

**Banco Industrial e Comercial S.A. and BICBANCO
CONSOLIDATED and its Credit Receivable
Investment Funds**

**Quarterly Information (ITR)
Quarter Ended on September 30, 2014
and December 31, 2013**

(A free translation of the original report in Portuguese prepared in
accordance with accounting practices adopted in Brazil)

Contents

Management report	3
Independent auditors' report on review of interim financial information	12
Balance sheets	14
Statements of income	15
Statements of changes in shareholders' equity	16
Statements of cash flows - Indirect method	17
Statements of value added	18
Notes to the financial statements	19

MANAGEMENT REPORT | SEPTEMBER 30, 2014

Dear Shareholders,

The Management of Banco Industrial e Comercial S.A. (BICBANCO) hereby submits for your appreciation the Company's Management Report and the corresponding Financial Statements, as well as the independent Auditors' opinion, with no qualifications, related to the 9-month period ended September 30, 2014. All operational and financial information contained in this Report, except where otherwise indicated, is presented in Brazilian currency (Reais - R\$), on a consolidated basis, and comprises the Bank's subsidiaries and the Receivables Investment Funds (FIDCs). The financial statements herein posted comply with the rules set out by both the Brazilian Central Bank (BACEN) and the Brazilian Securities and Exchange Commission (CVM), and reflect BICBANCO's shareholding structure for the period in question.

Process of purchase and sale of 72% of BICBANCO's capital stock

Completion of the operation

The unfolding of the share purchase and sale agreement of 72% of BICBANCO's capital stock executed with China Construction Bank (CCB) on October 31, 2013, taking into account that the applicable precepts and regulations concerning this operation have been fulfilled, CCB Brazil Financial Holding - Investimentos e Participações Ltda (CCB Holding), acquired BICBANCO's shareholding control on August 29, 2014.

New classification of the Bank's capital stock within the Brazilian Financial System

On September 18, 2014, BACEN's Board of Organization of the Financial System approved the transfer of shareholding control held by BICBANCO, including its subsidiaries to CCB, headquartered in Beijing, China. Therefore, as of the date of approval, BICBANCO has turned into a foreign-capital bank, within the scope of the Brazilian Financial System.

Tender Offer - Acquisition of all shares issued by the Company

On September 29, 2014, CCB Holding submitted to CVM a request for the registration of a tender offer for the acquisition of the totality of outstanding shares held by the minority shareholders of the Company, as well as to discontinue the differentiated corporate governance practices provided in the special listing segment of BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros, denominated Level 1 of Corporate Governance, in view of the process of going private.

This CVM's authorization will be requested in order to integrate such tender offer with a cancellation of registration of the Company as a issuer of securities ("Going-Private Tender Offer"), as well as a voluntary tender offer for leaving the Level 1 of Corporate Governance Practices of BM&FBOVESPA ("Delisting Tender Offer", hereafter jointly referred to as "TO").

The brokerage house Morgan Stanley Corretora de Títulos e Valores Mobiliários S.A. was hired to perform as the intermediary institution to carry out the "TO".

All documentation concerning the request of registration filed with CVM, which contains the information required to carry out the "TO" operation, is currently subject to examination.

A comprehensive information contained in the set of Material Facts related to the operation and the "TO", as well as the Appraisal Report, have been disclosed on CVM's website: www.cvm.gov.br, as well on the Investor Relations section of BICBANCO's website: www.bicbanco.com.br/ir.

Process of price adjustment between the sellers and buyers of BICBANCO's shareholding control

On October 29, 2014, CCB Holding delivered a notification letter to the former controlling shareholders of the Bank, to inform, in accordance to the terms and conditions of the share purchase and sale agreement of 72% of BICBANCO's capital stock, that the closing price practiced on the date of the transaction, should be subject to a price reduction of approximately R\$ 287.766 million, corresponding to an adjusted purchase price reduction of R\$ 1.58 per share.

Election of the Board of Directors and the Board of Executive Officers

As per the General and Extraordinary Shareholders Meeting held on September 1, 2014, the current shareholding controller appointed three new members to make up the Board of Directors, namely: Mr. Wensheng Yang, to the position of Chairman; Mr. Tiejun Chen and Mrs. Hong Yang to the post of members of the Board. The investiture of these new Board members is conditioned to the previous approval by the Brazilian Central Bank (BACEN).

BICBANCO's Board of Directors has come to be composed by six members, of which three members had already composed the Board: Mr. José Bezerra de Menezes as a member, and both Mr. Heraldo Gilberto de Oliveira and Mr. Daniel Joseph McQuoid as independent members, plus the three new members, previously mentioned, who represent the controlling group.

At the Board of Directors' Meeting also held on September 1, 2014, five new members of the Board of Executive Officers were elected: Mr. Tiejun Chen to take the post of President; Mrs. Xiaowei Dong and Mr. Jin Li for the positions of Executive Vice-Presidents; Mr. Zhongzu Wang and Mrs. Hong Yang to the position of Executive Directors. These new Executives shall be invested in their respective positions upon the previous approval by the Brazilian Central Bank.

Thus, the Bank's Board of Executive Officers will be composed by the five Executives mentioned above, alongside with the four Executives who had already held their positions: Mr. Milto Bardini as Executive Vice-President and IR Officer, Mr. Paulo Celso del Ciampo as Executive Vice-President, and Mr. Francisco Edênio B. Nobre and Mr. Carlos José Roque as Executive Directors.

Economic environment

As at September, 2014, the official inflation rate, as measured by the Broad Consumer Price Index (IPCA) reached 6.75% p.a., above the 6.5% p.a. reported for the same period ended June 2014, above the upper target that had been fixed. The Brazilian Central Bank's Monetary Policy Committee (COPOM), at the Meeting held on October 29, has resumed the upward cycle for the basic interest rates (Selic), and raised it to 11.25% p.a., which had prevailed at 11.0% p.a. since April 2014.

Following a period of volatility shown during the first nine months of 2014, the exchange rate closed at R\$ 2.45/US\$ in September, nearly flat versus the rate of R\$ 2.40/US\$ recorded at the beginning of the period. During the 12-month period ended in September, Brazilian exports totaled US\$ 238.2 billion, down 0.6% year-over-year. Considering the same basis of comparison, imports fell by 1.2%, to US\$ 234.7 billion. As a result, the Brazilian trade balance came to a US\$ 3.5 billion surplus.

Overall loans and financing carried out by the financial system amounted to R\$ 2.9 trillion at the close of 9M14, up 11.7% year-over-year. Real estate financing was the category of credit that showed the largest expansion, with a 27.4% growth over the 12-month period. Credit supply as a proportion of GDP reached 57.2% in September 2014.

Performance

Since the completion of the acquisition of the Bank's shareholding control on August 29, 2014, China Construction Bank has laid down a set of directives aimed at aligning the new Subsidiary to the framework adopted by the Group. This adjustment process, which is expected to be completed by the end of this year, comprises policies, practices and procedures involving all operational areas, so as to pave the way to assure that the business plan be performed in a smoothly and integrated manner.

The 3Q14 results reflect one of the impacts resulting from the adopted measures, within the scope of assessment of credit risks: a different framework of analyses, applied to individual or sectorial cases, naturally correspond to a substantial enlargement of provisions for losses and coverage. The caution then derived, permanent value, prevails over the transitory onus, although significant, of the quarterly performance.

In 9M14, primarily due to the implementation of the measures mentioned above, the adjusted accounting net loss came to R\$ 512.0 million. This performance has been chiefly impacted by the significant rise in the accounting of PLL expenses, which came to R\$ 929.2 million in 9M14.

Assets

Total Assets

As at September 30, 2014, the Bank's total assets amounted to R\$ 14,939.5 million, representing a 3.7% decrease when compared the close of FY 2013. This performance reflects the reduction in loan operations.

Loan portfolio

For the first nine months of 2014, loan operations amounted to R\$ 9,985.4 million. The extended loan portfolio, which includes guarantees and sureties, amounted to R\$ 12,349.5 million.

As at September 30, 2014, provisions for loan losses amounted to R\$ 1,142.2 million, up 340.2% over the volume of R\$ 335.7 million related to installments overdue over 14 days.

The total volume of corporate loans, the Bank's core product, accounted for 88.2% of overall loan operations, whereas personal and payroll-deductible loan operations represented 11.8% of the total, primarily conducted by the Bank's subsidiary Sul Financeira.

Marketable securities

The marketable securities portfolio amounted to R\$ 1,277.2 million as at September 30, 2014, representing a 10.0% drop when compared the close of FY 2013.

At the end of 9M14, highly liquid assets totaled R\$ 2,707.4 million. The Bank's Management deems the amount for liquid assets to be quite favorable, based on the flow of maturities for both assets and liabilities operations.

Liabilities

Total Funding

The total volume of funds raised in 9M14 came to R\$ 12,440.4 million, showing a 1.0% drop in 9 months, in line with the Bank's operational volumes.

Time deposits and Credit bills

At the close of September 2014, time deposits amounted to R\$ 6,583.7 million, up 5.1% from the close of FY 2013. From the total volume of time deposits, R\$ 3,169.7 million consisted of deposits with Special Guarantee from the Credit Guarantee Fund (DPGE), in accordance with the National Monetary Council (CMN) Regulation No. 3692/09.

As at September 30, 2014, the breakdown of time deposits by investor was as follows: corporates 56.9%, individuals 4.0%, institutional investors 38.7% and financial institutions 0.4%.

The Bank has been seeking to diversify its financial product mix, by means of resorting to the issuing of credit bills, such as the Agriculture Credit Bills (LCAs), Financial Bills (LFs) and Mortgage Bills (LCIs). Total proceeds from such issues amounted to R\$ 800.7 million as at September 30, 2014, accounting for 6.4% of the total funding.

Shareholders' Equity

As at September 30, 2014, the Bank's Shareholders' Equity amounted to R\$ 1,448.7 million. At the close of 9M14, BICBANCO's Basel III Index stood at 14.35%. The minimum threshold for the reference equity in Brazil has been set out at 11%.

Risks

BICBANCO's Corporate Governance structure is in line with the Organization's strategic goals, and relies on the support provided by the Board of Directors, alongside with all areas covered by all the segments of business, operations, products, services, and risk management. The Board of Directors addresses the appetite for risk, on the grounds of the support provided by the business divisions, taking into account the established risk limits, within the frame of the Organization's strategic vision. The appetite for risk relates to the types and levels of risk that the Institution is willing to take, in a broad sense, in order to achieve its goals. This issue is aligned with the policy set out by the corporate risk management.

The appetite for risk can be influenced by a number of factors, which include default indicators, liquidity ratios, the control over portfolio concentration, as well as the determination of those types of risks that are rejected as concerns the operation performance.

Risk management is performed by means of decision-making processes grounded on collegiate instances, and is supported by specific Committees, whose aim is to achieve the best possible performance, while ensuring that stakeholders' rights are protected, thus converging towards the Company's sustainability.

BICBANCO's management complies with the recommendations of the Basel Committee, on the grounds of the most advanced practices adopted by the banking industry. For that purpose, the Bank has developed a set of tools and methodologies, with particular mention to the internal rating models, capital management through the assessment of different scenarios, in addition to VaR analysis, aimed at monitoring and setting forth limits, as well as conducting stress tests.

Moreover, the Bank adopts cross-cutting measures, intended to control and limit risks arising from the concentration of exposures, considering the standpoint of clients, businesses, products and geographical location. The Bank seeks to prioritize operations and relationships that assure the quality of both services and the portfolio, coupled with the preservation of a healthy balance between risk and return.

The Bank's portfolio valuation tool enables the assessment of the profitability of each transaction, by taking into account the economic capital invested and the loss expected, in addition to providing risk-based transaction pricing. Stress tests are used to measure possible losses within scenarios that are deemed possible by the risk area, within a confidence interval of up to 99.9%.

The management structure of the various risks is detailed in our Investor Relations webpage (<http://www.bicbanco.com.br/ir>).

Market Risk

Market risk management performs the monitoring of potential risks connected with the changes in market quotations of financial instruments that make up the portfolios. This function is essential to pursue the maximization of the use of capital, by concentrating efforts on business opportunities that may yield the best relation of risk versus the expected return.

All risk metrics are consistently monitored and, for the purpose of segmentation, with a view to planning the negotiation, the portfolios have been grouped into two categories. Transactions intended for trading and destined for resale, likely to enjoy benefits brought about by the occurrence of both price oscillation and arbitration (Trading Book), have been segregated from those classified as structural transactions, which are intended for active portfolio management (Banking Book) upon their settlement.

The monitoring of the Bank's market risk positions calculated at market value aims to facilitate a more accurate sensitivity analysis on the actual exposure to the various risk factors. The limits previously established by the Treasury Committee are compared to the marked-to-market (MtM) value of the portfolios on a daily basis, as well as to the Value at Risk (VaR) and VaR under stress scenarios.

During the quarter the average level of market risks remained low when compared with the Institution's shareholders' equity. As at September 30, 2014, VaR for the Bank's trading exposure totaled R\$ 1.3 million and the Global VaR (Trading and Banking) - R\$ 54.9 million. Comparatively, on December 31, 2013, the VaR for the trading position came to R\$ 590,200 and the Global VaR to R\$ 66.4 million.

Foreign Exchange Exposure

The Bank monitors the assets and liabilities composition, detailed per index, with a view to managing the exposure levels and analyzing the possible impacts under distinct scenarios. The strategy adopted for the foreign exchange risk management aims to compensate the risks arising from the exposure to currency variations. To this end, foreign exchange risks are neutralized, and investments are remunerated in Reais through the use of derivative instruments.

In compliance with the capital requirements set forth in BACEN Circular Letter No. 3389 of June 25, 2008, alongside with BACEN Circular Letter No. 3662 of July 11, 2013, the Bank's foreign exchange exposure as at September 30, 2014 totaled R\$ 184.2 million, versus R\$ 57.5 million in December 2013.

Liquidity risk

For the purpose of controlling any unbalance between the flow of liabilities and tradable assets that may affect the institution's payment capacity, the Bank has a set of technical controls and limits. Cash flow is valued on a daily basis, when the tactical actions taken for its maintenance are defined.

Due to their importance, liquidity limits and stress models, as well as the strategic decisions and contingency policies, are consistently assessed for a time horizon of a minimum of three years.

The indicators assumed for institutional or market stress scenarios are intended to simulate cash behavior and anticipate actions. The Bank's minimum cash policy in effect takes into account the possibility of early redemption of liabilities and the need to renew active transactions in case of economic turbulence.

The cash flow simulation under severe conditions points to results that were far above the minimum short-term liquidity limits provided for in the policies.

Credit risk

The Bank's policy regarding portfolio risk dispersal aims at mitigating its exposure to major risks, markets, industries and products. Credit risk management enables an integrated control of the portfolio from a series of different views, including both the drawn balances and undrawn credit facilities, derivatives and operations that are not listed in the financial statements.

The use of limits is previously set by internal committees, which is not subject to discretionary decisions, through the use of rating models. Controlling runs in a centralized and real-time manner, which ensures an accurate alignment with both the pre-established limits and quality of the guarantees provided.

Credit risks chiefly derive from loan operations, marketable securities and derivatives, as well as financial obligations related to loan commitments and provision of guarantees. The Bank remains aware with respect to the social and environmental impact that may impair the client's activities, due to the possible occurrence of mobilization or constraints in operations, which may incur raising risks associated to their ability to pay, fulfillment of obligations, performance or other credit-related risks.

In addition to the attribution of credit rating, all clients are segmented by socio-environmental ratings. As at September 30, 2014, over 85% of the clients held medium and low socio-environmental risk ratings.

Operating Risk

BICBANCO allocates capital for operating risks in accordance with applicable regulations, adopting the Simplified Alternative Standardized Approach provided for in paragraph 1 of Article 1 of Circular Letter No. 3383, of April 30, 2008. To supplement operational risk view, the Bank adopts an economic valuation management model by business line, which quantifies operating risks through statistics models using a system that enables assessment of expected losses and capital allocation for non-expected losses (VaR within a confidence interval of 99.9%).

The exposure to operating risks is reviewed at least on a half-yearly basis, and includes evaluation of controls, which are adjusted according to the Bank's strategies and risk appetite. Management structure differs from that used in the management of market and credit risks, and results in an effective system of internal controls, aimed at minimizing the probability of human errors or irregularities in processes, products and systems. The Internal Risk and Control Committees establish acceptable levels of risk tolerance.

Corporate Governance

BICBANCO's committees' structure comprises the technical and decision-making areas, enabling the exchange of experiences and the preparation of consistent solutions for development of an environment that favors sustainability of business, preservation of the Bank's image and management of risks. According to the opinion of the committees on important decisions, especially within a high-volatility environment and cash flow liquidity risks, there is an alignment with the business strategy and risk appetite.

The above-mentioned structure comprises 15 specialized committees with specific and technical functions supported by the Corporate Governance Committee, which assists senior management in implementing initiatives and approves all issues linked to any changes in standards, processes and products that may affect the Bank's strategic goals, including analyses and decisions about sanction recommendations laid down by the Blue Committee (Sustainability Committee).

With a solid focus on the supervision pillar, the Audit Committee regularly reviews important reports and meets with managers in order to get a comprehensive view of the Bank's primary risks and controls, with the purpose of supporting the Board of Directors in issues related to accounting, audit and finance, and aiming at providing greater transparency to information and assuring the proper disclosure of accounts by the management team.

Human Resources and Service Outlets

At the close of September 2014, the Bank's number of employees totaled 788. In this period, the Bank had 37 service outlets in Brazil and a foreign branch in Grand Cayman, and maintained its footprint and the regional franchise dispersion throughout the main capitals and cities in Brazil.

Relationship with Independent Auditors

In compliance with CVM Instruction No. 381 of January 14, 2003, BICBANCO and its subsidiaries did not hire or received services provided by KPMG Auditores Independentes, other than external auditing services. The policy adopted by the Bank is based on principles that ensure the preservation of auditor independence, in line with internationally accepted criteria, namely: (a) the auditor shall not audit its own work, (b) the auditor shall not perform management functions in the company and (c) the auditor shall not promote the interests of the company.

BACEN Circular No. 3068/01

BICBANCO states to have the financial capacity and intention to maintain up to the maturity date the securities classified under the category "Held to Maturity", in the amount of R\$ 112.0 million, representing 8.8% of the total marketable securities portfolio.

Final considerations

We would like to express our gratitude to our shareholders, clients and suppliers for their support and trust in our management, as well as to our employees, for their valuable contribution.

(Disclosure authorized at the Company's Board of Directors' Meeting held on November 13, 2014).

The complete and audited Financial Statements, in addition to the Earnings Release, present further details on the results for the first nine months of 2014, and have been made available on BICBANCO's website - www.bicbanco.com.br/ir.

Ratings

Following the transfer of BICBANCO's shareholding control to China Construction Bank, both the rating agencies S&P and Fitch have decided to upgrade the Bank's ratings.

S&P attributed investment grade rating to the Bank, on a Global Scale, to BBB-. This is the highest investment grade among all the banks that comprise the Brazilian Financial System. Fitch Ratings upgraded the Bank's ratings on a Domestic Scale.

Agencies/ Consulting	Rating/Index	Scope of Activities - Classification	Date of Publication of Ratings
Moody's	Ba1 NP Aa2.br BR-1 Developing	<ul style="list-style-type: none"> • International Scale – Foreign and • Local currency deposits <ul style="list-style-type: none"> - Long Term - Short Term • National Scale <ul style="list-style-type: none"> - Long Term Deposits - Short Term Deposits • Outlook 	11/06/13
Standard & Poor's	BBB- A-3 brAAA Stable	<ul style="list-style-type: none"> • International Scale – Foreign and • Local currency – counterparty ratings <ul style="list-style-type: none"> - Long Term - Short Term • National Scale • Outlook 	10/01/14
Fitch Ratings	AAA(bra) F1+ (bra) Stable	<ul style="list-style-type: none"> • National Scale <ul style="list-style-type: none"> - Long Term - Short Term • Outlook 	09/16/14
Austin Rating	brAA- Positive watch	<ul style="list-style-type: none"> • Long Term Domestic Activities • Outlook 	04/11/14
LF Rating	AA- Positive	<ul style="list-style-type: none"> • Local Currency • Outlook 	04/07/14
Management & Excellence	AA	<ul style="list-style-type: none"> • Sustainability 	Jul/14



KPMG Auditores Independentes
R. Dr. Renato Paes de Barros, 33
04530-904 - São Paulo, SP -
Brasil Caixa Postal 2467
01060-970 - São Paulo, SP - Brasil

Central Tel 55 (11) 2183-3000
Fax Nacional 55 (11) 2183-3001
Internacional 55 (11) 2183-3034
Internet www.kpmg.com.br

Independent auditors' report on review of interim financial information

To
Shareholders and Board of Directors
Banco Industrial e Comercial S.A.
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Banco Industrial e Comercial S.A. ("Bank"), which comprises the balance sheets as of September 30, 2014, the statements of profit or loss, changes in equity and cash flows for the quarter and nine-month period then ended, comprising a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the accounting policies adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of September 30, 2014 is not prepared, in all material respects, in accordance with accounting policies adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil.



Emphases

Transfer of controlling interest

As described in note 1 to the individual and consolidated interim financial information, as from the transfer of controlling interest in the Bank, which occurred on August 29, 2014, its operations are now conducted as part of the operations of its new controlling company. The Bank's internal policies, operational practices and accounting estimates, among others, are being checked for consistency with the aim of adapting them to the new business plan. Our conclusion does not contain any qualification with respect to this subject.

Tax credits

As described in note 29 to the individual and consolidated interim financial information, BICBANCO has income and social contribution tax credits, whose accounting recognition is based on a technical study on their realization, which consider actions to be implemented by Management. Our conclusion does not contain any qualification with respect to this subject.

Other issues

Value added statement

We also reviewed the individual and consolidated interim value added statement) for the quarter and nine-month period ended September 30, 2014, presented as additional information. These financial statements were submitted to the same audit procedures described above and, based on our review, we are not aware of any fact that leads us to believe that they are not presented fairly, in all material respects, in relation to the interim financial statements taken as a whole.

