

(A free translation of the original in Portuguese)

www.pwc.com.br

Sistema de Cooperativas de Crédito do Brasil - Sicoob

***Combined financial statements at
December 31, 2018
and independent auditor's report***





(A free translation of the original in Portuguese)

Independent auditor's report

To the Board of Directors and Cooperative Members
Sistema de Cooperativas de Crédito do Brasil - Sicoob

Opinion

We have audited the accompanying combined financial statements of Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sistema Sicoob" or "Institution"), consisting of the entities listed in Note 2(b), comprising the Institution's combined balance sheet as at December 31, 2018 and the combined statements of changes in equity for the year December 31, 2018, as well as the accompanying combined statements of income and cash flows for the six-month period and year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Sistema de Cooperativas de Crédito do Brasil - Sicoob as at December 31, 2018, and its combined financial performance and cash flows for the six-month period and year then ended, in accordance with the guidelines for the preparation of combined financial statements established by Resolution 4,151 of the National Monetary Council (CMN), dated October 30, 2012, and the additional regulations issued by the Brazilian Central Bank (BACEN), as described in Notes 2 and 3.

Basis for opinion

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

Emphasis of matter - Basis of preparation of the combined financial statements

We draw attention to Note 2 to the combined financial statements, which describes that the Institution's combined financial statements were prepared by management in order to meet the requirements of CMN Resolution 4,151/2012 as well as BACEN's additional regulations. Consequently, our report on these combined financial statements was prepared, exclusively, to meet these specific requirements and, therefore, may not be suitable for other purposes. Our opinion is not modified in respect of this matter.

Other information accompanying the financial statements and the auditor's report

Management is responsible for the other information that comprises the Management Report.

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



Sistema de Cooperativas de Credito do Brasil - Sicoob

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

Responsibilities of management and those charged with governance for the combined financial statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with CMN Resolution 4,151/2012 as well as BACEN's additional regulations, the main criteria for which and respective accounting practices are described in Notes 2 and 3 to the combined financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institution's financial reporting process.

Auditor's responsibilities for the audit of the combined financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud could involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

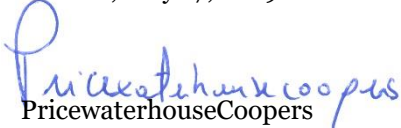


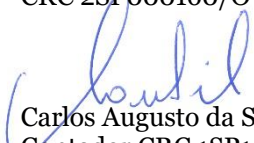
Sistema de Cooperativas de Credito do Brasil - Sicoob

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Brasília, May 17, 2019


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

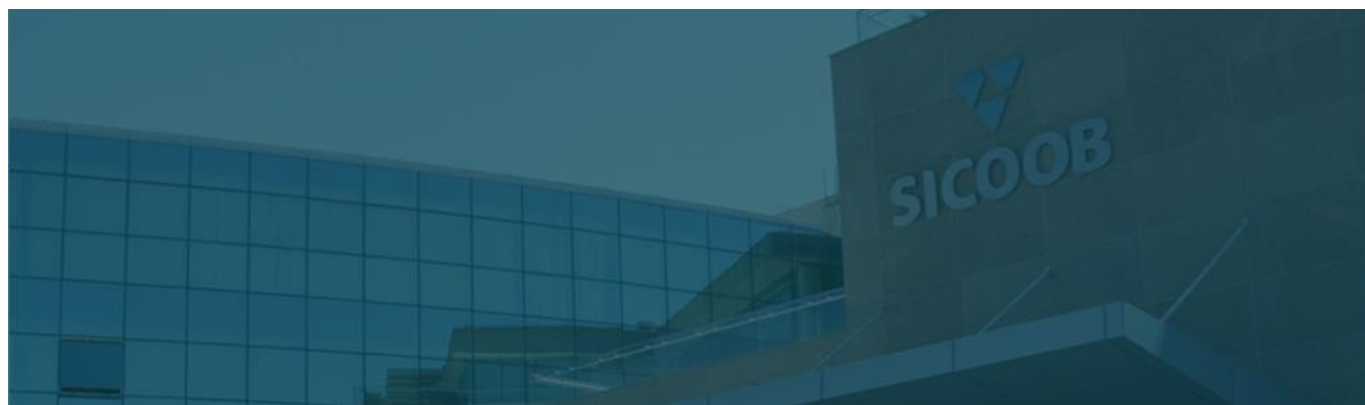

Carlos Augusto da Silva
Contador CRC 1SP197007/O-2

(A free translation of the original in Portuguese).

COMBINED FINANCIAL STATEMENTS

Sistema de Cooperativas de Crédito do Brasil – Sicoob

| December 31, 2018 and 2017



Contents

Management Report.....	2
Combined balance sheet.....	6
Combined statement of income	8
Combined statement of changes in equity	9
Combined statement of cash flows	11
Notes to the combined financial statements.....	12
Note 1 – Operations.....	12
Note 2 – Presentation of the combined financial statements	12
Note 3 – Summary of significant accounting policies	26
Note 4 – Cash and cash equivalents	30
Note 5 – Available funds	30
Note 6 – Short-term interbank investments.....	30
Note 7 – Securities and derivative financial instruments	31
Note 8 – Interbank accounts - assets.....	33
Note 9 – Lending operations.....	33
Note 10 – Other receivables - sundry	35
Note 11 – Tax credits, income tax and social contribution on net income	36
Note 12 – Other assets.....	37
Note 13 – Investments.....	38
Note 14 – Property and equipment and intangible assets	39
Note 15 – Deposits.....	39
Note 16 – Repurchase agreement obligations.....	40
Note 17 – Funds from acceptance of bills of exchange, real estate and mortgage notes, and debentures	40
Note 18 – Interbank accounts - liabilities	40
Note 19 – Interbank onlendings and obligations arising from borrowings and onlendings in Brazil and abroad.....	40
Note 20 – Other payables	41
Note 21 – Liabilities, contingencies and legal obligations	42
Note 22 – Equity.....	43
Note 23 – Management of third-party funds	45
Note 24 – Operational limits – Basel Accord	45
Note 25 – Other items in the combined financial statements.....	45
Note 26 – Other information	47
Note 27 – Related-party transactions.....	48
Note 28 – Sicoob’s centralized risk and capital management	50
Note 29 – Events after the reporting period.....	51
Composition of Bancoob’s Management Bodies	52

Management Report

December 31, 2018 and 2017

To the Managers and Members of Sicoob,

We present herein the Combined Financial Statements of Sistema de Cooperativas de Crédito do Brasil – Sicoob at December 31, 2018, which contains the financial position for the largest system of credit unions in Brazil and its financial performance, showing the expansion of the service network, and the technological advances and information technology awards.

