

BANK BRADESCO  
Form 6-K  
November 01, 2002

---

**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 November, 2002**

**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  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

---

**Table of Contents**

Enclosures:

1. Disclosure of Results for the 3<sup>rd</sup> Quarter of 2002
  2. Disclosure of Accumulated Results (9 months) September 2002
  3. Analysis of the Consolidated Statement of Income for the Third Quarter 2002
  4. Consolidated Equity Analysis for the Third Quarter 2002
-

# Edgar Filing: BANK BRADESCO - Form 6-K

## PRESS RELEASE

### Disclosure of Results for the 3rd Quarter of 2002

Banco Bradesco, Brazil's largest private bank (BOVESPA: BBDC4 and BBDC3; Latibex: XBBDC; NYSE: BBD), announced today its third-quarter results for 2002 (3Q02). The Bank presented net income of R\$ 420 million, or R\$ 0.29 per thousand shares, a decrease of 12.3% as compared to its second-quarter results for 2002 (2Q02) of R\$ 479 million and R\$ 0.33, respectively. Annualized returns on Stockholders' Equity and Total Assets were 17.0% and 1.2%, respectively, compared to 20.3% and 1.5% for 2Q02, respectively.

The quarter was marked by the following important events:

- o Start up of the operations of Banco Finasa S.A. and Finasa Promotora de Vendas Ltda. Operating in the consumer sales financing segment, the new Finasa comes into existence as the country's largest financing company with a portfolio of R\$ 7 billion.
- o The Bradesco website was rated best in the world and best in Latin America, by the respected US magazine Global Finance, in the retail segment, for the range of products offered, design and marketing.

The following financial and operating information, except where otherwise indicated, is presented on a consolidated basis and in reais, in accordance with Brazilian corporate legislation. The full report can be downloaded directly from the Investor Relations page on the Bank's website ([www.bradesco.com.br](http://www.bradesco.com.br)).

#### 1. Highlights for the 3rd Quarter of 2002

- o Net Income was R\$ 420 million for 3Q02, a 12.3% decrease as compared to net income for 2Q02.
  - Financial Activity results attained R\$ 267 million, 21.0% lower than results for 2Q02.
  - The Insurance Group (Insurance, Private Pension Plan and Savings Bond companies) contributed with results of R\$ 166 million, an increment of 18.8% over the results for 2Q02.
- o Operating Income was R\$ 531 million, a 7.0% decrease compared to 2Q02.
- o The financial margin attained R\$ 4,387 million, a growth rate of 56.5% as compared to 2Q02. In relation to average total assets, the annualized financial margin increased to 13.9% over 9.5% for 2Q02. Adjusting the additional provision for market risk fluctuation recorded/reversed for the periods, the annualized financial margin would be 9.8% in the 2nd quarter and 9.0% in the 3rd quarter.
- o Income from financial intermediation totaled R\$ 3,491 million, corresponding to a 66.8% increase in relation to 2Q02.
- o The efficiency ratio was 57.4%, not quite as low the 57.1% ratio registered in 2Q02

## Edgar Filing: BANK BRADESCO - Form 6-K

- o Consolidated Assets amounted to R\$ 140,151 million, a 12.4% growth rate compared to 2Q02.
- o The Basel capital adequacy ratio was 15.6% on a consolidated financial basis and 13.7% on a total consolidated basis, compared to 14.7% and 13.0% respectively, for 2Q02.
- o The fixed assets to stockholders' equity ratio was 52.9% on a consolidated financial basis and 42.4% on a total consolidated basis, compared to 56.1% and 46.6%, for 2Q02, respectively.
- o The expanded combined insurance ratio oscillated slightly to 93.9%, as compared with 92.8% for 2Q02.

### 2. Analysis of Consolidated Results

#### 2.1 Income from Lending and Trading activities

Credit and Leasing Operations totaled R\$ 7,472 million, an increase of 64.5% as compared to 2Q02, mainly derived from exchange variation of 36.93% for 3Q02 on a portion of the portfolio as compared with 22.41% in 2Q02.

