

CREE INC
Form 4
October 23, 2015

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
REPLOGLE JOHN B

(Last) (First) (Middle)

C/O CREE, INC., 4600 SILICON DRIVE

(Street)

DURHAM, NC 27703

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CREE INC [CREE]

3. Date of Earliest Transaction (Month/Day/Year)
10/21/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
COMMON STOCK	10/21/2015		A ⁽¹⁾	834 A \$ 23.96	27,739	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
REPLOGLE JOHN B C/O CREE, INC. 4600 SILICON DRIVE DURHAM, NC 27703		X		

Signatures

Tamara Cappelson as agent for John B. Replogle
 Date: 10/23/2015

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents shares of Common Stock credited to the Reporting Person's 2015 deferral account under the Cree, Inc. Stock Compensation and Deferral Program, issuable following the Reporting Person's Separation of Service from Cree.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. TTOM: windowtext 1pt solid; HEIGHT: 12.75pt; BORDER-RIGHT: windowtext 1pt solid" vAlign=bottom width="7%" noWrap>

145,041,666

142,345,994

131,101,234

(1) "Other reserves" - Insurance basically refers to technical reserves of the "personal health" portfolio;

- (2) Includes personal insurance and pension plans;
- (3) "Other reserves" - Life and Pension Plan mainly includes the "Reserve for redemption and other amounts to be settled", "Reserve for related expenses" and "Other reserves";
- (4) Up to November 2013, as authorized by Susep, an interest rate based on Bank's own study was used to discount the actuarial liability flow and, consequently, the item "Complementary Reserve for Coverage" reflected the result of this rate;
- (5) In January 2014, the shutdown of DPVAT insurance consortiums was requested; and
- (6) Deduction set forth in Article 4 of ANS Legislative Resolution nº 314/12.

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Notes to the Consolidated Financial Statements**d) Insurance, pension plan contribution and capitalization bond retained premiums**

	3 rd quarter	2014 2 nd quarter	Accumulated on September 30	Ac
Written premiums	7,201,071	6,678,270	20,315,448	
Pension plan contributions (including VGBL)	4,383,620	6,116,223	14,398,334	
Capitalization bond income	1,415,612	1,289,952	3,910,479	
Granted coinsurance premiums	(25,726)	(45,104)	(111,558)	
Refunded premiums	(70,567)	(46,853)	(166,710)	
Net written premiums	12,904,010	13,992,488	38,345,993	
Reinsurance premiums	(104,404)	(109,137)	(280,978)	
Insurance, pension plan and capitalization bond retained premiums	12,799,606	13,883,351	38,065,015	

22) NON-CONTROLLING INTERESTS IN SUBSIDIARIES

	2014 September 30	June 30	R\$ thousand 2013 September 30
Banco Bradesco BBI S.A.	104,134	101,846	132,282
Other (1)	385,506	384,361	459,358
Total	489,640	486,207	591,640

(1) Mainly related to the non-controlling interest in Odontoprev S.A.

23) SHAREHOLDERS' EQUITY (PARENT COMPANY)**a) Capital stock in number of shares**

Fully subscribed and paid-in capital stock comprises non-par, registered, book-entry shares.

	2014		2013
	September 30	June 30	September 30
Common shares	2,103,637,129	2,103,637,129	2,103,637,129
Preferred shares	2,103,636,910	2,103,636,910	2,103,636,910
Subtotal	4,207,274,039	4,207,274,039	4,207,274,039
Treasury (common shares)	(2,898,610)	(2,898,610)	(2,898,610)
Treasury (preferred shares)	(8,984,870)	(8,984,870)	(7,630,270)
Total outstanding shares	4,195,390,559	4,195,390,559	4,196,745,159

b) Changes in capital stock in number of shares

	Common shares	Preferred shares	Total
Number of outstanding shares as at December 31, 2013	2,100,738,519	2,095,770,640	4,196,509,159
Shares acquired and not canceled	-	(1,118,600)	(1,118,600)
Number of outstanding shares as at September 30, 2014	2,100,738,519	2,094,652,040	4,195,390,559

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Notes to the Consolidated Financial Statements

c) Interest on shareholders' equity/dividends

Preferred shares have no voting rights, but are entitled to all other rights and advantages given to common shares and, in compliance with Bradesco's Bylaws, have priority for repayment of capital and an additional ten percent (10%) interest on shareholders' equity and/or dividends, in accordance with the provisions of Paragraph 1, item II, of Article 17 of Law nº 6404/76, amended by Law nº 10303/01.

According to Bradesco's Bylaws, shareholders are entitled to interest on shareholders' equity and/or dividends amounting to at least 30% of the net income for the year, adjusted in accordance with Brazilian Corporate Law.

Interest on shareholders' equity is calculated based on the shareholders' equity limited to the variation in the Federal Government Long-Term Interest Rates (TJLP), subject to available profits before deductions, or transfer to retained earnings or profit reserves for the amounts equivalent or greater than twice its value.

Bradesco's capital remuneration policy aims to distribute interest on shareholders' equity at the maximum amount calculated under current legislation, and this is included, net of Withholding Income Tax, in the calculation for mandatory dividends for the year under the Company's Bylaws.

The Board of Directors' Meeting held on December 23, 2013 approved the Board of Executive Officers' proposal to pay shareholders supplementary interest on shareholders' equity for 2013, for the amount of R\$ 1,421,300 thousand, at R\$ 0.322576529 (net of 15% withholding income tax - R\$ 0.274190050) per common share and R\$ 0.354834182 (net of 15% withholding income tax - R\$ 0.301609055) per preferred share, which was paid on March 7, 2014.

The Board of Directors' Meeting held on February 10, 2014 approved the Board of Executive Officers' proposal to pay shareholders supplementary interest on shareholders' equity for 2013, for the amount of R\$ 853,858 thousand, at R\$ 0.193826693 per common share and R\$ 0.213209362 per preferred share, which was paid on March 7, 2014.

The Board of Directors' Meeting held on June 24, 2014 approved the Board of Executive Officers' proposal to pay shareholders' supplementary interest on shareholders' equity and dividends for the first semester of 2014, in the amount of R\$ 829,000 thousand, at R\$ 0.188201395 per common share and R\$ 0.207021535 per preferred share, which was paid on July 18, 2014.

Interest on shareholders' equity and dividends for the first three quarters ending on September 30, 2014 is calculated as follows:

	R\$ thousand % (1)
Net Income for the Period	11,095,536
(-) Legal reserve	(554,777)
Adjusted calculation basis	10,540,759
Monthly and supplementary interest on shareholders' equity (gross), paid and/or provisioned	2,930,987
Withholding income tax on interest on shareholders' equity	(439,648)
Interim Dividends Paid	829,000
Interest on shareholders' equity (net)/dividends accumulated in September 2014	3,320,33931.50
Interest on shareholders' equity (net) accumulated on September 30, 2013	2,672,85031.50

(1) Percentage of interest on shareholders' equity/dividends after adjustments.

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Notes to the Consolidated Financial Statements

Interest on shareholders' equity was paid or recorded in provisions, as follows:

Description	Per share (gross)		Gross amount paid/recorded in provision	Withholding Income Tax (IRRF) (15%)	R\$ thousand
	Common shares	Preferred shares			Net amount paid / recorded in provision
Monthly interest on shareholders' equity paid	0.169361	0.186298	724,003	108,600	615,403
Intermediate interest on shareholders' equity paid	0.188254	0.207078	830,000	124,500	705,500
Supplementary interest on shareholders' equity paid	0.360962	0.397058	1,590,526	238,579	1,351,947
Total accumulated on September 30, 2013	0.718577	0.790434	3,144,529	471,679	2,672,850
Monthly interest on shareholders' equity paid	0.169362	0.186298	746,042	111,906	634,136
Supplementary interest on shareholders' equity provisioned	0.496031	0.545634	2,184,945	327,742	1,857,203
Interim Dividends Paid	0.188201	0.207022	829,000	-	829,000
Total accumulated on September 30, 2014	0.853594	0.938954	3,759,987	439,648	3,320,339

d) Treasury shares

The Board of Directors' Meeting held on June 25, 2013 resolved to renew the term for the share buyback based on the previous conditions, which remained in force until June 26, 2014. The Board of Directors' Meeting held on June 24, 2014 resolved to renew the term for the share buyback, based on the previous conditions. It is valid until June 26, 2015.

