Banco Pan

Financial Statements – 2013, First Semester

2013, August 5th

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Banco Pan

2Q13 Management Report

August 5, 2013

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TO OUR STOCKHOLDERS

The Directors of Banco Panamericano SA ("Pan", "Bank" or "Company") and its subsidiaries submit the Management Report and the Financial Statements for the corresponding semester ended June 30, 2013, accompanied by the Independent Auditors' Report. The financial statements presented are in accordance with the standards established by Laws 4595/64 (Law of the National Financial System) and 6404/76 (Corporations Act), the National Monetary Council, the Central Bank of Brazil ("BACEN"), the Securities and Exchange Commission of Brazil ("CVM"), the Superintendent of Private Insurance, the National Council of Private Insurance and other statutory norms.

RECENT EVENTS

On February 4th 2013, Pan concluded its investment for a minority interest of Stpagg Pagamentos S.A. a credit card transaction processing company, which is not yet operational. Pan had already obtained the licenses to acquire the referred company through the banners of Visa and Mastercard.

On April 26, 2013, the Bank acquired, for R$ 351 million, the receivables of the payroll credit card portfolio from Banco Cruzeiro do Sul SA – on extra-judicial liquidation ("Banco Cruzeiro do Sul"), comprised of 237 agreements with public bodies from the three areas (Executive, Legislative and Judiciary), plus 7 agreements with private sector companies. The referent portfolio is composed of approximately 471 thousand issued cards, of which 321 thousand are active. The acquisition, through public auction in a single batch, also included the transfer of the Consig Card system, developed specifically for the treatment of the payroll credit card proposes, and with it the Company will substantially reinforce its position within the payroll credit and credit card segments.

On May 14, 2013, the Bank launched its new logo for its corporative brand, which became "Banco Pan". The change symbolizes a new era of Pan, which consolidated its structures and corporative brands under a single identity, preserving the specialization of attending each business segment. The administrative measures required will also be taken to the change of the Company's corporate name, in line with the new brand.

OPERATIONAL AND COMMERCIAL AGREEMENTS

In view of the entry of BTG Pactual into Panamericano's controlling block and underlining its commitment to maintaining the strategic alliance, Caixa signed a new Operational Cooperation Agreement with the Bank on January 31, 2011, with BTG Pactual acting as the intervening party, effective after the conclusion of the transfer of control, for a term of 8 years, which may be extended, with the aim of providing support to the Company. Notable among the measures envisaged in the agreement that will directly affect the capital structure and liquidity of Panamericano are: (i) a commitment by Caixa to acquire the Company's loans under certain parameters, whenever the Company wishes to assign them without recourse, up to the limit of R$8.0 billion; and (ii) to increase liquidity through interbank operations supported by a credit limit of R$2.0 billion. These operations will be carried out under market conditions.

On April 25, 2012, BTG Pactual and Caixa signed an addendum to the Operational Cooperation Agreement entered into on January 31, 2011, to formalize, among other provisions, the injection, by BTG Pactual or its affiliates, pursuant to the applicable legislation, of additional funds into interbank deposit certificates, bank deposit certificates or real estate credit bills issued by Panamericano.

In order to strengthen and improve the Company's new business strategy and its operations in the real estate market after the BFRE acquisition, Panamericano and Caixa signed a Commercial Agreement on April 25, 2012 through which Caixa will acquire, upon the Company's request, real estate credit bills and mortgage-backed securities issued by Panamericano or by a mortgage lender or securitization company under its control, as applicable. This Commercial Agreement became effective for a period of seven years as from the conclusion of the BFRE acquisition, on July 19, 2012.

Finally, on September 13, 2012, Caixa and Panamericano signed, with the intervention and agreement of Caixa Participações S.A. ("Caixapar") and BTG Pactual, among others, an Operational Agreement that establishes a mutual cooperation regime for the structuring, distribution and sale of products and services, including the joint preparation and implementation of plans for the development of products and services for both institutions. The objectives are to create synergies and seize opportunities for expanding the product portfolios, among others, considering the complementary nature of their businesses.

Finally, on April 17, 2013, Caixa and Pan signed another trade agreement, this time for: (i) dissemination of the Caixa products through the Pan distribution channels; and (ii) origination by Pan, for Caixa, of real estate credits along with high-income clients.

The many operating and commercial agreements signed since the formation of the current Pan's group of control, between the Bank and its controlling shareholders, Caixa and BTG Pactual, demonstrate not only the strong and reiterated support that the controllers have provided to the Company, but also the complementarity and alignment of interests between the three of them.

ECONOMIC ENVIRONMENT

Regarding the pace of economic growth, it is possible that the GDP for the 2nd quarter has accelerated from the previous quarter, helped by seasonal effects. The investment and agriculture sectors should have had strong gains over the same period last year. However, the high frequency indicators continue to register volatile behavior in industrial production, with a historically low diffusion index and signs of accumulation of unwanted stocks in some sectors at the end of the quarter. Retail sales have also faced challenges due to high inflation and a more moderate cycle of the credit market. The labor market remains at a historically tight level, while job creation has been more modest lately, causing a higher unemployment rate (after seasonal adjustment), and the mass of wages has stabilized noticeably below its linear trend. In this context, the projections for GDP growth continued to be revised downwards, reflecting less favorable expectations about the pace of consumption and especially for the investment ahead, amid the recent worsening of indicators of business and household confidence.

Regarding inflation, the IPCA ended the quarter up 1.2%, a rate lower than the first quarter of 1.9%. This, however, did not prevent the accumulated result for 12 months, at 6.7%, to surpass the ceiling of the inflation target again, above the year's peak observed in March. Examining its composition, even though the food group has shown an intense slowdown, a significant contribution was brought for the 12 months performance, once it comes on a double digit growth in annual terms. The recent deflation for the food group also contributed to the reduction in the diffusion index, which had been breaking record highs in recent months. However, since deflation has been quite focused on perishable items, it should not be extrapolated for the remainder of the year. Services inflation also remains uncomfortably high at levels of 8.5% per year. In fact, were it not for the historically low inflation in administered prices of 1.5%, IPCA would have surpassed the peak of 7.3% noted in September 2011. Finally, despite expectations that the IPCA will reduce in the coming months and should end the year below 6.0%, the convergence to the center of the goal remains out of reach.

Regarding the external sector, the current account deficit for 12 months is 3.2% of GDP. In the period from January to June, the deficit reached $ 43.5 billion, well above the accumulated deficit in the same period last year of $ 25.2 billion. Again, poor performance was mainly due to the decline in the trade balance. However, the volume of remittances of profits and dividends also played a significant role. The net direct investment remains at a considerable level of 2.9% of GDP, but the total funding has decreased. In the currency market, the Real depreciated, despite the removal of barriers to capital inflows (imposed over the past two years) and Central Bank intervention through currency derivatives. Still, the central bank remains in a comfortable position to address short-term imbalances in the currency market, given the high level of reserves. Finally, it is worth mentioning a parsimonious set of fundamental variables remains suggesting that the currency should have been devalued somewhat less than what was actually observed.

Regarding the performance of public accounts, the consolidated primary surplus of the public sector amounted to 2.4% of GDP in the 12 months until May. The government has shown greater commitment to the goal of 2.3% of GDP primary surplus for 2013 and may benefit from non-recurring revenue at the end of the year. Finally, with regard to monetary policy, the Copom (Monetary Policy Committee) increased the Selic (interest rate) rate by 75 basis points in Q2 to 8.0% p.a. The upward cycle will continue in Q3 and the latest communication from the Central Bank indicates that the base rate should rise even more.

MAIN RESULTS

In such a context of moderate performance of economic activity and accommodation, even at high levels of default by individuals, coupled with the maturing of strategic redirection actions and operational restructuring of the Bank, including the merger of the operations of BFRE, the origination of loan assets maintained its growth trajectory, even on the highest level of origination, achieved in the previous quarter. Thus, the origination of loans reached a monthly average of R$ 1,115.0 million in the 1st half of 2013, up 115.8% from R$ 516.6 million in the 1st half of 2012. In the 2nd quarter of 2013, the origination of loans had a monthly average of R$ 1,188.2 million, 14.1% above the R$ 1,041.7 million in the first quarter of 2013 and 129.8% from R$ 517.0 million in the 2nd quarter of 2012. Growth in the 2nd quarter of 2013 was primarily driven by higher origination of payroll loans, vehicles and real estate.

The total loan portfolio was R $ 14,764.4 million at the end of the second quarter, 5.5% higher than the portfolio of R$ 14.0 billion in March, 2013, and 37.2% higher than the R $ 10.8 billion in June, 2012. This amount includes: (i) the loan portfolio held at the Bank, of R$ 12.9 billion; (ii) loans sold with recourse, in the amount of R$ 796.2 million; (iii) all of the portfolios assigned to FIDCs in the amount of R$ 777.1 million, of which the Bank held shares of such FIDCs of R$ 170.7 million; (iv) the balance of leasing operations, of R$ 216.2 million; and (v) balances of guarantees, amounting to R$ 36.7 million.

On June 30, 2013, Pan had investments in private securities in the amount of R$ 46.3 million. Thus, the total loan expanded portfolio, including such operations, reached R$ 14,810.7 million at the end of the 2nd quarter of 2013.

The balance of the credit portfolio with retained earnings, that excludes the total portfolio loans sold with recourse and, thus, provides a measure of the portfolio that yields revenue for the Company, in turn, kept growing faster than the Total Credit Portfolio as has happened as the portfolios with recourse expire, reaching R $ 13,968.1 million at the end of the 2nd quarter, up 7.2% from the previous quarter and up 53.0% from the same quarter of 2012.

The loans to individuals accounted for 78.6% of the total portfolio in June 2013, showing greater diversification of the portfolio compared to the 86.8% share of loans to individuals registered at the end of June 2012.

Vehicle Financing

According to the Central Bank (BACEN), the balance of credit to purchase vehicles totaled R$ 192.0 billion in the second quarter of 2013, with a real decrease of 1.0% from the previous quarter and 3.1% against the same quarter of 2012. This type of credit represents 26.8% of the outstanding credit designated to families. Loans for leasing, representing 1.7% of outstanding credit to households, continues to shrink and accumulated a real decline of 19.0% in the quarter and 56.0% in the last twelve months. Real concessions of credit to purchase vehicles totaled R$ 22.1 billion in Q2 2013, with a real decrease of 0.1% and 7.6% compared to the previous quarter (in seasonally unadjusted terms) and over the same period 2012, respectively.

The default rate over 90 days in vehicle loans reached 6.1% in June, registering declines of 0.2 p.p. and 1.1 p.p. compared to the previous quarter and the same quarter of 2012 respectively. It is noteworthy that the maximum historical indicator, 7.2%, was achieved in June 2012, having fallen gradually since then. The rate of those delayed between 15 and 90 days reached 8.3%, recording a decrease of 1.1 p.p. compared to the same quarter last year.

Also according to the Central Bank (BACEN), the interest charged for the purchase of family vehicles was on average 19.5% per year, registering declines of 0.3 percentage points from the previous quarter and 0.8 percentage points against the second quarter of 2012.

According to Fenabrave, sales of light vehicles (cars and light commercial vehicles, new and used) totaled 3.2 million units in Q2 2013, an increase of 5.0% over the same period of 2012, with the sale of used vehicles up by 4.3% and sales of new vehicles recording an increase of 7.0%. In comparison with the previous quarter, growth was 3.3% in the new vehicle market and decreased by 1.3% in the used segment (seasonally adjusted data).

However, sales of heavy vehicles (buses and trucks) reached 147 thousand units in Q2 2013, up 9.2% over the same quarter last year, with a strong increase of 25.1% in the new vehicle segment and an expansion of 2.8% in the used market. In comparison with the previous quarter, there was a 5.9% increase in the market of new heavy vehicles and 0.4% in the segment of used heavy vehicles (seasonally adjusted data).

Still according to Fenabrave, motorcycle sales in the 2nd quarter of 2013 totaled 1.0 million units, including new and used, with an increase of 2.7% over the same quarter of the previous year (down 2.5 % in the segment of new bikes and up 6.4% in the used market). In comparison with the previous quarter, there was an increase of 2.1% in the new motorcycle market and stability in the used motorbike segment (seasonally adjusted data).

Vehicle financing remains the main market where the Company operates. In the 1st half of 2013, R$ 3,088.0 million in new financing for vehicles was granted 83.3% higher than the R $ 1,675.9 million recorded in the same period last year. In the 2nd quarter of 2013 R$ 1,631.6 million in new financing for vehicles was granted, including leasing transactions, 12.0% higher than the R$ 1,456.4 million reached in the previous quarter and 101.1% greater than the R$ 811.5 million originated in the 2nd quarter of 2012.

The Bank is actively present in 7,096 dealerships and retailers of new and used vehicles, with a high degree of loan origination diversification, where the 10 largest groups of dealers and retailers account for only 15.7% of the total origination. Its strategy in light vehicles has been guided by the search for relevant participation in both in the new car segment and also used. In this regard it is noteworthy that in the 1st half of 2013, the financing of new cars accounted for 62.5% of the funding for light vehicles and 51.9% of the total financing of vehicles, respectively, compared to 49.7% and 32.3% in the 1st half of 2012. In the 2nd quarter of 2013, the financing of new cars accounted for 64.1% of the funding for light vehicles and 54.1% of the total financing of vehicles in the period, respectively, compared to 60.7% and 49.4% in the previous quarter and 52.1% and 37.3% in the 2nd quarter of 2012.

The financing of heavy vehicles had average monthly creation of R$ 34.9 million in the 1st half of 2013, 37.6% below the first half of 2012. In Q2 2013, the average monthly creation of heavy vehicles was R$ 32.6 million, 12.4% below the previous quarter and 30.5% below the second quarter of 2012. The financing of motorcycles, in turn, had average monthly creation of R$ 52.5 million in the 1st half of 2013, 27.1% above the 1st half of 2012, and monthly average of R$ 52.2 million in Q2 2013, 0.8% below the previous quarter and 74.0% above the second quarter of 2012.

The growth in vehicle financing originations in recent quarters has been achieved with substantial improvement in the quality of portfolios originated, as shown by the leading quality indicators of sales originated from the 2nd half of 2011.

Personal Loans

According to the Central Bank, the total of personnel credit balance (payroll and non-payroll) totaled R$ 305.0 billion in the second quarter of 2013, accumulating real growth of 3.9% and 9.1% over the previous quarter and same quarter of 2012, respectively. This type of credit represents 42.6% of the outstanding credit available for families.

The payroll loan portfolio reached R$ 209.3 billion, recording real variations of 4.7% and 11.4% compared with the previous quarter and the same quarter of 2012, respectively. Among the three segments that make up the payroll loans, the stock of credit to public sector workers recorded higher annual real growth (+11.8%), followed by social security beneficiaries (+11.0%) and private workers (+10.4%). It is noteworthy that the loans to public sector workers represent 61.4% of the stock of overall payroll loans. The balance of personal loans not factored reached R$ 95.7 billion, up 2.4% from the previous quarter and 4.3% from the second quarter of 2012.

Real concessions of personal credit totaled R$ 62.3 billion in the 2nd quarter of 2013, up 1.5% from the previous quarter (seasonally adjusted) and 4.7% for the same period of 2012. The behavior between the segments of payroll and non-payroll was quite different: while the payroll credit advanced 13.5% over the same quarter of 2012, credit extensions Personal non-payroll fell 8.4% on the same comparative basis.

The over 90 days default rate reached 4.2% of total personal credit balance, at June 2013 with decreases of 0.3 p.p. and 0.5 p.p. in the quarter and in 12 months, respectively. The fall in the aggregate index was determined by the attribute of the without consignment sector, which reached 7.6% in the 2nd quarter of 2013, decreasing 0.8 percentage points from the previous quarter and 1.2 percentage points in twelve months. The rate of default on payroll consignment reached 2.7%, a decline of 0.1 percentage points in the last twelve months.

Pan granted R$ 1,371.6 million in new payroll loans in the 1st half of 2013, a 172.6% higher value than the R$ 503.1 million in the 1st half of 2012. In the 2nd quarter of 2013, the payroll loans achieved greater growth than the previous quarter, reaching R$ 796.3 million, 38.5% higher than the R$ 574.8 million in the first quarter of 2013 and 147.1% above the R$ 322.3 million originated in the 2nd quarter of 2012. The segments of personal credit and consumer credit were responsible for new financing in the amount of R$ 271.9 million between January and June, an increase of 40.0% over the same period last year. There was growth in the 2nd quarter of 2013, 4.0% in the previous quarter and 40.1% over the same quarter of 2012.

Credit cards

After several actions in the 1st half of 2013 to improve the type of credit concessions and increase profitability, it was possible to resume the focus on the sale of new cards, which increased 23.7% compared to sales in the 2nd half of 2012 up to 72.7 thousand new credit cards, divided between MasterCard and Visa. The credit card base, enhanced by the incorporation of 321 thousand payroll credit cards acquired from Banco Cruzeiro do Sul, closed the half year with 3.0 million cards. The volume transacted with Pan's credit cards totaled R$ 1,237.5 million in the 1st half of 2013, 6.4% above the first half of 2012. In the 2nd quarter of 2013 R$ 640.2 million was transacted using Pan's credit card, 7.2% higher than the first quarter of 2013 and 12.5% above the second quarter of 2012.

Actions to recover the results on the credit card segment were maintained in the 1st half of 2013. Thus, indicators of allowance for doubtful accounts and administrative expenses remained in decline compared to the same period in 2012, with reductions of 60.5% and 11.6%, respectively.

Business

According to Brazilian Central Bank, the balance of credit available to companies totaled R$ 730.3 billion at the end of June, recording real progress of 2.2% compared to the end of the previous quarter and up 5.2% for twelve months. This portfolio currently represents 15.9% of GDP, an increase of 0.6 percentage points on an annual basis. Among the types of corporate financing, the portfolio of working capital totaled R$ 373.5 billion, representing 51.1% of the outstanding credit to companies.

The total for credit concessions to companies reached R$ 393.7 billion in the second quarter of 2013, with real variations of +1.4% and -0.9% over the previous quarter (seasonally adjusted) and compared with the same quarter of 2012, respectively. The arrangements for working capital, overdraft accounts and external sales recorded real variations, not seasonally adjusted, related to the previous quarter of -1.3%, -2.8% and 11.2%, respectively. Compared with the same quarter of the previous year, there were real decreases of 2.9%, 7.3% and 17.8%, respectively. The default rate of more than 90 days of credit available to companies accounted for 3.5% of the loan portfolio in June 2013, recording a drop of 0.2 percentage points compared with the previous quarter, and down 0.1 percentage points in 12 months.

Pan's granting of new funding to companies financing was R$ 1,364.3 million in the 1st half of 2013, a figure 88.3% higher than the R$ 724.5 million for the same period in 2012. In the 2nd quarter of 2013, the origination for companies was R$ 667.2 million, 4.3% below the R$ 697.1 million for the first quarter of 2013 and 109.5% higher than the R$ 318.4 for the same quarter of the previous year. Thus, the loan portfolio companies totaled R$ 2,151.0 million at the end of June, including endorsements and sureties, with growth of 16.0% and 78.7% respectively from the previous quarter and the second quarter of in 2012. The balance of ACC (advances on foreign exchange contracts) operations was R$ 399.1 million at the end of June 2013, compared to R$ 360.2 million at the end of March 2013, representing an increase of 10.8% for the quarter.

The loan portfolio extended to companies, including investments in bonds in the amount of R$ 46.4 million, reached R$ 2,197.4 million at the end of the 2nd quarter of 2013.

Mortgages

The balance of mortgage loans to individuals (free rate + regulated fees) totaled R$ 298.4 billion in the second quarter of 2013, a real growth of 8.3% compared with the previous quarter and up 27.7% over the same quarter of 2012. Of this total, R$ 267.0 billion represent funds with regulated rates, which grew by 8.0% and 26.7% quarterly and annually, respectively. The balance of mortgage loans contracted at market rates reached R$ 31.4 billion, a real growth of 11.8% over the previous quarter and a real increase of 37.0% in twelve months. The category has one of the lowest rates of delays amongst the segments of funding for families: the total default (over 90) reached in the 2nd quarter of 2013 was 2.0% of the mortgage portfolio, dropping 0.2 percentage points compared to the 1st quarter of 2013 and down 0.1 percentage points on an annual basis. In June 2013, the mortgage loans to individuals accounted for 6.4% of GDP, an increase of 1.1 percentage points in the last twelve months.

Pan originated R$ 331.2 million in mortgages in the 2nd quarter of 2013, with significant growth of 25.7% over the previous quarter, and: (i) R$ 108.1 million in loans to legal entities, (ii) R$ 223.1 million in loans to individuals, of which R$ 133.4 million was in refinancing operations (Crédito Fácil), R$ 73.0 million for the acquisition of real estate and R$ 6.6 million in other categories, and (iii) R$ 10.1 million in loans acquired by the Brazilian Securities for securitization.

Thus, the mortgage portfolio reached R$ 1,363.2 million at the end of June, of which R$ 841.5 million was in real estate loans to legal entities and R$ 521.7 million in loans to individuals. This value is 7.0% higher than the balance of the portfolio of R $ 1,274.4 million in the previous quarter.

Insurance

Insurance premiums of Panamericana de Seguros ("Insurer") totaled R$ 84.9 million in the 1st half of 2013, an increase of 50.7% when compared to premiums of R$ 56.3 million in the same period last year. In the 2nd quarter of 2013, premiums totaled R$ 43.7 million, an increase of 6.1% when compared to premiums of R$ 42.2 million in the previous quarter and 99.5% higher than the premiums of R$ 21, 9 million in the same quarter of 2012. The main products of the Insurer in the quarter were: (i) credit insurance (Pan Protege), whose premiums totaled R$ 31.9 million, or 76.5% of total, (ii) the DPVAT, which corresponded to 23.0% of the total, or R$ 9.6 million, and (iii) insurance against loss or theft of cards, which represented 2.6% of total premiums, or R$ 1.1 million.

Administrative expenses of the Insurer were R$ 9.8 million in the 1st half, showing an increase of 2.1% over the same period in 2012. In the 2nd quarter of 2013, the administrative expenses of the insurer were R$ 6.7 million, 139.3% higher than the previous quarter and 63.4% higher than the same period in 2012, due to the adequacy of its operating structure and its new growth strategy. Thus, the operating result of the Insurer was R$ 27.2 million in the 1st half of 2013, a decrease of 13.7% compared to the same period in 2012. In the 2nd quarter of 2013, operating income was R$ 11.0 million, down 31.7% compared to the previous quarter, which was R$ 16.1 million, and a reduction of 34.5% compared to result of R$ 16.8 million in the same quarter of 2012.

Net income of the insurer in the 1st half of 2013 was R$ 17.2 million, 13.6% lower than the result for the 1st half of 2012. Its net income in Q2 2013 was R$ 6.3 million, 42.2% lower than the result of R$ 10.9 million in Q1 2013 and 43.8% lower than the same quarter last year. Thus, the equity of the insurer reached R$ 154.9 million at June 30, 2013.

The Insurer's growth strategy is based on the expansion of its product portfolio and operations in micro-insurance and mass insurance, beyond the goal of capturing the opportunities of using capillary distribution and cross-selling the customer base of other Pan’s products. To implement this strategy, new executives have joined the team of the Insurer, including Mr. José Carlos Macedo dos Santos, who was elected on March 28, 2013, to the post of managing director, which will be taken after the approval of his election by the Superintendent of Private Insurance (SUSEP).

Integration of the Distribution Network

Several initiatives are underway to promote the integration of BM Sua Casa’s stores network to Pan’s subsidiaries and promoters, with the objective of distributing a growing number of products in all units of the network. For this, management of the entire network has been centralized on a single board, which will standardize it under the same brand and logo, taking advantage of the launch of the new logo for the corporate brand of Pan. However, we will be careful to keep the point of sale teams specialized in different products, preserving the focus and expertise of these teams and providing productivity gains in the origination of loans. The integration of the network will seek further optimization of its geographical distribution, eliminating any overlapping points of sales.

At the same time, other actions currently underway seek to expand the portfolio of products distributed through correspondent banking and other business partners to achieve a better utilization of opportunities of business capture. In addition, new coordinated strategies are being developed to expand the operations in partnership with Caixa, including initiatives and products on vehicle financing, payroll credit and real estate, among others.

Fund-raising

The funds raised totaled R$ 16.7 billion in June 2013, 15.3% above the balance of R$ 14.5 billion at the end of the 1st quarter of 2013 and 48.3% above the balance of R$ 11.3 billion at the end the 2nd quarter of 2012, following the financing requirements of assets. Among the main sources of funding, the highlights are: (i) time deposits and interbank, which represented 48.0% of the total, or R $ 8.0 billion; (ii) letters of real estate and agribusiness credit and certificates of mortgage-backed securities, which accounted for 12.8% of the total, or R$ 2.1 billion; (iii) financial bills, which accounted for 12.2%, or R$ 2.0 billion; (iv) the issue of securities and subordinated debt in the amount of R$ 1.9 billion, representing 11.7% of total; (v) money market funding, which accounted for 8.6% of the total, or R$ 1.4 billion; (vi) assignments of receivables with recourse, which corresponded to 4.8% of the total, or R$ 796.2 million; and (vii) quotas from third parties on FIDCs of R$ 170.7 million, or 1.0% of the total.

Assisted by an improved risk perception due to the new ownership structure, the Bank has been able to reduce their borrowing costs, practicing competitive market rates on the issue of new certificate of deposits. As a result, the balance of funding through deposits with special guarantee of the Credit Guarantee Fund ("DPGEs") was again reduced, ending the second quarter of 2013 at R$ 490.1 million, 6.4% below the R$ 523.8 million at the end of the 1st quarter of 2013 and 37.8% below the R$ 789.0 million from the second quarter of the previous year.

Likewise, the balance of funding through assignment of credit portfolios with recourse has been gradually reduced as the portfolios assigned expire, provided than Pan does not perform additional assignments under the current administration. Thus, the balance of R$ 796.2 million in the assigned portfolios with recourse at the end of the 2nd quarter showed a decrease of 16.0% compared to the R$ 972.9 million in the previous quarter and a decrease of 47.6% compared to the R$ 1,629.4 million at the end of the 2nd quarter of 2012.

At June 30, 2013, the time deposits were composed by funding from: (i) asset managers and institutional investors, with a share of 73.7%, (ii) Companies, with 14.8% and (iii) individuals, with 11.5%. In accordance with the provisions of Article 8 of the Circular No. 3068/01 Central Bank, Pan states to have the financial capacity and intention to hold to maturity the securities classified as "held to maturity" in its financial statements.

Costs and Expenses

Costs and expenses were impacted from the 2nd half of 2012 on, by the merger of BFRE, whose 683 employees were added to the staff of the Pan. Additionally, in May 2013, Pan incorporated the operational structure of the segment of payroll credit card acquired from Banco Cruzeiro do Sul, including its 30 employees, resulting in it having, by the end of June, a total of 3,635 employees in Pan and its subsidiaries. Thus, the sum of personnel expenses, taxes and other administrative expenses totaled R$ 930.1 million in the 1st half of 2013, compared to R$ 763.1 in the 1st half of 2012.