São Paulo, November 13, 2014

KPMG Auditores Independentes
CRC 2SP014428/O-6
Original report in Portuguese signed by
Fernando Antonio Rodrigues Alfredo
Accountant CRC 1SP252419/O-0

Balance sheets

At September 30, 2014 and December 31, 2013

(In thousands of Reals)

	Note	BICBANCO		BICBANCO Consolidated			Note	BICBANCO		BICBANCO Consolidated	
		2014	2013	2014	2013			2014	2013	2014	2013
Assets						Liabilities					
Current assets		9,558,701	9,962,019	9,175,412	9,752,965	Current liabilities		8,397,510	7,465,535	8,102,117	7,041,047
Cash and cash equivalents	4a.	87,975	306,893	89,975	308,503	Deposits	17a.	4,807,622	3,772,013	4,691,461	3,627,864
Interbank funds applied		2,745,398	1,691,276	1,879,732	989,619	Demand deposits		220,665	349,933	218,198	347,292
Money market	4b.	1,694,995	800,029	1,721,228	832,800	Saving deposits		12,768	14,288	12,768	14,288
Interbank deposits	4c.	990,647	839,058	98,748	104,630	Interbank deposits		162,618	152,141	162,618	152,141
Foreign currency	4d.	59,756	52,189	59,756	52,189	Time deposits		4,410,987	3,255,651	4,297,293	3,114,143
Securities and derivative financial instruments		249,885	390,858	284,227	499,975	Foreign deposits		584	-	584	-
Own portfolio	5b.	123,118	124,682	149,223	233,799	Deposits for investments		-	-	-	-
Subject to repurchase commitments	5b.	23,047	3,517	23,047	3,517	Money market repurchase commitments	18.	127,210	89,279	23,000	41,101
Subject to Brazilian Central Bank	5b.	-	-	-	-	Own portfolio		127,210	71,679	23,000	23,501
Subject to guarantees	5b.	261	98,097	8,498	98,097	Third parties portfolio		-	17,600	-	17,600
Derivative financial instruments	6b.	103,459	164,562	103,459	164,562	Debt securities		784,423	747,233	786,739	749,689
Interbank accounts		100,098	113,538	100,098	113,538	Resources from issued bills and notes		723,712	669,722	723,712	669,722
Unsettled payments and receipts		16,759	9	16,759	9	Real Estate Credit Bill		200,994	139,045	200,994	139,045
Restricted deposits:						Agribusiness bills		377,500	362,012	377,500	362,012
Brazilian Central Bank	7.	83,331	84,513	83,331	84,513	Financial bills		145,218	168,665	145,218	168,665
Domestic correspondents		8	29,016	8	29,016	Funds from Debentures issued	20.	-	-	2,316	2,168
Loans		4,835,177	6,350,760	5,090,101	6,534,118	Resources of exchange acceptance		-	-	-	288
Loans	8.	5,144,737	6,296,099	5,623,899	6,764,328	Securities issued abroad	19.	60,711	77,511	60,711	77,511
Public sector		143,157	122,476	143,157	122,476	Interbank accounts		5,177	14	5,177	14
Private sector		5,001,580	6,173,623	5,480,742	6,641,852	Unsettled payments and receipts		5,177	14	5,177	14
Loans linked to assignments		205,522	269,177	-	-	Domestic correspondents		-	-	-	-
Allowance for loan losses	9.	(515,082)	(214,516)	(533,798)	(230,210)	Interbranch accounts		18,194	132,634	18,194	132,634
Lease operations	8i.	-	-	145,464	169,033	Third parties funds in transit		18,194	132,634	18,194	132,634
Lease receivables - Private sector		-	-	161,463	175,345	Internal transfers		-	-	-	-
Allowance for doubtful lease receivables		-	-	(15,999)	(6,312)	Borrowings	21.	1,615,099	1,678,826	1,615,879	1,679,210
Other receivables		1,493,363	1,057,540	1,521,696	1,081,403	Foreign currency borrowings		1,615,099	1,678,826	1,615,879	1,679,210
Guarantees and Sureties Honored		11,362	847	11,362	847	Repass borrowings	22.	126,289	89,251	126,289	89,251
Foreign exchange portfolio	10.	1,354,119	967,779	1,354,119	967,779	BNDES		-	-	-	-
Income receivable		10,843	8,486	10,843	8,907	Ministry of Agriculture - Funcafé		115,206	74,620	115,206	74,620
Securities clearing accounts		496	582	500	582	Ministry of City - PSH		11,083	14,631	11,083	14,631
Other	11.	249,183	109,515	277,519	132,964	Foreign currency repass borrowings	21.	395,901	507,296	395,901	507,296
Allowance for losses	9.	(132,640)	(29,669)	(132,647)	(29,676)	Derivative financial instruments	6b.	9,419	3,551	9,419	3,551
Other assets		46,805	51,154	64,119	56,776	Other liabilities		508,176	445,438	430,058	210,437
Prepayments	12b.	46,805	51,154	64,119	56,776	Tax Collection		34,931	4,399	35,217	4,551
Noncurrent assets		5,390,576	5,455,754	5,582,583	5,554,726	Foreign exchange portfolio	10.	83,605	20,743	83,605	20,743
Interbank funds applied		345,369	417,955	3,052	33,962	Social and statutory payables		914	914	914	1,314
Interbank deposits	4c.	345,369	417,955	3,052	33,962	Taxes and social security contributions	23.	30,603	34,209	51,433	57,601
Foreign currency	4d.	-	-	-	-	Securities clearing accounts		6,562	177	6,562	177
Securities and derivative financial instruments		1,609,733	1,614,091	1,579,868	1,549,330	Resources for specific destination - PSH		-	-	-	-
Own portfolio	5b.	942,827	1,079,778	912,962	1,007,239	Subordinated debts	26.	28,872	10,382	28,872	10,382
Subject to repurchase commitments	5b.	104,855	68,942	104,855	68,942	Other	25.	322,689	374,614	147,891	115,669
Subject to guarantees		78,657	-	78,657	7,778	Other - credit receivables investments fund's		-	-	75,564	-
Derivative financial instruments	6b.	483,394	465,371	483,394	465,371	Noncurrent liabilities		5,641,323	6,551,321	5,363,539	6,492,780
Loans		1,768,799	2,008,040	2,111,307	2,288,390	Deposits	17a.	2,567,492	3,449,509	2,530,881	3,420,682
Loans	8.	1,948,496	1,916,590	2,543,813	2,434,404	Interbank deposits		244,445	270,153	244,445	270,153
Public sector		95,986	118,852	95,986	118,852	Time deposits		2,323,047	3,179,356	2,286,436	3,150,529
Private sector		1,852,510	1,797,738	2,447,827	2,315,552	Debt securities		993,215	1,098,883	993,418	1,099,069
Loans linked to assignments		248,221	231,638	-	-	Resources from issued bills and notes		77,005	192,132	77,005	192,132
Allowance for loan losses	9.	(427,918)	(140,188)	(432,506)	(146,014)	Real Estate Credit Bill		27,257	50,668	27,257	50,668
Lease operations	8i.	-	-	112,430	155,184	Agribusiness bills		30,173	38,968	30,173	38,968
Lease receivables - Private sector		-	-	126,905	161,575	Financial bills		19,575	102,496	19,575	102,496
Allowance for doubtful lease receivables		-	-	(14,475)	(6,391)	Resources of exchange acceptance		-	-	203	186
Other receivables		1,328,514	957,244	1,416,343	1,041,401	Securities issued abroad	19.	916,210	906,751	916,210	906,751
Foreign exchange portfolio	10.	-	-	-	-	Borrowings	21.	-	9,946	-	10,391
Securities clearing accounts		-	-	-	-	Foreign currency borrowings		-	9,946	-	10,391
Other	11.	1,341,320	957,618	1,429,154	1,041,782	Repass borrowings	22.	1,983	-	1,983	-
Allowance for losses	9.	(12,806)	(374)	(12,811)	(381)	Ministry of Agriculture - FUNCAFÉ		-	-	-	-
Other assets		338,161	458,424	359,583	486,459	Resources for specific destination - PSH		1,983	-	1,983	-
Other assets	12a.	369,440	440,689	377,132	448,844	Foreign currency repass borrowings	21.	191,437	233,841	191,437	233,841
Prepayments	12b.	41,448	33,914	55,812	54,513	Derivative financial instruments	6b.	113	-	113	-
Provision for devaluation of other assets	12a.	(72,727)	(16,179)	(73,361)	(16,898)	Other liabilities		1,887,083	1,759,142	1,645,707	1,728,797
Permanent assets		563,717	571,624	181,545	198,515	Taxes and social security contributions	23.	587,330	534,044	643,693	593,556
Investments		439,401	439,009	716	717	Subordinated debts	26.	995,600	935,505	995,600	935,505
Investments in domestic subsidiaries	15.	438,688	438,296	-	-	Other		304,153	289,593	3	12
Other investments		1,161	1,161	1,206	1,206	Other - credit receivables investments fund's	25.	-	-	6,411	199,724
Provision for devaluation of investments		(448)	(448)	(490)	(489)	Deferred incomes	27.	25,225	20,196	25,225	20,196
Fixed assets	13b.	121,821	130,232	122,869	131,421	Shareholders' equity	28.	1,448,936	1,952,345	1,448,659	1,952,183
Property for use		158,725	153,812	158,725	153,812	Total Paid-in Capital		2,012,810	1,434,206	2,012,810	1,434,206
Other fixed assets		35,895	38,679	38,574	41,484	Capital - Domestic		1,817,577	1,263,547	1,817,577	1,263,547
Accumulated depreciation		(72,799)	(62,259)	(74,430)	(63,875)	Capital - Foreign		195,233	170,659	195,233	170,659
Intangible	13c.	2,495	2,383	57,960	66,377	Revenue reserves		8,609	587,263	8,402	587,101
Intangible assets		6,092	10,218	113,668	117,645	Valuation Adjustments to equity		(5,554)	(11,617)	(5,554)	(11,617)
Accumulated amortization		(3,597)	(7,835)	(55,708)	(51,268)	Net income of the period		(511,824)	-	(511,894)	-
Deferred charges	13d.	-	-	-	-	(-) Treasury share		(55,105)	(57,507)	(55,105)	(57,507)
Organization and expansion costs		43,886	47,725	43,886	47,725	Total liabilities		15,512,994	15,989,397	14,939,540	15,506,206
Accumulated amortization		(43,886)	(47,725)	(43,886)	(47,725)						
Total assets		15,512,994	15,989,397	14,939,540	15,506,206						

See the accompanying notes to the financial statements.

Banco Industrial e Comercial S.A. and BICBANCO Consolidated

Statements of income

At September 30, 2014 and 2013

(In thousands of Reais except for net income per share)

	Note	BICBANCO				BICBANCO Consolidated			
		3rd quarter 2014	Acumulated 2014	3rd quarter 2013	Acumulated 2013	3rd quarter 2014	Acumulated 2014	3rd quarter 2013	Acumulated 2013
Financial operations income		749,367	1,450,948	486,736	1,569,555	755,811	1,478,099	505,454	1,606,221
Loans	30a.	350,552	1,037,774	379,376	1,167,643	384,613	1,128,213	403,721	1,229,287
Leases		-	-	-	-	3,790	25,124	17,469	43,944
Securities	30b.	90,000	281,247	92,352	149,978	58,593	192,835	69,256	81,056
Derivative financial instruments	30c.	161,545	8,940	(25,777)	42,475	161,545	8,940	(25,777)	42,475
Foreign exchange transactions	30d.	147,136	121,663	40,371	208,145	147,136	121,663	40,371	208,145
Income from compulsory investments		65	194	17	57	65	194	17	57
Assignments of financial assets		69	1,130	397	1,257	69	1,130	397	1,257
Financial operations expenses		(1,243,173)	(1,925,622)	(400,371)	(1,353,224)	(1,234,296)	(1,888,583)	(379,472)	(1,280,553)
Deposits, money market and interbank funds	30e.	(427,293)	(855,115)	(238,928)	(787,315)	(420,334)	(835,949)	(236,740)	(782,950)
Borrowings and repasses	30f.	(192,316)	(122,506)	(52,313)	(283,130)	(192,309)	(122,787)	(52,317)	(283,141)
Derivative financial instruments		-	-	-	-	-	-	-	-
Foreign exchange transactions		-	-	-	-	-	-	-	-
Assignments of financial assets		(18,509)	(55,040)	(34,631)	(85,430)	(483)	(651)	(13,419)	(13,419)
Allowance for loan losses	9a.	(605,055)	(892,961)	(74,499)	(197,349)	(621,170)	(929,196)	(76,996)	(201,043)
Gross profit from financial operations		(493,806)	(474,674)	86,365	216,331	(478,485)	(410,484)	125,982	325,668
Other operating income (expenses)		(108,346)	(333,164)	(82,410)	(249,167)	(123,659)	(395,936)	(113,129)	(334,089)
Service fee income		13,629	43,669	15,636	40,619	17,449	53,530	18,403	47,415
Income from banking services		6,145	19,823	9,322	23,802	6,152	19,858	9,334	23,844
Personnel expenses	30i.	(52,593)	(154,709)	(43,855)	(145,404)	(56,302)	(166,841)	(47,438)	(156,134)
Tax	30k.	(10,760)	(35,653)	(14,934)	(46,933)	(13,132)	(42,523)	(17,798)	(53,941)
Equity earnings of subsidiaries	15.	(1,851)	8,732	15,337	37,041	-	-	-	-
Other administrative expenses	30j.	(46,055)	(127,774)	(41,323)	(116,900)	(52,510)	(148,702)	(47,394)	(133,183)
Other operating income	30g.	17,604	48,475	6,474	37,711	18,969	52,424	7,829	40,934
Other operating expenses	30h.	(34,465)	(135,727)	(29,067)	(79,103)	(44,285)	(163,682)	(36,065)	(103,024)
Operating result		(602,152)	(807,838)	3,955	(32,836)	(602,144)	(806,420)	12,853	(8,421)
Non operating result	30m.	(49,712)	(72,484)	868	(4,990)	(49,086)	(69,189)	1,114	(4,431)
Income before taxes		(651,864)	(880,322)	4,823	(37,826)	(651,230)	(875,609)	13,967	(12,852)
Income tax	29c.	6,514	1,252	8,861	(17,310)	4,296	(5,079)	4,050	(26,430)
Social contribution	29c.	3,908	750	6,198	(9,505)	2,042	(4,950)	2,588	(16,705)
Tax credit	29c.	272,915	374,323	(14,632)	95,646	276,308	381,526	(15,362)	87,393
Statutory profit sharing		-	(7,867)	-	(8,571)	-	(7,867)	-	(8,571)
Net income		(368,527)	(511,864)	5,250	22,434	(368,584)	(511,979)	5,243	22,835
Number of shares paid in (thousand)	28.	252,904	252,904	252,904	252,904				
Net income per share - R\$		(1.46)	(2.02)	0.02	0.09				

See the accompanying notes to the financial statements.

Banco Industrial e Comercial S.A. and BICBANCO Consolidated

Statements of changes in shareholders' equity

At September 30, 2014 and September 2013

(In thousands of Reais)

	Note	Capital	Capital Increase	Tresuary Share	Revenue reserves		Valuation Adjustments to equity	Retained earnings	Total
					Legal	Statutory			
Adjusted Balances at January 01, 2013		1,434,206		(58,593)	75,487	503,118	-	-	1,954,218
Grant of Shares Held				1,086					1,086
Valuation Adjustments to equity							(2,793)		(2,793)
Net income of the period							-	22,434	22,434
Interest on shareholders' equity	28c.						-	(52,000)	(52,000)
Distribution of income:									
Reserves	28d.				1,122	(30,688)	-	29,566	-
Balances at September 30, 2013		1,434,206		(57,507)	76,609	472,430	(2,793)	-	1,922,945
Changes in the period		-		1,086	1,122	(30,688)	-	(2,793)	(31,273)
Balances at January 01, 2014		1,434,206		(57,507)	78,538	508,675	(11,617)	40	1,952,335
Prior year adjustments subsidiary								-	-
Grant of Shares Held				2,402					2,402
capital increase with reserve		578,604	-		(75,487)	(503,117)			-
Valuation Adjustments to equity							6,063		6,063
Net income of the period								(511,864)	(511,864)
Distribution of income:									-
Reserves					-	-		-	-
Balances at September 30, 2014		2,012,810	-	(55,105)	3,051	5,558	(5,554)	(511,824)	1,448,936
Changes in the period		578,604	-	-	(75,487)	(503,117)	6,063	(511,864)	(503,399)
Balances at July 01, 2014		1,434,206	578,604	(55,105)	3,051	5,558	(7,525)	(143,297)	1,815,492
Prior year adjustments subsidiary								-	-
capital increase with reserve		578,604	(578,604)						-
Valuation Adjustments to equity							1,971		1,971
Net income of the period								(368,527)	(368,527)
Changes in the period		2,012,810	-	(55,105)	3,051	5,558	(5,554)	(511,824)	1,448,936
Changes in the period		578,604	(578,604)	-	-	-	-	1,971	(366,556)

See the accompanying notes to the financial statements.

Banco Industrial e Comercial S.A. and BICBANCO Consolidated

Statements of cash flows - Indirect method

At September 30, 2014 and December 31, 2013

(In thousands of Reais)

	BICBANCO				BICBANCO Consolidated			
	3rd quarter 2014	Acumulate 2014	3rd quarter 2013	Acumulated 2013	3rd quarter 2014	Acumulated 2014	3rd quarter 2013	Acumulated 2013
Cash flow of operating activities								
Net income for the period	(368,527)	(511,864)	5,250	22,434	(368,584)	(511,979)	5,243	22,835
Adjustments to the net income	660,482	982,678	70,067	191,585	675,058	1,023,221	89,135	234,743
Provisions for loan losses	605,055	892,961	74,499	197,349	621,170	929,196	76,996	201,043
Prior year adjustments	-	-	-	-	-	-	-	-
Depreciation and amortization	7,968	24,249	10,778	26,820	8,173	24,862	10,978	27,432
Grant of Shares Held	-	2,402	-	1,086	-	2,402	-	1,086
Provision & Reversal of Provisions	45,265	56,547	(722)	1,705	45,259	56,463	(588)	1,893
Civil, Labor and Fiscal Provisions	(1,328)	3,519	909	(1,419)	(892)	1,337	2,037	566
Equity earnings from subsidiaries	1,851	(8,732)	(15,337)	(37,041)	-	-	-	-
(Earnings)/Losses for selling of fixed assets	(315)	(350)	(12)	5,430	(315)	(350)	(36)	5,287
Losses for selling assets not for own use	1,996	12,092	(48)	(2,345)	1,663	9,311	(276)	(2,707)
(Earnings)/Losses for selling of deferred charges	-	-	-	-	-	-	24	143
Amortization of Goodwill	-	-	-	-	-	-	-	-
Others	(10)	(10)	-	-	-	-	-	-
Adjusted net Income	291,955	470,814	75,317	214,019	306,474	511,242	94,378	257,578
(Increase) Decrease in interbank funds applied	51,937	(50,650)	(17,708)	(121,556)	55,045	65,145	(11,366)	(35,410)
Decrease in securities and derivative financial instruments	(22,143)	144,398	132,090	303,297	(740)	215,315	136,499	229,644
(Increase) Decrease in interbank/interbranch accounts	(25,633)	(95,838)	20,882	62,078	(25,633)	(95,838)	20,882	62,078
Increase in lending and leasing operations	540,956	977,266	365,449	938,692	537,677	873,622	382,801	1,017,059
Increase in other assets	(541,716)	(922,683)	301,020	464,741	(564,828)	(936,273)	293,449	472,110
Increase in deposits	(162,360)	153,593	(723,219)	(959,804)	(138,094)	173,797	(716,914)	(962,439)
(Increase) Decrease money market repurchase commitments	(37,907)	37,931	(106,301)	(146,597)	(67,997)	(18,101)	(55,419)	(109,623)
Increase in Other Liabilities	78,636	108,575	(25,045)	(212,701)	57,980	56,608	(69,287)	(283,951)
Decrease in deferred income	(1,527)	5,029	(719)	842	(1,527)	5,029	(719)	743
Net cash provided by (used in) operating activities	172,198	828,435	21,766	543,011	158,357	850,546	74,304	647,789
Cash flow of investing activities								
(Increase) Decrease in securities	14,625	12,928	17,809	54,532	1,847	(18,061)	5,228	21,331
Selling of assets not for own use	11,751	80,009	16,366	74,796	12,584	86,475	18,472	80,083
Selling of fixed and Lease assets	613	757	38	3,280	615	780	38	3,286
Investment in assets not for own use	(100)	(20,851)	(11,078)	(70,150)	(617)	(24,073)	(12,319)	(73,971)
Investments	-	-	-	-	-	-	-	-
Investment of fixed and Lease assets	(760)	(5,941)	(2,863)	(18,482)	(815)	(6,149)	(2,976)	(18,609)
Investment in intangible assets	(240)	(2,025)	(1,279)	(1,813)	(297)	(2,174)	(1,329)	(1,950)
Net cash provided by (used in) investing activities	25,889	64,877	18,993	42,163	13,317	36,798	7,114	10,170
Cash flow of financing activities								
Increase (decrease) in issuing of securities	185,145	(70,031)	31,623	(582,765)	187,813	(70,154)	(72,071)	(685,195)
Increase in borrowings and onlending resources	192,101	(188,772)	(389,641)	(779,785)	195,375	(188,820)	(389,540)	(779,654)
Increase in subordinated debts	105,763	77,460	(93,083)	(25,191)	105,763	77,460	(93,083)	(25,191)
Dividends paid	-	-	-	-	-	-	-	-
Interest on Capital paid	-	-	-	(52,000)	-	-	-	(52,000)
Net cash provided by (used in) financing activities	483,009	(181,343)	(451,101)	(1,439,741)	488,951	(181,514)	(554,694)	(1,542,040)
Statement of cash variations	681,096	711,969	(410,342)	(854,567)	660,625	705,830	(473,276)	(884,081)
Cash at the beginning of the period	1,204,997	1,174,124	1,279,316	1,723,541	1,253,710	1,208,505	1,363,295	1,774,100
Cash at the end of the period	1,886,093	1,886,093	868,974	868,974	1,914,325	1,914,325	890,019	890,019
(Increase) decrease in cash and equivalents	681,096	711,969	(410,342)	(854,567)	660,615	705,820	(473,276)	(884,081)

See the accompanying notes to the financial statements.

Banco Industrial e Comercial S.A. and BICBANCO Consolidated

Statements of value added

At September 30, 2014 and December 31, 2013

(In thousands of Reais)

	BICBANCO				BICBANCO Consolidated			
	3rd quarter 2014	Acumulated 2014	3rd quarter 2013	Acumulated 2013	3rd quarter 2014	Acumulated 2014	3rd quarter 2013	Acumulated 2013
Income	156,188	577,795	448,417	1,356,895	144,022	563,101	464,462	1,380,862
Financial intermediation	749,367	1,450,948	512,513	1,527,080	755,811	1,478,099	531,231	1,563,746
Fees for services rendered	19,774	63,492	24,958	64,421	23,601	73,388	27,737	71,259
Allowance for loan losses	(605,055)	(892,961)	(74,499)	(197,349)	(621,170)	(929,196)	(76,996)	(201,043)
Other	(7,898)	(43,684)	(14,555)	(37,257)	(14,220)	(59,190)	(17,510)	(53,100)
Financial intermediation expenses	638,118	1,032,661	351,649	1,113,400	613,126	959,387	328,253	1,037,035
Inputs acquired from third parties	77,728	166,347	23,354	50,977	84,287	187,447	30,430	67,502
Materials, energy and other	7,387	21,322	7,488	22,709	10,019	28,909	9,904	29,263
Third party services	20,997	54,068	13,856	39,594	23,947	63,939	16,693	46,724
Losses/Recovery of assets values	49,344	90,957	2,010	(11,326)	50,321	94,599	3,833	(8,485)
Gross value added	(559,658)	(621,213)	73,414	192,518	(553,391)	(583,733)	105,779	276,325
Allowance & Reversal of Provisions	7,968	24,249	10,778	26,819	8,172	24,862	10,979	27,432
Net value added produced by the entity	(567,626)	(645,462)	62,636	165,699	(561,563)	(608,595)	94,800	248,893
Value added received in transfer	(1,765)	9,053	15,545	37,330	87	322	208	289
Equity in earnings	(1,852)	8,731	15,337	37,041	-	-	-	-
Other	87	322	208	289	87	322	208	289
Value added to distribute	(569,391)	(636,409)	78,181	203,029	(561,476)	(608,273)	95,008	249,182
Value added to distribute	(569,391)	(636,409)	78,181	203,029	(561,476)	(608,273)	95,008	249,182
Personnel	44,721	139,393	37,222	132,699	47,922	149,722	40,251	141,752
Direct remuneration	35,524	115,765	30,375	108,661	37,839	123,233	32,578	115,407
Benefits	4,686	14,261	4,229	13,396	5,409	16,428	4,795	15,075
FGTS	4,511	9,367	2,618	10,642	4,674	10,061	2,878	11,270
Taxes, fees and contributions	(253,680)	(287,551)	27,969	24,912	(249,382)	(271,515)	41,418	60,534
Federal	(257,596)	(297,553)	24,492	14,153	(253,903)	(283,449)	37,269	48,017
State	262	552	191	456	399	932	391	887
Cities	3,654	9,450	3,286	10,303	4,122	11,002	3,758	11,630
Third-party capital compensation	8,095	23,613	7,740	22,984	8,568	25,499	8,096	24,061
Rents	8,095	23,613	7,740	22,984	8,568	25,499	8,096	24,061
Shareholder's equity compensation	(368,527)	(511,864)	5,250	22,434	(368,584)	(511,979)	5,243	22,835
Interest on shareholders' equity	-	-	-	52,000	-	-	-	52,000
Dividends	-	-	-	-	-	-	-	-
Retained earnings/loss of the year	(368,527)	(511,864)	5,250	(29,566)	(368,584)	(511,979)	5,243	(29,165)

See the accompanying notes to the financial statements.

Notes to the financial statements

(In thousands of Reais)

1 Operations

Banco Industrial e Comercial S.A. is a publicly listed company, established on December 29, 1938, operating as a “Multiple Bank”, with trade, investment, real estate, and foreign exchange portfolios. Through its subsidiaries, the Bank also operates with Leases, Consumer Credit portfolios; Funds Management and as a Securities dealer and brokerage house.

Through its subsidiaries, the Bank acts in the markets of Leasing, credit, financing and investment, administration of investment funds, brokerage and dealing of securities and credit card administration. The Bank also has a 40% participation in a Joint Venture for operations in factoring and forfaiting markets.

The Company, as intervening, has entered in an Agreement of Purchase and Sale of Shares, signed on October 31, 2013 between China Construction Bank Corporation (CCB) "Buyer", and their controlling shareholders "Sellers", for the purpose of direct and/or indirect acquisition by CCB, of shares representing 72% of the total capital stock of the Company.

Given the precedent conditions, contractually provided for, among them the conclusion of a corporate reorganization, the release of a Brazilian Presidential Decree and, the Approval by the Brazilian Central Bank - Bacen in July 2014, the operation was completed on August 29th, 2014, with the acquisition of the shares of Banco Industrial e comercial S/A-BICBANCO and its subsidiaries, by CCB Brazil Financial Holding Company - Investimentos e Participações Ltda (CCB Holding, the CCB's subsidiary).

After the Extraordinary General Meeting of Shareholders, held on September 1st. 2014, the controlling shareholder CCB Holding elected 3 representatives to the Board of Directors of the Bank, being that, one of them shall be the President of the Board. On the same date, through Extraordinary Meeting of the Board of Directors under the guidance of CCB Holding, 5 new members for Senior Management were elected, among them, one shall be the President of the Senior Management, two shall be Vice Presidents and two shall be non-specified Senior Managers. All of them should wait for the approval by the Brazilian Central Bank to the effective possession in their positions. The Corporate Governance of the Company shall be exercised by the members remaining from the previous Management, being 3 independent members of the Board of Directors and 4 members to the Senior Management.

Therefore, as of the transfer of the control of BICBANCO, the operations shall be conducted in the operational context of its new Controller, and will include the consistency of internal policies, operational practices, accounting estimates, among others, towards the adaptation to their business plan.

In conformity with the regulation in force, on September 1st. 2014, the CCB Holding submitted to the examination and approval by the Brazilian Exchange Commission - CVM, an application for a public offer to acquire all of the Company's shares held by minority shareholders, towards the cancellation of its registration as a “listed Company”.

