2,081**	**1,852**	**39**	**268**
Total Administrative and Personnel Expenses	**4,767**	**4,827**	**4,007**	**(60)**	**760**

In the first quarter of 2010, Administrative and Personnel Expenses totaled R$4,767 million, down 1.2% on the prior quarter. Note that the consolidation of Banco Ibi in October 2009 impacted income statement accounts as of November.

Personnel Expenses

In the first quarter of 2010, personnel expenses were R$2,120 million, up 1.9%, or R$39 million, from the previous quarter.

In the "structural" portion, the R$10 million increase was basically due to: (i) an increase in expenses with social charges, due to the collective bargaining agreement of the insurance companies employees in January 2010; (ii) a change in the Occupational Accident Insurance

(SAT) rate; and (iii) the merger of Banco Ibi and Odontoprev; partially offset by (iv) an increased number of vacations in the first quarter of 2010.

In the "non-structural" portion, the R$29 million increase basically reflects higher expenses with employee profit sharing.

Administrative and Personnel Expenses

Personnel Expenses

Compared with the first quarter of 2009, the R$268 million increase reflects: (i) the "structural" portion of R$147 million, related basically to higher expenses with payroll, social charges and benefits mainly impacted by the wage increases (2009 collective bargaining agreement 6%); and (ii) the R$121 million increase in the non-structural portion, basically due to:

(a) higher expenses with the provision for employee profit sharing, as per the collective bargaining agreement in the amount of R$94 million; and (b) higher provision for labor claims, amounting to R$27 million.

Administrative and Personnel Expenses

Administrative Expenses

In the first quarter of 2010, administrative expenses were R$2,647 million, down 3.6%, or R$99 million, on the previous quarter, mainly due to seasonality in the fourth quarter, when higher business volume directly impacts some administrative expenses, as well as the two-month consolidation of Banco Ibi. The main variations were in the following items: (i) R$131 million related to lower advertising expenses; and offset by: (ii) a R$22 million increase in outsourcing expenses.

The R$492 million increase, or 22.8%, in the first quarter of 2010 versus the first quarter of 2009 mainly reflects: (i) organic growth and the resulting increase in service points (from 39,275 on March 31, 2009 to 46,570 on March 31, 2010), which directly impacted the principal items under administrative expenses; (ii) higher business volume; (iii) the Banco Ibi merger; and (iv) the renegotiation of agreements.

Operating Coverage Ratio (*)

In the quarter, the coverage ratio in the last twelve months dropped by 0.5 p.p. due to: (i) higher administrative and personnel expenses resulting mainly from business expansion and the impact of the collective bargaining agreement; which was offset by (ii) increased fee and commission income.

Tax Expenses

The R$55 million growth in tax expenses in relation to the fourth quarter of 2009 was mainly due to the higher expenses with PIS/Cofins taxes of R$37 million, reflecting the higher taxable income in first quarter of 2010.

Tax expenses grew by R$162 million in the first quarter of 2010 versus the first quarter of 2009, basically due to the increase in expenses with PIS/Cofins taxes of R$122 million, reflecting the higher taxable income, especially financial margin, as well as fee and commission income.

Equity in the earnings of affiliated companies

In the first quarter of 2010, equity in the earnings of affiliated companies was R$29 million, down R$53 million on the previous quarter, due mainly to lower earnings from affiliates IRB (R$45 million) and Integritas Participações (R$11 million).

The R$23 million increase in the first quarter of 2010 versus the first quarter of 2009 results mainly from higher earnings from affiliates IRB (R$11 million), Integritas Participações (R$8 million) and Serasa (R$5 million).

Other Operating Expenses (Net of Operating Revenue)

Other operating expenses, net of other operating revenues, increased R$11 million in the first quarter of 2010 in comparison with the previous quarter, due mainly to: (i) greater expenses with provision for civil contingencies; and (ii) greater expenses with goodwill amortization; offset by: (iii) lower expenses with sundry losses.

In relation to the same period in the year before, the increase in operating expenses, net of other operating revenues, in the amount of R$138 million, is basically due to: (i) larger expenses with provisions for civil contingencies; (ii) larger expenses with sundry losses; and (iii) greater expenses with goodwill amortization

Operating Income

In the first quarter of 2010, Operating Income was R$3,171 million, up 30.6%, or R$743 million, from the previous quarter, mainly reflecting: (i) a decrease in expenses with the allowance for loan losses of R$507 million; and (ii) a R$197 million increase in the financial margin.

In the first quarter of 2010, the increase of R$558 million, or 21.4%, on the previous year was mainly due to: (i) the decrease in expenses with allowance for loan losses of R$574 million; (ii) an increase in financial margin income of R$574 million; and (iii) an increase in fee and commission income of R$401 million; partially offset by: (iv) an increase in personnel and administrative expenses of R$760 million; (v) an increase in tax expenses of R$162 million and (vi) an increase in other operating expenses (net of other revenue) of R$138 million.

Non-Operating Income

The R$66 million variation in relation to the previous quarter is mainly explained by increased losses from the sale of assets in the fourth quarter of 2009.

In the first quarter of 2010 compared with the first quarter of 2009, the variation was mainly due to greater gains from the sale of goods.

Sustainability

Bradesco launched the first floating Branch in the world, installed in a vessel that transports goods to riverside communities located on the banks of the Solimões River in Amazonas state. The Advanced Service Branch (PAA) - installed on the vessel Voyager III - not only provides important support to economies located in Brazil s most distant regions, but also helps people actively participate in society by providing access to services such as checking accounts, cash withdrawals, fund deposits and transfers, bill payments, loans, recharging of mobile phone credits and credit cards.

In 2009, for the fourth consecutive year, Bradesco adopted the Global Reporting Initiative (GRI) standards for its Sustainability Report with a GRI application level of A+. This year, the report focused on banking inclusion and microcredit, which are important strengths of Bradesco s business strategy, and on their interconnection with sustainable development. To learn more about the 2009 Sustainability Report go to www.bancodoplaneta.com.br.

In February 2010, a new operating structure was created for the Market Relations Department to provide those interested with information on Bradesco s diligent management of the social and environmental risks of projects it finances. The Social and Environmental Project Management and Monitoring Department is responsible for negotiating and contracting the social and environmental liabilities of operations structured by the Bank, as well as for adjusting potential action plans and especially the respective monitoring actions, which continue until the end of the financing term.

Socio-environmental risk management of projects financed by the Bank is an unceasing organization-wide practice that is constantly improved. These actions seek to confirm the commitment to transparency and diligence made to stakeholders when conducting the Bank s business.

Investor Relations Area IR

In the first quarter of 2010, the Investor Relations department began the calendar year by participating in four international conferences in Miami, Cancun, London and New York and two road shows in London and Edinburgh. The IR department also participated in the World Money Show in Orlando, Florida, which focused on individual investors in the United States.

In Brazil, the department organized the annual meeting in São Paulo of the National Investors Institute (INI), which was attended by investors, shareholders and other capital market participants. The department also participated in four conferences in São Paulo and met regularly with shareholders, investors and analysts at the Bank s headquarters.

Corporate Governance

Bradesco was rated AAA+ by Management & Excellence, making it the first Latin American bank to obtain the highest corporate governance rating, and it also received an AA rating for Corporate Governance Best Practices from Austin Rating.

Regarding the corporate governance structure, Bradesco s Board of Directors is supported by 5 statutory committees (Ethical Conduct, Audit, Internal Controls and Compliance, Compensation and Integrated Risk Management and Capital Allocation), in addition to 41 Executive Committees that assist the Board of Executive Officers in the execution of their duties.

Shareholders are entitled to 100% tag-along rights for the common shares and 80% for the preferred shares and to a minimum compulsory dividend of 30% of adjusted net income, which is above the minimum of 25% provided for by Brazilian Corporation Law. Preferred shares are entitled to dividends 10% higher than those attributed to common shares.

On March 10, 2010, all matters submitted to the Shareholder Meetings were approved.

For more information, go to the corporate governance section of the investor relations website at http://www.bradesco.com.br/ir/.