A total of 2,898,610 common shares and 8,984,870 preferred shares had been acquired, totaling R\$ 298,015 thousand up to September 30, 2014, and remain in treasury. The minimum, medium and

Explanation of Responses:

maximum cost per common share is R\$ 23.62221, R\$ 25.41203 and R\$ 27.14350, and per preferred share is R\$ 25.23185, R\$ 27.16272 and R\$ 33.12855, respectively. The fair value was R\$ 35.00 per common share and R\$ 34.84 per preferred share on September 30, 2014.

24) FEE AND COMMISSION INCOME

	2014			2013	R\$ thousand
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30	
Credit card income	1,990,712	1,848,593	5,672,986	5,003,079	
Checking account	1,025,028	971,880	2,940,903	2,655,273	
Loans	688,275	625,433	1,887,076	1,646,461	
Asset management	653,008	577,654	1,792,474	1,734,859	
Collections	399,857	387,833	1,167,651	1,091,035	
Consortium management	227,792	213,682	640,399	526,200	
Underwriting / Financial Advisory Services	134,345	160,255	515,542	415,211	
Custody and brokerage services	138,314	120,776	383,879	386,901	
Payments	89,272	99,932	285,637	253,246	
Other	240,092	219,586	716,200	590,822	
Total	5,586,695	5,225,624	16,002,747	14,303,087	

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Notes to the Consolidated Financial Statements**25) PAYROLL AND RELATED BENEFITS**

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Salaries	1,653,681	1,563,127	4,733,066	4,465,123
Benefits	738,942	704,205	2,140,383	1,990,737
Social security charges	626,360	597,713	1,796,526	1,686,692
Employee profit sharing	327,596	326,376	947,231	797,443
Provision for labor claims (1)	665,535	220,288	1,068,314	583,812
Training	40,179	36,131	93,760	72,259
Total	4,052,293	3,447,840	10,779,280	9,596,066

(1) The 3rd quarter of 2014 and on September 30, 2014 include the constitution of labor provisions concerning the improvement of the calculation methodology, originating from acquired banks, with unique characteristics, based on the updated recent loss history, totaling R\$ 488,300 thousand.

26) OTHER ADMINISTRATIVE EXPENSES

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Outsourced services	973,880	955,863	2,833,158	2,602,040
Depreciation and amortization	487,898	463,034	1,397,128	1,286,303
Communication	382,306	378,197	1,136,008	1,194,817
Data processing	340,355	326,301	1,002,350	945,163
Rental	225,237	215,859	654,999	617,933
Transport	192,911	199,590	595,386	619,071
Financial system services	195,785	187,589	580,422	554,641
Advertising and marketing	184,088	170,499	532,836	492,831
Asset maintenance	168,808	179,873	500,188	483,878

Explanation of Responses:

Security and surveillance	140,171	138,787	417,265	363,359
Supplies	85,227	90,555	252,942	226,705
Water, electricity and gas	54,237	56,790	172,504	170,363
Travel	37,116	34,368	101,736	99,122
Other	195,842	209,522	609,103	842,476
Total	3,663,861	3,606,827	10,786,025	10,498,702

27) TAX EXPENSES

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Contribution for Social Security Financing (Cofins)	582,852	799,601	2,148,454	1,987,213
Social Integration Program (PIS) contribution	97,705	146,793	390,484	349,482
Tax on Services (ISSQN)	141,480	140,331	424,354	392,166
Municipal Real Estate Tax (IPTU) expenses	11,020	10,687	52,598	43,339
Other	77,119	71,486	204,459	160,336
Total	910,176	1,168,898	3,220,349	2,932,536

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Notes to the Consolidated Financial Statements**28) OTHER OPERATING INCOME**

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Other interest income	532,215	429,528	1,390,411	1,161,230
Reversal of other operating provisions (1)	1,627,705	69,769	1,811,635	532,064
Gains on sale of goods	1,669	499	8,412	68,122
Revenues from recovery of charges and expenses	51,669	20,075	98,715	70,620
Other	337,559	187,390	760,190	763,520
Total	2,550,817	707,261	4,069,363	2,595,556

(1) The 3rd quarter of 2014 and on September 30, 2014 YTD include the reversal of tax provision related to the Cofins case, which ended favorable to the Organization.

29) OTHER OPERATING EXPENSES

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Other finance costs	1,127,692	1,217,380	3,519,837	3,302,783
Sundry losses	488,350	411,458	1,282,881	1,231,250
Commissions on loans and financing	318,525	333,979	984,182	1,006,858
Discount granted	388,146	306,624	984,367	801,409
Intangible assets amortization	211,816	208,323	625,040	672,765
Goodwill amortization (Note 15a)	44,989	40,582	126,577	181,747
Other (1)	516,557	487,958	1,442,887	888,244
Total	3,096,075	3,006,304	8,965,771	8,085,056

(1) The 3rd quarter of 2014 and on September 30, 2014 YTD include the constitution of tax provision related to the PIS case – EC 17/97.

30) NON-OPERATING INCOME (LOSS)

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Gain/loss on sale and write-off of assets and investments (1)	(93,724)	(74,340)	(234,086)	(12,076)
Recording/reversal of non-operating provisions	(27,958)	(65,332)	(152,600)	(134,637)
Other	27,609	5,078	48,574	60,834
Total	(94,073)	(134,594)	(338,112)	(85,879)

(1) The September 30, 2013 YTD includes results originating from the sale of BM&FBovespa shares.

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Notes to the Consolidated Financial Statements**31) RELATED-PARTY TRANSACTIONS (DIRECT AND INDIRECT)**

a) Related party transactions (direct and indirect) are carried out under conditions and at rates consistent with those entered into with third parties, when applicable, and effective on the dates of the operations. The transactions are as follows:

	2014	2013
	September 30	June 30
	Assets	Assets
	(liabilities)	(liabilities)
Interest on shareholders' equity and dividends:	(696,563)	(608,102)
Cidade de Deus Companhia Comercial de Participações	(513,017)	(447,866)
Fundação Bradesco	(183,546)	(160,236)
Demand deposits/Savings accounts:	(19,035)	(21,501)
BBD Participações S.A.	(2)	(3)
Nova Cidade de Deus Participações S.A.	(9)	(7)
Cidade de Deus Companhia Comercial de Participações	(11)	(10)
Key Management Personnel	(19,013)	(21,481)
Time deposits:	(119,773)	(138,028)
Cidade de Deus Companhia Comercial de Participações	(50,824)	(61,708)
Key Management Personnel	(68,949)	(76,320)
Federal funds purchased and securities sold under agreements to repurchase:	(451,122)	(480,561)
Cidade de Deus Companhia Comercial de Participações	(282,611)	(202,753)
BBD Participações S.A.	(54,125)	(150,066)
Key Management Personnel	(114,386)	(127,742)
Funds from issuance of securities:	(631,864)	(617,809)
Key Management Personnel	(631,864)	(617,809)
Rental of branches:	-	-
Fundação Bradesco	-	-
Subordinated debts:	-	-
Fundação Bradesco	-	-

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Notes to the Consolidated Financial Statements

b) Compensation for key Management personnel

Each year, the Annual Shareholders' Meeting approves:

- The annual overall amount of management compensation, set forth at the Board of Directors Meetings, to be paid to board members and members of the Board of Executive Officers, as determined by the Company's Bylaws; and
- The amount allocated to finance Management pension plans, within the Employee and Management pension plan of the Bradesco Organization.

For 2014, the maximum amount of R\$ 354,700 thousand was set for Management compensation and R\$ 351,900 thousand to finance defined contribution pension plans.

The current policy on Management compensation sets forth that 50% of net variable compensation, if any, must be allocated to the acquisition of preferred shares of Banco Bradesco S.A., which must be traded in three equal, annual and successive installments, the first of which maturing in the year following the payment date. This procedure complies with CMN Resolution nº 3921/10, which sets forth a management compensation policy for financial institutions.

