

BANK BRADESCO  
Form 20-F  
June 30, 2010

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

**FORM 20 F**

**.. REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**OR**

**x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2009**

**OR**

**.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**OR**

**.. SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**Commission File Number: 1 15250**

**BANCO BRADESCO S.A.**

**(Exact name of Registrant as specified in its charter)**

**BANK BRADESCO**

**(Translation of Registrant's name into English)**

**Federative Republic of Brazil**

**(Jurisdiction of incorporation or organization)**

Cidade de Deus S/N Vila Yara 06029 900 Osasco SP, Brazil

(Address of principal executive offices)

Domingos Figueiredo de Abreu (Vice President and Investor Relations Officer) +55 11 3684 4011, e mail:  
4000.abreu@bradesco.com.br Cidade de Deus S/N Vila Yara, 06029 900 Osasco SP, Brazil

(Name, Telephone, E mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
American Depositary Shares, or ADSs (evidenced by American Depositary Receipts, or ADRs), each representing 1 Preferred Share Preferred Shares	New York Stock Exchange New York Stock Exchange *

\* Not for trading, but only in connection with the registration of ADSs pursuant to the requirements of the SEC.

Securities registered or to be registered pursuant to Section 12(g) of the Act: None.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None.

Number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2009:

1,710,204,835	Common Shares, without par value
1,710,345,568	Preferred Shares, without par value

Indicate by check mark if the registrant is a well known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

**Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b 2 of the Exchange Act:**

Large accelerated filer

Accelerated filer

Non accelerated filer

**Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:**

U.S. GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board

Other

**Indicate by check mark which financial statement item the registrant has elected to follow.  Item 17  Item 18**

**If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b 2 of the Exchange Act).  Yes  No**

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## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this annual report, the terms "Bradesco," the "company," the "Bank," the "organization," "we" or "us" refer to Banco Bradesco S.A., a *sociedade anônima* organized under the laws of Brazil and, unless the context otherwise requires, its consolidated subsidiaries. We are a full service financial institution providing, directly or through our subsidiaries, a full range of banking, financial, consortium management, insurance, private pension plan and certificated savings plans services to all segments of the Brazilian domestic market. Our operations are based primarily in Brazil.

All references herein to "*real*," "*reais*" or "R\$" are to the Brazilian *real*, the official currency of Brazil. References herein to "U.S. dollars," "dollar" and "US\$" are to United States dollars, the official currency of the United States of America.

Our audited consolidated financial statements as of and for the years ended December 31, 2007, 2008 and 2009, including the notes thereto, are included in Item 18. Financial Statements of this annual report and have been prepared in accordance with U.S. generally accepted accounting principles, or "U.S. GAAP."

We use the accounting principles adopted in Brazil for certain purposes, such as reports to Brazilian shareholders, registrations with the Brazilian Securities Commission, which we call "CVM," and for determining the payment of dividends and tax liabilities.

On June 15, 2010, the *real*/U.S. dollar exchange rate was R\$1.7971 per US\$1.00 based on the closing selling commercial exchange rate reported by Brazil's Central Bank. The commercial rate as of December 31, 2009 was R\$1.7412 per US\$1.00. See "Item 3.A. Selected Financial Information - Exchange Rate Information" for more information regarding the exchange rates applicable to the Brazilian currency since 2005.

As a result of recent fluctuations in the *real*/U.S. dollar exchange rate, the closing selling commercial exchange rate at June 15, 2010 or at any other date may not be indicative of current or future exchange rates.

Some data related to economic sectors presented in this annual report was obtained from the following sources: *Associação Brasileira das Empresas de Cartão de Crédito e Serviços* (Brazilian Association of Credit Card Companies and Services) or ABECS; *Associação Brasileira de Empresas de Leasing* (Brazilian Association of Leasing Companies) or ABEL; *Associação Brasileira das Entidades dos Mercados de Financeiros e de Capitais* (Brazilian Association of Financial and Capital Markets Entities) or ANBIMA; *Agência Nacional de Saúde Suplementar* (Brazilian Health Insurance Authority) or ANS; *Banco Nacional de Desenvolvimento Econômico e Social* (Brazilian Development Bank) or BNDES; *Federação Nacional de Previdência Privada e Vida* (National Association of Private Pension Plans) or FENAPREVI; *Fundação Getulio Vargas* (Getulio Vargas Foundation) or FGV and *Superintendência de Seguros Privados* (Private Insurance Superintendence) or SUSEP. We believe that these sources are reliable, but we cannot take responsibility for the accuracy of this data.

