

China Construction Bank (Brasil) Banco Múltiplo S.A.

Financial Statements
June 30, 2017

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

China Construction Bank (Brasil) Banco Múltiplo S/A

Financial statements at June 30, 2017

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MANAGEMENT REPORT | Financial Statements | 1st. Half 2017

Dear Shareholders,

The Senior Management of China Construction Bank (Brasil) Banco Múltiplo S.A “CCB Brasil” – hereby submits for your consideration the Bank’s Management Report, the Financial Statements and the corresponding Unqualified Independent Auditors’ Opinion related to the period ended on June 30, 2017. All information contained in this Report, except where otherwise indicated, is presented in Nacional Currency (Brazilian Reais - R\$), on a consolidated basis, and includes the Bank's subsidiaries. The financial statements herein posted are in compliance with the regulations enacted from the Brazilian Central Bank (BACEN).

The China Construction Bank (Brasil) subsidiary

Since August 29, 2014, the Bank has been part of the Beijing-based China Construction Bank Corporation (CCB Group), which ranks as China's second largest commercial bank. With an operating history since 1954, CCB shares are traded on the Hong Kong Stock Exchange and the Shanghai Stock Exchange.

Operating Performance

The Bank’s total assets reached R\$ 24,062.7 million on June 30, 2017, with increase of 84.9% compared to June 30, 2016. At the end of the first half of 2017 credit operations totaled R\$ 7,178.5 million, with increase of 16.3% compared to June 2016. The “expanded credit portfolio”, which includes surety and guarantees, totaled R\$ 8,787.9 million.

On June 30, 2017, the Bank's Shareholders' Equity was R\$ 741.1 million, a 34.3% decrease compared to June 30, 2016. The Basel ratio reached 14.33%, above the minimum regulatory level (10.5%). Tier 1 capital reached 3.04% while Tier 2 achieved 11.29%.

Circular nº 3.068/01 BACEN

CCB Brasil 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\$ 1,252.3 million, representing 15.5% of the total marketable securities portfolio.

Final considerations

We thank our shareholders, customers and suppliers for the support and trust in our management, and our employees, for the valuable contribution.
(Disclosure authorized at the Board of Directors' Meeting held on October 30, 2017).

China Construction Bank (Brasil) Banco Múltiplo S/A
SUMMARY OF THE REPORT OF THE AUDIT COMMITTEE - First half of 2017

The Audit Committee of China Construction Bank (Brasil) Banco Múltiplo S / A - CCB Brasil is established in compliance with Resolution 3198/2004 of the National Monetary Council (CMN) and the by-laws of the Institution, consisting of three independent members, two members also of the Board of Directors. It is incumbent upon the Audit Committee to advise the Board of Directors in the performance of its duties related to: (i) monitoring the accounting practices adopted in the preparation of the financial statements of CCB Brasil and its subsidiaries; (ii) the quality and effectiveness of the internal control and risk management system, and (iii) the indication and evaluation of the effectiveness of the Independent Audit. The Committee acts as an auxiliary, consultative and advisory body of the Board of Directors, with no decision-making power or executive functions.

The Audit Committee reviewed the quality of the individual and consolidated financial statements for the six-month period ended June 30, 2017, focusing on the application of accounting practices adopted by the market and compliance with standards issued by BACEN. The Committee evaluated the recommendations proposed by the Internal and Independent Auditors, as well as the determinations coming from the supervision area of the Central Bank of Brazil (BACEN), discussing with the Administration the measures with a view to their attendance, and following the process of implementing them. Based on the information and reports received from the areas of internal controls and risks, in the work of the Internal Audit and Independent Audit reports, the Committee concluded that there were no failures to comply with external regulations and internal regulations that could jeopardize continuity of the institution.

Management is responsible for the definition and implementation of information systems that produce the Bank's financial statements, in compliance with corporate law, accounting practices, National Monetary Council (CMN) and BACEN standards. Management is also responsible for the definition and implementation of internal control policies, procedures, processes and practices that ensure the safeguarding of assets, the timely recognition of liabilities and the identification, quantification and mitigation, at acceptable levels, of the Institution's risk factors. The Internal Audit is responsible for assessing the degree of attendance or compliance by all areas of the Institution with internal control procedures and practices and that these are in effective application. The Independent Audit is responsible for examining the financial statements and issuing an opinion as to their preparation according to the accounting practices adopted in Brazil.

Regarding the work of Internal Audit, the Committee reviewed the planning and work carried out, as well as the reports produced, verifying and following the recommendations, especially in the areas of credit, risks and internal controls, as well as specific demands during the period. The Committee understood that the coverage and quality of Internal Audit work throughout the period were carried out with appropriate quality.

The Committee met with those responsible for the areas of accounting, internal controls, internal audit, risks and with the Independent Auditors to analyze the financial statements, including the explanatory notes, for the six-month period ended June 30, 2017, and reviewed the main aspects related to its preparation and presentation, and there were no differences that could materially influence the economic and financial situation of the institution, as indicated by the independent auditors' report without qualification.

The Audit Committee met with the Board of Directors, the representatives of the shareholders and the Board of Directors of the institution, presenting their opinions and recommendations within the scope of its activities, and also discussed with the Administration the recommendations presented by the Independent Auditors and the results of control actions of BACEN. Its main recommendations are focused on the definition and implementation of the strategic plan and the need for regulatory capital recomposition, which is underway.

The Audit Committee discussed with PricewaterhouseCoopers Auditores Independentes (PwC) the results of the work and its conclusions on the audit of the financial statements for the six months ended June 30, 2017, the report of which, dated October 30, 2017, is presented without qualification. The Key Audit Matters (KAM) raised by PwC are (i) allowance for doubtful accounts; (ii) tax credits; (iii) operating

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limit and capital increase; and (iv) information technology environment. These matters were discussed with those responsible for PwC, as well as other points related to accounting practices, recommendations and other notes in the reports of internal controls and risks and presentation of the financial statements. The Audit Committee understood as appropriate the independence policy in the execution of the independent audit work of the bank and its subsidiaries.

The Institution has a minimum operating limit lower than that required by CMN Resolution 4193/2013. A capital increase process is underway to regularize the situation, as per note 1.

As described in note 2 (c), an adjustment was made in the financial statements of June 30, 2016, presented comparatively, in relation to the goodwill amortization criterion based on the expectation of future results in the acquisition of the subsidiary CCB Brasil Financeira.

The Audit Committee, as a result of evaluations based on information received from Management, Internal Audit, Independent Audit and the area responsible for corporate monitoring of internal controls and risks, considering the limitations arising from the scope of its function, understands that the Statements Audited consolidated financial statements for the six-month period ended June 30, 2017, can be approved by the Board of Directors of the institution.

The report of the Audit Committee and this summary were approved at a meeting on this date.

São Paulo, 30 de outubro de 2017.

Daniel Joseph McQuoid

Heraldo Gilberto de Oliveira
President

Walter M. Machado de Barros

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China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries

*Parent company and consolidated
financial statements at
June 30, 2017
and independent auditor's report*



(A free translation of the original in Portuguese)

Independent auditor's report on the parent company and consolidated financial statements

To the Board of Directors and Shareholders
China Construction Bank (Brasil) Banco Múltiplo S.A.

Opinion

We have audited the accompanying parent company financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. ("Bank"), which comprise the balance sheet as at June 30, 2017 and the statements of operations, changes in equity and cash flows for the six-month period then ended, as well as the accompanying consolidated financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at June 30, 2017 and the consolidated statements of operations, changes in equity and cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

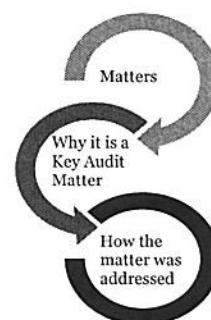
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of China Construction Bank (Brasil) Banco Múltiplo S.A. and of China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries as at June 30, 2017, and the Bank's financial performance and cash flows, as well as the consolidated financial performance and cash flows, for the six-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



China Construction Bank (Brasil) Banco Múltiplo S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
Allowance for loan losses - (Notes 3(e), 4, 7 and 8) - Bank and Consolidated The determination of the amount of the allowance for loan losses is an area that requires judgment and the use of a set of considerations by the management. In this process, management assesses several assumptions and factors, including the counterparty's financial situation, default levels, expected future cash flows, estimated recovery amounts and realization of guarantees, as well as the legal and regulatory standards of the Brazilian Central Bank (BACEN) - National Monetary Council (CMN) Resolution. 2,682. Considering all those aspects, as well as the significance of the amounts involved, this is a critical estimation area and has been defined as a focus in our audit.	Our procedures considered, among others, the understanding and testing of the relevant internal controls related to the determination of the allowance for loan losses, which deal with (i) the integrity of the database and underlying systems, (ii) credit granting and its corresponding risk analysis and monitoring of the counterparty, including renegotiated contracts, (iii) comparison between the accrued amounts of allowance for loan losses and the amounts recorded, and (iv) procedures established by management to comply with the standards established by the Brazilian Central Bank, as well as the disclosure in the explanatory notes. We analyzed the criteria used by management to determine the credit risk of the operations, and recalculated the provisions based on those risk attributions and delays. We also performed other tests in compliance with the requirements of CMN Resolution 2,682. Our audit procedures provided us with appropriate audit evidence in the context of the significance of the financial statements.
Tax credits (Notes 3(g) and 27) - Bank and Consolidated The China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries recognized tax credits arising from temporary differences, income tax and social contribution losses, recorded based on a study of the taxable profit projections regarding the realization of these tax credits. The taxable income projection involves judgments and assumptions of a subjective nature established by management based on a study of the current and future scenarios, according to specific requirements of the National Monetary Council and the Brazilian Central Bank. According to Note 27, it was carried out a written off of tax credits arising from fiscal losses of income tax and negative base of social contribution, to which, according to a study of the realization of tax credits, are not expected to be realized in the period foreseen in the CMN Resolution No. 3,059, which is up to 10 years.	Our procedures considered the understanding of the process of determination and records of the tax and accounting standards related to tax credits. With the assistance of our experts, we have analyzed the consistency of the critical assumptions used to project the results with the macroeconomic data disclosed in the market, when applicable, as well as the methodology used to project taxable profits, the logic and arithmetic of the calculations. We consider that the criteria and assumptions adopted by management are reasonable in all material respects in the context of the financial statements.



China Construction Bank (Brasil) Banco Múltiplo S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
Considering that the use of different assumptions in the future taxable profit projection could significantly modify the terms expected for the realization of the tax credits, with consequent accounting impact, this is an area of critical estimation and was defined as a focus in our audit.	
Operational limit and capital increase (Notes 1, 29 and 34) At June 30, 2017, China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries had a minimum operating limit lower than that established by Resolution 4,193 /13. The Bank's management established an action plan for recovering the minimum operating limit previously mentioned. One of the actions adopted is the increase in share capital to support the business plan and meet the capitalization levels. This operation is subject to the approval of the Brazilian Central Bank, in addition to the compliance with legal formalities. We focused on this area in our audit because of the significance of the matter.	Our main procedures were the analysis of the assumptions for calculating the operational limits, reviewing the calculation made by management to comply with the requirements of Resolution 4,193/13 and comparing the statement of operating limits prepared by management with one presented in the note to the financial statements. Our audit procedures provided us with appropriate audit evidence in the context of the significance of the financial statements.
Information technology environment China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries are highly dependent on their technology structure to manage and generate information used to process their operations and, consequently, to prepare the financial statements. Therefore, if the technology structure and the respective general controls are not adequate, there could be the incorrect processing of critical information for decision-making or for their own operations. Therefore, the information technology environment was considered as an area of focus in our audit.	Our procedures considered the understanding and testing of the information technology environment, including the automated controls of the application systems, relevant to the preparation of the financial statements. With the assistance of our experts, the procedures performed involved tests of controls related to information security, linked to the processes of management and development of systemic changes, security of accesses to programs and database, physical security of the data processing center, including access management and segregation of duties. Our audit procedures provided us with a reasonable basis for the audit of the financial statements.



China Construction Bank (Brasil) Banco Múltiplo S.A.

Other matters - audit of the prior-year amounts

The audit of the parent company and consolidated financial statements for the six-month period ended June 30, 2016, presented for comparison purposes, was conducted by another firm of auditors, whose unqualified audit report was dated December 5, 2016, before the adjustments described in Note 2(c).

As part of our audit of the parent company and consolidated financial statements for the six-month period ended June 30, 2017, we also audited the adjustments described in Note 2(c), which were made to change the parent company and consolidated financial statements as at June 30, 2016. In our opinion, such adjustments are appropriate and have been correctly made. We were not engaged to audit, review or apply any other procedures on the parent company and consolidated financial statements for the six-month period ended June 30, 2016 and, therefore, we do not express any opinion or any form of assurance on the parent company and consolidated financial statements as at 30 June 2016 taken as a whole.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Bank's management is responsible for the other information that comprises the Management Report

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of these parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Bank and its subsidiaries' ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Bank and its subsidiaries.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error,



China Construction Bank (Brasil) Banco Múltiplo S.A.

and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Bank and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and its subsidiaries to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in



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extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, October 30, 2017


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5


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

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Balance sheet

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

	Note	CCB Brasil		CCB Brasil Consolidated	
Assets		June 2017	June 2016 Restatement Note 2.c.1	June 2017	June 2016 Restatement Note 2.c.1
Current assets		14.014.128	7.327.884	13.657.252	7.078.895
Cash and cash equivalents	4a.	423.822	58.233	424.061	58.637
Interbank funds applied		1.814.566	693.489	795.851	11.198
Money market	4b.	783.994	-	783.994	-
Interbank deposits	4c.	1.023.294	688.033	4.579	5.742
Foreign currency	4d.	7.278	5.456	7.278	5.456
Securities and derivative financial instruments		4.128.811	3.941.746	4.128.811	3.941.746
Own portfolio	5b.	1.155.006	1.882.088	1.155.006	1.882.088
Subject to Brazilian Central Bank	5b.	-	-	-	-
Subject to guarantees	5b.	395.049	687.586	395.049	687.586
Derivative financial instruments	6.	93.865	63.786	93.865	63.786
Interbank accounts		13.402	28.910	13.402	28.910
Unsettled payments and receipts		3.660	8.398	3.660	8.398
Restricted deposits:					
Brazilian Central Bank		9.742	20.512	9.742	20.512
Loans		2.073.681	1.940.826	2.674.359	2.279.293
Loans	7.	2.225.120	1.933.737	3.024.183	2.542.509
Public sector		12.084	26.951	12.084	26.951
Private sector		2.213.036	1.906.786	3.012.099	2.515.558
Loans linked to assignments		172.324	244.617	-	-
Allowance for loan losses	8.	(323.763)	(237.528)	(349.824)	(263.216)
Lease operations	7h.	-	-	21.413	46.355
Lease receivables - Private sector		-	-	28.725	50.020
Unearned lease income		-	-	(7.312)	(3.665)
Allowance for doubtful lease receivables		-	-		
Other receivables		5.520.013	637.378	5.555.702	674.184
Guarantees and Sureties Honored		25.424	26.954	25.424	26.954
Foreign exchange portfolio	9.	5.419.532	550.419	5.419.532	550.419
Income receivable		26.939	16.021	26.938	16.020
Securities clearing accounts		843	4.659	843	4.659
Other	10.	88.254	144.099	124.474	181.019
Allowance for losses	8.	(40.979)	(104.774)	(41.509)	(104.887)
Other assets		39.833	27.302	43.653	38.572
Prepayments		39.833	27.302	43.653	38.572

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Balance sheet

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

Noncurrent assets		10.305.374	6.032.222	10.289.316	5.773.274
Interbank funds applied		1.133.149	996.536	986	48.384
Interbank deposits	4c.	1.133.149	996.536	986	48.384
Securities and derivative financial instruments		4.282.857	469.118	4.292.210	477.402
Own portfolio	5b.	2.116.807	145.895	2.116.807	145.895
Subject to repurchase commitments	5b.	1.895.160	17.387	1.895.160	17.387
Subject to guarantees	5b.	1.132	-	10.485	8.284
Derivative financial instruments	6.	269.758	305.836	269.758	305.836
Loans		2.377.960	2.035.200	3.353.428	2.568.298
Loans	7.	2.336.570	1.787.647	3.613.312	2.767.761
Public sector		3.341	15.077	3.341	15.077
Private sector		2.333.229	1.772.570	3.609.971	2.752.684
Loans linked to assignments		284.581	437.704	-	-
Allowance for loan losses	8.	(243.191)	(190.151)	(259.884)	(199.463)
Lease operations	7h.	-	-	6.638	23.825
Lease receivables - Private sector		-	-	10.990	26.499
Unearned lease income		-	-	-	-
Allowance for doubtful lease receivables		-	-	(4.352)	(2.674)
Other receivables		2.210.583	2.254.213	2.308.584	2.353.801
Foreign exchange portfolio	10.	-	-	-	-
Securities clearing accounts		-	-	-	-
Tax Credit	27a.	1.216.579	1.694.785	1.305.165	1.776.740
Deferred tax credits - law 12838/2013	27a.	372.823	-	372.823	-
Other	10.	628.455	560.610	637.890	578.489
Allowance for losses	8.	(7.274)	(1.182)	(7.294)	(1.428)
Other assets		300.825	277.155	327.470	301.564
Other assets	11.	363.697	331.921	379.252	347.085
Prepayments		26.092	17.772	44.539	32.610
Provision for devaluation of other assets	11.	(88.964)	(72.538)	(96.321)	(78.131)
Permanent assets		494.609	545.524	116.100	156.118
Investments		413.795	435.497	1.257	4.103
Investments in domestic subsidiaries	14.	413.152	434.787	611	3.391
Other investments		1.091	1.158	1.136	1.202
Provision for devaluation of investments		(448)	(448)	(490)	(490)
Fixed assets	12b.	76.223	106.866	79.543	107.510
Property for use		159.007	168.687	159.007	168.687
Other fixed assets		31.355	32.631	35.575	35.338
Accumulated depreciation		(114.139)	(94.452)	(115.039)	(96.515)
Intangible	12c.	4.591	3.161	35.300	44.505
Intangible assets		15.038	10.686	122.383	118.032
Accumulated amortization		(10.447)	(7.525)	(87.083)	(73.527)
Total assets		24.814.111	13.905.630	24.062.668	13.008.287