Short-term Management benefits

	2014	R\$ thousand 2013
3rd quarter	2nd quarter	Accumulated
		on
		September
	Accumulated on September 30	30

Salaries	82,285	80,876	244,436	244,940
INSS contributions	18,392	18,158	54,800	55,023
Total	100,677	99,034	299,236	299,963

Post-employment benefits

	2014		R\$ thousand 2013	
	3rd quarter	2nd quarter	Accumulated on September 30	Accumulated on September 30
Defined contribution supplementary pension plans	79,327	80,092	240,685	242,511
Total	79,327	80,092	240,685	242,511

Bradesco does not offer long-term benefits related to severance pay or share-based compensation, pursuant to CPC 10 – Share-Based Payment, approved by CMN Resolution nº 3989/11, to its key Management personnel.

Other information

- l) Under current law, financial institutions are not allowed to grant loans or advances to:
- Officers and members of the advisory, administrative, fiscal or similar councils, as well as to their respective spouses and family members up to the second degree;
 - Individuals or corporations that own more than 10% of their capital; and
 - Corporations of which the financial institution itself, any officers or administrators of the institution, as well as their spouses and respective family members up to the second degree own more than 10%.

Therefore, no loans or advances are granted by financial institutions to any subsidiary, members of the Board of Directors or Board of Executive Officers and their relatives.

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Notes to the Consolidated Financial Statements

II) Shareholding

Together, members of the Board of Directors and Board of Executive Officers had the following shareholding in Bradesco:

	2014		2013
	September 30	June 30	September 30
Common shares	0.72%	0.72%	0.73%
Preferred shares	1.04%	1.03%	0.99%
Total shares (1)	0.88%	0.88%	0.86%

(1) On September 30, 2014, direct and indirect shareholding of the members of Bradesco's Board of Directors and Board of Executive Officers amounted to 3.03% of common shares, 1.08% of preferred shares and 2.05% of all shares.

32) FINANCIAL INSTRUMENTS**a) Fair value**

Risk management is highly strategic due to the increasing complexity of services and products and the globalization of the Organization's business. The dynamic markets lead Bradesco to an ongoing improvement of this activity in the pursuit of best practices. For that reason, Bradesco was authorized by Bacen to use its internal market risk models, which were already in force, to calculate regulatory capital as of January 2013.

The Organization controls risk management in an integrated and independent manner, preserving and valuing the Board's decisions, developing and implementing methodologies, models, and measurement and control tools. It also provides training to employees from all Organization levels, from the business areas to the Board of Directors.

The management process allows the risks to be proactively identified, measured, mitigated, monitored and reported, which is necessary in view of the Organization's complex financial products and activity profile.

Credit risk management

Credit risk refers to the possibility of losses associated to the non-compliance by the borrower or counterparty for their respective financial obligations under agreed terms, as well as to the reduction of the value of a loan agreement resulting from a deterioration of the borrower's risk rating, reduced earnings or remuneration, the advantages in renegotiation, recovery costs and other values related to the counterparty's non-compliance with its financial obligations.

Credit risk management in the Organization is a continuous and evolving process of mapping, development, assessment and diagnosis through the use of models, instruments and procedures that require a high degree of discipline and control during the analysis of operations to preserve the integrity and autonomy of the processes.

The Organization controls its exposure to credit risk, which mainly results from loans, securities and derivative financial instruments. Credit risk also stems from financial obligations related to credit commitments or financial guarantees.

In order not to compromise the quality of the portfolio, it includes all aspects related to the lending process, concentration, guarantee requirement, terms, among others.

The Organization continuously maps all activities that can generate exposure to credit risk, with their respective ratings related to probability and magnitude, as well as the identification of their managers, measurement and mitigation plans.

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Notes to the Consolidated Financial Statements

Market risk management

Market risk is represented by the possibility of financial losses due to fluctuating prices and interest rates of the Organization's financial instruments as its asset and liability portfolios may have mismatched maturities, currencies and indexes.

Market risk is carefully identified, measured, mitigated, controlled and reported. The Organization's exposure to market risk profile is in line with the guidelines established by the governance process, with limits monitored independently on a timely basis.

All transactions exposing the Organization to market risk are mapped, measured and classified by probability and importance, and the whole process is approved by the corporate governance structure.

The process of market risk management is performed corporately. This process involves several areas, with specific assignments, ensuring an efficient structure, with the measurement and control of market risk being performed centrally and independently. The management process, approved by the Board of Directors, is reviewed at least annually by the Committees and by the Board of Directors.

In line with the Corporate Governance practices, aiming to preserve and strengthen the management of market and liquidity risks in the Organization, and to meet the provisions of CMN Resolution nº 3464/07, the Board of Directors approved the Market and Liquidity Risk Management Policy, whose review is performed at least annually by the competent Committees and by the Board of Directors, providing the main guidelines for acceptance, control and management of market and liquidity risks. In addition to this policy, the Organization has specific rules to regulate the market and liquidity risk management process.

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Notes to the Consolidated Financial Statements

Below is the statement of financial position by currency

	2014		
	September 30		
	Balance	Local	Foreign
			(1) (2)
Assets			
Current and long-term assets	972,313,996	909,452,486	62,861,486
Funds available	11,315,727	7,596,389	3,719,338
Interbank investments	181,334,765	180,958,710	376,075
Securities and derivative financial instruments	343,444,944	328,689,852	14,755,092
Interbank and interdepartmental accounts	48,539,557	48,539,557	
Loan and leasing	287,874,917	253,645,624	34,229,293
Other receivables and assets	99,804,086	90,022,354	9,781,732
Permanent assets	15,050,416	15,010,175	40,241
Investments	1,931,275	1,928,501	2,774
Premises and equipment and leased assets	4,591,285	4,577,465	13,820
Intangible assets	8,527,856	8,504,209	23,647
Total	987,364,412	924,462,661	62,901,747
Liabilities			
Current and long-term liabilities	907,366,924	832,827,936	74,538,988
Deposits	211,881,367	183,567,876	28,313,491
Federal funds purchased and securities sold under agreements to repurchase	297,814,163	293,051,087	4,763,076
Funds from issuance of securities	75,282,858	66,753,696	8,529,162
Interbank and interdepartmental accounts	4,540,838	2,324,161	2,216,677
Borrowing and onlending	56,561,157	40,970,499	15,590,658
Derivative financial instruments	5,076,285	1,852,305	3,223,980
Technical reserve for insurance, pension plans and capitalization bonds	145,969,043	145,968,245	
Other liabilities:			
- Subordinated debts	36,464,397	27,992,492	8,471,905
- Other	73,776,816	70,347,575	3,429,241
Deferred income	265,732	265,732	
Non-controlling interests in subsidiaries	489,640	489,640	
Shareholders' equity	79,242,116	79,242,116	
Total	987,364,412	912,825,424	74,538,988
Net position of assets and liabilities			(11,637,241)
Net position of derivatives (2)			(14,907,500)

Other net off-balance-sheet accounts (3)

(1,019,8

Net exchange position (liability)

(27,564,5

- (1) Amounts originally recorded and/or indexed mainly in USD;
- (2) Excluding operations maturing in D+1, to be settled at the rate on the last day of the month; and
- (3) Other commitments recorded in off-balance-sheet accounts.

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Notes to the Consolidated Financial Statements**VaR Internal Model - Trading Portfolio**

Below is the 1-day VaR:

Risk factors	2014		R\$ thousand
	September 30	June 30	September 30
Fixed rates	28,488	5,879	36,461
IGP-M/IPCA	25,317	22,615	9,033
Exchange coupon	4,897	4,790	9,412
Foreign currency	1,866	2,743	6,701
Equities	8	5,751	756
Sovereign/Eurobonds and Treasuries	3,341	5,134	6,396
Other	1,504	881	1,412
Correlation/diversification effect	(12,345)	(22,819)	(28,365)
VaR (Value at Risk)	53,076	24,974	41,806
Amounts net of tax.			

Sensitivity analysis

The Trading Portfolio is also monitored daily by sensitivity analyses that measure the effect of movements of market and price curves on our positions. Furthermore, a sensitivity analysis of the Organization's financial exposures (Trading and Banking Portfolio) is performed on a quarterly basis, in compliance with CVM Rule nº 475/08.

Note that the impact of the financial exposure on the Banking Portfolio (notably interest rates and price indexes) do not necessarily represent a potential accounting loss for the Organization because a portion of loans held in the Banking Portfolio are financed by demand and/or savings deposits, which are "natural hedges" for future variations in interest rates, moreover, interest rate variations do not represent a material impact on the Institution's result, as Loans are held to maturity. Also, due to our strong presence in the insurance and pension plan market, most of the assets are adjusted for price indexes, linked to the corresponding technical reserves.