Securities and Financial Derivative Instruments amounted to R\$ 5,505 million, a 109.6% growth rate in relation to 2Q02, mainly derived from the increase in exchange variation.

Income from Foreign Exchange Transactions amounted to R\$ 2,744 million, exceeding by 114.9% results for 2Q02, mainly as a result of exchange variance for the quarter. This account should be analyzed less of expenses for foreign funding used to finance import/export operations.

#### 2.2 Expenses for Lending and Trading Activities

Deposits received under security repurchase agreements totaled R\$ 6,050 million, an increase of 76.4% compared to 2Q02, mainly as a result of (i) increase in the volume of funding, partially generated by migration of resources from managed funds; and (ii) exchange variation increases for the quarter which particularly affected securities issued abroad.

Borrowings and Onlendings attained R\$ 5,409 million, an increase of 136.3% compared to 2Q02, mainly as a result of the increase in exchange variation for the quarter which impacted expenses for foreign loans.

Allowance for Loan Losses totaled R\$ 896 million, a 26.0% increase in comparison with 2Q02. Discounting the effect of the additional provision of R\$ 48 million in 2Q02 and of R\$ 135 million in 3Q02, the increase of R\$ 96 million was generated by an increase in customer defaults as a result of the economic slowdown.

#### 2.3 Other Operating Income and Expenses

## Edgar Filing: BANK BRADESCO - Form 6-K

Commissions and Fees totaled R\$ 935 million in 3Q02, an increase of 1.0% compared to 2Q02. This variation for the quarter reflects the increase in: (i) income on credit cards of R\$ 14 million; (ii) credit operations of R\$ 13 million; (iii) income on collections of R\$ 7 million; and at the same time a decrease in (iv) income on fund management of R\$ 25.

Insurance Premiums, Private Pension Plans and Savings Bonds totaled R\$ 2,679 million in 3Q02, an increase of 18.4% compared to 2Q02, mainly derived from: (i) the improved performance of insurance and private pension plan products, especially VGBL, introduced in March 2002; and (ii) the improved performance of the Auto and Elementary Line portfolio.

Variations in Technical Reserves for Insurance, Pension Plans and Savings Bonds totaled R\$ 1,393 million in 3Q02, an increase of 120.1% as compared to 2Q02, mainly as a result of: (i) growth in income on insurance and private pension plan products, such as VGBL; and (ii) appropriation of interest and price-level restatement of provisions relating to private pension plans and savings bonds.

Insurance claims totaled R\$ 920 million, a 2.6% growth rate compared to 2Q02, mainly as a result of increased insurance sales, even though the ratio of claims/premiums decreased in comparison with the prior quarter.

Personnel Expenses for the quarter increased by 15.0% to R\$ 1,109 million, when compared to 2Q02, mainly due to: (i) the adjustment of R 58 million resulting from the collective labor agreement signed with the bank employees' trade union; and (ii) the one-off bonus of approximately R\$ 75 million paid in September 2002.

Administrative Expenses for the quarter increased by 5.1% to R\$ 1,063 million, when compared to 2Q02 mainly as a result of the increase in expenses for: (i) Publicity and Advertising - R\$15 million; (ii) Communications - R\$13 million; and (iii) Third-party services - R\$11 million for the quarter.

### 2.4 Taxes and Contributions

Paid and accrued for taxes and contributions, including social security dues, totaled R\$ 510 million, for the quarter corresponding to 1.2 times net income for 3Q02. In 2Q02, taxes and contributions corresponded to 1.1 times net income.

## 3. Analysis of the Consolidated Balance Sheet

### 3.1 Securities

Securities totaled R\$ 37,590 million, a decrease of 0.8% as compared to 2Q02, and are classified as follows: 50.4% are "Trading Securities", 19.6% are "Available for Sale", 28.8% are "Held to Maturity" and 1.2% are "Financial Derivative Instruments". The securities portfolio includes restricted securities and technical reserves of the Organization's insurance, savings bond and private pension plan companies. Securities comprised 26.8% of the total consolidated

## Edgar Filing: BANK BRADESCO - Form 6-K

assets in 3Q02, as compared to 30.4% in 2Q02.