Share Performance

Number of Shares Common (ON) and Preferred (PN) (*)

						In thousands
	Mar10	**Dec09**	**Dec08**	**Dec07**	**Dec06**	**Dec05**
Common Shares	1,710,205	1,710,205	1,688,287	1,665,407	1,650,235	1,615,185
Preferred Shares	1,710,204	1,710,346	1,688,390	1,665,407	1,652,679	1,616,799
Subtotal Outstanding	**3,420,409**	**3,420,551**	**3,376,677**	**3,330,814**	**3,302,914**	**3,231,984**
Treasury Shares	-	6,535	180	3,705	1,251	766
Total	**3,420,409**	**3,427,086**	**3,376,857**	**3,334,519**	**3,304,165**	**3,232,750**

(*) For comparison purposes, in 2009 the shares were attributed a 10% bonus, which was applied to prior years. Similarly, bonuses were attributed of 50% in 2008 and 100% in 2005 and 2007.

On March 31, 2010, Banco Bradesco s capital stock was R$26.5 billion, composed of 3,420,409 thousand shares (all book-entry shares without par value), of which 1,710,205 thousand were common shares and 1,710,204 thousand were preferred shares. The largest shareholder is the holding company Cidade de Deus Participações, which directly holds 48.4% of voting capital and 24.2% of total capital.

Cidade de Deus Participações is controlled by the Aguiar Family, Fundação Bradesco and another holding company, Nova Cidade de Deus Participações, which in turn is controlled by Fundação Bradesco and Elo Participações e Investimento, whose shareholders are the majority of members on Bradesco s Board of Directors and Statutory Executive Board.

Number of Shareholders Resident in Brazil and Abroad

	Mar10	%	Ownership of Capital (%)	Mar09	%	Ownership of Capital (%)
Individuals	346,048	89.8	25.2	1,270,138	91.3	26.8
Corporate	37,537	9.7	44.4	116,173	8.4	45.7
Subtotal of Domiciled in the Country	**383,585**	**99.6**	**69.6**	**1,386,311**	**99.7**	**72.5**
Domiciled Abroad	1,705	0.4	30.4	3,837	0.3	27.5
Total	**385,290**	**100.0**	**100.0**	**1,390,148**	**100.0**	**100.0**

On March 31, 2010, there were 383,585 shareholders domiciled in Brazil, accounting for 99.6% of total shareholders and holding 69.6% of the shares, while there were 1,705 shareholders resident abroad, accounting for 0.4% of shareholders and holding 30.4% of the shares.

The Special Shareholders Meeting held on March 10, 2009 resolved to carry out a reverse split of the common and preferred shares at the ratio of fifty (50) to one (1) with the simultaneous split of each share in the ratio of one (1) to fifty (50), which led to a sharp reduction in the number of Bradesco shareholders.

Share Performance

				In R$ (except when indicated)		
	1Q10	**4Q09**	**Variation %**	**1Q10**	**1Q09**	**Variation %**
Net Income per Share	0.63	0.54	16.7	0.63	0.58	8.6
Dividends/Interest on Shareholders' Equity Common Share (after Income Tax - IR)	0.184	0.177	4.0	0.184	0.160	15.0
Dividends/Interest on Shareholders' Equity Preferred Share (after Income Tax - IR)	0.202	0.194	4.1	0.202	0.176	14.5
Book Value per Share (Common and Preferred)	12.60	12.21	3.2	12.60	10.45	20.5
Last Business Day Price Common	26.19	27.26	(3.9)	26.19	17.47	49.9
Last Business Day Price Preferred	32.80	33.07	(0.8)	32.80	21.00	56.2
Market Capitalization (R$ million) (1)	100,885	103,192	(2.2)	100,885	65,154	54.8
Market Capitalization (R$ million) - Most Liquid Share (2)	112,189	113,127	(0.8)	112,189	70,910	58.2

(1) Number of shares (less treasury shares) x closing quote for common and preferred shares on last day in period.
(2) Number of shares (less treasury shares) x closing quote for preferred shares on the last day of the period.

In the first quarter of 2010, Bradesco s preferred share price fell by 0.6% (adjusted for payments), while the Ibovespa index increased by 2.6%.

Despite the solid fundamentals of the domestic economy, Brazil s stock market was not immune to the corrections in stock markets worldwide, which were sparked by concerns with the fiscal situations in certain European countries and with the monetary policy adopted by China.

Nevertheless, the strong stock performances (especially in the last month of the quarter) of metal commodity producers, which have high weightings in the Ibovespa index, led the index to recover and exceed the level reached at the end of 2009.

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Main Indexes

Market Capitalization: considers the closing price of the common and preferred shares multiplied by the respective number of shares (excluding treasury shares).

Market Capitalization/Shareholders Equity: indicates the multiple by which Bradesco s market value exceeds its book shareholders equity. Formula used: Market Capitalization divided by Book Shareholders Equity.

Dividend Yield: the ratio between the share price and the dividends and/or interest on shareholders equity paid to shareholders in the last twelve months, which indicates the return on investment represented by the allocation of net income. Formula used: amount received by shareholders as dividends and/or interest on shareholders equity in the last twelve months divided by the closing quote of the preferred shares on the last trading day in the period.

Weighting in Main Stock Market Indexes

Bradesco shares are components of Brazil s main stock indexes, including the Corporate Sustainability Index (ISE), the Special Tag-Along Stock Index (ITAG) and the Special Corporate Governance Stock Index (IGC).

%	Mar10	Dec09	Mar09
Ibovespa	3.5	3.8	3.5
IB rX - 50	6.3	6.5	6.4
IB rX - 100	7.1	7.3	7.3
BM&FBOVESPA Financial Index (IFNC) (1)	19.4	-	-
Corporate Sustainability Index (ISE)	4.5	4.6	22.7
Special Corporate Governance Stock Index (IGC)	6.6	6.8	8.1
Special Tag-Along Stock Index (ITAG)	12.8	12.9	17.2

(1) As of January 2010.

Dividends/Interest on Shareholders Equity

In the first quarter of 2010, R$746 million was allocated to shareholders as dividends and interest on shareholders equity, equivalent to 32.8% of net book value, and 31.2% based on the figure in the last twelve months. The amounts allocated in recent years have surpassed the limits mandated by Brazilian Corporation Law and by the Company s Bylaws.

Products and Services Market Share

The market shares held by Banco Bradesco S.A. in the Banking and Insurance industries and in the Customer Service Network are presented below.

	Mar10	Dec09	Mar09	Dec08
Banks Source: Brazilian Central Bank (Bacen)				
Time Deposits	N/A	13.0	14.8	14.0
Savings Deposits	N/A	14.1	13.8	14.3
Demand Deposits	N/A	19.8	17.6	17.2
Loan Operations (1)	12.6 (**)	12.6	13.5	13.6
Loan Operations - Vehicles Individuals (CDC + Leasing) (1)	19.2 (**)	19.6	22.1	23.0
Online Collection (Balance)	29.1 (*)	28.8	29.9	30.2
Number of Branches	18.3	18.2	17.6	17.5
Banks - Source: Federal Revenue Service/ Brazilian Data Processing Service (Serpro)				
Federal Revenue Collection Document (DARF)	22.5 (*)	21.3	21.4	20.2
Brazilian Unified Tax Collection System Document (DAS)	16.7 (*)	16.9	16.6	16.6
Banks Source: Social Security National Institute (INSS)/Dataprev				
Social Pension Plan Voucher (GPS)	N/A	14.4 (***)	14.2	14.2
Benefit Payment to Retirees and Pensioners	20.0	19.6	19.5	19.6
Banks Source: Anbima				
Investment Funds + Portfolios	16.5	16.6	15.8	15.2
Insurance, Private Pension Plans and Savings Bonds Source: Insurance Superintendence (Susep) and National Agency for Supplementary Healthcare (ANS)				
Insurance, Private Pension Plans and Savings Bonds Premiums	25.8 (*)	24.4	22.7	24.4
Insurance Premiums (including Long-Term Life Insurance - VGBL)	26.4 (*)	24.8	23.2	23.9
Life Insurance and Personal Accident Premiums	17.5 (*)	16.8	16.2	16.8
Auto/Basic Lines (RE) Insurance Premiums	11.2 (*)	10.4	10.2	10.5
Auto/Optional Third-Party Liability (RCF) Insurance Premiums	16.0 (*)	13.6	13.5	13.4
Health Insurance Premiums	48.2 (*)	48.7	46.9	44.6
Revenues from Private Pension Plans Contributions (excluding VGBL)	26.8 (*)	25.5	22.8	28.2
Revenues from Savings Bonds	19.6 (*)	19.7	18.4	18.9
Technical Provisions for Insurance, Private Pension Plans and Savings Bonds	31.8 (*)	32.0	33.0	34.1
Insurance and Private Pension Plans Source:				