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Notes to the Consolidated Financial Statements**Sensitivity Analysis - Trading and Banking Portfolios**

		Trading and Banking portfolios 2014					
		September 30 Scenarios			June 30 Scenarios		
		1	2	3	1	2	3
Interest rate in Reais	Exposure subject to variations in fixed interest rates and interest rate coupons	(6,383)	(1,843,646)	(3,560,810)	(3,698)	(1,009,481)	(1,943,751)
Price indexes	Exposure subject to variations in price index coupon rates	(10,742)	(1,488,367)	(2,778,693)	(13,245)	(1,777,223)	(3,299,495)
Exchange coupon	Exposure subject to variations in foreign currency coupon rates	(508)	(51,455)	(96,819)	(395)	(37,343)	(69,713)
Foreign currency	Exposure subject to exchange variations	(2,551)	(37,923)	(70,130)	(1,712)	(167,240)	(408,169)
Equities	Exposure subject to variation in stock prices	(16,414)	(410,359)	(820,718)	(21,012)	(525,295)	(1,050,590)
Sovereign/Eurobonds and Treasuries	Exposure subject to variations in the interest rate of securities	(535)	(28,158)	(54,696)	(661)	(38,806)	(74,792)

	traded on the international market Exposure not classified in previous definitions						
Other		(1,286)	(32,162)	(64,324)	(381)	(9,544)	(19,087)
Total excluding correlation of risk factors		(38,419)	(3,892,070)	(7,446,190)	(41,104)	(3,564,932)	(6,865,597)
Total including correlation of risk factors		(28,873)	(3,549,489)	(6,795,077)	(29,342)	(2,660,398)	(4,944,728)

(1) Amounts net of tax.

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The sensitivity analysis of the Trading Portfolio, which represents exposures that may have a material impact on the Organization's results, is presented below. Note that results show the impact for each scenario on a static portfolio position. The market dynamism results in continuous changes in these positions and does not necessarily reflect the current position. Moreover, as previously mentioned, the Organization has an ongoing process of market risk management, which constantly looks for market dynamism to mitigate related risks according to the strategy determined by Senior Management. Therefore, in cases of deterioration indicators in a certain position, proactive measures are taken to minimize any potential negative impact, aimed at maximizing the risk/return ratio for the Organization.

Sensitivity Analysis - Trading Portfolio

		Trading portfolio (1)						
		2014						
		September 30			June 30			
		Scenarios			Scenarios			
		1	2	3	1	2	3	1
Interest rate in Reais	Exposure subject to variations in fixed interest rates and interest rate coupons	(951)	(283,265)	(549,986)	(314)	(82,919)	(163,197)	(1,169)
Price indexes	Exposure subject to variations in price index coupon rates	(976)	(126,606)	(246,050)	(1,030)	(130,639)	(258,641)	(358)
Exchange coupon	Exposure subject to variations in foreign currency coupon rates	(495)	(51,874)	(97,405)	(353)	(39,698)	(73,662)	(587)
Foreign currency Equities	Exposure subject to exchange variations	(995)	(25,172)	(50,386)	(1,574)	(52,945)	(107,641)	(953)
		(2)	(49)	(97)	(1,991)	(49,773)	(99,545)	(1,060)

a) Fair value

	Exposure subject to variation in stock prices							
	Exposure subject to variations in the interest rate of securities traded on the international							
Sovereign/Eurobonds and Treasuries market		(368)	(25,898)	(49,878)	(489)	(34,633)	(66,675)	(668)
	Exposure not classified in previous definitions							
Other		(1,052)	(26,293)	(52,586)	(345)	(8,630)	(17,260)	(191)
Total excluding correlation of risk factors		(4,839)	(539,157)	(1,046,388)	(6,096)	(399,237)	(786,621)	(4,986)
Total including correlation of risk factors		(2,030)	(397,300)	(769,569)	(2,912)	(184,289)	(363,027)	(1,666)

(1) Amounts net of tax.

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Sensitivity analyses were carried out based on scenarios prepared for the respective dates, always considering market data at the time and scenarios that would adversely affect our positions, according to the examples below:

Scenario 1: Based on market information (BM&FBOVESPA, Anbima, etc.), stresses were applied for 1 basis point on the interest rate and 1% variation on prices. For example: for a Real/US dollar exchange rate of R\$ 2.45 a scenario of R\$ 2.48 was used, while for a fixed interest rate of 1 year of 11.83% a 11.84% scenario was applied;

Scenario 2: 25% stresses were determined based on market information. For example: for a Real/US dollar exchange rate of R\$ 2.45 a scenario of R\$ 3.07 was used, while for a fixed interest rate of 1 year of 11.83% a 14.78% scenario was applied; The scenarios for other risk factors also accounted for 25% stresses in the respective curves or prices; and

Scenario 3: 50% stresses were determined based on market information. For example: for a Real/US dollar quote of R\$ 2.45 a scenario of R\$ 3.68 was used, while for a fixed interest rate of 1 year of 11.83% a 17.74% scenario was applied; The scenarios for other risk factors also account for 50% stresses in the respective curves or prices.

Liquidity Risk

Liquidity Risk is represented by the possibility of the institution not being able to efficiently meet its obligations, without affecting its daily operations and incurring significant losses, as well as the possibility of the institution not being able to trade a position at market price due to its high amount when compared to the usually traded volume or due to some market discontinuation.

It is crucial to know and monitor this risk, especially so that the Organization can settle the operations in a timely and reliable way.

The process of liquidity risk management is performed corporately. It involves several areas with specific assignments, ensuring an efficient structure. Liquidity risk is measured and control centrally and independently, contemplating the daily monitoring of the composition of available resources, compliance with the minimum liquidity level, and the contingency plan for stress situations.

One of the objectives of the Organization's Policy on Market and Liquidity Risk Management, approved by the Board of Directors, is to lay down the rules, criteria and procedures that guarantee the establishment of the Minimum Liquidity Reserve (RML) for the Organization, as well as the strategy and action plans for liquidity crisis situations.

As part of the criteria and procedures approved, the Organization also establishes a minimum liquidity reserve to be recorded daily and the types of assets eligible for making up the resources available. Moreover, instruments for managing liquidity in a normal scenario and in a crisis scenario and the strategies to be implemented in each case are established.

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The statement of financial position by maturity is as follows

	1 to 30 days	31 to 180 days	181 to day
Assets			
Current and long-term assets	576,832,996	89,074,519	55,594
Funds available	11,315,727	-	-
Interbank investments (2)	173,705,478	4,823,673	2,225
Securities and derivative financial instruments (1) (2)	275,929,250	2,447,264	434
Interbank and interdepartmental accounts	47,931,096	-	-
Loan and leasing	27,120,627	64,202,798	44,911
Other receivables and assets	40,830,818	17,600,784	8,022
Permanent assets	238,405	1,182,130	1,411
Investments	-	-	-
Premises and equipment	59,480	297,398	356
Intangible assets	178,925	884,732	1,054
Total on September 30, 2014	577,071,401	90,256,649	57,006
Total on June 30, 2014	503,305,050	91,421,144	58,598
Total on September 30, 2013	529,678,634	88,953,227	55,141
Liabilities			
Current and long-term liabilities	548,919,320	90,222,680	60,724
Deposits (3)	136,516,526	20,343,730	7,600
Federal funds purchased and securities sold under agreements to repurchase (2)	230,958,336	32,064,122	11,907
Funds from issuance of securities	1,394,831	16,349,007	24,500
Interbank and interdepartmental accounts	4,540,838	-	-
Borrowing and onlending	3,277,918	12,130,322	10,684
Derivative financial instruments	3,579,229	342,490	233
Technical reserves for insurance, pension plans and capitalization bonds (3)	116,239,902	4,145,630	1,747
Other liabilities:			
- Subordinated debts	30,412	1,866,909	2,545
- Other	52,381,328	2,980,470	1,504
Deferred income	265,732	-	-
Non-controlling interests in subsidiaries	-	-	-
Shareholders' equity	-	-	-
Total on September 30, 2014	549,185,052	90,222,680	60,724
Total on June 30, 2014	502,105,087	80,448,391	63,496

a) Fair value

Total on September 30, 2013	489,571,369 78,491,572 49,475
Net assets on September 30, 2014 YTD	27,886,349 27,920,318 24,202
Net assets accumulated on June 30, 2014	1,199,963 12,172,716 7,275
Net assets on September 30, 2013 YTD	40,107,265 50,568,920 56,235

- (1) Investments in investment funds are classified as 1 to 30 days;
- (2) Repurchase agreements are classified according to the maturity of the transactions; and
- (3) Demand and savings deposits and technical reserves for insurance, pension plans and capitalization bonds comprising "VGBL" and "PGBL" products are classified as 1 to 30 days, without considering average historical turnover.