2 Presentation of the Financial Information

a. Presentation of the financial statements

The Individual Financial Information of Banco Industrial e Comercial S.A. (BICBANCO-Multiple Bank), including the Overseas Branch, and the Consolidated Financial Information of Banco Industrial e Comercial S.A. and its subsidiary companies, credit receivable investment funds and the Joint Venture BRASILFactors - (BICBANCO CONSOLIDATED) - were prepared in accordance with the provisions of the Brazilian Corporate Law n° 6.404/76, the amendments introduced by Laws n° 11.638/07 and n°. 11.941/09; associated with the rules and instructions issued by the National Monetary Council (CMN), the Brazilian Central Bank (BACEN), and the Brazilian Securities Exchange Commission (CVM), as applicable.

Since 2008, the Brazilian “Comitê de Pronunciamentos Contábeis - CPC” has issued a number of pronouncements related to the process of convergence with international accounting standards, although the majority of the pronouncements has not yet been ratified by BACEN. Accordingly, in the preparation of the financial statements, the following pronouncements already ratified by BACEN were adopted:

- (a) CPC 01 - fair market value - Resolution CMN (National Monetary Council) n° 3566/08;
- (b) CPC 03 - statement of cash flow - Resolution CMN n°3604/08;
- (c) CPC 05 - exhibit on related party transactions - Resolution CMN n° 3750/09;
- (d) CPC 10 - payment based on shares - Resolution CMN n° 3.989/11;
- (e) CPC 25 - provisions, contingent assets liabilities and legal obligations - Resolution CMN n° 3823/09;
- (f) CPC 23 - Accounting policies & procedures, changes in estimation and correction of errors - Resolution CMN n° 4.007/11; and
- (g) CPC 24 - Subsequent Event - Resolução CMN n°. 3.973/11.
- (h) CPC Conceptual Basic Pronouncement- Resolução CMN n° 4.144/2012.

The financial statements were completed by the administration and approved for release by the Board of Directors on November 13, 2014.

b. Consolidated financial statements

The consolidated financial statements include BICBANCO MÚLTIPLO and its subsidiaries (as shown below), the Credit Receivables Investment Fund's (FIDC) and the “BRASILFactors” and were prepared in accordance with the consolidation principles of Law 6.404/76 and amendments of Law 11.638/07 and Law 11.941/09, the rules and standards enacted by the CMN and the CVM when applicable, which require the booking of Leasing operations by using the financial method with reclassification of “Fixed Assets for Leasing Operations” to “Lease Operations” accounts, deducted from the “anticipated residual value”.

The Equity balances and results of operations between subsidiary companies were eliminated upon consolidation.

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
*Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

Investment	%
BIC Arrendamento Mercantil S.A.	100
BIC Distribuidora de Títulos e Valores Mobiliários S.A.	100
BIC Informática S.A.	100
BIC Administradora de Cartões de Crédito S/C Ltda.	100
Sul Financeira S.A. Crédito, Financiamento e Investimentos	100
Sul Financeira S.A Promotora de Vendas Ltda.	100
Sul Financeira Cobrança Ltda.	100
BrasilFactors (*).	40

(*) Proportionally consolidated

(b.1) Credit Receivables Investment Fund's - FIDC

In conformity with the legislation in force and taking into consideration the Bank's condition of originator of the receivables ceded to the FIDC's - Corporate Credit Investment Funds I on December 31, 2013, the Corporate Credit Investment Funds II and the Credit Investment Funds "Open" the accounting information were consolidated.

In addition to these funds, it was proportionally included in the consolidated financial statements, the Investment Fund in Credit Rights of "BrasilFactors Corporate Credit", whose subordinate quotas are entirely held by BrasilFactors (Joint Venture). The Corporate Credit Investment Funds I was settled out on August 22, 2014.

The FIDC's were constituted in the form of CVM instruction no. 409/04, characterized as "closed condominium", from lending operations with indeterminate duration, having the BICBANCO subscribed the totality of subordinate quotas, whereas the senior quotas were subscribed by "qualified investors".

In the Individual Financial Statements (BICBANCO-MULTIPLIO), the investment in subordinate quotas is registered under the heading "Noncurrent Assets - Securities and Derivative Financial Instruments - own Portfolio".

The FIDC's of BICBANCO presented the following equity positions on September 30, 2014 and December 2013:

	Sept/2014	Dec/2013
Assets		
Cash and Cash Equivalents	16	26
Interbank funds applied	26,177	32,771
Federal Government Bonds	41,623	114,148
Credit Receivables	61,398	149,581
Allowance for Loans Losses	(7,068)	(7,786)
(-) Provision for other receivables	(1,127)	(4,217)
Other receivables	4	421
	121,023	284,944
Total Assets	121,023	284,944
Liabilities		
Other Liabilities	76	165
Shareholders' Equity	120,947	284,779
Senior Quotas of BICBANCO's FIDC	80,848	195,507
Subordinated Quotas of BICBANCO's FIDC	40,099	89,272
	121,023	284,944
Total liabilities	121,023	284,944

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

(b.2) Investment in Joint Venture - BRASILFactors

On April 25, 2011 BICBANCO entered into an agreement for acquisition of 40% of the capital of BRASILFactors S.A, a joint venture in partnership with FIMBank PLC (40%) and the International Finance Corporation - IFC (20%).

The company is mainly focused on providing factoring and forfaiting services to small and medium-sized companies, both in domestic and international markets. Since the company is a joint venture with shared management and shared control, the Bank consolidates its investment in BrasilFactors S.A. in proportion to its percentage of participation (40%).

(b.3) Balance sheet and Net income highlights of the related parties

As of September 30, 2014						
	BIC Distribuidora	BIC Arrendamento	Sul Financeira CFI	BIC Cartões	Others	Total
Total assets	17,965	512,298	1,171,315	31,951	11,041	1,744,570
Current and non-current assets	17,965	512,298	1,169,280	31,951	10,944	1,742,438
Cash and cash equivalents	21	646	1,344	1,643	786	4,440
Interbank Investment	-	104,210	-	-	-	104,210
Securities and derivative financial instruments	17,535	110,246	14,660	18,691	5,838	166,970
Loans	-	-	583,583	-	2,634	586,217
Leasing operations	-	257,892	-	-	-	257,892
Other receivables	409	33,297	537,010	11,617	1,650	583,983
Other assets	-	6,007	32,683	-	36	38,726
Permanent assets	-	-	2,035	-	97	2,132
Total liabilities	17,965	512,298	1,171,315	31,951	11,041	1,744,570
Current and non-current liabilities	1,413	293,341	1,035,542	24,012	6,222	1,360,530
Interbank Deposits	-	227,298	1,006,917	-	-	1,234,215
Debentures issued	-	-	203	-	4,681	4,884
Borrowings and Repasses	-	-	-	-	779	779
Other liabilities	1,413	66,043	28,422	24,012	762	120,652
Shareholders' equity	16,326	224,228	133,103	7,348	4,886	385,891
Net income of the period	226	(5,271)	2,670	591	(67)	(1,851)
As of December 31, 2013						
	BIC Distribuidora	BIC Arrendamento	Sul Financeira CFI	BIC Cartões	Others	Total
Total assets	17,248	545,476	1,016,777	31,031	12,420	1,622,952
Current and non-current assets	17,248	545,476	1,014,437	31,031	12,304	1,620,496
Cash and cash equivalents	18	534	1,250	2,349	74	4,225
Interbank Investment	-	47,278	900	-	-	48,178
Securities and derivative financial instruments	16,788	135,314	13,843	20,008	6,186	192,139
Loans	-	-	474,104	-	4,751	478,855
Leasing operations	-	324,217	-	-	-	324,217
Other receivables	442	31,638	497,196	8,674	1,277	539,227
Other assets	-	6,495	27,144	-	16	33,655
Permanent assets	-	-	2,340	-	116	2,456
Total liabilities	17,248	545,476	1,016,777	31,031	12,420	1,622,952
Current and non-current liabilities	1,356	326,185	889,444	23,699	7,009	1,247,693
Interbank Deposits	-	251,517	866,904	-	-	1,118,421
Debentures issued	-	-	473	-	4,336	4,809
Borrowings and Repasses	-	-	-	-	828	828
Other liabilities	1,356	74,668	22,067	23,699	1,845	123,635
Shareholders' equity	15,077	188,445	113,846	6,418	6,588	330,374
Net income of the period	815	30,846	13,487	914	(1,177)	44,885

(b.4) Reconciliation of net income and Shareholders' Equity of BICBANCO and BICBANCO CONSOLIDATED

	Sept/2014	Sept/2013
Net income of BICBANCO	(368,527)	61,019
Accrual of the result of the assignments, until 12/31/2011	-	294
MTM from Securities of related parties - 2014	(57)	(162)
Others	-	105
	<hr/>	<hr/>
Net income of BICBANCO-Consolidated	(368,584)	61,256
	<hr/> <hr/>	<hr/> <hr/>

	Sept/2014	Dec/2013
Shareholders' Equity of BICBANCO	1,448,936	1,952,345
Net equity of assignments - Adjustments (*)	-	(294)
Earnings of FDIC in the fiscal year (*)	-	294
MTM from Securities of related parties	(57)	(162)
MTM from Securities of related parties - prior fiscal year	(220)	-
Others	-	-
	<hr/>	<hr/>
Consolidated Shareholders' Equity	1,448,659	1,952,183
	<hr/> <hr/>	<hr/> <hr/>

As of January 1st. 2012, the credit assignments made with the FIDC's and Sul financeira S/A, were classified as "with substantial retention of risks and benefits", according the Bacen Resolution no. 3,533 /08.

3 Description of significant accounting policies

a. Statement of income

Income and expenses are recorded on an accrual basis.

b. Accounting estimates

The preparation of the financial statements in accordance with accounting practices adopted in Brazil requires that the Management use its judgment in determining and recording accounting estimates. Significant assets and liabilities subject to these estimates and assumptions include: the allowance for doubtful loans, the technical studies to estimate the periods for tax credits realization, the assessment of liabilities and contingencies for its provisions, impairment of assets and derivative financial instruments. The actual amounts required to settle these transactions may be different from the amounts estimated due to the lack of precision inherent in the estimation process. BICBANCO reviews the adequacy of the estimates and assumptions at a minimum, every three months.

c. Currency of the financial statements, foreign currency

The financial statements are presented in "Brazilian Real" (R\$), which is BICBANCO's functional currency.

The monetary assets and liabilities denominated in foreign currency have been converted into Brazilian Real at the foreign exchange rate effective as of the date of the balance sheet, and the related exchange variations have been recognized in profit or loss for the year. The assets and liabilities concerning the branch located abroad have been converted into Brazilian Reais at the foreign exchange rate effective as of the date of the balance sheet.

The results of changes in the exchange rates are recorded in the relevant origin accounts.

d. Cash and cash equivalents

Cash and cash equivalents comprise liquid assets in local or foreign currency, open-market investments, inter-bank investment deposits and own portfolio of securities, generally with maturities of less than 90 days at acquisition, with insignificant risk of changes in their fair value in case of early redemption.

e. Current and non-current assets

(e.1) Interbank funds applied

These assets are recorded at cost including accrued income as of the reporting date.

(e.2) Securities and derivative financial instruments

Securities

According to the Brazilian Central Bank rules (Circular 3.068/01), the classification and evaluation of securities are defined as follows:

Trading securities - Securities acquired for the purpose of being actively and frequently traded are adjusted to their market value, with the corresponding entry recorded in profit or loss for the period;

Securities available for sale - Securities that are not available for trading or held to maturity are adjusted to their market value with unrealized gains and losses recorded in shareholders' equity, net of any tax effects;

Securities held to maturity - Securities acquired for which the Bank has the intention and financial ability to be hold as part of its portfolio until maturity date. These securities are measured at acquisition cost, plus income earned. Interest income is recognized in profit or loss.

(e.3) Derivative financial instruments

Derivative financial instruments are generally measured at fair value, with unrealized gains and losses recognized in profit or loss for the period.

(e.4) Credit operations and allowance for credit losses

As of September 1st. 2014, the loans are classified according to the level of risk, taking into account the economic situation, the past experience and relationship with the client and the specific risks related to the operation and debtors, respecting the parameters and minimum requirements established by Resolution n.2682/99, which requires periodic review of the portfolio and its classification into nine levels, being AA (minimal risk) and H (high potential loss) and the Senior Management's judgment, presently reoriented by the new Controller, according to explanatory notes n's 1 and 9.

The income from credit operations which are overdue for more than 60 days, will only be recognized as income when effectively received, regardless of their risk classification.

The overdue loans classified as “H” are retained in this category for six months. After that, they are written off as losses and monitored by five years, at “out of balance sheets” accounts, no more integrating the Equity accounts. The provisions for loan losses are in compliance with the minimum required by the above mentioned Resolution, as shown in the explanatory note nº 9c - Composition of the provision per risk level.

(e.5) *Assets not for own use*

The assets not for own use are recorded on the basis of valuation report prepared by specialized companies. The basis date of this record is the date of receipt of the goods and, consequently, the settlement of the transaction. The profits or losses recorded in sales are recognized in the result for the period. The assets not for own use are subject to assessment of recoverable amount in annual intervals or when there is indication of devaluation.

(e.6) *Other current and non-current assets*

They are measured at net realizable value.

f. *Permanent assets*

f.1) Investments in subsidiaries are valued by the equity method. The goodwill in investments resulting from the estimated profitability is amortized based on estimated profits from the acquired company.

f.2) Fixed assets, stated at cost, are depreciated using the straight line method based on annual rates that take into consideration the useful lives of the assets, as follows: property - 4%, fixtures, fittings, communication systems and facilities - 10%, data processing system and vehicles - 20%.

f.3) Intangible assets comprise “Software”, which are stated at cost and amortized using the straight-line method, utilizing a depreciation rate of 20% per annum.

f.4) “Deferred Charges” comprise investment and acquisition of software and benefits on third parties’ real estate, incurred through December 31, 2008, with an annual amortization rate of 20% or by the term of the contracts. According to “Resolução BACEN nº3617/08”, these expenses should remain in the balance sheet until they are fully amortized.

g. Current and non-current liabilities

Current and non-current Liabilities are stated at contractual or estimated amounts, including charges, monetary variation and foreign exchange variation on a daily pro rata basis.

Income tax and social contribution are recorded in “Other liabilities - Tax and social security contributions” calculated on the book income adjusted by additions and exclusions, at the rate of 15%, plus a surcharge of 10% above a determined limit for income tax, and 15% on the income before income tax for social contribution. The deferred Income Tax and Social contribution are registered in the account “Other receivable - Others”.

h. Contingencies and legal obligations

The recognition, measurement and disclosure of contingent asset and liabilities and legal obligations is performed in accordance with CMN - Resolution n° 3823/09.

Contingent assets - Are not recognized unless there is a favorable judicial decision, for which no appeals are permitted, and unless the probability of realization of the the contingent is practically assured. Contingent assets with a likely success of realization are disclosed in a note to the Financial Statements (note 24). BICBANCO has no contingent assets for which realization is deemed probable.

Contingent liabilities - Are recognized when, based on the opinion of the Bank’s management and its legal advisors, the chance of loss is deemed probable and when the amount can be reliably estimated. Cases where the likelihood of loss is considered possible are disclosed in a note to the Financial Statements (note 24).

Legal obligations - Are recognized regardless of the evaluation of the loss probability during the course of the judicial proceeding.

i. Financial assets selling or transfer - Credit assignment

A financial asset is derecognized when the contractual right to its cash flows expires or, in the case of a sale or transfer.

BACEN Resolution No. 3.533/08, classifies the sale or transfer of a financial asset into three categories:

– ***Operations with substantial transfer of risks and benefits***

Transactions in which the seller substantially transfers all risks and benefits of the financial asset, such as: (i) unconditional sale of financial asset (ii) sale of financial asset together with repurchase option at fair value, of the asset at the time of repurchase, (iii) sale of financial asset together with the option of buying or selling, the exercise of which is unlikely to occur.

– ***Operations with substantial retaining of risks and benefits***

Operations in which the seller substantially retains all the risks and benefits of the financial asset, such as: (i) the sale of financial asset together with a commitment to repurchase the asset at a fixed price or sale price plus any income, (ii) contracts for securities lending and securities, (iii) sale of a financial asset in connection with swap of the rate return that transfers the full exposure to market risk to the seller, (iv) sale of financial asset together with the option of buying or selling which is likely to occur, (v) sale of receivables for which the seller guarantees to compensate the buyer for losses that may occur, or whose sale has occurred in connection with the acquisition of subordinated quotas of the buyer Investment Fund (FIDC).

– ***Operations without substantial transfer or retaining of risks and benefits***

Operations in which the Bank (the seller) does not substantially transfer nor does it retain the risks and benefits of the financial asset.

The assessment of the transfer or retaining of risks and benefits of the financial assets is made on the basis of a consistent and verifiable criterion, using as methodology the comparison of the exposure before and after the sale or transfer, with regard to the variation of the present value of expected cash flows, associated with financial asset discounted by the appropriate market interest rate.

j. Value added statements

BICBANCO has prepared individual and consolidated statements of value added (DVA) in compliance with the “Technical Pronouncement CPC 09” (the Brazilian “Accounting Pronouncements Committee”), which are part of this financial statements.

4 Cash and cash equivalents and Interbank funds applied

a. Cash and cash equivalents

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Cash and cash equivalents	2,006	1,444	3,278	2,983
Foreign currency investments, abroad (*)	85,969	305,449	86,696	305,520
<u>Total</u>	<u>87,975</u>	<u>306,893</u>	<u>89,974</u>	<u>308,503</u>

(*) Of the total consolidated deposits abroad in foreign currencies, R\$ 35,963 (Dec/2013 - R\$250,286) is remunerated at average rate of 0.07% p.a. (Dec/2013 - 0.09% p.a.).

b. Money market

Maturity	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Due up to 30 days	1,694,995	800,029	1,721,228	832,800
<u>Total</u>	<u>1,694,995</u>	<u>800,029</u>	<u>1,721,228</u>	<u>832,800</u>

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

c. Interbank deposits

Maturity	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Due up to 30 days	68,711	293,467	10,853	17,365
From 31 to 90 days	181,076	137,352	17,407	42,536
From 91 to 360 days	740,860	408,239	70,488	44,729
Over 360 days	345,369	417,955	3,052	33,962
Total (*)	1,336,016	1,257,013	101,800	138,592

d. Foreign currency

Maturity	BICBANCO and BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013
Due up to 30 days	59,756	52,189
Total	59,756	52,189

5 Securities

a. The Bank's policy

The securities are valued, as to their distribution, upon acquisition and the portfolio formed is valued at every semi-annual reporting date. BICBANCO has the intention and the financial capacity to hold the securities classified as "held to maturity" until their maturity dates.

b. Composition of securities by type and category

	BICBANCO consolidated							BICBANCO Total book value
	No Maturity	Up to 90 days	91 to 360 days	Over 360 days	Total book value	Accrued cost value	Market Value	
Securities for trading	24,148	3,555	31,866	79,189	138,758	137,245	138,758	84,234
Own portfolio	24,148	3,555	31,605	79,189	138,497	136,983	138,497	83,973
Financial Treasury Bills	-	-	25,182	41,720	66,902	66,903	66,902	25,278
National Treasury Notes-B	-	-	6,423	-	6,423	6,355	6,423	-
National Treasury Notes-C	-	-	-	44	44	42	44	28
CDB	-	4	-	-	4	4	4	-
Debentures	-	3,551	-	37,425	40,976	40,972	40,976	37,425
Funds	17,164	-	-	-	17,164	16,968	17,164	14,258
Variable income portfolio	6,984	-	-	-	6,984	5,739	6,984	6,984
Subject to guarantees (*)	-	-	261	-	261	262	261	261
Financial Treasury Bills	-	-	261	-	261	262	261	261
Securities Available for sale	-	-	44,918	981,554	1,026,472	1,035,729	1,026,472	1,018,235
Own Portfolio	-	-	13,633	798,043	811,676	820,089	811,676	811,676
National Treasury Notes-B	-	-	13,633	798,043	811,676	820,089	811,676	811,676
Subject to repurchase Agreements	-	-	23,047	104,855	127,902	128,359	127,902	127,902
National Treasury Notes-B	-	-	23,047	104,855	127,902	128,359	127,902	127,902
Subject to guarantees (*)	-	-	8,238	78,656	86,894	87,281	86,894	78,657
National Treasury Notes-B	-	-	8,238	78,656	86,894	87,281	86,894	78,657
Securities held to maturity	-	-	-	112,012	112,012	112,012	98,777	170,296
Own portfolio	-	-	-	112,012	112,012	112,012	98,777	170,296

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

	BICBANCO consolidated							BICBANCO Total book value
	No Maturity	Up to 90 days	91 to 360 days	Over 360 days	Total book value	Accrued cost value	Market Value	
National Treasury Notes-B	-	-	-	78,056	78,056	78,056	75,579	78,056
FIDC - Quotas	-	-	-	20,526	20,526	20,526	20,526	78,810
Eurobonds	-	-	-	13,430	13,430	13,430	2,672	13,430
Total in September 2014	24,148	3,555	76,784	1,172,755	1,277,242	1,284,984	1,264,007	1,272,765
Total in December 2013	19,798	6	149,377	1,250,191	1,419,372	1,431,556	1,407,895	1,375,016

(*) Of the Total R\$ 87,155 (Dec/2013 - R\$ 105,875), R\$ 66,091 (Dec/2013 - R\$ 74,715) are operations linked to guarantees, refer to deposits of margin in transactions of derivative financial instruments, as note 6b-5.

Based on the macroeconomic scenarios and in the strategy of hedging the funding portfolio indexed to the inflation rates, the Bank reclassified, at the end of the first half 2013, its National Treasury Notes NTN-B from the category “Securities for Trading”, into “Available for Sale”. Consequently, the effect of marking-to-market, in the amount of R\$ 11,617, net of tax effects, was recorded in Stockholders' Equity for the six months ended 31 December 2013.

The government securities are registered in the Special System for Settlement and Custody (SELIC) of the Brazilian Central Bank, and the corporate bonds in the Clearing House for the Custody and Settlement of Securities (CETIP). The stocks are registered in the Brazilian Company for Settlement and Custody (CBLC). Eurobonds are recorded in Centrale de Livraison de Valeurs Mobilieres- Luxembourg (CEDEL) and the FIDCs quotas, are controlled by the Fund Administrator.

The shares that comprise the variable income portfolio were adjusted based on the average negotiated quotation on the last business day, or in the absence of such, on the last quotation available in the stock exchange. The remaining securities were valued at BM&FBOVESPA market rates; the investment funds by the value of quotas released by the administrator.

c. Composition of securities by indexer

	BICBANCO CONSOLIDATED Sept/2014					
	Dollar	Selic	CDI	IPCA	Others	Total
Shares	-	-	-	-	6,984	6,984
Deposit Certificates	-	-	4	-	-	4
Debentures	-	-	40,976	-	-	40,976
Funds	17,164	-	-	-	20,526	37,690
Eurobonds	13,430	-	-	-	-	13,430
Financial Treasury Bills	-	67,163	-	-	-	67,163
National Treasury Notes (NTN-B)	-	-	-	1,110,951	-	1,110,951
National Treasury Notes (NTN-C)	-	-	-	-	44	44
Total	30,594	67,163	40,980	1,110,951	27,554	1,277,242

BICBANCO CONSOLIDATED

Dec/2013

	Dollar	Selic	CDI	IPCA	Others	Total
Shares	-	-	-	-	3,598	3,598
Deposit Certificates	-	-	6	-	-	6
Debentures	-	-	39,324	-	-	39,324
Funds	16,200	-	-	-	-	16,200
Eurobonds	25,338	-	-	-	-	25,338
Financial Treasury Bills	-	140,089	-	-	-	140,089
National Treasury Notes (NTN-B)	-	-	-	1,194,790	-	1,194,790
National Treasury Notes (NTN-C)	-	-	-	-	27	27
Total	41,538	140,089	39,330	1,194,790	3,625	1,419,372

6 Derivative financial instruments portfolio

a. Financial instruments

The carrying value of the financial instruments registered in the balance sheet is close to that which could be obtained by negotiation in the market, or in its absence, close to the present value of adjusted cash flows calculated using the prevailing market interest, except lease operations.