National Federation of Life and Pension Plans (Fenaprevi)				
Income on VGBL Premiums	38.6 (*)	34.0	31.6	36.5
Revenues from Unrestricted Benefits Generating Plans (PGBL) Contributions	22.9 (*)	20.4	16.6	24.8
Private Pension Plans Investment Portfolios (including VGBL)	36.2 (*)	35.1	37.5	37.6
Credit Card Source: Abecs				
Credit Card Revenue	21.7	19.6	18.9	19.5
Leasing Source: Brazilian Association of Leasing Companies (ABEL)				
Lending Operations	19.1 (*)	19.5	19.4	18.6
Financing Source: Brazilian Central Bank (Bacen)				
Auto (Portfolio) Including Banco Bradesco	19.2 (**)	19.8	22.1	23.0
Consortia Source: Bacen				
Real Estate	N/A	27.3	26.6	27.1
Auto	N/A	23.3	24.2	23.5
Trucks, Tractors and Agricultural Implements	N/A	14.6	13.9	13.7
International Area Source: Bacen				
Export Market	27.5	25.0	23.3	22.1
Import Market	21.2	18.4	17.6	16.0

(1) Central bank data for December 2009 and February 2010 are preliminary;
(*) Base date: January 2010;
(**) Base date: February 2010;
(***) Base date: November 2009; and
N/A Not Available.

Market Share of Products and Services

Bradesco clients enjoy a wide range of options for consulting and carrying out their financial transactions, and acquiring products and services through high-tech means, such as ATMs, telephone (Bradesco Fone Fácil), the Internet and mobile phones (Bradesco Celular).

As part of our commitment to social responsibility, people with special needs can rely on various special services provided by the Bradesco Dia&Noite Customer Service Channels:

Accessibility to the ATM Network for persons with visual impairments and wheelchair users;
Internet banking utility for persons with visual impairments; and
Personal service for persons with hearing impairments using digital language via Fone Fácil.

Branch Network

Region	Mar10		Market	Mar09		Market
	Bradesco	Market (*)	Share	Bradesco	Market	Share
North	166	780	21.3%	162	770	21.0%
Northeast	528	2,680	19.7%	528	2,711	19.5%
Midw est	289	1,427	20.3%	282	1,440	19.6%
Southeast	1,948	10,317	18.9%	1,890	10,503	18.0%
South	524	3,673	14.3%	513	3,768	13.6%
Total	**3,455**	**18,877**	**18.3%**	**3,375**	**19,192**	**17.6%**

(*) 2010 data based on February.

Compulsory Deposits/Liabilities

%	Mar10	Dec09	Sep09	Jun09	Mar09	Dec08	Sep08	Jun08
Demand Deposits								
Rate [1,5]	42	42	42	42	42	42	45	45
Additional [2,6]	8	5	5	5	5	5	8	8
Liabilities*	30	30	30	30	30	30	25	25
Liabilities (Microcredit)	2	2	2	2	2	2	2	2
Free	18	21	21	21	21	21	20	20
Savings Deposits								
Rate [3]	20	20	20	20	20	20	20	20

Additional [2,6]	10	10	10	10	10	10	10	10
Liabilities	65	65	65	65	65	65	65	65
Free	5	5	5	5	5	5	5	5
Time Deposits								
Rate [4,7]	15	13.5	13.5	15	15	15	15	15
Additional [2,6]	8	4	4	4	4	5	8	8
Free	77	82.5	82.5	81	81	80	77	77

* At Banco Bradesco, liabilities are directed to Rural Loans.
1 Collected in cash and not remunerated.
2 Collected in cash with the Special Clearance and Custody System (Selic) rate.
3 Collected in cash with the Reference Interest rate (TR) + interest of 6.17% p.a.
4 Pegged to securities. As of the calculation period from November 3 to November 7, 2008, compliance as of November 14, 2008, liabilities began to be met by 70% in cash without remuneration and 30% by government securities pegged to the Selic rate; as of January 5 to January 9, 2009, compliance as of January 16, 2009, liabilities began to be met by 60% in cash without remuneration and 40% by government securities pegged to the Selic rate; and as of the calculation period from March 29 to April 1, 2010, compliance as of April 9, 2010, liabilities began to be met in cash;
5 Fundo Garantidor de Créditos (FGC) from August 2008, as of the calculation period from October 20 to October 31, 2008, was prepaid 60 times, compliance as of October 29, 2008.
6 As of the calculation period from November 17 to November 21, 2008, compliance as of December 1, 2008, additional liabilities were collected in government securities pegged to the Selic rate. As of the calculation period, from March 8 to March 12, 2010, compliance as of March 22, 2010, the additional liabilities began to be met in cash; and
7 Liabilities may be met using credits acquired up to June 30, 2010, as provided for by current regulations.

Investments in Infrastructure, Information Technology and Telecommunications

Information Technology (IT) is a strategic factor for the Bradesco Organization, which is constantly updating its technological platform with pioneering and innovative initiatives coupled with infrastructure solutions that allow for secure, fast and convenient operations.

Guided by best practices and protected against contingencies, Bradesco s IT infrastructure is made up of a central computer with processing capacity of over 170,000 Mips (million instructions per second), in addition to over 6,300 corporate servers. Each day, an average of 225 million transactions are processed, with availability remaining above 99.99%. The management of this environment seeks to transform the complex into the simple and manageable, while maintaining low operating risk and the scalability necessary to support the Bank s growth.

Remaining at the forefront of IT innovations is not only good for business, but also assures customer loyalty and satisfaction, who can count on cutting-edge technology and the best products and services.

As a prerequisite for its continuous expansion, in the first quarter of 2010, Bradesco invested R$765 million in Infrastructure and Information Technology in order to update its IT environment, drawing on best practices and existing technologies. On this front, the IT Improvement project (which was almost 100% concluded in 2009) enabled the Bank to become an international benchmark in banking technology and gave it the capacity needed to conveniently, quickly and securely meet the growth expected for the coming years.

The total amount invested in recent years, including infrastructure (facilities, movable property and fixtures):

					R$ million
	1Q10	**2009**	**2008**	**2007**	**2006**
Infrastructure	91	630	667	478	354
Information Technology and Telecommunication	674	2,827	2,003	1,621	1,472
Total	**765**	**3,457**	**2,670**	**2,099**	**1,826**

Market Risk

Market Risk Analysis

Bradesco s market risk management supports the Organization so that it can quickly take decisions with a high degree of confidence, employing methods consistent with best international practices and aligned with the recommendations of the New Basel Capital Accord. This process aims to add value to business by supporting business areas in planning their activities and by optimizing use of the Bank's own and third-party funds to benefit shareholders and the community. For more information on Bradesco s Risk Management go to: www.bradesco.com.br/ir Financial Information / Quarterly Reports.

Market Risk

In the first quarter of 2010, the world economy continued to recover, despite slow growth in advanced economies and fiscal problems in certain European countries. U.S. economic indicators showed signs that the economic recovery is now broader-based and reaching a wide range of industries. However, concern with the fiscal situation in Greece, Portugal and Spain intensified following the ratings downgrades of Portugal and Greece by Fitch Ratings.

Central banks worldwide began to shift the focus of monetary policies towards reducing the stimuli implemented during the crisis to contain the expansion of credit, in view of deteriorating inflationary risks. The United States, for example, hiked its discount rate, while China raised both reserve requirements and interbank rates.

In the internal scenario, GDP in the fourth quarter of 2009 expanded by 2% from the previous quarter, revealing the strong pace of the domestic economy. Economic activity indicators in the first few months of 2010 for both the retail and industrial sectors also suggested that the Brazilian economy is on an upward path of accelerated growth. Meanwhile, the stimulus measures for internal demand implemented by the federal government to combat the crisis, such as cutting the tax rate on the sale of new vehicles and home appliances, were eliminated during the quarter since they were no longer necessary.