Sicoob

Sicoob is the largest credit union in Brazil, with 4.4 million members and more than 2.9 thousand service units nationwide. The System is comprised of credit unions and supporting companies, which, together, offer Sicoob members services related to current accounts, credit, investment, credit cards, social security, consortium, insurance, bank collection, electronic payments, among others. Consequently, Sicoob provides the same services as banking networks, not as a bank but as a credit union, of which its clients are its owners, and, therefore, share in its results.

Performance

In 2018, Sicoob's total assets amounted to R\$ 104.5 billion, which corresponds to a 15.6% growth in relation to 2017. Combined net profit results for the year increased by 10.92%, totaling R\$ 3.09 billion, against R\$ 2.78 billion in the prior year. Equity totaled R\$ 21.3 billion, which corresponds to a 14.9% increase in relation to the R\$ 18.6 billion recorded at the end of 2017.

The loan portfolio, net of provision, increased from R\$ 42.9 billion to R\$ 51.9 billion, an increase of 21.1%. Rural and agro-industrial financing totaled R\$ 14.5 billion, up 18.1% on the amount recorded for 2017. The average interest rate applied by Sicoob credit unions to personal loans was 1.9% per month (25.6% per year), whilst in the market, the average rate was 6.8% per month (120.5% per year).

Total deposits at December 2018 year end amounted to R\$ 65 billion versus R\$ 55.7 billion in the prior year, an increase of 16.7%. Demand deposits grew by 31.3%, time deposits by 14.6%, and savings deposits by 34.6%.

Sicoob members also benefitted from a broader regional dissemination of branch locations, with the opening of 227 new branches, totaling 2,910 service units. Since December 2017, Sicoob has been ranked fifth amongst the largest financial service network in Brazil. While the traditional financial institutions closed more than 212 branches, the System expanded by 7.6% in 2018, in comparison with the prior year.

Currently, Sicoob operates in 1,704 municipalities in Brazil, and for 258 of these cities it is the only institution offering a comprehensive financial service. Through the credit unions system, Sicoob has promoted financial inclusion, providing banking services to over 1.6 million Brazilian citizens who were not previously served by the traditional banking system.

In parallel to the expansion of the service network, 616 thousand new members joined Sicoob in 2018, of which more than 34% are Millennials (a.k.a. Generation Y). In relation to 2017, the number of new members increased by 9.6%.

Management Report

December 31, 2018 and 2017

The growth in the industry reflects the soundness of the institutions and the recognition, by the population, of the advantages and distinctive aspects offered by credit unions, such as lower rates, profit sharing, and a wider portfolio of products and services, among other positive features. In addition, credit unions are regionally incorporated, allowing the institution's results to be reinvested in the regions.

Business expansion

In 2018, in common with industry trends, Sicoob achieved major advances in technology and in the products offered to its members, among which the enhanced "Faça Parte", "Yoou" and "CoopCerto" apps. and launch of retail investment funds. The new applications joined Sicoob's digital experience portfolio, encompassing members' experiences and the new businesses for the credit unions. These served as the System's showcase for the digital market and a gateway for new members, particularly among younger clients (from 18 to 35 years old). The retail investment funds are designed to meet the credit unions' demands and expand the long-term relationship with its members.

Credit card operations

Bancoob's card issuance segment, comprising Sicoob's and other cooperative system cards, closed 2018 with 3.89 million cards issued, 1.87 million of which have a built-in limit. The expansion of the card base together with other cooperative systems represented approximately 23% of these operations.

In 2018, the card purchases increased by 38% in relation to 2017, totaling R\$ 28.41 billion. The transactions carried out using the credit function alone attained R\$ 15.9 billion.

Credit card acquirer operations

In 2018, acquirer operations of number of authorized licensees of the Sipag card machine increased by 58.07%, in comparison with the same period of 2017.

The expansion in Sipag's customer base increased revenues by R\$ 12.3 billion, a growth of 69.72% in relation to 2017.

Service channels

In line with market trends, Sicoob invested R\$ 236 million in technology during 2018. The volume of digital channels transactions, which accounted for 73% of Sicoob's total operations, reflects the System's technological advances. The Sicoob system (Sisbr) processed 3.2 billion transactions in the year, an increase of 23.3% when compared to 2.6 billion transactions processed in 2017.

In line with its strategy which is based on innovation and digital transformation, initiated in 2017, Sicoob became the first credit union in Brazil to offer an Open Banking platform in 2018. Accordingly, it can now integrate with other platforms, and, not only broaden the reach of its products and services, but also expand its service options and offer increased convenience and a unique experiences to its members. To meet the expectations of its online target audience, Sicoob is redesigning its "Conta Fácil" app., now called "YOOU", making it more modern, intuitive and 100% digital.

Sicoob provides its members with 4,572 Electronic Service Units (PAEs) and over 20 thousand ATMs in its Banco24Horas Network, in addition to the digital channels (SiscoobNet Celular and Siscoobcard).

Management Report

December 31, 2018 and 2017

In December, 2018, Sicoob apps. (Sicoob Digital) received one of the major prizes awarded by the financial industry in the 14th edition of the Relatório Bancário (Banking Reporting). In the 18th edition of the eFinance Award, held in June, the System was acknowledged as the best open banking and channel solution in Brazil.

Guarantor Credit Union Fund (FGCoop)

Deposits in credit unions are protected by the Guarantor Credit Union Fund (FGCoop), which guarantee deposits and credits in single credit unions or cooperative banks in the event of intervention or out-of-court liquidation of these institutions. Currently, the limit covered by the fund is the same as that for bank deposits.

People

Contrary to the experience in the Brazilian market, Sicoob contributed to reducing unemployment by creating 3.8 thousand new jobs in the segment, or a 9.2% growth in its headcount, which increased from 37.7 thousand to more than 41 thousand employees.

Code of ethics

All members of Sicoob signed up to the Code of Ethics proposed by the Confederação Nacional das Cooperativas do Sicoob Ltda. ("Sicoob Confederation"), a commitment that is made by all new employees who join the System.

Institutional social and environmental responsibility policy

This policy introduced the principles and guidelines that govern Sicoob's social and environmental actions in conducting its business and its relations with its stakeholders, with a view to contributing to the effective implementation of cooperative activities supported by sustainable development.

Sicoob Institute

In January 2018, the Board of Directors of Sicoob Confederation decided to extend reach of Sicoob Institute for Sustainable Development nationwide. The Sicoob Institute, an initiative of Sicoob Metropolitano, was created in 2004, and through 2008, has developed initiatives in its areas of influence. In 2009, the Institute began operating throughout the state of Paraná, developing activities with Sicoob Central Unicoob credit unions members. From 2015, its activities were expanded to include the states of Amapá, Pará, and Rio de Janeiro.