NBCs and exchange NTNs were reclassified from securities available for sale to securities held to maturity, in the amount of R\$ 5,904 million at September 30, 2002 of which R\$ 5,633 million will fall due up to December 2002, decreasing results by R\$ 30 million, net of tax effects.

This reclassification considered management's intention to hold the securities to maturity, based on market conditions and the forthcoming maturity of these securities.

### 3.2 Credit Operations

The Credit Portfolio totaled R\$ 53,599 million, a growth rate of 1.9% over 2Q02.

AA-C-rated credit operations totaled R\$ 48,622 million and comprised 90.7% of the Credit Portfolio for the period, compared to 91.1% in 2Q02.

The balance of the Allowance for Loan Losses (PDD) totaled R\$ 3,818 million, a 8.2% increase in relation to 2Q02, comprising 7.1% of the credit portfolio, compared with 6.7% in 2Q02.

Write-offs for the period amounted to R\$ 607 million, a growth rate of 7.1% over 2Q02, and corresponding to 1.1% of the Credit Portfolio, as in 2Q02.

The abnormal course Credit Portfolio comprising D-H ratings (credits past due for more than 60 days, including future installments) totaled R\$ 2,944 million, corresponding to a decrease of 4.7% as compared with 2Q02. The total allowance (R\$ 3,818 million) covers 129.7% of this portfolio. In 2Q02, coverage was 114.2%.

### 3.3 Funds Obtained

Total Deposits amounted to R\$ 55,871 million, a 9.9% increase over 2Q02 and comprise R\$ 11,448 million in demand deposits, R\$ 20,117 million in savings deposits, R\$ 24,283 million in time deposits and R\$ 24 million in interbank deposits.

Borrowings and Onlendings amounted to R\$ 19,355 million, an increase of 18.7% compared to 2Q02.

Subordinated Debt totaled R\$ 2,386 million, 52.3% in local currency and 47.7% in foreign currency.

Technical reserves for Insurance, Savings Bonds and Private Pension Plans amounted to R\$ 16,600 million, an increase of 9.1% over 2Q02.

### 3.4 Stockholders' Equity

Stockholders' Equity total R\$ 10,500 million, a 3.8% increase as compared with 2Q02.

Managed Stockholders' Equity total 7.7% of Consolidated Assets, compared to 8.4% in 2Q02.

Net equity per thousand shares is R\$ 7.35.

## Edgar Filing: BANK BRADESCO - Form 6-K

### 4. Funds Under Management

Funds under management by Bradesco Asset Management totaled R\$ 59,065 million, R\$ 42,505 million of which in Investment Funds and R\$ 16,560 million in Customer Portfolios, decreases of 3.9% and 0.9% respectively, compared to 2Q02.

### 5. Customer Service Network

At the end of 3Q02, the Bradesco Customer Service Network had 2,928 branches in Brazil (Bradesco - 2,482, Banco BCN - 226, Banco Mercantil - 219 and Banco Finasa - 1).

At the end of the third quarter, Postal Bank branches totaled 1,033.

The number of ATMs in the BDN Network increased to 21,114, including 1,664 outplaced BDN Network ATM terminals.

At the end of 3Q02, Bradesco Internet Banking had more than 4.6 million registered users with a total financial volume of R\$ 2.5 million in more than 73.2 million transactions, an 18.4% compared to 2Q02.

Bradesco Net Empresa, our corporate customer website, had more than 47 thousand registered companies, moving R\$ 800 million in more than 800 thousand transactions, a growth rate of 94.2% over 2Q02.

ShopInvest achieved significant results in 3Q02 with 549 thousand registered users and a transaction volume of R\$ 336 million in 73 thousand operations carried out, a marginal decrease of 7.6% in the number of transactions as compared with 2Q02.

ShopCredit the Bank's Loan and Financing website, computed 92 thousand transactions/operations and a financial volume of R\$ 29 million in transactions.