On the monetary policy front, the onset of the tightening cycle in the Selic basic interest rate occurring in the second quarter was consensus among economists and already priced into the interest rate futures market, given the stronger economic growth and the deterioration in inflation expectations. In the first quarter, however, the Central Bank moved to keep the Selic rate unchanged at 8.75% p.a., respecting its original timetable for removing the economic stimulus established in December 2009. In its Quarterly Inflation Report, the central bank s forecast for consumer inflation in 2010 was revised from 4.6% to 5.2%, while its forecast for GDP in the year remained at 5.8%. Another important development was the move by the Central Bank to raise reserve requirements, as well as its decision made jointly with the National Monetary Council (CMN) - to unify foreign exchange rules to obtain efficiency gains. In addition, the National Treasury was allowed to acquire dollars to pay debt maturing within the subsequent 750 days, which was extended from the previous limit of 360 days.

The decline in volatility in the first quarter of 2010 from the fourth quarter of 2009 in both the foreign and domestic markets was the main reason for the lower VaR in the period analyzed.

VaR - Trading Portfolio

Risk Factors	Mar10	Dec09	Sep09	Jun09	Mar09	Dec08	Sep08	Jun08
								R$ thousand
Fixed Rate	3,870	10,351	3,541	5,680	16,282	76,236	24,742	7,142
General Price Index - Market (IGP-M)	512	289	221	154	54	18	1,231	117
Extended Consumer Price Index (IPCA)	1,200	2,799	13,061	69,167	66,173	267,651	157,598	44,136
Domestic Exchange Coupon	729	179	372	876	7,338	13,991	3,733	390
Foreign Currency	12,789	954	1,444	6,709	10,159	23,070	13,150	1,382
Variable Income	3,264	7,766	5,495	2,952	12,021	4,499	2,863	6,629
Sovereign /Eurobonds and Treasuries	2,250	9,250	15,417	34,619	88,015	170,532	71,811	24,350
Other	23	24	25	94	57	61	2,253	2,369
Correlation/Diversification Effect	(8,382)	(11,556)	(14,105)	(35,176)	(70,887)	(112,617)	(72,854)	(24,274)
VaR at the End of the Quarter	**16,255**	**20,056**	**25,471**	**85,075**	**129,212**	**443,441**	**204,527**	**62,241**
Average VaR in the Quarter	15,698	27,648	48,284	91,597	206,152	550,624	97,535	91,960
Minimum VaR in the Quarter	10,091	16,588	21,345	58,111	120,399	221,038	61,857	58,792
Maximum VaR in the Quarter	28,226	35,732	87,731	123,059	417,290	750,559	244,827	120,378

Backtesting Trading Portfolio *VaR*

The method applied and existing statistical models are validated on a daily basis using backtesting techniques. This technique compares the daily VaR calculated based on the result obtained from the same positions used to calculate VaR (hypothetical result) as well as on the result obtained already considering the transactions on the day for which VaR was estimated (effective result). The main purpose is to monitor, validate and assess the adherence of the VaR model, and the number of breaks must be aligned with the confidence interval previously established in the modeling.

Market Risk

Stress Analysis

To estimate the possible loss not contemplated by VaR, Bradesco assesses daily the possible effects on positions under stress scenarios. Stress Analysis is a tool that seeks to quantify the negative impacts of economic shocks and events that are financially adverse to the Institution s positions. For this purpose, crisis scenarios are prepared based on the historical data and prospects for the risk factors in which the trading portfolio has a position. Accordingly, considering the effects of diversification across risk factors, the average potential loss estimated in a stress situation was R$310 million in the first quarter of 2010, while the maximum estimated potential loss was estimated at R$396 million.

Trading Portfolio Stress Analysis

										R$ million
	With Diversification					Without Diversification				
	Mar10	**Dec09**	**Sep09**	**Jun09**	**Mar09**	**Mar10**	**Dec09**	**Sep09**	**Jun09**	**Mar09**
At the End of the Quarter	190	400	482	900	1,022	396	632	844	1,552	1,827
Average in the Quarter	310	489	655	1,030	1,118	528	790	1,182	1,743	1,792
Minimum in the Quarter	186	375	415	871	837	347	597	813	1,385	1,502
Maximumin the Quarter	396	585	903	1,299	1,576	652	963	1,607	2,133	2,251

In addition to monitoring and controlling VaR and the stress analyses, a sensitivity analysis of the trading portfolio is conducted on a daily basis, measuring the effects on the portfolio of changes in market curves and prices.

(A free translation of the original in Portuguese)

Independent Auditors Report on the Limited Review of Supplementary Accounting Information Presented in the Report on Economic and Financial Analysis

To the Board of Directors
Banco Bradesco S.A.

(1) In connection with our limited reviews of the Quarterly Information of Banco Bradesco S.A. and its subsidiaries (consolidated) as of March 31, 2010, December 31, 2009 and March 31, 2009, on which we issued a report without exceptions dated April 27, 2010, we carried out a limited review of the supplementary accounting information presented in the Report on Economic and Financial Analysis. This supplementary information was prepared by the Bank s management to permit additional analysis and is not a required part of the Quarterly Information.

(2) Our work was carried out in accordance with the specific standards established by the Institute of Independent Auditors of Brazil (IBRACON), in conjunction with the Federal Accounting Council (CFC), for the purpose of reviewing the supplementary accounting information described in paragraph one and mainly comprised: (a) inquiries of and discussions with management responsible for the accounting, financial and operating areas of the Bank and its subsidiaries with regard to the main criteria used for the preparation of this additional accounting information and (b) a review of the significant information and the subsequent events which have, or could have significant effects on the financial position and operations of the Bank and its subsidiaries.

(3) Based on our limited reviews, we are not aware of any material modifications which should be made to the supplementary information, referred to above, in order that this information be fairly presented, in all material respects, in relation to the Quarterly Information, referred to in paragraph one, taken as a whole.

São Paulo, April 27, 2010

Auditores Independentes
CRC 2SP000160/O-5

Luís Carlos Matias Ramos
Contador CRC 1SP171564/O-1

Management Report

Dear Shareholders,

We hereby present the consolidated financial statements of Banco Bradesco S.A. for the period ended March 31, 2010, prepared in accordance with the Brazilian Corporation Law.

The world economy continues to recover, most notably in emerging countries, while financial risks in developed countries should diminish in the medium term. Brazil has confirmed more optimistic expectations for household consumption, investment, employment and income levels, suggesting consistent growth in this and the following year. This favorable outlook, combined with the upward trend in social mobility and stable political environment, continues to bode well for the country s medium term prospects. In this setting, Bradesco reinforces its confidence in Brazil s economic expansion over the coming years.

In the first quarter, Bradesco recorded Net Income of R$2.103 billion, which corresponds to earnings per share of R$0.61 and annualized return on average shareholders equity of 21.68%(*). Annualized return on average total assets was 1.63%, compared with 1.48% in the same quarter a year ago.

In terms of payments to shareholders, R$2.498 billion in Interest on Shareholders Equity and Dividends was paid and provisioned in the period from January to March 2010, of which R$746 million was relative to net income generated in the quarter and R$1.752 billion relative to fiscal year 2009 (monthly payment of R$43 million paid on January 4, 2010 and a complementary payment of R$1.709 billion made on March 9, 2010).

Taxes and contributions (including social security) paid or provisioned in the first three months of the year amounted to R$3.197 billion, of which R$1.360 billion involved tax withheld from third parties and R$1.837 billion was levied on the activities developed by the Bradesco Organization, equivalent to 87.35% of Net Income.

The Adjusted Operating Efficiency Ratio in the last 12 months improved from 42.52% on March 31, 2009 to 41.20% on March 31, 2010, which was due in part to better control of administrative expenses and the continuous efforts to boost revenue.

At the end of the quarter, paid-in Capital Stock was R$26.500 billion. Combined with the Equity Reserves of R$16.587 billion, Shareholders Equity came to R$43.087 billion, for growth of 22.04% on the same quarter a year earlier and corresponding to a book value of R$12.60 per share.

Based on its stock price, Bradesco s Market Capitalization stood at R$100.885 billion on March 31, equivalent to 2.34 times its book value, up 54.84% from R$65.154 billion a year earlier.