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Balance sheet

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

	Note	CCB Brasil		CCB Brasil Consolidated	
		June 2017	June 2016 Restatement Note 2.c.1	June 2017	June 2016 Restatement Note 2.c.1
Liabilities					
Current liabilities		20.736.949	9.143.344	20.252.777	8.755.570
Deposits	16.	2.616.543	1.595.211	2.420.306	1.589.817
Demand deposits		81.618	101.908	80.702	99.871
Saving deposits		9.122	12.601	9.122	12.601
Interbank deposits		408.232	76.330	218.826	76.330
Time deposits		2.117.571	1.402.857	2.111.656	1.399.500
Foreign deposits		-	1.515	-	1.515
Money market repurchase commitments	17a.	4.369.322	1.322.447	4.201.702	1.133.777
Own portfolio		4.369.322	1.322.447	4.201.702	1.133.777
Debt securities		235.904	370.249	236.202	370.250
Resources from issued bills and notes	17b.	235.904	347.882	235.904	347.882
Real Estate Credit Bill		94.717	88.671	94.717	88.671
Agribusiness bills		113.222	192.041	113.222	192.041
Financial bills		27.965	67.170	27.965	67.170
Resources of exchange acceptance		-	-	298	1
Securities issued abroad	18.	-	22.367	-	22.367
Interbank accounts		553	1.219	553	1.219
Unsettled payments and receipts		553	1.219	553	1.219
Interbranch accounts		34.236	16.796	34.236	16.796
Third parties funds in transit		34.236	16.796	34.236	16.796
Borrowings	19.	7.226.345	4.775.225	7.226.345	4.775.225
Foreign currency borrowings		7.226.345	4.775.225	7.226.345	4.775.225
Repass borrowings	20.	44.843	32.539	44.843	32.539
Ministry of Agriculture - Funcafe		43.011	23.726	43.011	23.726
Ministry of City		1.832	8.813	1.832	8.813
Foreign currency repass borrowings	19.	85.770	149.309	85.770	149.309
Derivative financial instruments	6.	57.683	291.204	57.683	291.204
Other liabilities		6.065.750	589.145	5.945.137	395.434
Tax Collection		1.466	1.510	2.246	2.597
Foreign exchange portfolio	9.	5.039.922	16.615	5.039.922	16.615
Social and statutory payables		204	816	204	816
Taxes and social security contributions	21.	130.870	52.619	170.921	69.247
Securities clearing accounts		5.801	18.458	5.801	18.458
Subordinated debts	24a.	563.135	15.487	563.135	15.487
Other	23.	324.352	483.640	162.908	272.214

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Balance sheet

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

Noncurrent liabilities		<u>3.338.779</u>	<u>3.604.385</u>	<u>3.039.356</u>	<u>3.094.816</u>
Deposits	16.	<u>347.879</u>	<u>618.391</u>	<u>340.335</u>	<u>578.125</u>
Interbank deposits		66.884	208.274	66.884	188.662
Time deposits		280.995	410.117	273.451	389.463
Debt securities		<u>137.643</u>	<u>180.101</u>	<u>137.643</u>	<u>180.360</u>
Resources from issued bills and notes	17b.	82.577	125.035	82.577	125.035
Real Estate Credit Bill		2.635	66.829	2.635	66.829
Agribusiness bills		18.172	33.576	18.172	33.576
Financial bills		61.770	24.630	61.770	24.630
Resources of exchange acceptance		-	-	-	259
Securities issued abroad	18.	55.066	55.066	55.066	55.066
Borrowings	19.	<u>290.118</u>	<u>-</u>	<u>290.118</u>	<u>-</u>
Foreign currency borrowings		290.118	-	290.118	-
Derivative financial instruments	6.	<u>1.265</u>	<u>-</u>	<u>1.265</u>	<u>-</u>
Other liabilities		<u>2.561.874</u>	<u>2.805.893</u>	<u>2.269.995</u>	<u>2.336.331</u>
Taxes and social security contributions	21.	-	-	2.116	3.747
Subordinated debts	24a.	838.642	1.304.318	838.642	1.304.318
Debt instruments eligible to capital	24b.	577.729	326.761	577.729	326.761
Other	23.	1.145.503	1.174.814	851.508	701.505
Other - credit receivables investments fund's		-	-	-	-
Deferred incomes	25.	<u>29.481</u>	<u>29.852</u>	<u>29.481</u>	<u>29.852</u>
Shareholders' equity	26.	<u>708.902</u>	<u>1.128.049</u>	<u>741.054</u>	<u>1.128.049</u>
Total Paid-in Capital		<u>1.699.886</u>	<u>1.554.860</u>	<u>1.699.886</u>	<u>1.554.860</u>
Capital - Domestic		1.699.886	1.554.860	1.699.886	1.554.860
Capital reserves		24.956	-	24.956	-
Valuation Adjustments to equity		2.473	(1.652)	2.473	(1.652)
Net income of the period		(963.308)	(370.054)	(931.156)	(370.054)
(-) Treasury share		(55.105)	(55.105)	(55.105)	(55.105)
Total liabilities		<u>24.814.111</u>	<u>13.905.630</u>	<u>24.062.668</u>	<u>13.008.287</u>

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Statements of operations At June 30, 2017 and 2016

(In thousands of Reais except for loss per share)

(A free translation of the original in Portuguese)

	Note	CCB Brasil		CCB Brasil Consolidated	
		2017	2016 Restatement Note 2.c.3	2017	2016 Restatement Note 2.c.3
Financial operations income		994.938	612.522	1.099.498	622.988
Loans	28a.	338.307	381.409	594.417	476.410
Leases		-	-	2.434	4.576
Securities	28b.	619.052	352.933	465.068	263.822
Foreign exchange transactions	28d.	37.325	(121.959)	37.325	(121.959)
Income from compulsory investments		89	139	89	139
Assignments of financial assets		165	-	165	-
Financial operations expenses		(1.163.926)	(902.921)	(1.125.523)	(853.514)
Deposits, money market and interbank funds	28e.	(539.537)	(221.262)	(522.813)	(207.028)
Borrowings and repasses	28f.	(143.242)	768.417	(143.242)	768.417
Derivative financial instruments	28c.	(158.206)	(1.115.659)	(158.206)	(1.115.659)
Assignments of financial assets	28g.	(57.536)	(56.151)	(788)	-
Allowance for loan losses	8.	(265.405)	(278.266)	(300.474)	(299.244)
Gross profit from financial operations		(168.988)	(290.399)	(26.025)	(230.526)
Other operating income (expenses)		(219.850)	(136.703)	(295.517)	(192.146)
Service fee income		25.863	21.248	34.563	28.923
Income from banking services		2.029	3.080	2.037	3.481
Personnel expenses	28j.	(107.208)	(103.015)	(117.922)	(111.629)
Tax	28l.	(10.367)	(7.953)	(18.082)	(13.268)
Equity earnings of subsidiaries	14.	4.597	4	(1.239)	(1.033)
Other administrative expenses	28k.	(61.960)	(66.670)	(81.785)	(85.927)
Other operating income	28h.	44.664	57.848	52.846	62.612
Other operating expenses	28i.	(117.468)	(41.245)	(165.935)	(75.305)
Operating result		(388.838)	(427.102)	(321.542)	(422.672)
Non operating result	28m.	(3.399)	619	(2.810)	981
Income before taxes		(392.237)	(426.483)	(324.352)	(421.691)
Income tax	27c.	(34.135)	(5.921)	(55.811)	(11.703)
Social contribution	27c.	(31.671)	(6.437)	(46.369)	(10.562)
Tax credit	27c.	(138.505)	81.918	(137.864)	87.309
Net		(596.548)	(356.923)	(564.396)	(356.647)
Number of shares paid in (thousand)	26a.	354.323	337.014		
Net income per share - R\$		(1,68)	(1,06)		

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and CCB Brasil CONSOLIDATED

Statement of changes in shareholders' equity

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

	Note	Capital	(-) Capital Increase	(-) Capital in Paid	Treasury Share	Capital reserves Goodwill of the issue of shares	Valuation Adjustments to equity	Retained earnings	Total
Balances at December 31, 2015		2.012.810	-	-	(55.105)	-	(5.010)	(1.217.950)	734.745
Prior year adjustments	2c2.	-	-	-	-	-	-	(13.131)	(13.131)
Balances at January 01, 2016		2.012.810	-	-	(55.105)	-	(5.010)	(1.231.081)	721.614
Capital decrease	26a.	(1.217.950)	-	-	-	-	-	1.217.950	-
capital increase in kind	26a.	760.000	-	-	-	-	-	-	760.000
Valuation Adjustments to equity		-	-	-	-	-	3.358	-	3.358
Net loss		-	-	-	-	-	-	(356.923)	(356.923)
Balances at June 30, 2016		1.554.860	-	-	(55.105)	-	(1.652)	(370.054)	1.128.049
Changes in the period		(457.950)	-	-	-	-	3.358	861.027	406.435
Balances at December 31, 2016		1.554.886	145.000	(3.738)	(55.105)	24.956	(1.700)	(305.823)	1.358.476
Prior year adjustments	2c1.	-	-	-	-	-	-	(60.937)	(60.937)
Balances at January 01, 2017		1.554.886	145.000	(3.738)	(55.105)	24.956	(1.700)	(366.760)	1.297.539
Capital increase in kind	26a.	145.000	(145.000)	3.738	-	-	-	-	3.738
Valuation Adjustments to equity		-	-	-	-	-	4.173	-	4.173
Net loss		-	-	-	-	-	-	(596.548)	(596.548)
Balances at June 30, 2017		1.699.886	-	-	(55.105)	24.956	2.473	(963.308)	708.902
Changes in the period		145.000	(145.000)	3.738	-	-	4.173	(596.548)	(588.637)

The accompanying notes are an integral part of these financial statements.

China Construction Bank (Brasil) Banco Múltiplo S.A. and subsidiary companies

Statement of cash flows (Indirect Method)

At June 30, 2017 and 2016

(In thousands of Reais)

(A free translation of the original in Portuguese)

	CCB Brasil		CCB Brasil Consolidated	
	2017	2016 Restatement Note 2.c.4	2017	2016 Restatement Note 2.c.4
Cash flow of operating activities				
Net income for the period	(596.548)	(356.923)	(564.396)	(356.647)
Adjustments to the net income	519.424	227.238	593.755	255.953
Provisions for loan losses	265.405	278.266	300.474	299.244
Depreciation and amortization	9.491	10.132	9.926	10.339
Provision & Reversal of Provisions	826	173	821	304
Civil, Labor and Fiscal Provisions	39.053	3.603	37.159	5.651
Tax credits	204.312	(69.560)	240.044	(65.044)
Equity earnings from subsidiaries	(4.597)	(4)	1.239	1.033
(Earnings)/Losses for selling of fixed assets	(53)	5	(53)	5
Losses for selling assets not for own use	(272)	(636)	(1.114)	(838)
Amortization of Goodwill	5.259	5.259	5.259	5.259
Adjusted net Income	(77.124)	(129.685)	29.359	(100.694)
(Increase) Decrease in interbank funds applied	67.846	(526.268)	7.701	(33.794)
(Increase) Decrease in securities and derivative financial instruments	(370.348)	874.050	(370.849)	872.035
(Increase) Decrease in interbank/interbranch accounts	23.455	(790)	23.455	(790)
(Increase) in lending and leasing operations	(16.351)	(397.400)	(148.830)	(615.174)
(Increase) Decrease in other assets	(4.891.592)	192.338	(4.854.833)	164.337
Increase (Decrease) in deposits	459.329	(1.593.186)	457.123	(1.565.674)
(Decrease) money market repurchase commitments	(2.553.811)	(368.589)	(2.666.534)	(377.229)
Increase in Other Liabilities	4.742.600	278.139	4.925.132	4.466
Income tax and social contribution paid	-	-	(18.214)	(19.384)
Increase (Decrease) in deferred income	(1.517)	745	(1.517)	745
Net cash provided by (used in) operating activities	(2.617.513)	(1.670.646)	(2.618.007)	(1.671.156)
Cash flow of investing activities				
(Increase) Decrease in securities	18.478	(10.894)	18.478	(10.895)
Selling of assets not for own use	14.850	6.870	18.137	9.722
Disposal of investments	100	-	100	-
Selling of fixed and Lease assets	18.717	5	19.624	5
Investment in assets not for own use	(29.185)	(21.538)	(32.702)	(24.408)
Investment of fixed and Lease assets	(1.303)	(2.013)	(1.718)	(2.017)
Investment in intangible assets	(2.789)	(2.185)	(2.789)	(2.185)
Net cash provided by (used in) investing activities	18.868	(29.755)	19.130	(29.778)
Cash flow of financing activities				
(Decrease) in issuing of securities	(61.104)	(23.133)	(61.088)	(23.115)
Increase (Decrease) in borrowings and onlending resources	(5.704)	564.064	(5.704)	564.064
Increase (Decrease) in subordinated debts	38.963	(189.289)	38.963	(189.289)
Increase (Decrease) Debt instruments eligible to capital	17.803	(70.765)	17.803	(70.765)
Capital increase	3.738	760.000	3.738	760.000
Net cash provided by (used in) financing activities	(6.304)	1.040.877	(6.288)	1.040.895
Statement of cash variations	(2.604.949)	(659.524)	(2.605.165)	(660.039)
Cash at the beginning of the period	3.820.042	723.213	3.820.497	724.132
Cash at the end of the period	1.215.094	63.689	1.215.332	64.093
(Increase) decrease in cash and equivalents	(2.604.948)	(659.524)	(2.605.165)	(660.039)

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

1 Operational context

China Construction Bank (Brasil) Banco Múltiplo S.A. - CCB Brasil (the former Banco Industrial e Comercial S.A. - BICBANCO), ("Company", "Institution", "Multiple" or "Bank") and subsidiaries ("Consolidated") was incorporated on December 29, 1938 and authorized by the Brazilian Central Bank - BACEN to operate as a Multiple Bank, developing its operations through commercial, investments, mortgage and foreign exchange portfolios.

Through its subsidiaries, the Bank acts in the markets of Leasing, credit, financing and Investment, investment funds management, brokerage and dealing of securities and credit card administration. The Bank also has a 50% participation in a Joint Venture for operations in factoring and forfaiting markets.

On August 29, 2014, the transfer of control, for the CCB Brazil Financial Holding - Investimentos e Participações Ltda. ("CCB Holding") subsidiary of China Construction Bank was completed, as well as the shares of CCB Brasil and its subsidiaries.

Afterwards, in 2015, the public company registration was canceled in the CVM (Brazilian Exchange Commission). On September 30, 2015 an Extraordinary General Meeting was held to approve the change of the name from Banco Industrial e Comercial S.A. - BICBANCO to China Construction Bank (Brasil) - Banco S.A. - CCB Brasil to standardize the company name with the other companies of the CCB Group. The Brazilian Central Bank approved the change of the name on October 29, 2015, and on November 16, 2015 it was registered at JUCESP (the Commercial Regulatory Board of Sao Paulo state).

As of the changing of control, the Bank's operations began to be conducted in the operational context of its new controller CCB Group with Headquarters in the Popular Republic of China, following guidelines which include the consistency of internal policies, accounting estimates and operating practices alignment. For this, under the guidance of the controlling shareholder the Management has implemented a set of measures to adapt the Bank and its subsidiaries to the new policies of conducting business vis-à-vis the Brazilian global economic scenario, which can be summarized as follows:

- (a) equalization and improvement of funding costs, by obtaining credit lines, from the CCB Holding abroad within the approved credit facility in the amount of US\$ 2 billion, with possibility of access to an additional credit of US\$ 1 billion;
- (b) foreign funding through the issuance of securities abroad, of which:
 - Perpetual Bonds in the amount of USD 70 million, issued on December 29, 2016, eligible for the composition of the Tier I Capital; and
 - a 10-year subordinated debt, in the amount of USD 100 million issued on September 30, 2015, to integrate the Tier II Capital.
- (c) capital increases in 2016:
 - . R\$ 760 million fully paid, in April 2016;
 - . R\$ 145 million fully paid, in December 2016;

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

(d) increase in revenues from services rendered, in line with the Bank's new international business profile and the development of products and services provided to strategic clients;

(e) improvement in credit recovery processes, and possible realization of other securitization transactions until the end of 2017;

(f) linking loan operations to borrowings as stated in the CMN Resolution No. 2,921/02;

(g) reduction of administrative and operational costs due to the adequacy of the structure to the operational levels in practice;

(h) investment in the development of products with technological support; and

i) capital increase in the amount of R\$ 1,2 billion, in process of approval according to Note 34 - Subsequent Event.

The measures listed will meet the objective of gradually recomposing the result of financial intermediation and consequent resumption of positive operating results and taxable results, as well as the establishment of higher margins and compliance with the minimum operating limits of capitalization, which lies on the basic assumption of maintenance of adequate capitalization level of the Company by the controlling shareholder.