### 6. Human Resources

The Bradesco Organization's headcount total 73,943 employees, with 61,697 employed by Bradesco and 12,246 by the subsidiary companies, including 4,565 employees of Banco Mercantil. We highlight during the quarter the importance of the benefits plans offered to employees and their dependents and which are directly focused on improving the quality of life, well being and security of 184,277 people.

### 7. The Bradesco Organization Social Activities

In this area, the Organization carries out extensive educational work through the Bradesco Foundation. The Foundation maintains 38 Schools, mostly located in underprivileged regions, in 25 of the 26 Brazilian States and in the Federal District. These schools provide basic education completely free of charge. This year, more than 103 thousand students attend these schools, including those enrolled on the youth and adult educational and professional training courses. The Foundation also provides free meals, uniforms, school materials and medical/dental care to more than 48 thousand infant, junior, middle and technical school students.

## Edgar Filing: BANK BRADESCO - Form 6-K

### 8. Market Indicators (%)

### 9. Forthcoming Events

#### 9.1. Teleconference - Results for the 3rd quarter of 2002

Date: October 31, 2002

##### In Portuguese:

12h30 pm (US Eastern Time)

Brazil: (00XX11) 4613-0500

International: (# 55 11) 4613-0500

Conference Call ID: 5361

##### In English:

2h30 pm (US Eastern Time)

Brazil: 000-8156-203-7616 (Toll Free)

USA: (#1 877) 856-3461 (Toll Free) and (#1 706) 643-0884

United Kingdom: 0800-9174860 (Toll Free)

Conference Call ID: 6161786

Simultaneous Webcast: [www.bradesco.com.br](http://www.bradesco.com.br)

Additional information can be obtained from our Investor Relations Team:

##### Contacts:

Jean Philippe Leroy

Technical Director of Investor Relations

Tel: (# 55 11) 3684-9229

e-mail: [4260.jean@bradesco.com.br](mailto:4260.jean@bradesco.com.br)

Bernardo Garcia

Executive Manager of Investor Relations

Phone: (# 55 11) 3684-9302

e-mail: [4260.bernardo@bradesco.com.br](mailto:4260.bernardo@bradesco.com.br)

The information contained in this document may include future considerations that reflect the current perception and perspectives of Banco Bradesco's Board of Executive Officers on developments in the macroeconomic environment, sector conditions, interest rates, performance and the Bank's financial results. Any statements, expectations, capacities, plans and conjectures contained in this document and which do not describe historical facts, such as information regarding the declaration of the payment of dividends, the future direction of operations, implementation of significant operating and financial strategies, the investment program, factors or trends which affect the financial condition, liquidity or results of operations, are future considerations of significance provided for in the "U.S. Private Securities Litigation Reform Act" of 1995 and contemplate various risks and uncertainties. There is no guarantee that such results will occur. The statements are based on various factors and expectations, including economic and marketing conditions, industry competitiveness and operating factors. Real results could be materially different from Bradesco's present expectations as a result of possible changes in such expectations and factors.

---



# Edgar Filing: BANK BRADESCO - Form 6-K

## PRESS RELEASE

### Disclosure of Accumulated Results (9 months) September 2002

BancoBradesco, Brazil's largest private bank (BOVESPA: BBDC4; BBDC3 Latibex: XBBDC; NYSE: BBD), rated Best Brazilian Bank in the Forbes 200 Economática ranking for the second year in a row, announced today its results for the first nine months of 2002 (9M02). The Bank presented net income of R\$ 1,325 million, or R\$ 0.93 per thousand shares, a decrease of 15.1% as compared to its results for the first nine months of 2001 (9M01) of R\$.1,560 million and R\$ 1.08, respectively. Returns on Stockholders' Equity and Total Assets were 17.2% and 1.3%, respectively, compared to 22.6% and 1.9% for 9M01, respectively.