With the objective of disseminating the cooperative culture and contributing to the sustainable development of communities, the Sicoob Institute develops activities founded on three pillars: cooperative and entrepreneurship, financial citizenship, and sustainable development, in partnership with Sicoob entities, through initiatives with the credit unions and employee volunteers. The parameters align the social actions with Sicoob's strategic guidelines, the United Nation's goals of Sustainable Development, and requirements set by regulators.

In February 2018, the Sicoob Institute expanded its activities by combining efforts with all entities of the Bancoob Group, the Sicoob Confederation, Central and Individual credit unions. Binding actions by both employees and communities, it connected people encouraging new generations to build a cooperative and collaborating culture enriching the world where they wish to live.

Management Report

December 31, 2018 and 2017

Ombudsman

Sicoob has an Ombudsman for communication between the credit unions and the users of the System's services, the framework of which is regulated by CMN Resolution 4,433/2015, and centralized at Bancoob. The Ombudsman office sets ten business days to respond to any occurrence reported. This deadline may be extended once for a further ten days.

Acknowledgments

We would like to thank our members, the central and single credit unions, and Sicoob Confederation for helping to achieve the System's goals, our external partners for believing in our solutions and our employees for their dedication and commitment.

Combined balance sheet

December 31, 2018 and 2017

(A free translation of the original in Portuguese)

(All amounts in thousands of reais unless otherwise stated)

Assets	Note	2018	2017
Current assets		64,234,551	55,523,446
Available funds	5	912,006	660,671
Short-term interbank investments	6	17,182,228	14,166,182
Money market investments		15,644,557	12,299,315
Investments in interbank deposits		1,532,233	1,861,084
Investments in savings account deposits		5,438	5,783
Marketable securities and derivative financial instruments	7(b)	6,518,450	6,101,113
Bank's own portfolio		5,786,014	5,549,241
Subject to repurchase agreements		-	3,017
Linked to the provision of guarantees		732,436	548,855
Interbank accounts	8	4,684,614	4,494,281
Payments and receipts pending settlement		3,629,378	3,265,528
Receivables linked to the Brazilian Central Bank		1,043,455	1,226,830
Interbank onlendings/Other		343	-
Correspondent banks		191	143
Other		11,247	1,780
Interdepartmental accounts		18,718	14,334
Interdepartmental accounts		18,718	14,334
Lending operations		28,418,869	25,005,637
Lending operations - private sector	9(b)	30,078,922	26,454,435
(-) Provision for loan losses	9(e)	(1,660,053)	(1,448,798)
Other receivables		5,277,991	4,135,446
Guarantees and sureties		81,651	69,041
Income receivable		19,901	58,813
Negotiation and intermediation of securities		2	11
Sundry	10(a)	5,349,726	4,130,812
(-) Provision for other loan losses	10(b)	(173,289)	(123,231)
Other assets	12	1,221,683	945,782
Other assets		1,064,511	866,157
Prepaid expenses		157,172	79,625
Non-current assets		40,303,818	34,890,213
Long-term receivables			
Short-term interbank investments	6	-	60,227
Investments in interbank deposits		-	60,227
Marketable securities	7(b)	14,461,544	14,954,503
Bank's own portfolio		9,477,952	9,729,573
Subject to repurchase agreements		718,949	612,153
Linked to the Brazilian Central Bank		-	43,280
Linked to the provision of guarantees		4,264,643	4,569,497
Lending operations		23,490,175	17,862,328
Lending operations - private sector	9(b)	24,862,325	18,897,251
(-) Provision for loan losses	9(e)	(1,372,150)	(1,034,923)
Other receivables	10(a)	92,974	65,056
Sundry		94,801	65,087
(-) Provision for other loan losses		(1,827)	(31)
Investments	13	495,598	442,669
Equity interests in associates and subsidiaries		176,190	132,764
Other capital investments		267,064	270,626
Other investments		52,344	39,279
Property and equipment	14	1,702,565	1,456,690
Properties in use		830,282	783,780
Other property and equipment in use		1,773,545	1,441,147
(-) Accumulated depreciation		(901,262)	(768,237)
Intangible assets	14	60,961	48,740
Software		206,762	177,137
(-) Accumulated amortization		(145,801)	(128,397)
Total assets		104,538,376	90,413,659

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

Combined balance sheet

December 31, 2018 and 2017

(continued)

(All amounts in thousands of reais unless otherwise stated)

Liabilities	Note	2018	2017
Current liabilities		79,045,419	68,134,103
Deposits	15	64,226,576	55,170,110
Demand deposits		13,591,263	10,353,450
Savings deposits		5,239,256	3,891,630
Interbank deposits		2,712,108	3,456,590
Notice deposits		730,157	799,430
Credit union deposit receipts		41,893,095	36,631,812
Bank Deposit Certificates (CDBs)		60,658	37,070
Other		39	128
Repurchase agreement obligations	16	61,772	444,708
Bank's own portfolio		-	8,501
Third-party portfolio		61,772	436,207
Funds from the acceptance of bills of exchange, real estate and mortgage notes and debentures	17	2,676,383	2,165,709
Agribusiness credit notes		2,676,383	2,165,709
Interbank accounts	18	2,565,107	2,262,818
Payment transactions		2,561,634	2,235,308
Receipts and payments pending settlement		-	25,050
Correspondent banks		2,438	2,219
Other		1,035	241
Interdepartmental accounts		676,168	723,868
Third-party funds in transit		676,168	723,867
Other		-	1
Derivative financial instruments		-	235
Derivative financial instruments		-	235
Onlendings in Brazil - Official institutions	19	1,988,009	2,495,842
Bacen MCR 6-2 and 6-7		-	479,438
BNDES		316,277	269,995
FINAME		655,265	153,897
Banco do Brasil		15,265	107,976
Funcafé		402,657	923,933
Other financial institutions		598,545	560,603
Onlendings abroad	19	-	664
Onlendings abroad		-	664
Other payables		6,851,404	4,870,149
Collection of taxes and similar charges		34,224	32,195
Social and statutory charges		840,538	778,352
Tax and social security obligations	20(a)	383,664	363,237
Negotiation and intermediation of securities		50	61
Sundry	20(b)	5,592,928	3,696,304
Non-current liabilities		4,167,736	3,729,256
Long-term liabilities			
Deposits	15	756,439	513,790
Interbank deposits		264,452	141,945
Bank Deposit Certificates (CDBs)		491,987	371,845
Funds from the acceptance of bills of exchange, real estate and mortgage notes and debentures	17	1,177,742	490,899
Agribusiness credit notes		1,177,742	490,899
Onlendings in Brazil - Official institutions	19	2,218,827	2,069,857
BNDES		1,367,876	1,163,150
FINAME		712,356	533,007
Banco do Brasil		30,846	43,626
Funcafé		98,209	222,609
Other financial institutions		9,540	107,465
Other payables		13,728	653,508
Tax and social security obligations	20(a)	529	41
Sundry	20(b)	13,199	653,467
Deferred income		1,000	1,202
Prepaid income		1,000	1,202
Equity	22	21,325,221	18,550,300
Share capital		13,439,861	12,158,243
Capital reserve		67,071	54,050
Revenue reserve		6,485,628	5,274,546
Retained earnings		1,330,429	1,059,800
Revaluation reserve		873	901
Fair value adjustment - marketable securities		1,359	2,819
Treasury shares		-	(59)
Total liabilities and equity		104,538,376	90,413,659