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Operational Risk

Operational risk is represented by the possibility of losses resulting from failure, deficiency or inadequacy of internal processes, people and systems, or from external events. This definition includes legal risk associated with the activities undertaken by the Organization.

The process of operational risk management is performed corporately. This process involves several areas, with specific assignments, ensuring an efficient structure, with the measurement and control of operational risk being performed centrally and independently.

Among the plans to mitigate operational risk, we highlight that the most important is business continuity management, which consists of formal plans to be adopted during moments of crisis to guarantee the recovery and continuation of business as well as preventing loss.

Internal Controls

The existence, effectiveness and implementation of controls that ensure acceptable risk levels in the Organization's processes are certified, and the results are reported to the Audit Committee and to the Compliance and Internal Controls Committee, as well as to the Board of Directors, aiming to provide assurance regarding the proper conduct of business and the achievement of the established goals, in accordance with applicable external laws and regulations, policies, internal rules and procedures, codes of conduct and self-regulation.

The effectiveness of the Organization's internal controls is supported by trained professionals, well-defined and implemented processes, and technology compatible with the business needs.

The Compliance and Internal Controls Policy and the Internal Control System Standards are aligned with the main control frameworks, such as COSO - Committee of Sponsoring Organizations of the Treadway Commission and COBIT - Control Objectives for Information and Related Technology, which cover aspects related to Business and Information Technology, respectively.

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Calculation basis - Capital Adequacy Ratio	R\$ thousand			
	Capital Adequacy Ratio (Basel III)		Capital Adequacy Ratio (Basel II)	
	2014		2013	
	September 30	June 30	September 30	
	Financial (1)	Financial	Economic-financial	
Tier I capital	74,127,110	71,892,297	71,631,969	71,962,106
Common equity	74,127,110	71,892,297	71,631,969	71,962,106
Shareholders' equity	79,242,116	76,800,278	67,033,392	67,033,392
Non-controlling interests	-	-	195,712	591,640
Prudential adjustments - CMN Resolution n° 4192/13 (2)	(5,115,006)	(4,907,981)	-	-
Reduction of deferred assets - CMN Resolution n° 3444/07 (2)	-	-	(104,846)	(170,637)
Decrease in gains/losses of market value adjustments in available for sale and derivatives - CMN Resolution n° 3444/07 (2)	-	-	4,507,711	4,507,711
Tier II capital	21,698,075	22,197,834	21,233,626	21,233,626
Total gains/losses of adjustments to fair value in available for sale and derivatives - CMN Resolution n° 3444/07 (2)	-	-	(4,507,711)	(4,507,711)
Subordinated debt (3)	21,698,075	22,197,834	25,741,337	25,741,337
Deduction of instruments for funding - CMN Resolution n° 3444/07 (2)	-	-	(131,872)	(131,872)
Capital (a)	95,825,185	94,090,131	92,733,723	93,063,860
- Credit risk	534,165,459	548,599,472	490,011,582	482,335,891
- Market risk	23,607,303	18,004,347	51,360,818	51,360,818
- Operational risk	30,979,716	29,852,953	23,334,836	33,100,327
Risk-weighted assets – RWA (b) (4)	588,752,478	596,456,772	564,707,236	566,797,036
Capital adequacy ratio (a/b)	16.3%	15.8%	16.4%	16.4%
Tier I capital	12.6%	12.1%	12.7%	12.7%
- Principal capital	12.6%	12.1%	12.7%	12.7%
Tier II capital	3.7%	3.7%	3.7%	3.7%

- (1) As of October 2013, capital is calculated as per CMN Resolution nº 4192/13, which establishes that calculation is based on the “Financial Consolidated”;
- (2) Criteria used as of October 2013, pursuant to CMN Resolution nº 4192/13;
- (3) Until September 2013, the amounts were calculated pursuant to CMN Resolution nº 3444/07 and, as of October 2013, the amounts are calculated pursuant to CMN Resolution nº 4192/13; and
- (4) For comparison purposes, we adjusted the “Allocation of minimum required capital” from prior periods, given that we now report the portions relating to “Risk weighted asset – RWA”.

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Notes to the Consolidated Financial Statements**b) Fair value**

The book value, net of loss provisions on the main financial instruments is shown below:

Portfolio	Book value 2014 September 30	Fair value September 30	Unrealized gain/(loss) with In income statement		
			2014 September 30	June 30	2014 September 30
Securities and derivative financial instruments (Notes 3e, 3f and 8)	343,444,944	345,781,765	2,243,680	2,214,235	(2,933)
- Adjustment of available-for-sale securities (Note 8cII)			(93,141)	23,916	(4,688)
- Adjustment of held-to-maturity securities (Note 8d item 7)			2,336,821	2,190,319	1,750
Loan and leasing (Notes 2, 3g and 10) (1)	335,903,803	334,551,950	(1,351,853)	(1,228,957)	(56,103)
Investments (Notes 3j and 13) (2)	1,931,275	20,088,720	18,157,445	21,011,417	14,009
Treasury shares (Note 23d)	298,015	414,484	-	-	-
Time deposits (Notes 3n and 16a)	90,614,718	90,236,288	378,430	354,764	33,654
Funds from issuance of securities (Note 16c)	75,282,858	75,503,689	(220,831)	(276,478)	(15,647)
Borrowing and onlending (Notes 17a and 17b)	56,561,157	56,605,778	(44,621)	(107,656)	(17,035)
Subordinated debts (Note 19)	36,464,397	36,628,509	(164,112)	(294,431)	(53,444)
Unrealized gains excluding tax			18,998,138	21,672,894	10,009

(1) Includes advances on foreign exchange contracts, leases and other receivables with lending characteristics; and

(2) Primarily includes the surplus of interest in subsidiaries and affiliates (Cielo, Odontoprev and Fleury) and other investments (BM&FBOVESPA).

Determination of the fair value of financial instruments:

- Securities and derivative financial instruments, investments, subordinated debts and treasury shares are based on the market price at the reporting date. If no quoted market price is available, estimate amounts are based on the dealer quotations, pricing models, quotation models or quotations for instruments with similar characteristics;

- Fixed rate loans were determined by discounting estimated cash flows, using interest rates applied by the Bradesco Organization for new contracts with similar features. These rates are consistent with the

market at the reporting date; and

- Time deposits, funds from issuance of securities, borrowing and on lending were calculated by discounting the difference between the cash flows under the contract terms and our prevailing market rates for the same product at the reporting date.

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c) Capital Management

The Capital Management structure aims at providing conditions to monitor and control capital, contributing to the achievement of the goals established based on the Organization's strategic objectives. The following are considered: business environment, prospective and consistent vision with capital adequacy planning. This structure is composed of the Statutory, Non-Statutory and Executive Committees that assist the Board of Directors and the Board of Executive Officers in decision making.

The process of assessing Capital adequacy is carried out so as to ensure that the Organization has a solid Reference Equity base to support the development of activities and cope with risks, whether in normal or in extreme market conditions, as well as meeting managerial and regulatory requirements in capital management.

33) EMPLOYEE BENEFITS

Bradesco and its subsidiaries sponsor an unrestricted benefit pension plan (PGBL) for employees and directors. PGBL is a private defined contribution pension plan that allows financial resources to be accumulated by participants throughout their careers by means of employee and employer contributions and invested in an Exclusive Investment Fund (FIE).

PGBL is managed by Bradesco Vida e Previdência S.A. and BRAM - Bradesco Asset Management S.A. The Securities Dealer Company (DTVM) is responsible for the financial management of FIE funds.