The period was marked by the following important events:

- o Acquisition of the share control of Banco Mercantil de São Paulo S.A.
- o Acquisition of the share control of Banco do Estado do Amazonas S.A., now under the name of Banco BEA S.A.
- o Acquisition by Banco BCN S.A. of the share control of Banco Cidade S.A.
- o Strategic partnership entered into with Ford.
- o Acquisition of Deutsche Bank Investimentos DTVM S.A. and its Investment Fund Administration and Management Portfolio.
- o Increase of the percentage ownership of Banco Espírito Santo S.A. to 3%.
- o Start up of the operations of Banco Finasa S.A. and Finasa Promotora de Vendas Ltda. Operating in the consumer sales financing segment, the new Finasa comes into existence as the country's largest financing company with a portfolio of R\$ 7 billion.
- o The Bradesco website was rated best in the world and best in Latin America by the respected US magazine Global Finance, in the retail category, for the range of products offered, design and marketing.

The Brazilian Central Bank (BACEN) established new accounting policies for recording and classifying securities and financial derivative instruments, introducing the mark-to-market concept and classification based on whether management intends to trade a particular security and/or financial derivative instrument in the future or not. In accordance with the new policies, securities must be classified in one of the following three categories: trading securities, securities available for sale or securities held to maturity. For further details please see Note 8 to the Financial Statements.

The following financial and operating information, except where otherwise indicated, is presented on a consolidated basis and in reais, in accordance with Brazilian corporate legislation. The full report can be downloaded directly from the Investor Relations page on the Bank's website ([www.bradesco.com.br](http://www.bradesco.com.br)).

#### 1. Highlights for the first nine months of 2002

- o Net Income was R\$ 1,325 million for 9M02, a 15.1% decrease as compared to net income for 9M01.

## Edgar Filing: BANK BRADESCO - Form 6-K

- Financial Activity results attained R\$ 843 million, 24.5% lower than results for 9M01.
- The Insurance Group (Insurance, Private Pension Plans and Savings Bond companies) contributed with results of R\$ 473 million, an increment of 52.6% compared to 9M01.
- The results of other activities totaled R\$ 9 million.
- o Operating Income was R\$ 1,750 million, a 11.8% decrease compared to 9M01.
- o The financial margin attained R \$9,857 million, a growth rate of 39.5% as compared to 9M01. In relation to average total assets, the annualized financial margin increased to 10.8% over 9.5% in 9M01. Adjusting the additional provision for market risk fluctuation recorded/reversed for the periods, the annualized financial margin would be 9.8% in 2001 and 9.2% in 2002.
- o Income from financial intermediation totaled R\$ 7,617 million, a 34.2% increase as compared to 9M01.
- o The efficiency ratio was 56.1%, a slight oscillation compared to the ratio of 56.0% registered in 9M01, mainly as a result of acquisitions in 1H02.
- o Consolidated Assets amounted to R\$ 140,151 billion, a 30.5% increase as compared to 9M01.
- o The Basel capital adequacy ratio was 15.6% on a consolidated financial basis and 13.7% on a total consolidated basis, compared to 13.2% and 12.1% in 9M01.
- o The fixed assets to stockholders' equity ratio was 52.9% on a consolidated financial basis and 42.4% on a total consolidated basis, compared to 56.7% and 49.5%, respectively for 9M01.
- o The expanded combined insurance ratio attained 93.9%, an improvement compared with the ratio of 96.3% registered in 9M01.

## 2. Analysis of Consolidated Results

### 2.1 Income from Lending and Trading activities

Credit and Leasing Operations totaled R\$ 14,541 million, an increase of 34.9% as compared to 9M01, mainly derived from (i) an increase in exchange variation of 67.85% reflected on a portion of the portfolio in 2002 as compared with 36.61% in 2001; (ii) an increase in average interest rates for the period; and (iii) an increase in the credit portfolio.

Securities and Financial derivative instruments amounted to R\$ 9,733 million, a 64.7% increase compared to 9M01, mainly derived from: (i) additional resources from increased funding, particularly technical reserves; (ii) acquisitions in 1H02; (iii) exchange variation increase; and (iv) the increase in average interest rates for the period.