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

Combined statement of income

2018 and 2017

(A free translation of the original in Portuguese)

(All amounts in thousands of reais unless otherwise stated)

	Note	2 nd six-month period of 2018	Year ended 2018	Year ended 2017
Income from financial intermediation		6,553,345	12,548,515	12,785,541
Lending operations	9 (e)	5,254,787	10,093,676	9,386,991
Result from marketable securities	7 (c)	1,263,100	2,398,669	3,359,005
Gains (losses) on derivative financial instruments	7 (c)	(705)	(1,269)	4,605
Gains (losses) on compulsory investments		28,099	49,211	34,850
Disposals or transfers of assets		8,064	8,228	90
Expenses on financial intermediation		(2,891,771)	(5,323,666)	(6,219,329)
Money market funding	15 (b)	(1,628,881)	(3,151,659)	(4,244,754)
Borrowings and onlendings	19 (b)	(106,391)	(181,869)	(180,982)
Provision for loan losses	9 (d)	(1,155,962)	(1,989,595)	(1,789,765)
Disposals or transfers of assets		(537)	(543)	(3,828)
Gross profit from financial intermediation		3,661,574	7,224,849	6,566,212
Other operating income (expenses)		(2,008,813)	(3,760,708)	(3,523,667)
Income from services rendered	25 (a)	842,645	1,566,298	1,392,273
Income from bank fees	25 (a)	404,690	763,138	619,356
Personnel expenses	25 (b)	(1,648,946)	(3,131,878)	(2,745,444)
Administrative expenses	25 (c)	(1,361,267)	(2,551,452)	(2,509,267)
Taxes	25 (d)	(111,032)	(230,607)	(210,166)
Equity in the results of subsidiaries and associates	13	27,524	51,278	39,488
Other operating income	25 (d)	476,095	862,514	644,659
Other operating expenses	25 (e)	(638,522)	(1,089,999)	(754,566)
Operating result		1,652,761	3,464,141	3,042,545
Non-operating income (expense)	25 (f)	(38,945)	(41,003)	(12,402)
Result before taxation and profit sharing		1,613,816	3,423,138	3,030,143
Income tax and social contribution		(103,451)	(244,855)	(186,651)
Income tax		(67,090)	(151,065)	(125,874)
Social contribution		(56,429)	(122,329)	(102,917)
Deferred tax credit		20,068	28,539	42,140
Employee profit sharing	26 (e)	(53,052)	(92,138)	(61,179)
Profit for the six-month period/year		1,457,313	3,086,145	2,782,313

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

Combined statement of changes in equity

2018 and 2017

(A free translation of the original in Portuguese)

(All amounts in thousands of reais unless otherwise stated)

	Note	Share capital	Capital reserve	Revaluation reserve	Revenue reserve	Fair value adjustment	Retained earnings	Treasury shares	Total
At December 31, 2016		10,991,042	38,977	1,769	3,904,786	(4,589)	1,509,220	(26)	16,441,179
Prior year allocations:									
Surplus/apportionment to be distributed		-	-	-	-	-	(2,058)	-	(2,058)
Allocations to reserves		-	36,084	-	984,624	-	(1,020,708)	-	-
Reversal of reserves/offsetting of losses		-	(29,431)	-	(244,635)	-	274,066	-	-
Distributions to members		-	-	-	-	-	(236,825)	-	(236,825)
Other allocations/adjustments		-	-	-	-	-	92,124	-	92,124
Capital units payable to former members		-	-	-	-	-	(64,446)	-	(64,446)
Balances of credit union merged		25,954	-	-	624	-	3,343	-	29,921
Proposed dividends from prior years		-	-	-	(147,310)	-	-	-	(147,310)
Capital increase	22 (a)	1,243,716	-	-	-	-	(587,059)	-	656,657
Return of capital		(688,953)	-	-	-	-	-	-	(688,953)
Realization of revaluation reserve		-	-	(868)	-	-	-	-	(868)
Treasury shares		-	-	-	-	-	-	(33)	(33)
Fair value adjustment	22 (h)	-	-	-	-	7,408	-	-	7,408
Profit for the year		-	-	-	-	-	2,782,313	-	2,782,313
Proposed allocations:									
Allocations to reserves		-	8,420	-	881,073	-	(889,493)	-	-
Other allocations (FATES)		-	-	-	-	-	(163,126)	-	(163,126)
Interest on capital	22 (d)	586,484	-	-	-	-	(733,871)	-	(147,387)
Entry of new credit unions		-	-	-	-	-	-	-	-
Proposed dividends	22 (c)	-	-	-	-	-	(8,296)	-	(8,296)
At 31 December, 2017		12,158,243	54,050	901	5,379,162	2,819	955,184	(59)	18,550,300
Changes in the year		1,167,201	15,073	(868)	1,474,376	7,408	(554,036)	(33)	2,109,121
At 31 December, 2017		12,158,243	54,050	901	5,379,162	2,819	955,184	(59)	18,550,300
Prior year allocations:									
Surplus/apportionment to be distributed		-	-	-	-	-	(33,520)	-	(33,520)
Allocations to reserves		-	6,630	-	347,118	-	(353,748)	-	-
Reversal of reserves/offsetting of losses		-	(9,158)	-	(75,371)	-	84,529	-	-
Distributions to members		-	-	-	-	-	(299,598)	-	(299,598)
Other allocations		-	-	-	-	-	88,062	-	88,062
Capital payable – former members		-	-	-	-	-	(73,600)	-	(73,600)
Proposed dividends from prior years		-	-	-	(157,614)	-	-	-	(157,614)
Capital increase (Note 18(a))		1,721,503	-	-	-	-	(393,638)	-	1,327,865
Balances of credit unions merged	22 (a)	134,767	-	-	-	-	-	-	134,767
Return of capital		(976,180)	-	-	-	-	-	-	(976,180)
Entry of new credit unions		74,574	-	-	10,895	-	5,698	-	91,167
Credit unions excluded		(33,710)	-	-	(1,702)	-	(24,103)	-	(59,515)
Realization of revaluation reserve		-	-	(28)	-	-	-	-	(28)
Share buyback	22 (h)	-	-	-	-	-	-	59	59
Fair value adjustment		-	-	-	-	(1,459)	-	-	(1,459)
Profit for the year		-	-	-	-	-	3,086,145	-	3,086,145
Proposed allocations:									
Allocations to reserves		-	15,549	-	983,141	-	(998,690)	-	-
FATES	22 (e)	-	-	-	-	-	(130,461)	-	(130,461)
Interest on capital	22 (d)	360,663	-	-	-	-	(570,950)	-	(210,287)
Proposed dividends	22 (c)	-	-	-	-	-	(10,881)	-	(10,881)
At 31 December, 2018		13,439,861	67,071	873	6,485,628	1,359	1,330,429	-	21,325,221
Changes in the year		1,281,618	13,021	(28)	1,106,466	(1,460)	375,245	59	2,774,921