Meanwhile, Managed Shareholders' Equity represented 8.24% of Consolidated Assets, which totaled R$532.626 billion, an increase of 23.17% from March 2009. Accordingly, the Capital Adequacy Ratio stood at 16.76% in the consolidated financial result and 16.78% in the consolidated economic and financial result, higher than the 11% minimum established by National Monetary Council Resolution 2,099 of August 17, 1994, in conformity with the Basel Committee. At the end of the quarter, the fixed asset ratio in relation to Consolidated Reference Assets was 45.06% in the consolidated financial result and 19.85% in the consolidated economic and financial result, complying with the maximum limit of 50%.

Regarding Article 8 of Brazilian Central Bank Circular Letter 3,068 of November 8, 2001, Bradesco declares that it possesses sufficient financial capacity and plans to hold to maturity those securities classified under held-to-maturity securities .

Total funding and assets under the management of the Bradesco Organization on March 31 was R$739.894 billion, up 15.45% from a year earlier, broken down as follows:

R$298.894	billion in demand deposits, time deposits, interbank deposits, other deposits, open market and savings accounts;
R$258.563	billion in assets under management, comprising investment funds, managed portfolios and third-party fund shares, up 28.65% from March 31, 2009;
R$95.563	billion in the exchange portfolio, borrowings and onlendings, working capital, payment and collection of taxes and charges, funds from security and subordinated debt issues in Brazil and other funding operations.

Management Report

R$77.685	billion in technical provisions for insurance, supplementary private pension plans and savings bonds, for improvement of 16.52% on a year earlier; and
R$9.189	billion in foreign funding through public and private issues, subordinated debt and securitization of future financial flows, equivalent to US$5.159 billion.

At the end of the period, the balance of consolidated credit operations stood at R$235.238 billion, up 10.44% from March 2009, composed of the following:

R$5.126	billion in advances on exchange contracts, for a total portfolio of US$10.831 billion in export financing;
US$2.826	billion in import financing in foreign currency;
R$20.249	billion in leasing operations;
R$12.338	billion in rural lending;
R$68.236	billion in consumer finance;
R$34.714	billion in securities and guarantees;
R$9.272	billion in credit card receivables; and
R$17,529	billion in operations involving the onlending of foreign and domestic funds, mainly originated from the National Economic and Social Development Bank (BNDES), which is one of the most important sources of funds for onlending.

For real estate credit activities, the Organization allocated a total of R$1.846 billion to the construction and acquisition of own homes, which corresponded to 14,673 properties.

To capitalize businesses, Bradesco, through Banco Bradesco BBI S.A., coordinated R$6.980 billion in deals in the period, which included issues of primary and secondary shares, debentures, promissory notes, mortgage-backed securities and receivables-backed investment funds, representing 45.09% of the volume of these issues registered at the Securities and Exchange Commission of Brazil (CVM). Another highlight was financing for structured projects and operations, which is responsible for origination,

distribution and management of clients financial assets, flows and balances.

Grupo Bradesco de Seguros e Previdência, which is a leader in the Insurance, Supplementary Private Pension Plan and Savings Bond businesses, recorded Net Income of R$703.439 million and Shareholders Equity of R$10.561 billion on March 31. Net insurance premiums written, private pension plan contributions and savings bond income was R$6.851 billion, for growth of 24.25% on the same quarter a year ago.

With a presence in 100% of Brazil s municipalities and in several locations abroad, the Customer Service Network of the Bradesco Organization, Brazil s largest, was composed, on March 31, of: 38,945 service points, with 30,909 terminals in the Dia&Noite ATM Network, of which 30,370 also operate on weekends and holidays; and 7,863 terminals of the Banco24Horas ATM network, where Bradesco clients can also make withdrawals, transfers, obtain statements, check balances and contract loans. In the payroll-deductible segment, the network also had 702 correspondent banks of Bradesco Promotora, and, in the vehicle segment, Bradesco Financiamentos was present in 22,337 points of sale:

6,106	Branches, PABs (Banking Service Branch) and PAAs (Advanced Service Branch) in Brazil (Branches: Bradesco 3,430, Banco Bradesco Financiamentos 20, Banco Bankpar 2, Banco Bradesco BBI 1, Banco Bradesco Cartões 1, Banco Alvorada 1; PABs: 1,200; and PAAs: 1,451);
4	Branches Overseas, with 1 in New York, 2 in Grand Cayman and 1 in Nassau in the Bahamas;
7	Subsidiaries Overseas (Banco Bradesco Argentina S.A. in Buenos Aires, Banco Bradesco Luxembourg S.A. in Luxembourg, Bradesco Securities, Inc. in New York, Bradesco Securities UK Limited in London, Bradesco Services Co., Ltd. in Tokyo, Cidade Capital Markets Ltd. in Grand Cayman, and Bradesco Trade Services Limited in Hong Kong);
6,110	Banco Postal Branches;
21,501	Bradesco Expresso service points;

Management Report

1,564	PAEs - Electronic Service Branches in Companies; and
3,664	External Terminals of the Bradesco Dia&Noite (Day&Night) ATM network and 6,912 Terminals of the Banco24Horas ATM network; of which 1,490 points serving both networks.

In accordance with CVM Rule 381, the Bradesco Organization neither contracted nor had services rendered by PricewaterhouseCoopers Auditores Independentes that were not related to the external audit in an amount exceeding 5% of the total cost of this audit. The policy adopted is in line with the principles of preserving the auditor s independence, which are based on generally accepted international criteria, i.e., the auditor should not audit its own work, perform managerial duties at his client or promote its interests.

In an environment propitious to innovation, Bradesco maintains its model of Excellence in Human Resources Management, which emphasizes development through heavy investment in training programs to build competencies and promote professional development in its team, which continues to generate better results in terms of service quality and efficiency. In the quarter, 684 courses were administered to a total of 410,090 employees. Benefits aimed at promoting the quality of life, well-being and security of its employees and their dependants at the end of the quarter affected 184,266 lives.

Fundação Bradesco, the pioneer social investment of the Organization, develops broad social and educational programs at its 40 Schools, which are installed in underprivileged regions in all Brazilian states, including the Federal District. With a budget of R$268.010 million, Fundação Bradesco provides quality educational services at no charge to 662 thousand people in the various segments in which it operates, with 112 thousand of these represented by students enrolled in its schools at the following levels: Basic Education (Kindergarten to High School); Vocational Training - High School; Youth and Adult Education; and Preliminary and Continuing Vocational Training. Meanwhile, more than 550 thousand people will be served through on-site and distance-learning programs administered via Virtual School, its e-learning portal, Digital Inclusion Centers (CIDs) and programs executed in strategic partnerships, such as Educa+Ação. The over 50 thousand students enrolled in the Foundation s basic education system also received uniforms, school

supplies, meals and medical and dental assistance, at no charge.

The Bradesco Organization launched its Sports and Education Program over 21 years ago, which has 37 Training and Specialist Centers for teaching volleyball and basketball, which are located in the Fundação Bradesco units in Osasco, São Paulo, public schools and sports centers in the municipality. The Program currently assists some 2 thousand girls from ages 8 to 18, reinforcing its commitment to defend a country that is ever more accepting of valuing talent, effort and the full exercise of citizenship, and integrating the elements of health, sports and education.