2 Presentation of the Financial Information

a) Presentation of the financial statements

The individual financial statements of China Construction Bank (Brasil) Banco Multiplo S/A - CCB Brasil, including a foreign branch, and the consolidated financial statements of China Construction Bank (Brasil) Banco Multiplo S/A - CCB Brasil and its controlled companies, have been prepared in accordance with accounting practices enacted from the Corporate Law no. 6,404/76, amended by Law 11,638/07 and 11,941/09, and the rules and instructions of the National Monetary Council - CMN, and the Brazilian Central Bank (BACEN).

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, however, not all pronouncements have been ratified by BACEN. In this way, for the preparation of the financial statements, the following pronouncements already ratified by BACEN were adopted by CCB Brasil:

- (a) CPC 01 (R1) - Impairment - Resolution CMN (National Monetary Council) No. 3,566/08;
- (b) CPC 02 (R2) - Effects of changes in exchange rates and conversion for financial statements - CMN Resolution No. 4,524/16;
- (c) CPC 03 (R2) - Statement of cash flows - Resolution CMN No. 3,604/08;
- (d) CPC 04 (R1) - Intangible Assets - CMN Resolution No. 4,534/16;
- (e) CPC 05 (R1) - Disclosure of related party transactions - Resolution CMN No. 3,750/09;
- (f) CPC 10 (R1) - Payment based on shares - Resolution CMN No. 3,989/11;

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

- (g) CPC 23 - Accounting policies & procedures, changes in estimation and correction of errors - Resolution CMN No. 4,007/11;
- (h) CPC 24 - Subsequent Event - Resolution CMN No. 3,973/11;
- (i) CPC 25 - provisions, contingent assets liabilities and legal obligations - Resolution CMN No. 3,823/09;
- (j) CPC (R1) Conceptual Basic Pronouncement - Resolution CMN No. 4,144/2012;
- (k) CPC 33 (R1) - Employee benefits - Resolution CMN No. 4,424/15; and
- (l) CPC 27 - Fixed Assets - CMN Resolution No. 4,535/16.

The financial statements were completed by the Senior Management and approved for disclosure by the Board of Directors in the meeting of October 30, 2017.

b) Consolidated financial statements

The consolidated financial statements include the Bank and its subsidiaries (see table below), being prepared in compliance with Law 6404/76, as amended by Laws 11,638/07 and 11,941/09 and CMN norms, when applicable, presenting the lease operations by the financial method, with the reclassification of leased assets to lease operations, less the anticipated residual value.

Equity balances and results from intercompany transactions were eliminated in the preparation of the consolidated financial statements.

Investment	%
CCB Brasil Arrendamento Mercantil S.A.	100
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A.	100
CCB Brasil Informática S.A.	100
CCB Brasil Administradora de Cartões de Crédito S/C Ltda.	100
CCB Brasil S.A. Crédito, Financiamento e Investimentos	100
CCB Brasil Promotora de Vendas Ltda.	100
CCB Brasil Cobrança Ltda.	100

b.1 Reconciliation of net loss and Shareholders' Equity of CCB BRASIL and CCB BRASIL CONSOLIDATED

	Jun/2017	Jun/2016
Net loss income of CCB BRASIL	(596,548)	(356,923)
MTM from Securities of related parties	-	276
Hedge accounting retail Portfolio - net of taxes	32,152	-
Net loss of CCB BRASIL-Consolidated	(564,396)	(356,647)

	Jun/2017	Jun/2016
Shareholders' Equity of CCB BRASIL	708,902	1,128,049
MTM from Securities of related parties	-	276
MTM from Securities of related parties - prior year	-	(276)
Hedge accounting retail Portfolio - net of taxes	32,152	-
Consolidated Shareholders' Equity	741,054	1,128,049

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

Restatement of comparative figures - error correction

In the first half of 2017, the Management identified a prior year adjustment related to the goodwill amortization criterion based on the expectation of future results, recorded in the individual and consolidated financial statements of the Bank, as a result of the acquisition of the subsidiary CCB Brasil Financeira in the first half year of 2010.

The referred adjustment took into consideration the amortization of goodwill on the straight-line basis, for the period of 10 years, as of the date of acquisition of the referred investment.

The amounts of the adjustments made by the Bank in the Individual and Consolidated balances were: (i) on June 30, 2016, an additional goodwill amortization of R\$ 29,811 of which R\$ 16,680 were expenses related to the six-month period ended June 30, 2016 and R\$ 13,131 referring to prior years, and (ii) additional cumulative amortization related to the opening balance of January 1, 2017 of R\$ 60,937 thousand being presented as "prior years adjustment" in the statements of changes in stockholders' equity.

Therefore, the individual and consolidated financial statements for the six-month period ended June 30, 2016, presented for comparison purposes, the opening balance sheet of January 1, 2016 and the shareholders' equity of January 1, 2017, were adjusted and are restatement. Below, follows a summary of the adjustments:

c.1) Balance sheet - June 30, 2016

	CCB Brasil			CCB Brasil consolidated		
	06/30/2016 Original	Adjustment	06/30/2016 Restatement	06/30/2016 Original	Adjustment	06/30/2016 Restatement
Assets						
Current assets	7,327,884	-	7,327,884	7,078,895	-	7,078,895
Non-current assets	6,032,222	-	6,032,222	5,773,274	-	5,773,274
Permanent assets	575,335	(29,811)	545,524	185,929	(29,811)	156,118
Investments	465,308	(29,811)	435,497	4,103	(29,811)	(25,708)
Fixed assets	106,866	-	106,866	107,510	-	107,510
Intangible	3,161	-	3,161	74,316	-	74,316
Total assets	13,935,441	(29,811)	13,905,630	13,038,098	(29,811)	13,008,287
Liabilities						
Current liabilities	9,060,855	-	9,060,855	8,673,082	-	8,673,082
Non-current liabilities	3,686,874	-	3,686,874	3,177,304	-	3,177,304
Deferred incomes	29,852	-	29,852	29,852	-	29,852
Shareholders' equity	1,157,860	(29,811)	1,128,049	1,157,860	(29,811)	1,128,049
Total Paid-in Capital	1,554,860	-	1,554,860	1,554,860	-	1,554,860
Capital - Domestic	1,554,860	-	1,554,860	1,554,860	-	1,554,860
Carrying value adjustments	(1,652)	-	(1,652)	(1,652)	-	(1,652)
Net income of the period	(340,243)	(29,811)	(370,054)	(340,243)	(29,811)	(370,054)
(-) Treasury shares	(55,105)	-	(55,105)	(55,105)	-	(55,105)
Total liabilities	13,935,441	(29,811)	13,905,630	13,038,098	(29,811)	13,008,287

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

c.2) Balance sheet - January 1, 2016

	CCB Brasil			CCB Brasil consolidated		
	12/31/2015 Original	Adjustment	12/31/2015 Restatement	12/31/2015 Original	Adjustment	12/31/2015 Restatement
Assets						
Current assets	8,627,623	-	8,627,623	8,521,067	-	8,521,067
Non-current assets	5,441,259	-	5,441,259	5,300,575	-	5,300,575
Permanent assets	569,858	(13,131)	556,727	181,688	(13,131)	168,557
Investments	453,887	(13,131)	440,756	5,137	(13,131)	(7,994)
Fixed assets	113,595	-	113,595	114,338	-	114,338
Intangible	2,376	-	2,376	62,213	-	62,213
Total assets	14,638,740	(13,131)	14,625,609	14,003,330	(13,131)	13,990,199
Liabilities						
Current liabilities	9,729,040	-	9,729,040	9,434,142	-	9,434,142
Non-current liabilities	4,145,848	-	4,145,848	3,805,612	-	3,805,612
Deferred incomes	29,107	-	29,107	29,107	-	29,107
Shareholders' equity	734,745	(13,131)	721,614	734,469	(13,131)	721,338
Total Paid-up Capital	2,012,810	-	2,012,810	2,012,810	-	2,012,810
Capital - Domestic	2,012,810	-	2,012,810	2,012,810	-	2,012,810
Carrying value adjustments	(5,010)	-	(5,010)	(5,010)	-	(5,010)
Net income of the period	(1,217,950)	(13,131)	(1,231,081)	(1,218,226)	(13,131)	(1,231,357)
(-) Treasury shares	(55,105)	-	(55,105)	(55,105)	-	(55,105)
Total liabilities	14,638,740	(13,131)	14,625,609	14,003,330	(13,131)	13,990,199

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

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c.3) Statements of operations - June 30, 2016

	CCB Brasil			CCB Brasil consolidated		
	06/30/2016 Original	Adjustment	06/30/2016 Restatement	06/30/2016 Original	Adjustment	06/30/2016 Restatement
Loss from financial operations	(290,399)	-	(290,399)	(230,526)	-	(230,526)
Other operating income (expenses)	(120,023)	(16,680)	(136,703)	(175,466)	(16,680)	(192,146)
Service fee income	21,248	-	21,248	28,923	-	28,923
Income from banking services	3,080	-	3,080	3,481	-	3,481
Personnel expenses	(103,015)	-	(103,015)	(111,629)	-	(111,629)
Tax	(7,953)	-	(7,953)	(13,268)	-	(13,268)
Equity earnings of subsidiaries	4	-	4	(1,033)	-	(1,033)
Other administrative expenses	(61,411)	(5,259) i.	(66,670)	(80,668)	(5,259) i.	(85,927)
Other operating income	69,269	(11,421) ii.	57,848	74,033	(11,421) ii.	62,612
Other operating expenses	(41,245)	-	(41,245)	(75,305)	-	(75,305)
Operating result	(410,422)	(16,680)	(427,102)	(405,992)	(16,680)	(422,672)
Non-operating result	619	-	619	981	-	981
Loss before taxes	(409,803)	(16,680)	(426,483)	(405,011)	(16,680)	(421,691)
Income tax	(5,921)	-	(5,921)	(11,703)	-	(11,703)
Social contribution	(6,437)	-	(6,437)	(10,562)	-	(10,562)
Tax credit	81,918	-	81,918	87,309	-	87,309
Loss for the semester	(340,243)	(16,680)	(356,923)	(339,967)	(16,680)	(356,647)
Number of shares paid up (thousand)	337,014	-	337,014			
Loss per share - R\$	(1)	-	(1)			

i. Refers to the recognition of expenses from goodwill amortization of the first half year of 2016, according to Note 12c.2.

ii. Refers to the adjustment resulting from the reversal of the amortization of goodwill, previously recognized in the financial statements of the first half year of 2016.

c.4) Cash flow statement - June 30, 2016

The restatement of the comparative balances had no impact on the cash flow.

3 Description of significant accounting policies

a) Statement of operations

Income and expenses are recorded on the accrual basis.

b) Accounting estimates

The preparation of the financial statements is in compliance with the accounting practices adopted in Brazil, valid for Institutions authorized to operate by the Brazilian Central Bank and requires that the Senior Management uses its judgment in determining and recording accounting estimates. Significant items subject to the application of estimates and assumptions include: the

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evaluation of the realization of the loan portfolio to determine the allowance for doubtful accounts, the technical studies to estimate the realization periods of the tax credits, the assessment of contingencies, obligations and relevant allowances, the assessment of impairment, and the evaluation of the market value of financial instruments and derivatives.

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. CCB Brasil reviews the adequacy of the estimates and assumptions at a minimum, every six months.

c) **Currency of the financial statements**

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

The monetary assets and liabilities denominated in foreign currency have been converted into Brazilian Reais at the foreign exchange rate effective as of the date of the balance sheet, as released by the BACEN, being that, the relevant exchange variations are recognized in statement of operations for the period.

In relation to the branch abroad, whose operations are carried out in foreign currency and taking into consideration that it is essentially an extension of activities in Brazil, without a significant degree of autonomy, the functional currency determined according to the criterion established by BACEN Resolution 4,524/16 is the Real (R\$), being the assets and liabilities converted by the exchange rate prevailing at the balance sheet date, and the result translated at the exchange rate of the date of the transaction. The adjustments resulting from the conversion are recorded as contra-entry to the result for the period.

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 up to the reporting date.

e.2 Securities

According to the Brazilian Central Bank rules (Circular 3,068/01), the classification and evaluation of securities are defined as follows:

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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 the statement of operations 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 hold them as part of its portfolio until the maturity date. These securities are measured at acquisition cost, plus income earned. Interest income is recognized in the statement of operations.

e.3 Derivative financial instruments

Derivative financial instruments are generally measured at fair value, with unrealized gains and losses recognized in the statement of operations for the period.

e.4 Credit operations and allowance for credit losses

In order to calculate the allowance for doubtful debts, the loan operations are classified according to the level of risk, taking into account the economic environment, the preceding experience, and specific risks in relation to the operation and debtors, among others. The financial situation between the parties, the default levels, the expected future cash flows, estimated recovery amounts and realization of guarantees, observing the minimum parameters and requirements established by CMN Resolution 2682/99, which requires periodic analysis of the portfolio and its classification in nine levels, being AA (minimum risk) and H (potential loss) and the Management's judgment, as shown in Note 7.e - Breakdown of the allowances by risk levels.

The income from credit operations in arrears for more than sixty days, will only be recognized as income when effectively received, regardless of their risk classification.

Overdue loans classified as "H" are retained in this category for six months. After that, they are written off as losses and monitored for five years, in off-balance sheet accounts no longer in the equity accounts.

e.5 Assets not for own use

Assets not for own use are recorded on the basis of evaluation report prepared by specialized companies. The base date of this record is the actual receipt of the goods and, consequently, the settlement of the transaction. Profits or losses incurred on sales are recognized in the statement of operations for the period. The assets not for own use are subject to an annual review for impairment or whenever there is indication of devaluation of its value.

e.6 Other values and assets - Prepaid Expenses

They substantially refer to expenses paid in advance, deferred on account of obtaining benefits for the amount paid for more than one year, commissions paid to correspondents, due to the maintenance of loan and financing operations, which will be recognized in actual expenses in a linear manner for a maximum term of 36 months, counted as of its registration or immediately, upon liquidation or withdrawal of the transaction for any reason. Commissions designated as Origination Costs are recognized as of 2017, fully in the income for the year.

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e.7 Other current and non-current financial assets

They are measured at net value of realization.

f) Permanent assets

f.1 The investment in subsidiaries are valued by the equity method.

The goodwill calculated on the acquisition of the investment, arising from the expectation of future profitability, is amortized on the straight-line method basis over a period of 10 years, as defined in the valuation performed by a specialized consulting company.

f.2 As provided for in the CMN Resolution No. 4,535, dated November 24, 2016, correspond to the tangible assets and improvements made in real estate of third parties, provided that they are used in the performance of the Company's activities for more than one year and should be recognized "at cost value" and adjusted for impairment, when applicable. The cost value comprises the purchase or construction price "spot", increased by any import taxes and non-recoverable taxes on the purchase price, the directly attributable costs required for its operation, and the value of the initial estimated disassembly and removal costs of the asset and of the restoration of the place where it is located, if the institution assumes the obligation to bear such costs on the acquisition date of the asset. The depreciation recognized monthly on the straight-line method, based on annual rates based on the expected useful life of the assets is as follows: real estate: 4%; furniture, fixtures, communications systems and facilities: 10%; data processing system and vehicles: 20%.

f.3 In compliance with Technical Pronouncement CPC 01, issued by the Accounting Pronouncements Committee (CPC), the Management conducts a recoverable value test of its assets annually, or whenever events or changes in circumstances indicate that the book value may not be recoverable. An impairment loss occurs when the net asset value exceeds its recoverable value and is directly recognized in the statement of operations.

f.4 Intangible assets correspond to non-monetary identifiable assets without physical substance, acquired or developed by the institution, intended for the maintenance of the institution or exercised for that purpose, recognized at cost, with monthly amortized over the estimated useful life of the asset, as established by the BACEN Resolution 4,534/16.

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 and social contribution taxes are recorded in "Other liabilities - tax and social security", and are calculated on the adjusted accounting profit in compliance with Tax legislation, at the rates of 15%, plus a surcharge of 10% above a certain amount for Income Tax, and 15% on income before income tax deduction for social contribution until August 2015 and, from September 2015 until December 31, 2018, 20%, according to Law No. 13,169/15. Deferred income tax and social contribution are recorded in "Other liabilities - Tax and Social Security", and tax credits arising from temporary differences and tax losses are recorded in "Other receivables - Sundry".

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h) Contingencies and legal obligations

The recognition, measurement and disclosure of contingent liabilities and legal obligations is performed in accordance with CMN - Resolution No. 3,823/09.

Contingent assets - are not recognized in the books unless there is a favorable judicial decision, for which no appeals are admitted, and unless the probability of realization of the contingent is practically assured. Contingent assets with a likely success of realization are disclosed in a note to the Financial Statements (note 22). CCB BRASIL has no contingent assets for which realization is deemed probable.

Contingent liabilities - have accounting recognition when, based on the opinion of the Bank's management and its legal advisors, the chance of loss is deemed possible. Cases where the likelihood of loss is considered possible are simply disclosed in a note to the Financial Statements (Note 22).

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

i) Financial assets sold or transferred - Credit assignment

A financial asset is written-off when the contractual right to its cash flows expires or, in the case of it being sold or transferred.

According to the CMN Resolution No. 3,533/08, the sale or transfer of a financial asset can be classified 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, and (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) neither transfer nor retains the substantial risks and benefits of the financial asset.

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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.