Excluding this value for variable expenses related to commissions for the assignment of receivables without recourse, costs and expenses totaled R$ 770.4 million in the 1st half of 2013, an amount 25.1% higher than the R$ 615.4 million in the same half of 2012. Again on this same basis, in the 2nd quarter 2013 costs and expenses totaled R$ 400.5 million, 8.2% higher than the R$ 370.0 million in the previous quarter and 29.5% higher than the second quarter of 2012.

The adequacy of the cost structure of the Pan relative to its capacity to origination of revenue is continuously analysed. Thus, the cost structure of the Bank is scaled according to the current expectations of management for future volumes and margins from loans. If the economic environment and market interfere with the progress of our business plan, additional cost adjustment measures will be taken to ensure they are suitable.

Net Income, Equity and Leverage

Pan presented a profit of R$ 51.8 million in the 1st half of 2013 in the consolidated balance sheet, compared to a loss of R$ 259.6 million in the same period last year.

In the 2nd quarter of 2013 Pan presented in its consolidated balance sheet profit of R$ 12.7 million, compared to the profit of R$ 39.0 million in the previous quarter and a loss of R$ 262.5 million in the second quarter of 2012. The variations between the results cited are due in a large part to the different values of assignments without recourse loan portfolios performed in each period. Thus, there were transfers of real estate loans portfolios, consumer credit and payroll loans of R$ 2,947.3 million in the 1st half of 2013, without recourse, compared to the assignment without recourse of portfolios of direct consumer loans and payroll loans amounting to R$ 1,216.4 million in the same period in 2012.

In the 2nd quarter of 2013 there were transfers of real estate loans portfolios, consumer credit and payroll loans of R$ 1,559.2 million, without recourse, compared to the assignment without recourse of portfolios of these segments in the amount of R$ 1,388.2 billion in the 1st quarter of 2013. Gross income from disposals of loan portfolios, however, fell 13.3% in the 2nd quarter of 2013 compared to the previous quarter. The lower margin on assignment of credit portfolios in the second quarter of 2013 was primarily due to the impact of rising interest rates on the long-term cost of transfers.

The expense for allowance for doubtful accounts was R$ 533.1 million in the 1st half of 2013, 31.8% less than the expense of R$ 782.4 million in the same period last year. In Q2 2013, the allowance for doubtful accounts was R$ 225.4 million, 26.7% less than the expense of R$ 307.7 million in the previous quarter and 48.9% less than the expense of R$ 441.3 in the second quarter of 2012. The continued decline in the allowance for loan losses continues to reflect the trend indicated by the improvement in antecedent indicators of quality of the portfolio of operations originated from the end of 2011.

Also important is the increase in the recovery of loans previously written off against the allowance for doubtful accounts. Revenue recovery from overdue credit totaled R$ 90.7 million in the 1st half of 2013, an amount 58.0% higher than the R$ 57.4 million in the same period last year. In the 2nd quarter of 2013, revenue from the recovery of overdue receivables totaled R$ 50.2 million, 23.9% higher than the R$ 40.5 million in the previous quarter and 80.1% higher than the R$ 31.7 million in the same quarter of 2012.

As a consequence, the net expense from allowance for doubtful accounts was R$ 442.4 million in the 1st half of 2013, 38.9% less than the net expense of R$ 725.0 million in the same period last year. In the 2nd quarter of 2013, the net expense for the allowance for doubtful accounts was R$ 175.2 million, 34.4% less than the net expense of R$ 267.2 million in the previous quarter and 57.2% lower than the R$ 409.6 million in the second quarter of 2012.

Pan's consolidated equity was R$ 2,523.2 million in June 2013, compared with R$ 2,509.9 million in March 2013 and R$ 2,710.3 million in June 2012. The Capital Adequacy Ratio of the Financial Conglomerate was 15.49% at June 30, 2013, while the Basel Index for Financial Conglomerates was 12.70% at the same date, compared to 14.31% and 11.77% at March 31, 2013, respectively. The value of the operating margin in Q2 was R$ 705.3 million in the Financial Conglomerate, and R$ 218.9 million in the Economic-Financial consolidated.

INDEPENDENT AUDITOR

The Quarterly Report and Financial Statements of Panamericano have been audited since the 1st quarter of 2011, by PricewaterhouseCoopers ("PwC"). According to the content of CVM Instruction nº. 381, Pan, neither in this quarter nor the first semester of 2013 contracted or received non-audit services provided by PwC. The policy adopted meets the principles that preserve the independence of the Auditor in accordance with internationally accepted criteria that is the auditor should not audit their own work or perform management functions in your client or promote his client's interests.

ACKNOWLEDGEMENTS

We thank our employees for their commitment and engagement in the implementation of Pan's new business strategy, and our customers, investors and partners who honor us with their repeated support and confidence.

São Paulo, August 5, 2013.

Banco PAN

BANCO PANAMERICANO S.A. AND SUBSIDIARIES

BALANCE SHEETS AT JUNE 30, 2013 AND DECEMBER 31, 2012
(In thousands of reais)

ASSETS	Explanatory Note	Bank 30/6/2013	Bank 31/12/2012	Consolidated 30/6/2013	Consolidated 31/12/2012
CURRENT ASSETS		8.546.697	5.371.779	10.098.048	7.169.692
Available Funds	5	37.517	28.163	41.724	36.767
Short-term interbank investments	6a	2.249.805	450.747	2.248.513	450.350
Money market investments		2.097.134	334.877	2.097.134	334.877
Interbank deposits		152.671	115.870	151.379	115.473
Marketable securities and derivative financial instruments	7	179.845	148.512	466.556	409.188
Own portfolio		13.417	67.126	274.254	304.250
Subject to repurchase agreements		111.955	45.259	137.827	68.810
Derivative financial instruments	7c	23.727	10.016	23.727	10.016
Subject to guarantees		30.746	26.111	30.746	26.111
Other investments		-	-	2	1
Interbank accounts		26.462	27.794	26.462	27.794
Unsettled payments and receipts		10.503	-	10.503	-
Restricted deposits – Brazilian Central Bank		1.357	1.267	1.357	1.267
Correspondent banks - local		14.602	26.527	14.602	26.527
Loan operations	8	3.744.850	2.841.630	4.712.915	3.954.334
Loan operations - private sector		4.263.321	3.294.862	5.628.473	4.936.658
Allowance for loan losses	8d	(518.471)	(453.232)	(915.558)	(982.324)
Leasing operations	8	-	-	107.569	150.400
Lease receivables		-	-	132.851	181.848
Allowance for doubtful lease receivables	8d	-	-	(25.282)	(31.448)
Other receivables		2.193.318	1.767.014	2.326.715	1.993.422
Foreign exchange portfolio	9a	417.614	371.506	417.614	371.506
Income receivable		-	1.597	156	2.434
Negotiation and intermediation of securities		3.316	1.898	5.981	3.574
Insurance premiums receivable		-	-	12.009	10.038
Real state receivables	10	-	-	45.434	52.323
Securities and credits receivable	8 e 12	488.252	498.833	488.252	498.833
(Allowance for doubtful accounts)	8d	(56.738)	(31.366)	(58.034)	(31.798)
Sundry	12	1.340.874	924.546	1.415.303	1.086.512
Other assets		114.900	107.919	167.594	147.437
Other assets	13a	126.576	118.359	161.368	141.756
Valuation allowance	13a	(100.432)	(93.312)	(105.607)	(98.925)
Prepaid expenses	13b	88.756	82.872	111.833	104.606

LIABILITIES AND EQUITY	Explanatory Note	Bank 30/6/2013	Bank 31/12/2012	Consolidated 30/6/2013	Consolidated 31/12/2012
CURRENT LIABILITIES		11.664.615	8.802.019	12.374.333	10.042.900
Deposits	17a	7.405.973	5.750.486	6.808.218	5.159.205
Demand deposits		125.767	101.616	124.424	101.560
Interbank deposits		5.522.529	4.447.185	5.166.145	4.104.741
Time deposits		1.757.677	1.201.685	1.517.649	952.904
Money market funding	17b	1.437.526	1.055.057	1.419.908	1.034.179
Own portfolio		614.739	815.335	614.739	794.457
Third-party portfolio		708.215	239.722	690.597	239.722
Unrestricted portifolio		114.572	-	114.572	-
Funds from acceptance and issuance of securities	17c	1.597.769	693.591	2.238.592	1.602.731
Funds from real estate letters of credit, mortgage notes and similar		1.584.443	670.835	2.197.910	1.552.429
Debentures		-	-	27.356	27.546
Securities issued abroad		13.326	22.756	13.326	22.756
Interbank accounts		161.726	161.870	153.863	152.364
Unsettled receipts and payments		5.054	2	5.054	2
Correspondent banks - local	18	156.672	161.868	148.809	152.362
Interdepartmental accounts		11.654	7.375	11.654	7.375
Third-party funds in transit		11.654	7.375	11.654	7.375
Loan obligations	19	52.530	56.817	106.872	139.838
Local loans		-	-	1.296	37.401
Foreign loans		52.530	56.817	105.576	102.437
Derivative financial instruments	7c	1.721	738	1.721	2.943
Derivative financial instruments		1.721	738	1.721	2.943
Other liabilities		995.716	1.076.085	1.633.505	1.944.265
Collection and payment of taxes and similar		5.496	3.703	5.685	3.852
Social and statutory payables		-	11	1.813	4.632
Tax and social security contributions	22a	36.330	15.962	188.004	192.298
Negotiation and intermediation of securities		12.456	855	134.190	90.943
Technical provisions for insurance and private pension plans	23d	-	-	141.735	143.946
Subordinated debt	20	85.632	162.339	85.632	162.339
Sundry	22b	855.802	893.215	1.076.446	1.346.255

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ASSETS	Explanatory Note	Bank 30/6/2013	Bank 31/12/2012	Consolidated 30/6/2013	Consolidated 31/12/2012
LONG-TERM RECEIVABLES		9.767.654	9.607.406	11.025.149	11.050.842
Interbank investments	6a	169.188	296.945	34.927	59.041
Open Market		-	-	4.166	-
Interbank deposits		169.188	296.945	30.761	59.041
Marketable securities and derivative financial instruments	7	1.444.650	1.926.776	1.552.131	2.046.320
Own portfolio		588.353	796.797	635.982	809.329
Subject to repurchase agreements		524.012	816.029	538.807	889.315
Derivative financial instruments	7c	225.738	195.319	235.855	195.319
Subject to guarantees		106.547	118.631	141.487	152.357
Loan operations	8	6.011.734	5.019.309	6.734.794	5.973.062
Loan operations - private sector		6.402.891	5.381.431	7.178.012	6.428.510
Allowance for loan losses	8d	(391.157)	(362.122)	(443.218)	(455.448)
Leasing operations	8	-	-	72.636	123.634
Lease receivables		-	-	83.325	149.489
Allowance for doubtful lease receivables	8d	-	-	(10.689)	(25.855)
Other receivables		1.868.044	2.120.679	2.344.464	2.575.727
Foreign exchange portfolio	9a	-	7	-	7
Specific credits		-	-	3.651	3.778
Negotiation and intermediation of securities		-	-	15	120
Real estate receivables	10	-	-	111.564	102.275
Residual benefit in securitized transactions	11	-	-	14.105	17.328
Securities and credits receivable	8 e 12	35.529	11.527	35.529	11.527
Allowance for loss	8d	-	(115)	(205)	(854)
Sundry	12	1.832.515	2.109.260	2.179.805	2.441.546
Other assets		274.038	243.697	286.197	273.058
Prepaid expenses	13b	274.038	243.697	286.197	273.058
PERMANENT ASSETS		1.210.649	1.269.080	312.474	308.315
Investments		1.153.294	1.230.267	788	788
Investments in subsidiaries	14a	1.152.891	1.229.864	-	-
Other investments	14b	403	403	788	788
Property and equipment in use	15	15.528	6.894	23.194	14.767
Property		-	-	2.530	2.530
Other fixed assets in use		47.807	38.158	58.097	48.029
Accumulated depreciation		(32.279)	(31.264)	(37.433)	(35.792)
Intangible assets	16	41.827	31.919	288.492	292.760
Intangible assets		60.029	46.105	346.003	321.937
Accumulated amortization		(18.202)	(14.186)	(57.511)	(29.177)
TOTAL ASSETS		19.525.000	16.248.265	21.435.671	18.528.849

LIABILITIES AND EQUITY	Explanatory Note	Bank 30/6/2013	Bank 31/12/2012	Consolidated 30/6/2013	Consolidated 31/12/2012
LONG-TERM LIABILITIES		5.324.616	4.892.294	6.535.221	6.012.487
Deposits	17a	1.396.740	1.503.828	1.337.437	1.454.923
Interbank deposits		32.832	45.766	32.832	45.766
Time deposits		1.363.908	1.458.062	1.304.605	1.409.157
Money market funding	17b	12.550	45.677	12.550	45.677
Own portfolio		12.550	45.677	12.550	45.677
Funds from acceptance and issuance of securities	17c	1.929.256	1.574.427	2.638.672	1.962.027
Funds from real estate letters of credit, mortgage notes and similar		1.289.750	984.595	1.985.833	1.345.528
Debentures		-	-	13.333	26.667
Marketable debt securities abroad		639.506	589.832	639.506	589.832
Liabilities for loans	19	-	-	321.560	305.181
Local		-	-	100.000	100.000
Abroad		-	-	221.560	205.181
Derivative financial instruments	7c	9.599	3.458	1.993	4.576
Derivative financial instruments		9.599	3.458	1.993	4.576
Other liabilities		1.976.471	1.764.904	2.223.009	2.240.103
Tax and social security contributions	22a	599.806	614.419	764.394	800.581
Negotiation and intermediation of securities		-	-	6.824	79.030
Technical provisions for insurance and private pension plans		-	-	32.631	-
Subordinated debt	20	1.219.453	1.032.290	1.219.453	1.032.290
Sundry	22b	157.212	118.195	199.707	328.202
DEFERRED INCOME		2.825	1.543	2.825	1.543
Deferred income		2.825	1.543	2.825	1.543
NON-CONTROLLING INTEREST		-	-	20	24
Non-controlling interest		-	-	20	24
EQUITY		2.532.944	2.552.409	2.523.272	2.471.895
Capital	24	2.867.020	2.867.020	2.867.020	2.867.020
Local residents		2.513.213	2.469.731	2.513.213	2.469.731
Foreign residents		353.807	397.289	353.807	397.289
Carrying value adjustments		(1.354)	(978)	(1.354)	(978)
Retained earnings (accumulated deficit)		(332.722)	(313.633)	(342.394)	(394.147)
TOTAL LIABILITIES AND EQUITY		19.525.000	16.248.265	21.435.671	18.528.849

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

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BANCO PANAMERICANO S.A. AND SUBSIDIARIES

INCOME STATEMENT FOR THE
HALF-YEARS ENDED JUNE 30, 2013 AND 2012
(In thousands of reais - R$, except the loss/earnings per share outstanding)

	Explanatory note	Bank		Consolidated	
		1º Half 2013	1º Half 2012	1º Half 2013	1º Half 2012
INCOME FROM FINANCIAL INTERMEDIATION		1.887.219	1.291.599	2.270.789	1.681.260
Loan operations	8h	1.722.865	1.008.516	1.977.571	1.251.932
Leasing operations	8h	-	-	36.271	62.213
Marketable securities	7d	124.707	54.893	202.412	138.925
Derivative financial instruments	7c	(36.250)	192.187	(21.362)	192.187
Foreign exchange transactions	9b	75.897	36.003	75.897	36.003
EXPENSES FOR FINANCIAL INTERMEDIATION		(1.087.789)	(1.211.132)	(1.235.884)	(1.458.843)
Money market funding	17d	(618.779)	(626.107)	(653.557)	(676.212)
Borrowings and onlendings	19b	(7.395)	(190)	(49.212)	(190)
Provision for loan losses	8d	(461.615)	(584.835)	(533.115)	(782.441)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION		799.430	80.467	1.034.905	222.417
OTHER OPERATING INCOME(EXPENSES)		(840.543)	(612.879)	(938.924)	(657.357)
Income from services rendered	25	164.602	126.690	187.210	136.771
Equity	14a	40.110	(5.179)	-	-
Income from earned insurance premiums	23e	-	-	60.317	50.064
Expenses for retained claims	23e	-	-	(25.104)	(18.321)
Personnel expenses	26	(86.326)	(53.843)	(202.310)	(91.385)
Other administrative expenses	27	(619.263)	(514.718)	(622.351)	(535.878)
Taxes	28	(71.399)	(45.566)	(105.420)	(61.978)
Other operating income	29a	114.071	106.765	137.880	127.666
Other operating expenses	29b	(382.338)	(227.028)	(369.146)	(264.296)
OPERATING PROFIT (LOSS)		(41.113)	(532.412)	95.981	(434.940)
NON-OPERATING EXPENSES	30	(31.904)	(38.245)	(30.882)	(35.486)
RESULT BEFORE TAXES ON INCOME AND PROFIT SHARING		(73.017)	(570.657)	65.099	(470.426)
PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION	34a	53.928	248.081	(13.347)	210.836
Provision for income tax		(15.838)	4.676	(66.497)	(16.333)
Provision for social contribution		(9.099)	2.806	(37.894)	(17.906)
Deferred tax assets		78.865	240.599	91.044	245.075
NON-CONTROLLING INTEREST		-	-	1	8
(LOSS) NET INCOME		(19.089)	(322.576)	51.753	(259.582)
LOSS / EARNINGS PER SHARE OUTSTANDING - IN R$ (Represented by 535,076,075 shares in 30/06/2013 and 244,343,940 shares in 30/06/2012)		(0,04)	(0,60)		

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

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BANCO PANAMERICANO S.A. AND SUBSIDIARIES

STATEMENT OF VALUE ADDED FOR THE
HALF-YEARS ENDED JUNE 30, 2013 AND 2012
(In thousands of reais - R$)

	Bank		Consolidated	
	1º Half 2013	1º Half 2012	1º Half 2013	1º Half 2012
INCOME	1.137.151	528.417	1.518.184	737.119
Financial intermediation	1.887.219	1.291.599	2.270.789	1.681.260
Services rendered	164.602	126.690	187.210	136.771
Allowance for loan losses	(461.615)	(584.835)	(533.115)	(782.441)
Other operating income (expenses)	(453.055)	(305.037)	(406.700)	(298.471)
EXPENSES FOR FINANCIAL INTERMEDIATION	(626.174)	(626.297)	(702.769)	(676.402)
GOODS AND SERVICES ACQUIRED FROM THIRD PARTIES	(439.874)	(358.353)	(396.520)	(364.136)
Materials, electricity and others	(1.058)	(1.939)	(1.876)	(1.940)
Outsourced services	(61.125)	(155.066)	(86.569)	(110.910)
Commissions paid to storeowners and promoters	(377.691)	(201.348)	(308.075)	(251.286)
GROSS VALUE ADDED	71.103	(456.233)	418.895	(303.419)
DEPRECIATION AND AMORTIZATION	(13.107)	(2.776)	(22.016)	(3.317)
NET VALUE ADDED PRODUCED BY THE INSTITUTION	57.996	(459.009)	396.879	(306.736)
VALUE ADDED RECEIVED IN TRANSFER	40.110	(5.179)	-	-
Equity	40.110	(5.179)	-	-
TOTAL VALUE ADDED TO BE DISTRIBUTED	98.106	(464.188)	396.879	(306.736)
DISTRIBUTION OF VALUE ADDED	98.106	(464.188)	396.879	(306.736)
Personnel	76.524	45.129	176.104	76.783
Salaries	65.611	37.403	141.024	59.916
Benefits	7.324	4.638	26.131	11.721
Employee severance indemnity fund (FGTS)	2.691	2.652	7.876	4.628
Other	898	436	1.073	518
Taxes, charges and contributions	27.597	(193.780)	145.608	(134.162)
Federal	20.151	(199.851)	127.679	(146.124)
State	1	-	126	271
Municipal	7.445	6.071	17.803	11.691
Creditors	13.074	7.039	23.415	10.233
Rents	13.074	7.039	23.415	10.233
Remuneration of own capital	(19.089)	(322.576)	51.752	(259.590)
(Accumulated deficit)/ Retained earnings	(19.089)	(322.576)	51.753	(259.582)
Non-controlling interest in retained earnings	-	-	(1)	(8)

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

BANCO PANAMERICANO S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE
HALF-YEARS ENDED JUNE 30, 2013 AND 2012
(In thousands of reais)

	Capital	Capital Reserve	Revenue Reserves		Carrying value adjustment	Retained earnings (accumulated deficit)	Total
			Legal	For Equity Integrity			
AT DECEMBER 31, 2011	**1.108.091**	**172**	**3.012**	**287.109**	**(34)**	**-**	**1.398.350**
Carrying value adjustments	-	-	-	-	1.111	-	1.111
Resources for capital increase (explanatory note 24.a)	1.758.929	-	-	-	-	-	1.758.929
Loss	-	-	-	-	-	(322.576)	(322.576)
AT JUNE 30, 2012	**2.867.020**	**172**	**3.012**	**287.109**	**1.077**	**(322.576)**	**2.835.814**
AT DECEMBER 31, 2012	**2.867.020**	**-**	**-**	**-**	**(978)**	**(313.633)**	**2.552.409**
Carrying value adjustments	-	-	-	-	(376)	-	(376)
Loss	-	-	-	-	-	(19.089)	(19.089)
AT JUNE 30, 2013	**2.867.020**	**-**	**-**	**-**	**(1.354)**	**(332.722)**	**2.532.944**

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

BANCO PANAMERICANO S.A. AND SUBSIDIARIES

STATEMENT OF CASH FLOWS FOR THE
HALF-YEARS ENDED JUNE 30, 2013 AND 2012
(In thousands of reais - R$)

	Bank		Consolidated	
	1º Half 2013	1º Half 2012	1º Half 2013	1º Half 2012
CASH FLOW FROM OPERATING ACTIVITIES				
(LOSS) NET INCOME	(19.089)	(322.576)	51.753	(259.582)
Adjustments not affecting cash flows:				
Depreciation and amortization	7.285	2.776	9.491	3.317
Goodwill amortization	5.822	-	12.525	-
Reversion/Constitution of contingency provision	106.044	(7.096)	115.889	2.330
Provision for loss on repossessed assets	7.120	4.751	6.682	4.861
Loss on sale of repossessed assets	24.806	33.566	24.222	31.377
Loss for impairment/provisions for devaluation of assets	-	-	1.310	-
Gain on sale of property and equipment/investment	(22)	(66)	(22)	(746)
Equity accounting	(40.110)	5.179	-	-
Provision for loan losses	461.615	584.835	533.115	782.441
Deferred income tax and social contribution	(53.928)	(248.081)	13.347	(210.836)
Technical provisions for insurance and private pension plans	-	-	30.420	8.390
Carrying value adjustment	(376)	1.111	(376)	1.111
Adjusted net income	499.167	54.399	798.356	362.663
Changes in assets and liabilities:				
Decrease (Increase) in short-term interbank investments	(438.462)	897.845	(541.215)	621.243
Decrease in marketable securities	494.923	95.404	491.069	(370.157)
Decrease (increase) in financial derivative instruments	(37.006)	(155.819)	(58.052)	(155.819)
(Decrease) Increase in interbank accounts	1.188	(74.247)	2.831	(68.479)
(Increase) Decrease in loan operations	(2.357.260)	(566.762)	(2.053.428)	(153.765)
Decrease in leasing operations	-	-	93.829	190.095
Increase in other receivables	(124.067)	(732.389)	(115.377)	(889.670)
(Increase) Decrease in other assets	(105.722)	(129.596)	(106.703)	(90.795)
(Decrease) Increase in deposits	1.548.399	(443.936)	1.531.527	(448.287)
(Decrease) Increase in money market funding	349.342	47.098	352.602	48.731
Increase (Decrease) in other liabilities	165.450	(418.500)	(292.669)	(501.554)
Increase in interbank accounts	4.279	7.044	4.279	7.044
(Decrease) Increase in deferred income	1.282	1.014	1.282	1.014
NET CASH USED IN OPERATING ACTIVITIES	1.513	(1.418.445)	108.331	(1.447.736)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Sale of fixed assets	24	33	24	1.952
Sale of repossessed assets	36.474	35.218	42.503	39.537
Decrease on investments	85.000	-	-	-
Acquisition of fixed assets	(9.949)	(1.101)	(10.368)	(1.055)
Investments in intangible assets	(15.880)	(2.681)	(17.119)	(10.077)
Dividend received	30.587	-	-	-
NET CASH USED IN INVESTING ACTIVITIES	126.256	31.469	15.040	30.357
CASH FLOWS FROM FINANCING ACTIVITIES:				
Issue of financial bills	748.863	622.950	748.863	622.950
Increase in securities issued abroad	15.488	(26.737)	15.488	(26.737)
Increase (Decrease) in subordinated debt	57.411	(40.071)	57.411	(40.071)
Issue/Redemption of agribusiness letters of credit	292.662	264.268	292.662	264.268
Capital increase	-	1.758.929	-	1.758.929
Change in non-controlling interest	-	-	(4)	(9)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1.114.424	2.579.339	1.114.420	2.579.330
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1.242.193	1.192.363	1.237.791	1.161.951
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	270.791	34.710	279.400	66.050
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (Note 5)	1.512.984	1.227.073	1.517.191	1.228.001

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

(In thousands of reais, unless otherwise stated)

1) OPERATIONS

Banco Panamericano S.A. (the "Bank", "PAN" or "Institution") is a corporation authorized to operate as a multi-service bank, operating directly or indirectly through its subsidiaries in the markets of consumer lending operations, personal credit, payroll-deductible loans, financing for the purchase of vehicles, machinery and equipment, foreign exchange operations, financing for companies, construction financing for developers and builders, real estate financing for individuals, acquisition of real estate receivables and issue of mortgage-backed securities ("CRI"s), leasing of vehicles and other assets, insurance in the segments of installment credit, group personal accident, income protection from unforeseen events (unemployment insurance)**,** group life, insurance against bodily injury caused by automotive land vehicles ("DPVAT") and consortia of vehicles and properties. The benefits of services rendered between the Group companies and the costs of operational and administrative structures are absorbed, jointly or individually, by these companies.

As a business strategy and for the purpose of securing the necessary funding for its operations, the Bank has adopted the policy of assigning the receivables comprising its loan portfolio to other financial institutions and receivables investment funds (FIDC) set up for this purpose. The loan assignments are part of the Bank's operational strategy and the corresponding revenue and expenses are recognized immediately (Note 3g). These results are recorded in the Bank's individual financial statements under 'Income from financial intermediation', and, where applicable, the amount related to FIDC operations is eliminated and recognized over the period of the loan operations, for purposes of the consolidated financial statements information, as described in Note 2.

The current shareholding of Banco Panamericano S.A is shown below.