Contributions made by employees and directors of Bradesco and its subsidiaries are for the equivalent of at least 4% of their salary, except for participants who chose to migrate from the defined benefit plan to a defined contribution plan (PGBL) in 2001, whose contributions to the PGBL were maintained at the levels that prevailed for the defined benefit plan when they migrated, always respecting the 4% minimum.

Actuarial obligations of the defined contribution plan (PGBL) are fully covered by the plan assets of the corresponding FIE.

In addition to the aforementioned plan (PGBL), participants who chose to migrate from the defined benefit plan are guaranteed a proportional deferred benefit, corresponding to their accumulated rights in the plan. For participants of the defined benefit plan, whether they migrated to the PGBL plan or not, for retirees and pensioners, the present value of the actuarial plan obligation is fully covered by the plan assets.

Banco Alvorada S.A. (successor from the spin-off of Banco Baneb S.A.) maintains defined contribution and defined benefit retirement plans, through Fundação Baneb de Seguridade Social - Bases (related to the former employees of Baneb).

Banco Bradesco BBI S.A. (formally Banco BEM S.A.) sponsors both defined benefit and defined contribution retirement plans, through Caixa de Assistência e Aposentadoria dos Funcionários do Banco do Estado do Maranhão (Capof).

Banco Bradesco BERJ S.A has incorporated Alvorada Cartões, Crédito, Financiamento e Investimento S.A. (Alvorada CCFI) (merging company of Banco BEC S.A.), which sponsors a defined benefit plan through Caixa de Previdência Privada do Banco do Estado do Ceará (Cabec).

The assets of pension plans are invested in compliance with the applicable legislation (government securities and private securities, listed company shares and real estate properties).

In accordance with CPC 33 (R1) – Employee Benefit, as approved by CVM Resolution nº 600/09, Bradesco and its subsidiaries, as sponsors of these plans, taking into consideration the economic and actuarial study, calculated their actuarial commitments using a real interest rate and recognizing their obligations in the financial statements.

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The assets of pension plans are invested in compliance with the applicable legislation (government securities and private securities, listed company shares and real estate properties).

Expenses with contributions made in the first three quarters ending on September 30, 2014 totaled R\$ 463,322 thousand (R\$ 458,229 thousand on September 30, 2013) and R\$ 152,692 thousand in the 3rd quarter of 2014 (R\$ 152,160 thousand in the 2nd quarter of 2014).

In addition to this benefit, Bradesco and its subsidiaries offer other benefits to their employees and administrators, including: health insurance, dental care, life and personal accident insurance, and professional training. These expenses, including the aforementioned contributions, totaled R\$ 2,234,143 thousand in the first three quarters ending on September 30, 2014 (R\$ 2,062,996 thousand on September 30, 2013) and R\$ 779,121 thousand in the 3rd quarter of 2014 (R\$ 740,336 thousand 2nd quarter of 2014).

34) INCOME TAX AND SOCIAL CONTRIBUTION**a) Calculation of income tax and social contribution charges**

	2014		R\$ thousand 2013	
	3 rd quarter	2 nd quarter	Accumulated on September 30	Accumulated on September 30
Income before income tax and social contribution	3,648,655	6,503,417	16,060,437	12,324,521
Total income tax and social contribution at rates of 25% and 15%, respectively (1)	(1,459,462)	(2,601,367)	(6,424,175)	(4,929,808)
Effect on the tax calculation:				
Equity in the earnings (losses) of unconsolidated companies	17,541	13,946	52,192	6,891
Net non-deductible expenses of nontaxable income	(19,278)	(33,626)	(86,987)	(327,981)
Interest on shareholders' equity (paid and payable)	452,145	271,502	1,078,904	961,524
Other amounts (2)	1,264,835	(346,837)	504,077	975,466
Income tax and social contribution for the period	255,781	(2,696,382)	(4,875,989)	(3,313,908)

(1) The social contribution rate for companies of the financial and insurance sectors was increased to 15%, according to Law n° 11727/08, remaining at 9% for other companies (Note 3h); and

(2) Primarily includes the exchange variation on investments made abroad and bringing the effective social contribution rate to the (40%) rate.

b) Breakdown of income tax and social contribution in the income statement

	2014			Accumulated
	3 rd quarter	2 nd quarter	on September 30	Accumulate
Current taxes:				
Income tax and social contribution payable	(1,197,963)	(3,875,494)	(7,339,033)	
Deferred taxes:				
Amount recorded/realized in the period on temporary additions	1,110,236	1,833,583	3,089,597	
Use of opening balances of:				
Social contribution loss	25,947	(246,306)	(360,221)	
Income tax loss	34,588	(426,315)	(631,525)	
Recording in the period on:				
Social contribution loss	108,706	5,864	133,457	
Income tax loss	174,267	12,286	231,736	
Total deferred taxes	1,453,744	1,179,112	2,463,044	
Income tax and social contribution for the period	255,781	(2,696,382)	(4,875,989)	

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Notes to the Consolidated Financial Statements**c) Deferred income tax and social contribution**

	Balance on 12.31.2013	Amount recorded	Amount realized	Balance on 9.30.2014	Balance on 6.30.2015
Allowance for loan losses	15,348,782	4,856,627	2,299,059	17,906,350	16,914,144
Civil provisions	1,517,934	457,309	382,568	1,592,675	1,530,414
Tax provisions	2,299,080	405,939	614,259	2,090,760	2,488,414
Labor provisions	999,063	489,501	341,647	1,146,917	973,414
Provision for devaluation of securities and investments	533,645	27,571	108,438	452,778	457,414
Provision for devaluation of foreclosed assets	221,934	133,429	95,794	259,569	256,414
Adjustment to fair value of trading securities	183,169	3,922	182,696	4,395	6,414
Amortization of goodwill	777,244	13,199	503,703	286,740	294,414
Provision for interest on shareholders' equity (1)	-	780,487	-	780,487	427,414
Other	2,096,941	1,293,148	843,371	2,546,718	2,608,414
Total deductible taxes on temporary differences	23,977,792	8,461,132	5,371,535	27,067,389	25,957,414
Income tax and social contribution losses in Brazil and abroad	4,045,282	365,193	991,746	3,418,729	3,075,414
Subtotal (2)	28,023,074	8,826,325	6,363,281	30,486,118	29,032,414
Adjustment to fair value of available-for-sale securities (2)	1,241,130	369,932	892,797	718,265	762,414
Social contribution - Provisional Measure n° 2158-35/01	140,197	-	26,414	113,783	140,414
Total deferred tax assets (Note 11b)	29,404,401	9,196,257	7,282,492	31,318,166	29,935,414
Deferred tax liabilities (Note 34f)	3,187,945	1,052,110	999,848	3,240,207	3,549,414
Deferred tax assets, net of deferred tax liabilities	26,216,456	8,144,147	6,282,644	28,077,959	26,385,414
- Percentage of net deferred tax assets on capital (Note 32a)	27.4%			29.3%	28.4%
- Percentage of net deferred tax assets over total assets	2.9%			2.8%	2.8%

(1) Deferred taxes on interest on shareholders' equity is recorded up to the authorized tax limit; and

(2) Deferred tax assets from companies in the financial and insurance sectors were established considering the increase in the social contribution rate, determined by Law n° 11727/08 (Note 3h).

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Notes to the Consolidated Financial Statements**d) Expected realization of deferred tax assets on temporary differences, tax loss and negative basis of social contribution and deferred social contribution - Provisional Measure n° 2158-35**

						R\$ thousand
	Temporary differences		Income tax and social contribution losses		Social contribution - Provisional Measure n° 2158-35	Total
	Income tax	Social contribution	Income tax	Social contribution		
2014	4,307,037	2,553,069	38,243	24,216	7,164	6,929,729
2015	7,107,120	4,268,363	155,029	202,765	522	11,733,799
2016	3,620,892	2,064,836	731,904	472,166	106,097	6,995,895
2017	717,815	416,390	790,869	555,713	-	2,480,787
2018	1,242,322	634,963	91,047	356,683	-	2,325,015
2019 (9 months)	86,132	48,450	70	24	-	134,676
Total	17,081,318	9,986,071	1,807,162	1,611,567	113,783	30,599,901

The projected realization of deferred tax assets is an estimate and it is not directly related to the expected accounting income.