The fair values on June 30, 2014 were estimated by using the available market information and the usual methodology of pricing: an evaluation of the nominal value until the maturity date and the discounted present value of future market rates, published in the bulletins of the Stock Exchange Securities, Commodities and Futures Exchange - BM & F or other market sources. These estimates of fair values presented are not necessarily indicative of values that the institution and its subsidiaries could achieve in the market. The use of different assumptions or valuation methodologies may differ from the estimated fair value amounts presented herein in view of the inherent uncertainty in the estimation of market information and liquidity. The principal financial instruments recorded in equity accounts, compared to the above-referenced market value, are as follows:

	BICBANCO Sept/2014		BICBANCO consolidated Sept/2014	
	Book value	Fair value	Book value	Fair value
Assets				
Securities	1,272,765	1,259,529	1,277,242	1,264,007
Derivatives (net)	586,853	586,853	586,853	586,853
Loans and Lease Operations	9,072,841	9,470,613	9,985,359	10,383,131
Liabilities				
Interbank Deposits	407,063	407,208	407,063	407,208
Time Deposits	6,734,035	6,934,686	6,583,729	6,784,380
Derivatives	9,532	9,532	9,532	9,532
Securities issued abroad	979,036	979,607	979,036	979,607
Debentures	-	-	2,316	2,13
Subordinated debt	1,029,914	1,156,372	1,029,914	1,156,372

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

	BICBANCO Dec/2013		BICBANCO consolidated Dec/2013	
	Book value	Fair value	Book value	Fair value
Assets				
Securities	1,375,016	1,363,540	1,419,372	1,407,897
Derivatives	629,933	629,933	629,933	629,933
Loans and Lease Operations	9,764,302	10,186,184	10,590,633	11,012,515
Liabilities				
Interbank Deposits	422,294	462,907	422,294	462,907
Time Deposits	6,435,007	6,699,697	6,264,672	6,529,200
Derivatives	3,551	3,551	3,551	3,551
Securities issued abroad	987,931	988,506	987,931	988,506
Debentures	-	-	2,168	2,168
Subordinated debt	952,454	1,069,401	952,454	1,069,401

The market values of Loans, Interbank Deposits and “pre-fixed” Time Deposits and Debentures were calculated using the discounted cash flows based on the market interest rate published by “BM&F BOVESPA” (the Brazilian Futures and Commodities Exchange).

The market value of “Securities issued abroad” were calculated on the basis of the values available at feeder released by Bloomberg screen.

b. Derivatives

(b.1) The adopted policy for the use of derivatives

The BICBANCO engages in traditional derivative operations, which aim at meeting the clients’ needs, and also aim at executing its risk management policy as a way of minimizing the risks arising from commercial and financial operations. Its objective is to mitigate exposure to market variables which impair assets and liabilities of the Bank. Accordingly, the Bank designates hedge operations to protect the cash flow from the variability of exposures.

The derivative instruments traded are acquired for two basic functions:

- **Trading** - as an instrument to contract own portfolio and of derivatives risk management traded with clients which aim at managing market risks resulting from the volatility of floating interest rates, exchange rates and asset prices.
- **Hedge** - for the realization of hedge of structural portfolio;

The derivative financial instrument came to be widely used to protect assets and liabilities, assumed commitments and future transactions, both for variations caused by changes in interest and exchange rates and prices, and to ensure the achievement of forecasted cash flows.

Derivatives serve a fundamental function in the management and control of risks, to the extent that matches risks with greater effectiveness. The derivatives enable the re-pricing of transactions and redistribution of the main inherent risks, granting the movement of capital between the different markets and creating new opportunities of business with the consequent increase and diversification of portfolios.

The contracts negotiated with costumers in Brazil refer to derivative transactions of Swaps and Future Market, registered at BM&FBOVESPA SA (BM&F) or CETIP. Future contracts involving interbank rates and USD- BM&F are mainly used to hedge the exchange rate variation of the investment in the Cayman Branch and to lock the financing rates of loans provided to clients with mismatched terms and currencies of the resources used for this purpose. Operations realized abroad are performed with derivative contracts NDF (Non Deliverable Forward) with the objective of hedging foreign funds.

The derivatives that compose the Bank's Trading Book have their risks measured, have their limits and own strategies that encompass all the operations intended to hedge other elements of the trading book. Strategically, the limits of the Trading Portfolio are quite lower than those of the Banking Portfolio and there is no positioning which come to be accepted beyond those defined by the Policy. At every operation with a client, the conditions of hedging with another counterparty is immediately evaluated, giving revenues for the Bank in its unique role of intermediary. The calculation of risk for this portfolio is daily performed and reported to the Committee of Treasury. Any breach of limits is promptly assessed and necessarily originate containment measures.

For the Banking Portfolio, the Bank uses "Hedge" as a defensive strategy to avoid the risks caused by the variation of prices and rates in certain positions or in the future, through the offset between the results produced by items objects of hedge and the financial instruments used in protection. Avoiding losses, a Hedging transaction also eliminates the possibility of gains, being its economic objective the transfer of inherent risks in the operations to another agent in opposite position.

The derivative financial instrument is widely used to protect asset and liability positions, commitments and future transactions, both for variations caused by changes in interest rates, exchange rates and prices as well as to ensure the achievement programmed cash flows.

The Derivative transactions perform an essential function in the management and control of risks, to the extent that match the risks with greater effectiveness. The derivatives allow the pricing of items objects of negotiation and the redistribution of the main risks inherent, enabling the movement of capital among the various markets and creating new business opportunities as consequent increase and diversification of portfolios.

The derivative contracts traded with clients in Brazil are of Swap operations and Future Market, all recorded at Securities Commodities and Futures Exchange - BM&FBOVESPA or at CETIP. The contracts of DI futures and dollar of BM&FBOVESPA are mainly used as hedge instruments to mitigate the foreign exchange risk and the investment of the Cayman Islands branch and to lock the financing rates offered to customers by deadlines or currency mismatched with the resources used for this purpose. Abroad, operations are performed with derivative contracts NDF (Non Deliverable Forward) with the objective of hedging of foreign funding.

(b.2) *Protection of foreign exchange exposures*

BICBANCO enters into Swap and NDF's operations in order to "hedge" the cash flow of its liabilities against the risk of exchange variation on securities issued abroad, (Subordinated Debt).

(b.3) Risk management

The Bank operates with derivative financial instruments as a part of the range of products offered to its clients and to meet its own necessity related to the management of market risks which arise, principally, due to the normal mismatches between currencies, interest rates, indices and terms of its asset and liability operations. The derivative financial instruments represent future commitments to swap currency or index, or to purchase and sell financial assets on dates and previously established contractual terms.

BICBANCO has the policy of minimizing exposure to market risks consistent with its main business purpose, which is the granting of loans. Risk management is performed directly by upper management through instruments previously tested and evaluated.

The strategy of exchange risk management for capital invested abroad is to prevent impacts on income derived from exchange variation. In order to achieve this goal, exchange risk is neutralized and the investments are remunerated in Reais (R\$) through the use of derivative financial instruments.

(b.4) Strategies and parameters used for risk management for each market operation strategy

The main risk factors of the derivatives contracted at September 30, 2014 are related to exchange rate, interest rate, dollar and variable income coupon, which aim to maximize the return-risk ratio, even in circumstances of high volatility. The risk management control of the portfolios is performed through the use of systems, such as: VaR, Profitability and Liquidity Risk.

(b.5) Criteria for valuation and measurement, methods and assumptions used in the determination of the market value

Normally quoted prices at the stock exchange are the best ones to give a parameter of the Market Fair Value of the Financial Instruments. However, not all instruments have market liquidity or quotations. The valuation of these instruments requires the use of estimates using present value and other pricing techniques. To obtain these market values the following criteria are adopted:

- **Futures and Forward:** quotations on stock exchanges;
- **Swap:** It is close to the value that could be obtained in the market or, in the absence of available market data, fair value is estimated using discounted cash flows of each of its parts, according to the interest curves, obtained through BM&FBOVESPA, and/or in the market prices of public securities for the operations of Brazil, and in the prices of international exchanges for operations abroad, if applicable;
- **Options:** statistical models that incorporate the behavior of the price of the asset, purpose of the contract, interest, the price of exercising and the spot price of the commodities.

(b.6) Recording of the values

The balances of these operations are recorded in memorandum and equity accounts, in accordance with the specific rules issued by the Central Bank of Brazil.

The derivative instruments are classified, according to Management's intention of using them as

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

“Hedge” or not, according to Bacen-Circular no. 3.082 /02 and its subsequent updates. The Bank carries out its operations in derivative financial instruments associated with the operations of raising funds abroad, by market value.

Specifically, for -Market Risk Hedge - The financial assets and liabilities, as well as their financial instruments are accounted at a market value having the realized and unrealized gains and losses directly recognized in the statement of income; Cash Flow Hedge - The effective hedging portion of financial assets and liabilities, as well as their related financial instruments, is accounted by market value with the realized and unrealized gains and losses, net of the tax effects, recognized in specific Account in stockholders' equity.

The result of these operations is presented in note 30.c.

Operations outstanding at September 30, 2014 have the following characteristics:

	Reference Value					
	Net Position of Assets and Liabilities contracts					
	Differential receivable	Differential payable	Maturing within 3 months	Maturing between 3 and 12 months	Maturing 12 months	Total
Swap contracts						
Interbank market	672	826	(222,566)	(3,436)	(1,074,472)	(1,300,474)
Foreign currency	564,044	2,612	198,441	(24,560)	1,074,472	1,248,353
Shares BICB4	8,899	-	24,125	27,996	-	52,121
Prefixed	-	-	-	-	-	-
Subtotal	573,615	3,438	-	-	-	-
Market value adjustment	11,292	25	-	-	-	-
Total	584,907	3,463	-	-	-	-
NDF contracts						
Forward for buying - NDF	1,946	94	-	-	-	-
Forward for selling - NDF	-	5,564	-	-	-	-
Subtotal	1,946	5,658	-	-	-	-
Sale of flex-options	-	411	-	-	-	-
Subtotal	-	411	-	-	-	-
Total	586,853	9,532	-	-	-	-
Future contracts						
Buy - Interbank market	-	-	-	-	3,435	3,435
Sell - Interbank market	-	-	(136,944)	(497,512)	(279,662)	(914,118)
Buy-DDI-Coupon	-	-	3,256	-	-	3,256
Sell-DDI-Coupon Exchange	-	-	28,420	79,047	-	107,467
Buy - foreign currency	-	-	1,446	-	-	1,446
Sell - foreign currency Exchange	-	-	(150,293)	-	-	(150,293)

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

Operations outstanding at December 31, 2013 were as follows:

Reference Value						
Net Position of Assets and Liabilities contracts						
	Differential receivable	Differential payable	Maturing within 3 months	Maturing between 3 and 12 months	Maturing 12 months	Total
Swap contracts						
Interbank market	18	36	(206,812)	(287,236)	(1,144,146)	(1,638,194)
Foreign currency	561,566	1,354	106,812	243,370	1,116,150	1,466,332
IPCA (Expanded Consumer Price Index)	16,001	-	100,000	-	-	100,00
Shares BICB4	17,689	-	-	43,866	27,996	71,862
Subtotal	595,274	1,390	-	-	-	-
Market value adjustment	32,363	137	-	-	-	-
Total	627,637	1,527	-	-	-	-
NDF contracts						
Forward for buying - NDF	1,853	214	3,884	8,344	366	12,594
Forward for selling - NDF	443	1,810	(33,364)	(5,027)	-	(38,391)
Subtotal	2,296	2,024	-	-	-	-
Total	629,933	3,551	-	-	-	-
Future contracts						
Buy - Interbank market	-	-	56,458	5,857	-	62,315
Sell - Interbank market	-	-	-	(182,382)	(328,269)	(510,651)
Buy - IND	-	-	4,661	-	-	4,661
Buy-DDI-Coupon Exchange	-	-	28,138	5,887	-	34,025
Sell-DDI-Coupon Exchange	-	-	-	(1,172)	(4,630)	(5,802)
Buy - foreign currency	-	-	62,957	-	-	62,957
Sell - foreign currency	-	-	(18,155)	-	-	(18,155)

The swap operations are registered in the Futures and Commodities Exchange (BM&FBOVESPA) and in the Clearing House for the Custody and Settlement of Securities (CETIP). The operations performed in the future market are registered in the Futures and Commodities Exchange (BM&FBOVESPA). The adjustments related to differences to pay or to receive are recorded in assets or liabilities accounts with the differential recognized monthly in the balance sheets.

Guarantees given for transactions involving derivative financial instruments comprise the following:

BICBANCO and BICBANCO CONSOLIDATED					
Paper	Due Date	Sept/2014		Dec/2013	
		Book value	Market value	Book value	Market value
National Treasury Notes-B	08/15/2014	-	-	72,156	72,156
Financial Treasury Bills - LFT	09/07/2014	-	-	2,559	2,559
National Treasury Notes-B	08/15/2016	66,091	66,091	-	-
Total		66,091	66,091	74,715	74,715

(b.7) Sensitivity - Qualitative and quantitative information on the Derivative Financial Instruments

The Sensitivity Analysis presents operations involving financial instruments registered in the Bank's equity accounts, maintained for the administration and hedge of its market risk exposure, especially in times of braking of the historical standards. This assessment is systematically executed by the risk management area of the Bank and is monitored by the Treasury Committee, which defines certain scenarios (assumed as a price and interest rate combination), within a crisis environment.

For the elaboration of this chart, the following assumptions were used:

- (i) the values of the trading portfolio (Trading Book) and of the transactions from the business lines of the Bank as well as its relevant Hedges (Banking Book), were calculated for each one of the three scenarios;
- (ii) for each one of the risk factors, the largest possibility of losses was chosen and, on this value, a defined "increase or decrease" hypothesis was applied;
- (iii) Finally, the losses corresponding to each pertinent scenario were obtained.

The following scenarios do not necessarily reflect the risk management of the BICBANCO nor are they associated with its accounting practices. Those scenarios analyse very extreme situations, distant from the usual business environment of the Bank.

Below, the summary of assumptions for each scenario.

For each portfolio, the direction (increase or decrease) was chosen that maximizes the loss for each risk factor. The parallel displacement curves were kept, i.e. a dislocation of + 1,000 basis points means that across the forward curve there was a 10% increase at current rates.

Scenario 1 - Probable Situation, reflects the perception of the Bank in relation to the scenario with highest probability for a three month horizon, considering macroeconomic factors and market information (BM & F Bovespa, ANBIMA, CETIP, for instance).

Scenario 2 - Occasional situation. Assumptions used: parallel shock of 25.0% for the risk variables, based on market conditions observed on 09/30/2014 taking into consideration the worst losses by risk factor, not incorporating the dynamics of relationships between macroeconomic variables.

Scenario 3 - Occasional situation. Assumptions used: parallel shock of 50.0% for the risk variables, based on market conditions observed on 09/30/2014 and considering the worst losses by risk factor, not incorporating the dynamics of relationships between macroeconomic variables.

Risk Factor Assumptions -Trading Portfolio

	Prefix rate R\$	US\$ Coupon	US\$ Spot	BM&F Bovespa
Scenario 1	+ 1000 basis points	+ 1000 basis points	10% increase	10% increase
Scenario 2	+ 2500 basis points	+ 2500 basis points	25% increase	25% increase
Scenario 3	+ 5000 basis points	+ 5000 basis points	50% increase	50% increase

The scenarios presented in the table above, reflect a decline in the macroeconomic expectations: interest rates (prefixed and exchange coupon) increase sharply (10%, 25% and 50%), the Brazilian Stock Exchange inflation rates decrease, facts which reflect on the indices and indexed contracts.

The scenarios in the table below (Banking Portfolio) also reflect a decline in macroeconomic expectations in the sense that maximizes the loss for each risk factor of this portfolio. Toward this, interest rates (pre) increase sharply (10%; 25% and 50%), there is a substantial parallel displacement of the curves of exchange coupon, the Brazilian stock market and inflation falls, reflecting on ratios and indexed contracts.

Risk Factor Assumptions -Banking Portfolio

	Prefixed rate R\$	US\$ Coupon	US\$ Spot	BM&F Bovespa	Inflation
Scenario 1	+ 1000 basis points	+ 1000 basis points	10% decrease	10% decrease	10% increase
Scenario 2	+ 2500 basis points	+ 2500 basis points	25% decrease	25% decrease	25% increase
Scenario 3	+ 5000 basis points	+ 5000 basis points	50% decrease	50% decrease	50% increase

The results deriving from the losses calculated in the scenarios for the “Trading and Banking portfolios”, are shown in the chart below:

Trading Portfolio

Risk Factor	Results for the Risk Factors - in thousand of Reais		
	Scenario 1	Scenario 2	Scenario 3
USD and USD Cupom	(748)	(1,874)	(3,755)
Prefixed rate in R\$	(1,260)	(3,080)	(5,936)
Shares And Indexes	(636)	(1,795)	(3,945)
Inflation	-	-	(1)
Total Loss	(2,644)	(6,749)	(13,637)

Banking Portfolio

Risk Factor	Results for the Risk Factors - in thousand of Reais		
	Scenario 1	Scenario 2	Scenario 3
USD and USD Cupom	(42,469)	(105,510)	(208,649)
Prefixed rate in R\$	(79,691)	(193,163)	(367,680)
Shares And Indexes	(151)	(378)	(757)
Inflation	(5,719)	(14,042)	(27,262)
Total Loss	(128,030)	(313,093)	(604,348)

The risk factors presented are as follows:

USD Coupon - It includes all products that present price variations pegged to variations of the US dollar and of the interest rate in dollars.

Prefixed rate in Reais- it includes all products that present price variations in the interest rate variations denominated in Reais.

Shares and Indexes - They comprise shares and indexes of stock exchanges, shares and options linked to share indexes.

Inflation - It refers to all products whose price variation is linked to the variations in inflation coupons and inflation indexes.

For the calculation purposes the assumptions of a confidence interval of 95% for the VaR calculation and a timeframe of 10 days to exit the position were adopted.

The sensitivity analysis disclosed has certain limitations. The economic impact on an occasional interest rate fluctuation could not necessarily represent a material accounting gain or loss for the Institution. Although possible, the specific combination of price that determines each scenario is an arbitrary decision. The signs of the historical correlations between the assets were not necessarily considered and even the chosen scenarios were observed in the past.

The accounting of the Banking portfolio Instruments, mostly evaluated “by the market”, do not necessarily follow the “curve contracted”. They do not differ from the derivative financial instruments of the Trading portfolio, subject to fluctuations in their accounting records, resulting from the “marking to market” procedures.

The results presented in the table for the “*Banking Portfolio*”, designed with a drop in interest rates and rising inflation (in opposite direction of the common sense), could give the impression of high sensitivity to volatility. However, the presented table does not consider the correlations between different factors of risk.

This analysis ignores the correlation between “pre-fixed” rates and the “CDI” (Interbank Deposit Rate standard) or, in other words, the losses with fixed rates in this model, are not offset by gains with “CDI”. In addition the results presented in the table for the “*Banking Portfolio*”, designed with a drop in interest rates and rising inflation, in opposite direction of the common sense.

Likewise, in the “chart of sensitivity”, the interest rates and foreign exchanges were considered as non-correlated. The limitations of scenarios analysis also involve the mark-to-market of the Bank’s positions, contradicting the decisions of the Management, to keep its positions, especially the foreign liabilities, as “held to maturity”. Although the balances of the loans, in these cases, represent the balances calculated by the curves, their respective “Hedges” are marked to market. This may lead the reader to misinterpretation, since even the losses of the derivatives were calculated regardless of those objects of the Hedge.

(b.8) Fair value effects

The effects of the fair value net of tax in the in the first half year 2014 on the “SWAP” transactions are presented below:

BICBANCO consolidated	
Positive fair value reversal of June 30, 2014.	(22,654)
Fair value effects on September 30, 2014.	7,058
Net income in September 30, 2014	(15,596)

The effects of the fair value net of tax in the in the first half year 2013 on the “SWAP” transactions are presented below:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

BICBANCO consolidated	
Fair value reversal on prior fiscal year 06/30/2013	(49,595)
Fair value effects in the period	19,435
Net income in September 30, 2013	(30,160)

7 Interbank accounts - Deposits at the Central Bank

BICBANCO and BICBANCO CONSOLIDATED		
	Sept/2014	Dec/2013
Compulsory Deposits on demand deposits	74,368	75,406
Compulsory Deposits on saving deposits (*)	7,710	7,504
Micro-finance destination of resources	1,253	1,603
Total	83,331	84,513

(*) For revenues generated on compulsory deposits, see note n° 30g.

8 Loans

a. Diversification by type of operation

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Working capital and discounts	4,628,129	5,602,192	4,702,446	5,752,463
Secured accounts	631,021	776,754	631,021	776,754
Consigned personal credit (*)	12,503	17,688	804,685	713,231
Compror	9,024	8,983	9,024	8,983
Corporate Checks	39,992	64,072	39,992	64,072
Import financing	476,705	577,923	476,705	577,923
Export financing	561,249	485,894	561,249	485,894
Rural and agro-industrial financing	37,432	145,363	37,432	145,363
Real estate and housing	2,035	2,298	2,035	2,298
Financing of machinery and heavy vehicles	94,454	136,984	94,454	136,984
Resolution 63 (current Resolution 2770)	7,526	18,554	7,526	18,554
Vendor	-	3,403	-	3,403
Personal/consumer credit	170,501	120,784	378,482	261,013
Loans linked to assignments	453,743	500,815	-	-
Others	422,662	251,797	422,661	251,797
Loans	7,546,976	8,713,504	8,167,712	9,198,732
Guarantees and Sureties Honored	11,362	847	11,362	847
Debtors through purchase of assets	154,922	115,247	157,220	118,019
Purchased Credits	-	17,807	0	17,807
Notes and credits receivable	186,200	43,441	187,320	44,852
Advances on export contracts (**)	1,173,381	873,456	1,173,381	873,456
Other receivables	1,525,865	1,050,798	1,529,283	1,054,981
Leases	-	-	288,368	336,920
Total	9,072,841	9,764,302	9,985,363	10,590,633

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
*Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

- (*) BICBANCO Consolidated includes loans ceded before the issuing of BACEN Resolution nº 3533 to the FIDC as follows:
- working capital and discounts in the amount of R\$ 7,068 (Dec/2013 -R\$ 7,959).
 - Sul Financeira S/A - CFI portfolio in the amount of R\$ 391,606 (Dec/2013 -R\$ 332,265) as consigned payroll credit and loans to individuals in the amount of R\$ 207,981 (Dec/2013 - R\$ 140,229).
 - working capital and discounts of the BrasilFactors in the amount of R\$ 2,671 (Dec/2013 - R\$ 4,775) and the assets of BrasilFactors' FIDC, in the amount of R\$ 11,411 (Dec/2013 - R\$ -) totaling R\$ 620,737 (Dec/2013 -R\$ 489,411).
- (**) BICBANCO Consolidated includes loans linked to assignment under BACEN Resolution nº 3533, distributed according to the type of operations which have originated the credit as follows:
- FIDC in working capital and discounts, in the amount of R\$ 53,167 (Dec/2013 - 137,537);
 - Sul Financeira S/A consigned payroll loans to individuals in the amount of R\$ 400,576 (Dec/2013 - 363,278), totaling R\$ 453,746 (Dec/2013 - 500,815).
- (***) The transactions of “Advances on Export Contracts - ACC” are recorded in “Other liabilities - Foreign exchange portfolio”. Income receivable on advances granted is recorded in “Other receivables - Foreign exchange portfolio”. For purposes of presentation in this note, both amounts have been presented as “Other receivables”.

b. Diversification by activity

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Public sector	239,143	241,328	239,143	241,328
State Government	236,394	237,197	236,394	237,197
Municipal Government	2,749	4,131	2,749	4,131
Private sector	8,223,321	8,970,686	8,523,183	9,315,509
Agribusiness	292,606	228,990	300,791	256,136
Industry	4,008,156	4,154,903	4,153,767	4,286,321
Builders, Contractors & Undertakers	697,708	811,979	731,212	848,617
Sugar and alcohol refinery	698,209	652,423	716,519	675,993
Incorporators	457,997	450,054	468,362	466,346
Slaughterhouses and meat industry	152,774	151,272	153,911	153,454
Chemical and petrochemical industry	106,456	143,375	110,666	148,930
Production of flour, pasta, cakes and biscuits	200,528	220,819	210,609	221,152
Metallurgical & Mechanical Production	228,935	200,214	231,931	200,214
Pulp and paper manufacturing	69,018	72,828	72,485	73,190
Production of electric and electronic goods	244,401	101,993	247,337	105,445
Production of manures, fertilizers, Insecticides	89,131	116,113	91,452	119,995
Production of pipes and metalwork	121,938	52,631	122,763	53,678
Manufacture of vehicles, body parts and others	109,019	115,508	112,063	120,196
Production of threads and fabrics	125,640	125,824	132,459	134,762
Building material industry	126,942	222,585	131,344	227,547
Beverage industry in general	65,640	90,798	71,189	96,352
Plastic packaging manufacturing	72,948	91,783	72,971	91,984
Production of footwear and leather goods	87,847	52,415	88,348	52,573
Tobacco industry	67,239	47,877	67,239	47,877
Graphic arts services	41,600	56,735	60,245	60,833
Furniture manufacturing	27,909	54,842	27,957	55,410
Vegetal and mineral extraction	66,810	40,606	66,810	40,606
Clothing industry	22,472	30,708	23,820	33,244

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

Others	126,995	251,521	142,075	257,923
Commerce	1,355,242	1,359,472	1,383,947	1,388,956
Supermarkets and wholesalers	305,070	318,077	314,672	324,465
Vehicle dealerships and sale yards	181,349	206,714	182,500	207,742
Trading Companies	61,806	78,824	61,806	78,824
Commerce of agricultural products	52,796	69,432	52,796	69,432
Commerce of clothing and fabrics	66,225	49,424	66,225	49,424
Commerce of others Chemical Products	228,885	203,426	228,974	204,590
Commerce of electric and electronic products	31,161	49,815	31,161	49,815
Commerce of Oil derivates	90,957	57,670	92,380	59,587
Commerce of machinery and equipments	79,737	71,446	79,737	71,446
Commerce of furniture and items for decoration	74,860	64,799	83,960	74,538
Commerce of medicines	38,291	50,416	38,291	50,416
Commerce of building material	3,495	5,687	4,414	7,441
Import/export of agricult, Products & foodstuffs	54,987	36,862	55,105	36,981
Commerce of books, magazines and newspapers	2,409	6,263	2,409	6,263
Commerce of Metallurgical Products	12,771	11,971	12,771	11,971
Commerce of footwear and leather goods	373	321	373	321
Commerce of haberdashery in general	64	152	64	152
Others	70,006	78,173	76,309	85,548
Financial intermediation	83,042	128,965	83,306	129,379
Other services	2,484,275	3,098,356	2,601,372	3,254,717
Holdings in general	220,867	346,371	227,050	354,244
Medical and dental services	274,620	410,461	289,068	429,455
Technical and professional services	331,614	352,875	361,549	400,661
Passenger and cargo transportation	515,266	616,766	517,032	619,302
Renting in general	96,243	83,321	102,692	92,967
Services of public utility	151,138	272,749	177,619	304,708
Education	131,341	104,242	131,341	104,242
Repairing, maintenance and installation services	54,785	85,135	58,280	89,936
Communication and entertainment services	36,467	66,143	42,313	68,117
Sports Associations	87,002	89,025	87,066	89,360
Distribution of power	55,292	53,799	55,292	53,799
Accommodation services	13,943	19,424	14,089	19,723
Storage services	33,832	32,332	33,832	32,596
Cleaning, preservation and surveillance services	19,374	33,504	21,468	36,409
Unions and Associations	9,417	38,020	9,508	38,139
Cooperatives of production	18,398	42,117	18,398	42,117
Telecommunication Services	35,542	30,666	36,093	31,637
Cards Administration	21,699	29,964	21,699	29,964
Metallurgical Services	27,323	25,559	27,323	25,559
Data processing services	1,146	1,080	1,146	1,220
Others	348,966	364,803	368,514	390,562
Individuals	610,377	552,288	1,223,037	1,033,796
Total	9,072,841	9,764,302	9,985,363	10,590,633

(*) The operations of personal credit and consigned personal credit assigned (note 8 h.1), were sold to BICBANCO's subsidiary Sul Financeira SA Credito, Financiamento e Investimento, which concentrates operations provided to individuals.