Stockholders	Common	%	Preferred	%	Total	%
Banco BTG Pactual S.A.	149,156,346	51.00	33,114,219	13.65	182,270,565	34.06
Caixa Participações S.A. - Caixapar	143,307,049	49.00	54,802,722	22.59	198,109,771	37.02
Conselho de Administração	5	-	-	-	5	-
Mercado	-	-	154,695,734	63.76	154,695,734	28.92
Total	**292,463,400**	**100.00**	**242,612,675**	**100.00**	**535,076,075**	**100.00**

New Acquisition

On December 28, 2011, the Bank signed a non-binding memorandum of understanding with Ourinvest Real Estate Holding S.A. ("Ourinvest"), the stockholders of Ourinvest ("Stockholders Ourinvest"), TPG-Axon BFRE Holding, LLC ("TPG-Axon"), Coyote Trail LLC ("Coyote"), Banco BTG Pactual S.A. ("BTG Pactual") and Brazilian Finance & Real Estate S.A. ("BFRE"), for the purpose of formalizing definitive contracts to regularize the indirect acquisition of 100% of the capital of BFRE (the "Acquisition").

BFRE is one of the largest Brazilian financial service providers, focused exclusively on the Brazilian real estate sector, with a strong nationwide presence. The principal activities of BFRE comprise the following: (i) real estate financing for individuals, through Brazilian Mortgages and BM Sua Casa; (ii) construction financing for developers and builders to develop real estate projects, through Brazilian Mortgages; and (iii) the acquisition of real estate receivables and issue of mortgage-backed securities ("CRIs"), through Brazilian Securities, which is Brazil's largest securitization firm. The Acquisition will provide the Bank with a consolidated credit origination platform with attractive margins and ensure the expansion of its credit product portfolio in a market with excellent growth potential, as well as extend its distribution network with the integration of the BM Sua Casa sales points.

BFRE was reorganized to segregate, in a new company, the shares of Brazilian Capital Companhia de Gestão de Investimentos Imobiliários ("Brazilian Capital"), responsible for developing the management activities of the investments in real estate assets and which also acts as an investment manager and/or consultant of investments for real estate investment funds or in participation ("Management Assets"), of the other assets and investments held by BFRE. In addition to the investment in Brazilian Capital, the following were not the object of the Acquisition by the Bank: (i) the real estate investment fund management activities carried out at present by Brazilian Mortgages ("Administration Activities"); and (ii) the proprietary investments in real estate investment fund quotas or in investments held directly or indirectly by BFRE and/or by any other of its Subsidiaries ("Proprietary Assets").

These Management Assets, Administration Activities and Proprietary Assets are not in the interests of Panamericano, since they do not form part of its core activity of granting loans and financing, would require additional minimum capital and do not have synergy with its activities. Accordingly, main the origination, financing and securitization activities carried out by the Subsidiaries of BFRE were the objective of the Acquisition (i.e. BM Sua Casa, Brazilian Mortgages and Brazilian Securities) (“Origination, Financing and Securitization Assets”).

The total amount of the Acquisition of 100% of the investments in BFRE and its subsidiaries BM Sua Casa, Brazilian Mortgages and Brazilian Securities, and, accordingly, for the acquisition of the Origination, Financing and Securitization Assets, was R$ 940,361 (the "Acquisition amount").

At the Annual and Extraordinary General Meeting of Banco Panamericano held on April 25, 2012, approval was given for the indirect acquisition of 100% of the capital of Brazilian Finance & Real Estate S.A. (BFRE), as disclosed in the Material Facts Notices released on December 28, 2011 and February 1, 2012.

The indirect transfer of the control of Brazilian Mortgages Companhia Hipotecária to Banco Panamericano was approved by BACEN at June 11, 2012.

At the Extraordinary General Meeting held on July 19, 2012, the BFRE stockholders approved the partial split-off of BFRE, with the merger of the split-off portion into BPMB IV Participações S.A. ("BPMB IV"), as a result of which the investment held in Brazilian Capital Companhia de Gestão de Investimentos ("Brazilian Capital") was split off from BFRE and transferred to BPMB IV. Subsequent to the split-off and on the same date, the indirect acquisition by Panamericano of 100% of the capital of BFRE was completed and, consequently, the origination, financing and securitization assets structured by the subsidiaries of BFRE.

To strengthen and improve the Bank’s new business strategy and the real estate market transactions arising from the acquisition of BFRE, Panamericano and CAIXA entered into a Commercial Agreement, also on April 25, 2012, according to which CAIXA will acquire, upon request by the Bank, real estate letters of credit and real estate receivable certificates, issued by Panamericano or any mortgage or securitization company under its control, as the case may be. This Commercial Agreement will remain in force for a period of seven years, as from the completion of acquisition of BFRE, and its validity is contingent on this completion.

BTG Pactual and CAIXA amended the Operational Cooperation Agreement entered into on January 31, 2011 with Panamericano, formalizing, among other provisions, the commitment that BTG Pactual, or its affiliates, will invest, in compliance with the applicable legislation, additional funds in the interbank certificates of deposit, bank certificates of deposit or real estate credit letters issued by Panamericano.

We present below, for comparative purposes, the main lines of the income statement of Ourinvest and its subsidiaries for the quarter ended 06/30/2013:

Income Statement	**1st Half - 2013**
Intermediation Revenue	227,504
Intermediation Expenses	(115,346)
Gross from financial intermediation	**112,158**
Service Fees	12,341
Personnel Expenses	(44,325)
Administrative Expenses	(45,793)
Other operanting income/expenses	(11,877)
Operating Profit (Loss)	**22,504**
Non-operating profit (loss)	(1,237)
Result before taxes and profit sharing	**21,266**
Income tax and social contribution	(6,196)
Net profit	**15,071**

2) PRESENTATION OF FINANCIAL STATEMENTS

The parent company financial statements of Banco Panamericano S.A. (the “Bank") are presented together with the consolidated financial statements of the Bank and its subsidiaries and special-purpose entities, which are the receivables investment funds known as FIDCs, (“Consolidated”), and have been prepared in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by BACEN, in compliance with the provisions of Law 4595/64 (National Financial System Law) and Law 6404/76 (Brazilian Corporation Law) and the changes introduced by Laws 11638/07 and 11941/09, for recording the transactions, as well as the standards and instructions established by BACEN, Resolutions of the National Monetary Council (CMN), the National Council of Private Insurance (CNSP), the Superintendent of Private Insurance (SUSEP) and the CVM, where applicable.

The Brazilian accounting standards board (CPC) has issued pronouncements related to the convergence of international accounting standards, approved by the CVM, although not all of these have been ratified by BACEN. Accordingly, in preparing its financial statements, where applicable, the Bank adopted the following pronouncements which have already been ratified by BACEN:

1. CPC 01 (R1) - Impairment of Assets – ratified by CMN Resolution 3566/08;
2. CPC 03 (R2) – Statement of Cash Flows – ratified by CMN Resolution 3604/08;
3. CPC 05 (R1) – Related-party Disclosures – ratified by CMN Resolution 3750/09;
4. CPC 25 – Provisions, Contingent Liabilities and Contingent Assets – ratified by CMN Resolution 3823/09;
5. CPC 24 – Subsequent Events – ratified by CMN Resolution 3973/11;
6. CPC 10 (R1) – Share-based Compensation – ratified by CMN Resolution 3989/11;
7. CPC 23 – Accounting Policies, Changes in Estimates and Correction of Errors – ratified by CMN Resolution 4007/11; and
8. CPC 00 (R1) – Conceptual Framework for Financial Reporting - ratified by CMN Resolution 4144/12.

The individual and consolidated financial statements, for the half-year ended June 30, 2013, were authorized for issue by the Board of Directors and Executive Board on August 05, 2013.

The subsidiaries included in the consolidation and the corresponding equity interest of the parent company are as follows:

	Total equity interest %	
	06/30/2013	12/31/2012
Direct subsidiaries:		
Panamericano Arrendamento Mercantil S.A.	99.97	99.97
Panamericana de Seguros S.A.	99.99	99.99
Panserv Prestadora de Serviços Ltda.	99.99	99.99
Panamericano Adm. e Corretagem de Seguros e de Prev. Privada Ltda.	99.99	99.99
Ourinvest Real Estate Holding S.A. (a)	100.00	100.00
Indirect subsidiaries:		
Panamericano Administradora de Consórcio Ltda.	99.99	99.99
Brazilian Finance e Real Estate S.A. (a)	100.00	100.00
BM Sua Casa Promotora de Vendas Ltda. (a)	99.99	99.99
BMSR II Participações S.A. (a)	99.99	99.99
Brazilian Securities Companhia de Securitização (a)	99.99	99.99
Brazilian Mortgages Companhia Hipotecária (a)	99.99	99.99
Special-Purpose Entities (SPEs):		
Caixa Fundo de Investimento em Direitos Creditórios CDC Veículos do Banco Panamericano (“Caixa CDC FIDC”) (b) (c)	100.00	100.00
Caixa Fundo de Investimento em Direitos Creditórios Master CDC Veículos do Banco Panamericano (“Caixa Master CDC FIDC”) (b) (d)	100.00	100.00
Fundo de Investimento em Direitos Creditórios F BP – Financeiro (“FIDC F BP”) (b) (e)	-	100.00

(a) Companies acquired in 2012 and consolidated from July, 2012 (Note 1);

(b) This percentage comprises the subordinated quotas held by the Bank. For the purposes of the consolidated financial statement presentation, the FIDCs were consolidated in accordance with CVM Instruction 408/04 and CVM Official Letter 001/07;

(c) Formerly Autopan Fundo de Investimento em Direitos Creditórios Originários de CDC Veículos (“Autopan FIDC”);

(d) Formerly Master Pan Fundo de Investimento em Direitos Creditórios Originários de CDC Veículos (“Master Pan FIDC”); and

(e) FIDC terminated at June 28, 2013, according to private instrument of transfer of assets and settlement of liabilities at this date.

Consolidated financial statements

Upon consolidation, intercompany investments, asset and liability account balances, income from transactions between the Bank and its direct and indirect subsidiaries, and income from transactions between the Bank and the FIDCs were eliminated. The non-controlling interest in equity and the results of investees are disclosed separately in the balance sheet and consolidated statement of income.

In the consolidation process of the FIDCs, the balance of the portfolio of loan assignment receivables was included in the Bank’s loan operations portfolio, with the corresponding recording of the financing under the heading “Other Liabilities - Sundry”, net of the balance of investments in investment fund quotas, comprising the subordinated quotas held by the Bank in the FIDCs. Unrealized profits arising from the assignment of the loans of the Bank to the FIDCs have been fully eliminated as an adjustment to “income from loan operations”.

Income arising from credit rights appropriated by the FIDCs was recorded under “Income from loan operations” in the statement of income, and the cost of financing was recorded under “Money market funding”. The income earned by the Bank from the appreciation of its quotas in the funds, which was originally recorded in the “Securities transactions” account, was eliminated against the account “Money market funding” to nullify its effect on the cost of funding

Leasing operations are stated at present value in the balance sheet, and the related revenue and expenses, which comprise the financial result on these operations, are presented under “Leasing operations”.

Receivables Investment Funds (FIDCs) – Since the control over receivables assigned to the FIDCs still lies with the Bank (in terms of receiving, transfer and collection) and the Bank also meets the other consolidation conditions established by CVM Instruction 408/04 and CVM Official Letter 001/07, management consolidated the financial statements of the FIDCs.

The FIDCs were organized under the terms of prevailing regulations for qualified investors, and have the following characteristics:

FIDC	Administrator	Type of fund	Duration	Amortization
Caixa CDC FIDC	Caixa Econômica Federal ("CAIXA")	Open-ended fund	No stated Duration	Amortization of quotas will not be permitted, and their amounts shall be settled upon redemption.
Caixa Master CDC FIDC	Caixa Econômica Federal ("CAIXA")	Open-ended Fund	No stated Duration	Amortization of quotas will not be permitted, and their amounts shall be settled upon redemption.

I. Name, nature, purpose and activities of the FIDCs.

The purpose of the FIDCs is mainly to acquire credit rights arising from loan operations, comprising credit facility agreements for the purchase of vehicles (cars and motorcycles), of the direct consumer credit type (CDC), entered into by the Bank (assignor) and its customers.

As established by their regulations, the FIDCs will seek to obtain, but do not guarantee that they will obtain the following yields:

Fund	Yield
Caixa CDC FIDC	108 % of CDI
Caixa Master CDC FIDC	112% of CDI

II. Share in the equity and results of FIDCs.

In accordance with Article 24, item XV, of CVM Instruction 356/01, and the wording of CVM Instruction 393/03, the minimum required ratio of the FIDCs' equity to the value of the senior quotas is presented below:

Fund	%
Caixa CDC FIDC	130
Caixa Master CDC FIDC (a)	130

a) At the Extraordinary Meeting of Stockholders held on March 16, 2009, a decision was made to include, in the regulations of this Fund, the permission to split the subordinated quotas into special classes. Since July 2009, Banco Panamericano has subscribed only a portion of the subordinated quotas. At June 30, 2013, the Bank has subordinated quotas in the amount of R$ 228,183 of a total of R$ 228,183 (December 31, 2012 - R$ 293,954 of a total of R$ 441,486).

The difference in the FIDCs' equity is represented by the subordinated quotas. This ratio will be determined daily and will be communicated to the quotaholders monthly.

III. Nature of the Bank's involvement with the FIDCs and type of exposure to loss, if any, arising from this involvement.

No co-obligation is expected in the assignment by the Bank of realized credit rights with FIDCs F BP Financeiro, Caixa CDC FIDC and Caixa Master CDC FIDC. The Bank subscribes to and shall maintain a minimum of 30% of the FIDC's net assets in subordinated quotas. In the event of noncompliance, the Bank, as a subordinated shareholder, when notified, has the possibility but not the obligation to subscribe for new subordinated quotas to maintain the subordination ratio and, similarly, has the possibility but not the obligation to buy back nonperforming contracts, as the Bank's risk is limited to the amount of the subordinated quotas already subscribed.

IV. Amount and nature of receivables and payables between the Bank and the FIDCs, assets transferred by the Bank and the rights of use of the FIDCs assets.

Due to the maintenance application in subordinated quotas in Caixa CDC FIDC, in Caixa Master CDC FIDC and in FIDC F BP Financeiro, it recognized in the 1st half of 2013 income of R$ 5,006 (expense of R$ 96,813 – 1st half of 2012), under the heading "Results of marketable security transactions" in the parent company's statement of income, which was eliminated upon consolidation of the financial statements.

At June 30, 2013 and December 31,2012 the financial positions of the FIDCs were as follows:

	Caixa CDC FIDC		Caixa Master CDC FIDC		FIDC FBP Financeiro (**)	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Assets						
Cash	11	7	14	5	-	1
Short-term interbank	6,290	5,926	11,328	14,952	-	-
Marketable securities	-	-	-	-	-	21,742
Credit rights	124,172	163,065	694,287	894,287	-	497,516
Allowance for loan losses	(62,124)	(60,231)	(327,608)	(305,585)	-	(213,739)
Other amounts	117	-	370	1	-	1,468
Total assets	**68,466**	**108,767**	**378,391**	**603,660**	**-**	**306,988**
Liabilities and equity						
Other liabilities	38	84	174	348	-	812
Equity	68,428	108,683	378,217	603,312	-	306,176
- Senior quotas	20,501	23,205	150,034	161,826	-	227,169
- Subordinated quotas	47,927	85,478	228,183	293,954	-	79,007
- Subordinated quotas – special class (*)	-	-	-	147,532	-	-
Total Liabilities	**68,466**	**108,767**	**378,391**	**603,660**	**-**	**306,988**

(*)Third-party quotas.

(**) Fund terminated on 28/06/2013

Reconciliation of equity to net income in the parent company and consolidated financial statements.

	06/30/2013		12/31/2012	06/30/2012
	Equity	Loss	Equity (1)	Net income
Banco Panamericano – Parent company	**2,532,944**	**(19,089)**	**2,552,409**	**(322,576)**
Effects of elimination of assignments to FIDCs:				
Unearned income from assignments	(29,005)	137,877	(166,882)	134,054
Recognition of cost of commissions on credits assigned	12,885	(19,807)	32,692	(29,064)
Tax effects	6,448	(47,228)	53,676	(41,996)
Banco Panamericano – Consolidated	**2,523,272**	**51,753**	**2,471,895**	**(259,582)**

(1) Consolidated equity contemplates adjustments to the balance of unrealized profits from previous periods in the amount of R$ 17,417, net of tax effects.

V. Guarantees, sureties, mortgages or other collateral granted in favor of the FIDCs.

The Bank has provided no guarantee, surety, mortgage or other collateral in favor of the FIDCs. However, the subordinated quotas fully absorb the effects of negative results of the funds' portfolios up to their limit.

VI. Identification of the principal beneficiary or group of principal beneficiaries of the FIDCs activities.

At June 30, 2013, the Bank and its subsidiaries hold all subordinated quotas of the FIDCs, in the amount of R$ 276,110 (December 31, 2012 - R$ 458,439), and the other senior quotas and special subordinated quotas are held by qualified investors.

3) SIGNIFICANT ACCOUNTING PRACTICIES

a) Cash and cash equivalents and functional and presentation currency

Cash and cash equivalents comprise cash in local and foreign currencies, investments in the money market, interbank deposits, bank certificates of deposit and fixed-income funds, with maturities at the original investment date equal to or less than 90 days and which present an immaterial risk of change in fair value. These are used by the Bank to manage its short-term commitments.

The parent company and consolidated financial statements are presented in reais which is the Bank's functional currency.

b) Determination of the results of operations

Income and expenses are recorded on the accrual basis of accounting, and are prorated when resulting from financial transactions. Financial income and expenses are calculated based on the exponential method, except when resulting from foreign transactions or discounted notes, which are calculated on the straight-line method. Transactions with floating rates or indexed to foreign currencies are adjusted up to the balance sheet date at agreed-upon rates.

Income from insurance and reinsurance premiums is recorded upon issuance of the corresponding policies as premiums issued and is deferred over the duration of the policies or insurance invoices through the unearned premium reserve.

Insurance premiums and selling expenses for retrocession transactions and the corresponding unearned premium reserve are recorded based on the information received from IRB – Brasil Resseguros S.A.

The claims are recorded in the results based on the official register of claims pending, which seeks to reflect the estimated total claims for contracts with risk coverage in force related to settlements to be incurred as a result of the claims processing and approval process.

Acquisition costs are considered as direct costs for obtaining and processing new insurance contracts. These costs are deferred and appropriated to the results monthly, on the straight-line basis, over the period of recognition of the insurance premiums in accordance with the corresponding term of the policies.

c) Interbank investments

Interbank investments are presented at cost plus related earnings up to the balance sheet date.

d) Marketable securities

Marketable securities are recorded at the investment amount plus income earned through the balance sheet date, based on yield rate and maturity, adjusted to fair value, where applicable. They are classified in the following categories:

- Trading securities - securities acquired for the purpose of being actively and frequently traded are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in the result for the period;
- Available-for-sale securities securities that cannot be classified as trading securities or held-to-maturity securities are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in a separate account in equity, net of taxes. The unrealized gains and losses are recognized in results for the period when effectively realized; and
- Held-to-maturity securities - securities which the Bank intends and has the necessary means to hold in its portfolio to maturity, are stated at cost plus income earned with a corresponding entry to the result for the period.

e) Derivative financial instruments

The derivative financial instruments comprise forward, future and swap market transactions. These financial instruments are classified on the date the transaction is contracted, considering the Bank's intention to use them as hedging instruments or not. The valuations or devaluations are recognized in income or expense accounts of the corresponding financial instruments in accordance with BACEN

Circular 3082/02, and Letter-Circular 3026/02, which require the adoption of the following criteria

- Futures: the marking to market of futures contracts, such as interest contracts (1- day DI), exchange contracts (DOL) and exchange coupons (DDI) is defined according to the market price in an unique price (PU) format which is disclosed daily by BMF&BOVESPA. Based on this price, the daily adjustments are recorded in assets or liabilities and appropriated every day to the result as income or expense;

- Swaps: are valued based on the rates agreed in the corresponding contracts and adjusted to fair value. The difference receivable or payable is recorded in assets or liabilities, respectively, and recognized in the result as income or expense, on a pro rata basis, up to the balance sheet date. Future cash flows, discounted to present value by future interest curves, obtained based on information released by BM&FBOVESPA, were used to measure the fair value of swap agreements; and

- Currency forward contracts: are financial instruments to buy or sell foreign currency, without physical delivery, traded on the OTC market at a future date and at a pre-determined parity. The financial settlement occurs by the difference between the initial value of the contract and the reference value on the maturity date. For the pricing of these contracts were used curves future interest, obtained based on information of BM&FBOVESPA.

The derivative financial instruments are measured at market value, with the corresponding gains or losses recorded as follows:

- Derivative financial instruments not considered as hedges: in income or expense accounts, in results.

- Derivative financial instruments considered as fair value hedges and their related financial assets and liabilities, object of the hedge: realized or unrealized gains and losses are recorded in income and expense accounts, in results.

f) Loan operations

The loan and leasing operations, advances on foreign exchange contracts and other credits with loan assignment characteristics are classified based on management's opinion as to their risk level, considering the economic scenario, past experience, and specific and global risks related to the operation, debtors and guarantors, in compliance with the parameters and guidelines established by CMN Resolution 2682/99, which requires periodic portfolio analysis and the classification of risk into nine levels, where AA is minimum risk and H is maximum risk. Additionally, the length of delay defined in this Resolution and the double count for transactions with an unexpired terms exceeding 36 months are also taken into consideration when rating customer risk.

Income from loan operations which are past due for more than 60 days, regardless of the risk level, is only recognized as revenue when effectively received. Operations classified as level "H" remain at this level for 6 months, after which they are written off against the existing allowance and controlled in a memorandum account and no longer presented in the Bank's balance sheet.

Renegotiated transactions remain, at least, at the same rating at which they were classified prior to the renegotiation. Renegotiated loan operations that had already been written off against the allowance and that were recorded in memorandum accounts are classified as level H, and any gains resulting from the renegotiation are recognized as income only when effectively received. When there is significant amortization of the operation or when new relevant facts justify a change in risk level, the operation may be reclassified to a lower risk category.

The allowance for loan losses is determined at an amount which is sufficient to cover probable losses and considers CMN and BACEN rules and instructions, as well as the evaluations carried out by management in determining credit risk.

The allowance for loan losses related to loans assigned with co-obligation is calculated in accordance with BACEN's guidelines for unassigned loan operations.

g) Transactions for the sale or transfer of financial assets

From January 1, 2012, transactions for the sale or transfer of financial assets are classified and recorded as follows:

- The following procedures should be used for recording the sale or transfer of financial assets, classified in the category of transactions with a substantial transfer of risks and rewards:

  In transactions involving the sale of assets, the financial asset which is being sold or transferred is written-off from the account in which the original transaction was recorded. The gain or loss determined in the transaction is separately appropriated to results for the period.

  In transactions involving the purchase of assets, the financial asset acquired is recorded at the amount paid, based on the nature of the original transaction.

- The following procedures should be followed for recording the sale or transfer of financial assets, classified in the category of transactions with substantial retention of risks and rewards:

  In transactions involving the sale of assets, the financial asset which is the object of the sale or transfer, remains recorded in assets at the full amount. The amounts received as a result of the transaction are recorded in assets, with a corresponding entry in liabilities for the obligation assumed, and the income and expenses are appropriated separately to results for the period over the remaining term of the transaction.

  In transactions involving the purchase of assets, the amounts paid are recorded in assets as a right receivable and the income is appropriated to the results for the period over the remaining term of the transaction.

h) Repossessed assets

These mainly comprise assets received in lieu of payment, available for sale, which are adjusted through recording a valuation allowance, where applicable, calculated based on the historical losses for repossessed assets sold.

i) Prepaid expenses

These are expenses related to funds used in advance payments, whose related benefits or services will occur or be provided in future periods. These expenses are appropriated to the result for the period in which the future benefits are generated. This group mainly consists of commissions paid to storeowners and sales promoters, expenses for securities issued abroad and selling expenses for insurance policies.

j) Other current assets and long-term receivables

These are stated at cost plus related income and monetary and exchange variations, less the corresponding provision for adjustment to realizable value, where applicable.

k) Investments

Investments in subsidiaries are accounted for on the equity method. Other investments are stated at cost of acquisition, less the corresponding provision for loss and impairment, where applicable.

l) Property and equipment

Property and equipment correspond to the rights to physical assets acquired for maintaining the business or which are exercised for this purpose, including those arising from transactions which transfer the risks, rewards and control over the assets to the Institution.

These assets are stated at cost of acquisition less accumulated depreciation and adjusted for impairment, where applicable. Depreciation is calculated on the straight-line method at annual rates which consider the estimated economic useful lives of the assets.

m) Intangible assets:

Intangible assets correspond to the rights attributed to non-physical assets for maintaining the business or which are exercised for this purpose.

The assets are stated at acquisition or formation cost less accumulated amortization and adjusted for impairment, where applicable, and comprise expenses for software development, leasehold improvements and the acquisition of rights to use the customer database. Intangible assets are amortized on the straight line method over the estimated period of their use.

n) Income tax and social contribution (assets and liabilities)

Deferred tax assets on temporary additions are realized upon utilization and/or reversal of the corresponding provisions in respect of which they were recorded. Deferred tax assets on tax losses are realized as the taxable income is generated, up to the limit of 30% of taxable income for the reporting period. These deferred tax assets are recognized in the books based on the current expectation of their realization, considering the technical studies and analyses prepared by management.

The provision for income tax is recorded at 15% of taxable income, plus a 10% surtax. Social contribution on net income is calculated at a rate of 15% for financial and insurance companies and at 9% for other companies.

Provisions for other taxes and social contributions were recorded pursuant to the specific applicable legislation.

o) Impairment of non-financial assets

Non-financial assets are subject to evaluation of their recoverable values for annual periods, or more frequently if conditions or circumstances indicate the possibility of loss in value. Any losses identified are recognized in the results for the year when the carrying amount of the assets exceeds its recoverable amount, determined as follows:

i. Potential sales amount, or realization amount less corresponding expenses, or
ii. value in use calculated based on the cash generating unit.

A cash generating unit is the smallest identifiable group of assets which generates cash flows that are largely independent from other assets and groups.

p) Deposits and money market funding

These are stated at the amounts of the liabilities and consider, where applicable, the charges payable up to the balance sheet date, recognized on a daily pro rata basis.

q) Specific accounting practices of Panamericana de Seguros S.A.

Liabilities for insurance contracts (technical provisions)

- **Unearned premium reserve (PPNG)**

The unearned premium reserve is calculated based on retained premiums, pursuant to CNSP Resolution 281/13, on a daily “pro rata” basis, and comprises the portion of premium relating to the unexpired risk period.

The unearned premium reserve - risks in force but not issued – is recorded in accordance with the standards and criteria established by CNSP Resolution 281/13 and SUSEP Circular 448/12.