4 Cash and cash equivalents and Interbank funds applied

a. Cash and cash equivalents

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Cash and cash equivalents	539	1,558	539	1,558
Foreign currency investments, abroad	423,283	56,675	423,522	57,079
Total	423,822	58,233	424,061	58,637

b. Money market

	CCB Brasil and CCB Brasil consolidated	
Maturity	Jun/2017	Jun/2016
Due up to 30 days	783,994	-
Total	783,994	-

c. Interbank deposits

	CCB Brasil		CCB Brasil consolidated	
Maturity	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Due up to 30 days	125,154	38,195	2,116	2,137
From 31 to 90 days	158,293	142,736	2,463	3,605
From 91 to 360 days	739,847	507,102	-	-
Over 360 days	1,133,149	996,536	986	48,384
Total	2,156,443	1,684,569	5,565	54,126

d. Foreign currency

	CCB Brasil and CCB Brasil consolidated	
Maturity	Jun/2017	Jun/2016
Due up to 30 days	7,278	5,456
Total	7,278	5,456

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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. CCB BRASIL 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

	CCB BRASIL consolidated							CCB BRASIL
	No Maturity.	Over 90 days	91 to 360 days	Over 360 days	Total book value	Accrued cost value	Market Value	Total book value
Securities for trading(*)	-	33	-	4,017,878	4,017,911	4,020,057	4,017,911	4,017,911
Own portfolio	-	33	-	1,137,938	1,137,971	1,138,479	1,137,971	1,137,971
Financial Treasury Bills	-	-	-	1,137,938	1,137,938	1,138,447	1,137,938	1,137,938
National Treasury Notes-C	-	33	-	-	33	32	33	33
Subject to repurchase agreements	-	-	-	2,484,891	2,484,891	2,486,342	2,484,891	2,484,891
Financial Treasury Bills	-	-	-	2,484,891	2,484,891	2,486,342	2,484,891	2,484,891
Subject to guarantees (**)	-	-	-	395,049	395,049	395,236	395,049	395,049
Financial Treasury Bills	-	-	-	395,049	395,049	395,236	395,049	395,049
Securities available for sale	-	-	-	2,787,151	2,787,151	2,783,029	2,787,151	2,777,798
Own Portfolio	-	-	-	881,506	881,506	880,268	881,506	881,506
Financial Treasury Bills	-	-	-	826,583	826,583	825,360	826,583	826,583
National Treasury Bills - B	-	-	-	54,923	54,923	54,908	54,923	54,923
Linked to Repurchase commitments	-	-	-	1,895,160	1,895,160	1,892,273	1,895,160	1,895,160
Financial Treasury Bills	-	-	-	1,895,160	1,895,160	1,892,273	1,895,160	1,895,160
National Treasury Bills - B	-	-	-	-	-	-	-	-
Subject to guarantees (**)	-	-	-	10,485	10,485	10,488	10,485	1,132
Financial Treasury Bills	-	-	-	10,485	10,485	10,488	10,485	1,132
Securities held to maturity	-	-	17,034	1,235,302	1,252,336	1,252,336	1,295,417	1,252,336
Own portfolio	-	-	17,034	1,235,302	1,252,336	1,252,336	1,295,417	1,252,336
Quotas - FIDC	-	-	17,034	-	17,034	17,034	17,034	17,034
Global Bonds	-	-	-	1,235,302	1,235,302	1,235,302	1,278,383	1,235,302
Total at Jun/2017	-	33	17,034	8,040,331	8,057,398	8,055,422	8,100,480	8,048,045
Total at Jun/2016	2,170	350,482	-	3,696,873	4,049,525	4,053,296	4,048,852	4,041,242

(*) Although maturing over one year, "Trading Securities" are classified in the Current assets of the Balance Sheet, in accordance with BACEN Circular No. 3,068/01.

(**) Total of transactions in connection to guarantees R\$ 405,534 (Jun 2016 - R\$ 695,870) being the amount of R\$ 380,576 (Jun 2016 - R\$ 547,155) related to deposited margins as guarantees in transactions involving derivative financial instruments, according to explanatory Note 6g.

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); the FIDCs quotas, are controlled by the Fund Administrators and the Euro Bonds are custodied in CEDEL Clearsystem.

The market value of securities was gathered on the basis of the *unit prices*, disclosed by ANBIMA (a Brazilian Association of Entities acting in the Financial and Capital Markets) on the balance sheet date. The market value of the Global Bonds was determined based on the secondary market (Bloomberg).

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The shares that comprise the variable income portfolio were adjusted on the basis of the average trading price on the last business day or in its absence, at the last quotation available. The other domestic securities were adjusted to market value based on the benchmark rates of B3 S.A. - Brasil, Bolsa, Balcão (*a clearing company*) and, the value of investment fund quotas at the value of the quota on the balance sheet date disclosed by the administrator.

6 Derivative financial instruments portfolio

a) The adopted policy

As a result of the Volcker Rule, applicable to the CCB Group globally, the operations of CCB Brasil's trading portfolio were suspended. During the first half year, CCB Brasil carried out traditional derivative operations aiming to attend its clients needs, as well as executing its risk management policy in order to minimize risks arising from its own financial operations. Its objective was to obtain the mitigation of exposure to market variables that impairs assets and liabilities of the conglomerate. To reach this purpose, the Bank uses derivative operations, hedge, cash flow protection and mitigation of the variability of exposures.

Therefore, derivative instruments traded in the period were acquired for two basic purposes:

Trading - as an instrument of 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 derivatives that made up the trading book were settled. Strategically, the limits of the Trading Portfolio in effect on June 30, 2017 were significantly lower than those of the Banking portfolio and there was no directional positioning that would be admitted beyond those, as defined by the Policy & Procedures.

The transactions with clients that once comprised the trading portfolio are recorded in the banking portfolio provided that they meet the regulatory preconditions, and are immediately evaluated the hedging conditions with the another counterparty, having the Bank as an intermediary receiving revenues for services rendered, only. The risk calculation for this portfolio is made daily and reported to the Treasury Committee. Occasional breaches of the established limits are promptly evaluated and necessarily subject to containment measures.

Therefore, the Bank's trading book is composed of public bonds and occasionally funds raised through repurchase operations. The banking portfolio is mostly comprised of credit operations (including direct consumer financing and working capital) and funding (mostly term deposits and international funding). It's worth to mention that these portfolios present as main characteristic the intention to be maintained up to the maturity. For operations classified in the Banking Portfolio, the valuation or devaluation as a result of changes in interest rates practiced in the market does not represent a significant financial and accounting impact on the Bank's results.

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b) Protection of foreign exchange exposures

CCB BRASIL enters into Swap, NDF and Futures Markets operations to hedge its obligations with securities issued abroad and loans in foreign currency, to protect the foreign exchange risk and coupon of operations against currency fluctuations by the use of economic hedge for these operations.

c) Portfolio's Hedge with pre-fixed interest rates

The Bank adopts the strategy of acquiring future DI contracts, assessing the relationship between the duration of DI futures contracts and the duration of the credit portfolio, since B3 futures contracts with longer maturities are not open for negotiation or do not have liquidity in the market. Thus, the strategy of acquiring more liquid maturities and compensating the gap for contracts to adjust and finding the fair value of the hedged object is adopted. Considering that the hedged loan portfolio is distributed among the companies (Bank and Financeira), and that, the future contracts are all concentrated in the Bank, the fair value hedge designation of this relationship was only applied in the consolidated balance sheet. The cover of hedging is assessed quarterly and meets criteria that consider the total portfolio less delays and prepayment. The replacement of DI futures contracts is periodic, as the opening of new futures contracts is identified and its liquidity is detected. The bank's treasury assesses the need to purchase or sell new DI futures contracts to offset the adjustment to market value of the hedged item. The objective is to ensure the hedging effectiveness in the range of 80% to 125% considering the market variation of the hedged layer and the market variation of DI futures contracts.

d) Risk management

CCB BRASIL 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.

e) Strategies and parameters used for risk management for each market operation strategy

The main risk factors of the derivatives contracted at June 30, 2017 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.

f) Criteria for valuation and measurement, methods and assumptions used in the determination of the market value

Normally, the 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

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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 estimated the cash flow of each of its shares discounted to the present value, according to the corresponding interest curves, obtained through of B3 SA - Brasil, Bolsa, Balcão (a clearing company) prices, and /or market prices of government securities for Brazilian operations, and in the prices of international exchanges for operations abroad, when 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.

g) **Recording of the values**

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

The derivative instruments are classified, according to Management's intention of using them as "Hedge" or not, according to Bacen-Circular No. 3,082/02 and its subsequent updates.

The operations with financial instruments, by request of customers, or that do not meet the criteria of Hedge (mainly derivatives used to manage the overall risk exposure until June 30, 2017), are accounted for by the market value, with the realized and unrealized gains and losses recognized directly in the statement of operations.

Specifically for *Hedge* of the Market Risk - The financial assets and liabilities, as well as their financial instruments are accounted for at market value with the realized and unrealized gains and losses recognized directly in the statement of operations.

The result of these operations is shown in Note 28.c.

The Outstanding Operations at June 30, 2017 have the following characteristics:

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CCB Brasil consolidated						
Reference Value						
Net position of Assets and Liabilities contracts						
	Differential receivable	Differential payable	Maturing within 3 months	Maturing between 3 and 12 months	Maturing in more than 12 months	Total
Swap contracts						
Interbank market	1,942	49,990	(467,918)	(1,920,612)	(274,859)	(2,663,389)
Foreign currency	346,696	1,133	505,938	1,914,044	274,859	2,694,841
Prefixed	1,670	5,192	(38,020)	6,568	-	(31,452)
Subtotal	350,308	56,315	-	-	-	-
Market value adjustment	12,085	958	-	-	-	-
Total	362,393	57,273	-	-	-	-
NDF contracts						
Forward for buying - NDF	68	557	10,022	4,299	-	14,321
Forward for selling - NDF	1,162	1,118	(13,791)	(40,658)	(11,324)	(65,773)
Subtotal	1,230	1,675	-	-	-	-
Total	363,623	58,948	-	-	-	-
Future contracts (*)						
Buy - Interbank market	-	-	-	10,060	-	10,060
Sell - Interbank market	-	5,269	(34,431)	(1,347,024)	(1,974,333)	(3,355,788)
Buy-DDI-Coupon Exchange	843	-	368,065	1,234,331	11,299	1,613,695
Buy - foreign currency	-	-	2,495	-	-	2,495
Sell - foreign currency	-	505	(721,717)	-	-	(721,717)
Total	843	5,774	-	-	-	-

(*) The registration of amounts payable and amounts receivable of future contracts are shown under Other Credits and Other Obligations.

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The Outstanding Operations at June 30, 2016 have the following characteristics:

CCB Brasil consolidated						
Reference Value						
Net Position of Assets and Liabilities contracts						
	Differential receivable	Differential payable	Maturing within 3 months	Maturing between 3 and 12 months	Maturing in more than 12 months	Total
Swap contracts						
Interbank market	6,556	296,857	(1,439,177)	(4,852)	(339,244)	(1,783,273)
Foreign currency	369,832	-	1,439,177	4,852	339,244	1,783,273
Subtotal	376,388	296,857	-	-	-	-
Market value adjustment	(15,698)	(5,899)	-	-	-	-
Total	360,690	290,958	-	-	-	-
NDF contracts						
Forward for buying - NDF	-	246	-	4,526	-	4,526
Forward for selling - NDF	8,932	-	-	(57,454)	-	(57,454)
Subtotal	8,932	246	-	-	-	-
Flexible Options contracts						
Flexible Options - buying	-	-	-	-	144,414	144,414
Flexible Options selling	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	369,622	291,204	-	-	-	-
Future contracts (*)						
Buy - Interbank market	1,143	376	(180,094)	(4,089,341)	(804,423)	(5,073,858)
Buy-DDI-Coupon Exchange	-	18,060	8,020	2,330,269	-	2,338,289
Buy - foreign currency	-	3	225	-	-	225
Sell - foreign currency	3,516	7	(377,363)	-	-	(377,363)
Total	4,659	18,446	-	-	-	-

(*) The registration of amounts payable and amounts receivable of future contracts are shown under Other Credits and Other Obligations *initial accounts*.

The swap and NDF transactions are recorded in the clearing "B3 SA - Brasil, Bolsa, Balcão" (a clearing company) and at CETIP SA - Organized Counter of Assets and Derivatives, the adjustments related to the difference receivable or payable are recorded in asset or liability, respectively, in contra accounts for revenue or expense. "Future market" operations are recorded at "B3 SA - Brasil, Bolsa, Balcão", the daily paid/accrued adjustments are accounted for as income or expense.

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

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CCB Brasil and CCB Brasil consolidated					
Paper	Due Date	Jun/2017		Jun/2016	
		Book value	Fair value	Book value	Fair value
L.F.T.	03/01/2019	9,678	9,678	85,759	85,759
L.F.T.	03/01/2020	6,053	6,053	2,196	2,196
L.F.T.	09/01/2020	364,845	364,845	453,842	453,842
L.F.T.	09/01/2021	-	-	5,358	5,358
Total		380,576	380,576	547,155	547,155

h) Hedge Accounting

Since the 2015 fiscal year, CCB Brasil enters in to operations of derivative financial instruments (USDxCDI) for purposes of Hedging of its exposure to exchange variation in liabilities in foreign currency, with similar values, terms and rates, and classifies the structure as *market risk hedge accounting*. The effectiveness determined for the hedge portfolio is in conformity with the provisions of Circular No. 3,082 of January 30, 2002.

CCB Brasil - Banco and Financeira - hold payroll loan portfolios of public servants and retirees, and vehicle financing operations. Those credits are assigned at pre-fixed rates, exposing the Institution to the market risk arising from fluctuations in the reference rate of interbank deposits (CDI), an index in which the Institution's cost of funding and risk management are controlled. Thus, to hedge the risk of the pre-fixed rate to the CDI oscillations, since January 2017, the Bank's treasury dept. acquires future DI contracts in a ratio of amounts x maturities that offset the adjustment effect to market value of the hedge object, and the effects of this hedge of market risk are recorded exclusively in the consolidated financial statements.

On June 30, 2017, the hedging structure is represented as follows:

CCB Brasil and CCB Brasil CONSOLIDATED				
	Hedge instrument		Hedge object	
	Nominal value	Adjustment to market value (*)	Book value	Adjustment to market value (*)
Hedge funds raised abroad	4,005,845	4,884	4,004,103	(6,843)
Hedge retail Portfolio	3,276,980	(52,982)	2,525,430	53,588

(*) Recorded as Income from derivative financial instruments.

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On June 30, 2016, the hedging structure is represented as follows:

CCB Brasil and CCB Brasil CONSOLIDATED

	Hedge instrument		Hedge object	
	Nominal value	Adjustment to market value (*)	Book value	Adjustment to market value (*)
Hedge funds raised abroad	3,542,560	11,706	3,556,882	10,779

(*) Recorded as Income from derivative financial instruments.

7 Loans

a) Diversification by type of operation

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Working capital and discounts	1,285,355	1,649,649	1,300,352	1,649,649
Secured accounts	7,751	11,025	7,751	11,025
Consigned personal credit (*)	611,991	35,183	2,364,656	1,343,560
Corporate Checks	277	-	277	-
Import financing	1,870,419	1,449,795	1,870,419	1,449,795
Export financing	249,042	207,768	249,042	207,768
Rural and agro-industrial financing	73,833	23,798	73,833	23,798
Real estate and housing	2,014	2,100	2,014	2,100
Financing of machinery and heavy vehicles	7,210	16,787	7,210	16,787
Resolution No. 3,844 repasses	-	9,796	-	9,796
Personal/consumer credit (*)	-	2,849	308,143	283,358
Loans linked to assignments (**)	456,905	682,321	-	-
Others	453,798	312,634	453,798	312,634
Loans	5,018,595	4,403,705	6,637,495	5,310,270
Guarantees and Sureties Honored	25,424	26,954	25,424	26,954
Debtors through purchase of assets (Note 10)	84,356	90,492	85,641	92,256
Notes and credits receivable (Note 10)	3,399	70,801	4,625	72,567
Advances on export contracts (***)	385,647	594,213	385,647	594,213
Other receivables	498,826	782,460	501,337	785,990
Leases	-	-	39,715	76,519
Total (****)	5,517,421	5,186,165	7,178,547	6,172,779

(*) CCB Brasil Consolidated is added of the following credits: CCB Brasil Financeira in the form of consigned personal credit in the amount of R \$ 1,242,172 (June/16 - R\$ 626,055) and credit to individuals in the amount of R\$ 308,143 (June/16 - R\$ 280,509), and Hedge Accounting in the amount of R\$ 53,588 (June/16 - nil-) according to Note 6.h., totaling R\$ 1,603,903 (June/16 - R\$ 906,564).

(**) CCB BRASIL Consolidated includes loans linked to assignment under BACEN Resolution No. 3,533/08, distributed according to the type of operations which have originated the credit as follows:

- CCB Brasil Financeira S.A. consigned payroll loans to individuals in the amount of R\$ 456,905 (Jun/2016 - R\$ 682,321).