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

c. Diversification by term

	BICBANCO				BICBANCO CONSOLIDATED			
	Sept/2014	%	Dec/2013	%	Sept/2014	%	Dec/2013	%
Public sector								
Due within 3 months	35,208	0.39	22,918	0.23	35,208	0.35	22,918	0.22
Due from 3 to 12 months	104,021	1.15	97,897	1.00	104,021	1.04	97,897	0.92
Due over 1 year	95,986	1.06	118,852	1.22	95,986	0.96	118,852	1.12
Overdue (from 15 days on)	3,929	0.04	1,661	0.02	3,929	0.04	1,661	0.02
Private sector								
Due within 3 months	2,911,632	32.09	3,760,766	38.52	3,033,271	30.38	3,904,455	36.86
Due from 3 to 12 months	3,400,686	37.48	3,495,837	35.80	3,682,868	36.89	3,639,918	34.37
Due over 1 year	2,213,132	24.39	2,117,242	21.68	2,698,294	27.02	2,639,775	24.93
Overdue (from 15 days on)	308,247	3.40	149,129	1.53	331,786	3.32	165,157	1.56
Total	9,072,841	100.00	9,764,302	100.00	9,985,363	100.00	10,590,633	100.00

d. Diversification by indexer

BICBANCO CONSOLIDATED						
Sept/2014						
Type of operation	Prefixed	CDI	TR/TBF	Dollar	Others (*)	Total
Loans	1,802,987	5,848,644	23,791	1,657,611	8,060	9,341,093
Leasing	21,524	266,844	-	-	-	288,368
Others	247,628	89,048	171	-	19,055	355,902
Total	2,072,139	6,204,536	23,962	1,657,611	27,115	9,985,363

(*) Mainly consisted of transactions subject to indexation with TJLP and IGPM.

BICBANCO CONSOLIDATED						
Dec/2013						
Type of operation	Prefixed	CDI	TR/TBF	Dollar	Others (*)	Total
Loans	2,015,643	6,563,332	23,281	1,469,932	-	10,072,188
Leasing	43,504	293,416	-	-	-	336,920
Others	89,257	70,486	176	-	21,606	181,525
Total	2,148,404	6,927,234	23,457	1,469,932	21,606	10,590,633

(*) Mainly consisted of transactions subject to indexation with TJLP and IGPM.

e. Geographic distribution

	BICBANCO CONSOLIDATED			
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Northern region	62,732	0.63	112,027	1.06
Northeastern region	2,039,532	20.43	2,275,555	21.49
Southeastern region	4,753,371	47.60	4,940,703	46.65
Center-western region	1,182,514	11.84	1,154,459	10.90
Southern region	1,568,073	15.70	1,620,822	15.30
Abroad	379,141	3.80	487,067	4.60
Total	9,985,363	100.00	10,590,633	100.00

f. Risk concentration level

BICBANCO CONSOLIDATED				
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Largest debtor	182,099	1.82	152,176	1.44
10 largest debtors	1,115,333	11.17	1,035,297	9.78
20 largest debtors	1,619,727	16.22	1,546,105	14.60
50 largest debtors	2,655,633	26.60	2,577,084	24.33
100 largest debtors	3,724,429	37.30	3,732,003	35.24
Largest economic group debtor	333,210	3.34	276,988	2.62

g. Distribution of terms by portfolio

g.1 Maturities of the trade portfolio (installments)

BICBANCO CONSOLIDATED				
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Up to 3 months	2,205,446	31.64	2,879,501	36.27
3 months to 1 year	2,322,037	33.32	2,579,865	32.49
More than 1 year	2,180,850	31.29	2,339,858	29.47
Overdue (from 15 days on)	261,010	3.75	140,905	1.77
Total	6,969,343	100.00	7,940,129	100.00

g.2 Maturities of trade finance (installments)

BICBANCO CONSOLIDATED				
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Up to 3 months	778,539	35.21	934,902	48.26
3 months to 1 year	1,243,775	56.25	857,250	44.25
More than 1 year	123,053	5.56	128,023	6.61
Overdue (from 15 days on)	65,968	2.98	17,097	0.88
Total	2,211,335	100.00	1,937,272	100.00

g.3 Maturities of consigned personal credit (installments)

BICBANCO CONSOLIDATED				
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Up to 3 months	84,494	10.50	112,970	15.84
3 months to 1 year	221,077	27.47	300,700	42.16
More than 1 year	490,377	60.94	290,746	40.76
Overdue (from 15 days on)	8,737	1.09	8,816	1.24
Total	804,685	100.00	713,232	100.00

h. Credit assignment

(h.1) *Interbank credit assignment*

In the period, BICBANCO, assigned credits to its subsidiary “Sul Financeira SA Credito Financiamento e Investimentos”. As set out in Resolution no. 3.533/08 of BACEN which established new criteria for accounting, recognition and classification of transfers of credit, made effective since January 1. 2012, these assets were classified in the "substantial retaining of risk and benefits" category , at the present value of R\$ 171,823 (Dec/2013 - R\$ 256,956). The relevant amount recorded as obligations related to this operations is R\$ 201,749 (Dec/2013 - R\$ 310,570). The result of R\$ 29,926 (Dec/2013 R\$ 53,614), will be recognized by using the “*pro rata temporis method*”. For risk classification and provisioning, these assignments are subject to the statements of the Bacen Resolution N° 2.682/99.

(h.2) *Assignment of credit for investment fund in asset-backed Securities*

During the nine months of 2014, BICBANCO entered in operations of assignment of credit in the type of "working capital" for Investment Funds in Corporate Credit I, II and Open. The prices of the assignments correspond to the accounting balances of credits, which totalizes R\$ 226,186 (Dec/2013 - R\$ 573,493). Consequently, there were no gains in such operations. As set forth in Resolution no. 3,533 /08 of BACEN, those transactions were classified in the category of "operations with substantial retention of risk and benefits". The credit operations transferred are subject to application of the Resolution no. 2,682 /99, for the purpose of classification of credit risk and constitution of allowances for credit losses.

(h.3) *Credit assignment to a Credit Securitization - Previously Related Company*

There weren't assignment to a related credit securitization company during the nine months period. In the first half year 2013 there were assignments of “working capital loans” with substantial transfer of risks and benefits", which were fully covered by provisions for losses resulting in the recognition of gains in the amount of R\$ 12,121. Additionally, operations previously written-off were also sold, resulting in gains in the amount of R\$ 21,039. The transfers were carried out considering internal evaluations on the forecasts for recovering the credits, which are used for defining the price of sale, and analyzes of specialized consulting company in respect of debtors and condition of credits, used as a source of information for these evaluations.

(h.4) *Assignment of credit to a non-financial Company*

During the period of nine months, some credit operations, with substantial transfer of risks and benefits in the amount of R\$ 20,709 (Dec/2013 - R\$ 98,855) were transferred for legal non-financial, non-related entities, resulting in a negative result in the amount of R\$ 651 (Dec/2013 - R\$ 13,826). Additionally, some operations previously written-off were sold, resulting in the recognition of revenues in the amount of R\$ 425 (Dec/2013 - R\$ 6,123).

i. Lease operations

The value of leasing transactions is presented at their present value, as determined pursuant to the internal rate of return set under each contract. Pursuant to the applicable Central Bank rules, these amounts are presented in several line items in the balance sheet, as follows:

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

	BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013
Lease receivables	269,318	323,952
Unearned lease income	(266,118)	(321,017)
Leased goods	540,376	607,769
Depreciation surplus	139,104	161,250
Depreciation of leased goods	(279,586)	(301,460)
Losses to amortize of lease operations	5,591	5,080
Anticipated Residual Value	(120,317)	(138,809)
(=) Present value of Lease contracts	288,368	336,765
Advances to suppliers	-	155
Total Lease Operations	288,368	336,920

9 Allowance for loan losses

As of September 1st. 2014, the BICBANCO's Management reevaluated its model for the assessment of the loan portfolio and assignment of ratings, laid down in its credit policies & procedures, mainly to achieve proper alignment of practices and criteria adopted by the new Controllers (CCB).

As starters of revision and reassessment of policies were considered the following aspects deemed as relevant: a) Greater emphasis on the weighting of the financial situation of the companies, prevailing over other elements taken into account in the analysis of the risk; b) Revision of the importance attributed to the guarantees offered by the clients, in the improvement of their ratings; c) Revision of minimum time as limits for down grade in ratings, when arising from delay in payments; d) tightening of conditions for dragging down risks of a same group companies ; e) Immediate reclassification of risk (down grade), in transactions with companies in "judicial reorganization", regardless of the stage of that process.

Finally, the Bank's Senior Management, under the new Controller orientation, decided for a repositioning in the assessment of the main elements , taken into account in economic analysis of the clients , so as to adopt a more conservative (restrictive) approach in calculating the provision for loan losses, taking into consideration the minimum conditions required by the Resolução n.2682/99 of BACEN.

As a consequence of the above mentioned enhancements and changes made on the Credit Policies and new facts that occurred in September 2014, there was an increase in provisions for loan losses in the approximate amount of R\$305,418 net of tax effects, which caused a reduction in the result of the period and in the Net Equity on September 30, 2014.

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

a. Movement of the allowance

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Opening balance	384,747	554,407	418,984	596,298
Net increase	900,740	269,612	949,865	307,341
Reversal of provisions	(7,779)	(21,928)	(20,669)	(47,651)
Subtotal	1,277,708	802,091	1,348,180	855,988
Write-offs	(189,262)	(417,344)	(205,944)	(437,004)
Closing balance	1,088,446	384,747	1,142,236	418,984
Written-off credit, recovery	10,153	93,470	12,212	94,535
Renegotiated loans	338,357	232,826	338,357	232,826
% of allowance for loans and leases	12.00%	3.94%	11.44%	3.96%

b. Composition of the allowance by type of operation

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Working capital and discounts	602,385	190,112	609,934	199,617
Secured accounts	21,101	28,694	21,101	28,694
Consigned personal credit	5,693	7,736	21,032	19,931
Compror	1,845	315	1,845	315
Corporate check	2,414	2,602	2,414	2,602
Import financing	22,024	17,624	22,024	17,624
Export financing	54,717	18,692	54,717	18,692
Rural and agro-industrial financing	1,360	196	1,360	196
Housing & Real Estate	7	9	7	9
Financing of machinery and heavy vehicles	10,814	3,528	10,814	3,528
Resolution 63 (Current Resolution 2770)	-	-	-	-
Vendor	-	-	-	-
Personal/consumer credit	455	282	10,826	4,395
Loans linked to assignments	9,955	4,293	-	-
Others	210,230	80,621	210,230	80,621
Loans	943,000	354,704	966,304	376,224
Guarantees and Sureties Honored	7,653	205	7,653	205
Debtors for buying assets	26,912	503	26,924	517
Bills and other receivables	51,484	14,673	51,484	14,673
Advances on exchange contracts	59,397	14,662	59,397	14,662
Other receivables	145,446	30,043	145,458	30,057
Leases	-	-	30,474	12,703
Total	1,088,446	384,747	1,142,236	418,984

c. Composition of the provision per risk level

BICBANCO						
Risk level	Sept/2014			Dec/2013		
	Calculation basis	Provision	%	Calculation basis	Provision	%
AA	3,301,341	-	36.39	4,081,056	-	41.80
A	1,953,836	9,768	21.54	2,950,503	14,752	30.22
B	654,882	6,549	7.22	1,085,197	10,852	11.11
C	1,006,172	30,185	11.09	757,108	22,713	7.75
D	700,380	70,038	7.72	349,836	34,984	3.58
E	501,989	150,597	5.53	225,437	67,631	2.31
F	255,339	127,669	2.81	119,950	59,975	1.23
G	17,548	12,284	0.19	71,250	49,875	0.73
H	681,355	681,355	7.51	123,965	123,965	1.27
Total	9,072,841	1,088,445	100.00	9,764,302	384,747	100.00

BICBANCO CONSOLIDATED						
Risk level	Sept/2014			Dec/2013		
	Calculation basis	Provision	%	Calculation basis	Provision	%
AA	3,460,593	-	34.65	4,273,244	-	40.35
A	2,527,880	12,637	25.31	3,430,792	17,150	32.39
B	682,680	6,836	6.84	1,167,657	11,676	11.03
C	1,062,048	31,860	10.64	774,903	23,247	7.32
D	732,447	73,241	7.34	361,917	36,192	3.42
E	518,207	155,452	5.19	238,393	71,518	2.25
F	266,476	133,222	2.67	123,517	61,759	1.17
G	20,140	14,096	0.20	75,892	53,124	0.71
H	714,892	714,892	7.16	144,318	144,318	1.36
Total	9,985,363	1,142,236	100.00	10,590,633	418,984	100.00

10 Foreign exchange portfolio

Assets	BICBANCO and BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013
Foreign exchange purchased to settle	1,283,776	929,231
Rights from sale of foreign exchange	43,935	11,713
Advances received in local currency	(9,443)	(5,218)
Income receivable on advances of foreign exchange contracts	35,851	32,053
Total	1,354,119	967,779

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
*Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

Liabilities	BICBANCO and BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013
Foreign exchange sold to settle	44,692	12,369
Financed imports - Contracted foreign exchange	(5,115)	(3,118)
Liabilities from foreign exchange purchases	1,181,380	852,777
Advances on foreign exchange contracts	(1,137,530)	(841,403)
Foreign currency liabilities	178	118
	83,605	20,743
Total	83,605	20,743

11 Other receivables - Other

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Salary advances and prepayments	4,371	5,196	4,664	5,200
Advances for payments	3,212	84	3,240	88
Deferred tax credits (Note 29a)	858,031	530,530	936,438	601,749
Debtors from the purchase of assets	154,923	115,247	157,221	118,020
Debtors from guaranteed deposits	228,186	214,720	232,630	217,938
Income tax to compensate & recover (*)	124,177	101,894	137,236	113,592
Payments to compensate	3,361	4,781	4,703	6,539
Loans linked to credit acquisitions	-	17,807	-	17,807
Accounts receivable (**)	204,724	62,192	213,969	70,988
Sundry domestic debtors	9,518	14,682	16,572	22,825
	1,590,503	1,067,133	1,706,673	1,174,746
Total	1,590,503	1,067,133	1,706,673	1,174,746

(*) Includes: R\$54,970 (Dec/13 - R\$54,689) IRRF (Individuals income tax) on remittance of interest to the Cayman branch; R\$1,074 (Dec/13 - R\$1,011) of IRRF incident on interest on own capital and taxes retained by public agencies and R\$68,133 (Dec/13 -) tax credits of PIS by Decree-Law no. 2445/88 and 2449/88. The off setting of IRRF on remittance of interest to the Cayman branch, occurred on a regular basis until the year 2011. With the objective of ensuring and accelerating the off setting the IRRF, the Management has undertaken changes in its business strategy, increasing the generation of results eligible, in order to demonstrate the viability within a reasonable period of time, thus avoiding any adjustments to its book value.

(**) Includes receivables acquisition of financial assets of credit operations without substantial transfer of risks and benefits.

12 Other assets

a. Assets not for own use

Comprises assets received in settlement of loans as follows:

The Bank's management prepared an "impairment analysis" which resulted in the provision for losses shown in the table below:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

	BICBANCO		BICBANCO consolidated	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Property	339,777	387,887	339,777	387,887
Vehicles and similar	3,506	4,112	10,915	11,447
Machinery and equipment	25,794	34,884	26,077	35,705
Material in stock	363	752	363	752
Others	-	13,054	-	13,053
Subtotal	369,440	440,689	377,132	448,844
Provision for other assets	(72,727)	(16,179)	(73,361)	(16,898)
Total	296,713	424,510	303,771	431,946

b. Prepayments

Substantially refer to expenses paid in advance, deferred on account of the benefits stay in force for over a year, including costs of foreign resources and commissions paid to correspondent banks, for origination of business and loans. Such expenses shall be recognized as effective costs, according to the term of operations, or as a result of pre-payment, loss or redemption, on an accrual basis.

13 Fixed assets for use

a. Investments

See details of investments in subsidiaries and controlled companies in the Explanatory Note 15.

b. Fixed assets for own use

BICBANCO consolidated								
Depreciation rate %	Cost		Provision for loss		Accumulated depreciation		Net value	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Land	-	3,913	-	-	-	-	3,913	3,913
Buildings	4	156,913	(212)	(212)	(50,985)	(39,357)	105,716	112,308
Machinery and equipment for	10	20,068	(886)	(886)	(9,424)	(8,373)	9,758	11,053
Data processing system	20	13,201	(707)	(707)	(11,673)	(11,121)	821	1,358
Transport systems	20	1,610	-	-	(578)	(3,284)	1,032	930
Communication system	10	2,814	(911)	(911)	(1,250)	(1,335)	653	768
Security System	10	1,535	(39)	(39)	(520)	(405)	976	1,091
Others	-	-	-	-	-	-	-	-
Total		200,054	(2,755)	(2,755)	(74,430)	(63,875)	122,869	131,421

c. Intangible assets

(c.1) Intangible assets

The Intangible Assets have defined useful lives and comprise the following:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

		BICBANCO consolidated					
Amortization rate %		Cost		Accumulated Amortization		Net Amount	
		Sept/2014	Dec/2013	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Softwares (*)	20	8,477	12,454	(5,165)	(9,114)	3,312	3,340
Goodwill	10	105,191	105,191	(50,543)	(42,153)	54,648	63,038
Total		113,668	117,645	(55,708)	(51,267)	57,960	66,378

(c.2) Movement of intangible assets

BICBANCO consolidated				
	Opening Balance Dec/2013	Addition	Amortization	Final Balance Sept/2014
Software's (*)	3,340	2,238	(2,265)	3,312
Goodwill	63,038	-	(8,390)	54,648
Total	66,378	2,238	(10,655)	57,960

(*) Software purchased and/or developed by specialized companies.

(**) Goodwill recorded on the acquisition of the company Sul Financeira S/A, in November 03, 2009, corresponding to the sum of the amount paid in the transaction with the amount of negative net assets, resulted in the amount of R\$ 105,191. The mentioned goodwill is supported on estimations of results, which takes into consideration the assessment of synergy identified in the retail operations of BICBANCO and Sul Financeira S/A as stated in a valuation report, prepared by specialized consulting company. The expectation for realization of the goodwill is of 10 years, and the periodic depreciation takes into considerations the positive values in the form of equity, in compliance with the regulations of the BACEN.

d. Deferred assets

BICBANCO consolidated									
Amortization rate %		Cost		Accumulated Amortization		Impairment		Net Amount	
		Sept/2014	Dec/2013	Sept/2014	Dec/2013	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Leasehold improvements	20	32,132	35,498	(32,132)	(35,498)	-	-	-	-
Software's acquisition	Several	-	397	-	(397)	-	-	-	-
Branches improvements expenses	20	11,754	11,830	(11,754)	(11,830)	-	-	-	-
Total		43,886	47,725	(43,886)	(47,725)	-	-	-	-

14 Overseas branch

At the balance sheet, the operations conducted in the Cayman Islands branch presented: net equity of R\$ 219,140 (Dec/2013 - R\$ 197,596) and total assets of R\$ 933,676 (Dec/2013 - R\$ 1,070,742). The balances were converted into Reais at the US dollar exchange rate informed by the Brazilian Central Bank.

15 Domestic subsidiaries

The main information on the Bank's subsidiaries is presented below:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

Company name	Sept/2014					Dec/2013	
	Number of shares / quotas held	Investment percentage	Shareholders' equity	Net income for the period	Equity pick up	Book value of investments	Book value of investments
BIC Arrendamento Mercantil S.A. (*)	180,920,168	100%	218,957	(5,271)	(5,271)	218,957	219,291
BIC Distribuidora de Títulos e Valores Mobiliários	14,223,228	100%	16,552	226	226	16,552	15,891
BIC Informática S.A.	50,000	100%	582	9	9	582	563
BIC Adm. Cartão Créd. S/C Ltda.	3,670,000	100%	7,939	591	591	7,939	7,332
Sul Financeira S.A. CFI (*)	116,405,774	100%	135,773	2,670	2,670	190,421	190,371
Brasil Factors	62,931	40%	10,594	(76)	(76)	4,237	4,848
Total					(1,851)	438,688	438,296

(*) Including premium, net of amortization in the amount of R\$ 54,648 (Dec/2013 - R\$ 63,038) calculated on the acquisition of Sul Financeira S/A.

16 Related party transactions

a. Related party transactions

The Bank and its subsidiaries undertake transactions among themselves, which are eliminated in the consolidation process.

The balances from operations between Banco Industrial e Comercial S.A. with direct subsidiaries, indirect and key personnel of the administration are presented below:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

	Assets (Liabilities)		Revenues (Expenses)	
	Sept/2014	Dec/2013	Sept/2014	Sept/2013
Interbank deposits	1,234,215	1,118,421	31,139	61,738
BIC Arrendamento Mercantil S,A, (a)	227,298	251,517	6,491	49,797
Sul Financeira S,A, Crédito, Financtos,e Investimentos (a)	1,006,917	866,904	24,648	11,941
Cotas de Fundo de Investimentos - FIDC	18,185	-	663	-
Brasil Factors (a)	18,185	-	663	-
Securities	398,009	830,449	70,287	65,339
Fênix Securitizadora de Créditos Financeiros Ltda, (b)	-	-	-	12,121
Sul Financeira S,A, Crédito, Financtos,e Investimentos (a)	171,823	256,956	70,287	53,218
Fundos de Investimentos em Direitos Creditórios - FIDC's (nota 8 h.2)	226,186	573,493	-	-
Other receivables	-	-	-	21,039
Fênix Securitizadora de Créditos Financeiros Ltda, (b)	-	-	-	21,039
Demand deposits	(2,693)	(9,971)	-	-
BIC Distribuidora de Títulos e Valores Mobiliários S,A, (a)	(21)	(18)	-	-
BIC Arrendamento Mercantil S,A, (a)	(646)	(534)	-	-
BIC Informática Ltda, (a)	(2)	(2)	-	-
BIC Administradora de Cartões de Crédito S/C Ltda, (a)	(531)	(913)	-	-
BIC Corretora de Câmbio e Valores S,A, (a)	-	(22)	-	-
Brasil Factors (a)	(55)	-	-	-
Fênix Securitizadora de Créditos Financeiros Ltda, (b)	-	(3,198)	-	-
Golden Key Participações e Empreendimentos Ltda (b)	-	(157)	-	-
Primus Holding S,A, (c)	-	(83)	-	-
Gemini Holding S,A, (c)	-	(116)	-	-
Sul Financeira S,A, Crédito, Financtos,e Investimentos (a)	(1,280)	(1,174)	-	-
Control and management key staff (c)	(213)	(3,754)	-	-
Saving deposits	-	(49)	-	(8)
Control and management key staff (c)	-	(49)	-	(8)
Time deposits	(142,432)	(189,871)	-	(13,329)
BIC Distribuidora de Títulos e Valores Mobiliários S,A, (a)	(11,616)	(11,367)	(337)	(781)
BIC Arrendamento Mercantil S,A, (a)	(110,246)	(135,314)	(3,234)	(7,490)
BIC Informática Ltda (a)	(579)	(559)	(17)	(35)
BIC Administradora de Cartões de Crédito S/C Ltda (a)	(18,691)	(20,008)	(616)	(1,129)
Brasil Factors (a)	-	(3,249)	(48)	(311)
Control and management key staff (c)	(1,300)	(4,135)	-	(3,583)
Repurchase Operations	(104,210)	(48,178)	(2,628)	(2,753)
BIC Arrendamento Mercantil S,A, (a)	(104,210)	(47,278)	(2,357)	(2,262)
Sul Financeira S,A, Crédito, Financtos,e Investimentos (a)	-	(900)	(271)	(491)
Debentures	2,316	2,168	-	106
Brasil Factors (a)	2,316	2,168	-	106
LCA	-	(8,513)	(288)	(1,416)
Control and Management Key Personnel	-	(8,513)	(288)	(1,416)
LCI	(509)	(40,736)	(1,965)	(9)
Control and Management Key Personnel	(509)	(40,736)	(1,965)	(9)
Services rendered	-	-	80	80
BIC Arrendamento Mercantil S.A. (a)	-	-	80	80

- (a) Direct - Subsidiaries
(b) Indirect - Subsidiaries
(c) Control and Management Key Staff

(a.1) Maturities and rates of the operations

The interbank “pos fixed” investments are valued at the “average CDI” (Interbank Deposits rates) of 104% and the “pre-fixed” at the average rate of 10.59 %; the Repo operations were made at the average rates 10.90% (Dec/2013 - 9.90 %) and have maturity on October 01, 2014, backed by securities maturing over 1 year (Dec/2013: over 2 years); the LCA operations (Agribusiness Credit Bills) were performed at interest rates of % of CDI (Dec/2013 - 97%) and final due date up to (Dec/2013: 1 year). The operations of LCI were performed with rates of 96.37% of CDI (Dec/2013 - 99%) and have final maturity up to 02 years (Dec/2013 - 3 years).