Certain figures included in this annual report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.





## FORWARD LOOKING STATEMENTS

This annual report contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or "Securities Act," and Section 21E of the Securities Exchange Act of 1934, as amended, or "Exchange Act." These statements are based mainly on our current expectations and projections of future events and financial trends that currently affect or might affect our business. In addition to the items discussed in other sections of this annual report, there are many significant factors that could cause our financial condition and results of operation to differ materially from those set out in our forward looking statements, including, but not limited to, the following:

- global economic conditions;
- economic, political and business conditions in Brazil and the markets in which we operate;
- risks of lending, credit, investments and other activities;
- our level of capitalization;
- cost and availability of funds;
- increase in defaults by borrowers, loan delinquencies and other breaches of contract that result in an increase in our provision for loan losses;
- loss of clients or other sources of income;
- our ability to execute our investment strategies and plans as well as to maintain and improve our operating performance;
- our revenues from new products and businesses;
- adverse claims or legal or regulatory disputes or proceedings;
- inflation, depreciation of the *real* and/or fluctuations in the interest rate, which could adversely affect our margins;
- conditions of competition in the banking and financial services, credit card, asset management, insurance and related sectors;
- the market value of securities, particularly Brazilian government securities; and
- changes by the Central Bank and others in laws and regulations, applicable to us and our activities, including, but not limited to, those affecting tax issues.

Words such as "believe," "expect," "continue," "understand," "estimate," "will," "may," "anticipate," "should," "intend," and other similar expressions are intended to identify forward looking statements. These statements refer

only to the date on which they were made, and we undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information or any other event.

In light of these risks and uncertainties, the forward looking statements, events and circumstances discussed in this annual report may not be accurate, and our actual results and performance could differ materially from those anticipated in our forward looking statements. Investors should not make investment decisions based solely on the forward looking statements in this annual report.

## PART I

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION****3.A. Selected Financial Data**

We present below our selected financial data prepared in accordance with U.S. GAAP as of and for the years ended December 31, 2005, 2006, 2007, 2008 and 2009. The data for each of the five years in the period ended December 31, 2005, 2006, 2007, 2008 and 2009 is derived from our audited consolidated financial statements, which were audited by PricewaterhouseCoopers Auditores Independentes.

Certain prior year amounts for the years ended December 31, 2005, 2006, 2007 and 2008 have been reclassified to conform to presentation standards used for the year ended December 31, 2009. These reclassifications had no impact on our assets, liabilities, shareholders' equity or our net income.

The following selected financial data should be read together with the "Presentation of Financial and Other Information" and "Item 5. Operating and Financial Review and Prospects."

**Selected Financial Data according to U.S. GAAP**

	2005	2006	Year ended December 31,		2009	2009
			2007	2008		(US\$ in millions) <sup>(1)</sup>
			<i>(R\$ in millions)</i>			
<b>Data from the Consolidated Statement of Income:</b>						
Net interest income <sup>(2)</sup>	R\$ 18,485	R\$ 21,402	R\$ 23,771	R\$ 25,371	R\$ 33,133	US\$ 18,238
Provision for loan losses	(1,823)	(3,767)	(4,616)	(6,651)	(10,822)	(5,957)
Net interest income after provision for loan losses	16,662	17,635	19,155	18,720	22,311	12,281

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Fee and commission income <sup>(2)</sup>	5,121	6,379	7,819	8,997	9,381	5,164
Insurance premiums	7,805	8,121	8,843	10,963	12,521	6,892
Pension plan income	377	791	555	710	607	334
Equity in the earnings of unconsolidated companies <sup>(3)</sup>	186	224	407	597	644	354
Other non interest income <sup>(2)(4)</sup>	4,051	4,365	7,457	2,393	8,581	4,723
Operating expenses <sup>(5)</sup>	(9,645)	(11,310)	(13,005)	(14,168)	(15,615)	(8,595)
Insurance claims	(5,501)	(6,124)	(6,012)	(7,391)	(8,329)	(4,585)
Changes in provisions for insurance, pension plans, certificated savings plans and pension investment contracts	(3,939)	(4,199)	(4,981)	(4,225)	(6,008)	(3,307)
Pension plan operating expenses	(505)	(560)	(478)	(482)	(410)	(226)
Insurance and pension plan selling expenses	(1,041)	(852)	(1,157)	(1,014)	(1,654)	(910)
Other non interest expense <sup>(2)(6)</sup>						