Income from Foreign Exchange Transactions amounted to R\$ 4,350 million, exceeding by 124.1% results for 9M01, mainly as a result of: (i) exchange variance for the period; and (ii) acquisitions in 1H02. This account balance should be analyzed less of foreign funding expenses used to finance import/export operations as described in Note 11b to the Financial Statements.

### 2.2 Expenses for Lending and Trading Activities

## Edgar Filing: BANK BRADESCO - Form 6-K

Deposits received under security repurchase agreements totaled R\$ 10,999 million, an increase of 58.7% compared to 9M01, mainly derived from: (i) the increase in the average volume of funding; (ii) the increase in the average interest rates for the period; and (iii) the impact of exchange variation, particularly on securities issued abroad.

Borrowings and Onlendings totaled R\$ 8,028 million, an increase of 67.0% compared to 9M01, mainly as a result of: (i) the exchange variation impact for the period; (ii) increase in average interest rates for the period; and to a lesser degree, (iii) the increase in the average volume of borrowings and onlendings.

Allowance for Loan Losses totaled R\$ 2,240 million, a 61.1% increase compared to 9M01, mainly as a result of: (i) the increase in the average balance of the credit portfolio, partially derived from acquisitions in 1H02; (ii) as well as an increase in customer defaults following the economic slowdown. Excluding the additional provision recorded in 2002 of R\$ 193 million, the increase would total 47.2%.

### 2.3 Other Operating Income and Expenses

Commissions and Fees totaled R\$ 2,721 million for 9M02, a 4.7% growth rate compared to 9M01. The increase of R\$ 122 million was mainly derived from: (i) the acquisition of Mercantil, BEA and Cidade - approximately R\$ 74 million; (ii) Credit Cards R\$ 63 million; (iii) Credit Operations R\$ 47 million; and was offset by (iv) a decrease in income on managed funds of R\$ 64 million.

Insurance Premiums, Private Pension Plans and Savings Bonds totaled R\$ 6,891 million in 9M02, an increase of 9.1% compared to 9M01, mainly derived from: (i) the improved performance of insurance and private pension plan products, especially VGBL, introduced in March 2002; and (ii) the improved performance of the Health line portfolio.

Variations in Technical Reserves for Insurance, Pension Plans and Savings Bonds totaled R\$ 2,563 million for 9M02, a 17.5% increase as compared to 9M01, mainly derived from: (i) the growth in income on insurance and private pension plan products, such as VGBL; and (ii) appropriation of interest and price-level restatement of provisions relating to private pension plans and savings bonds.

Insurance claims totaled R\$ 2,678 million, a 11.7% growth rate compared to 9M01, mainly as a result of increased insurance sales, even though the ratio of claims/premiums decreased in comparison with the prior quarter.

Personnel Expenses for the period increased by 17.5% to R\$ 2,929 million, when compared to 9M01, mainly due to: (i) salary increases as a result of the collective labor agreement of 5.5% in September 2001 plus R\$ 133 million comprising one month of appropriation proportional to the collective agreement of September 2001, including the total bonus of R\$ 75 million; (ii) the increase in the number of employees as a result of the acquisitions in 1H02, with expenses of some R\$ 154 million; and (iii) increase in the level of provisions for labor claims of R\$ 105 million.

Administrative Expenses for the period increased by 14.8% to R\$ 2,917 million, when compared to 9M01, mainly as a result of customer service network expansion, especially: (i) the effect of acquisitions in 1H02 of some R\$149 million; (ii) third-party services - R\$ 85 million (iii) publicity and advertising - R\$ 85 million; and (iv) expenses for communications, including network outsourcing (BUS) - R\$ 86 million

### 2.4 Taxes and Contributions

## Edgar Filing: BANK BRADESCO - Form 6-K

Paid and accrued for taxes and contributions, including social security dues, totaled R\$ 1,748 million for the six-month period. This corresponds to 1.3 times net income for 9M02. In 9M01, taxes and contributions corresponded to 1.0 times net income.