Combined statement of changes in equity

2018 and 2017

(continued)

	Note	Share capital	Capital reserve	Revaluation reserve	Revenue reserve	Fair value adjustment	Retained earnings	Treasury shares	Total
At 30 June, 2018		12,791,683	69,429	887	5,591,310	1,300	1,404,446	-	19,859,055
Surplus/apportionment to be distributed		-	-	-	-	-	(33,520)	-	(33,520)
Allocations to reserves									
Reversal of reserves/offsetting of losses		-	(2,358)	-	(81,479)	-	83,837	-	-
Distributions to members		-	-	-	-	-	(91,805)	-	(91,805)
Other allocations		-	-	-	-	-	129,739	-	129,739
Capital payable - former members		-	-	-	-	-	(3,875)	-	(3,875)
Proposed dividends from prior years		-	-	-	-	-	-	-	-
Capital increase (Note 18(a))		617,116	-	-	-	-	(29,038)	-	588,078
Balances of credit unions merged		130,516	-	-	-	-	(9,878)	-	120,638
Return of capital		(457,127)	-	-	-	-	-	-	(457,127)
Entry of new credit unions		25,033	-	-	2,854	-	7,541	-	35,428
Credit unions excluded		(28,023)	-	-	(118)	-	(23,336)	-	(51,477)
Realization of revaluation reserve		-	-	(14)	-	-	-	-	(14)
Fair value adjustment - marketable securities available for sale		-	-	-	-	59	-	-	59
Profit for the year		-	-	-	-	-	1,457,313	-	1,457,313
Proposed allocations									
Reserves		-	-	-	973,062	-	(973,062)	-	-
Other allocations (Fates)		-	-	-	-	-	(126,695)	-	(126,695)
Interest on capital		360,663	-	-	-	-	(456,659)	-	(95,996)
Proposed dividends (Note 18(d))		-	-	-	-	-	(4,581)	-	(4,581)
At 31 December, 2018		13,439,861	67,071	873	6,485,628	1,359	1,330,429	-	21,325,221
Changes in the six-month period		648,178	(2,358)	(14)	894,318	59	(74,017)	-	1,466,166

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

Combined statement of cash flows

2018 and 2017

(A free translation of the original in Portuguese)

(All amounts in thousands of reais unless otherwise stated)

Cash flows from operating activities	Note	2 nd six-month period of 2018	Year ended	Year ended
			2018	2017
Adjusted profit		2,952,084	5,702,721	4,991,719
Profit before taxation and profit sharing		1,613,816	3,423,139	3,030,143
Provision for loan losses		1,155,962	1,989,595	1,789,765
Provision for impairment of other assets		18,807	27,696	7,286
Depreciation and amortization		107,449	205,674	175,995
Equity in the results of subsidiaries		(27,524)	(51,278)	(39,488)
Premium on equity interest in subsidiaries		631	1,657	1,887
Gain on sale of assets not in use		(10,297)	(19,626)	(10,069)
Loss on sale of assets not in use		24,429	29,585	18,262
Provision for tax, labor and civil contingencies		68,811	96,279	17,939
(Increase) in short-term interbank investments		384,436	(341,149)	428,835
(Increase) in marketable securities		112,941	75,856	(1,739,733)
(Increase) in interbank and interdepartmental accounts		1,218,089	626,856	(1,109,210)
(Increase) in lending operations		(6,285,187)	(11,200,165)	(5,664,381)
(Increase) in other receivables		(901,044)	(1,272,147)	(2,139,011)
Income tax and social contribution (offset)		(111,792)	(111,792)	(91,822)
(Increase) in other assets		(169,560)	(254,386)	(234,613)
Increase in deposits		4,851,597	9,299,114	7,787,472
Increase in repurchase agreement obligations		(717,848)	(382,937)	337,730
Increase in funds from acceptance of bills of exchange, real estate and mortgage notes and debentures		595,471	1,197,517	1,268,475
(Decrease) in borrowings and onlendings		(340,618)	(927,343)	680,286
(Decrease) increase in other payables		270,680	1,973,931	1,431,761
(Decrease) in deferred income		(19)	(203)	(789)
Net cash provided by operating activities		1,859,230	4,385,873	5,946,719
Cash flows from investing activities				
Capital subscribed in subsidiaries		-	(30,381)	
Acquisition of investments		(181,815)	(432,118)	(101,097)
Purchases of property and equipment		(8,256)	(19,391)	(246,116)
Purchases of intangible assets		2,639	19,457	(14,332)
Proceeds on disposal of property and equipment		-	-	280,089
Proceeds on disposal of intangible assets		2	2	8,640
Net cash used in investing activities		(187,430)	(462,431)	(72,816)
Cash flows from financing activities				
Share buyback		-	65	(33)
Capital subscription paid in		588,078	1,327,865	656,657
Return of capital		(457,127)	(976,180)	(688,913)
Dividends paid		-	(165,527)	(154,418)
Interest on capital paid		(95,996)	(210,287)	(137,578)
Distribution of surplus		(91,805)	(299,598)	(236,825)
Exclusion of credit unions		(51,477)	(51,477)	26,578
Net cash used in financing activities		(108,327)	(375,139)	(534,532)
Net increase in cash and cash equivalents		1,563,473	3,548,303	5,333,588
Cash and cash equivalents at the beginning of the six-month period/year	4	14,944,816	12,959,986	7,626,397
Cash and cash equivalents at the end of the six-month period/year	4	16,508,289	16,508,289	12,965,769

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

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 1 – Operations

Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sicoob" or "System") is made up of 450 first-level individual credit unions, which operate in 27 Brazilian states, featuring 2,910 branches, and 910 Correspondent banks, in addition to 4,572 Cooperative Service Units (PAES) and more than 20 thousand ATMs in the Banco24Horas Network, providing services to 4.4 million members. The System also includes 16 central credit unions, Banco Cooperativo do Brasil S.A. ("Bancoob" or the "Bank"), Confederação Nacional das Cooperativas do Sicoob ("Sicoob Confederation"), and the Bank's or credit unions' subsidiaries.