In the period, Bradesco received several important recognitions:

· The most valuable brand in Brazil and the most valuable brand among financial institutions in Latin America, according to a study prepared by the specialized consulting firm Brand Finance in partnership with the British magazine *The Banker*;

· The most valuable brand in Brazil, for the fourth consecutive time, according to a study conducted by the consulting firm Brand Finance South America and the magazine *The Brander*, which analyzed 100 brands in Brazil;

· The bank received the highest score and ranked first in a new quality ranking compiled by *Exame* magazine in partnership with the Brazilian Customer Relations Institute (IBRC), which evaluated Bradesco as the best company in customer service in 2009;

· Leader in the survey Companies that Most Respect the Consumer, conducted by the *Consumidor Moderno* magazine in partnership with Shopper Experience*,* which evaluated companies that serve customers with greater respect and professionalism;

· Top Brazilian company in a ranking of the 100 most sustainable companies on the planet organized by Corporate Knight, a Canadian publication specializing in corporate social responsibility;

· Environmental Company of the Year in the 4th Edition of the Brazilian Environmental Award organized by Editora JB, which publishes the newspaper *Jornal do Brasil.* The company also won in the categories Best Project in Waste Management and Best Project in Environmental Education;

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· Winner, for the second consecutive time, of the 2010 International Golden Peacock Global Award for Corporate Social Responsibility. It acknowledges companies that adopt the best corporate social responsibility policies;

· Winner of the Transpromo International Technology Application of the Year Award for the case study Applications for Checking Account Statements. This 25th edition of the award was sponsored by Xplor International and recognizes the Bank s excellence in applying this technology to electronic documents; and

· The consulting firm *Consultoria Economatica* selected Bradesco as one of the top 25 banks in Latin America and the United States in terms of stock performance in 2009, with Bradesco shares gaining more than 100% in the year.

The results presented reaffirm the Bradesco Organization s determination to consistently expand its market share, always rooted in the ideals of quality and efficiency, while contributing to Brazil s progress and development. In recognition of this success, we would like to thank our shareholders and customers for their support and confidence and our employees and other partners for their dedicated work.

Cidade de Deus, April 27, 2010

Board of Directors and
Board of Executive Officers

(*) Excludes the mark-to-market effect of available-for-sale securities on shareholders equity.

Consolidated Balance Sheet *R$ thousand*

Assets	2010	2009	
	March	December	March
Current assets	**390,746,673**	**372,874,546**	**363,187,181**
Cash and cash equivalents (Note 6)	**8,704,665**	**6,946,563**	**7,533,368**
Interbank investments (Notes 3d and 7)	**96,260,856**	**109,719,374**	**92,518,981**
Investments in federal funds purchased and securities sold under agreements to repurchase	89,920,738	101,837,691	83,094,204
Interbank deposits	6,340,361	7,882,542	9,425,217
Allowance for losses	(243)	(859)	(440)
Securities and derivative financial instruments (Notes 3e, 3f, 8 and 32b)	**123,602,778**	**116,323,999**	**109,441,918**
Own portfolio	93,883,610	98,543,802	86,932,457
Subject to repurchases agreements	19,019,954	4,170,543	54,789
Derivative financial instruments	2,335,357	652,140	2,022,601
Compulsory deposits - Brazilian Central Bank	3,413,929	8,682,594	14,413,471
Underlying guarantee provided	4,908,201	4,229,580	5,975,073
Securities subject to repurchase agreements but not restricted	41,727	45,340	43,527
Interbank accounts	**35,966,020**	**17,997,796**	**15,211,438**
Unsettled payments and receipts	479,187	50,313	448,405
Restricted credits: (Note 9)			
- Compulsory deposits - Brazilian Central Bank	35,424,718	17,923,629	14,731,881
- National treasury - rural loans	578	578	578
- National Housing System (SFH)	13,808	4,428	4,934
Correspondent banks	47,729	18,848	25,640
Interdepartmental accounts	**229,728**	**239,698**	**14,731**
Internal transfer of funds	229,728	239,698	14,731
Loan operations (Notes 3g, 10 and 32b)	**82,534,333**	**79,043,243**	**75,933,451**
Loan operations:			
- Public sector	1,061,316	1,154,309	703,541
- Private sector	90,653,338	87,483,997	82,491,208
Allowance for loan losses (Notes 3g, 10f, 10g and 10h)	(9,180,321)	(9,595,063)	(7,261,298)
Leasing operations (Notes 2, 3g, 10 and 32b)	**7,859,584**	**7,966,713**	**7,421,374**
Leasing receivables:			
- Public sector	24,321	38,748	74,401
- Private sector	14,525,660	14,681,418	13,177,699
Unearned income from leasing	(5,901,202)	(5,955,075)	(5,395,771)
Allowance for leasing losses (Notes 3g, 10f, 10g and 10h)	(789,195)	(798,378)	(434,955)

Other receivables	**34,044,327**	**33,098,804**	**53,674,549**
Receivables on sureties and guarantees honored (Note 10a-3)	21,409	21,092	7,347
Foreign exchange portfolio (Note 11a)	9,953,229	8,969,252	33,385,361
Receivables	474,547	684,461	505,129
Securities trading	1,072,850	698,154	874,432
Specific loans	2,105	1,305	882
Insurance premiums receivable	1,972,355	2,267,591	2,060,151
Sundry (Note 11b)	21,277,120	21,239,637	17,326,267
Allowance for other loan losses (Notes 3g, 10f, 10g and 10h)	(729,288)	(782,688)	(485,020)
Other assets (Note 12)	**1,544,382**	**1,538,356**	**1,437,371**
Other assets	775,021	729,773	636,632
Allowance for mark-to-market losses	(256,351)	(252,600)	(237,120)
Prepaid expenses (Notes 3i and 12b)	1,025,712	1,061,183	1,037,859
Long-term receivables	**131,962,864**	**123,153,749**	**110,936,672**
Interbank investments (Notes 3d and 7)	**903,656**	**1,077,439**	**823,033**
Interbank investments	903,656	1,077,439	823,033

Consolidated Balance Sheet *R$ thousand*

Assets	2010	2009	
	March	December	March
Securities and derivative financial instruments (Notes 3e, 3f, 8 and 32b)	**33,705,811**	**30,294,736**	**21,374,287**
Own portfolio	27,320,923	19,096,456	19,989,450
Subject to repurchase agreements	743,709	3,231,356	906,353
Derivative financial instruments	716,163	706,433	259,290
Compulsory deposits - Brazilian Central Bank	3,576,475	6,089,646	-
Privatization currencies	92,156	94,143	99,270
Underlying guarantees provided	1,256,385	1,076,702	119,924
Interbank accounts	**478,243**	**485,722**	**464,454**
Restricted credits: (Note 9)			
- SFH National Housing System	478,243	485,722	464,454
Loan operations (Notes 3g, 10 and 32b)	**65,293,407**	**58,700,883**	**53,455,038**
Loan operations:			
- Public sector	450,290	419,880	767,150
- Private sector	69,075,677	62,448,057	55,351,266
Allowance for loan losses (Notes 3g, 10f, 10g and 10h)	(4,232,560)	(4,167,054)	(2,663,378)
Leasing operations (Notes 2, 3g, 10 and 32b)	**10,708,767**	**11,747,405**	**13,234,717**
Leasing receivables:			
- Public sector	9,909	7,772	16,500
- Private sector	20,305,144	21,982,152	23,420,279
Unearned income from leasing	(8,714,484)	(9,286,996)	(9,631,466)
Allowance for leasing losses (Notes 3g, 10f, 10g and 10h)	(891,802)	(955,523)	(570,596)
Other receivables	**20,489,553**	**20,469,176**	**21,197,924**
Receivables	15,755	103	279
Securities trading	317,927	474,848	1,333,104
Sundry (Note 11b)	20,168,512	20,008,762	19,873,770
Allowance for loan losses (Notes 3g, 10f, 10g and 10h)	(12,641)	(14,537)	(9,229)
Other assets (Note 12)	**383,427**	**378,388**	**387,219**
Other assets	553	553	1,187
Prepaid expenses (Notes 3i and 12b)	382,874	377,835	386,032
Permanent assets	**9,916,523**	**10,194,797**	**8,017,091**
Investments (Notes 3j, 4, 13 and 32b)	**1,536,687**	**1,548,817**	**1,400,346**
Interest in unconsolidated companies:			
- Local	1,018,329	1,026,280	884,357
Other investments	799,369	805,348	866,185

Allowance for losses	(281,011)	(282,811)	(350,196)
Premises and equipment (Notes 3k and 14)	**3,235,933**	**3,406,308**	**3,275,273**
Premises	1,022,909	1,024,269	1,030,669
Other assets	6,916,190	7,000,677	6,634,820
Accumulated depreciation	(4,703,166)	(4,618,638)	(4,390,216)
Leased assets (Note 14)	**8,334**	**11,646**	**10,854**
Leased assets	20,972	27,854	22,222
Accumulated depreciation	(12,638)	(16,208)	(11,368)
Intangible assets (Notes 3l, 4 and 15)	**5,135,569**	**5,228,026**	**3,330,618**
Intangible assets	8,674,765	8,491,567	6,061,496
Accumulated amortization	(3,539,196)	(3,263,541)	(2,730,878)
Total	**532,626,060**	**506,223,092**	**482,140,944**

The Notes are an integral part of the Financial Statements.