### 3. Analysis of the Consolidated Balance Sheet

#### 3.1 Securities

Securities totaled R\$ 37,590 million, an increase of 3.7% as compared to 9M01 and are classified as follows: 50.4% are Trading Securities, 19.6% are Available for Sale, 28.8% are Held to Maturity and 1.2% are financial derivative instruments. The securities portfolio includes restricted securities and technical reserves of the Organization's insurance, private pension plan and savings bond companies. Securities comprised 26.8% of the total consolidated assets 9M02, as compared to 33.7% in 9M01.

NBCs and exchange NTNs were reclassified from securities available for sale to securities held to maturity, in the amount of R\$ 5,904 million at September 30, 2002 of which R\$ 5,633 million will fall due up to December 2002, decreasing results by R\$ 30 million, net of tax effects.

This reclassification considered management's intention to hold the securities to maturity, based on market conditions and the forthcoming maturity of these securities.

#### 3.2 Credit Operations

The Credit Portfolio totaled R\$ 53,599 million, an increase of 18.4% as compared to 9M01.

AA-C rated credit transactions totaled R\$ 48,622 million and represent 90.7% of the Credit Portfolio for the period, the same percentage obtained in 9M01.

The balance of the Allowance for Loan Losses (PDD) totaled R\$ 3,818 million, a 34.2% increase in relation to 9M01 and comprising 7.1% of the credit portfolio, as compared with 6.3% in 9M01.

Write-offs for the period amounted to R\$ 1,597 million, a growth rate of 51.5% over 9M01, corresponding to 3.0% of the credit portfolio, compared to 2.3% in 9M01.

The abnormal course Credit Portfolio comprising D-H ratings (credit past due for more than 60 days, including future installments) totaled R\$ 2,944 million, corresponding to a growth rate of 19.8% over the amount for 9M01. The total allowance (R\$ 3,818 million) covers 129.7% of this portfolio. In 9M01, coverage was 115.7%.

#### 3.3 Funds Obtained

Total Deposits amounted to R\$ 55,871 million, a 37.9% increase compared to 9M01. Of this amount approximately R\$ 4,579 million refers to Mercantil, BEA and Cidade. Deposits comprise R\$ 11,448 million in demand deposits, R\$ 20,117 million in savings deposits, R\$ 24,283 million in time deposits and R\$ 24 million in interbank deposits.

Borrowings and Onlendings amounted to R\$ 19,355 million, an increase of 16.5% compared to 9M01.

Subordinated Debt totaled R\$ 2,386 million, 52.3% in local currency and 47.7% in foreign currency.

## Edgar Filing: BANK BRADESCO - Form 6-K

Technical Reserves for Insurance, Savings Bonds and Private Pension Plans amounted to R\$ 16,600 million, an increase of 32.5% compared with 9M01.

### 3.4 Stockholders Equity

Stockholders Equity totals R\$10.500 billion, a 11.0% increase compared to 9M01.

Managed Stockholders Equity accounts for 7.7% of Consolidated Assets, compared to 8.9% in 9M01.

Net equity per thousand shares is R\$ 7.35.

### 4. Funds Under Management

Funds under management by Bradesco Asset Management totaled R\$ 59,065 million, R\$ 42,505 million of which in Investment Funds and R\$ 16,560 million in Customer Portfolios, a 3.8% and 5.3% increase, respectively, compared to 9M01.

### 5. Customer Service Network

At the end of 9M02, the Bradesco Customer Service Network had 2,928 branches in Brazil (Bradesco 2,482, Banco BCN 226, Banco Mercantil 219 and Banco Finasa 1).

At the end of the period, Postal Bank branches totaled 1,033.

We also reached a total of 21,114 ATMs in the BDN Network, including 1,664 outplaced BDN Network ATM terminals.

At the end of 9M02, Bradesco Internet Banking had more than 4.6 million registered users, with a total financial volume of R\$ 7,200 million in more than 195 million transactions, a 30.0% increase compared to 9M01.