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

- (***) The advances on exchange contracts are recorded in the balance sheet as "Other liabilities - Foreign exchange portfolio" (Note 9), added of interest receivable on advances granted, which are shown as "Other receivables - Foreign exchange portfolio. "
- (****) Of the total loan operations, the amount of R\$ 669,113 (June/16, R\$ -) refers to operations linked to funds raised, pursuant to BACEN Resolution No. 2,921/02.

b) Diversification by activity

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Public sector	15,425	42,028	15,425	42,028
Private sector	4,355,560	4,330,423	4,393,993	4,403,980
Agribusiness	131,329	293,601	131,329	293,636
Industry	1,831,084	2,134,277	1,838,280	2,154,917
Commerce	562,399	559,680	567,081	565,717
Financial intermediation	1,188	11,680	1,188	11,680
Other services	1,829,560	1,331,185	1,856,115	1,378,030
Individuals	1,146,436	813,714	2,769,129	1,726,771
Total	5,517,421	5,186,165	7,178,547	6,172,779

(*) The operations of personal credit and consigned personal credit assigned (Note 7f), were sold to CCB BRASIL's subsidiary CCB Brasil S.A. Credito, Financiamento e Investimento, which concentrates operations provided to individuals.

c) Diversification by term

	CCB Brasil				CCB Brasil consolidated			
	Jun/2017	%	Jun/2016	%	Jun/2017	%	Jun/2016	%
Public sector								
Due within 3 months	3,050	0.06	13,539	0.26	3,050	0.04	13,539	0.22
Due from 3 to 12 months	9,034	0.16	13,412	0.26	9,034	0.13	13,412	0.22
Due over 1 year	3,341	0.06	15,077	0.29	3,341	0.05	15,077	0.24
Private sector								
Due within 3 months	842,959	15.28	850,654	16.40	1,060,748	14.78	966,467	15.66
Due from 3 to 12 months	1,798,446	32.59	1,784,617	34.41	2,208,544	30.76	2,061,549	33.39
Due over 1 year	2,680,407	48.58	2,271,689	43.81	3,688,056	51.37	2,847,412	46.13
Overdue (from 15 days on)	180,184	3.27	237,177	4.57	205,774	2.87	255,323	4.14
Total	5,517,421	100.00	5,186,165	100.00	7,178,547	100.00	6,172,779	100.00

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

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d) Risk concentration level

CCB Brasil consolidated				
	Jun/2017		Jun/2016	
	RS	%	RS	%
Largest debtor	396,722	5.53	386,207	6.26
10 largest debtors	1,677,621	23.37	1,252,842	20.30
20 largest debtors	2,164,425	30.15	1,726,344	27.97
50 largest debtors	2,913,506	40.59	2,577,714	41.76
100 largest debtors	3,530,080	49.18	3,225,506	52.25
Largest economic group debtor	514,231	7.16	386,207	6.26

e) Composition of the securities provision per risk level

Risk level	Jun/2017					
	CCB Brasil			CCB Brasil consolidated		
	Calculation basis	Provision	%	Calculation basis	Provision	%
AA	1,035,796	-	18.77	1,089,455	-	15.19
A	1,931,541	9,657	35.02	3,357,133	16,785	46.83
B	935,392	9,354	16.95	976,703	9,767	13.63
C	518,309	15,549	9.39	556,499	16,695	7.76
D	127,394	12,739	2.31	156,987	15,699	2.19
E	425,409	127,623	7.71	444,466	133,340	4.52
F	154,590	77,295	2.80	183,896	91,948	4.11
G	86,668	60,668	1.57	91,554	64,087	1.28
H	302,322	302,322	5.48	321,854	321,854	4.49
Total	5,517,421	615,207	100.00	7,178,547	670,175	100.00

Risk level	Jun/2016					
	CCB Brasil			CCB Brasil consolidated		
	Calculation basis	Provision	%	Calculation basis	Provision	%
AA	1,199,190	-	23.12	1,206,232	-	19.54
A	1,490,458	7,452	28.74	2,319,722	11,663	37.58
B	562,655	5,627	10.85	597,554	5,976	9.68
C	758,547	22,756	14.63	790,460	23,714	12.81
D	341,609	34,161	6.59	374,568	37,457	6.07
E	356,554	106,966	6.88	373,110	111,933	6.04
F	176,478	88,239	3.39	185,875	92,937	3.02
G	107,467	75,227	2.07	112,018	78,413	1.81
H	193,207	193,207	3.73	213,240	213,240	3.45
Total	5,186,165	533,635	100.00	6,172,779	575,333	100.00

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

In thousands of reais unless otherwise stated

f) Interbank credit assignment

In the six-month period ended June 30, 2017, CCB Brasil did not carry out consigned credit assignment operations with its subsidiary, CCB Brasil S.A. - Crédito, Financiamentos e Investimentos. As established in CMN Resolution No. 3,533/08, which determined new criteria for accounting recognition and classification of credit assignment operations, effective as of January 1, 2012, said assignments made in first half of 2016 were classified in the category of "operations with substantial retention of Risk and benefits" for the present value of R\$ 419,599, and the amount recorded as liabilities for operations related to the assignment was R\$ 449,036. The result as of June 30, 2016 at the amount of R\$ 43,240 was recognized according to "pro rata temporis" for the term of each loaned agreement.. In the six-month period ended June 30, 2016 the stock of assignments generated expenses at the total amount of R\$ 56,748 (June/16 - R\$ 56,151) . The assignments are subject to the application of Resolution No. 2,682/99, for purposes of credit risk classification and establishment of allowance for doubtful accounts.

g) 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 Brazilian Central Bank rules, these amounts are presented in equity accounts of the balance sheet, as follows:

	CCB Brasil consolidated	
	Jun/2017	Jun/2016
Lease receivables	30,426	63,889
Unearned lease income	(29,452)	(62,831)
Leased goods	176,573	305,471
Depreciation surplus	8,462	14,988
Depreciation of leased goods	(107,472)	(184,628)
Losses to amortize of lease operations	3,749	6,711
Anticipated residual value	(42,571)	(67,081)
Total Lease Operations	39,715	76,519

8 Allowance for loan losses

Changes in the allowance for loan losses

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Opening balance - December	454,588	845,339	498,319	886,678
Reconstitution of provisions for assignment of credit	1,148	-	1,148	-
Constitution	297,546	292,394	334,867	320,477
Reversal of provisions	(30,993)	(14,128)	(33,245)	(21,233)
Reversal of provision for credit assignment	(1,148)	-	(1,148)	-
Subtotal	721,141	1,123,605	799,941	1,185,922
Write-offs	(105,934)	(589,970)	(129,766)	(610,589)
Closing balance - June	615,207	533,635	670,175	575,333
Written-off credit, recovery	27,598	67,922	34,349	71,116
Renegotiated loans	229,263	70,164	229,263	70,164
% of allowance for loans and leases	11.15%	10.29%	9.34%	9.32%

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

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On June 30, 2017, a reclassification of the allowance for doubtful debts was included, returning that amount to the Bank's assets, having the loan portfolio as contra entry, in order to recognize the effects arising from the assignment of credit to the credit securitization company.

9 Foreign exchange portfolio

	CCB Brasil and CCB Brasil consolidated	
	Jun/2017	Jun/2016
Assets		
Foreign exchange purchased to settle	5,222,645	531,113
Rights from sale of foreign exchange	200,948	9,004
Advances received in local currency	(13,080)	-
Income receivable on advances of foreign exchange contracts	9,020	10,302
Total	5,419,533	550,419

	CCB Brasil and CCB Brasil consolidated	
	Jun/2017	Jun/2016
Liabilities		
Foreign exchange sold to settle	578,810	7,611
Liabilities from foreign exchange purchases	833,908	592,915
Advances on foreign exchange contracts	(376,627)	(583,911)
Foreign currency liabilities	3,809	-
Unearned income on conceded advances	22	-
Total	5,039,922	16,615

10 Other receivables - Other

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Salary advances and prepayments	4,429	4,648	4,830	4,966
Advances for payments	3,571	2,340	3,576	2,351
Debtors from the purchase of assets	84,356	90,492	85,641	92,256
Debtors from guaranteed deposits	465,913	387,699	473,003	394,812
Income tax to compensate & recover (*)	55,379	55,345	74,800	67,673
Payments to compensate	36,337	12,866	37,607	16,455
Accounts receivable (**)	47,966	124,050	55,324	128,873
Sundry domestic debtors	18,758	27,269	27,583	52,122
Total	716,709	704,709	762,364	759,508

(*) Containing: R\$ 38,222 (Jun 2016 R\$ 38,222) of IRRF on remittance of interest to the Cayman Islands branch, R\$ 265 (Jun 2016 R\$ 232) on interest on capital and taxes retained by public agency. The IRRF offsetting on remittance of interest to the Cayman Islands branch occurred on a regular basis until the

Notes to the financial statements for the month periods ended June 30, 2017 and 2016

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fiscal year 2011. In order to ensure and accelerate the off-set of such withholding tax, the Bank has undertaken changes in its business strategy, increasing the generation of eligible results subject to that off-set, in line with a technical study.

- (**) Including amounts receivable for acquisition of financial instruments of operations with credit characteristics in the consolidated amount of R\$ 4,625 (June/16 - R\$ 72,567), according to explanatory Note 7a. It also includes amounts receivable of R\$ 28,569 (June/16 - R\$ 42,217) from federal government bonds and R\$ 13,653 (June/16 - R\$ 8,503) from the Government of the State of Rio de Janeiro, all classified as non- credit operations

11 Other values and assets

Correspond to assets received in settlement of credit operations.

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

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Property	332,902	300,500	335,543	303,141
Vehicles and similar	3,691	4,645	16,105	16,755
Machinery and equipment	26,192	26,161	26,692	26,574
Material in stock	91	60	91	60
Others	821	555	821	555
Subtotal	363,697	331,921	379,252	347,085
Provision for other assets	(88,964)	(72,538)	(96,321)	(78,131)
Total	274,733	259,383	282,931	268,954

12 Fixed assets for use

a) Investments

See details of investments in subsidiaries and controlled companies in the Note 14.

b) Fixed assets for own use

Depreciation rate %	CCB Brasil								CCB Brasil consolidated	
	Cost		Provision for loss		Accumulated depreciation		Net value		Net value	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016	Jun/2017	Jun/2016	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Land	-	3,259	3,913	-	-	-	3,259	3,913	3,259	3,913
Buildings	4	155,073	164,775	-	(90,380)	(71,318)	64,693	93,457	64,693	93,457
Installations	10	-	-	-	-	-	-	-	2,483	361
Machinery and equipment for	10	15,812	16,803	(769)	(984)	(9,456)	5,587	6,756	5,892	6,820
Data processing system	20	12,128	12,409	(67)	(82)	(11,737)	324	510	449	517
Transport systems	20	994	1,175	-	(697)	(638)	297	537	297	537
Communication system	10	1,884	1,890	-	(1,054)	(890)	830	1,000	1,202	1,209
Security System	10	1,411	1,470	(38)	(51)	(815)	558	693	593	696
Others in progress		675	-	-	-	-	675	-	675	-
Total		191,236	202,435	(874)	(1,117)	(114,139)	76,223	106,866	79,543	107,510

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c) Intangible assets

c.1 Intangible assets

The intangible assets have defined useful lives and comprise the following:

	CCB Brasil						CCB Brasil consolidated	
	Cost		Accumulated amortization		Net Amount		Net Amount	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Softwares	15,038	10,686	(10,447)	(7,525)	4,591	3,161	4,620	3,306
Goodwill (*)	-	-	-	-	-	-	30,680	41,199
Total	15,038	10,686	(10,447)	(7,525)	4,591	3,161	35,300	44,505

c.2 Movement of intangible assets

	Dec/2016	Addition	Amortization	Jun/2017
Softwares	3,214	2,789	(1,412)	4,591
Total CCB Brasil	3,214	2,789	(1,412)	4,591
Softwares	3,286	2,789	(1,455)	4,620
Goodwill (*)	35,939	-	(5,259)	30,680
Total CCB Brasil consolidated	39,225	2,789	(6,714)	35,300

	Dec/2015	Addition	Amortization	Jun/2016
Softwares	2,376	2,185	(1,400)	3,161
Total CCB Brasil	2,376	2,185	(1,400)	3,161
Softwares	2,623	2,185	(1,502)	3,306
Goodwill (*)	46,458	-	(5,259)	41,199
Total CCB Brasil consolidated	49,081	2,185	(6,761)	44,505

(*) The Goodwill recorded on the acquisition of the company CCB Brasil Financeira S/A, in November 3, 2009, corresponding to the sum of the amount paid on the transaction with the amount of negative net worth, resulted in the amount of R\$ 105,190. The mentioned goodwill is supported on projections of results, which take into consideration the assessment of synergy identified in the retail operations of CCB BRASIL and CCB Brasil Financeira S.A. as stated in a valuation report, prepared by a specialized consulting company. The expectation for realization of the goodwill is 10 years, amortized on the straight line method over the same period.

d) Reduction on the recoverable value of non-financial assets - Impairment

In compliance with the Technical Pronouncement CPC 01, issued by the Accounting Pronouncements Committee (CPC), the Bank's Management performed a recoverable value test of its assets, and recorded a provision for loss in the amount of R\$ 874 (June 2016 - R\$ 1,117) of items of fixed assets that showed signs of impairment.

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13 Overseas branch

At the balance sheet date, the operations conducted in the Cayman Islands branch presented: net equity of R\$ 283,101 (Jun 2016 - R\$ 236,089), total assets of R\$ 7,966,697 (Jun 2016 - R\$ 1,881,467). The accounting balances were converted into Reais (R\$) by the "balance-sheet-dollar" quotation and the result converted into Reais (R\$) by the exchange rate of the transaction date, disclosed on the BACEN website.

14 Investments in domestic subsidiaries

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

Company name	Jun/2017					Jun/2016	
	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
CCB Brasil Arrendamento Mercantil S.A.(*)	180,920,168	100%	254,474	6,004	6,004	254,474	238,139
CCB Brasil Distribuidora de Títulos e Valores Mobiliários	14,223,228	100%	20,242	406	406	20,242	19,167
CCB Brasil Informática S.A.	50,000	100%	699	18	18	699	674
CCB Brasil Adm. Cartão Créd. S/C Ltda.	3,670,000	100%	13,943	394	394	13,943	12,861
CCB Brasil S.A. CFI (*)	116,405,774	100%	92,502	(987)	(987)	123,182	160,555
Brasil Factors	62,931	50%	1,677	(2,477)	(1,238)	612	3,391
Total			383,537	3,358	4,597	413,152	434,787

(*) Including premium, net of amortization in the amount of R\$ 97,865 (Jun 2016 - R\$ 71,010) calculated on the acquisition of CCB Brasil Financeira S.A.

15 Related party transactions

a) Related party transactions

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

The balances from operations between China Construction Bank (Brasil) Banco Múltiplo S.A. with direct subsidiaries, indirect and key personnel of the administration are presented below:

	Assets (liabilities)		Revenues (expenses)	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Interbank funds applied	2,150,878	1,650,055	154,485	90,603
CCB Brasil S.A.- Crédito, Financiamentos e Investimentos (a)	2,150,878	1,630,443	154,485	89,611
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	-	19,612	-	992
FIDC Quotas	16,922	76,749	1,937	8,022
Brasil Factors (a)	16,922	76,749	1,937	8,022
Credit Assignments	-	419,599	71,511	71,336
CCB Brasil S.A.- Crédito, Financiamentos e Investimentos (a)	-	419,599	71,511	71,336
Demand deposits	(1,267)	(2,281)	-	-
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(22)	(16)	-	-
CCB Brasil Arrendamento Mercantil S.A. (a)	(69)	(88)	-	-

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	Assets (liabilities)		Revenues (expenses)	
CCB Brasil Informática S.A. (a)	(2)	(1)	-	-
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(298)	(1,244)	-	-
CCB Brasil S.A.- Crédito, Financiamentos e Investimentos (a)	(525)	(688)	-	-
Control and management key staff (c)	(351)	(244)	-	-
Interbank deposits	(189,407)	-	(10,184)	-
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(20,652)	-	(1,152)	-
CCB Brasil Arrendamento Mercantil S.A. (a)	(168,755)	-	(9,018)	-
CCB Brasil S.A.- Crédito, Financiamentos e Investimentos (a)	-	-	(14)	-
Time deposits	(69,574)	(137,842)	(54,910)	(7,704)
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	-	-	-	(65)
CCB Brasil Arrendamento Mercantil S.A. (a)	-	-	-	(87)
CCB Brasil Informática S.A. (a)	(711)	(693)	(34)	(48)
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(11,417)	(23,318)	(810)	(2,043)
Brasil Factors (a)	(1,960)	(3,929)	(176)	(569)
FDIC Brasil Factors (b)	(2,697)	(61,902)	(1,380)	(1,467)
CCB Brazil Financial Holding Ltda. (c)	(52,464)	(47,900)	(52,464)	(3,418)
Control and management key staff (c)	(325)	(100)	(46)	(7)
Repurchase Operations	(167,620)	(188,670)	(5,663)	(10,742)
CCB Brasil Arrendamento Mercantil S.A. (a)	(59,750)	(171,320)	(3,156)	(9,910)
CCB Brasil S.A.- Crédito, Financiamentos e Investimentos (a)	(107,870)	(17,350)	(2,507)	(832)
LCA	(547)	(1,383)	(67)	(101)
Control and Management Key Personnel	(547)	(1,383)	(67)	(101)
LCI	(578)	(2,495)	(25)	(150)
Control and Management Key Personnel	(578)	(2,495)	(25)	(150)
NDF	-	(390)	-	(6,251)
Brasil Factors (a)	-	(390)	-	(6,251)
Borrowings and Repasses	(6,898,009)	(4,595,729)	(428,419)	(134,419)
China Construction Bank Corporation (d)	(6,898,009)	(4,595,729)	(428,419)	(134,419)
Debt Instruments Eligible to Capital	(577,729)	(326,761)	(18,148)	(5,373)
China Construction Bank Corporation (d)	(577,729)	(326,761)	(18,148)	(5,373)
Services rendered	(1)	(1)	(6)	(6)
CCB Brasil Arrendamento Mercantil S.A. (a)	(1)	(1)	(6)	(6)

Being:

- (a) Direct - Subsidiaries
- (b) Indirect - Subsidiaries
- (c) Management Key Personnel (c)
- (d) Foreign Indirect Controller Company (note 1)
- (e) Direct Controller Company

a.1 Maturities and rates of the operations

The interbank "pos fixed" investments are valued at the "average CDI" (Interbank Deposits rates) of 105% (Jun/2016 - 105%) and the "pre-fixed" at the average rate of 15.14% p.a. (Jun/2016 - 14.83% p.a.); the Repo operations were made at the average rates of 10.15% p.a. (Jun 2016 - 14.15% p.a.) with maturity on July 3, 2017, backed by securities maturing over 3 years (Jun 2016: over 2 years); the LCA operations (Agribusiness Credit Bills) were performed at interest rates of 96.00% of CDI (Jun/2016 - 97 %) and final due date up to 1 year (Jun/2016 - up to 2 years).