The present value of deferred tax assets, calculated based on the average rate of tax effects net inflow, amounts to R\$ 29,306,102 thousand (R\$ 27,790,271 thousand on June 30, 2014 and R\$ 26,842,448 thousand on September 30, 2013), of which R\$ 26,039,308 thousand (R\$ 24,829,951 thousand on June 30, 2014 and R\$ 25,520,181 thousand on September 30, 2013) refers to temporary differences, R\$ 3,159,509 thousand (R\$ 2,827,939 thousand on June 30, 2014 and R\$ 1,183,887 thousand on September 30, 2013) to tax losses and negative basis of social contribution and R\$ 107,285 thousand (R\$ 132,381 thousand on June 30, 2014 and R\$ 138,380 thousand on September 30, 2013) of deferred social contribution, Provisional Measure n° 2158-35.

e) Unrecognized deferred tax assets

On September 30, 2014, deferred tax assets of R\$ 1,927 thousand (R\$ 1,927 thousand on June 30, 2014 and R\$ 464,284 thousand on September 30, 2013) were not recorded, but they will be when they meet the regulatory demands and/or present prospects of realization according to studies and analyses prepared by the Management and in accordance with Bacen regulations.

f) Deferred tax liabilities

c) Capital Management

	2014		R\$ thousand 2013
	September 30	June 30	September 30
Mark-to-market adjustment to securities and derivative financial instruments	826,877	950,054	500,351
Difference in depreciation	880,682	1,007,958	1,539,207
Judicial deposit and others	1,532,648	1,591,773	2,091,244
Total	3,240,207	3,549,785	4,130,802

The deferred tax liabilities of companies in the financial and insurance sector were established considering the increased social contribution rate, established by Law nº 11727/08 (Note 3h).

35) OTHER INFORMATION

a) The Bradesco Organization manages investment funds and portfolios with net assets of R\$ 486,941,677 thousand on September 30, 2014 (R\$ 462,245,913 thousand on June 30, 2014 and R\$ 438,268,979 thousand on September 30, 2013).

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Notes to the Consolidated Financial Statements

b) Consortium funds

	2014		R\$ thousand 2013
	September 30	June 30	September 30
Monthly estimate of funds receivable from consortium members	411,457	402,392	343,387
Contributions payable by the group	20,067,816	19,709,344	16,836,122
Consortium members - assets to be included	18,007,206	17,719,131	15,059,398
Credits available to consortium members	4,054,089	4,069,890	3,624,438

	2014		In units 2013
	September 30	June 30	September 30
Number of groups managed	3,390	3,419	3,163
Number of active consortium members	1,021,090	1,010,214	876,126
Number of assets to be included	483,962	488,050	432,418

c) The changes made in the procedures implemented on the Reserve requirement on time deposits are as follows:

Reserve requirements	Prior	Current
Remuneration	Maximum remuneration of 100% of the Reserve Requirements.	Maximum remuneration of 40% of the Reserve Requirements. Reserve requirement deductions will only be accepted from
Financial Bills	The purchase of financial bills was accepted for payment deduction.	financial bills purchased until 07.25.2014, whose balance will remain as limit.
Deductions	Allowed a limit of 50% of the reserve requirements, and the values of the underlying assets corresponding to credit acquisitions, CDC (vehicles and motorcycles) and financial bills could be deducted.	Changed the limit to 60% of the reserve requirements for these deductions.

Auto Financing	Discontinued the deductions related to financing and leasing of cars and light commercial vehicles contracted as of 9/14/2012.	Return of the deduction of vehicle financing granted as of 08.25.2014, but the criterion was changed to 5 times the positive bias compared with the 1 st semester average.
Financial Institutions Eligible for the Acquisition	Restricted to 58 financial groups eligible for credit acquisition.	13 financial groups (with PR higher than R\$ 3.5 billion) are ineligible for acquisition of financial bills and loan assignment.
Working Capital Transactions	Deduction for credit transactions derived from working capital was not allowed.	Deduction for the new working capital transactions is allowed as of 10.27.2014, and the criterion will be 5 times the positive bias compared with the 1 st semester average.

d) As part of the convergence process with international accounting standards, the Brazilian Accounting Pronouncements Committee (CPC) issued several accounting pronouncements, as well as their interpretations and guidelines, which are applicable to financial institutions only after approval by CMN.

The accounting standards which have been approved by CMN include the following:

- Resolution nº 3566/08 – Impairment of Assets (CPC 01);
- Resolution nº 3604/08 – Statement of Cash Flows (CPC 03);
- Resolution nº 3750/09 – Related Party Disclosures (CPC 05);
- Resolution nº 3823/09 – Provisions, Contingent Liabilities and Contingent Assets (CPC 25);
- Resolution nº 3973/11 – Subsequent Event (CPC 24);
- Resolution nº 3989/11 – Share-based Payment (CPC 10);

c) Capital Management

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Notes to the Consolidated Financial Statements

- Resolution nº 4007/11 - Accounting Policies, Changes in Accounting Estimates and Errors (CPC 23); and
- Resolution nº 4144/12 – Conceptual Framework for Preparing and Presenting Financial Statements.

Presently, it is not possible to estimate when the CMN will approve the other CPC pronouncements or if they will be used prospectively or retrospectively.

CMN Resolution nº 3786/09 and Bacen Circular Letters nº 3472/09 and nº 3516/10 establish that financial institutions and other entities authorized by Bacen to operate, which are publicly-held companies or which are required to establish an Audit Committee shall, since December 31, 2010, annually prepare and publish in up to 90 days from the reference date December 31 their consolidated financial statements, prepared under the International Financial Reporting Standards (IFRS), in compliance with international standards issued by the International Accounting Standards Board (IASB).

As required by CMN Resolution, on March 31, 2014, Bradesco published its consolidated financial statements for December 31, 2013 and 2012 on its website, in accordance with IFRS standards. The net income and equity of the financial statements disclosed in IFRS have not been substantially different from those presented in the financial statements, in accordance with the accounting practices adopted in Brazil and applicable to institutions authorized to operate by the Brazilian Central Bank (Bacen). As there were no substantial differences between the two sets of financial statements (GAAPs) in the financial year ended on December 31, 2013, the Management believes that the net profit and net equity, during the quarter ended on September 30, 2014, are not materially different in the two GAAPs, regarding their nature or values.

e) On May 14, 2014, Law nº 12973/14 was published, which converted Provisional Measure nº 627/13. This Law amends the Federal Tax Legislation regarding Corporate Income Tax - IRPJ, the Social Contribution on Net Profits - CSLL, the Contribution to PIS/PASEP and the Contribution to the Social Security Financing - COFINS. We highlight the main issues that Law nº 12973/14 provides:

- revocation of the Transition Tax System (RTT), controlling the adjustments arising from new accounting methods and criteria for the compliance of the Brazilian accounting rules to the international standards;
- taxation of companies domiciled in Brazil, for acquisition of equity resulting from profit sharing recorded abroad by subsidiaries and unconsolidated companies; and
- special installment payment of PIS/PASEP and COFINS Contributions.

This Law has not been fully regulated. However, in our assessment, there will be significant future impact on our Consolidated Financial Statements.

f) On October 7, 2014, Provisional Measure nº 656/14 was published, which among other things, changes the deductibility limits on receivable losses due to unpaid contracts as of 10.8.2014 (Article 9 of Law nº 9430/96), and up to that date, the limits remain the same for inventory.

g) There were no other subsequent events that need to be adjusted or disclosed for the consolidated financial statements as of September 30, 2014.