Launched in September 2001, the Bradesco Net Empresa corporate website has more than 47 thousand registered companies, with a financial volume of R\$ 1,900 million in more than 1.400 thousand transactions.

ShopInvest achieved significant results in 9M02 with 549 thousand registered users, a transaction volume of R\$ 1,010 million in 215 thousand operations, a 33% increase compared to 9M01.

ShopCredit, the Bank's Loan and Financing website, computed 272 thousand transactions/operations carried out in 9M02, with a transaction volume of R\$ 80 million.

### 6. Human Resources

The Bradesco Organization's headcount totals 73,493 employees, with 61,697 employed by Bradesco and 12,246 by the subsidiary companies, including 4,565 employees of Banco Mercantil. We highlight, during the period, the importance of the benefits plans offered to employees and their dependents and which are directly focused on improving the quality of life, well being and security of 184,277 people.

### 7. The Bradesco Organization Social Activities

In this area, the Organization carries out extensive educational work through the Bradesco Foundation. The Foundation maintains 38 Schools, mostly located in underprivileged regions, in 25 of the 26 Brazilian States, and in the Federal District. These schools provide education completely free of charge. This year, over 103 thousand students attend these schools, including those enrolled on the

## Edgar Filing: BANK BRADESCO - Form 6-K

youth and adult educational and professional training courses. The Foundation also provides free meals, uniforms, school materials and medical/dental care to more than 48 thousand infant, junior, middle and technical school students.

### 8. Recent Acquisitions

Recent acquisitions have had very little impact on Bradesco's consolidated results for 9M02. The Balance Sheets of Mercantil, BEA and Cidade were fully consolidated in Bradesco's Balance Sheet.

The following table presents the main balance sheet amounts with emphasis on acquisitions:

(\*) Consolidated prior to the acquisition of Mercantil, BEA and Cidade, and including the loan portfolio acquired from Ford.

### 9. Market Indicators (%)

### 10. Forthcoming Events

#### 10.1. Teleconference Results for the Period

Date: October 31, 2002

In Portuguese:

12h30 pm (US Eastern Time)

Brazil: (00XX11) 4613-0500

International: (# 55 11) 4613-0500

Conference Call ID: 5361

In English:

2h30 pm (US Eastern Time)

Brazil: 000-8156-203-7616 (Toll Free)

USA: (#1 877) 856-3461 (Toll Free) and (#1 706) 643-0884

United Kingdom: 0800-9174860 (Toll Free)

Conference Call ID: 6161786

Simultaneous Webcast: [www.bradesco.com.br](http://www.bradesco.com.br)

Additional information can be obtained from our Investor Relations Team:

Contacts:

Jean Philippe Leroy

Technical Director of Investor Relations

Tel: (# 55 11) 3684-9229

e-mail: [4260.jean@bradesco.com.br](mailto:4260.jean@bradesco.com.br)

Bernardo Garcia

Executive Manager of Investor Relations

Phone: (# 55 11) 3684-9302

e-mail: [4260.bernardo@bradesco.com.br](mailto:4260.bernardo@bradesco.com.br)

The information contained in this document may include future considerations that reflect the current perception and perspectives of Banco Bradesco's Board of Executive Officers on developments in the macroeconomic environment, sector conditions, interest rates, performance and the Bank's financial results. Any statements, expectations, capacities, plans and conjectures contained in this document and which do not describe historical facts, such as information regarding the declaration of the payment of dividends, the future direction of operations, implementation of significant operating and financial strategies, the investment program, factors or trends which affect the financial condition, liquidity or results of operations, are future considerations of significance provided for in the U.S. Private Securities Litigation Reform

## Edgar Filing: BANK BRADESCO - Form 6-K

Act of 1995 and contemplate various risks and uncertainties. There is no guarantee that such results will occur. The statements are based on various factors and expectations, including economic and marketing conditions, industry competitiveness and operating factors. Real results could be materially different from Bradesco's present expectations as a result of possible changes in such expectations and factors.

---









## **FORWARD-LOOKING STATEMENTS**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

---