- **Reserve for unsettled claims**

The provision for unsettled claims is recorded based on the estimated indemnifiable amounts, considering the claims notices received through the balance sheet date, net of ceded coinsurance and reinsurance adjustments. The provision for unsettled claims for mandatory insurance against bodily injury caused by automotive land vehicles (DPVAT) is recorded monthly, based exclusively on the amounts informed by Seguradora Líder dos Consórcios do Seguro DPVAT (“Seguradora Líder”).

- **Provision for losses incurred but not reported (IBNR)**

The provision for losses incurred but not reported, established by CNSP Resolution 281/13, is recorded based on the methodology described in a Technical Actuarial Note. The IBNR provision for the DPVAT line is calculated monthly, based exclusively on the amounts computed and informed by Seguradora Líder.

- **Liability adequacy test (LAT)**

Pursuant to SUSEP Circular 410/10, which introduced the Liability Adequacy Test (LAT) for financial statement preparation purposes and defined the rules and procedures for its application, the insurer shall assess, at each reporting date, whether its recognized insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the amount of the provisions recorded for the insurance contracts in force, less related deferred selling costs and related intangible assets, is inadequate considering the estimated future cash flows, the entire deficiency shall be recognized in the statement of income.

r) Specific accounting practices of the consortium segment

The management fee is recognized when received from consortium groups. Sales commissions are recorded when quotas are sold and other income and expenses are recorded monthly on the accrual basis.

The liabilities for unclaimed funds are recorded at the amount to be returned to the members of discontinued consortium groups, including remuneration equal to that generated by their quotas in investment funds in which active groups have investments, and are presented in the "Other liabilities - Sundry" group in the consolidated financial statements.

s) Current and long-term liabilities

Known or estimated liabilities, charges and risks are presented at their monetarily adjusted amount through the balance sheet date. Liabilities in foreign currency are translated into local currency at the exchange rates in effect on the balance sheet date, as disclosed by BACEN, and liabilities subject to indexation are monetarily adjusted through the balance sheet date.

t) Contingent assets and liabilities and legal obligations (tax and social security)

Contingent assets and contingent liabilities and legal obligations (tax and social security) are recognized, measured and disclosed in conformity with the standards defined in CMN Resolution 3823/09, which approved CPC Accounting Standard 25, the main criteria of which are as follows:

- Contingent assets - not recorded in the consolidated financial statements, except when there is evidence that their realization is guaranteed and is not subject to appeals;
- Contingent liabilities - recorded in the financial statements when the risk of loss in an administrative or judicial proceeding is assessed by the legal advisors and management as probable, and when the amounts involved can be reliably measured. Contingent liabilities classified as possible loss by the legal advisors are disclosed in notes to the financial statements. Those classified as remote losses do not require a provision or disclosure.
- Legal obligations (tax and social security) – these are amounts related to lawsuits challenging the legality and constitutionality of certain taxes and contributions, which regardless of the likelihood of success, are recognized at their full amount in the financial statements.

u) Residual benefit in securitized transactions

This corresponds to the residual balance, net of any guarantees provided, of separate equity of securitized transactions that, in accordance with Law 9514/97, will be restored to the securitization company's common equity when the fiduciary regime is terminated and the related real-estate receivable certificates are settled.

v) Earnings per Share

Net income per share is calculated based on the number of outstanding shares at the balance sheet date.

w) Use of accounting estimates

The preparation of the financial statements requires management to make estimates and assumptions, to the best of its judgment, that affect the reported amounts of certain financial or non-financial assets and liabilities, income and expenses, and other transactions, such as: (i) deferred tax assets; (ii) depreciation rates of property and equipment and amortization of intangible assets; (iii) provisions necessary to absorb the potential risks arising from contingent liabilities; (iv) technical insurance provisions; (v) provisions for loss on repossessed assets and allowances for loan and lease losses; (vi) impairment of non-financial assets; and (vii) estimated fair value of specific financial instruments. The actual settlement results of these financial or non-financial assets and liabilities may differ from these estimates.

x) Subsequent events

These are events which occur between the reporting date of the financial statements and the date of its approval by the management bodies. They are divided between the following:

i) events that require adjustment, related to conditions existing at the base date of the financial statements; and

ii) events that do not require adjustment, related to conditions which did not exist at the base date of the financial statements.

There were no subsequent events to the financial statements as at June 30, 2013.

4) BALANCE SHEET AND STATEMENT OF INCOME BY BUSINESS SEGMENT

a) Consolidated Balance Sheet

Assets	06/30/2013							
	Financial (1)	Insurance (2)	Consortium (3)	Securitization (4)	Sales promoter (5)	Others (6)	Eliminations (7)	Total
Current assets	9,726,834	245,734	5,370	201,343	155,748	31,186	(268,167)	10,098,048
Long-term receivables	10,452,888	160,072	41,850	363,105	74,674	24,317	(91,757)	11,025,149
Permanent assets	1,147,897	18,994	100	36	21,734	794,178	(1,670,465)	312,474
Total at June 30,2013	**21,327,619**	**424,800**	**47,320**	**564,484**	**252,156**	**849,681**	**(2,030,389)**	**21,435,671**
Total at December 31,2012	**18,366,382**	**377,273**	**45,187**	**603,337**	**254,123**	**944,258**	**(2,061,711)**	**18,528,849**

Liabilities and Equity	Financial (1)	Insurance (2)	Consortium Group (3)	Securitization (4)	Sales promoter (5)	Others (6)	Eliminations (7)	Total
Current liabilities	12,309,719	193,976	16,850	71,706	29,041	50,011	(296,970)	12,374,333
Long-term liabilities	6,246,281	71,180	10,699	268,052	2,542	3,376	(66,909)	6,535,221
Deferred income	2,825	-	-	-	-	-	-	2,825
Non-controlling interest	19	-	-	-	-	-	1	20
Equity	2,768,775	159,644	19,771	224,726	220,573	796,294	(1,666,511)	2,523,272
Total at June 30, 2013	**21,327,619**	**424,800**	**47,320**	**564,484**	**252,156**	**849,681**	**(2,030,389)**	**21,435,671**
Total at December 31, 2012	**18,366,382**	**377,273**	**45,187**	**603,337**	**254,123**	**944,258**	**(2,061,711)**	**18,528,849**

(1) Banco Panamericano S.A.; Panamericano Arrendamento Mercantil S.A.; Fundos de Investimento em Direitos Creditórios (FIDCs); Brazilian Mortgages Companhia Hipotecária and BMSR II Participações .
(2) Panamericana de Seguros S.A. and Panamericano Administração e Corretagem de Seguros e de Previdência Privada Ltda;
(3) Panamericano Administradora de Consórcio Ltda;
(4) Brazilian Securities Companhia de Securitização;
(5) Panserv Prestadora de Serviços Ltda. and BM Sua Casa Promotora de Vendas Ltda;
(6) Ourinvest Real Estate Holding S.A. and Brazilian Finance Real Estate S.A.; and
(7) Eliminations between companies in different segments.

b) Consolidated Statement of Income

Statement of income	06/30/2013							
	Financial (1)	Insurance (2)	Consortium (3)	Securitization (4)	Sales promoter (5)	Others (6)	Eliminations(7)	Total
- Income from financial intermediation	2,162,891	8,900	971	73,381	8,089	15,128	1,429	2,270,789
- Expenses for financial intermediation	(1,212,286)	-	-	(15,347)	-	(6,916)	(1,335)	(1,235,884)
Gross profit from financial intermediation	**950,605**	**8,900**	**971**	**58,034**	**8,089**	**8,212**	**94**	**1,034,905**
- Other operating income (expense)	(927,607)	21,422	488	(13,271)	(6,451)	(13,410)	(95)	(938,924)
- Equity in the results of investees	42,648	811	-	-	-	19,582	(63,041)	-
- Non-operating result	(29,646)	-	-	40	31	(1,308)	-	(30,883)
- Provision for IRPJ and CSLL	12,399	(11,324)	(433)	(15,218)	(766)	1,995	-	(13,347)
- Non-controlling interest	1	-	-	-	-	-	-	1
Net income (loss) at June 30, 2013	**48,400**	**19,809**	**1,026**	**29,585**	**903**	**15,071**	**(63,041)**	**51,753**
Net income (loss) at June 30, 2012	**(259,582)**	**19,735**	**3,189**	**-**	**4,150**	**-**	**(27,074)**	**(259,582)**

(1) Banco Panamericano S.A.; Panamericano Arrendamento Mercantil S.A.; Fundos de Investimento em Direitos Creditórios (FIDCs); Brazilian Mortgages Companhia Hipotecária and BMSR II Participações;
(2) Panamericana de Seguros S.A. and Panamericano Administração e Corretagem de Seguros e de Previdência Privada Ltda;
(3) Panamericano Administradora de Consórcio Ltda;
(4) Brazilian Securities Companhia de Securitização;
(5) Panserv Prestadora de Serviços Ltda. and BM Sua Casa Promotora de Vendas Ltda;
(6) Ourinvest Real Estate Holding S.A. and Brazilian Finance Real Estate S.A; and
(7) Eliminations between companies in different segments.

5) CASH AND CASH EQUIVALENTS

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Funds in local currency	20,407	27,198	24,614	35,802
Funds in foreign currencies	17,110	965	17,110	965
Total available funds (cash)	**37,517**	**28,163**	**41,724**	**36,767**
Interbank investments (*)	1,475,467	242,628	1,475,467	242,628
Fixed income funds (*)	-	-	-	5
Total cash and cash equivalents	**1,512,984**	**270,791**	**1,517,191**	**279,400**

(*)These include only transactions with maturities at the original investment date equal to or less than 90 days and which present an immaterial risk of change in fair value.

6) INTERBANK INVESTMENTS

a) Composition and maturities:

Bank	06/30/2013					
	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Total
Money market investments:						
Own portfolio position						
● National Treasury Bills (LTN)	1,136,228	-	-	-	-	1,136,228
● National Treasury Notes (NTN)	3,999	46,740	60,219	-	-	110,958
Subtotal	**1,140,227**	**46,740**	**60,219**	**-**	**-**	**1,247,186**
Third-party portfolio position						
● National Treasury Notes (NTN)	138,026	75,176	520,437	-	-	733,639
Subtotal	**138,026**	**75,176**	**520,437**	**-**	**-**	**733,639**
Sold position						
● National Treasury Notes (NTN)	-	75,298	41,011	-	-	116,309
Subtotal	**-**	**75,298**	**41,011**	**-**	**-**	**116,309**
Interbank deposits	**12,555**	**15,031**	**81,607**	**43,478**	**169,188**	**321,859**
Total	**1,290,808**	**212,245**	**703,274**	**43,478**	**169,188**	**2,418,993**

Bank	12/31/2012					
	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Total
Money market investments:						
Own portfolio position						
● National Treasury Bills (LTN)	200	-	-	-	-	200
● National Treasury Notes (NTN)	26,000	23,802	47,976	-	-	97,778
Subtotal	**26,200**	**23,802**	**47,976**	**-**	**-**	**97,978**
Third-party portfolio position						
● National Treasury Notes (NTN)	10,000	181,448	45,451	-	-	236,899
Subtotal	**10,000**	**181,448**	**45,451**	**-**	**-**	**236,899**
Interbank deposits	**11,158**	**11,362**	**34,041**	**59,309**	**296,945**	**412,815**
Total	**47,358**	**216,612**	**127,468**	**59,309**	**296,945**	**747,692**

Consolidated	06/30/2013					
	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Total
Money market investments:						
Own portfolio position						
● National Treasury Bills (LTN)	1,136,228	-	-	-	-	1,136,228
● National Treasury Notes (NTN)	3,999	46,740	60,219	-	-	110,958
● Debentures	-	-	-	-	4,166	4,166
Subtotal	**1,140,227**	**46,740**	**60,219**	**-**	**4,166**	**1,251,352**
Third-party portfolio position						
● National Treasury Notes (NTN)	138,026	75,176	520,437	-	-	733,639
Subtotal	**138,026**	**75,176**	**520,437**	**-**	**-**	**733,639**
Sold position						
● National Treasury Notes (NTN)	-	75,298	41,011	-	-	116,309
Subtotal	**-**	**75,298**	**41,011**	**-**	**-**	**116,309**
Interbank deposits	**12,421**	**15,031**	**81,573**	**42,354**	**30,761**	**182,140**
Total	**1,290,674**	**212,245**	**703,240**	**42,354**	**34,927**	**2,283,440**

Consolidated	12/31/2012					
	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Total
Money market investments:						
Own portfolio position						
● National Treasury Bills (LTN)	200	-	-	-	-	200
● National Treasury Notes (NTN)	26,000	23,802	47,976	-	-	97,778
Subtotal	**26,200**	**23,802**	**47,976**	**-**	**-**	**97,978**
Third-party portfolio position						
● National Treasury Notes (NTN)	10,000	181,448	45,451	-	-	236,899
Subtotal	**10,000**	**181,448**	**45,451**	**-**	**-**	**236,899**
Interbank deposits	**11,110**	**11,362**	**33,873**	**59,128**	**59,041**	**174,514**
Total	**47,310**	**216,612**	**127,300**	**59,128**	**59,041**	**509,391**

b) Income from interbank investments

This is classified in the income statement as results from marketable security transactions:

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Income from investments in purchase and sale commitments:				
- Own portfolio position	4,525	52,406	4,968	52,406
- Third-party portfolio position	16,799	3,851	16,799	3,851
- Sold position	44,248	**-**	44,248	**-**
Subtotal	**65,572**	**56,257**	**66,015**	**56,257**
Income from interbank deposits	15,924	39,827	9,644	14,610
Total (note 7d)	**81,496**	**96,084**	**75,659**	**70,867**

7) MARKETABLE SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

a) Portfolio analysis:

The portfolio of marketable securities and derivative financial instruments as at June 30, 2013 and December 31, 2012, by type of paper, was comprised as follows:

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Own portfolio:				
Bank Certificate of Deposit – CDB	-	-	5,366	6,730
Time Deposit with Special Guarantee – DPGE	-	-	10,645	10,238
Real estate receivable certificates – CRI	-	-	224,197	314,470
Financial Treasury Bills – LFT	209,798	247,912	464,238	517,883
National Treasury Notes (NTN)	115,061	156,778	115,061	156,778
Investment fund quotas (*)	276,620	458,943	90,438	107,189
Social development fund – FDS	291	290	291	290
Listed company shares	-	-	-	1
Subtotal	**601,770**	**863,923**	**910,236**	**1,113,579**
Subject to repurchase agreements:				
Financial Treasury Bills – LFT	300,172	240,407	300,172	240,407
Nacional Treasury Notes – NTN	335,795	620,881	335,795	620,881
Bank Certificate of Deposit – CDB	-	-	30,060	90,981
Investment fund quotas	-	-	10,607	5,856
Subtotal	**635,967**	**861,288**	**676,634**	**958,125**
Subject to guaranties:				
Financial Treasury Bills – LFT	137,293	144,742	172,233	178,468
Subtotal	**137,293**	**144,742**	**172,233**	**178,468**
Other investments	-	-	2	1
Subtotal	**-**	**-**	**2**	**1**
Total marketable securities	**1,375,030**	**1,869,953**	**1,759,105**	**2,250,173**
Derivative financial instruments:				
Difference receivable on swaps	249,465	205,335	259,582	205,335
Total derivative financial instruments	**249,465**	**205,335**	**259,582**	**205,335**
Total	**1,624,495**	**2,075,288**	**2,018,687**	**2,455,508**

(*)Investments in investment fund shares comprised the following:

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Caixa Master CDC FIDC (i)	228,183	293,954	-	-
Caixa CDC FIDC (i)	47,927	85,478	-	-
FIDC F BP – Financeiro (ii)	-	79,007	-	-
BEM Fundo de Investimento Referenciado DI TPF (ii)	510	-	510	21,742
DPVAT	-	-	37,520	33,784
Fundo de Investimento Caixa Arrojado – RF (i)	-	-	21,669	20,977
Fundo BTG Pactual Absoluto – FIA (iii)	-	-	11,170	11,594
Fundo BTG Pactual Dividendos – FIA (iii)	-	-	10,527	10,641
Outros fundos	-	504	9,042	8,451
Total	**276,620**	**458,943**	**90,438**	**107,189**

i. Fund managed by Caixa Econômica Federal;
ii. Fund ended on 06/28/13; and
iii. Fund managed by BTG Pactual Serviços Financeiros S/A DTVM.

The FIDC portfolios comprise credit facility agreements entered into with Banco Panamericano for the purchase of vehicles. Under the rules of the respective funds, the subordinated shares held by the Bank are subordinated to senior shares for fund portfolio redemption and distribution purposes, and fully assume the effects of any negative results of the fund portfolios, up to the limit of their equity. In view of the characteristics of these funds and management's intention to hold them in portfolio for a significant period of time, the balances of the investments were recorded in long-term receivables as securities held to maturity. The other funds are classified in the short term.

b) Composition by category and terms (bank and consolidated):

Bank	06/30/2013							
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	More than 5 years	Carrying amount (2) (ii)	Restated cost	MtM adjustment
Available-for-sale securities:								
- Financial Treasury Bills – LFT	-	155,317	491,944	-	-	647,261	646,995	266
- Nacional Treasury Notes – NTN	-	-	-	-	25,003	25,003	26,664	(1,661)
Total available-for-sale securities:	**-**	**155,317**	**491,944**	**-**	**25,003**	**672,264**	**673,659**	**(1,395)**
Securities held to maturity (i):								
- Nacional Treasury Notes – NTN	-	-	213,073	85,602	127,180	425,855	425,855	-
- Investment fund quotas	510	-	-	276,110	-	276,620	276,620	-
- Social Development Fund (FDS)	291	-	-	-	-	291	291	-
Total securities held to maturity	**801**	**-**	**213,073**	**361,712**	**127,180**	**702,766**	**702,766**	**-**
Total	**801**	**155,317**	**705,017**	**361,712**	**152,183**	**1,375,030**	**1,376,425**	**(1,395)**

Bank	12/31/2012						
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	Carrying amount (2) (ii)	Restated cost	MtM adjustment
Available-for-sale securities:							
- Financial Treasury Bills – LFT	-	13,702	495,359	-	633,061	632,999	62
- Nacional Treasury Notes – NTN	-	-	486,800	-	486,800	486,784	16
Total available-for-sale securities:	**-**	**13,702**	**982,159**	**-**	**1,119,861**	**1,119,783**	**78**
Securities held to maturity (i):							
- Nacional Treasury Notes – NTN	-	-	290,859	-	290,859	290,859	-
- Investment fund quotas	504	-	-	458,439	458,943	458,943	-
- Social Development Fund (FDS)	290	-	-	-	290	290	-
Total securities held to maturity	**794**	**-**	**290,859**	**458,439**	**750,092**	**750,092**	**-**
Total	**794**	**137,702**	**1,273,018**	**458,439**	**1,869,953**	**1,869,875**	**78**

Consolidated	06/30/2013							
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	More than 5 years	Carrying amount (2) (ii)	Restated cost	MtM adjustment
Trading securities:								
- Certificate of Bank Deposit (CDB)	-	19,542	14,611	-	1,272	35,425	35,425	-
- Real estate related receibles (CRI)	22,869	12,019	19,855	19,878	137,820	212,441	189,572	22,869
- Investment fund quotas	94,213	-	-	-	-	94,213	94,213	-
Total trading securities	**117,082**	**31,561**	**34,466**	**19,878**	**139,092**	**342,079**	**319,210**	**22,869**
Available-for-sale securities:								
- Financial Treasury Bills – LFT	-	285,406	651,235	-	-	936,641	938,189	(1,548)
- Nacional Treasury Notes – NTN	-	-	-	-	25,003	25,003	26,664	(1,661)
- Real estate related receibles (CRI)	(57)	1,711	2,166	1,508	6,428	11,756	10,693	1,063
- Investment fund quotas	6,323	-	-	-	-	6,323	6,323	-
- Others	-	2	-	-	-	2	2	-
Total available-for-sale securities	**6,266**	**287,119**	**653,401**	**1,508**	**31,431**	**979,725**	**981,871**	**(2,146)**
Securities held to maturity (i):								
- Nacional Treasury Notes – NTN	-	-	213,073	85,602	127,180	425,855	425,855	-
- Special guarantee time deposits (DPGE)	-	-	10,645	-	-	10,645	10.645	-
- Investment fund quotas	510	-	-	-	-	510	510	-
- Social Development Fund (FDS)	291	-	-	-	-	291	291	-
Total securities held to maturity	**801**	**-**	**223,718**	**85,602**	**127,180**	**437,301**	**437,301**	**-**
Total	**124,149**	**318,680**	**911,585**	**106,988**	**297,703**	**1,759,105**	**1,738,382**	**20,723**

Consolidated	12/31/2012							
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	More than 5 years	Carrying amount (2) (ii)	Restated cost	MtM adjustment
Trading securities:								
- Certificate of Bank Deposit (CDB)	-	23,356	73,126	-	1,229	97,711	97,711	-
- Real estate related receibles (CRI)	9,407	20,595	40,967	36,179	195,877	303,025	332,461	(29,436)
- Investment fund quotas	104,709	-	-	-	-	104,709	105,094	(385)
- Bonus subscription	-	1	-	-	-	1	1	-
Total trading securities	**114,116**	**43,952**	**114,093**	**36,179**	**197,106**	**505,446**	**535,267**	**(29,821)**
Available-for-sale securities:								
- Financial Treasury Bills – LFT	-	230,192	706,566	-	-	936,758	936,665	93
- Nacional Treasury Notes – NTN	-	-	486,800	-	-	486,800	486,784	16
- Real estate related receibles (CRI)	-	2,285	2,165	1,343	5,652	11,445	10,683	762
- Investment fund quotas	7,832	-	-	-	-	7,832	7,305	527
- Others	-	1	-	-	-	1	1	-
Total available-for-sale securities	**7,832**	**232,478**	**1,195,531**	**1,343**	**5,652**	**1,442,836**	**1,441,438**	**1,398**
Securities held to maturity (i):								
- Nacional Treasury Notes – NTN	-	-	290,859	-	-	290,859	290,859	-
- Special guarantee time deposits (DPGE)	-	-	10,238	-	-	10,238	10,238	-
- Investment fund quotas	504	-	-	-	-	504	504	-
- Social Development Fund (FDS)	290	-	-	-	-	290	290	-
Total securities held to maturity	**794**	**-**	**301,097**	**-**	**-**	**301,891**	**301,891**	**-**
Total	**122,742**	**276,430**	**1,610,721**	**37,522**	**202,758**	**2,250,173**	**2,278,596**	**(28,423)**

i. In compliance with the provisions of Article 8 of BACEN Circular 3068/2001, Panamericano declares that it has both the financial ability and the intention to hold to maturity the securities classified in the ‘securities held to maturity’ category; and

ii. The fair value of securities was determined based on prices and rates prevailing at the balance sheet dates, disclosed by the Brazilian Association of Financial and Capital Market Institutions (ANBIMA) and BM&FBOVESPA. In the case of real estate receivable certificates, the market value is determined using internal models and data based on observable market parameters.

c) Derivative financial instruments

The Bank uses derivative instruments mainly to hedge against unfavorable variations in the fair value of the positions assumed.

The fair value of derivative financial instruments and their respective hedged items is determined based on available market information, mainly the prices and rates disclosed by BM&FBOVESPA. Where applicable, mathematical models of rate interpolation for interim periods and rate extrapolation for longer periods are used.

Future cash flows, discounted to present value by future interest curves, obtained based on information disclosed by BM&FBOVESPA, were used to measure the fair value of swap agreements.

The marking to market of futures contracts, including interest contracts (1- day DI), exchange contracts (DOL) and exchange coupons (DDI) is defined according to the market price in an unique price (PU) format which is disclosed daily by BM&FBOVESPA. Based on this price, the daily adjustments are recorded in assets or liabilities and appropriated every day to results as income or expense.

Derivative financial instrument transactions (futures contracts and swaps) are held in custody at BM&FBOVESPA or at the Clearing House for the Custody and Financial Settlement of Securities (CETIP S.A.). Differences receivable and payable for asset and liability derivative financial instruments are recorded in their corresponding “Derivative financial instrument” balance sheet accounts, with a corresponding entry to the related income statement account “Results of derivative financial instruments” and the nominal values of these transactions are recorded in memorandum accounts.

The forward contract of foreign currency without physical delivery (or Non Deliverable Forward – NDF) is traded on the OTC market. It is a transaction of purchase or sale of foreign currency at a future date and at a predetermined parity. The settlement is the difference between the par value of the initial contract price and the reference on the maturity date. For the pricing of NDFs were used curves of future interest, based on information obtained from the BM&FBOVESPA.

At June 30, 2013 and December 31, 2012, the derivative financial instrument positions were as follows:

Carrying amount	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Index:				
Swap				
- Difference receivable	249,465	205,335	259,582	205,335
- Difference payable	(11,234)	(4,196)	(3,628)	(7,519)
Currency forward				
- Sold position	(86)	-	(86)	-
Futures contracts				
- Asset position	3,305	1,897	3,305	1,897
- Liability position	(12,342)	(742)	(12,342)	(742)
Total, net	**229,108**	**202,294**	**246,831**	**198,971**

We present below the amounts recorded in asset, liability and memorandum accounts, segregated into the following categories: index, maturity, notional and carrying amounts, receivable and payable. All swap positions held are traded in the over-the-counter (OTC) market and futures contracts are traded at BM&FBOVESPA.

