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

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<tr><th>Individual</th><th>Support</th><th colspan="2">Domestic Currency</th><th colspan="2">Foreign Currency</th><th colspan="2">Domestic</th></tr>
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<tr><th colspan="8">Moody´s Investors Service</th></tr>
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<tr><td rowspan="3">B -</td><td>Foreign Currency Debt</td><td colspan="2">Domestic Currency Deposit</td><td colspan="2">Foreign Currency Deposit</td><td colspan="2">Domestic Currency</td></tr>
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<tr><th colspan="6">Standard & Poor's</th><th>R&I Inc.</th><th colspan="3">Austin Rating</th></tr>
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<tr><th colspan="2">Foreign Currency</th><th colspan="2">Domestic Currency</th><th colspan="2">Counterparty Rating</th><th>Issuer Rating</th><th></th><th>Long-Term</th><th>Short-Term</th></tr>
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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.

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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.

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**							**Fiscal Hedge (8)**	**Managerial Statement of Income**	**Non-Recurring Effects (9)**	**Adjusted Statement of Income**
		(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**				
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.

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Fourth quarter of 2009

R$ mill

	4Q09											
	Accounting Statement of Income	Reclassifications (1)	(2)	(3)	(4)	(5)	(6)	(7)	Fiscal Hedge (8)	Managerial Statement of Income	Non-Recurring Effects (9)	Adjust Statem of Inco
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.

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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.

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Consolidated Balance Sheet and Adjusted Statement of Income

Balance Sheet

	Mar10	Dec09	Sep09	Jun09	Mar09	Dec08	Sep08	R$ million 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

					R$ million
	Financial Margin				
				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

	R$ million
	Interest Financial Margin Breakdown

	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				
				Variation	
	1Q10	4Q09	1Q09	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).

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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**

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 13th 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

	1Q10	4Q09	3Q09	2Q09	1Q09	4Q08	3Q08	R$ million 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.

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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.

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						