The operations of LCI were performed with rates of 96.00% of CDI (Jun 2016 - 95.93%) and have final maturity up to 1 year (Jun/2016 up to 3 years). The time deposits are remunerated by

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the average rate of 101.00% of the CDI (Jun/2016 - 102% of CDI), directly related to the amount invested, with final maturity up to 2 years (Jun/2016 up to 3 years). The borrowings were made at the average rate of 1.70% p.a. (Jun/2016 - 1.45% p.a.) plus foreign exchange variation, with final due date within 1 year (Jun/2016 -1 year). The information regarding the transfers of credit, with related parties, is included in the explanatory Note 7f.

b) Remuneration of key Management personnel - CCB Brasil consolidated

The maximum aggregate remuneration established for the members of the Board, the Senior Management, the Executive Board and the Audit Committee, as well as the maximum Statutory Profit sharing of the fiscal year is set at the Annual General Meeting of Shareholders, when applicable, in compliance with the limitations established by CMN Resolution No. 3,921/10.

During the first half of 2016 and 2017, the Board of Directors did not approve payments of profit sharing to the Senior Management, due to the negative accounting results.

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

	CCB Brasil and CCB Brasil consolidated	
	Jun/2017	Jun/2016
Fixed remuneration	8,884	7,308
Others	464	564
Total	9,348	7,872

b.2 Post-retirement benefits

CCB Brasil does not offer long-term retirement benefits for the key personnel of the Administration.

b.3 Long-term benefits

CCB Brasil does not offer long-term benefits for the rescission of labor contracts of the key personnel of the Administration.

b.4 Other information

In accordance with the legislation in force, CCB Brasil cannot grant loans or advances to:

Directors and members of consulting or administrative councils, 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 whose capital of 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%.

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Thereby, CCB Brasil did not make any loans or financing to any subsidiary, members of the Board of Directors or of the Executive Board, Auditing Committee, their spouses and their second degree relatives.

16 Deposits

Distribution by due dates

CCB Brasil Jun/2017						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency	Total
No due date	81,618	-	-	9,122	-	90,740
Up to 3 months	-	645,199	301,681	-	-	946,880
3 months to 1 year	-	1,111,729	106,551	-	-	1,218,280
1 to 3 years	-	602,344	38,275	-	-	640,619
3 to 5 years	-	39,294	28,609	-	-	67,903
Total	81,618	2,398,566	475,116	9,122	-	2,964,422

- (*) Of the total amount of time deposits with maturity over one year, the amount of R\$ 360,643 refers to deposit with liquidity commitment and is registered in CETIP SA - OTC Assets and Derivatives and - classified in current liabilities in the balance sheet.

CCB Brasil consolidated Jun/2017						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency	Total
No due date	80,702	-	-	9,122	-	89,824
Up to 3 months	-	644,671	132,928	-	-	777,598
3 months to 1 year	-	1,106,342	85,898	-	-	1,192,241
1 to 3 years	-	594,800	38,276	-	-	633,075
3 to 5 years	-	39,294	28,608	-	-	67,902
Total	80,702	2,385,107	285,710	9,122	-	2,760,641

- (*) Of the total amount of time deposits with maturity over one year, the amount of R\$ 360,643 refers to deposit with liquidity commitment and is registered in CETIP SA - OTC Asset and Derivatives and - classified in current liabilities in the balance sheet.

CCB Brasil Jun/2016						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency	Total
No due date	101,908	-	-	12,601	-	114,509
Up to 3 months	-	323,959	3,834	-	1,515	329,308
3 months to 1 year	-	777,456	72,496	-	-	849,952
1 to 3 years	-	675,763	19,927	-	-	695,690
3 to 5 years	-	35,796	188,347	-	-	224,143
Total	101,908	1,812,974	284,604	12,601	1,515	2,213,602

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- (*) Of the total amount of time deposits with maturity over one year, the amount of R\$ 301,442 refers to deposit with liquidity commitment and is registered in CETIP SA - OTC Asset and Derivatives and - classified in current liabilities in the balance sheet.

CCB Brasil consolidated						
Jun/2016						
	Demand deposits	Time deposits (*)	Interbank deposits	Saving deposits	Foreign currency	Total
No due date	99,871	-	-	12,601	-	112,472
Up to 3 months	-	320,603	3,835	-	1,515	325,953
3 months to 1 year	-	777,455	72,495	-	-	849,950
1 to 3 years	-	655,108	315	-	-	655,423
3 to 5 years	-	35,797	188,347	-	-	224,144
Total	99,871	1,788,963	264,992	12,601	1,515	2,167,942

- (*) Of the total amount of time deposits with maturity over one year, the amount of R\$ 301,442 refers to deposit with liquidity commitment and is registered in CETIP SA - OTC Asset and Derivatives and - classified in current liabilities in the balance sheet.

17 Resources obtained in the Open Market and Mortgage Bills

a) Money Market resources

Basically represented by repurchase commitments of securities at a fixed price, to be settled on July 3, 2017, backed by LFT with maturities in September 2022.

b) Resources from issued Bills

Comprised by LCA- Letras de Crédito de Agronegócio (Agribusiness Bills), LF - Letras Financeiras (Financial Bills) and LCI - Mortgage Bills, distributed as follows:

CCB Brasil and CCB Brasil consolidated						
	Jun/2017			Jun/2016		
	LCI	LCA	LF	LCI	LCA	LF
Up to 3 months	31,399	77,952	1,302	33,203	87,988	-
3 months to 1 year	63,318	35,270	26,663	55,468	104,053	67,170
1 to 3 years	2,635	18,172	61,770	66,829	33,576	24,630
Total	97,352	131,394	89,735	155,500	225,617	91,800

18 Foreign debt securities

Basically represented by the issuance of securities in the international market for on-lending, with charges due at the average rate of 8.50% p.a. (Jun 2016 - 8.50% p.a.), and whose maturities are as follows:

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	CCB Brasil and CCB Brasil consolidated			
	Jun/2017		Jun/2016	
	R\$	%	R\$	%
Up to 3 months	-	-	22,367	28.89
1 to 3 years	55,066	100.00	55,066	71.11
Total	55,066	100.00	77,433	100.00

19 Foreign currency borrowings and "on-lending"

Basically refers to the funds raising for import and export financing and re-passes provided by the CCB Holding abroad and by the multilateral development agencies, on which fixed charges are due at the average rate of 2.70% p.a. (Jun 2016 - 1.60% p.a.).

	CCB Brasil and CCB Brasil consolidated			
	Jun/2017		Jun/2016	
	R\$	%	R\$	%
Up to 3 months	1,924,887	25.32	1,958,648	39.77
3 months to 1 year	5,321,102	69.99	2,883,398	58.55
1 to 3 years	242,076	3.18	36,660	0.74
3 to 5 years	102,425	1.35	36,661	0.75
Over 5 years	11,743	0.16	9,167	0.19
Total	7,602,233	100.00	4,924,534	100.00

The expenses related to the foreign funds in the amount of R\$ 34 (Jun 2016 - R\$ 1,149) are recorded as reducers of the relevant funding accounts and accrued according to the term of the operations.

The foreign borrowing and on-lending operations and subordinated debt (Note 24), whose contracts contain restrictive clauses ("covenants") are classified as current liability in the Balance Sheet for non-compliance with some financial ratios. However, the note above keeps the deadlines previously established, considering the success of "waiver" obtained at earlier dates.

20 On-lending borrowings

On lending operations performed with resources from the Ministry of Agriculture in the type of FUNCAFÉ with maturities up to May 2018 and Ministry of Cities in the types of PSH - Social Program of Housing and PMCMV - *My House My Life Program*, this one, without final due date.

21 Other liabilities - Tax and social security contributions

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Taxes and contributions on profits to pay	-	-	33	144
Provision for taxes and contributions on profit	-	-	16,225	14,846
Taxes and contributions payable	6,190	9,462	8,549	11,099
Provision for deferred income tax	124,680	43,157	148,230	46,905
Total	130,870	52,619	173,037	72,994

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In June/16 provisions for fiscal liabilities were reclassified in the "Multiple bank" for the amount of R\$ 679,903 and in the "Consolidated" for the amount of R\$ 700,548 as Other Obligations - Sundries, according to BACEN Circular No. 3,782/16 (Note 23).

22 Contingent assets and liabilities and legal obligations

CCB Brasil 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 contingent assets registered in the Bank's books.

b) Civil, labor and tax liabilities

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

c) Legal obligations and contingent liabilities classified as probable

The legal obligations and contingent liabilities classified as probable losses are fully covered by provisions. The most significant issues are:

CSLL (Social Contribution on Net Profits) Isonomy

Amount involved R\$ 145,652 (Jun/2016 - R\$ 134,917) in the Multiple and the Consolidated: Pleads to cancel the imposition of CSLL based on 2008 to 2014, in relation to the increasing of tax rates from 9% valid for non-financial entities to 15%, required from financial institutions, in view of the non-observance of the constitutional criterion of isonomy. The amount involved is being deposited as judicial deposits.

COFINS- Law 9,718/98

Amount involved R\$ 492,780 (Jun/2016 - R\$ 456,874) in the CCB Brasil and R\$ 508,526 (R\$ June/2016 - R\$ 476,665) in the CCB Brasil Consolidated - Pleads the payment of the contribution, as of November 2005 until December 2014, on the basis of the calculation stipulated by Complementary Law 7/70, in view of the unconstitutionality of the enlargement of the calculation basis determined in Law 9,718/98. Part of the amount involved R\$ 25,434 (Jun/2016 - R\$ 23,040) was deposited as "Judicial Deposits".

PIS Law 9,718/98

Amount involved R\$ 80,022 (Jun/2016 - R\$ 74,191) in the CCB Brasil and R\$ 80,695 (June/2016 - R\$ 74,806) in the CCB Brasil Consolidated - Pleads the payment of the contribution, as of November 2005 until December 2014, on the basis of the calculation of Complementary Law 7/70, in view of the unconstitutionality of the enlargement of the

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calculation basis determined in Law 9,718/98. Part of the amount involved R\$ 87,139 (Jun/2016 - R\$ 75,480) was deposited as "Judicial Deposits".

PIS - Constitutional Amendment No. 10/96

Amount involved R\$ 12,689 (Jun/2016 - R\$ 15,734) in the Multiple and the Consolidated: Pleads the rejection of requirement of PIS retroactively, for the period of 90 days between 03/07/1996 and 06/07/1996, in observance of the principles of "retroactivity" and "prior ninetyeth" as well as to ensure the right to calculate and pay as from 6/7/1996 the contribution to PIS on the gross operating income, 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. Part of the amount involved R\$ 17,114 (Jun/2016 - R\$ 15,734) was deposited as "Judicial Deposits".

ISS - Taxed Services - Taxation of the List of Services Attached to LC No. 56/87

Amount involved R\$ 1,163 (Jun/16 - R\$ 1,614) in the Multiple and the Consolidated: pleads for the deconstitution of ISS debit entry on alleged revenues for the provision of taxable services, not expressly foreseen in the list of services annexed to LC No. 56/87 (assuming the list as explanatory), in disagreement with the jurisprudence of the Superior Court of Justice, given its exhaustive nature. The amount involved was deposited in Court.

d) Tax and social security processes classified as possible losses

The contingent liabilities classified as possible losses are monitored by the Institution based on legal advisors opinion in relation to each judicial and administrative proceeding. Therefore, in compliance with the laws that regulate this matter in Brazil, there's not recorded in the books of the contingencies classified as possible losses, and mainly refer to the following issues:

ISS - Services Taxed (List of Taxable Services) Annex to LC No. 56/87 -amount involved R\$ 19,864 (Jun/2016 - R\$ 18,437) in the Multiple and the Consolidated: pleads the extinguishing of debit charged on alleged revenue service taxable, not expressly provided for in the list of services attached to LC No. 56/87, since the referred list is merely illustrative, and also in violation of the conclusive character of the Superior Court jurisprudence. "Judicial Deposits" were made in the amount involved.

PLL/1994 - Amount involved R\$ 24,040 (Jun/2016 - R\$ 22,274) in the Multiple and the Consolidated: pleads to deduct the calculation of tax and social contribution on net profits based on the fiscal year 1994, of the expenditure on the allowance for doubtful debts, in the terms of the National Monetary Council and the Brazilian Central Bank regulations, as provided in Resolution No.1,748/90 and subsequent changes, moving unconstitutional and illegal from the provisions of Art. 43, paragraph4, of Law No. 8,981/95. "Judicial Deposits" were made in the amount involved.

INSS - Management's participation in the profits - amount involved R\$ 102,953 (Jun/2016 - R\$ 71,848) in the Multiple and the Consolidated: pleads the reversal of charged debits regarding INSS, concerning the period-basis from 2006 to 2012, through *note of infraction*, by the fact

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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 - Art. 7 item XI, and Law No. 8,812/1991 in Art. 28, § 9.

e) *Contingent Liabilities - Labor and civil*

Labor processes

CCB Brasil is party to 132 labor processes (Jun/2016 - 110 processes) and the CCB Brasil consolidated 172 (Jun/2016 - 130) assessed by the legal advisors and classified as probable risks which were fully covered by provisions totaling R\$45,665 (Jun/2016 - R\$ 33,064) in the Multiple and R\$ 47,812 (Jun/2016 35,233) in the Consolidated. There are 111 processes (Jun/2016 - 92) in the Multiple and 131 processes (Jun/2016 - 117) in the Consolidated, for which the claimed indemnifications amount to R\$ 7,531 (Jun/2016 - R\$ 6,799) in the Multiple, and R\$ 8,526 (Jun 2016 - R\$ 7,849) in the Consolidated, classified as 'possible risks' and for which no provision was recorded.

According to the appraisal of the legal advisors, the maximum amount of indemnification for these processes is R\$ 5,433 (Jun/2016 - R\$ 4,801) in the Multiple and R\$ 6,428 (Jun 2016 - R\$ 5,851) in the Consolidated. The contingency is related to processes in which labor issues are discussed such as overtime, wages, transfers and related matters of specific legislation of the banking professional category.

Civil processes

CCB Brasil is party to 301 civil cases (Jun 2016 - 346) and the Consolidated 3,312 (Jun/2016 - 2,901), assessed as probable risk, which were fully covered by provisions totaling R\$ 40,043 (Jun/2016 - R\$ 50,828) in the Multiple, and R\$ 54,971 (Jun 2016 - R\$ 62,684) in the Consolidated. CCB Brasil is party to 498 (Jun/2016- 544) processes and 521 (Jun 2016 - 568) in the Consolidated, for which the amounts claimed total R\$ 572,515 (Jun/2016 - 751,061) in the Multiple and R\$ 605,362 (Jun 2016 - R\$ 779,770) in the Consolidated, which are classified as possible risks and therefore no provision was recorded. According to the estimation of the legal advisors, the maximum amount of indemnification from these processes is R\$ 254,233 (Jun/2016 - R\$ 349,737) in the Multiple and R\$ 279,810 (Jun 2016 - R\$ 371,803) in the Consolidated. The contingencies are generally due to review of contract and compensation for material and moral damages, the most part of it belonging to the Special Civil Court.

f) *Changes in provisions for "legal obligations" and "contingent liabilities" classified as probable losses.*

Description	CCB Brasil				CCB Brasil consolidated	
	Dec/2016	Additions	Reversals	Written-off	Jun/2017	Jun/17
Civil	56,741	13,015	-	(29,713)	40,043	54,971
Labor	38,835	6,830	-	-	45,665	47,812
Subtotal	95,576	19,845	-	(29,713)	85,708	102,783

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Fiscal & Social Security	Dec/16	Additions	Reversals	Utilization	Jun/2017	Jun/2017
CSL Isonomy 2008/14	140,644	-	-	5,008	145,652	145,652
PIS - EC 10/96	12,511	-	-	178	12,689	12,689
PIS Law 9,718	77,301	-	-	2,721	80,022	80,695
Cofins Law 9,718/98	476,029	-	-	16,751	492,780	508,526
ISS - LC 56/87	1,679	-	(574)	58	1,163	1,163
Subtotal	708,164	-	(574)	24,716	732,306	748,725
Total	803,740	19,845	(574)	(4,997)	818,014	851,508

For the contingencies described above, CCB BRASIL has deposited as a guarantee (Note 11 - Other Receivable - Others) the amount of R\$ 111,210 (Jun 2016 - R\$ 68,251) for civil processes, R\$ 25,359 (Jun 2016 - R\$ 20,125) for labor processes and R\$ 336,361 (Jun 2016 - R\$ 306,364) for fiscal processes.