Index:	Bank								
	06/30/2013								
	Notional value	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Carrying amount	Restated cost	MtM adjustment
Swap									
Asset position:	**1,655,993**	**1,289**	**1,836**	**9,999**	**10,603**	**225,738**	**249,465**	**204,123**	**45,342**
- CDI	131,666	-	8	38	-	111	157	407	(250)
- US Dollar **(i)**	1,519,660	1,289	1,828	9,961	10,603	225,627	249,308	203,716	45,592
- CDI	4,667	-	-	-	-	-	-	-	-
Liability position:	**1,655,993**	**(335)**	**(362)**	**(37)**	**(901)**	**(9,599)**	**(11,234)**	**(8,953)**	**(2,281)**
- US Dollar	131,666	(325)	(340)	-	(816)	(9,530)	(11,011)	(8,755)	(2,256)
- CDI **(i)**	1,519,660	-	-	-	-	-	-	-	-
- General market price index (IGPM)	4,667	(10)	(22)	(37)	(85)	(69)	(223)	(198)	(25)
Currency forward									
Sold position	**10,224**	**-**	**-**	**(86)**	**-**	**-**	**(86)**	**368**	**(454)**
US Dollar	10,224	-	-	(86)	-	-	(86)	368	(454)
Long position	**10,224**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Pre	10,224	-	-	-	-	-	-	-	-
Futures contracts									
Asset position:	**2,589,503**	**3,305**	**-**	**-**	**-**	**-**	**3,305**	**3,305**	**-**
- DDI	701,760	1,881	-	-	-	-	1,881	1,881	-
- US Dollar	134,079	312	-	-	-	-	312	312	-
- DI1	1,753,664	1,112	-	-	-	-	1,112	1,112	-
Liability position:	**2,589,503**	**(12,342)**					**(12,342)**	**(12,342)**	
- DDI	701,760	(10,549)	-	-	-	-	(10,549)	(10,549)	-
- US Dollar	134,079	(1,793)	-	-	-	-	(1,793)	(1,793)	-
- DI1	1,753,664	-	-	-	-	-	-	-	-
Total receivable, net		**(8,083)**	**1,474**	**9,876**	**9,702**	**216,139**	**229,108**	**186,501**	**42,607**

Index:	Bank								
	12/31/2012								
	Notional value	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Carrying amount	Restated cost	MtM adjustment
Swap									
Asset position:	**1,570,335**	**14**	**-**	**4,479**	**5,523**	**195,319**	**205,335**	**82,299**	**123,035**
- CDI	22,500	-	-	216	121	-	337	308	29
- US Dollar **(i)**	1,541,418	14	-	4,263	5,402	195,319	204,998	81,991	123,006
- CDI	6,417	-	-	-	-	-	-	-	-
Liability position:	**1,570,335**	**(305)**	**(17)**	**(102)**	**(314)**	**(3,458)**	**(4,196)**	**(4,063)**	**(133)**
- US Dollar	22,500	-	-	-	-	-	-	-	-
- CDI **(i)**	1,541,418	(298)	-	(69)	(218)	(3,214)	(3,799)	(3.,867)	68
- General market price index (IGPM)	6,417	(7)	(17)	(33)	(96)	(244)	(397)	(196)	(201)
Futures contracts									
Asset position:	**5,811,087**	**1,897**	**-**	**-**	**-**	**-**	**1,897**	**1,897**	**-**
- DDI	485,428	1,592	-	-	-	-	1,592	1,592	-
- US Dollar	85,623	287	-	-	-	-	287	287	-
- DI1	5,240,036	18	-	-	-	-	18	18	-
Liability position:	**5,811,087**	**(742)**	**-**	**-**	**-**	**-**	**(742)**	**(742)**	**-**
- DDI	485,428	(247)	-	-	-	-	(247)	(247)	-
- US Dollar	85,623	(56)	-	-	-	-	(56)	(56)	-
- DI1	5,240,036	(439)	-	-	-	-	(439)	(439)	-
Total receivable, net		**864**	**(17)**	**4,377**	**5,209**	**191,861**	**202,294**	**79,391**	**122,902**

Index:	Consolidated								
	06/30/2013								
	Notional value	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Carrying amount	Restated cost	MtM adjustment
Swap									
Asset position:	**1,784,831**	**1,289**	**1,836**	**9,999**	**10,603**	**235,855**	**259,582**	**213,289**	**46,293**
- CDI	131,666	-	8	38	-	111	157	407	(250)
- US Dollar **(i)**	1,519,660	1,289	1,828	9,961	10,603	225,627	249,308	203,716	45,592
- CDI	4,667	-	-	-	-	-	-	-	-
- US Dollar	128,838	-	-	-	-	10,117	10,117	9,166	951
Liability position:	**1,784,831**	**(335)**	**(362)**	**(37)**	**(901)**	**(1,993)**	**(3,628)**	**(2,340)**	**(1,288)**
- US Dollar	131,666	(325)	(340)	-	(816)	(1,924)	(3,405)	(2,142)	(1,263)
- CDI **(i)**	1,519,660	-	-	-	-	-	-	-	-
- IGPM	4,667	(10)	(22)	(37)	(85)	(69)	(223)	(198)	(25)
- CDI	128,838	-	-	-	-	-	-	-	-
Futures contracts									
Sold position	**10,224**	**-**	**-**	**(86)**	**-**	**-**	**(86)**	**368**	**(454)**
US Dollar	10,224	-	-	(86)	-	-	(86)	368	(454)
Long position									
Pre	10,224	-	-	-	-	-	-	-	-
Futures contracts									
Asset position:	**2,589,503**	**3,305**	**-**	**-**	**-**	**-**	**3,305**	**3,305**	**-**
- DDI	701,760	1,881	-	-	-	-	1,881	1,881	-
- US Dollar	134,079	312	-	-	-	-	312	312	-
- DI1	1,753,664	1,112	-	-	-	-	1,112	1,112	-
Liability position:	**2,589,503**	**(12,342)**					**(12,342)**	**(12,342)**	
- DDI	701,760	(10,549)	-	-	-	-	(10,549)	(10,549)	-
- US Dollar	134,079	(1,793)	-	-	-	-	(1,793)	(1,793)	-
- DI1	1,753,664	-	-	-	-	-	-	-	-
Total receivable, net		**(8,083)**	**1,474**	**9,876**	**9,702**	**233,862**	**246,831**	**202,280**	**44,551**

Index:	Consolidated								
	12/31/2012								
	Notional value	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Carrying amount	Restated cost	MtM adjustment
Swap									
Asset position:	**1,772,346**	**14**	**-**	**4,479**	**5,523**	**195,319**	**205,335**	**82,299**	**123,035**
- CDI	22,500	-	-	216	121	-	337	308	29
- US Dollar **(i)**	1,541,418	14	-	4,263	5,402	195,319	204,998	81,991	123,006
- CDI	6,417	-	-	-	-	-	-	-	-
- US Dollar	202,011	-	-	-	-	-	-	-	-
Liability position:	**1,772,346**	**(305)**	**(17)**	**(2,307)**	**(314)**	**(4,576)**	**(7,519)**	**(7,039)**	**(480)**
- US Dollar	22,500	-	-	-	-	-	-	-	-
- CDI **(i)**	1,541,418	(298)	-	(69)	(218)	(3,214)	(3,799)	(3,867)	68
- IGPM	6,417	(7)	(17)	(33)	(96)	(244)	(397)	(196)	(201)
- CDI	77,302	-	-	-	-	(206)	(1,162)	(1,119)	(43)
- CDI	51,535	-	-	-	-	(912)	(912)	(730)	(182)
- IGPM	73,174	-	-	(2,205)	-	-	(1,249)	(1,127)	(122)
Futures contracts									
Asset position:	**5,811,087**	**1,897**	**-**	**-**	**-**	**-**	**1,897**	**1,897**	**-**
- DDI	485,428	1,592	-	-	-	-	1,592	1,592	-
- US Dollar	85,623	287	-	-	-	-	287	287	-
- DI1	5,240,036	18	-	-	-	-	18	18	-
Liability position:	**5,811,087**	**(742)**	**-**	**-**	**-**	**-**	**(742)**	**(742)**	**-**
- DDI	485,428	(247)	-	-	-	-	(247)	(247)	-
- US Dollar	85,623	(56)	-	-	-	-	(56)	(56)	-
- DI1	5,240,036	(439)	-	-	-	-	(439)	(439)	-
Total receivable, net		**864**	**(17)**	**2,172**	**5,209**	**190,743**	**198,971**	**76,415**	**122,555**

(i) Hedge accounting: These financial instruments were used mainly to protect US Dollar-indexed liability transactions involving Euro Medium-Term Notes and Subordinated Debts abroad (the hedged items), classified as fair value hedges. The effectiveness determined for the hedge portfolio complies with the provisions established in BACEN Circular 3082/02.

Results determined with derivative financial instruments are comprised as follows:

Bank	06/30/2013			06/30/2012		
	Income	Expense	Net	Income	Expense	Net
Swap	253,163	(231,278)	21,885	286,903	(78,911)	207,992
Futures contracts	9,257	(32,507)	(23,250)	110,232	(126,037)	(15,805)
Currency forward	195,729	(230,614)	(34,885)	-	-	-
Total	**458,149**	**(494,399)**	**(36,250)**	**397,135**	**(204,948)**	**192,187**

Consolidated	06/30/2013			06/30/2012		
	Income	Expense	Net	Income	Expense	Net
Swap	293,226	(256,453)	36,773	286,903	(78,911)	207,992
Futures contracts	9,257	(32,507)	(23,250)	110,232	(126,037)	(15,805)
Currency forward	195,729	(230,614)	(34,885)	-	-	-
Total	**498,212**	**(519,574)**	**(21,362)**	**397,135**	**(204,948)**	**192,187**

d) Securities transactions:

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Fixed income securities	38,205	55,622	126,753	68,058
Result of subordinated quotas	5,006	(96,813)	-	-
Short-term interbank investments (Note 6b)	81,496	96,084	75,659	70,867
Total	**124,707**	**54,893**	**202,412**	**138,925**

8) LOAN OPERATIONS

We present below information on the portfolio of loan and leasing operations, advances on foreign exchange contracts and other receivables with similar characteristics, at June 30, 2013 and December 31, 2012:

a) Analysis of the portfolio by type of operation:

	Bank			
	06/30/2013		12/31/2012	
	Amount	%	Amount	%
Direct consumer credit (CDC)	6,755,771	58.37	5,508,275	57.70
Paycheck deductible loans	1,412,238	12.20	1,471,273	15.41
Financing provided to credit card holders (1)	650,030	5.62	278,369	2.92
Working capital	1,221,562	10.55	959,740	10.05
Credit rights acquired	34,849	0.30	49,755	0.52
Renegotiated loans	28,220	0.24	30,442	0.32
Overdraft accounts	542	-	569	0.01
Personal credit	87,615	0.76	97,330	1.02
Discounted bills	1,432	0.01	4,480	0.05
Overdraft check	288	-	307	0.01
Export financing	470,950	4.07	258,281	2.70
Other	2,715	0.02	17,472	0.18
Total loan and leasing operations	**10,666,212**	**92.14**	**8,676,293**	**90.89**
Other receivables (2)	523,781	4.53	510,360	5.34
Advances on foreign exchange contracts and income receivable (3)	384,987	3.33	360,194	3.77
Total	**11,574,980**	**100.00**	**9,546,847**	**100.00**

(1) Financing provided to holders of Visa and MasterCard credit cards;

(2) Credit card receivables and notes and credits receivable with loan assignment characteristic; and

(3) Advances on foreign exchange contracts are recorded as a reduction of “Other Liabilities” (Note 9).

	Consolidated			
	06/30/2013		12/31/2012	
	Amount	%	Amount	%
Direct consumer credit (CDC)	7,532,853	54.07	6,915,784	55.03
Leasing operations (1)	216,175	1.55	331,337	2.64
Paycheck deductible loans	1,412,238	10.14	1,471,273	11.71
Real estate development financing	182,457	1.31	157,991	1.25
Housing financing	882,299	6.33	783,815	6.24
Loans with real estate guarantees	298,435	2.14	339,560	2.70
Financing provided to credit card holders (2)	650,030	4.67	278,369	2.21
Working capital	1,221,562	8.77	959,740	7.64
Credit rights acquired	34,849	0.25	49,755	0.39
Renegotiated loans	28,220	0.20	30,442	0.24
Overdraft accounts	542	-	569	0.01
Personal credit	87,615	0.63	97,330	0.77
Discounted bills	1,432	0.01	4,480	0.04
Overdraft check	288	-	307	0.01
Export financing	470,950	3.38	258,281	2.05
Other	2,715	0.02	17,472	0.14
Total loan and leasing operations	**13,022,660**	**93.48**	**11,696,505**	**93.07**
Other receivables (3)	523,781	3.76	510,360	4.06
Advances on foreign exchange contracts and income receivable (4)	384,987	2.76	360,194	2.87
Total	**13,931,428**	**100.00**	**12,567,059**	**100.00**

(1) Recorded at present value;

(2) Financing provided to holders of Visa and MasterCard credit cards;

(3) Credit card receivables and credit instruments receivable with loan assignment characteristics; and

(4) Advances on foreign exchange contracts are recorded as a reduction of “Other Liabilities” (Note 9).

b) Analysis of the portfolio by rating and maturity:

Rating	Bank							
	06/30/2013							
	Past due	Maturing						
	More than 14 days	Until 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	From 81 to 360 days	More than 360 days	Total
AA	-	-	-	-	-	-	-	-
A	5,754	807,499	220,726	194,195	545,024	1,024,796	4,857,885	7,655,879
B	88,819	93,604	93,857	117,846	251,243	452,716	748,002	1,846,087
C	72,115	64,730	54,111	47,242	86,998	168,263	280,497	773,956
D	55,607	20,667	10,185	7,815	19,029	28,958	109,547	251,808
E	50,190	6,373	2,960	2,882	8,936	17,957	74,030	163,328
F	46,886	5,090	2,290	2,400	7,393	14,834	56,923	135,816
G	44,618	3,823	1,735	1,786	5,502	11,041	73,155	141,660
H	244,511	20,517	8,923	9,015	28,224	56,875	238,381	606,446
Total	**608,500**	**1,022,303**	**394,787**	**383,181**	**952,349**	**1,775,440**	**6,438,420**	**11,574,980**

Rating	Bank							
	12/31/2012							
	Past due	Maturing						
	More than 14 days	Until 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	From 81 to 360 days	More than 360 days	Total
AA	-	-	-	-	-	-	-	-
A	5,390	563,422	204,643	184,449	481,345	857,843	4,190,309	6,487,401
B	28,716	103,464	88,922	42,841	228,009	352,716	490,005	1,334,673
C	59,687	38,872	42,888	14,939	80,484	136,299	188,116	561,285
D	39,965	11,311	4,677	4,159	15,081	25,985	91,294	192,472
E	52,312	5,264	2,724	2,628	7,328	14,239	71,990	156,485
F	35,856	4,696	2,152	2,127	5,902	12,114	64,694	127,541
G	38,264	3,729	2,036	2,067	5,728	11,655	96,300	159,779
H	228,131	17,845	8,275	7,899	21,960	42,844	200,257	527,211
Total	**488,321**	**748,603**	**356,317**	**261,109**	**845,837**	**1,453,695**	**5,392,965**	**9,546,847**

Rating	Consolidated							
	06/30/2013							
	Past due	Maturing						
	More than 14 days	Until 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	From 81 to 360 days	More than 360 days	Total
AA	-	54,694	23,274	54,685	171,442	146,882	136,259	587,236
A	6,409	856,608	263,863	228,051	634,327	1,199,556	5,365,325	8,554,139
B	130,194	96,577	110,699	119,959	260,447	462,889	786,348	1,967,113
C	78,368	69,804	56,517	54,584	114,523	180,892	343,345	898,033
D	69,594	36,833	15,434	9,235	36,319	36,343	149,653	353,411
E	57,705	11,847	3,983	3,890	11,924	23,247	90,929	203,525
F	58,153	6,527	10,929	12,240	9,531	18,605	65,223	181,208
G	50,283	5,227	2,476	2,532	7,651	14,813	84,930	167,912
H	585,169	26,308	11,853	11,925	36,760	71,983	274,853	1,018,851
Total	**1,035,875**	**1,164,425**	**499,028**	**497,101**	**1,282,924**	**2,155,210**	**7,296,865**	**13,931,428**

Rating	Consolidated							
	12/31/2012							
	Past due	Maturing						
	More than 14 days	Until 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	From 81 to 360 days	More than 360 days	Total
AA	-	29,496	85,064	34,906	166,171	192,950	135,004	643,591
A	5,861	627,303	270,290	244,959	624,300	1,109,653	4,958,617	7,840,983
B	33,424	107,983	96,378	49,470	237,700	370,696	551,029	1,446,680
C	67,392	48,687	58,443	18,326	90,287	157,801	245,541	686,477
D	49,042	18,405	18,530	15,497	20,781	36,537	134,170	292,962
E	64,051	9,562	4,240	4,103	15,670	22,239	100,155	220,020
F	42,587	6,571	3,187	3,142	8,831	17,667	81,130	163,115
G	45,876	5,449	3,011	3,018	8,496	16,870	116,106	198,826
H	654,096	25,966	12,706	12,276	34,692	66,888	267,781	1,074,405
Total	**962,329**	**879,422**	**551,849**	**385,697**	**1,206,928**	**1,991,301**	**6,589,533**	**12,567,059**

c) Composition of the credit portfolio by risk level and allowance for loan losses:

		06/30/2013							
		Bank				Consolidated			
Level	% Allowance required	Maturing	Past due (*)	Total	Provision	Maturing	Past due (*)	Total	Provision
AA	-	-	-	-	-	587,237	-	587,237	-
A	0.50	7,650,125	5,754	7,655,879	38,280	8,547,730	6,409	8,554,139	42,770
B	1.00	1,757,268	88,819	1,846,087	18,461	1,836,919	130,194	1,967,113	19,671
C	3.00	701,841	72,115	773,956	23,219	819,665	78,368	898,033	26,941
D	10.00	196,201	55,607	251,808	25,181	283,816	69,594	353,410	35,341
E	30.00	113,138	50,190	163,328	48,998	145,820	57,705	203,525	61,058
F	50.00	88,930	46,886	135,816	67,908	123,055	58,153	181,208	90,604
G	70.00	97,042	44,618	141,660	99,162	117,629	50,283	167,912	117,538
H	100.00	361,935	244,511	606,446	606,446	433,682	585,169	1,018,851	1,018,851
Total		**10,966,480**	**608,500**	**11,574,980**	**927,655**	**12,895,553**	**1,035,875**	**13,931,428**	**1,412,774**
				% of total risk	**8.01 %**				**10.14 %**

		12/31/2012							
		Bank				Consolidated			
Level	% Allowance required	Maturing	Past due (*)	Total	Provision	Maturing	Past due (*)	Total	Provision
AA	-	-	-	-	-	643,591	-	643,591	-
A	0.50	6,482,011	5,390	6,487,401	32,437	7,835,122	5,861	7,840,983	45,369
B	1.00	1,305,957	28,716	1,334,673	13,347	1,413,256	33,424	1,446,680	24,498
C	3.00	501,598	59,687	561,285	16,838	619,085	67,392	686,477	30,696
D	10.00	152,507	39,965	192,472	19,247	243,920	49,042	292,962	45,292
E	30.00	104,173	52,312	156,485	46,946	155,969	64,051	220,020	66,557
F	50.00	91,685	35,856	127,541	63,771	120,528	42,587	163,115	84,772
G	70.00	121,515	38,264	159,779	111,845	152,950	45,876	198,826	139,774
H	100.00	299,080	228,131	527,211	527,211	420,309	654,096	1,074,405	1,074,405
Total		**9,058,526**	**488,321**	**9,546,847**	**831,642**	**11,604,730**	**962,329**	**12,567,059**	**1,511,363**
				% of total risk	**8.71%**				**12.03%**

(*) includes operations past due for more than 14 days.

d) Activity in the allowance for loan losses:

	Bank				
	06/30/2013				
	Loan and leasing operations (1)	Additional allowance (2)	Credit assignments (3)	Other receivables	Total
At the beginning of the period	**831,642**	**-**	**217,137**	**15,193**	**1,063,972**
- Balance of credits that returned to the Bank's portfolio	218,920	-	-	-	218,920
- Allowance recorded/reversed	470,018	14,000	(31,921)	9,518	461,615
- Write off against allowance	(592,925)	-	-	-	(592,925)
At the end of the period	**927,655**	**14,000**	**185,216**	**24,711**	**1,151,582**
- Credit recoveries (4) (5)	**76,605**	**-**	**-**	**-**	**76,605**
- Effect on results (6)	**(393,413)**	**(14,000)**	**31,921**	**(9,518)**	**(385,010)**

	Banco				
	06/30/2012				
	Loan operations (1)	Additional allowance (2)	Credit assignments (3)	Other receivables	Total
At the beginning of the period	**665,377**	**53,893**	**166,116**	**12,685**	**898,071**
- Allowance recorded/reversed	586,972	(53,893)	51,376	380	584,835
- Write off against allowance	(453,631)	-	-	-	(453,631)
At the end of the period	**798,718**	**-**	**217,492**	**13,065**	**1,029,275**
- Credit recoveries (4) (5)	**49,984**	**-**	**-**	**-**	**49,984**
- Effect on results (6)	**(536,988)**	**53,893**	**(51,376)**	**(380)**	**(534,851)**

	Consolidated				
	06/30/2013				
	Loan and leasing operations (1)	Additional allowance (2)	Credit assignments (3)	Other receivables	Total
At the beginning of the period	**1,511,364**	**431**	**217,137**	**15,933**	**1,744,865**
- Balance of credits that returned to the Bank's portfolio	218,920	-	-	-	218,920
- Allowance recorded/reversed	541,188	13,717	(31,921)	10,131	533,115
- Write off against allowance	(858,698)	-	-	-	(858,698)
At the end of the period	**1,412,774**	**14,148**	**185,216**	**26,064**	**1,638,202**
- Credit recoveries (4) (5)	**90,737**	**-**	**-**	**-**	**90,737**
- Effect on results (6)	**(450,451)**	**(13,717)**	**31,921**	**(10,131)**	**(442,378)**

	Consolidated				
	06/30/2012				
	Loan and leasing operations (1)	Additional allowance (2)	Credit assignments (3)	Other receivables	Total
At the beginning of the period	**1,096,202**	**53,893**	**166,116**	**12,685**	**1,328,896**
- Allowance recorded/reversed	784,578	(53,893)	51,376	380	782,441
- Write off against allowance	(501,238)	-	-	-	(501,238)
At the end of the period	**1,379,542**	**-**	**217,492**	**13,065**	**1,610,099**
- Credit recoveries (4) (5)	**57,386**	**-**	**-**	**-**	**57,386**
- Effect on results (6)	**(727,192)**	**53,893**	**(51,376)**	**(380)**	**(725,055)**

(1) Includes other receivables with characteristics of loan operations and foreign exchange transactions;
(2) Recorded to cover the additional risks of the credit portfolio, based on management's experience and the expected realization of the credit portfolio;
(3) Allowance for loan losses related to credit assignments with co-obligation (Note 8g), classified in Other liabilities – Sundry;
(4) For the period ended June 30, 2013, credits previously written off against the allowance for loan and lease losses were recovered in the amount of R$ 90,737 (R$ 76,605 of which comprised the recovery of Bank loans and R$ 10,532 comprising the recovery of leasing operations and R$ 3,600 comprising the recovery of loans from Ourinvest). Renegotiated loans totaled R$ 28,222 in the Bank and Consolidated (R$ 30,442 at December 31, 2012).
(5) Recorded in income from loan operations; and
(6) Expense for the provision recorded less credit recoveries.

e) Classification by activity area:

Activity area	Bank			
	06/30/2013		12/31/2012	
	Amount	%	Amount	%
Individuals	**9,211,693**	**79.57**	**7,764,313**	**81.33**
Agribusiness	**320,485**	**2.77**	**179,354**	**1.88**
Sugar and etanol	88,885	0.77	77,914	0.82
Agribusiness and animal protein	231,600	2.00	101,440	1.06
Commercial	**1,004,130**	**8.68**	**954,042**	**9.99**
Wholesale and retail	1,004,130	8.68	954,042	9.99
Basic industries	**286,779**	**2.48**	**139,974**	**1.47**
Auto parts	182	-	2,096	0.02
Chemical industry	27,037	0.23	40,116	0.42
Oil and gas	22	-	-	-
Other industries	211,371	1.83	80,972	0.85
Paper and pulp	38,201	0.33	6,713	0.07
Textiles	9,966	0.09	10,077	0.11
Services	**751,893**	**6.50**	**509,164**	**5.33**
Construction and real-estate development	283,937	2.45	179,789	1.87
Financial	65,757	0.57	66,652	0.70
Vehicle rental	8,224	0.07	10,178	0.11
Media, IT and telecom	18,551	0.16	22,159	0.23
Other services	264,440	2.28	173,367	1.82
Health, security and education	724	0.01	103	-
Transportation and logistics	72,992	0.64	9,097	0.10
Utilities	37,268	0.32	47,819	0.50
Total	**11,574,980**	**100.00**	**9,546,847**	**100.00**

Activity area	Consolidated			
	06/30/2013		12/31/2012	
	Amount	%	Amount	%
Individuals	**10,697,816**	**76.79**	**9,925,787**	**78.98**
Agribusiness	**320,485**	**2.30**	**179,354**	**1.43**
Sugar and etanol	88,885	0.64	77,914	0.62
Agribusiness and animal protein	231,600	1.66	101,440	0.81
Commercial	**1,032,341**	**7.41**	**1,020,938**	**8.12**
Wholesale and retail	1,032,341	7.41	1,020,938	8.12
Basic industries	**286,779**	**2.06**	**139,974**	**1.11**
Auto parts	182	-	2,096	0.02
Chemical industry	27,037	0.20	40,116	0.32
Oil and gas	22	-	-	-
Other industries	211,371	1.52	80,972	0.64
Paper and pulp	38,201	0.27	6,713	0.05
Textiles	9,966	0.07	10,077	0.08
Services	**1,594,007**	**11.44**	**1,301,006**	**10.36**
Construction and real-estate development	1,126,051	8.08	971,631	7.74
Financial	65,757	0.47	66,652	0.53
Vehicle rental	8,224	0.06	10,178	0.08
Media, IT and telecom	18,551	0.13	22,159	0.18
Other services	264,440	1.90	173,367	1.38
Health, security and education	724	-	103	-
Transportation and logistics	72,992	0.53	9,097	0.07
Utilities	37,268	0.27	47,819	0.38
Total	**13,931,428**	**100.00**	**12,567,059**	**100.00**

f) Concentration of loans:

Largest borrowers	Bank				Consolidated			
	06/30/2013		12/31/2012		06/30/2013		12/31/2012	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	287,748	2.49	232,068	2.43	336,637	2.42	294,565	2.34
50 next largest borrowers	738,793	6.38	622,140	6.52	854,975	6.14	742,980	5.91
100 next largest borrowers	840,302	7.26	705,383	7.39	992,874	7.13	850,136	6.76
Other borrowers	9,708,137	83.87	7,987,256	83.66	11,746,942	84.31	10,679,378	84.99
Total	**11,574,980**	**100.00**	**9,546,847**	**100.00**	**13,931,428**	**100.00**	**12,567,059**	**100.00**

g) Loan assignments:

- **Assignments withouth co-obligation**

For the period ended June 30, 2013, loans were assigned to financial institutions as presented below:

	Bank		
	06/30/2013		
	Assignment amount	Present value	Result (1)
Without co-obligation			
Direct consumer credit (CDC)	1,691,467	1,543,049	148,418
Paycheck deductible loans	1,485,153	1,169,959	315,194
Housing financing	52,512	39,215	13,297
Real estate development financing	3,158	2,349	809
Loans with real estate guarantees	276,516	206,528	69,988
Total	**3,508,806**	**2,961,100**	**547,706**

	Consolidated		
	06/30/2013		
	Assignment amount	Present value	Result (1)
Without co-obligation			
Direct consumer credit (CDC)	1,691,467	1,543,049	148,418
Paycheck deductible loans	1,485,153	1,169,959	315,194
Housing financing	52,516	37,041	15,475
Real estate development financing	3,160	2,219	941
Loans with real estate guarantees	276,540	195,081	81,459
Total	**3,508,836**	**2,947,349**	**561,487**

	Bank and Consolidated		
	06/30/2012		
	Assignment amount	Present value	Result (1)
Without co-obligation			
Direct consumer credit (CDC)	1,381,316	1,134,130	247,186
Paycheck deductible loans	113,268	82,298	30,970
Total	**1,494,584**	**1,216,428**	**278,156**

(1) Recorded in "income on loan operations".