Sicoob is a cooperative financial institution with broad operations nationwide that plays a key social role by providing support for the growth and development of the communities in which it operates. Sicoob offers various types of banking products and services, shares the results achieved with its members, and invests the funds raised in the communities themselves, stimulating production and sales, and creating job opportunities and wealth.

Bancoob is controlled by the following 16 central credit unions: Sicoob Central ES, Sicoob Central BA, Sicoob Central Crediminas, Sicoob Goiás Central, Sicoob Central SC/RS, Sicoob SP, Sicoob Norte, Sicoob Planalto Central, Sicoob Central Cecremge, Sicoob Central Cecresp, Sicoob Central NE, Sicoob Central MT/MS, Sicoob Central Unicoob, Sicoob Unimais, Sicoob Uni, and Sicoob Central Rio.

Bancoob is a multi-service bank established pursuant to Resolution 2,193 of August 31, 1995, of the National Monetary Council (CMN), and is the controlling shareholder of Bancoob Distribuidora de Títulos e Valores Mobiliários ("Bancoob DTVM"), Ponta Administradora de Consórcios ("Consórcio Ponta"), Cabal Brasil Ltda. ("Cabal"), which is responsible for processing Sicoob's credit cards, and Bancoob Participações em Seguridade S.A. ("Bancoob PAR"), which holds an interest in Sicoob Seguradora.

Fundação Sicoob Previ ("Sicoob Previ") is Sicoob's private pension entity established in November 2006 to offer participants and their dependents pension benefits complementing the official social security system.

Confederação Nacional das Cooperativas do Sicoob Ltda. – Sicoob Confederation is a third-level entity established by the Central Credit Unions to provide representation and oversight services, standardization of operational procedures, implementation of the internal control system, as well as information technology services.

Note 2 – Presentation of the combined financial statements

Sicoob's combined financial statements (the "financial statements") are the responsibility of Bancoob's Management, and have been prepared based on the individual financial statements of the Institutions that comprise the System. The financial statements have been prepared for the purpose of presenting, in a single reporting package, the consolidated position of the activities carried out by Sicoob, through the entities that comprise the System.

Accordingly, despite the corporate, internal control and governance structures of each member of the System, as well as the requirements for financial statement presentation and disclosure pursuant to the standards issued by the National Monetary System (CMN) and the Brazilian Central Bank (BACEN), these combined financial statements do not represent the individual financial statements of the entities that comprise Sicoob, and the balances presented cannot be used for calculations of dividends or taxes, to measure performance, or for any other corporate or statutory purposes. These actions must be based on the individual financial statements.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

CMN Resolution 4,151/2012 and BACEN Circular Letter 3,669/2013 establish procedures and requirements for the preparation and disclosure of combined financial statements of financial cooperative systems in Brazil.

The preparation of these combined financial statements was based on the accounting practices adopted in Brazil, on Law 6,404/1976 as amended by Laws 11,638/2007 and 11,041/2009, the standards issued by BACEN and CMN for purposes of compliance with the Chart of Accounts for Institutions of the National Financial System (COSIF), as well as the Technical Pronouncements issued by the Accounting Pronouncements Committee (CPC) and approved by the monetary authority, as presented in Note 3(t).

The Joint Executive Board of Bancoob submitted these combined financial statements to the Board of Directors, which approved them on May 14, 2019.

a. Criteria used in the combination of balances

These combined financial statements include the balance sheet and income statement balances of the institutions that comprise Sicoob, and exclude the balances of transactions carried out among such institutions.

b. Entities that comprise Sicoob included in the combined financial statements

Pursuant to Article 4 of CMN Resolution 4,151/2012, a cooperative system is made up of individual credit unions, central credit unions, a credit confederation, a cooperative bank, as well as other financial institutions or entities authorized to operate by the Brazilian Central Bank, except for consortium administrators directly or indirectly linked to these institutions by means of an equity interest or actual control of operations, characterized by joint administration/management or by operations in the market under the same trademark or trade name.

Accordingly, to comply with this Resolution, Ponta Administradora de Consórcios ("Consórcio Ponta"), Bancoob Participações em Seguridade S/A ("Bancoob PAR") and Cabal Brasil Ltda. ("Cabal"), which are all subsidiaries of Banco Cooperativo do Brasil - S/A, were not included in the combined financial statements.

Sicoob Previ, although being part of the System as Sicoob's private pension entity, was not included in these combined financial statements.

Additionally, Sicoob Confederation ("Sicoob Confederation") was not included in the combined financial statements, since it is not a Credit Confederation as defined by Article 2, item II, of CMN Resolution 4,151/2012.

BACEN Circular Letter 3,669/2013, Article 6, establishes that all investment funds in which the entities that comprise a cooperative system have or retain substantial risks and rewards, in any form, must be included in the combined trial balance. Therefore, these combined financial statements include the funds, whether managed by Bancoob DTVM or not, in which Bancoob or the credit unions retain substantial risks and rewards.

The following institutions were included in the preparation of the combined financial statements, in accordance with CMN Resolution 4,151/2012:

- **Banco Cooperativo do Brasil S.A. – Bancoob ("Bancoob" or "Bank"):** a multi-service bank established pursuant to Resolution 2,193, of August 31, 1995, of the National Monetary Council ("CMN"), which was authorized to operate by BACEN on July 21, 1997, and started operations on September 1, 1997.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Bancoob was created to provide financial, technical and operational services to credit unions, pursuant to Article 88 of Law 5,764/71

- **Bancoob Distribuidora de Títulos e Valores Mobiliários ("Bancoob DTVM"):** Bancoob DTVM is a limited liability company which mainly manages investment funds by entering into contracts or charging a commission.

Bancoob DTVM is engaged in the subscription of securities for resale, either on a stand-alone basis or through a consortium with other authorized companies; intermediation of public offerings and distributions of securities in the market; and purchases and sales of securities on its own account or on behalf of third parties, in compliance with the regulations issued by BACEN and the Brazilian Securities Commission (CVM) in their respective areas of competence.

Bancoob DTVM manages the funds listed in items (i) and (ii) of the "Investment Funds" group, except for Sicoob Cocred - Multimarket investment fund - Private Credit, managed by Planner Corretora de Valores S/A, BB Forte - Long-term Fixed-income investment fund - Private Credit, managed by BB DTVM, and Caixa Sustentabilidade - Fixed-income investment fund - Private Credit, managed by Caixa Econômica Federal ("Caixa"). These funds are exclusively held by two individual credit unions and were included in these combined financial statements due to the substantial retention of benefits and risks.