The time deposits are remunerated by the average rate of 107% of the CDI (Dec/2013 - 106.00% of CDI), directly related to the amount applied, with final maturity up to 03 years (Dec/2013 - 3 years). The information regarding the transfers of credit, with related parties, are included in the explanatory note #8h.

b. The Key Management Personnel Compensation - (BICBANCO Consolidated)

The maximum aggregate remuneration for members of the Board of Directors and Senior Management and the Auditing Committee, as well as the maximum participation of the Management in the profit of the fiscal year, is set at the Annual General Meeting of shareholders.

As of January 1st. 2012 the CMN/BACEN Resolution n.3921/10, establishing a minimal structure of variable remuneration to be paid to directors of financial institutions, stipulating that: 50% of variable remuneration may be paid in cash; 10% of variable remuneration shall be paid in shares (of BICBANCO), with deliberation and immediate availability; and 40% of variable remuneration should be paid in shares of BICBANCO with the availability deferred proportionally for 3 consecutive years, conditioned to the meeting, in each of those years, of individual and team and Corporate goals, established in "Specific Plan", that links the payment of variable remuneration to the effective and positive performance of the Institution.

BICBANCO paid compensation in the first half year 2014, related to the financial years of 2013 and 2012, in the amount of R\$ 2,402 (Jun/13 R\$ 1,086) regarding the payment in cash and in shares following the provisions of Resolution no. 3.921 /10. The accounting effect is recorded as Statutory Profit Sharing, in line with the statutory limitations.

(b.1) Short-term benefits - Board of Directors and Executive Board

	<u>BICBANCO and BICBANCO CONSOLIDATED</u>	
	Sept/2014	Dec/2013
Fixed remuneration	12,171	14,892
Variable remuneration (*)	7,536	8,571
Other	1,507	2,437
Total	<u>21,214</u>	<u>25,900</u>

(b.2) Post-retirement benefits

BICBANCO does not offer long term post-retirement benefits for the key personnel of the Administration;

(b.3) Long-term benefits

BICBANCO does not offer long-term, employment termination benefits to its key personnel of the Administration.

(b.4) Other information

In accordance with the legislation in force, BICBANCO institutions cannot grant loans or advances to:

Directors and members of consulting or administrative, tax and similar boards, nor to their respective spouses and relatives up to the 2nd, Degree;

Individuals or Legal Entities that hold interest in its capital, of more than 10%;
Legal entities of whose capital the financial institution itself, any directors or managers of the institution, as well as their respective spouses and relatives up to 2nd, Degree, hold interest, of more than 10%.

Accordingly, loans and financings to any subsidiary, members of Board of Directors or of the Executive Board and their relatives are not performed by BICBANCO.

(b.5) Corporate interest

On August 29, 2014, the transaction for acquisition of shares representing the control of Banco Industrial e Comercial S / A -BICBANCO and its subsidiaries by CCB Brazil Financial Holding - Investimentos e Participações Ltda (CCB Holding), was completed.

By September 2014, the Board of Directors and the Executive Committee held the following shareholding:

Participation	
	Direct
Common stocks	0,00%
Preferred stocks	0,35%

By December 2013, the Board of Directors and the Executive Committee held the following shareholding:

	Participation		
	Direct	Indirect	Total
Common stocks	34.70%	58.15%	92.85%
Preferred stocks	22.91%	3.71%	26.62%
Total			68.58%

17 Deposits

a. Composition per type of client

BICBANCO CONSOLIDATED						
Sept/2014						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency deposits	Total
Legal entities	195,405	3,744,270	-	1,708	584	3,941,967
Individuals	22,345	261,281	-	11,060	-	294,686
Financial institutions	-	2,551,236	-	-	-	2,551,236
Institutional investors	448	26,942	407,063	-	-	434,453
Total	218,198	6,583,729	407,063	12,768	584	7,222,342

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

(*) Of the total amount of R\$ 6,583,729 of time deposits, R\$ 3,169,717 is made with special FGC-DPGE guarantees, according to Resolução BACEN nº 3692/2009.

BICBANCO CONSOLIDATED					
Dec/2013					
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Total
Legal entities	318,528	3,550,930	-	1,903	3,871,361
Individuals	27,093	318,465	-	12,385	357,943
Financial institutions	-	2,361,194	-	-	2,361,194
Institutional investors	1,671	34,083	422,294	-	458,048
Total	347,292	6,264,672	422,294	14,288	7,048,546

(*) Of the total amount of R\$ 6,264,672 of time deposits, R\$ 3,004,495 is made with special FGC-DPGE guarantees, according to Resolução BACEN nº 3692/2009.

b. Diversification per term

BICBANCO CONSOLIDATED						
Sept/2014						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency deposits	Total
No due date	218,198	-	-	12,768	-	230,966
Up to 3 months	-	1,062,571	61,823	-	584	1,124,978
3 months to 1 year	-	2,497,504	100,794	-	-	2,598,298
1 to 3 years	-	2,907,287	146,463	-	-	3,053,750
3 to 5 years	-	116,367	-	-	-	116,367
Over 5 years	-	-	97,983	-	-	97,983
Total	218,198	6,583,729	407,063	12,768	584	7,222,342

(*) The amount of R\$ 737,217 in time deposits maturing in over 1 year with guaranteed liquidity is registered in the Clearing House for Custody and Settlement (CETIP), and classified as current liability in the balance sheet.

BICBANCO CONSOLIDATED					
Dec/2013					
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Total
No due date	347,292	-	-	14,288	361,580
Up to 3 months	-	936,897	107,961	-	1,044,858
3 months to 1 year	-	1,409,100	44,180	-	1,453,280
1 to 3 years	-	3,798,184	82,508	-	3,880,692
3 to 5 years	-	120,491	102,094	-	222,585
Over 5 years	-	-	85,551	-	85,551
Total	347,292	6,264,672	422,294	14,288	7,048,546

(*) The amount of R\$ 932,548 in time deposits maturing in over 1 year with guaranteed liquidity is registered in the Clearing House for Custody and Settlement (CETIP), and classified as current liability in the balance sheet.

c. Number of depositors

BICBANCO CONSOLIDATED		
	Sept/2014	Dec/2013
Demand deposits (active accounts)	5,842	6,284
Saving deposits	870	911
Time deposits	2,081	2,336
Foreign currency deposits	1	-

d. Concentration of main depositors - Time deposits

BICBANCO CONSOLIDATED				
Depositors	Sept/2014		Dec/2013	
	R\$	%	R\$	%
The largest depositor	312,189	4.74	237,385	3.79
10 largest depositors	1,219,743	18.53	949,425	15.16
20 largest depositors	1,675,013	25.44	1,391,509	22.21
50 largest depositors	2,308,609	35.07	2,016,808	32.19
100 largest depositors	3,132,688	47.58	2,811,644	44.88

18 Resources gathered from the Open Market and Mortgage Bills

a. Money Market resources

Represented by repurchase commitments of securities at a fixed price, to be settled on October 01, 2014, backed by NTN-B with maturities between May 2015 and August 2016.

b. Resources from issued Bills

Comprised by LCA- Letras de Credito de Agronegocio (Agribusiness Bills), LF - Letras Financeiras (Financial Bills) and Real State Financial Bills , LCI.

(b.1) Composition per type of client

BICBANCO CONSOLIDATED						
	Sept/2014			Dec/2013		
	LCA	LF	LCI	LCA	LF	LCI
Legal entities	25,215	22,348	409	213,448	17,970	252
Individuals	358,236	-	191,425	186,983	2,464	183,469
Financial institutions	-	-	-	-	5,613	1,042
Institutional investors	24,222	142,445	36,417	549	245,114	4,950
Total	407,673	164,793	228,251	400,980	271,161	189,713

(b.2) Diversification per term

	BICBANCO CONSOLIDATED					
	Sept/2014			Dec/2013		
	LCA	LF	LCI	LCA	LF	LCI
Up to 3 months	271,142	49,737	67,212	303,605	687	70,336
3 months to 1 year	106,358	95,481	133,782	58,407	167,978	68,709
1 to 3 years	30,173	19,575	27,257	20,968	99,297	50,668
3 to 5 years	-	-	-	18,000	3,199	-
Total	<u>407,673</u>	<u>164,792</u>	<u>228,251</u>	<u>400,980</u>	<u>271,161</u>	<u>189,713</u>

19 Foreign debt securities

Represented by the issuance of securities in the international market for on-lending, with charges due at the average rate of 5.30% p.a. (Dec/2013 - 4.88% p.a.), and whose maturities are as follows:

	BICBANCO CONSOLIDATED			
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Up to 3 months	24,193	2.48	11,369	1.15
3 months to 1 year	36,519	3.74	66,141	6.72
1 to 3 years	916,210	93.78	906,752	92.13
Total	<u>976,921</u>	<u>100.00</u>	<u>984,262</u>	<u>100.00</u>

(*) The expenses related to the foreign funds in the amount of R\$ 2,115 (Dec/2013 - R\$ 3,670) are recorded in a deferred expense account and accrued according to the term of the operations.

20 Funds from Debentures

On February 06, 2013, the BICBANCO's joint ventured company BRASILFactors S.A. , issued 10 (ten) simple debentures, not convertible into shares, nominative, indentured, unsecured, series 001 BRFA11, relating to the 1st. issuing, in the amount of R\$ 10,000, maturing on November 16, 2014 and remuneration corresponding to 115% of the average CDI of a day calculated and released by CETIP. Observing the participation of 40% in consolidated; the debentures have the following accounting position:

	Sept/2014	Dec/2013
Issued quantity	4	4
Net on	4	4
Present value (R\$)	<u>1,170</u>	<u>1,084</u>
Total	<u>4,681</u>	<u>4,337</u>

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

On May 15th. 2013, the Bank's subsidiary BIC Distribuidora de Títulos e Valores Mobiliários S.A. acquired 5 (five) debentures of BrasilFactors S.A. demonstrated in table above, as shown below:

	Sept/2014	Dec/2013
Issued quantity	5	5
Net on	5	5
Total	2,316	2,168

21 Foreign currency borrowings and “on-lending”

Basically refers to the raising of funds for import and export financing and re-passes from multilateral development agencies, on which fixed charges are due at the average rate of 2.44% p.a. (Dec/2013 - 2.49% p.a.).

The maturities are distributed as follows:

	BICBANCO CONSOLIDATED			
	Sept/2014		Dec/2013	
	R\$	%	R\$	%
Up to 3 months	1,050,957	47.70	790,685	32.53
3 months to 1 year	960,824	43.61	1,395,821	57.42
1 to 3 years	128,457	5.83	158,395	6.52
3 to 5 years	27,989	1.27	45,712	1.88
Over 5 years	34,990	1.59	40,125	1.65
Total	2,203,217	100.00	2,430,738	100.00

The expenses related to the above debts in the amount of R\$ 3,787 (Dec/2013 - R\$ 4,108) are recorded as deferred expenses and accrued according to the term of the operations.

22 On-lending borrowings

On lending operations performed with resources from the Ministry of Agriculture in the type of FUNCAFÉ with maturities up to September 2015 and Ministry of Cities into modalities PSH - Social Program of Housing and PMCMV - Program My House My Life, this without final due date.

23 Other liabilities - Tax and social security contributions

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Taxes and contributions on profits to pay	-	-	466	16,227
Provision for Taxes and contributions on profit	-	-	19,203	5,782
Taxes and contributions payable	18,673	20,276	19,683	21,592
Provision for deferred income	11,930	13,932	46,857	54,313
Provisions for tax liabilities (*)	587,330	534,045	608,917	553,243
Total	617,933	568,253	695,126	651,157

(*) Refer to legal and contingent liabilities, as stated in note 24.

24 Contingent assets and liabilities and legal obligations

BICBANCO and its subsidiaries are parties to legal and/or administrative proceedings arising from the normal course of operations, involving civil, labor, tax and social security issues.

a. Contingent assets

There are no recognized contingent assets.

b. Liabilities of a civil, labor and tax nature

Based on information from its legal advisors, analysis of pending legal proceedings, and previous experience with regards to amounts claimed, the Management recorded provisions in amounts considered sufficient to cover probable losses from the lawsuits in progress, as follows.

c. Legal obligations and contingent liabilities classified as probable

The legal obligations and contingent liabilities classified as probable losses are entirely provided for. The most relevant issues are:

- (c.1) **CSLL (Social Contribution on Net Profits) Isonomy** - Pleads to suspend the imposition of CSLL based on 2008 and subsequent periods, in relation to the increasing of tax rates from 9% to 15% required from financial institutions, in view of the non-observance of the constitutional criterion of isonomy. The involved amounts are fully provided for, made as "judicial deposits".
- (c.2) **COFINS- Law 9718/98** - Pleads the payment of the contribution, as of November 2005, on the basis of the calculation stipulated by Complementary Law 7/70, in view of the unconstitutionality of the expansion of the calculation basis determined in Law 9 718/98.
- (c.3) **PIS- Law 9718/98** - Pleads the payment of the contribution, as of November 2005, on the basis of the calculation of Complementary Law 7/70, in view of the unconstitutionality of the expansion of the calculation basis determined in Law 9 718/98.
- (c.4) **PIS - Constitutional Amendment No. 10/96** - Pleads the rejection of requirement of PIS retroactively for the period of 90 days between 07/03/1995 and 07/06/1996, in observance of the principles of "retroactivity" and "prior ninetieth" as well as to ensure the right to calculate and collect as of from 07.06.1996 the contribution to PIS on the gross operating income, so understood as that arising solely from the provision of services and sale of goods as defined in Art. 44 of Law No. 4.506/64, in Art.12 of Decree-Law No. 1.587/77 and Art. 226 Decree No. 1.041/94. The amount involved is fully provided for as "judicial deposits".
- (c.5) **PIS-Constitutional Amendment No.17/97** pleads rejecting the requirement of the PIS retroactively for the period of 90 days between 11/25/1997 and 02/23/1998, in observance of the principles of "retroactivity" and "prior ninetieth" as well as ensuring the right to calculate and collect from 02.23.1998 contribution to PIS in the form of Supplementary Law 7/70.

d. Contingencies

(d.1) Tax and social proceedings

The contingent liabilities classified as possible losses are monitored by the institution and are based on the legal advisors opinion in relation to each judicial and administrative proceeding.

Therefore, in compliance with the laws that regulate this matter in Brazil, following the current rules, the contingencies classified as possible losses are not recognized in the Bank's books, and mainly refer to the following issues:

IRF on Interests Remittance Abroad - amount involved R\$ 10,455: pleads offset amounts unduly retained as income tax on remittances of interest abroad, with the same income tax of legal entities under art. 39 of Law No. 9.250/96, moving the restrictions contained in Carta Circular N^os 2.269/92 and 2.372/93, and Communication No. 2.747/92, which conditioned the application of zero rate of income tax compliance of minimum terms for repayment, for violation of the principle of legality. The amount involved is fully provided for as "judicial deposits".

ISS/SP-Services Taxed-Service List Taxes annex to LCNo.56/87-amount involved R\$ 16,201: pleads the extinguishing of debit launched on alleged revenue service taxable, not expressly provided for in the list of services attached to LCNo.56/87, once referred list is merely illustrative, and also in violation of the conclusive character of the Superior Court jurisprudence. The amount involved is fully provided for as "judicial deposits".

PDD/1994 - R\$ 19,362 amount involved: pleads to deduct the calculation of tax and social contribution on net profits for the base year 1994, the expenditure on the allowance for doubtful debts, in the terms of the National Monetary Council and the Central Bank of Brazil regulations, as provided in Resolution No. 1.748/90 and subsequent changes, moving unconstitutional and illegal from the provisions of art. 43, paragraph 4, of Law No. 8.981/95. The amount involved is fully provided for as "judicial deposits".

INSS - Differences of Deposits - amount involved R\$ 15,781: calculated in the process of supervision, were included in the program "Refis IV" Law #11,941 /2009, in the type of cash payment, by converting judicial deposits into income for the Federal Government. The amount involved was deposited in judgment.

INSS - Management's participation in the profits - amount involved R\$ 64,249: pleads the reversal of launched debits regarding to INSS, concerning the periods-base from 2006 to 2011, through *note of infraction*, by the fact that (i) already have occurred the time barred in relation to debits on tax generating facts occurred up to October 10, 2006 and, (ii) because there's no incidence of INSS on profit sharing, as stated in the Federal Constitution and in Law no. 8.212 /1991 - Art. 7 item XI, Art. 28, § 9, j.

INSS - Prior Notice Indemnity - amount involved R\$1,069: pleads to move the requirement of INSS incident on the sums paid to employees as indemnity in face of the legal nature of indemnification, being not subject to the contribution to the Social Security System provided for in the Art. 22^o, item I, and Art. 28^o, of Law 8.212/1991.

The Law no. 12,996/14 was released on June 20, 2014 by conversion of MP (provisional measure) #638/2014, amended by MP 651/2014, which, among other provisions, reopened the Special Splitting set up by Law n^o11,941/2009, for federal tax debts accrued up to 31 December 31, 2013. The deadline for adhering to the program is on November 30, 2014. The administration of BICBANCO, together with its legal advisors, evaluates the impacts of the subject for a timely decision-making in respect of the said Law.

(d.2) Labor processes

BICBANCO is party to 102 labor processes (Dec/2013 - 94 processes). Processes assessed by the legal advisors as being probable risks were fully provided for totaling **R\$18,135** (Dec/2013 - R\$13,522). There are 113 processes (Dec/2013 - 120 processes), for which the claimed indemnifications totals **R\$ 42,493** (Dec/2013 - R\$ 20,564), classified as 'possible risks' and for which no provision was recorded, according to the Brazilian accounting practices.

According to the appraisal of the legal advisors, the maximum amount of indemnification for these processes is **R\$ 14,603** (Dec/2013 - R\$ 11,157). The contingency is related to processes in which labor issues such as overtime, wages, and related matters and specific legislation on professional categories are discussed.

(d.3) Civil processes

BICBANCO's 2.832 civil cases (Dec/2013 - 2,887) has been assessed as probable risk, which were fully provided and totals **R\$ 35,160** (Dec/2013 - R\$ 34,837). BICBANCO is party to 614 (Dec/2013 - 652) processes, for which the amounts claimed reaches **R\$ 800,494** (Dec/2013 - R\$ 696,308) and which are classified as possible risks and therefore no provision was recorded considering that accounting practices adopted in Brazil do not require them to be recorded.

According to the estimate of the legal advisors, the maximum amount of indemnification from these processes is **R\$ 304,834** (Dec/2013 - R\$ 264,540). The contingencies are generally due to review of contract and compensation for material and moral damages, and for the most part of belonging to the Special Civil Court.

e. Movement of provisions

BICBANCO CONSOLIDATED					
Description	Dec/2013	Additions	Reversals	Utilization	Closing balance Sept/14
Civil	34,837	6,682	(2,105)	(4,254)	35,160
Labor	13,522	7,081	(343)	(2,125)	18,135
Subtotal	48,359	13,763	(2,448)	(6,379)	53,295
	Opening balance	Additions	Reversals	Utilization	Closing balance Sept/14
Fiscal					
CSL Isonomy (*)	110,665	-	-	6,549	117,214
PIS Amend, 10/96	11,446	-	-	232	11,678
PIS Law 9,718	60,049	3,092	(100)	3,440	66,481
Cofins Law 9,718	369,792	19,867	-	22,307	411,966
ISS - LC 56/87	947	-	-	470	1,417
ISS - Leasing Operations	347	-	(188)	-	159
Subtotal	553,246	22,959	(288)	32,998	608,915
Total	601,605	36,722	(2,736)	26,619	662,210

For the provisions above described, BICBANCO has deposited as guarantee (note 11 - Other Receivable - Other) the amount of R\$ 8,465 (Dec/2013 - R\$ 8,967) for civil processes, R\$ 14,026 (Dec/2013 - R\$ 10,880) for labor processes and R\$ 210,067 (Dec/2013 - R\$ 198,019) for fiscal processes.

25 Other liabilities - Other

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Banker's checks	54	3,365	54	3,366
Liabilities for assignment of financial assets (c)	517,479	567,121	-	-
Obligation acceptance contracts	12,710	12,710	12,711	12,711
Accounts payable	29,535	17,668	56,937	42,416
Provision for legal claims (a)	42,747	39,229	53,295	48,359
FDIC liabilities (b)	-	-	94,092	199,724
Other domestic creditors (c)	24,317	24,114	12,780	8,829
Total	626,842	664,207	229,869	315,405

- (a) Refers to the provision for labor, civil, processes (note 24e).
- (b) Refers to the BICBANCO's FIDC Senior Quotas.
- (c) Refers to obligations for the assignment of credits with substantial retention of risk, to be amortized by the re-passes to the assignees. The costs of this obligation will be recognized in profit or loss during the term of the contract.

26 Funding and foreign borrowings

a. Subordinated debt

Represented by foreign and domestic funds classified as Capital Tier II, as follows:

BICBANCO CONSOLIDATED							
Funding	Value	Issuing	Maturity	Issuing Value	Interest Rate	Sept/2014	Dec/2013
Time deposits - subordinated debt status	R\$ 200,00	11/03/2009	11/04/2019	200,000	100% Selic	314,682	291,639
Eurobonds	US\$ 300,000	04/20/2010	04/27/2020	529,153	8,50%	634,144	584,699
Securities issued abroad	US\$ 32,000	06/21/2010	12/15/2017	52,093	7,31%	81,088	76,116
Total - Capital Tier II						1,029,914	952,454
(-) Expenses						(5,442)	(6,567)
Total						1,024,472	945,887

27 Deferred Income

Refers to revenues received before completion of term of the obligation that gave rise to them, on which there is no prospect of liability and whose ownership as actual income depends solely on the passage of time.

28 Shareholders' equity

a. Stocks

The Bank's Capital is R\$ 1,434,206 represented by 252,903,569 registered shares, of which 160,206,833 are common shares and 92,696,736 are preferred shares, fully paid and validated by the Brazilian Central Bank.

On April 22, 2014 the Extraordinary General Meeting approved the capital increase of R\$1,434,206 to R\$2,012,810, without the issuance of new shares, through the incorporation of profit reserves in the amount of R\$578,604.

b. Treasury Shares

The Board of Directors authorized the Bank's Management to repurchase shares issued to stay in treasury for further cancellation.

Only July 06, 2011, the Bank's Management was authorized to acquire shares issued by the BICBANCO in the period from July 6, 2011 to July 5, 2012, without Capital reduction, up to the limit of 10% of the nominative preferred shares issued, or up to 6,879,540 shares (4th repurchase program).

To comply with CVM Instruction nº 10, art, 21º - February 14th, 1980, it is stated:

1. The referred authorization deliberated by the Board of Directors aim the investment of available resources from "capital reserves".
2. In the period from January 1, 2011 to December 31, 2011 the Bank acquired the amount of 6,879,540 shares, amounting to R\$ 58,593. The weighted average cost was R\$ 8.52 per share, the maximum cost was R\$ 9.70 and the minimum cost was R\$ 6.96.
3. The market price of the shares was R\$ 7.30 per share on September 30, 2014 (Dec/2013 - R\$ 7,39).

In the first half year 2014, BICBANCO transferred 307,188 of its shares in treasury, on behalf of its Directors, as a payment of the variable portion of 2013 (2012, 173,834 shares) upon delivering of shares, in compliance with Resolution no. 3,921 /10, in the amount of R\$2,402 (Jun/13 R\$1,086) at the average cost of R\$7.82 (Jun/13 R\$6.25). See explanatory note 16.b.