- **Assignments with co-obligation**

The responsibilities for loans assigned with co-obligation amount to R$ 796,222 (R$ 1,157,786 at December 31, 2012), in the Bank and consolidated, calculated at present value using the agreed contract rates.

The present value determined based on the loan assignment rates totals R$ 882,154 (R$ 1,283,008 at December 31, 2012), in the bank and consolidated, for which an allowance for loan losses was recorded in the amount of R$ 185,216 (R$ 217,137 at December 31, 2012), calculated using the same criteria adopted for calculating the allowance for loan losses for unassigned operations and recorded in the "Other liabilities - sundry" account (Note 22b).

h) Income on loan and leasing operations:

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Profit on loan assignments (note 8g)	547,706	278,156	561,487	278,156
Credit cards	151,129	117,486	151,129	117,486
Direct consumer credit (CDC)	606,169	360,932	750,788	604,348
Paycheck deductible loans	166,117	93,435	166,117	93,435
Personal credit	22,525	29,860	22,525	29,860
Recovery of credits written off as losses (1)	76,605	49,984	90,737	57,386
Secured accounts	4,728	1,497	4,728	1,497
Renegotiated loans	1,499	2,580	1,499	2,580
Export financing	71,206	11,137	71,206	11,137
Housing loans	207	-	56,154	-
Income from real estate developments	-	-	9,895	-
Income from loans with real estate guarantees	-	-	26,864	-
Working capital	72,967	53,984	72,967	53,984
Leasing, net of expenses (2)	-	-	25,739	54,811
Other	2,007	9,465	2,007	9,465
Total	**1,722,865**	**1,008,516**	**2,013,842**	**1,314,145**

(1) In consolidated, considers loan and leasing operations; and
(2) Does not include recovery of loans written off.

9) FOREIGN EXCHANGE PORTFOLIO

a) Balance sheet amounts:

Bank and Consolidated	06/30/2013	12/31/2012
Assets		
Exchange purchases pending settlement	401,128	357,597
Rights on exchange sales	-	-
Income receivable	16,486	13,916
Total Assets	**417,614**	**371,513**
Liabilities		
Exchange sales pending settlement	-	-
Liabilities for exchange purchases	368,501	346,278
Advances on foreign exchange contracts	(368,501)	(346,278)
Total Liabilities	**-**	**-**

b) Income from Exchange transaction:

Bank and Consolidated	06/30/2013	06/30/2012
Income from export financing	17,221	9,937
Foreign Exchange	56,193	26,238
Others	2,483	(172)
Total	**75,897**	**36,003**

10) REAL ESTATE RECEIVABLES

These are portfolios of real estate financings and rental receivables acquired by Brazilian Securities, which will be used to guarantee the future issuance of Real Estate Receivable Certificates (CRI).

Consolidated	Final maturity	Index	% interest p.a.	06/30/2013	12/31/2012
Tranches 95 and 96	09/01/2027	TR	8.65	11,462	13,523
Real estate credit note	25/04/2043	INCC/IGPM or TR without indexation	0 to 18.33	145,536	141,075
Total				**156,998**	**154,598**

Credit quality

The real estate receivable contracts include a clause which places a lien on the financed property. Company management considers that this guarantee is sufficient to cover any losses arising from borrower defaults and accordingly that no additional provision is necessary.

The real estate receivables are classified as good quality assets, since they are only acquired when they present characteristics, guarantees and payment history which evidence a high probability of realization, enabling their securitization.

11) RESIDUAL BENEFIT IN SECURITIZED TRANSACTIONS

a) Summary of book balances under the fiduciary regime:

Consolidated	06/30/2013	12/31/2012
Cash	29,470	27,866
Financial investments	162,359	126,087
Real estate receivables (1)	8,867,994	8,726,764
Other assets	9,395	6,274
Total Assets	**9,069,218**	**8,886,991**
Real estate receivable certificates (2)	9,003,093	8,841,490
Other liabilities	52,020	28,173
Total Liabilities	**9,055,113**	**8,869,663**
Residual benefit in securitized transactions (3)	**14,105**	**17,328**

(1) The real estate receivables are indexed for inflation based on the IGPM, INCC, IPCA or TR rates, or have no inflation index, plus interest which varies from 0.00% p.a. to 18.44% p.a. and mature up to March 26, 2043;
(2) The real estate receivable certificates are indexed for inflation based on the IGPM, IPCA, TR or CDI rates, plus interest which varies from 3.07% p.a. to 77.50% p.a. and mature up to February 20, 2043; and
(3) This corresponds to the residual balance, net of any guarantees provided, of separate equity of the securitized transactions which, in accordance with Law 9514/97, will be restored to the securitization company's common equity when the fiduciary regime is terminated and the related real-estate receivable certificates are settled.

b) During the first half of 2013, the Company acquired real estate receivables in the amount of R$ 787,763 (R$ 1,374,458 at December 31, 2012). In addition, retrocession transactions were carried out in the amount of R$ 3,139 (R$ 19,456 at December 31, 2012).

c) At June 30, 2013, the total amount of real estate receivable installments past due for more than 90 days, related to the series issued, is R$ 21,389 thousand, corresponding to 2.32% of the total real estate receivables related to the series.

12) OTHER RECEIVABLES – SUNDRY (*)

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Deferred tax assets (Note 34b)	2,518,885	2,649,711	2,860,032	3,013,674
Amounts receivable from loan assignments	136,580	148,860	136,749	149,031
Notes and credits receivable (a)	523,781	510,360	523,781	510,360
Income tax available for offset	288,308	67,694	356,136	168,668
Judicial and tax deposits	75,318	68,703	102,721	89,656
Credit cards (b)	15,557	17,689	15,557	17,689
Amounts receivable from paycheck-deductible loans (c)	37,065	29,194	37,065	29,194
Amounts receivable from affiliates	35,394	4,713	-	-
Other	66,282	47,242	86,848	60,146
Total	**3,697,170**	**3,544,166**	**4,118,889**	**4,038,418**

(*) Includes notes and credits receivable;

(a) Credit card receivables and notes and credits receivable with loan assignment characteristics;

(b) Credit card transactions for which invoices have not yet been issued, or which have been issued but have not yet fallen due; and

(c) Amounts received by State and Municipal Governments but not yet transferred to the Bank. These transfers are still being negotiated by the Bank. A full provision was recorded for losses and for transfers past due for more than 180 days, the balance of which at June 30, 2013 is R$ 24,712 (R$ 15,193 at December 31, 2012).

13) OTHER ASSETS

a) Repossessed assets/other

	Residual Value							
	Bank				Consolidated			
	Cost	Valuation allowance	06/30/2013	12/31/2012	Cost	Valuation allowance	06/30/2013	12/31/2012
Vehicles	57,942	(37,540)	20,402	18,445	60,105	(42,716)	17,389	19,449
Vehicles under special regime	67,975	(62,836)	5,139	6,101	72,331	(62,836)	9,495	6,579
Real State	124	(56)	68	127	28,397	(55)	28,342	16,429
Total repossessed assets	**126,041**	**(100,432)**	**25,609**	**24,673**	**160,833**	**(105,607)**	**55,226**	**42,457**
Other items	535	-	535	374	535	-	535	374
Total repossessed assets	**126,576**	**(100,432)**	**26,144**	**25,047**	**161,368**	**(105,607)**	**55,761**	**42,831**

b) Prepaid expenses

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Commission paid to correspondent banks	330,835	313,725	352,504	360,523
Expense for issuance of securities abroad	31,355	12,778	31,425	12,778
Insurance company selling expenses	-	-	12,834	3,464
Other	604	66	1,267	899
Total	**362,794**	**326,569**	**398,030**	**377,664**

14) INVESTMENTS

a) Subsidiary companies

Companies	Capital	Adjusted equity	Number of shares/ quotas held (in thousands)			Consolidated percentage ownership	Adjusted net Income(loss)	Balance of investments		Equity accounting adjustment (2) Half Year ended	
			Common ON	Preferred PN	Quotas		06/30/2013	06/30/2013	12/31/2012	06/30/2013	06/30/2012
Panamericano Arrendamento Mercantil S.A. (1) (3)	141,521	64,856	11	-	-	99.970%	(2,326)	64,837	67,161	(2,325)	(29,064)
Panamericana de Seguros S.A. (1) (3)	71,256	154,907	339,207	106	-	99.999%	17,226	154,907	168,180	17,226	19,900
Panserv Prestadora de Serviços Ltda. (1) (3)	5,061	34,850	-	-	5,061	99.999%	7,556	34,850	24,294	7,556	4,150
Panamericano Adm. e Corretora de Seguros e Previdência Privada Ltda. (1) (3) (4)	306	4,736	-	-	306	99.999%	2,583	4,736	2,153	2,583	(165)
Ourinvest Real Estate Holding S.A. (1) (3) (5) (6) (7)	787,155	787,787	140,471	29,113	-	100.000%	15,070	893,561	968,076	15,070	-
Total								**1,152,891**	**1,229,864**	**40,110**	**(5,179)**

(1) Information at June 30, 2013;
(2) Considers results determined by the companies subsequent to acquisition and includes equity variations in the investees not derived from results, as well as adjustments arising from the equalization of accounting principles, where applicable.
(3) Companies whose financial statements for the period ended June 30, 2013 were reviewed by the same independent auditor as Banco Panamericano.
(4) On June 30, 2012 the subsidiary was classified as "unsecured liabilities";
(5) Company acquired on 2012 (see note 1);
(6) The carrying amount includes goodwill on the acquisition of investment in the amount of R$ 105,775, net of accumulated amortization (Note 16a); and
(7) On April 15, 2013 was approved a capital reduction of Ourinvest Real Estate Holding S.A in the amount of R$ 85,000.

b) Other investments:

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Interbank chamber of payments	380	380	380	380
IRB Brasil Resseguros S.A.	-	-	304	304
Fiscal incentive investments	-	-	80	80
Works of art	23	23	23	23
Others	-	-	1	1
Total	**403**	**403**	**788**	**788**

15) PROPERTY AND EQUIPMENT

The balance of property and equipment is stated acquisition cost. Depreciation is calculated on the straight-line method at annual rates which take into consideration the economic useful lives of the assets.

Bank	Annual rate	Cost	Depreciation	Residual value	
				06/30/2013	12/31/2012
Facilities, furniture and equipment in use	10%	17,055	(11,813)	5,242	3,259
Security and communications systems	10%	2,708	(1,481)	1,227	204
Data processing systems	20%	27,708	(18,788)	8,920	3,361
Transportation systems	20%	336	(197)	139	70
Total at June 30, 2013		**47,807**	**(32,279)**	**15,528**	**-**
Total at December 31, 2012		**38,158**	**(31,264)**	**-**	**6,894**

Consolidated	Annual rate	Cost	Depreciation	Residual value	
				06/30/2013	12/31/2012
Properties in use	4%	2,530	(292)	2,238	2,279
Facilities, furniture and equipment in use	10%	23,396	(13,776)	9,620	7,505
Security and communications systems	10%	2,788	(1,540)	1,248	230
Data processing systems	20%	31,453	(21,620)	9,833	4,570
Transportation systems	20%	336	(197)	139	70
Other fixed assets	-	124	(8)	116	113
Total at June 30, 2013		**60,627**	**(37,433)**	**23,194**	**-**
Total at December 31, 2012		**50,559**	**(35,792)**	**-**	**14,767**

16) INTANGIBLE ASSETS

a) Goodwill:

Goodwill on the acquisition of the investment totaled R$ 116,449 (Consolidated – R$ 250,532), based on the expected future profitability of the investment, which will be amortized on the straight-line basis over a ten-year period or upon realization. This goodwill is recorded under investment in the parent company financial statements and under intangible assets in the consolidated financial statements.

In the first half of 2013, goodwill amortization totaled R$ 5,822 (Consolidated - R$ 12,525). See Note 1 for further details regarding the acquisition of investment.

b) Intangible assets acquired comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				06/30/2013	12/31/2012
Expense for software design	20% a 50%	42,578	(17,294)	25,284	24,003
Leasehold improvements	10%	17,429	(889)	16,540	7,913
Other	10%	22	(19)	3	3
Total at June 06, 2013		**60,029**	**(18,202)**	**41,827**	**-**
Total at December 31, 2012		**46,105**	**(14,186)**	**-**	**31,919**

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				06/30/2013	12/31/2012
Expense for software design	20% a 50%	57,182	(30,661)	26,521	25,216
Leasehold improvements	10%	38,267	(3,866)	34,401	27,449
Goodwill (note 16a)	10%	250,532	(22,965)	227,567	240,092
Other	10%	22	(19)	3	3
Total at June 06, 2013		**346,003**	**(57,511)**	**288,492**	**-**
Total at December 31, 2012		**321,937**	**(29,177)**	**-**	**292,760**

c) Activity of intangible assets by class:

Bank	Expense for software design	Leasehold improvements	Others	Total
At December 31, 2012	**24,003**	**7,913**	**3**	**31,919**
Additions/write off	6,620	9,260		15,880
Amortization for the period	(5,339)	(633)	-	(5,972)
At June 30, 2013	**25,284**	**16,540**	**3**	**41,827**

Consolidated	Expense for software design	Leasehold improvements	Goodwill (Note 16a)	Others	Total
At December 31, 2012	**25,216**	**27,449**	**240,092**	**3**	**292,760**
Additions/write off	6,717	9,092	-	-	15,809
Amortization for the period	(5,412)	(2,140)	(12,525)	-	(20,077)
At June 30, 2013	**26,521**	**34,401**	**227,567**	**3**	**288,492**

17) DEPOSITS, MONEY MARKET FUNDING AND FUNDS FROM ISSUANCE OF SECURITIES

a) Deposits:

Bank	Up to 30 days	31 to 180 days	181 to 360 days	More than 360 days	06/30/2013	12/31/2012
● Demand deposits (1)	125,767	-	-	-	125,767	101,616
● Interbank deposits	2,625,623	2,543,428	353,478	32,832	5,555,361	4,492,951
● Time deposits	165,890	518,407	1,073,380	1,363,908	3,121,585	2,659,747
Total at June 30, 2013	**2,917,280**	**3,061,835**	**1,426,858**	**1,396,740**	**8,802,713**	**-**
Total at December 31, 2012	**2,113,930**	**2,625,972**	**1,010,584**	**1,503,828**	**-**	**7,254,314**

Consolidated	Up to 30 days	31 to 180 days	181 to 360 days	More than 360 days	06/30/2013	12/31/2012
● Demand deposits (1)	124,424	-	-	-	124,424	101,560
● Interbank deposits	2,625,623	2,543,342	(2,820)	32,832	5,198,977	4,150,507
● Time deposits	109,549	470,909	937,191	1,304,605	2,822,254	2,362,061
Total at June 30, 2013	**2,859,596**	**3,014,251**	**934,371**	**1,337,437**	**8,145,655**	**-**
Total at December 31, 2012	**2,113,874**	**2,625,972**	**419,359**	**1,454,923**	**-**	**6,614,128**

(1) Classified as up to 30 days without considering average historical turnover.

b) Money market funding

Bank	06/30/2013					12/31/2012
	Up to 30 days	90 to 180 days	181 to 360 days	More than 360 days	Total	Total
Own portfolio	**557,279**	**35,352**	**22,108**	**12,550**	**627,289**	**861,012**
● Financial Treasury Bills – LFT	229,601	35,352	22,108	12,550	299,611	239,827
● Nacional Treasury Notes – NTN	327,678	-	-	-	327,678	621,185
Third-party portfólio	**708,215**	**-**	**-**	**-**	**708,215**	**239,722**
● Nacional Treasury Notes – NTN	708,215	-	-	-	708,215	239,722
Free portfólio	**-**	**76,526**	**38,046**	**-**	**114,572**	**-**
● Nacional Treasury Notes – NTN	-	76,526	38,046	-	114,572	-
Total at June 30, 2013	**1,265,494**	**111,878**	**60,154**	**12,550**	**1,450,076**	**-**
Total at December 31, 2012	**1,015,907**	**-**	**39,150**	**45,677**	**-**	**1,100,734**

Consolidated	06/30/2013					12/31/2012
	Up to 30 days	90 to 180 days	181 to 360 days	More than 360 days	Total	Total
Own portfolio	**557,279**	**35,352**	**22,108**	**12,550**	**627,289**	**840,134**
● Financial Treasury Bills – LFT	229,601	35,352	22,108	12,550	299,611	239,827
● Nacional Treasury Notes – NTN	327,678	-	-	-	327,678	600,307
Third-party portfolio	**690,597**	**-**	**-**	**-**	**690,597**	**239,722**
● Nacional Treasury Notes – NTN	690,597	-	-	-	690,597	239,722
Free portfolio	**-**	**76,526**	**38,046**	**-**	**114,572**	**-**
● Nacional Treasury Notes – NTN	-	76,526	38,046	-	114,572	-
Total at June 30, 2013	**1,247,876**	**111,878**	**60,154**	**12,550**	**1,432,458**	**-**
Total at December 31, 2012	**1,015,907**	**-**	**39,150**	**45,677**	**-**	**1,079,856**

c) Funds from acceptance and issuance of securities:

Bank	06/30/2013					12/31/2012
	Up to 30 days	31 to 90 days	91 to 360 days	More than 360 days	Total	Total
Marketable securities – local						
● Financial bills (LF)	119,752	-	658,744	1,255,768	2,034,264	1,225,588
● Agribusiness letters of credit (LCA)	81,516	241,194	325,531	25,541	673,782	365,499
● Real estate letters of credit (LCI)	15,368	56,208	86,130	8,441	166,147	64,343
Subtotal	**216,636**	**297,402**	**1,070,405**	**1,289,750**	**2,874,193**	**1,655,430**
Securities – Foreign (1)						
● Euro Medium-Term Notes	-	13,325	-	639,506	652,832	612,588
Subtotal	**-**	**13,325**	**-**	**639,506**	**652,832**	**612,588**
Total at June 30, 2013	**216,636**	**310,727**	**1,070,405**	**1,929,256**	**3,527,025**	**-**
Total at December 31, 2012	**71,473**	**134,560**	**487,558**	**1,574,427**	**-**	**2,268,018**

Consolidated	06/30/2013					12/31/2012
	Up to 30 days	31 to 90 days	91 to 360 days	More than 360 days	Total	Total
Marketable securities – local						
● CRI – Certificate of Real Estate Receivables	124	247	1,090	13,628	15,089	16,796
● Financial bills (LF)	119,752	-	658,744	1,255,768	2,034,264	1,225,588
● Agribusiness letters of credit (LCA)	81,516	241,194	325,531	25,541	673,782	365,499
● Real estate letters of credit (LCI)	142,289	293,880	333,543	690,896	1,460,608	1,290,074
Subtotal	**343,681**	**535,321**	**1,318,908**	**1,985,833**	**4,183,743**	**2,897,957**
● Resources and Debentures	7,356	6,667	13,333	13,333	40,689	54,213
Subtotal	**7,356**	**6,667**	**13,333**	**13,333**	**40,689**	**54,213**
Securities – Foreign (1)						
● Euro Medium-Term Notes	-	13,325	-	639,506	652,832	612,588
Subtotal	**-**	**13,325**	**-**	**639,506**	**652,832**	**612,588**
Total at June 30, 2013	**351,037**	**555,313**	**1,332,241**	**2,638,672**	**4,877,264**	**-**
Total at December 31, 2012	**291,327**	**510,699**	**800,705**	**1,962,027**	**-**	**3,564,758**

(1) Securities issued abroad

On February 22, 2006, the Bank launched a program for raising funds abroad in the total amount of US$ 500,000 thousand, through the issuance of Euro Medium-Term Notes, of which US$ 200,000 thousand was raised on October 26, 2009 and US$ 300,000 thousand on August 4, 2010.

The Bank fulfilled its obligation to offer the holders of these notes the option to redeem them in advance for the same amount payable on the original maturity dates (face or par value). The option was available for exercise from June 27 to July 12, 2011, with adherence to notes with principal amounts of US$ 900 thousand for the issue maturing in 2012, and of US$ 11,400 thousand for the issue maturing in 2015. The notes redeemed in advance were settled on July 27, 2011.

We present below an analysis of the tranches and balances adjusted up to the balance sheet dates:

Tranche in thousands of US dollars	Interest rate	Maturity	Bank and Consolidated	
			06/30/2013 (1)	12/31/2012 (1)
288,638	5.50% p.a.	08/04/2015	652,832	612,588
Total			**652,832**	**612,588**

(1) The mark-to-market (MTM) adjustments of the funds raised abroad were recorded in the income statement under money market funding and comprised an income of R$ 10,539 in the first half of 2013 (expense of R$ 3,633 in the first half of 2012). This transaction has a fair value hedge (Notes 3e and 7c).

d) Expense for deposits, money market funding and funds from issuance of securities and subordinated debt:

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Time deposits	169,135	162,462	155,980	162,247
Interbank deposits	161,283	130,697	149,041	130,697
Exchange variation	135,725	143,716	135,725	143,716
Securities issued abroad and subordinated debt	69,665	78,472	69,665	78,472
MtM of funds raised abroad – subordinated debt and securities abroad	(88,608)	30,757	(88,608)	30,757
Purchase and sale commitments	87,103	42,874	87,103	42,115
Financial bills (LF)	60,927	23,175	60,927	23,175
Agribusiness letters of credit (LCA)	15,621	8,189	15,621	8,189
Contributions to the Deposit Guarantee Fund (FGC)	4,398	5,614	4,398	5,614
Real estate letters of credit (LCI)	3,530	151	45,995	151
Funding through FIDCs	-	-	15,746	50,977
Charges on payables for sale of credit rights on leases	-	-	-	102
Debentures	-		1,964	-
Total	**618,779**	**626,107**	**653,557**	**676,212**

18) INTERBANK ACCOUNTS – LOCAL CORRESPONDENTS

These comprise installments of assigned loans received in advance and repossessed assets related to contracts assigned, which will be transferred to the assignees, adjusted based on the rates agreed in the credit assignment contracts.

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Direct consumer credit, personal credit, paycheck-deductible loans and real estate	156,672	161,868	148,809	152,362
Total	**156,672**	**161,868**	**148,809**	**152,362**

19) BORROWINGS

a) Balance sheet accounts

Bank	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	06/30/2013	12/31/2012
● Foreign	6,756	45,774	-	-	52,530	56,817
Total at June 30, 2013	**6,756**	**45,774**	**-**	**-**	**52,530**	**-**
Total at December 31, 2012	**10,234**	**23,590**	**22,993**	**-**	**-**	**56,817**

Consolidated	Up to 30 days	From 31 to 180 days	From 181 to 360 days	More than 360 days	06/30/2013	12/31/2012
● Local	-	1,296	-	100,000	101,296	137,401
● Foreign	6,756	54,313	44,507	221,560	327,136	307,618
Total at June 30, 2013	**6,756**	**55,609**	**44,507**	**321,560**	**428,432**	**-**
Total at December 31, 2012	**14,773**	**24,771**	**100,294**	**305,181**	**-**	**445,019**

b) Result of borrowings

Borrowings	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Local	-	-	(11,225)	-
Foreign	(7,395)	(190)	(37,987)	(190)
Total	**(7,395)**	**(190)**	**(49,212)**	**(190)**

20) SUBORDINATED DEBT

We present below an analysis of the tranches and balances adjusted at the balance sheet dates:

					Bank and Consolidated	
Maturity	Original term in years	Transaction amount	Cur-rency	Remuneration	06/30/2013	12/31/2012
Foreign (1):						
2020	10	US$ 500,000	US$	8.50% p.a.	1,193,431	1,184,089
Local (2):						
2018	06	R$ 10,000	R$	100.0% of CDI rate + 1.35% p.a.	10,976	10,540
2019	06	R$ 100,000	R$	100.0% of CDI rate + 5.60% p.a	100,678	-
Total					**1,305,085**	**1,194,629**

(1) The mark-to-market (MtM) adjustment of subordinated debt was recorded in the income statement under money market funding as income of R$ 78,069, for the first half of 2013 (June 30, 2012 – expense of R$ 27,124). This transaction has a fair value hedge (Notes 3e and 7c); and

(2) Subordinated Financial Letters issued on May 22, 2012, maturing on May 22, 2018, issued on June 05, 2013, maturing on April 05, 2019.

21) CONTINGENT LIABILITIES AND LEGAL OBLIGATIONS (TAX AND SOCIAL SECURITY)

a) Legal obligations:

These consist of the provision for social contribution on revenues (COFINS) and social integration program (PIS) in the amount of R$ R$ 566,084 (R$ 563,755 on 12/31/2012) in the Bank and R$ 650,752 (R$ 642,663 on 12/31/2012) in the Consolidated, which are being challenged in court, with a decision in favor of the Bank from the lower court. The Bank and its subsidiaries are challenging these taxes based on Law 9718/98 and their legal advisors consider that a favorable outcome is possible.

At June 30, 2013, a process had concluded related to the revision of the calculation basis for PIS and COFINS for the years 2008 and 2009, contemplating the values related to the accounting inconsistencies recorded on the Equity of the Bank at November 2010 on the years/months competence, respectively. As a consequence, the provision excess for these taxes was reversed in the amount of R$ 64,701, recorded as “other operating income” (note 29a).

b) Provisions classified as probable loss

Banco Panamericano S.A. is a party to labor, civil and tax lawsuits, arising in the normal course of its business. The corresponding provisions are recorded for proceedings, whenever loss is deemed probable, based on the opinion of the legal advisors, the type and complexity of the lawsuits and recent court sentences. The provision recorded is sufficient to cover the risk of loss arising from these suits.

The liability related to the legal obligation in dispute is maintained until the case is won, based on favorable judicial decisions, against which there can be no further appeals, or until expiry of the corresponding limitation period.

Labor claims

These are claims brought by former employees and service providers, designed to obtain the payment of labor amounts in general, particularly overtime, based on their interpretation of Article 224 of CLT, ancillary responsibility in suits involving service providers.

The claims are managed individually through a computerized system and the provisions are recorded case by case, in accordance with the criteria described above. The related amounts are recorded as a provision for the full amount for processes with an unfavorable court sentence. For calculating the amount at risk of the other suits, the historical loss index of the processes settled in the prior twelve months applied to the amount of the claim is taken into account.

Civil suits

These are processes of a condemnatory nature related to indemnity actions, protests of bills, returned checks, inclusion of information about debtors in the credit restriction register and refund of amounts.

The suits are managed individually through a computerized system and the provisions are recorded case by case when there is a likelihood of probable loss, considering the opinion of the legal advisors, the nature and complexity of the suits and recent court decisions.

The related amounts are recorded as a provision in the full amount when the suits receive an unfavorable court sentence. For calculating the value at risk of the other suits, the historic loss index of suits settled in the prior twelve months applied to the amount of the claim is considered.

I – Provisions segregated by nature:

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Civil suits	127,434	102,935	140,700	113,285
Tax proceedings	3,136	3,409	21,140	20,970
Labor claims	26,642	11,850	35,562	17,543
Subtotal (a)	**157,212**	**118,194**	**197,402**	**151,798**
Provision for tax risks (b)	566,084	563,755	650,752	642,663
Total	**723,296**	**681,949**	**848,154**	**794,461**

(a) Note 22b; and
(b) Classified in “Other liabilities - taxes and social security” (Note 22a).