Financial Statements, Independent Auditors' Report and Fiscal Council's Report

Management Bodies

Reference Date: October 9, 2014

Board of Directors

Chairman

Lázaro de Mello Brandão

Vice-Chairman

Luiz Carlos Trabuco Cappi

Members

Antônio Bornia

Mário da Silveira Teixeira Júnior

João Aguiar Alvarez

Denise Aguiar Alvarez

Carlos Alberto Rodrigues Guilherme

Milton Matsumoto

José Alcides Munhoz

Department Directors (continued)

José Ramos Rocha Neto

Layette Lamartine Azevedo Júnior

Lúcio Rideki Takahama

Luiz Carlos Brandão Cavalcanti Junior

Marcelo Frontini

Marcelo Santos Dall'Occo

Marcos Aparecido Galende

Marcos Daré

Marlene Morán Millan

Marlos Francisco de Souza Araujo

Octavio Manoel Rodrigues de Barros

Paulo Aparecido dos Santos

Paulo Faustino da Costa

Rogério Pedro Câmara

Waldemar Ruggiero Júnior

Walkiria Schirmeister Marquetti

Ethical Conduct

Milton Matsumoto

Carlos Alberto Rodrigues

Domingos Figueiredo

Marco Antonio Rossi

Alexandre da Silva

Josué Augusto Pancini

André Rodrigues

Octavio de Lazari

Clayton Camacho

Frederico William

Glaucimar Peticov

José Luiz Rodrigues

Rogério Pedro Câmara

Nairo José Martine

Board of Executive Officers

Executive Officers

Chief Executive Officer

Luiz Carlos Trabuco Cappi

Executive Vice-Presidents

Domingos Figueiredo de Abreu

Aurélio Conrado Boni

Sérgio Alexandre Figueiredo Clemente

Marco Antonio Rossi

Alexandre da Silva Glüher

Josué Augusto Pancini

Maurício Machado de Minas

Managing Directors

Alfredo Antônio Lima de Menezes

Directors

Antonio Chinellato Neto

Antonio Daissuke Tokuriki

Cláudio Borges Cassemiro

Edson Marcelo Moreto

João Sabino

Marcio Henrique Araujo Parizotto

Paulo Manuel Taveira de Oliveira Ferreira

Roberto de Jesus Paris

Regional Officers

Alex Silva Braga

Almir Rocha

André Ferreira Gomes

Antonio Gualberto Diniz

Integrated Risk M

Alexandre da Silva

Domingos Figueiredo

Aurélio Conrado Boni

Sérgio Alexandre F

Marco Antonio Ros

Josué Augusto Pan

Maurício Machado

Alfredo Antônio Lin

Luiz Carlos Angelo

Gedson Oliveira S

Marlos Francisco c

Sustainability Co

Luiz Carlos Angelo

André Rodrigues Cano
Luiz Carlos Angelotti
Marcelo de Araújo Noronha
Nilton Pelegrino Nogueira
André Marcelo da Silva Prado
Luiz Fernando Peres

Antonio Piovesan
Carlos Alberto Alástico
Delvair Fidêncio de Lima
Francisco Aquilino Pontes Gadelha
Francisco Assis da Silveira Junior
Geraldo Dias Pacheco

Carlos Alberto Ro
Milton Matsumoto
Domingos Figueire
Aurélio Conrado B
Sérgio Alexandre F
Marco Antonio Ros

Deputy Directors

Altair Antônio de Souza
Denise Pauli Pavarina
Moacir Nachbar Junior

João Alexandre Silva
Leandro José Diniz
Luis Carlos Furquim Vermieiro
Mauricio Gomes Maciel
Osmar Sanches Biscuola

Alexandre da Silva
Josué Augusto Par
Maurício Machado
Moacir Nachbar Ju
Paulo Faustino da

Octavio de Lazari Junior

Wilson Reginaldo Martins

Department Directors

Alexandre Rappaport
Amilton Nieto
André Bernardino da Cruz Filho
Antonio Carlos Melhado
Antonio José da Barbara
Arnaldo Nissental
Aurélio Guido Pagani

Compensation Committee

Lázaro de Mello Brandão - Coordinator
Luiz Carlos Trabuco Cappi
Antônio Bornia
Mário da Silveira Teixeira Júnior
Carlos Alberto Rodrigues Guilherme
Milton Matsumoto
Sérgio Nonato Rodrigues (non-Management member)

Executive Disclos

Luiz Carlos Angelo
Domingos Figueire
Marco Antonio Ros
Alexandre da Silva
Moacir Nachbar Ju
Antonio José da B
Marcelo Santos Da

Bruno D'Avila Melo Boetger

Marcos Aparecido

Cassiano Ricardo Scarpelli
Clayton Camacho

Audit Committee

Paulo Faustino da
Haydewaldo R. Ch

Diaulas Morize Vieira Marcondes Junior

Carlos Alberto Rodrigues Guilherme - Coordinator

Edilson Wiggers
Eurico Ramos Fabri
Fernando Antônio Tenório

Romulo Nagib Lasmar
Osvaldo Watanabe
Paulo Roberto Simões da Cunha

**Fiscal Council
Sitting Members**

Fernando Roncolato Pinho

João Carlos de Oli

Frederico William Wolf
Gedson Oliveira Santos
Glaucimar Peticov
Guilherme Muller Leal

Compliance and Internal Control Committee

Mário da Silveira Teixeira Júnior - Coordinator
Carlos Alberto Rodrigues Guilherme

Nelson Lopes de C
José Maria Soares
Domingos Apareci
Luiz Carlos de Fre

*Hiroshi Obuchi

Milton Matsumoto

João Albino Winkelmann
João Carlos Gomes da Silva
Joel Antonio Scalabrini
Johan Albino Ribeiro
Jorge Pohlmann Nasser
José Luis Elias

Domingos Figueiredo de Abreu
Marco Antonio Rossi
Alexandre da Silva Glüher
Frederico William Wolf
Gedson Oliveira Santos
Johan Albino Ribeiro

Deputy Members

Renaud Roberto T
Jorge Tadeu Pinto
Nilson Pinhal
João Batistela Biaz

José Luiz Rodrigues Bueno

Rogério Pedro Câmara

Oswaldo de Moura

* Pending approval by the Brazilian Central Bank

General Accounting Department

Marcos Aparecido Galende
Accountant - CRC 1SP201309/O-6

Ombudsman Dep

Nairo José Martine

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Report on the Review of the Interim Consolidated Financial Information

To the Board of Directors and Shareholders of

Banco Bradesco S.A.

Osasco - SP

Introduction

We have reviewed the consolidated statement of financial position of Banco Bradesco S.A. ("Bradesco") as at September 30, 2014 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the quarter and nine-month period then ended, as well as the summary of significant accounting policies and other explanatory notes ("the interim consolidated financial statements").

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

Scope of review

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

Conclusion

Based on our review, we are not aware of any facts that would lead us to believe that the interim consolidated financial information mentioned above were not prepared, in all material aspects, in

accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil.

Other meters

Interim consolidated statements of value added

We also reviewed the interim consolidated statements of value added (DVA) for the quarter and nine-month period ended as at September 30, 2014, which were prepared under Bradesco's Management responsibility and which presentation is required under the rules issued by the Securities and Exchange Commission of Brazil (CVM). These statements were subject to the same review procedures described above and based on our review, we are not aware of any facts that would lead us to believe they were not prepared, in all material respects, in relation to the interim consolidated financial information taken as a whole.

Osasco, October 29, 2014

Original report in Portuguese signed by KPMG Auditores Independentes

CRC 2SP028567/O-1 F SP

Cláudio Rogélio Sertório

Accountant CRC 1SP212059/O-0

Financial Statements, Independent Auditors' Report and Fiscal Council's Report

Fiscal Council's Report

The undersigned members of the Fiscal Council of Banco Bradesco S.A., in the exercise of their legal and statutory duties, having examined the Management Report and the Individual and Consolidated Financial Statements related to the third quarter of 2014, and the technical feasibility study of taxable income generation, brought at present value, which has the purpose of recording the Deferred Tax Assets pursuant to the Securities and Exchange Commission (CVM) Instruction nº 371/02, National Monetary Council Resolution nº 3059/02, and Bacen Circular Letter nº 3171/02, and in view of the unqualified report prepared by KPMG Auditores Independentes, are of the opinion that the aforementioned documents, based on the accounting practices adopted in Brazil, applicable to entities that the Brazilian Central Bank authorizes to operate, fairly reflect the Company's equity and financial position.

Cidade de Deus, Osasco, São Paulo, October 29, 2014

João Carlos de Oliveira

Nelson Lopes de Oliveira

José Maria Soares Nunes

Domingos Aparecido Maia

Luiz Carlos de Freitas

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 7, 2014

BANCO BRADESCO S.A.

By:

/s/ Luiz Carlos Angelotti

Luiz Carlos Angelotti
Executive Managing Officer and
Investor Relations Officer

FORWARD-LOOKING STATEMENTS

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