Consolidated Balance Sheet *R$ thousand*

Liabilities	**2010**	**2009**	
	March	**December**	**March**
Current liabilities	**321,166,083**	**298,608,497**	**270,904,658**
Deposits (Notes 3n and 16a)	**103,857,996**	**104,481,562**	**89,839,871**
Demand deposits	31,590,287	34,627,064	24,999,970
Savings deposits	45,194,691	44,162,309	37,391,607
Interbank deposits	329,218	741,355	384,993
Time deposits (Notes 16a and 32b)	25,749,548	23,915,158	26,181,451
Other deposits	994,252	1,035,676	881,850
Federal funds purchased and securities sold under agreements to repurchase (Notes 3n and 16b)	**98,260,955**	**86,590,180**	**63,115,027**
Own portfolio	30,582,625	17,575,088	4,069,749
Third-party portfolio	66,823,881	68,417,064	55,702,256
Unrestricted portfolio	854,449	598,028	3,343,022
Funds from issuance of securities (Notes 16c and 32b)	**3,060,285**	**3,367,651**	**3,005,901**
Exchange acceptances	-	-	256
Mortgage and real estate notes, letters of credit and others	2,420,734	2,457,601	2,223,898
Debentures (Note 16c-1)	25,852	10,287	76,119
Securities issued abroad	613,699	899,763	705,628
Interbank accounts	**203,613**	**22,968**	**123,920**
Interbank onlending	-	-	1,851
Correspondent banks	203,613	22,968	122,069
Interdepartmental accounts	**1,859,048**	**2,927,186**	**2,163,045**
Third-party funds in transit	1,859,048	2,927,186	2,163,045
Borrowing (Notes 17a and 32b)	**7,823,288**	**7,683,073**	**12,049,075**
Local borrowing - official institutions	-	-	10
Local borrowing - other institutions	557	540	525
Borrowing abroad	7,822,731	7,682,533	12,048,540
Local onlending - official institutions (Notes 17b and 32b)	**6,772,140**	**6,521,754**	**6,927,635**
National treasury	62,143	124,020	103,631
National Bank for Economic and Social Development (BNDES)	2,221,555	2,274,498	2,864,867
Caixa Econômica Federal Federal savings bank (CEF)	17,341	17,023	16,213
Fund for financing the acquisition of industrial machinery and equipment (Finame)	4,471,101	4,105,565	3,942,916
Other institutions	-	648	8
Foreign onlending (Notes 17b and 32b)	**482,959**	**794**	**381**
Foreign onlending	482,959	794	381

Derivative financial instruments (Notes 3f and 32)	**2,361,013**	**435,175**	**2,075,938**
Derivative financial instruments	2,361,013	435,175	2,075,938
Technical provisions for insurance, private pension plans and savings bonds (Notes 3o and 21)	**59,014,470**	**57,489,599**	**49,019,882**
Other liabilities	**37,470,316**	**29,088,555**	**42,583,983**
Collection of taxes and other contributions	3,015,045	258,123	2,498,280
Foreign exchange portfolio (Note 11a)	5,452,357	3,918,034	22,367,012
Social and statutory	918,024	1,784,142	771,495
Fiscal and social security (Note 20a)	2,455,976	3,265,674	2,081,029
Securities trading	1,566,917	1,116,282	1,139,803
Financial and development funds	221	438	6,342
Subordinated debts (Notes 4, 19 and 32b)	4,772,011	320,460	564,949
Sundry (Notes 4 and 20b)	19,289,765	18,425,402	13,155,073
Long-term liabilities	**167,263,667**	**164,742,544**	**175,319,989**
Deposits (Notes 3n and 16a)	**66,863,677**	**66,591,522**	**79,263,263**
Interbank deposits	36,540	10,704	21,171
Time deposits (Notes 16a and 32b)	66,827,137	66,580,818	79,242,092
Federal funds purchased and securities sold under agreements to repurchase (Notes 3n and 16b)	**29,911,020**	**26,682,866**	**28,544,174**
Own portfolio	29,911,020	26,682,866	28,544,174

Consolidated Balance Sheet *R$ thousand*

Liabilities	2010	2009	
	March	December	March
Funds from issuance of securities (Notes 16c and 32b)	**5,490,228**	**4,114,933**	**6,273,819**
Mortgage and real estate notes, letters of credit and others	39,108	26,954	196,584
Debentures (Note 16c-1)	730,163	730,165	1,455,357
Securities issued abroad	4,720,957	3,357,814	4,621,878
Borrowing (Notes 17a and 32b)	**770,265**	**322,063**	**631,081**
Local borrowing - official institutions	-	-	19
Borrowing abroad	770,265	322,063	631,062
Local onlending - official institutions (Notes 17b and 32b)	**14,358,227**	**12,800,052**	**10,812,027**
BNDES	6,114,515	5,864,982	4,129,875
CEF	71,581	74,101	80,280
FINAME	8,171,480	6,860,969	6,601,132
Other institutions	651	-	740
Borrowings and Onlendings Abroad (Notes 17b and 32b)	**865**	**-**	**-**
Onlending abroad	865	-	-
Derivative financial instruments (Notes 3f and 32)	**107,726**	**96,019**	**217,949**
Derivative financial instruments	107,726	96,019	217,949
Technical provisions for insurance, private pension plans and savings bonds (Notes 3o and 21)	**18,670,521**	**18,082,322**	**17,653,175**
Other liabilities	**31,091,138**	**36,052,767**	**31,924,501**
Fiscal and social security (Note 20a)	11,146,891	9,937,994	9,590,431
Subordinated debts (Notes 4, 19 and 32b)	18,768,718	22,783,517	19,709,056
Sundry (Notes 4 and 20b)	1,175,529	3,331,256	2,625,014
Deferred income	**292,397**	**320,625**	**272,930**
Deferred income	292,397	320,625	272,930
Minority interest in subsidiaries (Note 22)	**816,547**	**797,675**	**337,010**
Shareholders' equity (Note 23)	**43,087,366**	**41,753,751**	**35,306,357**
Capital:			
- Domiciled in Brazil	25,703,438	25,635,353	22,135,032
- Domiciled abroad	796,562	864,647	864,968
Capital reserves	62,614	62,614	62,614
Profit reserves	16,185,632	15,022,670	12,936,218
Assets valuation adjustments	339,120	357,341	(687,295)
Treasury shares (Notes 23d and 32b)	-	(188,874)	(5,180)
Shareholders equity managed by the Parent Company	**43,903,913**	**42,551,426**	**35,643,367**
Total	**532,626,060**	**506,223,092**	**482,140,944**

The Notes are an integral part of the Financial Statements.

Consolidated Statement of Income *R$ thousand*

	2010	2009	
	1st quarter	4th quarter	1st quarter
Revenues from financial intermediation	**15,490,486**	**15,065,016**	**16,499,653**
Loan operations (Note 10j)	8,459,551	8,140,757	7,848,097
Leasing operations (Note 10j)	641,936	760,669	888,685
Operations with securities (Note 8h)	3,823,475	3,728,940	4,783,392
Financial income from insurance, private pension plans and savings bonds (Note 8h)	2,272,263	1,998,812	1,986,067
Derivative financial instruments (Note 8h)	(38,762)	142,714	537,398
Foreign exchange operations (Note 11a)	130,877	134,943	308,745
Compulsory deposits (Note 9b)	184,700	139,882	147,269
Sale or transfer of financial assets	16,446	18,299	-
Financial intermediation expenses	**9,647,594**	**9,697,436**	**11,665,907**
Federal funds purchased and securities sold under agreements to repurchase (Note 16e)	5,511,475	5,490,984	6,885,965
Monetary restatement and interest on technical provisions for insurance, private pension plans and savings bonds (Note 16e)	1,493,549	1,171,800	1,373,602
Borrowing and onlending (Note 17c)	481,459	302,503	485,112
Leasing operations (Note 10j)	1,824	2,116	1,624
Allowance for loan losses (Notes 3g, 10g and 10h)	2,159,287	2,730,033	2,919,604
Gross income from financial intermediation	**5,842,892**	**5,367,580**	**4,833,746**
Other operating income/expenses	**(3,057,822)**	**(2,477,084)**	**(2,381,156)**
Fee and commission income (Notes 4 and 24)	3,080,431	3,094,465	2,750,086
Other fee and commission income	2,484,218	2,530,495	2,204,805
Revenues from banking fees	596,213	563,970	545,281
Insurance, private pension plans and savings bonds retained premiums (Notes 3o and 21d)	6,790,967	8,003,075	5,445,094
Net premiums written	6,851,334	8,040,563	5,513,953
Reinsurance premiums	(60,367)	(37,488)	(68,859)
Variation of technical provisions for insurance, private pension plans and savings bonds (Note 3o)	(3,119,227)	(4,464,610)	(2,262,667)
Retained claims (Note 3o)	(2,267,327)	(2,196,702)	(1,981,545)
Savings bonds drawings and redemptions (Note 3o)	(451,350)	(522,102)	(363,563)
Insurance, private pension plans and savings bonds selling expenses (Note 3o)	(371,477)	(335,411)	(298,683)