II – Change in provisions:

Bank	06/30/2013					
	Labor	Civil	Tax	Subtotal	Fiscal	Total
At December 31, 2012	**11,850**	**102,935**	**3,409**	**118,194**	**563,755**	**681,949**
Write-off	(745)	(66,281)	-	(67,026)	-	(67,026)
Additions net of amounts reversed	15,537	90,780	(273)	106,044	2,329	108,373
At June 30, 2013	**26,642**	**127,434**	**3,136**	**157,212**	**566,084**	**723,296**

Consolidated	06/30/2013					
	Labor	Civil	Tax	Subtotal	Fiscal	Total
At December 31, 2012	**17,543**	**113,285**	**20,970**	**151,798**	**642,663**	**794,461**
Write-off	(1,057)	(69,228)	-	(70,285)	**-**	(70,285)
Additions net of amounts reversed	19,076	96,643	170	115,889	8,089	123,978
At June 30, 2013	**35,562**	**140,700**	**21,140**	**197,402**	**650,752**	**848,154**

There are no other significant administrative proceedings in course for non-compliance with National Financial System rules or that might require the payment of fines, which could have a significant effect on the financial position of the Bank or its subsidiaries.

III – Contingent liabilities classified as possible losses

In 4Q11, a tax assessment notice was served against Panamericana de Seguros S.A. by the Brazilian Federal Revenue authority, through which the tax authority assessed income tax, social contribution and withholding income tax allegedly owed for the tax year 2007, which totaled R$ 15,819 including fines and arrears interest.

In 3Q12, a tax assessment notice was served against Panamericano Arrendamento Mercantil S.A. by the Brazilian Federal Revenue authority, through which the tax authority assessed income tax and social contribution allegedly owed for the tax years 2007 and 2008, which totaled R$ 19,166 including fines and arrears interest.

In 4Q12, three tax assessment notices were served against Banco Panamericano S.A., by the Brazilian Federal Revenue authority, through which the tax authority assessed income tax and social contribution allegedly owed for the tax years 2007 and 2008, which totaled R$ 170,475 including fines and arrears interest.

Management, based on the opinion of its legal advisors, classified the likelihood of loss for these proceedings as possible.

22) OTHER LIABILITIES

a) Tax and social security

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Provision for tax risks (Note 21a)	566,084	563,755	650,752	642,663
Tax Debt Refinancing Program (Refis) – Law 11941/2009 (1)	34,545	36,069	36,557	38,239
Taxes and contributions on income payable	20,713	-	67,704	84,117
Provision for deferred income tax (Note 34e)	3,241	18,659	178,759	207,572
Withholding tax at source on payments to third parties	7,277	7,678	7,671	8,045
Taxes and contributions on salaries	982	1,028	3,416	3,518
Service tax (ISS)	1,267	1,637	2,637	3,426
COFINS payable	1,041	1,050	3,382	4,073
Withholding tax on fixed-income securities	817	334	817	334
PIS payable	169	171	644	776
Other	-	-	59	116
Total	**636,136**	**630,381**	**952,398**	**992,879**

(1) Banco Panamericano and its subsidiaries are parties to tax suits and administrative proceedings. Considering the terms and benefits of the tax amnesty program enacted by the Brazilian government, through Law 11941/09, the Bank's management reassessed, together with its legal counsel, the possibility of participating in this program. Consequently, the Bank and its subsidiaries decided to withdraw several lawsuits and to assume tax debts and the consequent obligation to regularly pay taxes, contributions and other liabilities as a critical condition to maintaining the payment conditions established in the installment payment program. The main lawsuits included in the amnesty program are: (i) social security contribution (employer) on payments to individuals; (ii) incorrect deduction of the allowance for loan losses from the IRPJ/CSLL tax base; (iii) IRPJ as a result of irregular enrollment in the Tax Incentive Program (FINOR); and (iv) inadequate use of tax loss carryforwards in IRPJ/CSLL calculation base.

The tax debts were consolidated at the Federal Revenue Service and after appropriation of the prepaid amounts, the composition is as follows:

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Social security debts	31,662	33,058	31,662	33,058
Other debts	2,883	3,011	4,895	5,181
Total	**34,545**	**36,069**	**36,557**	**38,239**

b) Sundry

	Bank		Consolidated	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
FIDC funding	-	-	170,747	560,924
Amounts payable to establishments related to credit card purchases	449,837	490,476	449,837	490,476
Allowance for loan assignment losses (Note 8d)	185,216	217,137	185,216	217,137
Provision for contingent liabilities (Note 21b)	157,212	118,194	197,402	151,798
Amounts payable to affiliates	15,985	18,983	-	7,365
Amounts payable to storeowners	36,390	25,302	36,390	25,302
Allowance for payments	99,372	87,805	137,464	121,622
Collections	61,583	41,997	62,132	41,997
Cashier's checks	19	39	19	39
Third-party deposits	-	-	122	260
Specific consortium amounts	-	-	18,495	16,119
Other	7,400	11,477	18,329	41,418
Total	**1,013,014**	**1,011,410**	**1,276,153**	**1,674,457**

23) TECHNICAL PROVISIONS – INSURANCE AND REINSURANCE

Technical provisions – insurance and reinsurance are comprised as follows:

a) Provisions for unearned premiums:

Consolidated	06/30/2013	12/31/2012
Installment credit	94,546	64,656
Unemployment/loss of income	13,975	17,641
Group personal accident	3,647	4,938
Income protection from unforeseen events	665	1,107
Group life	20	77
Housing Insurance – Installment credit	17	67
Housing Insurance – Other coverages	1	24
Total	**112,871**	**88,510**

b) Unsettled claims:

Consolidated	06/30/2013	12/31/2012
Group personal accident	2,271	2,573
Group life	1,607	1,630
Installment credit	2,078	1,429
Unemployment/loss of income	699	564
Income protection from unforeseen events	779	535
Housing Insurance – Installment credit	275	-
Housing Insurance – Other coverages	10	-
Other	18	14
Subtotal (1)	**7,737**	**6,745**
DPVAT	16,511	17,593
Total	**24,248**	**24,338**

(1) Of R$ 7,737 (December 31, 2012 - R$ 6,745), the amount of R$ 3,714 (December 31, 2012 - R$ 3,384) consists of ongoing lawsuits at different procedural stages with the following risk classification:

	06/30/2013		12/31/2012	
Risk	**Number of processes**	**Amount accrued**	**Number of processes**	**Amount accrued**
Probable loss	331	3,714	312	3,384
Total	**331**	**3,714**	**312**	**3,384**

c) Provision for loss incurred but not reported:

Consolidated	06/30/2013	12/31/2012
DPVAT	23,282	15,727
Installment credit	6,177	6,395
Group life	5,045	5,457
Group personal accident	1,066	1,051
Unemployment/loss of income	481	524
Income protection from unforeseen events	481	524
Housing Insurance – Installment credit	72	-
Housing Insurance – Other coverages	11	-
Reinsurance	10	3
Total	**36,625**	**29,681**

d) Other provisions

Consolidated	06/30/2013	12/31/2012
DPVAT	355	453
Other technical reserves for supplementary private pension plans	267	380
Group personal accident	-	318
Group life	-	5
Unemployment/loss of income	-	262
Total	**622**	**1,418**

Total technical provisions – insurance and reinsurance	174,366	143,946

e) Insurance companies

I - Income from insurance premiums earned by line:

Line (*)	06/30/2013	06/30/2012
Personal (DPVAT)	22,653	20,200
Group personal accident	3,924	21,575
Unemployment/loss of income	3,950	4,534
Installment credit	28,978	2,892
Income protection from unforeseen events	442	640
Group life	(256)	223
Housing Insurance – Installment credit	459	-
Housing Insurance – Other coverages	167	-
Total	**60,317**	**50,064**

(*) Net result of the change in technical provisions for premiums.

II - Claims incurred by line:

Line	06/30/2013	06/30/2012
DPVAT	19,930	17,907
Income protection from unforeseen events	671	1,344
Unemployment/loss of income	744	1,008
Group personal accident	154	1,032
Reinsurance	12	-
Group life	(71)	(1,486)
Installment credit	3,189	(1,484)
Housing Insurance – Installment credit	349	-
Housing Insurance – Other coverages	21	-
Assistance	105	-
Total	**25,104**	**18,321**

24) EQUITY

a) Composition of capital in number of shares:

At June 30, 2013, fully subscribed and paid-up capital amounted to R$ 2,867,020 (December 31, 2013 - R$ 2,867,020) and comprised nominative registered shares, with no par value.

	06/30/2013	12/31/2012
Common	292,463,400	292,463,400
Preferred	242,612,675	242,612,675
Total	**535,076,075**	**535,076,075**

At the Extraordinary General Meeting held on January 18, 2012, a capital increase of up to R$1,800,000 at Banco Panamericano, above the limit of authorized capital, was approved, through the issue, for private subscription and proportional to the existing number of common and preferred shares, of up to 297,520,662 registered shares with no par value, comprising up to 160,582,377 common shares and 136,938,285 preferred shares.

The issue price was established at R$6.05 per common or preferred share, with no unjustified dilution for the Company's current stockholders, under the terms of Article 170, paragraph 1, item III, of Law 6404/76 ("Brazilian Corporation Law"), based on the average market quotation of the

Company's preferred shares in the 180 trading sessions of BM&FBOVESPA from April 11 to December 27, 2011, inclusive, with no premium or discount.

Subsequent to the exercise period of the preferential rights and the two apportionments of the remaining shares, a total of 160,582,372 common shares and 130,149,763 preferred shares were subscribed, at the issue price of R$6.05 per common or preferred share, in the total amount of R$1,758,929. Considering that the capital increase was above the Minimum Subscription amount, as defined in the Notice to Stockholders of January 18, 2012, the remaining shares that were not subscribed were cancelled, as established in the Notice. The process was ratified by BACEN on June 8, 2012. The new funds received replaced the amount of R$ 620,000 made on November 9, 2011, classified as "Other Liabilities – Social and Statutory", under the terms of CMN Resolution 4019/11.

b) Revenue reserves:

Legal reserve – pursuant to the bylaws, the Bank shall appropriate 5% of net income for each year to the legal reserve. The legal reserve shall not exceed 20% of the Institution's paid-up capital. However, the Institution may choose not to appropriate a portion of its net income to the legal reserve for the year in which the balance of this reserve plus the capital reserves exceeds 30% of its capital.

Reserve for equity integrity - under the terms of the bylaws, the remaining balance of retained earnings shall be appropriated to the reserve for equity integrity, for the purpose of ensuring that there are sufficient funds to meet the Bank's regulatory and operational capital requirements. The reserve may be converted into authorized capital and may be formed in accordance with the Board of Directors' proposal, with up to 100% of the net income, but may not exceed the amount of the Bank's capital.

In 2012, the balances of the legal reserve, the reserve for equity integrity and the capital reserve were used in full for the absorption of losses for the year.

c) Dividends and interest on own capital

The stockholders are entitled to a minimum dividend corresponding to 30% of annual net income, adjusted pursuant to Article 202 of Law 6404/76, as amended by Law 11368/07. This mandatory dividend will be increased to 35% as from the Ordinary General Meeting that convenes to examine the accounts for 2013, as approved at the Extraordinary General Meeting held on January 18, 2012.

25) INCOME FROM SERVICES RENDERED

	Bank		Consolidated	
	06/30/2013	**06/30/2012**	**06/30/2013**	**06/30/2012**
Loan operations	91,493	67,925	91,493	67,925
Income from cards	67,826	43,864	68,269	43,864
Income from collection services	158	-	158	-
Consortium management	-	-	9,282	10,066
Income from the structuring of transactions / funds	-	-	10,812	
Income from commission / brokerage	852	-	1,992	-
Other	4,273	14,901	5,204	14,916
Total	**164,602**	**126,690**	**187,210**	**136,771**

26) PERSONNEL EXPENSES

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Salaries	56,099	33,805	124,158	56,318
Social charges	12,493	11,366	34,082	19,230
Benefits	7,324	4,638	26,131	11,721
Fees	9,512	3,598	16,866	3,598
Other	898	436	1,073	518
Total	**86,326**	**53,843**	**202,310**	**91,385**

27) OTHER ADMINISTRATIVE EXPENSES

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Commission paid to correspondent banks	377,691	201,348	308,075	251,286
Third-party services	61,125	155,066	86,569	110,910
Data processing	24,728	29,009	26,309	29,087
Financial system services	32,417	30,120	43,216	32,682
Communications	19,108	19,637	23,176	19,720
Fees and rates	15,884	23,347	16,442	25,347
Advertising, promotions and publicity	15,862	3,930	20,752	4,094
Rents	13,074	7,039	23,415	10,233
Transportation	3,083	2,194	4,588	2,937
Depreciation and amortization	7,285	2,776	9,491	3,317
Travel	2,014	805	3,701	1,165
Maintenance and repair of assets	3,648	2,163	5,732	2,844
Expenses for search and seizure of assets	11,894	13,528	12,000	13,697
Consumption materials	357	927	484	1,011
Fund management	-	-	1,373	2,706
Other	31,093	22,829	37,028	24,842
Total	**619,263**	**514,718**	**622,351**	**535,878**

28) TAX EXPENSES

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Social contribution on revenues (COFINS)	51,220	33,946	70,383	42,345
Service tax (ISS)	7,445	6,071	17,472	11,446
Social Integration Program (PIS)	8,331	5,534	11,997	7,148
Taxes and charges	4,403	15	5,568	1,039
Total	**71,399**	**45,566**	**105,420**	**61,978**

29) OTHER OPERATING INCOME AND EXPENSES

a) Other operating income:

	Banco		Consolidado	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Recovery of charges and expenses (1)	4,663	37,797	9,494	50,918
Reversal of provisions	64,974	44,102	70,217	44,441
Registry office registration fee – CDC	15,798	10,334	15,798	10,334
Amortization of negative goodwill – BCS	3,332	-	3,332	-
Monetary restatement of loan assignments receivable	3,008	2,290	3,008	2,290
Repayment of insurance premiums	-	25	-	25
Others	22,296	12,217	36,031	19,658
Total	**114,071**	**106,765**	**137,880**	**127,666**

(1) As from November 2012, the amounts to be transferred to the charging consultancies for credit recovery are recorded in other liabilities, representing an obligation to the bank.

b) Other operating expenses:

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Assignment of loans	159,785	96,188	108,549	101,956
Provisions	106,317	40,506	116,159	50,371
Loss on loan/financing operations and deductible fraud	13,693	34,198	13,730	34,198
Monetary variation expense	48,271	24,457	51,490	27,637
Assets impairment	16,593	-	18,349	-
Discounts granted	13,242	11,400	15,864	15,711
Goodwill amortization	5,822	-	12,525	-
Insurance policy management	-	-	-	2,184
Liens (1)	9,966	-	9,979	-
Other	8,649	20,279	22,501	32,239
Total	**382,338**	**227,028**	**369,146**	**264,296**

(1) Expense formerly classified in Other administrative expenses – Data processing.

30) NON-OPERATING RESULTS

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Result of sale of other assets	(24,806)	(33,566)	(24,222)	(31,377)
Devaluation of other assets	(7,120)	(4,751)	(6,682)	(4,861)
Result of sale of property and equipment/investment	22	66	22	746
Other	-	6	-	6
Total	**(31,904)**	**(38,245)**	**(30,882)**	**(35,486)**

31) RELATED-PARTY TRANSACTIONS AND BALANCES

The transactions with related parties (direct and indirect) are carried out under conditions and rates which are compatible with the average terms practiced with third parties effective on the dates of the transactions.

a) We present below the balances and transactions with related parties:

	Bank			
	06/30/2013	12/31/2012	06/30/2013	06/30/2012
	Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Short-term interbank investments (a)				
Banco BTG Pactual S.A.	138,026	6,000	3,668	47,773
Caixa Econômica Federal	-	-	930	3,215
Panamericano Arrendamento Mercantil S.A.	139,753	238,297	6,280	25,216
Total	**277,779**	**244,297**	**10,878**	**76,204**
Marketable securities (b)				
Caixa CDC FIDC	47,927	85,478	6,449	(3,874)
Caixa Master CDC FIDC	228,183	293,954	(9,770)	(64,549)
FIDC F BP Financeiro	-	79,007	8,327	(28,390)
Banco BTG Pactual S.A.	94,609	100,811	(2,299)	50,495
Total	**370,719**	**559,250**	**2,707**	**(46,318)**
Loan assignment (c)				
Caixa Econômica Federal	112,947	116,271	-	-
Total	**112,947**	**116,271**	**-**	**-**
Other receivables (d)				
Banco BTG Pactual S.A.	-	-	-	-
Caixa Econômica Federal	584	2,596	-	-
Panamericana de Seguros S.A. – JCP	30,817	2,117	-	-
Brazilian Mortgages Companhia Hipotecária	171	-	-	-
Panamericano Arrendamento Mercantil S.A.	29	-	-	-
Panamericano Administradora de Consórcio Ltda.	29	-	-	-
Panserv Prestadora de Serviços Ltda	30	-	-	-
Panamericana Seguros S.A.	64	-	-	-
PAN Adm. e Corretagem de Seg.de Prev.Privada Ltda.	14	-	-	-
BM sua Casa Promotora de Vendas Ltda	29	-	-	-
Brazilian Securities Companhia de Securitização	94	-	-	-
Ourinvest Real Estate Holding	3,533	-	-	-
Total	**35,394**	**4,713**	**-**	**-**
Demand deposits (e)				
Panamericana Seguros S.A.	(6)	(9)	-	-
Panamericano Adm. e Corretagem de Seg.de Prev.Privada Ltda.	(8)	(5)	-	-
Panamericano Administradora de Consórcio Ltda.	(37)	(12)	-	-
Panamericano Arrendamento Mercantil S.A.	(28)	(9)	-	-
Panserv Prestadora de Serviços Ltda	(11)	(5)	-	-
BM sua Casa Promotora de Vendas Ltda	(1)	-	-	-
Ourinvest Real Estate Holding	-	(21)	-	-
Brazilian Finance Real Estate	(1,277)	(1)	-	-
Brazilian Securities Companhia de Securitização	(7)	(1)	-	-
Key Management Personnal	(3)	(3)	-	-
Total	**(1,378)**	**(66)**	**-**	**-**
Interbank deposits (f)				
Banco BTG Pactual S.A.	(1,506,046)	(1,203,256)	(46,200)	(5,820)
Caixa Econômica Federal	(3,576,361)	(2,789,541)	(98,337)	(42,118)
Brazilian Mortgages Companhia Hipotecária	(356,383)	(342,443)	(12,242)	-
Total	**(5,438,790)**	**(4,335,240)**	**(156,779)**	**(47,938)**
Time deposits (g)				

Panamericano Adm. e Corretagem de Seg.de Prev.Privada Ltda.	(5,628)	(2,728)	(139)	(3)
Panamericano Administradora de Consórcio Ltda.	(27,888)	(28,080)	(971)	(113)
Panserv Prestadora de Serviços Ltda	(25,787)	(18,097)	(626)	(100)
Brazilian Securities Companhia de Securitização	(106,346)	(77,699)	(3,919)	-
Brazilian Finance Real Estate	(4,848)	(3,136)	(1,031)	-
BM sua Casa Promotora de Vendas Ltda	(126,901)	(165,890)	(5,063)	-
Ourinvest Real Estate Holding	(1,933)	(2,056)	(1,386)	-
Total	**(299,331)**	**(297,686)**	**(13,135)**	**(216)**
Liabilities for purchase and sale commitments (h)				
Banco BTG Pactual S.A.	-	-	(1,400)	(7,971)
Caixa Econômica Federal	-	(499,992)	(368)	(150)
Caixa CDC FIDC	(6,290)	(5,926)	(222)	(288)
Caixa Master CDC FIDC	(11,328)	(14,952)	(419)	(1.037)
Pan Administradora de Consórcio Ltda	-	-	-	(759)
Total	**(17,618)**	**(520,870)**	**(2,409)**	**(10,205)**
Funds from real-estate, agribusiness and financial letters of credit (i)				
Banco BTG Pactual S.A	(241,752)	-	-	-
Key management personnel	(68,913)	(929)	-	(70)
Total	**(310,665)**	**(929)**	**-**	**(70)**
Derivatives (j)				
Brazilian Securities Companhia de Securitização	(7,606)	-	6,977	-
Total	**(7,606)**	**-**	**6,977**	**-**
Other liabilities (k)				
Caixa Econômica Federal	(38,024)	(39,117)	-	-
Banco BTG Pactual S.A.	(8,634)	-	-	(5,327)
Panamericana de Seguros S.A.	(8,854)	(68)	-	-
Panamericano Arrendamento Mercantil S.A.	(833)	(615)	-	-
Panserv Prestadora de Serviços Ltda	(5,122)	(6,729)	-	-
Brazilian Mortgages Companhia Hipotecária	(1,168)	(2,596)	-	-
Brazilian Securities Companhia de Securitização	(6)	-	-	-
Total	**(62,641)**	**(49,125)**	**-**	**(5,327)**
Services Income (l)				
Panamericana de Seguros S/A	-	-	1,643	-
Total	**-**	**-**	**1,643**	**-**
Personnel expenses (m)				
Panamericana de Seguros S.A.	-	-	(181)	(164)
Total	**-**	**-**	**(181)**	**(164)**
Other administrative expenses (n)				
Panserv Prestadora de Serviços Ltda	-	-	(99,714)	(52,951)
Panamericana Seguros S.A.	-	-	(302)	-
Banco BTG Pactual S.A.	-	-	(669)	-
Brazilian Securities Companhia de Securitização	-	-	(1,025)	-
Tecban S.A	-	-	(293)	-
Caixa Econômica Federal	-	-	(40)	(96)
Câmara Interbancária de Pagamentos (Interbanking Payments Chamber)	-	-	(351)	-
Total	**-**	**-**	**(102,394)**	**(53,047)**
Income from loan assignments (o)				
Caixa Econômica Federal	-	-	547,706	278,156
Total	**-**	**-**	**547,706**	**278,156**

(a) Investments by the Bank at interest based on the CDI rate.
(b) Investments in subordinated quotas in the case of FIDCs and investments in derivatives in the case of Banco BTG Pactual S.A.;
(c) Loan assignments receivable without co-obligation;
(d) Collection amounts receivable to be transferred, interest on own capital and exchange portfolio;
(e) Balance of checking accounts held by affiliates in the Bank;
(f) Funds obtained through interbank deposits at interest based on the CDI rate;
(g) Funds obtained through time deposits made at the Bank;
(h) Purchase and sale commitments with affiliates;
(i) Funds obtained through agribusiness, real-estate and financial letters of credit at average rates of 94% of CDI;

(j) Refers to Swap operations;
(k) Amounts related to collections and insurance premiums to be transferred received through affiliates, services provided, settlement of the advance installments of loan assignments to be transferred.;
(l) Refers to the commission paid by Banco Panamericano insurance intermediation;
(m) Portion of expense for employee group life insurance paid by the Bank;
(n) Refers to other administrative expenses for services provided by affiliates; and
(o) Income obtained from loan assignments.

	Consolidated			
	06/30/2013	12/31/2012	06/30/2013	06/30/2012
	Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Short-term interbank investments (a)				
Banco BTG Pactual S.A.	138,026	6,000	3,668	47,773
Caixa Econômica Federal	-	-	930	3,215
Total	**138,026**	**6,000**	**4,598**	**50,988**
Marketable securities (b)				
Banco BTG Pactual S.A.	94,609	100,811	(2,299)	50,495
Total	**94,609**	**100,811**	**(2,299)**	**50,495**
Loan assignment (c)				
Caixa Econômica Federal	112,947	116,271	-	-
Total	**112,947**	**116,271**	**-**	**-**
Other receivables (d)				
Caixa Econômica Federal	584	2,596	-	-
Total	**584**	**2,596**	**-**	**-**
Interbank deposits (e)				
Banco BTG Pactual S.A.	(1,506,046)	(1,203,256)	(46,200)	(5,820)
Caixa Econômica Federal	(3,576,361)	(2,789,541)	(98,337)	(42,118)
Total	**(5,082,407)**	**(3,992,797)**	**(144,537)**	**(47,938)**
Liabilities for purchase and sale commitments (f)				
Banco BTG Pactual S.A.	-	-	(1,400)	(7,971)
Caixa Econômica Federal	-	(499,992)	(368)	(150)
Total	**-**	**(499,992)**	**(1,768)**	**(8,121)**
Funds from real-estate, agribusiness and financial letters of credit (g)				
Banco BTG Pactual S.A.	(241,752)	-	-	-
Key management personnel	(68,913)	(929)	-	(70)
Total	**(310,665)**	**(929)**	**-**	**(70)**
Other liabilities (h)				
Caixa Econômica Federal	(38,024)	(39,117)	-	-
Banco BTG Pactual S.A.	(8,634)	-	-	(5,327)
Total	**(46,658)**	**(39,117)**	**-**	**(5,327)**
Other administrative expenses (i)				
Caixa Econômica Federal	-	-	(40)	(96)
Caixa Seguradora S.A.	-	-	-	-
Banco BTG Pactual S.A.		-	(669)	-
BTG Pactual Corretora	-	-	-	-
Tecban S.A	-	-	(293)	-
Câmara Interbancária de Pagamentos (Interbanking Payments Chamber)	-	-	(351)	-
Total	**-**	**-**	**(1,353)**	**(96)**
Income from loan assignments (j)				
Caixa Econômica Federal	-	-	547,706	278,156
Total		**-**	**547,706**	**278,156**

(a) Investments by the Bank at interest based on the CDI rate.
(b) Investments in derivatives
(c) Loan assignments receivable without co-obligation.
(d) Collection amounts receivable to be transferred and Exchange portfolio;

(e) Funds obtained through interbank deposits at rates equivalent to the CDI;
(f) Purchase and sale commitments with affiliates;
(g) Funds obtained through agribusiness, real-estate and financial letters of credit at average rates of 94% of CDI.
(h) Refers to early settlement of installments of the credit assignment and exchange sold to settle;;
(i) Refers to other administrative expenses for services provided by affiliates; and
(j) Income obtained from loan assignments.

b) Management compensation:

The maximum value of director remuneration for the year 2013 was set at the Annual General Meeting on April 30, 2013, in the amount of R$ 29,500 – Fees expense (June 30, 2012 – R$ 12.590).

Short-term benefits provided to management (*)

	Bank		Consolidated	
	06/30/2013	06/30/2012	06/30/2013	06/30/2012
Fees Expenses	9,512	3,598	16,866	3,598
Social security contributions (INSS)	1,141	793	2,612	793
Total	**10,653**	**4,391**	**19,478**	**4,391**

(*)Recorded in the "Personnel expenses" account.

Panamericano provides no long-term benefits, related to employment contract rescissions or share-based remuneration to its key management personnel.