Description	CCB Brasil				CCB Brasil consolidated	
	Dec/2015	Additions	Reversals	Written-off	Jun/2016	Jun/16
Civil	75,269	3,440	(27,881)	-	50,828	62,684
Labor	27,084	6,438	(49)	(409)	33,064	35,233
Subtotal	102,353	9,878	(27,930)	(409)	83,892	97,917

Fiscal	Dec/15	Additions	Reversals	Utilization	Jun/2016	Jun/2016
CSL Isonomy (*)	129,310	-	-	5,606	134,916	134,916
PIS Amend, 10/96	12,108	-	-	199	12,307	12,307
PIS Law 9,718	71,146	-	-	3,045	74,191	74,806
Cofins Law 9,718	438,120	-	-	18,754	456,874	476,665
ISS - LC 56/87	1,549	-	-	65	1,614	1,614
ISS - Leasing Operations	-	-	-	-	-	238
Subtotal	652,233	-	-	27,669	679,902	700,546
Total	754,586	9,878	(27,930)	27,260	763,794	798,463

For the contingencies described above, CCB BRASIL has deposited as a guarantee (Note 11 - Other Receivable - Others) the amount of R\$ 68,251 (Jun 2015 - R\$ 8,742) for civil processes, R\$ 20,125 (Jun 2015 - R\$ 17,555) for labor processes and R\$ 306,364 (Jun 2015 - R\$ 215,317) for fiscal processes.

23 Other liabilities - Others

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Banker's checks	2	654	2	654
Liabilities for assignment of financial assets (*)	503,353	743,967	-	-
Obligation acceptance contracts	-	-	1	-
Accounts payable	28,864	28,210	43,190	58,082
Provision for legal claims (**)	818,014	763,795	851,508	798,465
Allowances for losses of Guarantees provided	103,246	104,966	103,246	104,966
Other domestic creditors (c)	16,376	16,862	16,469	11,552
Total	1,469,855	1,658,454	1,014,416	973,719

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(*) 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 the statement of operations during the term of the contract.

(**) Refers to the provision for labor, civil and tax proceedings (Note 22); In June/16 provisions for tax liabilities were reclassified in the Multiple for the amount of R\$ 679,903 and in the Consolidated for the amount of R\$ 700,548 to the account "Other Obligations - Sundries" according to the BACEN Circular No. 3,782/16 (Note 21).

24 Funding and foreign borrowings

a) Subordinated Debt

Represented by funds compose the Tier II Capital for purposes of the operational limit calculations, as follows:

CCB Brasil and CCB Brasil consolidated							
Funding	Value	Issuing	Maturity	Issuing value	Interest Rate	Jun/2017	Jun/2016
Time deposits - subordinated debt status	R\$ 200,00	11/03/2009	11/04/2019	200,000	100% Selic	441,328	390,948
Eurobonds	US\$ 300,000	04/27/2010	04/27/2020	529,153	8,50%	855,255	827,618
Securities issued abroad (*)	US\$ 32,000	07/30/2010	10/15/2017	52,093	7,31%	107,435	104,279
Total - Capital Tier II						1,404,018	1,322,845
(-) Expenses						(2,241)	(3,040)
Total						1,401,777	1,319,805

(*) Foreign loans and on-lending (Note 19) and subordinated debt, which contain covenants, are classified as short term assets in the Balance Sheet, due to the breaching in the financial indexes, however, the above disclosure keeps the terms and due dates as previously established, considering the success of the "waiver" obtained on previous occasions.

b) Debt Instrument eligible to Capital

On November 30, 2015 the Brazilian Central Bank approved the amount of R\$ 397,299 (US\$ 100 million) of debt instrument as eligible for Tier II Capital, being in force since the basis date of September 30, 2015.

On April 10, 2017, the BACEN approved the raising of a debt instrument in the amount of R\$ 228,025 (US\$ 70 million) as eligible for Level I of the PR to be in force as of December 31, 2016.

CCB Brasil and CCB Brasil consolidated							
Funding	Value	Issuing	Maturity	Issuing Value	Interest Rate	Jun/2017	Jun/2016
EMTN - ITB Tier II	US\$ 100,000	09/29/2015	09/29/2025	397,299	7.20%	336,841	326,761
EMTN - ITB Tier I	US\$ 70,000	12/30/2016	12/30/2021	228,025	8.00%	240,888	-
Total - Capital Tier						577,729	326,761

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25 Deferred income

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

26 Shareholders' equity

a) Shares

The Bank's Capital is R\$ 1,699,886 (Jun 2016 - R\$ 1,554,860) represented by 354,322,935 (Jun 2016 - R\$ 337,014,373) registered shares, of which 225,459,526 (Jun 2016 - R\$ 213,488,507) are common shares and 128,863,409 (Jun 2016 - R\$ 123,525,866) are preferred shares, without a nominal value.

On April 29, 2016 the Extraordinary General Meeting approved the capital reduction to R\$ 794,860 through the absorption of accumulated losses in the amount of R\$ 1,217,950. On the same date, it also approved the capital increase of R\$ 794,860 to R\$ 1,554,860, with the issuance of 84,110,804 new shares at the price of R\$ 9.0354 each, being 53,281,674 common shares and 30,829,130 preferred shares, totaling an increase of R\$ 760,000, which was exclusively paid by the controlling shareholder, after the expiration of the pre-emptive rights period in favor of minority shareholders. On June 30, 2016, this increase was approved by the Brazilian Central Bank (BACEN).

On September 2, 2016, the Board of Directors approved a capital increase proposal through the issuance of 2,632,449 common shares, at a price of R\$ 9.49 per share, which amounts to R\$ 24,982, of which R\$ 26 was for capital increase and R\$ 24,956 for capital reserves. Of the total, the amount of 2,613,527 shares was subscribed and paid in cash, in the amount of R\$ 24,803. The remaining shares totaling 18,922 at a value of R\$ 179 were subscribed and paid up on October 10, 2016 by the controlling shareholders after the non-exercise of the right of preference by the other shareholders. On November 4, 2016, this increase was approved by the BACEN.

On December 28, 2016, the Board of Directors proposed a capital increase from R\$ 1,554,886 to R\$ 1,699,886 within the limit of the authorized Capital, with the issuance of 14,676,113 new shares at the price of R\$ 9.88 per share, of which 9,338,570 were common shares and 5,337,543 preferred shares, an increase of R\$ 145,000, after the preemptive rights period in favor of minority shareholders.

The CCB Holding subscribed and paid, on December 28, 2016, the amount corresponding to its proportional participation in the Bank's Capital, corresponding to the amount of R\$ 141,262.

On February 1, 2017, the Board of Directors approved the referred capital increase, after proving that the Company subscribed the remaining shares of minority shareholders that did not exercise their preemptive right, in the amount of R\$ 3,738. The capital increase was ratified by the BACEN on May 23, 2017.

b) Treasury shares

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Based on the Board of Directors meetings, the Senior Management repurchased the shares of its own issuance to be kept in treasury for later cancellation.

Only July 6, 2011, the Bank' Senior Management was authorized to acquire shares issued by the CCB Brasil in the period from July 6, 2011 to July 5, 2012, without a 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. No. 21, from 2/14/80, that states:

- 1) The referred authorization deliberated by the Board of Directors has as its objective the investment of available resources from the "capital reserve".
- 2) In the period from January 1, 2011 to December 31, 2011 the Bank acquired 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.

In the first half 2013, CCB Brasil transferred to the Management, shares of its own issuance which were held in treasury, as payment of variable remuneration of 2012 (173,834 shares).

In the first half 2014, CCB Brasil transferred to the Management, shares of its own issuance which were held in treasury, as payment of variable remuneration of 2013 (307,188 shares).

Until June 30, 2017 there were no movement of treasury shares - R\$ 55,105,000 (2016 - R\$ 55,105,000), corresponding to 6,398,518 shares.

c) Dividends and interest on capital

A minimum dividend corresponding to 25% of net income of the year, is assured in accordance with the Company's by-law and the applicable company legislation.

There was no payment of dividends or interest on capital, in the period.

d) Reserves - based on the losses obtained, there was no constitution of reserves.

27 Income tax and social contribution

The tax credits and deferred liabilities related to the Social Contribution on Net Income (CSLL), calculated up to June 30, 2017, based on the assumptions of the Technical Study for Tax Credits, were calculated at the rate of 20% for the period 2016 to 2018 and a 15% rate for the years beginning as from 2019, inclusive.

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a) Tax credits

The income tax and social contribution deferred and recorded in CCB Brasil - "Non-current assets - Other sundry receivables presented the following movement:

Description	CCB Brasil					CCB Brasil consolidated	
	Dec/2016	Realization	Additions	Adjustments social contribution 15% - 20%	Reductions Resolution No. 3,059/02	Jun/2017	Jun/2017
Income tax							
Provision for loan losses	118,990	(25,375)	71,807	-	-	165,422	179,746
Provision for the devaluation of assets not for own use	20,528	(121)	1,834	-	-	22,241	22,391
Provision for contingencies and others	286,690	(102,307)	79,877	-	-	264,260	274,289
Subtotal	426,208	(127,803)	153,518	-	-	451,923	476,426
Fiscal losses	383,227	-	78,152	-	(179,150)	282,229	309,553
Subtotal income tax	809,435	(127,803)	231,670	-	(179,150)	734,152	785,979
Social contribution							
Provision for loan losses	95,192	(20,300)	57,446	(13,773)	-	118,565	129,564
Provision for the devaluation of assets not for own use	14,466	(97)	1,467	1,195	-	17,031	17,152
Provision for contingencies and others	176,891	(81,846)	63,902	18,168	-	177,115	183,289
Subtotal	286,549	(102,243)	122,815	5,590	-	312,711	330,005
Accumulated CSLL negative basis	260,484	-	57,436	(10,275)	(137,929)	169,716	189,181
Subtotal - Tax Credit CSLL	547,033	(102,243)	180,251	(4,685)	(137,929)	482,427	519,186
Total - Tax Credit IRPJ/CSLL	1,356,468	(230,046)	411,921	(4,685)	(317,079)	1,216,579	1,305,165

Description	CCB Brasil					CCB Brasil consolidated	
	Dec/2015	Realization	Additions	Adjustments 15% - 20%	Jun/2016	Jun/2016	
Income tax							
Provision for loan losses	523,724	(66,108)	65,316	-	522,932	539,496	
Provision for the devaluation of assets not for own use	16,645	-	44	-	16,689	17,804	
Provision for contingencies and others	215,711	(35,164)	37,765	-	218,312	228,260	
Subtotal	756,080	(101,272)	103,125	-	757,933	785,560	
Fiscal losses	152,713	-	103,763	-	256,476	275,682	
Subtotal	908,793	(101,272)	206,888	-	1,014,409	1,061,242	
Social contribution							
Provision for loan losses	418,980	(52,887)	52,253	(73,472)	344,874	358,120	
Provision for the devaluation of assets not for own use	11,341	-	34	1,976	13,351	14,244	
Provision for contingencies and others	136,221	(28,113)	30,204	(2,045)	136,267	142,892	
Subtotal	566,542	(81,000)	82,491	(73,541)	494,492	515,256	
Accumulated CSLL negative basis	140,283	-	83,019	(37,418)	185,884	200,242	
Subtotal - Tax Credit CSLL	706,825	(81,000)	165,510	(110,959)	680,376	715,498	
Total - Tax Credit IRPJ/CSLL	1,615,618	(182,272)	372,398	(110,959)	1,694,785	1,776,740	

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Tax credit realization - Based on technical studies, it was possible 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 realization was estimated: 16.0% up to December 2017, 15.4% up to December 2018, 12.0% up to December 2019, 2.7% up to December 2020, 3.9% up to December 2021, 4.3% up to December 2022, 4.8% up to December 2023, 5.7% up to December 2024, 6.4% up to December 2025, 7.4% up to December 2026 and 21.4% up to December 2027. The realization and maintenance of the tax credits recorded depends on the realization of future taxable income and accomplishment of the timetable and conditions for completions set by the Bacen Resolution No. 3,059/02.

In this context, the referred Resolution provides that the accounting entry of tax credits can only be made if the Bank presents historical taxable income for income tax and social contribution purposes, evidenced by the occurrence of this situation at least three out of the last five fiscal years. The Bank had tax losses of income tax and negative basis of social contribution in the fiscal years 2013, 2014, 2015 and 2016. The above condition is no longer applicable to the Bank until the fiscal year 2014, due to the effective change of control that occurred at the end of that year.

According to Management's estimates, the reversal into fiscal profit up to the end of this year is improbable.

Therefore, the Bank's management presented a technical study for realization of tax credits, as established by CMN Resolution No. 3,059/02 amended by CMN Resolution No. 4,441/15 and Circular No. 3,776/15, which resulted in the authorization by the Central Bank of Brazil for maintenance of the tax credits balances arising from fiscal losses and negative basis of social contribution recorded on May 31, 2017, for which the Bank expects to realize, according to the technical study of realization of tax credit, in up to 10 years, as well as to keep on the registration of tax credits arising from temporary differences calculated on the basis of income tax and social contribution. In view of the above, the Bank and the Consolidated have tax credits not recorded arising from fiscal losses and negative basis of social contribution in the amount of R\$ 346,088 (June 2016 - R\$ nil) for which there is no expectation for realization within the period established by CMN Resolution 3,059/02 of up to 10 years.

- **Present value of tax credits** - Based on the projected Selic rate (the Brazilian basic interest rate) less tax effects, the present value of tax credits amount to approximately R\$ 786,216 (Jun 2016 - R\$ 757,197).

In view of the high level of balances of "temporary differences" arising from credit losses occurring after 2014, the Bank decided to calculate the "Presumed Tax Credit" in the amount of R\$ 380,662, according to criterium established by Law 12,838/2013 and Circular No. 3,624/2013 of BACEN, which require the determination of tax losses and credits arising from temporary differences arising from allowances for doubtful loans established and existing in the previous calendar year.

Constituted Presumed Tax Credit	2014	2015	2016	2017	Total
	78,983	107,450	194,229	(7,839)	372,823

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According to Law 12,838, the Federal Revenue Service may verify the accuracy of presumed tax credits calculated for a period of 5 (five) years, calculated from the date of the request for compensation, which may be in kind or in securities of federal public debt securities, being an admitted deduction of tax or non-tax nature amounts due to the National Treasury.

The Management believes that, given the macroeconomic scenario and the expectation of future taxable income generated by the institution, the option for Presumed Tax Credit stands for the best alternative to reduce the time of realization of temporary differences arising from the provision for doubtful accounts.

b) Deferred liability

The Bank recorded the amount of R\$ 124,680 (June/16 - R\$ 43,157) in the Multiple and Consolidated balance sheets, as deferred income and social contribution taxes on positive adjustment of the MTM of Government Securities and Derivatives that will be realized during the term of operations with securities and derivatives, recognized at fair value and R\$ 21,435 (June/16 -nil) in the Consolidated balance sheet as deferred income and social contribution taxes on hedge accounting that will be carried out during the term of payroll-deductible loans.

The subsidiary company CCB Brasil Arrendamento Mercantil recorded R\$ 2,115 (Jun 2016 - R\$ 3,748) as deferred income tax on excess of depreciation, which will be realized during the term of the leasing operations.

CCB Brasil				
Deferred liability	Dec/2016	Realization	Additions	Jun/2017
IR and CS on positive MTM adjustment	65,061	(65,061)	124,680	124,680
Total	65,061	(65,061)	124,680	124,680

CCB Brasil consolidated				
Deferred liability	Dec/2016	Realization	Additions	Jun/2017
IR and CS on positive MTM adjustment	65,061	(65,061)	124,680	124,680
IR and CS on accounting Hedge	-	-	21,435	21,435
Income tax on depreciation surplus	3,449	(1,334)	-	2,115
Total	68,510	(66,394)	146,115	148,230

CCB Brasil				
Deferred liability	Dec/2015	Realization	Additions	Jun/2016
IR e CS on positive MTM adjustment	30,924	(28,889)	41,122	43,157
Total	30,924	(28,889)	41,122	43,157

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	CCB Brasil consolidated			
	Dec/2015	Realization	Additions	Jun/2016
Deferred liability				
IR e CS on positive MTM adjustment	30,924	(28,889)	41,122	43,157
Income tax on depreciation surplus	8,767	(5,081)	61	3,748
Total	39,691	(33,970)	41,183	46,905

Income tax and social contribution - calculation

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017		Jun/2017	
Calculation	Income tax	Social contribution	Income tax	Social contribution
Income before taxes, contributions	(392,237)	(392,237)	(324,352)	(324,352)
Calculation basis	(392,237)	(392,237)	(324,352)	(324,352)
Temporary differences	631,451	631,451	677,920	671,799
Permanent differences	188,401	188,401	189,354	189,354
Exclusions	(793,309)	(793,309)	(808,610)	(807,823)
Adjusted profit and calculation basis for income tax and social contribution (Accumulated 2017)	(365,694)	(365,694)	(265,688)	(271,022)
(+) Negative tax income from consolidated companies	-	-	365,694	365,694
(-) Fiscal Loss Compensation / Social Contribution - Negative Calculation Basis	-	-	(7,767)	(7,767)
(Loss) / Profit and Income Tax and Social Contribution calculation Basis	(365,694)	(365,694)	92,239	86,905
Charges at the rates of 15%for income tax and 20% for social contribution	-	-	5,797	6,660
10% income tax surcharge	-	-	3,814	-
Current taxes	-	-	9,611	6,660
Reconciliation with result				
Current taxes	-	-	9,611	6,660
Income Tax and Deferred Social Contribution	34,135	31,671	46,200	39,709
(=) Income Tax and Social Contribution provisions (2017)	34,135	31,671	55,811	46,369
Constitution of tax credits on temporary additions	(153,518)	(118,129)	(159,892)	(123,116)
Constitution of tax credits on fiscal losses	(78,152)	(57,436)	(78,536)	(57,742)
Tax credit realization (reversal of temporary additions)	127,034	101,628	130,879	105,474
Tax credit realization (compensation on fiscal losses and negative calculation basis - Social Contribution)	179,149	137,929	179,149	137,929
Realization of tax credit (over compensation Tax loss and negative calculation basis CSLL)	-	-	2,324	1,395
(=) Net effect of tax credits	74,513	63,992	73,924	63,940
Income Tax and Social Contribution expenses	108,648	95,663	129,735	110,309