- **Sicoob's individual credit unions:** These are non-bank financial institutions authorized to operate by the Brazilian Central Bank, resulting from the association of individuals who, in searching a better way to meet their financial needs, become both users and owners of the credit union's products and services.

In accordance with CMN Resolution 4,434/2015, individual credit unions are classified based on their specific operations, as follows: Full, Classic, or Capital and Loans.

Individual credit unions classified under the Full category can carry out all the operations inherent in credit unions. Those classified as Classic credit unions are not authorized to operate with foreign currency, foreign exchange transactions, or derivatives, among other. The credit unions classified as Capital and Loans are non-depository institutions, as funding arises exclusively from the capital from its members.

Sicoob's individual credit unions, in accordance with the classification provided for in CMN Resolution, are distributed as follows:

Classification	Number
Full	9
Classic	381
Capital and Loans	60
Total	450

- **Investment Funds** The following investment funds were considered in the preparation of the combined financial statements:

i. Funds in which the central and/or individual credit unions retain substantial risks and rewards:

- Minascoop - Fixed-income investment fund - Private Credit
- Bancoob Centralização - Fixed-income investment fund - Private Credit
- Coopmútuo - Multimarket investment fund - Private credit
- Invest Rio - Fixed-income investment fund - Private credit (a)
- Unicoob - Fixed-income investment fund - Private Credit (a)
- Sicoob Unimais - Fixed-income investment fund - Private Credit
- Sicoob Institucional - Fixed-income investment fund - Private Credit
- Sicoob Goiás Central - Fixed-income investment fund - Private Credit (a)
- Sicoob Central SC - Fixed-income investment fund - Private Credit (a)

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

- Sicoob Cocred - Fixed-income investment fund - Private Credit
- Sicoob Cocred - Multimarket investment fund - Private Credit
- BB Forte - Long-term Fixed-income investment fund - Private Credit
- Caixa Sustentabilidade - Fixed-income investment fund - Private Credit

(a) Investment funds closed during 2018.

ii. Funds in which Bancoob retains substantial risks and rewards:

- Sicoob Previdenciário - Fixed-income investment fund - IMA-B
- Sicoob Agências - Real estate investment fund

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

c. Share of the institutions authorized to operate by the Brazilian Central Bank and combined investment funds:

	State	Ownership interest	2018			2017			
			Assets	Equity	Result	Ownership interest	Assets	Equity	Result
Bancoob	DF	100.00%	50,022,239	1,692,383	96,445	100.00%	43,674,023	1,488,516	174,642
Bancoob DTVM	DF	99.99%	9,096	3,745	1,485	99.99%	8,877	3,706	2,655
Sicoob Central ES	ES	100%	3,268,060	138,142	5,571	100%	2,694,998	116,480	8,437
Sicoob Sul- Litorâneo	ES	100%	372,515	78,890	15,553	100%	307,146	67,541	8,423
Sicoob Sul	ES	100%	1,180,346	277,369	53,157	100%	975,552	235,032	38,027
Sicoob Leste Capixaba	ES	100%	1,606,149	387,354	67,380	100%	1,322,653	331,227	54,379
Sicoob Centro-Serrano	ES	100%	873,047	150,514	24,672	100%	781,499	128,608	17,483
Sicoob Norte	ES	100%	948,665	213,939	7,938	100%	870,301	195,893	7,557
Sicoob Sul-Serrano	ES	100%	1,327,796	301,972	57,987	100%	1,138,024	240,627	35,560
Sicoob Credirochas	ES	100%	578,668	84,696	10,571	100%	491,011	79,286	8,018
Credestiva	ES	100%	17,485	11,728	522	100%	15,385	10,976	615
Sicoob Central BA	BA	100%	524,234	62,263	4,848	100%	441,150	54,461	5,359
Sicoob Coopere	BA	100%	154,057	36,439	10,197	100%	134,561	28,085	5,279
Sicoob Copelba	BA	100%	6,062	5,234	227	100%	5,283	4,822	(121)
Sicoob Cooperbom	BA	100%	41,931	23,588	1,230	100%	39,199	22,239	1,446
Sicoob Costa do Descobrimento	BA	100%	86,113	19,241	1,197	100%	58,983	16,737	1,759
Sicoob Sertão	BA	100%	158,964	41,275	3,613	100%	134,023	35,630	4,321
Sicoob Crediconquista	BA	100%	65,493	17,265	3,193	100%	51,537	14,274	1,713
Sicoob Extremo Sul	BA	100%	283,472	109,071	10,430	100%	270,306	100,644	9,502
Sicoob Credcoop	BA	100%	27,658	14,317	277	100%	21,666	13,374	524
Sicoob Norte Sul	BA	100%	58,295	11,883	890	100%	48,728	10,250	957
Sicoob Coopemar	BA	100%	58,155	8,788	1,200	100%	47,657	6,871	426
Sicoob Cred Executivo	BA	100%	96,331	16,508	3,195	100%	70,505	12,995	1,836
Sicoob Bonfim	BA	100%	11,366	2,351	86	100%	7,496	2,164	83
Sicoob Credmed	BA	100%	40,010	13,742	1,419	100%	35,579	11,828	1,907
Coopec	BA	100%	65,097	43,816	2,142	100%	61,946	39,624	5,277
Sicoob Central Crediminas	MG	100%	6,751,146	519,533	28,904	100%	5,987,513	441,049	44,445
Sicoob Crediriodoce	MG	100%	298,823	52,294	4,700	100%	266,258	47,753	2,166
Sicoob Carlos Chagas	MG	100%	164,185	52,221	4,053	100%	166,787	47,847	3,751
Sicoob Credijequitinhonha	MG	100%	187,473	46,383	2,659	100%	154,998	42,818	5,079
Sicoob Credicope	MG	100%	194,138	38,649	4,099	100%	172,803	37,700	2,963
Sicoob Credilivre	MG	100%	469,436	95,126	14,802	100%	391,281	83,466	14,577
Sicoob Credinorte	MG	100%	116,231	28,055	1,987	100%	114,202	24,479	3,109
Sicoob Credivale	MG	100%	212,965	45,681	3,466	100%	189,575	42,490	4,091
Sicoob Credioeste	MG	100%	150,962	29,700	(981)	100%	137,393	29,632	667
Sicoob Credialp	MG	100%	103,741	23,245	3,340	100%	91,537	20,026	3,553
Sicoob Cooperosa	MG	100%	21,956	5,873	495	100%	21,599	5,369	465
Sicoob Aracredi	MG	100%	220,786	35,175	6,156	100%	158,241	30,424	3,869
Sicoob Crediara	MG	100%	205,690	42,312	6,363	100%	176,358	40,060	3,158
Sicoob União Centro Oeste	MG	100%	122,021	26,412	3,874	100%	100,619	22,817	3,120
Sicoob Credibam	MG	100%	97,191	22,215	2,382	100%	87,163	20,092	2,305
Sicoob Belcredi	MG	100%	125,788	17,841	3,924	100%	96,936	15,746	2,687
Sicoob Credibom	MG	100%	345,678	50,954	4,921	100%	312,044	47,044	7,144
Sicoob Credisucesso	MG	100%	59,438	9,921	97	100%	53,353	9,238	1,420
Sicoob Credicampina	MG	100%	97,081	19,357	768	100%	81,765	18,897	1,721
Sicoob Credibelo	MG	100%	104,451	13,336	4,255	100%	91,571	9,551	2,524
Sicoob Creddiagro	MG	100%	96,148	31,711	4,357	100%	93,270	29,159	3,623
Sicoob Credcam	MG	100%	66,528	14,148	2,906	100%	58,832	11,367	2,247
Sicoob Credicapi	MG	100%	60,005	12,868	1,978	100%	56,298	11,153	1,796
Sicoob Carmacredi	MG	100%	79,275	14,672	2,338	100%	69,012	12,553	2,120
Sicoob Credicarpa	MG	100%	240,383	70,324	12,540	100%	205,876	62,948	14,177
Sicoob Credicarmo	MG	100%	92,487	26,296	5,577	100%	80,458	21,786	4,413
Sicoob Credicarmominas	MG	100%	106,073	15,714	3,883	100%	82,847	12,974	2,782
Sicoob Credicentro	MG	100%	-	-	-	100%	53,709	6,387	(5,869)
Sicoob Crediverde	MG	100%	138,987	23,102	1,447	100%	124,546	21,364	3,837
Sicoob Credindaíá	MG	100%	40,715	9,440	1,485	100%	37,827	8,272	805
Sicoob Credicampo	MG	100%	176,679	24,456	3,712	100%	146,916	21,011	2,290
Sicoob Crediesmeraldas	MG	100%	65,203	10,875	2,557	100%	49,522	8,039	301