Personnel expenses (Notes 4 and 25)	(2,120,571)	(2,080,952)	(1,852,076)
Other administrative expenses (Notes 4 and 26)	(2,564,249)	(2,674,496)	(2,157,744)
Tax expenses (Notes 4 and 27)	(735,743)	(697,357)	(595,953)
Equity in the earnings of affiliates (Note 13c)	28,755	142,011	5,567
Other operating income (Note 28)	654,186	917,936	471,875
Other operating expenses (Notes 4 and 29)	(1,982,217)	(1,662,941)	(1,541,547)
Operating income	**2,785,070**	**2,890,496**	**2,452,590**
Non-operating income (Note 30)	**(95,374)**	**(131,694)**	**(39,979)**
Income before taxes on income and minority interest	**2,689,696**	**2,758,802**	**2,412,611**
Income taxes and social contribution (Notes 34a and 34b)	**(569,318)**	**(569,023)**	**(684,057)**
Minority interest in subsidiaries	**(17,672)**	**(8,838)**	**(5,542)**
Net income	**2,102,706**	**2,180,941**	**1,723,012**

The Notes are an integral part of the Financial Statements.

***Statement of Changes in Shareholders Equity** R$ thousand*

Events	Capital stock	Capital reserves		Profit reserves		Asset valuation adjustments		Treasury shares	Retained earnings	
		Income tax incentives from income tax	Other	Legal	Statutory	Bradesco	Subsidiaries			
Balances on December 31, 2008	**23,000,000**	**2,103**	**60,511**	**1,853,688**	**10,006,599**	**(53,961)**	**(607,543)**	**(4,853)**	**-**	**34,**
Acquisition of treasury shares	-	-	-	-	-	-	-	(327)	-	
Assets valuation adjustments	-	-	-	-	-	(106,069)	80,278	-	-	(
Net income	-	-	-	-	-	-	-	-	1,723,012	1,
Allocations: - Reserves	-	-	-	86,151	989,780	-	-	-	(1,075,931)	
- Provisioned interest on shareholders equity	-	-	-	-	-	-	-	-	(523,150)	(5
- Paid and/or provisioned dividends	-	-	-	-	-	-	-	-	(123,931)	(1
Balances on March 31, 2009	**23,000,000**	**2,103**	**60,511**	**1,939,839**	**10,996,379**	**(160,030)**	**(527,265)**	**(5,180)**	**-**	**35,**
Balances on September 30, 2009	**23,000,000**	**2,103**	**60,511**	**2,145,255**	**13,559,049**	**(108,639)**	**314,158**	**(94,950)**	**-**	**38,**
Capital increase by merger of shares	1,368,183	-	-	-	-	-	-	-	-	1,
Capital increase with reserves	2,131,817	-	-	-	(2,131,817)	-	-	-	-	
Acquisition of treasury shares	-	-	-	-	-	-	-	(93,924)	-	(
Asset valuation adjustments	-	-	-	-	-	116,560	35,262	-	-	

Net income	-	-	-	-	-	-	-	-	2,180,941	2,
Allocations: - Reserves	-	-	-	109,047	1,341,136	-	-	-	(1,450,183)	
- Provisioned interest on shareholders equity	-	-	-	-	-	-	-	-	(525,494)	(5
- Paid and/or provisioned dividends	-	-	-	-	-	-	-	-	(205,264)	(2
Balances on December 31, 2009	**26,500,000**	**2,103**	**60,511**	**2,254,302**	**12,768,368**	**7,921**	**349,420**	**(188,874)**	**-**	**41,**
Acquisition of treasury shares	-	-	-	-	-	-	-	(4,740)	-	
Cancellation of treasury shares	-	-	-	-	(193,614)	-	-	193,614	-	
Asset valuation adjustments	-	-	-	-	-	50,408	(68,629)	-	-	(
Net income	-	-	-	-	-	-	-	-	2,102,706	2,
Allocations: - Reserves	-	-	-	105,135	1,251,441	-	-	-	(1,356,576)	
- Provisioned interest on shareholders equity	-	-	-	-	-	-	-	-	(608,025)	(6
- Paid and/or provisioned dividends	-	-	-	-	-	-	-	-	(138,105)	(1
Balances on March 31, 2010	**26,500,000**	**2,103**	**60,511**	**2,359,437**	**13,826,195**	**58,329**	**280,791**	**-**	**-**	**43,**

The Notes are an integral part of the Financial Statements.

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Value Added Statement *R$ thousand*

Description	2010		2009			
	1st quarter	%	4th quarter	%	1st quarter	%
1 Income	**15,771,693**	**277.0**	**15,204,991**	**267.3**	**15,917,141**	**318.7**
1.1) Financial intermediation	**15,490,486**	**272.0**	**15,065,016**	**264.8**	**16,499,653**	**330.3**
1.2) Fee and commission	**3,080,431**	**54.1**	**3,094,465**	**54.4**	**2,750,086**	**55.0**
1.3) Allowance for loan losses	**(2,159,287)**	**(37.9)**	**(2,730,033)**	**(48.0)**	**(2,919,604)**	**(58.4)**
1.4) Other	**(639,937)**	**(11.2)**	**(224,457)**	**(3.9)**	**(412,994)**	**(8.2)**
2 Financial intermediation expenses	**(7,488,307)**	**(131.5)**	**(6,967,403)**	**(122.5)**	**(8,746,303)**	**(175.1)**
3 Inputs acquired from third-parties	**(2,101,504)**	**(37.0)**	**(2,226,927)**	**(39.1)**	**(1,768,193)**	**(35.4)**
Materials, water, energy and gas	(117,417)	(2.1)	(117,567)	(2.1)	(103,943)	(2.1)
Third-party services	(724,077)	(12.7)	(701,426)	(12.3)	(585,195)	(11.7)
Other	**(1,260,010)**	**(22.2)**	**(1,407,934)**	**(24.7)**	**(1,079,055)**	**(21.6)**
- Communication	(334,475)	(5.9)	(327,884)	(5.8)	(298,692)	(6.0)
- Financial system services	(86,059)	(1.5)	(88,665)	(1.6)	(61,809)	(1.2)
- Advertising and marketing	(152,363)	(2.7)	(282,488)	(5.0)	(109,265)	(2.2)
- Transportation	(142,311)	(2.5)	(149,688)	(2.6)	(147,723)	(3.0)
- Data processing	(190,766)	(3.3)	(212,022)	(3.7)	(182,574)	(3.7)
- Maintenance and repairs	(107,456)	(1.9)	(111,485)	(2.0)	(99,347)	(2.0)
- Security and surveillance	(66,143)	(1.2)	(64,083)	(1.1)	(60,260)	(1.2)
- Travel	(21,154)	(0.4)	(22,341)	(0.4)	(15,545)	(0.3)
- Other	(159,283)	(2.8)	(149,278)	(2.5)	(103,840)	(2.0)
4 Gross value added (1-2-3)	**6,181,882**	**108.5**	**6,010,661**	**105.7**	**5,402,645**	**108.2**