	CCB Brasil		CCB Brasil consolidated	
	Jun/2016		Jun/2016	
Calculation	Income Tax	Social contribution	Income Tax	Social contribution
Income before taxes, contributions and interest	(426,483)	(426,483)	(421,691)	(421,691)
Calculation basis	(426,483)	(426,483)	(421,691)	(421,691)
Additions temporary differences	409,456	409,456	462,558	442,234

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	CCB Brasil		CCB Brasil consolidated	
	Jun/2016		Jun/2016	
	Income Tax	Social contribution	Income Tax	Social contribution
Calculation				
Additions permanent differences	194,031	194,031	194,062	194,062
Exclusions	(571,462)	(571,462)	(583,160)	(582,916)
Fiscal loss and calculation basis for income tax and social contribution (Accumulated 2016)	(394,458)	(394,458)	(348,231)	(368,311)
(+) Negative tax income from consolidated companies	-	-	388,020	343,926
(-) Fiscal Loss Compensation / Social Contribution - Negative Calculation Basis	-	-	3,219	3,629
Profit and Income Tax and Social Contribution calculation Basis			43,008	(20,756)
Charges at the rates of 15%for income tax and 20% for social contribution	-	-	6,934	4,152
10% income tax surcharge	-	-	3,503	-
Current taxes	-	-	10,437	4,152
Reconciliation with results				
Income Tax and Deferred Social Contribution	5,921	6,437	1,266	6,410
(=) Income Tax and Social Contribution provisions	5,921	6,437	11,703	10,562
Constitution of tax credits on temporary additions	(104,655)	(10,172)	(111,168)	(15,351)
Constitution of tax credits on fiscal losses and negative basis - CSLL	(103,763)	(45,601)	(104,051)	(45,832)
Tax credit realization (reversal of temporary additions)	101,272	81,001	103,772	82,944
Tax credit realization (compensation on fiscal losses and negative calculation basis - Social Contribution)	-	-	1,502	875
(=) Net effect of tax credits	(107,146)	25,228	(109,945)	22,636
Income Tax and Social Contribution expenses	(101,225)	31,665	(98,242)	33,198

28 Composition of the main income accounts

a) Income from loans

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Working capital and discounts	134,919	188,387	134,919	188,387
Secured accounts	692	2,656	692	2,656
Personal consigned credit	112,656	72,508	322,236	129,817
Corporate checks	203	-	203	-
Import financing	3,165	2,030	3,165	2,030
Export financing	25,695	31,758	25,695	31,758
Rural and agro-industrial financing	4,219	1,515	4,219	1,515
Real estate and housing	129	135	129	135
Financing of machinery and heavy vehicles	602	3,435	39,513	37,803
Resolution 2770 (former "Res, 63")	-	291	-	291
Personal credit	1	827	1	827
Other loans and financing	26,014	25,101	26,882	25,231
Recovery of loans written off as losses	27,598	67,922	34,349	71,116
Exchange variation on loans in foreign currency	2,414	(15,156)	2,414	(15,156)
Total	338,307	381,409	594,417	476,410

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b) Income from securities

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Income from Interbank funds invested	216,704	93,673	62,220	4,062
Income from fixed income securities	86,273	151,533	86,774	152,034
Income from REPO transactions	280,323	97,280	280,323	97,280
Other operations with securities	35,201	8,105	35,200	8,104
Exchange variation	551	2,342	551	2,342
Total	619,052	352,933	465,068	263,822

c) Results from derivative financial instruments

CCB Brasil and CCB Brasil consolidated		
	Jun/2017	Jun/2016
Future market - Dollar	(152,210)	(258,098)
Future market - Interbank Index	(42,331)	(95,267)
Swap	(25,315)	(163,659)
Exchange variation - Swap	58,998	(592,041)
Forward currencies	2,652	(6,594)
Total	(158,206)	(1,115,659)

d) Foreign exchange results

CCB Brasil and CCB Brasil consolidated		
	Jun/2017	Jun/2016
Income from foreign exchange operations	12,317	14,721
Costs with foreign exchange operations	(708)	(771)
Foreign exchange variations	25,716	(135,909)
Total	37,325	(121,959)

e) Deposits, money market and Interbank funds

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Savings deposits	331	495	331	495
Foreign securities	66,971	57,753	66,971	57,753
Interbank deposits	20,279	38,170	10,096	37,178
Time deposits	133,283	180,635	132,387	178,116
Repurchase operations	285,072	97,565	279,409	86,823
Agribusiness bills expenses	8,751	12,576	8,751	12,574
LCI - Mortgage Bills	6,981	11,926	6,981	11,926
Financial bills expenses - LF	2,748	6,088	2,748	6,088
Others	1,819	4,343	1,837	4,364
Exchange variations on securities issued abroad	13,302	(188,289)	13,302	(188,289)
Total	539,537	221,262	522,813	207,028

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

CCB Brasil and CCB Brasil consolidated		
	Jun/2017	Jun/2016
BNDES repasses	3,373	1,637
Foreign banking expenses	77,981	39,218
Exchange variation on loans and re-passes	61,486	(784,125)
Marked to market - item subject to hedge	402	(25,147)
Total	143,242	(768,417)

g) Operations of sales and transfer of financial assets

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Expenses related to the assignment of interbank credit - related company (Note 7)	56,748	56,151	-	-
Losses on sale or transfer of financial assets - to credit securitization - non related company	788	-	788	-
Total	57,536	56,151	788	-

h) Other operating income

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Recovery of charges and expenses	22,249	914	219,219	3,369
Income from receivables and selling of other assets	6,752	4,841	6,809	4,959
Monetary restatement of deposits for guarantees	9,307	8,869	9,436	9,000
Constitution / Reversal of other provisions	10	305	26	309
Constitution / Reversal of provision for guarantee	1,570	-	1,570	-
Revenues from Federal Government Receivables	-	38,928	-	38,928
Other operating income	4,776	3,991	5,786	6,047
Total	44,664	57,848	242,846	62,612

i) Other operating expenses

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Discounts conceded on accelerated maturity and renegotiations	21,720	7,184	21,720	7,184
Constitution / Reversal of expenses with labor, civil and tax provisions	39,053	3,603	37,159	5,651
Constitution / Reversal pf provision for losses of guarantees and sureties	-	1,899	-	1,899
Expenses from updating of taxes	-	-	237	312

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	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Commissions of assigned credits	39,657	27,129	85,807	56,384
Employees remuneration and retention program	12,146	-	12,146	92
IOF on exchange operations	373	382	373	382
Other operating expenses	4,519	1,048	8,493	3,401
Total	117,468	41,245	165,935	75,305

j) Personnel expenses

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Salaries	67,072	63,512	73,315	68,465
Benefits	9,637	9,943	11,748	11,587
Social charges	21,429	22,117	23,455	23,848
Directors' compensation	8,688	7,128	8,884	7,308
Others	382	315	520	421
Total	107,208	103,015	117,922	111,629

k) Other administrative expenses

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Rents and charges	9,921	13,505	11,532	14,521
Communication	504	674	992	1,246
Maintenance and conservation	3,033	3,411	3,543	4,313
Data processing	5,644	5,866	8,584	8,885
Promotions and public relations	702	856	702	879
Publicity	777	842	1,211	1,171
Financial system services	3,342	3,642	7,102	5,836
Third party services	15,087	13,367	20,905	20,263
Transportation and travel	1,830	2,156	2,122	2,768
Amortization and depreciation	14,751	10,132	15,185	10,339
Other administrative expenses	6,369	12,219	9,907	15,706
Total	61,960	66,670	81,785	85,927

l) Tax expenses

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Taxes expenses	2,575	2,452	3,763	2,909
ISS expenses	1,423	1,218	1,843	1,656
COFINS expenses	5,479	3,684	10,723	7,434
PIS/PASEP expenses	890	599	1,753	1,269
Total	10,367	7,953	18,082	13,268

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m) Non-operating result

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

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Results from disposal of assets	505	720	1,831	1,219
Capital losses	-	(249)	-	(255)
Expenses (or reversal) of provisions for adjustment to the assets fair value	(4,707)	(172)	(5,457)	(303)
Others	803	320	816	320
Total	(3,399)	619	(2,810)	981

n) The result of exchange variations on assets and liabilities

In the result of financial intermediation was computed, the foreign exchange variations on assets and liabilities indexed to foreign exchange, whose net composition is as follows:

	CCB Brasil and CCB Brasil consolidated	
	Jun/2017	Jun/2016
Credit operations	2,414	(15,156)
Securities issued abroad	551	2,342
Future market - Dollar	(152,210)	(211,424)
Swaps - Dollar	58,998	(592,041)
Forward currency - Dollar	2,652	(6,594)
Exchange operations result	25,716	(135,909)
Exchange variation on liabilities abroad	(13,302)	188,289
Exchange variation on foreign currency borrowings and on-lending	(61,486)	784,125
Total	(136,667)	13,632

29 Basel agreement

The table below shows the calculation of the minimum reference equity required for risk-weighted assets (RWA), which presently stands at 9.25% plus the additional capital principal of 1.25%, totaling 10.50%, from January 1 to December 31, 2017.

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CCB Brasil and CCB Brasil consolidated		
	Basel III	
Basel Index calculation	Jun/2017	Jun/2016
Equity Reference- Tier I	219,701	612,350
Principal Capital	(21,187)	612,350
Perpetual Bonus	240,888	-
Equity Reference - Tier II	814,800	900,311
Subordinated debt	814,800	900,311
Equity Reference - Prudential	1,034,501	1,512,661
Credit Risk	592,669	790,309
Market Risk	6,537	14,125
Operating Risk	68,555	70,873
RISK WEIGHTED ASSETS - RWA	667,761	875,307
Basel ratio	14.33%	17.09%
Basel Ratio Level 1	3.04%	6.92%
Basel Ratio Level 2	11.29%	10.17%

30 Statement of limit of fixed assets

CCB Brasil and CCB Brasil consolidated		
	Jun/2017	Jun/2016
Limit	517,251	756,331
Situation	77,193	145,510
Margin	440,057	610,820
Fixed assets index	7.46%	9.62%

31 Guarantees and sureties provided

- a. Responsibilities for guarantees and sureties provided amounted to R\$ 1,609,376 (Jun 2016 - R\$ 1,937,827) presenting the following concentration:

CCB Brasil and CCB Brasil consolidated				
	Jun/2017	%	Jun/2016	%
Highest guarantee granted	193,437	12.02	171,422	8.85
10 largest guarantees	776,420	48.24	798,383	41.20
20 largest guarantees	1,047,062	65.06	1,115,084	57.54
50 largest guarantees	1,395,160	86.69	1,545,512	79.75

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In the period ended on June 30, 2017, CCB Brasil recorded in "Other liabilities", the amount of R\$ 103,246 (Jun/2016 - R\$ 104,966) as provisions for losses from Guarantees and Sureties granted (Note 23).

- b. Liabilities on guarantees and sureties honoured amounts to R\$ 25,424 (Jun/2016 R\$ 26,954) classified in the loan portfolio in compliance with the "Resolução" 2,682/99 of Bacen (Note 7a).

32 Risk Management Structure

The Bank's risk management system 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 the Socio-Environmental, Market, Credit, Liquidity, Operational and Capital Management Risks 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 and procedures and improving the identification of risks that may affect the business strategy and achievement of objectives.

The non-audit "Risk Management Report" in compliance with Circular No. 3,678 of October 31, 2013, which provides for the disclosure of information related to risk management, is available on the site <http://www.br.ccb.com/en/menu/Investor-Relations/Corporate-Governance/Risk-Management/Risk-Management-Reports-109> and provides further details on the subject.

In compliance with the (CMN) Resolution No. 3,988 of June 30, 2011, the structure of Capital Management is fully implemented. The Board of Directors approved the appointment of the Director and the definition of the organizational structure, applicable to the whole financial conglomerate and companies included in the financial consolidation. There is an institutional policy and procedures defining the procedures and systems required for effective implementation of the *Capital Management* Structure.

In the same way, to comply with the Resolution No. 4,090 of May 24, 2012 of the National Monetary Council (CMN), the structure of Liquidity Management was established and implemented. The organizational structure, applicable to the entire financial conglomerate and other companies' members of the economic-financial consolidation was approved by the Executive Board as well as the appointment of the Director in charge of the area, and the institutional policies for the management of *Liquidity*.

The Resolution 4,327, of April 25, 2014 from the National Monetary Council (CMN) is also observed in relation to the establishment and implementation of the *Social and Environmental Responsibility* Policy.

The Risk Management Policy and Procedures sets out the principles that guide the institutional strategy to control and manage risks in all operations. Administratively, the actions are

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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 Brazilian Central Bank and covers all the Bank's subsidiaries.

The risk management policies and procedures of CCB BRASIL are designed to support the formulation of risk concern, to guide our employees and to provide procedures to monitor, control, and measure and report the risks to the Bank's Executive Director. The involvement of the top Management with issues of risk management occurs through deliberations of its administrative bodies, defined statutorily as the Board of Directors, Executive Directors 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 of departments directed for the management of social and environmental risk, market, credit risk, operational risk, liquidity and capital management. These areas give support to the Risk, Internal Controls, 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.

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

CCB BRASIL'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 has nominated the Chief Risk Officer - CRO as the person responsible for Risk Structure in the presence of 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 responsible for maintaining and annually updating the 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 treasury 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.

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

All risk metrics are continuously monitored in an integrated manner with the objective of providing an overview of the risk profile of CCB BRASIL. The monitoring and control of the positions of the Bank is not limited to the calculation of its market value, but recognizes the 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.

Credit risk management

CCB BRASIL 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 eventual risks associated with the capacity of payment and default of investments. Therefore, the Bank has established policies and procedures that enable the suspension of the operation, the anticipation of payment of contracts or limiting penalties.

In line with the practices of market benchmarks, the Bank continues to improve its controls and analytical models. In compliance with CMN Resolução No. 3721/09 and the Basel agreement, reflected by the circulars and resolutions recently issued by BACEN that anticipate the alignment with the international recommendations that apply to the minimum level of capital.

33 Other information

- a) The Bank has 37 selling points in Brazil and one overseas branch. The Bank's staff is distributed as follows:

	Jun/2017	Jun/2016
Operational		
Trade	108	136
Funding	8	9
Subtotal	116	145
Support and control		
Administrative	231	273
Legal/audit	30	29
Controllershship	82	97
Information technology	102	115
Subtotal	445	514
Total CCB Brasil	561	659

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	Jun/2017	Jun/2016
CCB Brasil Financeira	139	121
CCB Brasil Arrendamento	4	5
Total CCB Brasil consolidated	704	785

b) Post employment benefits

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

c) Commitments assumed for funding and guarantees received from International Organizations

CCB BRASIL is a debtor for loans from the IDB (Inter-American Development Bank), DEG (Deutsche Investitions und Entwicklungsgesellschaft MbH) and Proparco (Societe de Promotion et de Participation pour la Coopération Economique.) for lending to Brazilian companies, with maturities ranging from 2 to 5 years, which contracts require maintenance of minimum financial ratios (financial covenants), beside requirement of social and environmental responsibilities and obligations.

The financial ratios are calculated on the basis of the financial information prepared in accordance with Brazilian law and the rules of the Brazilian Central Bank. They are also monitored and checked by the above mentioned suppliers.

CCB Brasil consolidated	
Description	Required
Capitalization (Basel)	≥ 11%
Fixed assets and capital investments on PR	≤ 30%
Liquid Assets on short-term liabilities	≥ 35%
D-H Loans + Payment in third - Provisions on PR	≤ 25%
Largest debtor on PR	≤ 20%
Operating Expenses to Operating Result	≤ 85%
Foreign exchange Exposure on PR	≤ 15%
Foreign exchange Exposure aggregate of currencies on PR	≤ 25%
Liquidity Gap (90 days) in R\$	> 0

d) Insurance

CCB Brasil maintains a policy of risk protection. The Bank's Management believes that the values of its contracted insurance offers reasonable coverage for its business.

e) Cash and cash equivalent for the indirect cash flow

	CCB Brasil		CCB Brasil consolidated	
	Jun/2017	Jun/2016	Jun/2017	Jun/2016
Liquidity	423,822	58,233	424,061	58,637
Money Market Repurchase	783,994	-	783,994	-
Foreign currency deposits	7,278	5,456	7,278	5,456
Total	1,215,094	63,689	1,215,333	64,093

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34 Subsequent event

On October 17, 2017, there was a capital increase in CCB Holding Financeira, the Bank's controlling shareholder, in the amount of R\$ 1.2 billion, to be invested in the Bank. This new capital injection, after closing the corporate and regulatory procedures initiated by CCB Holding and the Bank, will provide the CCB Brasil Financial Conglomerate with the minimum capitalization limits required effective on this date and support the operational volume provided for in its business plan.

Board of Directors:

President: Wensheng Yang

Members: Xi Zhang
Daniel Joseph McQuoid
Heraldo Gilberto de Oliveira

Senior Management

President Director: Xi Zhang

Vice-President Senior Managers:
Yongdong Jiang
Hong Yang
Milton Bordini
Paulo Celso Del Ciampo

Senior Managers: Carlos José Roque
Francisco Edênio Barbosa Nobre

Audit Committee:

President & Qualified Member: Heraldo Gilberto de Oliveira

Members: Walter Mallas Machado de Barros
Daniel Joseph McQuoid