The treasury shares activity was as follows for the period:

	R\$	Shares
"4rd. Share repurchase program"	57,507	6,705,706
Payment in shares - Resolution 3.921/10	(2,402)	(307,188)
Closing balance on September 30, 2014	55,105	6,398,518

c. Interest on capital

A minimum dividend corresponding to 25% of net income for the year, in accordance with Brazilian corporate law, is assured to the shareholders.

During the year of 2014 there was no payment of interest on own capital (Dec/13 - R\$ 52,000, corresponding to R\$ 0,105680734 per share)

d. Reserves

Legal Reserves - made on the basis of 5% on net income, limited to 20% of Capital.

Statutory Reserves - Comprised of remaining values of net profits from closed periods, deducted by legal reserves, dividends and interest on capital and is intended to strengthen the social and working capital of the Bank, through the accumulation of profits not distributed to the shareholders.

29 Income tax and social contribution

a. Tax credits

The deferred income tax and social contribution recorded in BICBANCO - “Non-current assets - Other receivables - Other” and Non-current liabilities - other liabilities - tax and social security contributions presented the following movement:

BICBANCO				
Description	Opening balance Dec/2013	Realization	Additions	Closing balance Sept/2014
Income tax				
Allowance for loan losses	152,154	(79,773)	222,138	294,519
Provision for the devaluation of assets not for own use	3,922	(668)	14,805	18,059
Provision for contingencies and others	130,273	(9,296)	25,733	146,710
Subtotal	286,349	(89,737)	262,676	459,288
Fiscal losses from Lease operations	43,193	(42,814)	57,793	58,172
Fiscal losses - prior fiscal year	-	(23)	-	(23)
Subtotal	329,542	(132,574)	320,469	517,437
Social contribution				
Allowance for loan losses	91,294	(47,864)	133,283	176,713
Provision for the devaluation of assets not for own use	2,352	(401)	8,883	10,834
Provision for contingencies and others	78,162	(5,577)	15,440	88,025
Subtotal	171,808	(53,842)	157,606	275,572
Fiscal losses from Lease operations	29,180	(14)	35,856	65,022
Subtotal	200,988	(53,856)	193,462	340,594
Total	530,530	(186,430)	513,931	858,031

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

BICBANCO

Description	Opening balance Dec/2012	Realization	Additions	Closing balance Sept/2013
Income tax				
Allowance for loan losses	215,778	(74,517)	54,773	196,034
Provision for the devaluation of assets not for own use	3,566	(454)	917	4,029
Provision for contingencies and others	107,638	(66,586)	86,967	128,019
Subtotal	326,982	(141,557)	142,657	328,082
Fiscal losses from Lease operations	14,647	(1,476)	-	13,171
Subtotal	341,629	(143,033)	142,657	341,253
Social contribution				
Allowance for loan losses	129,468	(44,710)	32,864	117,622
Provision for the devaluation of assets not for own use	2,139	(272)	550	2,417
Provision for contingencies and others	64,579	(39,953)	52,181	76,807
Subtotal	196,186	(84,935)	85,595	196,846
Fiscal losses from Lease operations	10,767	(503)	10	10,274
Subtotal	206,953	(85,438)	85,605	207,120
Total	548,582	(228,471)	228,262	548,373

BICBANCO CONSOLIDATED

Description	Opening balance Dec/2013	Realization	Additions	Closing balance Sept/2014
Income tax				
Allowance for loan losses	163,208	(83,243)	231,900	311,865
Provision for the devaluation of assets not for own use	4,807	(805)	15,201	19,203
Provision for contingencies and others	137,908	(9,514)	26,890	155,284
Subtotal	305,923	(93,562)	273,991	486,352
Fiscal losses from Lease operations	69,985	(48,209)	59,047	80,823
Subtotal	375,908	(141,771)	333,038	567,175
Social contribution				
Allowance for loan losses	97,927	(49,946)	139,140	187,121
Provision for the devaluation of assets not for own use	2,883	(483)	9,120	11,520
Provision for contingencies and others	82,745	(5,706)	16,134	93,173
Subtotal	183,555	(56,135)	164,394	291,814
Fiscal losses from Lease operations	42,287	(1,378)	36,553	77,462
Subtotal	225,842	(57,513)	200,947	369,276
Total	601,750	(199,284)	533,985	936,451

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

BICBANCO CONSOLIDATED

Description	Opening balance Dec/2012	Realization	Additions	Closing balance Sept/2013
Income tax				
Allowance for loan losses	228,168	(83,926)	60,876	205,118
Provision for the devaluation of assets not for own use	4,209	(664)	1,253	4,798
Provision for contingencies and others	116,016	(69,344)	88,655	135,327
Subtotal	348,393	(153,934)	150,784	345,243
Fiscal losses from Lease operations	47,184	(6,306)	1,089	41,967
Subtotal	395,577	(160,240)	151,873	387,210
Social contribution				
Allowance for loan losses	136,902	(50,356)	36,526	123,072
Provision for the devaluation of assets not for own use	2,417	(301)	762	2,878
Provision for contingencies and others	69,606	(41,607)	53,193	81,192
Subtotal	208,925	(92,264)	90,481	207,142
Fiscal losses from Lease operations	25,191	(1,773)	495	23,913
Subtotal	234,116	(94,037)	90,976	231,055
Total	629,693	(254,277)	242,849	618,265

Realization of tax credits - Based on technical studies, the Bank managed to estimate the generation of future taxable profits, on which will occur the realization of the tax credits. For the tax credits existing at the balance sheet date, the following percentage of completion was estimated:

- 5.8% up to December 2014; 19.8% up to December 2015,
- 45.0% up to December 2016; 3.9% up to December 2017,
- 24.6% up to December 2018; 0.1% up to December 2019,
- 0.1% Until December 2020; 0.1% up to December 2021,
- 0.1% up to December 2022 and 0.5% until December 2023.

It is important to emphasize that the study for implementation of the tax credit was made under assumptions of the business plan from the new controller (CCB), taking into consideration some actions to be implemented by the Senior Management, which shall be promptly reviewed in accordance with the regulations in force. The realization and maintenance of the register of tax credit depends on the achievement of future taxable profits and time, limits and conditions defined by Resolution #3355/06, from the Brazilian Central Bank. In this context, it's worth to mention the following aspects in relation to the conditions for the recording of tax credit:

- a) The referred Resolution provides that the accounting records of tax credit can only be performed in a condition in which the Bank presents historic of taxable profits for purposes of income tax and social contribution, proven by the occurrence of this situation in at least three of the last five financial years. The Bank presented fiscal losses of income tax and social contribution in the last two financial years (2012 and 2013);
- b) The above described condition is no longer pertinent since there was an effective change of control of the Bank and thus a new historic of profitability for 5 years should start from now on. The New Senior Management believes that the efforts made in the generation of future taxable income, as evidenced in the technical study above mentioned, will be sufficient to support the maintenance of recording *tax credits*.

Present value of tax credits - Based on the projected Selic rate (the Brazilian basic interest rate) less tax effects. Tax credit calculated at their present value amounts to approximately R\$ 725,818 (Dec/2013 - R\$465,040).

b. Deferred liability

BICBANCO had R\$ 11,930 (Dec/2013 - R\$ 13,933) as deferred income tax and social contribution calculated a positive adjustment of “MTM”(market value), which will be realized during the period of operations with securities and derivatives, adjusted to “market value”.

BIC Arrendamento Mercantil recorded R\$ 34,776 (Dec/2013 - R\$ 40,313) as deferred income tax on excess of depreciation, which will be realized during the term or realization of the leasing operations.

BICBANCO CONSOLIDATED

	Dec/2013	Sept/2014		Closing Balance
	Opening balance	Realization	Additions	
Deferred liability				
IR e CS on positive MTM adjustment	13,933	(36,286)	34,283	11,930
Income tax on depreciation surplus	40,313	(5,692)	155	34,776
Total	54,246	(41,978)	34,438	46,706

BICBANCO CONSOLIDATED

	Dec/2012	Sept/2013		Closing Balance
	Opening balance	Realization	Additions	
Deferred liability				
IR e CS on positive MTM adjustment	97,717	(139,591)	67,219	25,345
Income tax on depreciation surplus	43,090	(2,831)	1,214	41,473
Total	140,807	(142,422)	68,433	66,818

c. Income tax and social contribution - Calculation

BICBANCO		
	Income Tax	Sept/2014 Social contribution
Calculation		
Income before taxes, contributions and interest	(880,322)	(880,322)
(-) Interest on shareholder's equity	-	-
(-) Profit sharing	(7,867)	(7,867)
Calculation basis for income tax and social contribution	(888,189)	(888,189)
Temporary differences	1,041,267	1,041,267
Permanent differences	147,754	139,887
Exclusions	(532,005)	(532,005)
Adjusted profit	(231,173)	(239,040)
Reconciliation with results		
Current Taxes	(1,251)	(751)
(=) Income Tax and CSLL provisions (2011)	(1,251)	(751)
Constitution of tax credits on temporary additions	(260,340)	(156,204)
Constitution of tax credits on fiscal losses	(57,793)	(35,856)
Tax Credit realization (reversal of temporary additions)	84,918	50,951
(=) Net effect of tax credits	(233,215)	(141,109)
Income Tax and CSLL expenses	(234,466)	(141,860)

BICBANCO		
	Income Tax	Sept/2013 Social contribution
Calculation		
Income before taxes, contributions and interest	(37,826)	(37,826)
(-) Interest on shareholder's equity	(52,000)	(52,000)
(-) Profit sharing	(8,571)	(8,571)
Calculation basis for income tax and social contribution	(98,397)	(98,397)
Temporary differences	531,920	531,920
Permanent differences	152,547	143,977
Exclusions	(577,568)	(577,568)
Adjusted profit	8,502	(68)
Fiscal Loss Compensation / CSLL - Negative Calculation Basis	2,551	-
Adjusted profit	5,951	(68)
Charges at the rates of 15% for income tax and social contribution	893	-
10% income tax surcharge	577	-
Current taxes	1,470	-
Reconciliation with results		
Current Taxes	1,470	-
Deferred Income tax - depreciation surplus	15,841	9,504
(=) Income Tax and CSLL provisions (2011)	17,311	9,504
Constitution of tax credits on temporary additions	(141,493)	(84,897)
Constitution of tax credits on fiscal losses	-	(10)
Tax Credit realization (reversal of temporary additions)	81,960	48,794
(=) Net effect of tax credits	(59,533)	(36,113)
Income Tax and CSLL expenses	(42,222)	(26,609)

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

BICBANCO CONSOLIDATED

	Income Tax	Sept/2014 Social contribution
Calculation		
Income before taxes, contributions and interest	(875,609)	(875,609)
(-) Profit sharing	(7,867)	(7,867)
Calculation basis for income tax and social contribution	(883,476)	(883,476)
Temporary differences	1,105,988	1,105,980
Permanent differences	147,765	139,898
Exclusions	(375,309)	(558,895)
Adjusted profit	(5,032)	(196,493)
(+) Fiscal losses	236,188	243,687
Fiscal Loss Compensation / CSLL - Negative Calculation Basis	(192,836)	(9,187)
Adjusted profit	38,320	38,007
Charges at the rates of 15% for income tax and social contribution	5,748	5,701
10% income tax surcharge	3,814	-
Current taxes	9,562	5,701
Reconciliation with results		
Current Taxes	9,562	5,701
Deferred Income tax - depreciation surplus	(4,483)	(751)
(=) Income Tax and CSLL provisions (2011)	5,079	4,950
Constitution of tax credits on temporary additions	(276,497)	(165,897)
Constitution of tax credits on fiscal losses	(59,047)	(36,553)
Tax Credit realization (reversal of temporary additions)	50,748	56,135
Realization of tax credits (compensation on fiscal losses and negative calculation basis - CSLL)	48,209	1,378
(=) Net effect of tax credits	(236,587)	(144,937)
Income Tax and CSLL expenses	(231,508)	(139,987)

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

BICBANCO CONSOLIDATED

	Income Tax	Social contribution
Calculation		Sept/2013
Income before taxes, contributions and interest	(12,852)	(12,852)
(-) Interest on shareholder's equity	(52,000)	(52,000)
(-) Profit sharing	(8,571)	(8,571)
Calculation basis for income tax and social contribution	(73,423)	(73,423)
Temporary differences	598,480	598,553
Permanent differences	152,600	144,030
Exclusions	(607,893)	(612,633)
Adjusted profit	69,764	56,527
(+) Fiscal losses	4,356	3,300
Fiscal Loss Compensation / CSLL - Negative Calculation Basis	(25,224)	(11,820)
Adjusted profit	48,896	48,007
Charges at the rates of 15% for income tax and social contribution	7,334	7,201
10% income tax surcharge	4,872	-
Current taxes	12,206	7,201
Reconciliation with results		
Current Taxes	12,206	7,201
Deferred Income tax - depreciation surplus	14,224	9,504
(=) Income Tax and CSLL provisions (2011)	26,430	16,705
Constitution of tax credits on temporary additions	(149,620)	(89,783)
Constitution of tax credits on fiscal losses	(1,089)	(495)
Tax Credit realization (reversal of temporary additions)	91,007	54,508
Realization of tax credits (compensation on fiscal losses and negative calculation basis - CSLL)	6,306	1,773
(=) Net effect of tax credits	(53,396)	(33,997)
Income Tax and CSLL expenses	(26,966)	(17,292)

30 Composition of the main income accounts

a. Income from loans

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Working capital and discounts	236,819	741,740	268,243	779,118
Secured accounts	37,701	109,252	40,106	110,429
Personal consigned credit	97	494	64	514
“Compror”	450	1,680	838	2,376
Corporate checks	6,575	23,700	7,378	22,021
Import financing	4,959	12,509	5,718	20,455
Export financing	24,358	68,305	22,512	63,118
Rural and agro-industrial financing	782	3,849	2,366	7,837
Real estate and housing	63	202	70	181
Financing of machinery and heavy vehicles	6,147	19,491	7,483	25,077
Resolution 2770 (former “Res, 63”)	124	475	318	1,033
Vendor	2	346	363	699
Personal credit	7,552	18,248	2,977	6,723
Other loans and financing	12,154	30,233	6,212	31,278
Recovery of loans written off as losses	3,352	10,153	12,384	86,140
Exchange variation on loans in foreign currency	9,417	(2,903)	2,344	10,644
Total	350,552	1,037,774	379,376	1,167,643

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Working capital and discounts	234,827	734,832	261,529	758,948
Secured accounts	37,701	109,252	40,106	110,429
Personal consigned credit	23,421	66,528	22,936	62,190
“Compror”	450	1,680	838	2,376
Corporate checks	6,575	23,700	7,378	22,021
Import financing	4,959	12,509	5,718	20,455
Export financing	24,358	68,305	22,512	63,118
Rural and agro-industrial financing	782	3,849	2,366	7,837
Real estate and housing	63	202	70	181
Financing of machinery and heavy vehicles	17,985	48,530	13,970	43,262
Resolution 2770 (former “Res, 63”)	124	475	318	1,033
Vendor	2	346	363	699
Personal credit	7,556	18,275	3,172	7,206
Other loans and financing	12,202	30,421	7,380	32,200
Recovery of loans written off as losses	4,191	12,212	12,572	86,688
Exchange variation on loans in foreign currency	9,417	(2,903)	2,493	10,644
Total	384,613	1,128,213	403,721	1,229,287

b. Income from securities

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Income from Interbank funds invested	69,447	165,686	40,788	107,899
Income from fixed income securities	17,672	102,430	42,714	17,866
Income from REPO transactions	-	-	-	6,952
Other operations with securities	3,572	13,805	9,068	23,877
Exchange variation	(691)	(674)	(218)	(6,616)
Total	90,000	281,247	92,352	149,978

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Income from Interbank funds invested	39,104	81,500	20,329	49,088
Income from fixed income securities	19,307	109,089	46,295	21,051
Income from REPO transactions	-	-	-	6,952
Other operations with securities	873	2,653	2,850	10,581
Exchange variation	(691)	(407)	(218)	(6,616)
Total	58,593	192,835	69,256	81,056

c. Results from derivative financial instruments

BICBANCO and BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Future market - Dollar	(11,212)	(13,258)	3,714	(1,230)
Future market - Interbank Index	11,234	6,339	817	6,469
Result of stock-options	143	262	(76)	8
Result of flex-options	42	53	-	-
Swaps	(45,187)	(85,838)	(50,961)	(169,160)
Swap - Dollar	211,688	98,656	18,204	204,779
Forward currencies	(5,163)	2,726	2,525	1,609
Total	161,545	8,940	(25,777)	42,475

d. Foreign exchange results

BICBANCO and BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Income from foreign exchange operations	22,255	54,539	21,929	71,453
Expenses with foreign exchange operations	(361)	(2,082)	(521)	(1,584)
Foreign exchange variations	125,242	69,206	18,963	138,276
Total	147,136	121,663	40,371	208,145

e. Deposits, money market and Interbank funds

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Savings deposits	221	713	205	612
Foreign securities	33,057	89,450	34,761	101,605
Interbank deposits	9,033	25,359	11,918	28,089
Time deposits	200,862	582,970	157,144	460,357
Repurchase operations	3,618	9,228	1,899	6,324
Agribusiness bills expenses	8,142	21,754	6,404	18,591
Financial bills expenses - LF	4,815	17,098	5,185	13,204
Other	14,994	41,998	10,191	26,842
Exchange variations on securities issued abroad	152,551	66,545	11,221	131,691
Total	427,293	855,115	238,928	787,315

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Savings deposits	221	713	205	612
Foreign securities	33,057	89,450	34,761	101,605
Interbank deposits	9,034	25,360	11,918	28,089
Time deposits	196,501	569,924	153,460	450,611
Repurchase operations	989	2,940	936	3,571
Expenses with debentures	23	148	2,449	8,098
Agribusiness bills expenses	8,142	21,754	6,404	18,591
Financial bills expenses - LF	4,817	17,100	5,185	13,204
Other	14,999	42,015	10,201	26,878
Exchange variations on securities issued abroad	152,551	66,545	11,221	131,691
Total	420,334	835,949	236,740	782,950

f. Expenses (income) from borrowings and on-lending

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
BNDES repasses	1,297	2,396	496	1,456
Foreign banking expenses	15,492	42,939	21,198	69,038
Exchange variation on loans and re-passes	175,527	77,171	30,623	212,647
Total	192,316	122,506	52,317	283,141

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
BNDES repasses	1,297	2,396	496	1,456
Foreign banking expenses	15,483	43,222	21,198	69,038
Exchange variation on loans and re-passes	175,529	77,169	30,623	212,647
Total	192,309	122,787	52,317	283,141

g. Other operating income

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Recovery of charges and expenses	589	4,086	647	2,283
Remuneration of funds deposited with BACEN	49	143	45	128
Income from other receivables selling of other assets	4,307	12,806	3,531	7,494
Monetary restatement of deposits for guarantees	1,870	5,288	141	2,937
Reversal of tax contingencies	-	-	-	10,012
Reversal of provisions	3,514	3,759	-	7,831
Other operating income	7,275	22,393	2,110	7,026
Total	17,604	48,475	6,474	37,711

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Recovery of charges and expenses	649	4,094	617	2,202
Remuneration of funds deposited with BACEN	49	143	45	128
Income from other receivables selling of other assets	4,328	12,926	3,567	7,588
Monetary restatement of deposits for guarantees	1,870	5,288	141	2,937
Reversal of tax contingencies	-	187	-	10,012
Reversal of provisions	3,629	4,235	195	9,600
Other operating income	8,444	25,551	3,264	8,467
Total	18,969	52,424	7,829	40,934

h. Other operating expenses

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Expenses with discounts conceded in renegotiation	5,801	33,828	2,294	6,012
Expenses with labor and civil provisions	2,381	8,856	1,085	2,304
Expenses from updating of taxes	9,418	25,417	5,369	20,741
Commissions of assigned credits	7,271	26,892	6,503	16,917
Employees profit sharing	1,628	15,789	3,244	20,329
Sponsoring of selected programs	-	-	45	45
Taxes on exchange operations	120	2,181	255	943
Other operating expenses	7,846	22,764	10,272	11,812
Total	34,465	135,727	29,067	79,103

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Expenses with discounts conceded in renegotiation	5,801	33,828	2,294	6,012
Expenses with labor and civil provisions	3,539	13,263	2,939	6,646
Expenses from updating of taxes	9,949	26,981	5,985	22,192
Commissions of assigned credits	14,359	44,827	9,887	31,778
Employees profit sharing	1,628	15,953	3,244	20,430
Sponsoring of selected programs	-	-	45	45
Taxes on exchange operations	120	2,181	255	943
Other operating expenses	8,889	26,649	11,416	14,978
Total	44,285	163,682	36,065	103,024

i. Personnel expenses

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Salaries	31,857	95,425	26,348	89,367
Benefits	4,638	14,122	4,210	13,251
Social charges	12,384	32,552	9,251	31,918
Directors' compensation	3,474	11,957	3,874	10,297
Other	240	653	172	571
Total	52,593	154,709	43,855	145,404

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Salaries	34,034	102,470	28,444	95,814
Benefits	5,359	16,281	4,774	14,915
Social charges	13,054	35,046	10,064	34,221
Directors' compensation	3,537	12,171	3,943	10,505
Other	318	873	213	679
Total	56,302	166,841	47,438	156,134

j. Other administrative expenses

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Rents and rates	6,671	19,259	6,074	18,238
Communication	642	1,933	900	2,536
Maintenance and conservation	1,731	5,062	1,873	5,396
Data processing	3,273	9,629	3,304	9,957
Promotions and public relations	549	2,159	1,039	3,070
Publicity	785	1,722	406	1,620
Financial system services	2,440	7,523	2,950	9,014
Third party services	16,043	38,844	8,079	21,705
Transportation and travels	939	3,145	1,167	3,519
Amortization and depreciation	7,968	24,255	10,778	26,819
Other administrative expenses	5,014	14,243	4,753	15,026
Total	46,055	127,774	41,323	116,900

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Rents and rates	7,157	21,182	6,444	19,364
Communication	929	3,141	1,426	3,893
Maintenance and conservation	1,907	5,697	2,074	6,011
Data processing	4,565	13,053	4,161	12,317
Promotions and public relations	549	2,162	1,039	3,070
Publicity	1,007	2,113	557	1,926
Financial system services	3,059	9,518	3,728	11,135
Third party services	17,960	45,699	9,804	25,736
Transportation and travels	1,071	3,601	1,282	4,015
Amortization and depreciation	8,173	24,863	10,979	27,432
Other administrative expenses	6,134	17,673	5,900	18,284
Total	52,510	148,702	47,394	133,183

k. Tax expenses

Refer to federal taxes and contributions PIS and COFINS: R\$ 28,733 (Dec/2013 R\$ 37,953).

l. Financial operations results, variation of foreign exchange rates

Foreign exchange variations on assets and liabilities indexed to the US dollar were computed in the "Gross Profit from Financial Operations", as follows:

BICBANCO and BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Exchange variation on loans in foreign currency	9,417	(2,902)	2,344	10,495
Securities issued abroad	(691)	(407)	(218)	(6,616)
Future market - Dollar	(11,212)	(13,259)	3,714	(1,230)
Flexible options - Dollar	42	53	-	-
Swaps - Dollar	211,688	98,655	18,204	204,780
Forward currency - Dollar	(5,163)	2,726	2,525	1,608
Exchange operations result	125,242	69,206	18,963	138,276
Exchange variation on securities	(152,551)	(66,546)	(11,221)	(131,691)
Exchange variation on foreign currency borrowings and on-lending	(175,529)	(77,169)	(30,623)	(212,647)
Total	1,243	10,357	3,688	2,975

m. Non-operating result

Basically refers to disposal of own assets and provisioning for adjustments to the realization value of goods or other non-operating assets.

BICBANCO				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Income from selling of goods	1,682	11,742	(60)	3,084
Capital losses	2,852	4,517	102	470
Provisions for adjustments of realization value of goods	45,265	56,547	(722)	1,705
Others	(87)	(322)	(188)	(269)
Total	49,712	72,484	(868)	4,990

BICBANCO CONSOLIDATED				
	3rd.Q14	9 Months 2014	3rd.Q13	9 Months 2013
Income from selling of goods	1,349	8,960	(390)	2,570
Capital losses	2,852	4,517	102	470
Provisions for adjustments of realization value of goods	45,259	56,463	(588)	1,893
Others	(374)	(751)	(238)	(502)
Total	49,086	69,189	(1,114)	4,431

31 Operating segment

BICBANCO opted for early adoption of CPC 22. According to this statement, an operating segment is a component of an entity that:

- a.** Operates in activities that can earn revenue and incur expenses (including revenues and expenses related to transactions with other components of the same entity).
- b.** Whose operating results are regularly reviewed by the chief of contracting for operational decisions related to resource allocation to the segment and assessing its performance.

The Bank has identified, based on these guidelines, the following business segments as its operating segments:

wholesale
retail

BICBANCO maintains its strategy of focusing its operations in the wholesale segment. This segment includes short term working capital transactions secured by receivables, one of the most profitable segments in the judgment of BICBANCO. A significant portion of the portfolio is represented by wholesale short-term loans that provide the bank with greater liquidity and more effective control of risk. Additionally, BICBANCO actively participates in foreign exchange market in partnership with foreign banks.

The Retail segment includes payroll loans to public sector employees, a segment, in which BICBANCO has been operating for over ten years experiencing historically low delinquency ratios.