- **Other information**

In accordance with the legislation in force, financial institutions may not grant loans or advances to the following:

I. Management and members of the advisory, administrative, supervisory or similar boards and their respective spouses and relatives up to the second degree.
II. Individuals or legal entities holding an ownership interest of more than 10%.
III. Legal entities in which the financial institution itself and any of its directors or managers and their spouses and relatives up to the second degree hold an ownership interest of more than 10%.

32) FINANCIAL INSTRUMENTS

- **Risk management**

The Bank has exposure in assets and liabilities involving derivative financial instruments, which are recorded in balance sheet, income and memorandum accounts.

The Bank's management is responsible for establishing a risk policy and exposure limits. The control and compliance management area, which is independent of the business and operational areas is responsible for identifying, assessing, monitoring and reporting compliance with the risk guidelines established by management.

- **Capital management**

Panamericano considers that capital management is a strategic process designed to optimize the utilization of available capital, contribute to the achievement of its strategic objectives and comply with the regulatory capital limit.

The Bank's capital management framework is compatible with the nature of its operations, the complexity of its products and services and its risk exposure and is responsible for the Group-wide capital management process.

Capital management involves an on-going monitoring and capital control process by Panamericano, the assessment of the need for capital to cover risks incurred and the planning of targets and capital requirements. Capital management is based on the Bank's strategic objectives, business opportunities and the regulatory environment.

The capital policies and strategies consider a forward-looking posture, anticipating the need for capital as a result of possible changes in market conditions and are reviewed periodically by the Executive Board and Board of Directors, to ensure that they are compatible with the Bank's strategic planning.

OPERATIONAL LIMIT – BASEL ACCORD

In accordance with CMN – Brazilian Monetary Council - Resolution 3490/07 and complementary legislation, financial institutions are required to maintain their equity compatible with the degree of risk of their assets, weighted by factors which vary from -300% to 300% and a minimum ratio of 11% of equity to risk weighted assets.

The Bank measures its regulatory capital based on the standard models authorized by CMN and BACEN. The operating limits are evaluated monthly by comparing the measured capital to the requirement arising from its exposures to market risk, risk related to weighted assets (credit risk, among others), operational risk and the interest rate risk of the non-negotiable portfolio.

We present below the Basel Ratio calculation.

Calculation base		Acronym	06/30/2013		12/31/2012	
			Financial	Economic and Financial	Financial	Economic and Financial
1	Reference equity - equity to fixed asset limit	PR_LB	2,676,628	2,214,541	2,353,112	1,904,322
2	Reference equity	PR	2,676,628	2,214,541	2,372,888	1,904,322
2.1	Tier I reference equity	PR I	1,785,309	1,477,264	1,582,342	1,270,013
2.2	Tier II reference equity	PR II	891,319	737,277	790,546	634,309
3	Portion of risk-weighted exposure	PEPR	1,662,941	1,617,575	1,555,119	1,507,147
4	Foreign exchange portion	PCAM	-	-	19,065	-
5	Interest portion (fixed rate)	PJUR1	17,681	17,167	48,660	48,628
6	Interest portion (price index)	PJUR3	6,142	53,609	4,058	20,282
7	Interest portion (interest rate)	PJUR4	-	5,477	-	3,142
8	Portion of shares	PACS	-	3,667	-	3,557
9	Portion of operational risk	POPR	214,510	221,129	205,260	210,104
10	Required reference equity	PRE (3+4+5+6+7+8+9)	1,901,274	1,918,624	1,832,162	1,792,860
11	Risk portion of banking positions	RBAN	70,113	77,023	26,852	27,063
12	Margin	Margem (1-10-11)	705,241	218,894	494,098	84,399
Basel ratio			**15.49%**	**12.70%**	**14.13%**	**11.68%**

In accordance with the precepts of the New Capital Accord (Basel II), BACEN published Circulars 3360 to 3366, 3368, 3383, 3389, 3498 and 3568, which define the methodologies related to the capital amounts required for Credit, Market and Operational Risks, as well as Resolution 3444, which changes the rules used to determine Reference Equity (PR), for the purpose of determining operating limits.

- **Credit risk**

Credit risk is the possibility of the occurrence of losses related to the non-fulfillment by customers or counterparties of their corresponding financial obligations under the agreed terms, the devaluation of the loan agreement as a result of a deterioration in the borrower's risk rating, decreased gains or remuneration, advantages granted in renegotiations and recovery costs.

The management of credit risks involves policies and strategies, operating limits, risk mitigation techniques and procedures used to maintain the credit risk exposure at levels which are deemed acceptable by the Institution.

- **Market risk**

This risk arises from the possibility of loss due to rate fluctuations and the mismatching of the terms and currencies of the Bank’s loan and funding portfolios. These risks are managed daily through methodologies established by best practice guidelines.

The transactions are exposed to the following risk factors: fixed interest rates, interest rates linked to exchange variation, INPC (national consumer price index), INCC (national construction cost index), IPCA (amplified consumer price index) and IGPM (general market price index), as well as other interest rates, such as the reference rate (TR) and exchange variation. Exchange variations are linked to the US Dollar.

The financial instruments are segregated in the following portfolios;

Trading portfolio: all transactions conducted with financial instruments, including derivatives, held with the intention of trading or for hedging other trading portfolio instruments in the trading portfolio. Transactions held for trading are those intended for resale, for obtaining benefits from effective or expected changes in prices or arbitrage.

Banking portfolio: all transactions not classified in the trading portfolio. These comprise the structural transactions arising from the Organization’s business lines and their potential hedges.

Sensitivity analysis at June 30, 2013

Risk factors	Trading and Banking portfolio exposures subject to variation:	SCENARIOS (*)		
		(1) Probable	(2) Probable	(3) Probable
Interest rates	Fixed interest rates	(1,640)	(441,861)	(910,621)
Other Coupon Interest Rates	Interest Rates coupon rates	(438)	(88,189)	(161,721)
Price index coupon	Price Index coupon rates	(296)	(35,846)	(68,096)
Floating income	Stock prices	(217)	(5,424)	(10,848)
Foreign currency	Exchange Rates	(60)	(1,501)	(3,002)
Exchange coupon	Exchange Coupon rates	(6)	(357)	(37,872)
Total at June 30, 2013		**(2,657)**	**(573,178)**	**(1,192,160)**
Total at December 31, 2012		**(3,999)**	**(785,341)**	**(1,662,248)**
Total at June 30, 2012		**(3,313)**	**(713,374)**	**(1,547,155)**

(*) Amounts gross of taxes.

The sensitivity analysis was performed using market data at December 31, 2012), always considering the adverse impact on the positions for each vertex. The effects do not consider the correlation between the vertices and the risk factors and tax effects.

Scenario 1: a one basis point (0.01%) shock (upward or downward) was applied to the forward interest rate structure on all vertices/terms. For example: a 10% p.a. rate becomes 10.01% p.a. or 9.99% p.a. For foreign currencies and stocks, a 1% shock on the current price was considered.

Scenario 2: a 25% shock (upward or downward) was applied to the rates (application of a 1.25 multiplier). For example: a 10% p.a. rate becomes 12.50% p.a. or 7.50% p.a. For foreign currencies and stocks, a shock of 10% over the current price was considered.

Scenario 3: a 50% shock (upward or downward) was applied to the rates (application of a 1.50 multiplier). For example: a 10% p.a. rate becomes 15.00% p.a. or 5.00% p.a. For foreign currencies and stocks, a stress of 25% on the current price was considered.

It should be noted that the results of scenarios (II) and (III) refer to simulations which involve significant stress situations, and correlation factors between the indexes are not considered and they do not reflect possible variations arising from market dynamics, the probability of the occurrence of which is considered to be low, and also, from actions which could be taken by the Institution itself to mitigate any potential risks.

FOREIGN EXCHANGE EXPOSURE

We present below the assets and liabilities linked to foreign currencies at June 30, 2013 and December 31, 2012.

Assets – US Dollar	06/30/2013	12/31/2012
Credit operations (ACC/CCE)	666,395	475,276
Other Receivable	22,518	-
Total assets	**688,913**	**475,276**

Liabilities – US Dollar	30/06/2013	12/31/2012
Subordinated debt	1,193,431	1,184,089
Securities issued abroad	652,832	612,588
Foreign borrowings	327,136	307,618
Total liabilities	**2,173,399**	**2,104,295**

The Bank uses derivative financial instruments essentially for hedging purposes to meet its needs for managing market risks arising from the mismatching of currencies, indexes, portfolio terms and arbitrage.

At June 30, 2013 and December 31, 2012, the position of the derivative financial instruments, in foreign currency, was as follows:

	Notional value		Market value	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Assets – US Dollar				
Swap	1,519,660	1,747,126	2,352,525	2,432,492
DDI	116,430	73,456	116,430	(246)
DOL	-	-	-	(56)
Total	**1,636,090**	**1,820,582**	**2,468,955**	**2,432,190**
Liabilities – US Dollar				
Swap	131,666	22,500	142,449	23,618
DDI	526,031	410,834	526,031	1,592
DOL	134,078	85,623	134,078	289
NDF	10,340	-	9,862	-
Total	**802,115**	**518,957**	**812,420**	**25,499**

- **Liquidity risk**

Liquidity risk is defined as the possibility that the Institution will not be able to meet efficiently its expected and unexpected, current and future obligations, including those arising from related guarantees, without affecting its daily transactions and without incurring significant losses; and also, the possibility that the Institution will not be able to negotiate a specific position at market price, when its amount is significant in relation to the financial volume usually transacted or following any market discontinuity.

The liquidity position, mismatching of primary risk factors and the rates and terms of assets and liabilities in portfolio are permanently monitored.

The Bank maintains adequate liquidity levels, based on the quality of its assets and risk controls, in accordance with its Liquidity Risk Management Policy and the regulatory demands of the National Monetary Council (CMN Resolutions 2804/00 and 4090/12). The results of the gap analyses designed to assess liquidity risk are reported fortnightly to the Treasury Committee.

- **Operational risk**

This refers to the possibility of the occurrence of losses due to the failure, deficiency or inadequacy of internal processes, people and systems, or external events. This definition includes legal risk which is the risk related to the inadequacy or deficiencies in contracts entered into by the Institution, as well as any sanctions imposed as a result of non-compliance with the legal provisions and indemnifications for damages to third parties arising from activities carried out by the Institution.

In compliance with the principles of CMN Resolution 2554/98 and Item III of Article 9 of CMN Resolution 3380/06, the Group has an independent organizational structure responsible for the management and control of operational risks. The Internal Control, Compliance and Operational Risk area is also responsible for the Anti-money Laundering and Business Continuity activities.

In compliance with the requirements established by BACEN Circular 3477/09, the information on the risk management process is available for consultation on the website: www.bancopan.com.br/ri, "*Relatório de Gerenciamento de Riscos".*

- **Market value**

We present below the net carrying amount of the main financial instruments:

Item	Consolidated					
	06/30/2013			12/31/2012		
	Carrying amount	Market value	Unrealized profit (loss)	Carrying amount	Market value	Unrealized profit (loss)
Marketable securities and derivative financial	**1,759,105**	**1,737,708**	**(21,397)**	**2,250,173**	**2,252,099**	**1,926**
- Adjustment of trading securities	342,079	342,079	-	505,446	505,446	-
- Adjustment of available-for-sale securities	979,725	979,725	-	1,442,836	1,442,836	-
- Securities held to maturity	437,301	415,904	(21,397)	301,891	303,817	1,926
Loan and leasing operations	13,931,428	14,238,117	306,689	12,567,058	13,489,803	922,745
Time deposits	2,822,254	4,132,969	(1,310,715)	2,362,061	3,485,588	(1,123,527)
Interbank deposits	5,198,977	5,930,955	(731,978)	4,150,507	3,767,562	382,945
Funds from issuance of securities	4,877,264	4,259,360	617,904	3,564,758	3,974,559	(409,801)
Borrowings and onlendings	428,432	331,945	96,487	445,019	456,789	(11,770)
Subordinated debt	1,305,085	1,606,098	(301,013)	1,194,629	1,520,693	(326,064)
Unrealized profit with no tax effects			**(1,344,023)**			**(563,546)**

Determination of the market value of financial instruments

- The market values of securities, subordinated debts and derivative instruments are based on market price quotations on the balance sheet date. When these market quotations are not available, their market values are based on pricing models or equivalent instruments.

- The market values of the loan or leasing operations are determined discounting future flows at the rates practiced in the market for equivalent transactions on the balance sheet date.

- The market values of time and interbank deposits and borrowings and onlendings are calculated by applying the rates practiced for equivalent instruments on this balance sheet date to the current stock.

33) EMPLOYEES BENEFITS

The Bank and its subsidiaries contribute monthly to Multiprev - Fundo Múltiplo de Pensão, with a percentage of the participants' payroll, to supplement the benefits provided by the government social security scheme, through a defined contribution plan. This is the sole responsibility of the Bank and its subsidiaries as sponsors. In the first semester of 2013, this contribution totaled R$ 306 in Bank and R$ 338 in Consolidated (Q2, 2013 - R$ 380 in Bank and R$ 427 in Consolidated).

In addition, Banco Panamericano offers its employees and officers a number of other benefits including: healthcare insurance, dental care, life and personal accident insurance and professional training. In the first semester the amount of these expenses totaled R$ 7,377 in Bank and R$ 26,156 in Consolidated (Q2, 2012 - R$ 4,738 in Bank and R$ 11,855 in Consolidated).

34) INCOME TAX AND SOCIAL CONTRIBUTION

a) Calculation of income tax and social contribution charges:

	Bank	
	06/30/2013	06/30/2012
Results before income tax and social contribution	**(73,017)**	**(570,657)**
Effective rate (1)	40%	40%
Total income tax and social contribution at the rates in force (2)	29,207	228,263
Effect on tax calculation:		
Investment in subsidiaries	16,044	(2,072)
Deferred tax assets on interest on own capital	(3,874)	22,381
Other amounts	12,551	(491)
Income tax and social contribution benefit for the year	**53,928**	**248,081**

	Consolidated	
	06/30/2013	06/30/2012
Results before income tax and social contribution	**65,100**	**(470,426)**
Total income tax and social contribution charges/benefits at the rates in force (2)	-	-
Effect on tax calculation:	(23,803)	188,691
Deferred tax assets not recorded in prior years	676	56
Prior-year deferred tax assets recorded	(3,322)	22,381
Other amounts	13,101	(292)
Income tax and social contribution benefit for the year	**(13,348)**	**210,836**

(1) In Consolidated, the effective rate is not presented because different rates are used for financial and insurance segment companies and those in other segments.

(2) The social contribution rate for companies in the financial and insurance segments was increased to 15%, pursuant to Law 11727/08 and remains at 9% for other companies (Note 3n).

b) Origins and activity in deferred income tax and social contribution assets

	Bank			
	At 12/31/2012	Amount recorded	Amount realized	At 06/30/2013
Allowance for loan losses	820,213	199,950	(126,724)	893,439
Provision for civil contingencies	40,371	41,917	(31,315)	50,973
Provision for tax contingencies (PIS and COFINS)	217,456	8,978	-	226,434
Provision for labor contingencies	4,602	6,353	(298)	10,657
Provision for tax contingencies	1,363	36	(145)	1,254
Provision for loss on repossessed assets	37,325	4,975	(2,127)	40,173
Mark-to-market adjustment of derivatives	7,487	-	(7,487)	-
Provision for employee bonuses/profit sharing (PLR)	9,231	6,525	(9,231)	6,525
Others provisions	8,205	3,254	(480)	10,979
Total deferred tax assets on temporary differences	**1,146,253**	**271,988**	**(177,807)**	**1,240,434**
Tax loss and negative basis of social contribution (1)	1,503,458	-	(225,007)	1,278,451
Total deferred tax assets	**2,649,711**	**271,988**	**(402,814)**	**2,518,885**
Deferred tax liabilities (Note 34e)	(18,659)	-	15,418	(3,241)
Deferred tax assets, net of deferred tax liabilities	**2,631,052**	**271,988**	**(387,396)**	**2,515,644**

	Consolidated			
	At 12/31/2012	Amount recorded	Amount realized	At 06/30/2013
Allowance for loan losses	856,136	214,036	(132,526)	937,646
Provision for civil contingencies	44,785	45,098	(33,445)	56,438
Provision for tax contingencies (PIS and COFINS)	248,331	11,861	(27)	260,165
Provision for labor contingencies	6,550	7,913	(672)	13,791
Provision for tax contingencies	8,375	216	(147)	8,444
Provision for loss on repossessed assets	39,570	5,045	(2,372)	42,243
Mark-to-market adjustment of derivatives	13,316	-	(9,131)	4,185
Provision for employee bonuses/profit sharing (PLR)	9,986	9,655	(9,963)	9,678
Real Estate Funds (Ourinvest)	7,252	234	(843)	6,643
Loans (Ourinvest)	1,543	1,056	-	2,599
Other provisions	10,891	7,517	(2,145)	16,263
Total deferred tax assets on temporary differences	**1,246,735**	**302,631**	**(191,271)**	**1,358,095**
Tax loss and negative basis of social contribution (1)	1,724,874	3,583	(232,968)	1,495,489
Unrealized profits and other consolidation adjustments of credits assigned to FIDCs	42,065	-	(35,617)	6,448
Total deferred tax assets	**3,013,674**	**306,214**	**(459,856)**	**2,860,032**
Deferred tax liabilities (Note 34e)	(207,572)	(9,158)	37,971	(178,759)
Deferred tax assets, net of deferred tax liabilities	**2,806,102**	**297,056**	**(421,885)**	**2,681,273**

(1) The realization in the first half refers mainly to the record of the revision of the calculation basis of income tax and social contribution, contemplating the figures relating to accounting inconsistencies recorded in equity of the Bank in November 2010 in the respective years / months of competence. Thus, with the fact of founding the payment of taxes in years with tax losses, these were reclassified from the "tax credit account" to the "recoverable taxes account".

c) Expected realization of deferred tax assets on temporary differences and tax losses

The projected realization of deferred tax assets was prepared based on the review of the current and future scenario studies, elaborated in June, 2013, for which the main premises used in the projection were the macroeconomics indexes, production indexes and funding costs.

Deferred income tax and social contribution assets will be realized as the temporary differences are reversed, or when they qualify for tax deductibility, or when the tax losses from which they are derived are offset.

We present below the estimated realization of these credits:

	Bank					
	Temporary differences		Income tax and social contribution losses		Total	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012	06/30/2013	12/31/2012
2013	408,723	756,942	-	58,908	408,723	815,850
2014	498,174	261,074	116,749	144,207	614,923	405,281
2015	288,857	42,728	132,273	181,482	421,130	224,210
2016	532	44,962	168,287	215,116	168,819	260,078
2017	43,753	35,285	41,112	106,862	84,865	142,147
2018	265	739	174,271	238,553	174,536	239,292
2019	55	468	185,821	387,882	185,876	388,350
2020	75	4,055	184,959	170,448	185,034	174,503
2021	-	-	201,723	-	201,723	-
2022	-	-	73,256	-	73,256	-
Total	**1,240,434**	**1,146,253**	**1,278,451**	**1,503,458**	**2,518,885**	**2,649,711**

	Consolidated							
	Temporary differences		Income tax and social contribution losses		Unearned income and other consolidation adjustments of loans assigned to FIDCs		Total	
	06/30/2013	12/31/2012	06/30/2013	12/31/2012	06/30/2013	12/31/2012	06/30/2013	12/31/2012
2013	429,487	800,922	2,358	59,791	49	860	431,894	861,573
2014	541,154	290,378	118,775	147,798	405	3,802	660,334	441,978
2015	315,829	50,594	138,961	187,674	1,160	9,113	455,950	247,381
2016	6,772	52,116	178,791	228,352	1,763	12,748	187,326	293,216
2017	55,448	44,727	49,882	119,083	1,884	9,514	107,214	173,324
2018	1,200	2,189	189,473	253,702	1,085	5,519	191,758	261,410
2019	873	1,611	202,453	403,564	54	319	203,380	405,494
2020	120	4,198	202,230	183,080	45	141	202,395	187,419
2021	22	-	205,347	2,301	3	30	205,372	2,331
2022	7,190	-	74,186	-	-	19	81,376	19
Total	**1,358,095**	**1,246,735**	**1,362,456**	**1,585,345**	**6,448**	**42,065**	**2,726,999**	**2,874,145**

At June 30, 2013, the present value of deferred tax assets, calculated based on the Bank's average funding rate, totaled R$ 1,735,242 in Bank and R$ 1,876,431 in Consolidated (December 31, 2012 - R$ 1,850,696 in Bank and R$ 2,004,031 in Consolidated).

At June 30, 2013, in accordance with paragraph 2 of Article 5 of CVM/BACEN Resolution 3059/2002, the deferred tax assets originated from tax losses incurred by excluding income from excess depreciation in the amount of R$ 133,033, will generate no profit, based on a technical study.

d) Unrecorded deferred tax assets:

At June 30, 2013, tax losses were approximately R$ 782,172 in Bank and Consolidated (December 31, 2012 – R$782,172 in Bank and Consolidated), for which deferred tax assets of R$ 312,869 in Bank and R$ 312,869 in Consolidated, have not been recorded, since they did not meet all of the conditions established by BACEN.

e) Deferred tax liabilities:

Bank	At 12/31/2012	Amount recorded	Amount realized	At 06/30/2013
Mark-to-market adjustment of derivative financial instruments	(18,659)	-	15,418	(3,241)
Total	**(18,659)**	**-**	**15,418**	**(3,241)**

Consolidated	At 12/31/2012	Amount recorded	Amount realized	At 06/30/2013
Mark-to-market adjustment of derivative financial instruments	(27,230)	(9,158)	17,015	(19,373)
Excess depreciation	(180,342)		20,956	(159,386)
Total	**(207,572)**	**(9,158)**	**37,971**	**(178,759)**

35) OTHER INFORMATION

a) At June 30, 2013, guarantees and sureties granted total R$ 36,719 (December 31, 2012 - R$ 30,689);

b) The policy of the Bank and its subsidiaries is to contract insurance for its cash, checks received as collateral and assets in amounts which are considered sufficient to cover potential losses.

c) At June 30, 2013, December 31, 2012 and June 30, 2012, the Bank and its subsidiaries had no lease agreements for own acquisitions; and

d) CMN Resolution 4036/11 came into force on January 1, 2012 and permits the deferral of the net loss generated by the renegotiation of previously assigned credit operations. The maximum term for deferral shall be up to December 31, 2015, or the date of maturity of the renegotiated operations, whichever is earlier, based on the straight-line method. Banco Panamericano will not use the option permitted by this Resolution.

Executive Board Declaration

In compliance with the provisions established by Instruction 480/09, of the Brazilian Securities Commission (CVM), the Executive Board of Banco Panamericano S.A. declares that it has discussed, reviewed and agreed with the Parent Company and Consolidated Financial Statements for the year ended June 30, 2013.

Executive Board Declaration

In compliance with the provisions established by CVM Instruction 480/09, the Executive Board of Banco Panamericano S.A. declares that it has discussed, reviewed and agreed with the opinion expressed in the independent auditor's report on the Parent Company and Consolidated Financial Statements for the semester ended June 30, 2013.

São Paulo, August 5, 2013

BOARD OF DIRECTORS

Chairman
Jorge Fontes Hereda
Vice Chairman
André Santos Esteves

Board Members
José Luiz Acar Pedro
Antonio Carlos Canto Porto Filho
Roberto Balls Sallouti
Fabio Lenza
Marcio Percival Alves Pinto
Marcos Roberto Vasconcelos
Otto Steiner Junior
Marcos Antonio Macedo Cintra
Mateus Affonso Bandeira
Roy Martelanc

EXECUTIVE BOARD

Chief Executive Officer
José Luiz Acar Pedro

Executive Officers
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Eduardo Nogueira Domeque
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FISCAL COUNCIL
Paulo Roberto Salvador Costa
Fábio Franco Barbosa Fernandes
Daniela Maluf Pfeiffer

AUDIT COMMITTEE
Otto Steiner Junior
Marcos Wagner da Fonseca

Sergio de Jesus
Account – CRC 1SP198209/O-2

Banco Panamericano S.A. and Subsidiaries

Quarterly Information (ITR) at June 30, 2013 and Report on Review of Quarterly Information

Report on Review of Quarterly Information

To the Board of Directors and Stockholders
Banco Panamericano S.A.

Introduction

We have audited the accompanying financial statements of Banco Panamericano S.A.(the “Institution”) standing alone, which comprise the balance sheet as at June 30, 2013 and the statements of income, changes in equity and cash flows for the year and six-month period then ended, as well as the accompanying consolidated financial statements of Banco Panamericano S.A. and its subsidiaries (“Consolidated”), which comprise the consolidated balance sheet as at June 30, 2013, and the consolidated statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), as well as the presentation of information in accordance with the standards issued by the Brazilian Securities Commission - CVM, applicable to the preparation of the Quarterly Information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, we are not aware of any facts which lead us to believe that the parent company and consolidated interim accounting information, included in the quarterly information was not prepared, in all material respects, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN) and presented in compliance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly In formation.

Emphasis of matter

Deferred Tax Credits

As described in Note 34, the Institution has deferred tax assets, at June 30, 2013, in the amount of R$ 2.9 billion on the Bank and its Subsidiaries, which were recognized based on financial projections for theses long-term deferred tax assets' realization. This projection of realization of the deferred tax assets was elaborated by the Management of the Bank based on the study of the current panorama and the future scenarios reviewed for June 30, 2013. These new projections for the realization of these deferred tax assets were reviewed and approved by the Supervisory Board on August 5, 2013. The realization of these deferred tax assets, at the estimated period of realization, is contingent on the achievement of the projected figures and the implementation of the business plan as approved by the management bodies. Our opinion is not qualified in respect of this matter.

Other matters

Statements of Value Added

We have also reviewed the parent company and consolidated statements of value added for the semester ended on June 30, 2013. These statements are the responsibility of the Institution's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR). These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

São Paulo, August 5, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Edison Arisa Pereira
Contador CRC 1SP127241/O-0

FISCAL COUNCIL REPORT

The sitting members of the Fiscal Council of Banco Panamericano S/A, after examining the management report and the financial statements related to 2013 first semester and, based on:

a) the Report of the Independent Auditors – PricewaterhouseCoopers Auditores Independentes, from August 5, 2013, with an emphasis of matter for the deferred tax assets that, for its realization, depend on the materialization of assumptions from the Technical Feasibility of Realization of Deferred Tax Assets elaborated by the entity's administration and reviewed for the reference date of June 30, 2013 and approved by the Supervisory Board on August 5, 2013 according to explanatory note number 34;
b) a meeting with the external auditors; and
c) the Audit Committee report,

consider that said documents fairly reflect the financial position and performance of the Institution for the year.

The examination of the aforementioned financial statements was complemented, further, by the analysis of other documents and, substantially, by information and clarification provided to the Fiscal Council members during the year by the Institution's management, in particular, the Controllership and Compliance area.

São Paulo, August 5, 2013.

Fábio Franco Barbosa Fernandes
Chairman

Paulo Roberto Salvador Costa
Member

Daniela Maluf Pfeiffer
Member