On November 3, 2009, BICBANCO signed the purchase agreement to acquire 100% of Sul Financeira SA Credito, Financiamento e Investimento, or Sul Financeira, a company based in Porto Alegre that provide loans to individuals (including payroll loans , personal loans and auto financing) and for small businesses (including discounting of notes receivable).

The condensed statements of income and other significant data are:

**Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds**
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013

BICBANCO CONSOLIDATED						
	Sept/2014			Sept/2013		
	Wholesale	Retail	Total	Wholesale	Retail	Total
Financial Operations Income	730,213	51,590	781,803	512,383	43,121	555,504
Loans	348,559	36,054	384,613	360,844	42,877	403,721
Leases	3,790	-	3,790	17,469	-	17,469
Securities	58,018	575	58,593	69,012	244	69,256
Derivative financial instruments	187,537	-	187,537	24,273	-	24,273
Foreign Exchange transactions	147,136	-	147,136	40,371	-	40,371
Income from Compulsory Investments	65	-	65	17	-	17
Financial Assets Assignment	(13,831)	14,961	1,130	397	-	397
Financial Operations Expenses	(1,203,752)	(30,544)	(1,234,296)	(355,598)	(23,874)	(379,472)
Deposits, Money markets, interbank funds	(395,680)	(24,654)	(420,334)	(219,705)	(17,035)	(236,740)
Borrowings and repasses	(192,309)	-	(192,309)	(52,317)	-	(52,317)
Borrowings and repasses	(483)	-	(483)	(13,419)	-	(13,419)
Allowance for loan losses	(615,280)	(5,890)	(621,170)	(70,157)	(6,839)	(76,996)
Gross profit from financial operations	(472,478)	21,046	(451,432)	156,784	19,248	176,032
Other operating income (expenses)	(108,841)	(14,818)	(123,659)	(101,630)	(11,499)	(113,129)
Service fee income	14,525	2,924	17,449	16,975	1,428	18,403
Income from banking tariff	6,152	-	6,152	9,334	-	9,334
Personnel expenses	(52,981)	(3,321)	(56,302)	(44,380)	(3,058)	(47,438)
Taxes	(11,485)	(1,647)	(13,132)	(16,389)	(1,409)	(17,798)
Other administrative expenses	(48,131)	(4,379)	(52,510)	(38,932)	(6,454)	(45,386)
Other operating income	18,296	673	18,969	7,634	195	7,829
Other operating expenses	(35,217)	(9,068)	(44,285)	(35,872)	(2,201)	(38,073)
Operating result	(581,319)	6,228	(575,091)	55,154	7,749	62,903
Non operating result	(49,256)	170	(49,086)	971	144	1,115
Income before taxes	(630,575)	6,398	(624,177)	56,125	7,893	64,018

BICBANCO CONSOLIDATED						
	Sept/2014			Dec/2013		
	Wholesale	Retail	Total	Wholesale	Retail	Total
Total assets	13,804,454	1,135,086	14,939,540	14,491,769	1,014,437	15,506,206
Total liabilities	12,483,446	1,007,435	13,490,881	12,664,579	889,444	13,554,023
Main line of the Assets						
Loans	8,920,059	1,065,304	9,985,363	9,674,890	915,743	10,590,633
Main line of the Liabilities						
Time deposits	5,576,812	1,006,917	6,583,729	6,181,642	866,904	7,048,546

32 Basel agreement

The Bank falls within the limits established under Brazilian Central Bank Resolution 2099/94, added or amended by Resolutions n° 3444/07, n° 3490/07 and Circular's n°3360/07 and 3644/13.

On March 1st., 2013 the Brazilian Central Bank (BACEN) issued a set of four Resolutions and fifteen Circulars, also known as "Basel III measures", which established new capital requirements for financial institutions operating in the Brazilian

banking system, among them the Resolution no. 4,192 /13 in force since October 2013, imposing impacting measures on the methodology for the calculation of the Reference Net Equity, especially in the treatment of tax credits and Level II Capital (Subordinated Debts, as detailed in the explanatory note no. 26-a.

	BICBANCO and BICBANCO CONSOLIDATED	
	Basel III Sept/2014	Basel II Dec/2013
Basel Index calculation		
Reference Net Equity - Tier I	1,398,356	1,964,622
Principal Capital	1,398,356	1,964,622
Reference Net Equity - Tier II	764,734	860,326
Subordinated Debt	764,734	860,326
REFERENCE NET EQUITY	2,163,090	2,824,948
Credit Risk	1,369,402	1,440,195
Market Risk	118,315	33,536
Operating Risk	170,136	155,657
RISK WEIGHTED ASSETS - RWA	1,657,853	1,629,388
Basel ratio	14.35%	19.07%
Tier I ratio	9.28%	13.26%
Tier II ratio	5.07%	5.81%

33 Statement of fixed assets limit

	BICBANCO and BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013
Limit	1,081,545	1,412,474
Situation	188,247	136,072
Margin	893,298	1,276,402
Fixed assets index	8.70%	4.82%

34 Guarantees and sureties provided

A) Responsibilities for guarantees and sureties provided amounted to R\$ 2,364,143 (Dec/2013 - R\$ 2,145,362), which have the following concentration:

	BICBANCO and BICBANCO CONSOLIDATED			
	Sept/2014	%	Dec/2013	%
Highest guarantee granted	139,676	5.91	127,957	5.96
10 largest guarantees	701,340	29.67	633,035	29.51
20 largest guarantees	1,054,117	44.59	942,083	43.91
50 largest guarantees	1,534,539	64.91	1,388,037	64.70

- B) Liabilities on guarantees honored in the amount of R\$ 11,362 (Dec/2013 - R\$ 847) are classified in the loan portfolio in compliance with the Resolution. 2682/99 of the Central Bank (Note 8a).

35 Risk Management Structure

The risk management system of the Bank ensures that risks are properly identified, measured, mitigated and managed, to support the sustainable development of the activities and continuous improvement of the risk management of the Institution.

The Bank has centralized the management of market risks, Credit, Liquidity, Operational and Capital Management in order to maximize the effectiveness of its controls. Therefore it results in an overview of the exposures to which the Bank is subject by the nature of its activities, enabling the Bank to improve and become more agile in making strategic decisions, ensuring compliance with established policies & procedures and improving the identification of risks that may affect the business strategy and achievement of objectives. The Committees and managers of controls give support to the development and aim to minimize losses by adopting an integrated and centralized overview of the subject. They have as target the automation and construction of a database for management and risk modeling, based on historical loss and evolution of the controls.

In order to comply with the (CMN) Resolution No. 3988 of Jun/2014, 2011, the structure of Capital Management is fully implemented. It was approved by the Board of Directors the appointment of the Director and the definition of the organizational structure, applicable to the whole financial conglomerate and companies integrating the financial conglomerate. There is an institutional policy and procedures defining the procedures and systems required for effective deployment of the Capital Management Structure.

In the same way, to comply with the Resolution #4090 of May 24, 2012 of the National Monetary Council (CMN), the structure of Liquidity Management was implemented and currently is phase of development. The organizational structure, applicable to the entire financial conglomerate and other companies' members of economic-financial consolidation was approved by the Executive Board as well as the appointment of Director in charge of the area, and the institutional policies for the management of liquidity.

The Risk Management Policy & Procedure sets out the principles that guide the institutional strategy to control and manage risks in all operations. Administratively, the actions are evaluated in the various committees to ensure the adequacy of management, considering the complexity of products, the exposure to risk and the risk-return involving all business decisions of the institution. The risk management is in line with the guidelines established by the Central Bank and covers all the Bank's subsidiaries.

The risk management policies and procedures of BICBANCO intend to support the formulation of risk appetite, to guide our employees and to provide procedures to monitor, control, measure and report the risks to the Board. The involvement of the senior management with issues of risk management occurs through deliberations of its board of directors, defined statutorily as the Board of Directors, Executive Board and the Committees. The Corporate Governance structure ensures an effective management of risks. The risk management is carried out by the Institution through collegiate decisions, relying on specific committees. The Corporate Governance Area comprises, among others, three departments targeted for the management of market risk: i)

social & environmental risk, ii) credit risk, iii) operational risk, iv) liquidity and capital management. These areas give support to the Risk Committees, Internal Controls Committees, Financial and Operational Committees who analyze and define strategies and actions within their area of expertise.

The committees and departments for management and controls of risks support the development and minimizing of losses by adopting an integrated and centralized outlook, aiming at the automation and creation of a database for management and risk modeling, based on a historical data of losses and evolution of the controls.

The mitigating controls allow the definition of limits in advance, taking into consideration the strategic and operational aspects of each unit.

The limits to the risk takes into consideration the values that the institution is willing to admit in achieving its objectives and is reflected in the philosophy of corporate risk management, which in turn influence the culture and way of operation of the institution. This tolerance is influenced by several factors, including risk assessment of consistency with corporate strategy.

I. Risks of the institution

In conducting its operations, BICBANCO is mainly exposed to the following risks:

1. External risk

Risk related to external factors which are not under the Bank's control.

2. Financial risks

(2.1) Credit risk

The possibility of incurring losses associated with the failure of the borrower or counterparty to comply with its financial obligations, and the devaluation of the credit agreement arising from the deterioration of the borrower's credit rating, reduction of the profit or remuneration, reduction of profitability for advantages granted in renegotiations, recovery costs and other amounts related to the breach of financial obligations by the counterparty.

(2.2) Market risk

The possibility of financial losses caused by oscillation of prices and interest rates of financial assets given any mismatching of maturities, currencies and indexes between the assets and liabilities of the Institution.

(2.3) Liquidity risk

Is the mismatch in cash flows arising from difficulty to quickly dispose of an asset, or to obtain resources for the settlement of liabilities, creating open positions.

3. Non-financial risk

(3.1) Operational risk

Operational risks are losses resulting from internal processes, inadequate or deficient people and/or systems and external events. This definition includes legal risk but excludes strategic and image-related risks.

(3.2) *Environmental risk*

Environmental risk deals with own risk and those of customers and suppliers regarding the social and environmental impact of the activities, which and are adequately monitored, as these aspects can interfere with client performance and generate a higher credit risk. On the other hand, it can refer to the way in which clients treat the environment and society values differently to those adopted by the Bank, which could result in a risk of image and reputation.

4. *Strategic risk*

Strategic Risk is the risk of losses resulting from processes or decisions that affect the continuity, the growth and the competitive advantage of the Bank. The Bank has instruments, and systems that allow the monitoring of the outcome of actions and empower people to fast and decisively react when they face a risk of great magnitude, but even more important and effective is the ability to anticipate the risk and develop a plan to minimize impacts and transform them in advance.

II. **Risk management**

BICBANCO's Risk Management Policies define a set of controls, processes, tools, systems and reporting standards required for adequate control and management of risks. The Bank nominated the Controlling Director as the person responsible for Risk Structure at the Brazilian Central Bank (BACEN). The director nominated is not responsible for functions related to the administration of third party funds or treasury operations.

Market risk management

The Market Risk Management Department is in charge of maintaining and updating the annual Policy and structure of the area. It operates independently of the business and is responsible for the monitoring and analysis of market risks arising from trading activities and liquidity of the Bank. It is also responsible for ensuring that levels of risk exposure are consistent with the limits adopted by the Financial Committee, as well as monitoring appropriate levels of capitalization, consistent with those risks.

The Market risk comprises four main types of measures: position (stale positions), sensitivity (PV01), stress tests and "Value-at-Risk (including compliance tests and validations).

All risk metrics are continuously monitored in an integrated manner with the objective of providing an overview of the risk profile of BICBANCO. The monitoring and control of the positions of the Bank is not limited to the calculation of its market value since it recognizes the an adequate sensitivity of the Bank's actual exposure to various risk factors. The completion of these measures with other tools of risk control makes it a better monitoring system and analyzes the exposures.

Instruments for managing the market risk

Scenario analysis

The Bank uses the analysis of scenarios for stress tests, which are important mechanisms to understand the sensitivity of capital and business plans of BICBANCO, in situations of extreme, but plausible events. Besides considering the potential financial effect on the business plans, this tool enables the Board to establish action plans to mitigate such events, should they arise. Periodic exercises are conducted to compare the existing capital requirement with the volume demanded using stress scenarios, including the more severe deterioration of the global economic

scenario. Qualitative and quantitative techniques are used to estimate the potential impact on the capital position under such scenarios. These tools assist in mitigating the risks posed by financial crises. Moreover, it is also necessary to use of past scenarios, which can represent inside information to identify the actions required to mitigate risks, when similar events occur.

Sensitivity analysis

The analysis of sensitivity shows the impact of the change of a particular risk factor on the Bank's portfolio. The analysis of sensitivity is a particularly important measurement for managing the interest rate risk to the institution because small changes in risk factors could generate significant gains or losses when considering all the portfolios.

In order to measure the potential loss in a portfolio derived from extreme-risk events (low probability) the Bank uses the "stress test". The stress test related to the market risk area complies with the overall policies of the Bank and the demands of the regulatory authorities. The stress tests are an important tool to complement the primary model of measuring risk (VaR).

The market risk area is responsible for setting and reviewing the methodology used for internal stress testing, monitoring of performance and periodic stress testing and for reporting test results. It is also responsible for achieving and defining parameters used in stress tests required by regulatory authorities.

Value at risk

The Value-at-Risk is an important risk management tool used internally and also used for purposes of calculating the regulatory capital. The Value-at-Risk (VaR) of a portfolio represents the maximum potential loss expected for a given level of confidence and for a certain period of time (holding period). The parameters used in the calculation of VaR can vary according to the profile of the positions under analysis.

Back testing

Back testing is a method used to assess the quality of the VaR model used by the Bank. The method compares the results predicted by the model with actual VaR results calculated by the differences in prices of assets and liabilities marked to market (clean P & L). Its function is to measure the forecasting ability of potential loss against the VaR model under normal market conditions, given a certain level of confidence. If the P & L exceeds VaR, there is an outlier, if the number of outliers exceeds the level of confidence, the model is reviewed.

The Bank, through the area of corporate governance uses Back testing to validate the model of Value-at-Risk in its portfolios.

Limits

The limits of market risk are important forms of control used to ensure that the exposures are in line with the risk appetite set by the Bank. The Financial Committee sets VaR limits for both the Treasury portfolio and the banking portfolio, beside specific limits when subjected to stress, and compares the various risk factors to which the Bank may be exposed. The type of limit to be set will be determined in advance by the market risk area.

The market risk area is responsible for ensuring that all exposures to risk factors are in compliance with the limits previously established and approved. The monitoring of positions, regardless of the classification of operations and the results of the trading portfolio is obtained daily.

The market risk area is in charge of informing the excesses of market risk for a particular risk factor to the Financial Committee, which should take the necessary measures to adapt the exposure, according to the bank's internal policy. The market risk limits are annually reviewed by the Financial Committee.

In accordance with Bank policies and procedures of the Brazilian Central Bank that govern the subject (Resolução no. 3464 and Circular no. 3354), the operations are divided into “trading and banking” portfolios according to the following principles:

Trading portfolio - consists of all transactions in goods and financial instruments, including derivatives held-for-trading or to hedge other elements of the trading book, which are not subject to the limitation of their marketability. The operations held-for-trading are those intended for resale, and to obtain the benefit of price movements in actual or expected arbitrations.

Banking portfolio - Consists of transactions not classified in the *trading book*. The classification process is defined by the operations of the business at the time of the transaction.

Main market risk managed

1. Interest rate risk

The Bank and its subsidiaries use funds generated by operating activities and, in particular by attracting funds from customers. To complement its cash needs, the Bank and its subsidiaries gather resources substantially indexed to the CDI and, thus is at risk due to interest rates. To mitigate this effect, the Bank and its subsidiaries have adopted the policy of lending and financing its clients in transactions also indexed to the CDI. Only the spread of these transactions are exposed to the volatility of the CDI, which may influence the results and profits, in case of significant fluctuations.

2. Risk of exchange rate (coupon and dollar spot)

The objective of the strategy of exchange risk management is to avoid impairment on the income arising from variation in the price of currencies. Thus, the currency risk is neutralized and the investments are paid in Brazilian Reais, through the use of derivative financial instruments.

In line with its main business activity, which is granting loans to its clients, the Bank adopts the policy of avoiding significant foreign currency exposure that requires capital for its coverage. The positions of assets and liabilities of the Bank are widely hedged in its normal course, since its funding and loans are indexed to the CDI. Likewise, the international funding is protected through hedging with appropriate derivatives.

The use of derivatives such as swaps and futures contracts in U.S. dollars are intended to counteract or minimize currency losses with a sharp devaluation of the Brazilian Real (R\$) against foreign currencies. After the hedge, these transactions are matched in terms of value, maturities and currencies, exchanging the initial foreign currency exposure on loans for the exposure to the CDI. The Bank ensures that the maturities of its hedges and transactions occur simultaneously.

3. *Risk of securities, commodities and futures exchange (BM&FOVESPA)*
They come from the position of the Treasury in its portfolio and may contain positions in stocks and futures that pose risks of volatility and impairment on the results.

4. *Inflation risk*
Based on the Bank's positions in securities or loans indexed to price indexes, which are hedged, it is improbable or nonexistent. The policies and procedures of risk exposure do not allow important impacts even in adverse scenarios, considering all the risk factors already mentioned in this report. The Bank conducts its business with minimal gaps between assets and liabilities, besides performing Hedge transactions of its operations in relation to CDI indices, exchange rates and inflation. Consequently, it is improbable that any volatility will impact the Bank's results significantly.

Operational risk management

The exposure to operational risk is reviewed at least every six months, including the assessment of its controls and their adjustment according to their strategies and risk appetite. The operational risk governance is exercised by the managers, the area of corporate governance and risks of the Institution. The management structure is distinct from those that deal with market and risk credit enabling an effective system of internal controls aimed at reducing the likelihood of human errors and irregularities in the processes, products and systems. The Committees on Risk and Internal Controls deliberate on the acceptable level of tolerance to risk.

The calculation of operational risk exposure is made and adjusted monthly according to the business strategy and risk appetite determined for that period.

Credit risk management

BICBANCO has an independent area for managing the Credit Risk, in accordance with best governance practices. This area operates independently from the structure of credit approval, and calculates the ratings of customers based on metrics that consider customer behavior in the market, in addition to the outcome of the institution's operations. Thus, it uses different concepts to those used by the area of credit approval, whose structure is based on thorough analysis procedures developed from the expertise the Bank has gained over the years.

In its process of providing credit, the Bank permanently enhances the methodologies and tools used to evaluate the social and environmental variables to mitigate risks associated with the client's capacity to solve its liabilities. Therefore, the Bank has established policies & procedures that enable (e.g.) the suspension of the operation, the anticipation of payment of contracts or limiting penalties.

In line with the practices of the market, Bicbanco keeps on improving its controls and analysis models to comply with the CMN Resolution no. 3,721 /09 and to the Basel Accord, reflected by the circulars and resolutions recently issued by BACEN, which require alignment with international recommendations in relation to the minimum level of capitalization.

Rating tools

The calculation of risk of a portfolio of contracts containing credit risk is primarily done through a statistical measure called Credit Value-at-Risk (VaR credit).

The VaR with a confidence level of 99% (standard adopted by the Bank) is the maximum expected loss that a portfolio can sustain in 99% of the cases, disregarding the rare events whose probability of occurrence is only 1% (100% - 99% = 1%). The probability that the portfolio loss exceeds the VaR is 1%.

The results are obtained by the using of “Monte Carlo simulation”, which means a methodology where the credit events are simulated in a computational environment for a very large number of times, and the values of losses for each scenario are simulated, statistically grouped and stored in a collection, whereby the exposure values are directly calculated for each level of confidence.

This is an actuarial methodology that does not take into consideration the effects of interest rates on risk exposures, calculating the losses in terms of nominal value, adjusted to the recovery rate determined by BICBANCO, based on historical experience and evaluation, since the non-recovered portions are the effective exposures to credit risk. Thus, the model correctly catches the actuarial component of credit risk, adjusting the probabilities of default at the maturity of the contracts. The calculation methodology is sensitive to the fact that contracts with longer maturities have higher credit risk compared to those with shorter maturities.

The scale of risk is represented by a numerical interval from 01 to 22 (being “1” the lowest risk and “22” the highest risk), which organizes the companies into classes of risk, indicates the degree of risk of the company analyzed and the probability of default. The scale presents 19 active classes and 03 classes indicative of default and an indication of the probability of default associated to each class of risk, which provides the objective measure of the degree of risk.

The LGD (Loss Given Default) calculation is based on the observation of the recovery of nonperforming loans, taking into account not only revenues and expenses related to the recovery process, but also the moment it takes place and any indirect costs resulting from this process.

36 Other information

- a.** The Bank has 37 selling points in Brazil and 01 (one) overseas branch. The bank’ staff is distributed as follows:

*Banco Industrial e Comercial S.A. and
BICBANCO CONSOLIDATED and its
Credit Receivable Investment Funds
Quarterly Information (ITR) Quarter Ended on
September 30, 2014 and December 31, 2013*

	Sept/2014	Dec/2013
Operational		
Trade	212	217
Funding	7	7
Subtotal	219	224
Support and control		
Administrative	334	325
Legal/audit	26	25
Controllershship	93	79
Information technology	111	93
Other	5	9
Subtotal	569	531
Total	788	755

b. Debt covenants

BICBANCO is a holder of guarantees taken from international credit agencies such as IADB (Inter-American Development Bank) and IFC (International Finance Corporation) and borrower of operations with IIC (Inter-American Investment Corporation), IADB (Inter-American Development Bank), IFC (International Finance Corporation), DEG (Deutsche Investitions und Entwicklungsgesellschaft Mbh) and Proparco (Société de Promotion et de Participation pour la Coopération Économique) for on-lending to Brazilian companies, with maturities from 2 to 5 years, which contracts require compliance with minimum financial covenants, beside the social environmental responsibilities.

The calculation is based on the audited financial statements, prepared in compliance with the Brazilian Corporate Law and regulations from the Brazilian Central Bank, monitored and quarterly checked by the above mentioned lenders.

BICBANCO CONSOLIDATED

Description	Required
Capitalization	≥ 11%
Immobilization	≤ 30%
Liquid Assets to short term liabilities	≥ 80%
Reference Net Equity (PR) to Total Assets	≥ 6%
Overdue loans ratio	≤ 6%
Allowance for loan losses	≥ 100%
D-H Loans + Goods - Provisions on PR	≤ 25%
E-H Loans + Goods - Provisions on PR	≤ 13%
Largest debtor on PR	≤ 20%
10 largest debtors (a tenth of PR) on PR	≤ 350%
Operating Expenses to Operating Result	≤ 75%
Foreign exchange Exposure to PR	≤ 15%
Foreign exchange Exposure aggregate of currencies on PR	≤ 25%
Liquidity Gap (90 days) in R\$	> 0
Liquidity Gap (90 days) - Ratio	> 0
Interest Risk Rate on PR	[-10% ; 10%]
Aggregate Interest Risk Rate on PR	[-20% ; 20%]
Aggregate Negative Interest Risk Rate on PR	≥ -250%

c. Pension and retirement plans

BICBANCO is not responsible for the maintenance of any pension and/or retirement plan, neither as administrator nor as a sponsor.

d. PInsurance

The Bank maintains policy of risk protection. The Bank's Management believes that the values of its contracted insurance offers reasonable coverage for its business & assessed relevant amounts involved.

e. Cash and cash equivalents

	BICBANCO		BICBANCO CONSOLIDATED	
	Sept/2014	Dec/2013	Sept/2014	Dec/2013
Liquidity	87,975	306,893	89,975	308,503
Money Market Repurchase	1,694,995	800,029	1,721,228	832,800
Interbank Deposits	43,366	15,013	43,366	15,013
Foreign currency deposits	59,756	52,189	59,756	52,189
Total	1,886,093	1,174,124	1,914,325	1,208,505

f. Contracts for the exchange of financial flows - Swaps linked to preferred Shares of the Bank

According to a Relevant Fact disclosed on May 11, 2012, informing the shareholders and the market in general, BICBANCO has signed contracts for the exchange of financial flows - Swaps, with the Goldman Sachs Brazil Multiple Bank S. A, with a total value of up to R\$ 100,000 (one hundred million reais), with a due date of up to two years, equivalent to (in one side) the variation of actions preferences - BICB4 and (in the other side) against a rate equivalent to the variation of the CDI plus a fixed rate. At the balance sheet date, the prize of Swap to receive was in the amount of R\$ 8,074 (Dec/2013 R\$ 17,652). The reference value for these operations on Jun/2014, 2014 was R\$ 52,121 (Dec/2013 - R\$ 71,861).

g. Changes arising from MP 627/13

The "Medida Provisória" (Provisional Measure) MP n. 627/13 was converted into the law nº 12973/14 on May 14 2014, amending the Federal Tax Legislation on IR (Income Tax), CSLL (Social contribution on net profit), PIS and Cofins (Social Contribution calculated on Revenues).

- The withdrawal of the Tax arrangements for Transition (RTT), disciplining of Brazilian accounting standards with international standards;
- The taxation of legal person domiciled in Brazil, with relation to increase in assets arising from participation in profits earned abroad by subsidiaries and affiliates; and
- The special subdivision (in installments) of contribution for the PIS/Pasep and the Contribution for the Financing of Social Security - Cofins.

The referred law #12973 is already released but, BICBANCO does not expect significant impact on its Consolidated Financial Statements.