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob Credisudeste	MG	100%	368,723	45,718	11,501	100%	285,707	34,039	5,396	
Sicoob Credifor	MG	100%	198,238	29,825	6,249	100%	157,029	24,812	5,098	
Sicoob Frutal	MG	100%	198,169	51,918	4,519	100%	171,336	48,820	2,231	
Sicoob Crediguapé	MG	100%	35,208	6,416	516	100%	34,225	6,292	430	
Sicoob Credinter	MG	100%	216,005	35,082	6,463	100%	166,942	26,999	2,908	
Sicoob Guaranicredi	MG	100%	156,226	14,650	1,167	100%	136,373	13,944	1,364	
Sicoob Agrocredi	MG	100%	1,012,301	217,168	41,671	100%	930,886	187,496	41,905	
Sicoob Creditama	MG	100%	58,850	16,430	1,852	100%	54,129	15,556	1,141	
Sicoob Credimil	MG	100%	132,694	28,931	3,145	100%	118,318	26,039	3,054	
Sicoob Itapagipe	MG	100%	75,444	25,498	1,963	100%	69,790	24,069	2,155	
Sicoob Crediuna	MG	100%	234,211	41,170	9,228	100%	191,276	29,124	8,152	
Sicoob Credivag	MG	100%	106,274	25,165	31	100%	106,645	26,638	1,027	
Sicoob Credipinho	MG	100%	93,885	16,266	2,498	100%	77,287	14,378	7	
Sicoob Crediprata	MG	100%	147,520	29,521	5,313	100%	135,471	25,325	3,891	
Sicoob Credicaf	MG	100%	322,836	52,323	4,120	100%	253,232	45,669	6,617	
Sicoob Credigrande	MG	100%	-	-	-	100%	23,390	5,222	678	
Sicoob Crediluz	MG	100%	102,389	17,462	2,866	100%	86,935	16,097	2,304	
Sicoob Credimac	MG	100%	55,751	10,847	1,738	100%	43,780	9,486	297	
Sicoob Montecredi	MG	100%	193,580	37,170	7,083	100%	161,500	31,624	5,857	
Sicoob Credinor	MG	100%	273,562	51,644	9,167	100%	240,852	44,555	4,195	
Sicoob Crediparaopeba	MG	100%	159,671	29,629	3,905	100%	91,269	20,177	2,919	
Sicoob Credipatos	MG	100%	335,194	55,538	9,727	100%	274,409	43,163	9,954	
Sicoob Coopacredi	MG	100%	273,294	58,498	13,554	100%	219,087	50,112	8,230	
Sicoob Credipel	MG	100%	101,706	17,202	1,913	100%	90,545	15,465	1,726	
Sicoob Credipimenta	MG	100%	28,466	5,935	63	100%	26,859	5,794	289	
Sicoob Credicoop	MG	100%	135,700	28,357	3,497	100%	112,707	24,214	2,817	
Sicoob Credipéu	MG	100%	176,477	32,570	4,511	100%	138,965	28,830	2,933	
Sicoob União	MG	100%	270,513	40,328	9,101	100%	211,934	33,729	5,264	
Sicoob Sacramento	MG	100%	63,291	16,410	3,094	100%	52,023	16,054	917	
Sicoob Credimonte	MG	100%	191,704	38,925	5,376	100%	169,756	36,546	3,159	
Sicoob Credisales	MG	100%	35,793	9,925	1,422	100%	33,331	9,224	1,069	
Sicoob São Gonçalo do Pará	MG	100%	40,561	9,712	658	100%	39,251	8,991	1,141	
Sicoob Credivass	MG	100%	416,457	68,630	9,173	100%	389,784	58,324	7,971	
Sicoob Nossocrédito	MG	100%	369,421	53,096	15,339	100%	258,546	43,161	10,629	
Sicoob Credivertentes	MG	100%	375,993	63,694	10,029	100%	320,872	55,252	7,514	
Sicoob Credisavi	MG	100%	62,482	9,185	(288)	100%	50,830	7,585	600	
Sicoob Credisete	MG	100%	233,450	33,887	4,512	100%	192,194	28,096	(1,919)	
Sicoob Credifrios	MG	100%	85,401	18,108	3,176	100%	74,787	15,553	3,415	
Sicoob Copersul	MG	100%	133,952	22,505	4,320	100%	120,700	19,226	3,485	
Sicoob Uberaba	MG	100%	111,495	19,708	3,157	100%	77,257	15,805	2,454	
Sicoob Noroeste De Minas	MG	100%	259,689	52,634	11,789	100%	216,467	46,130	8,161	
Sicoob Credivar	MG	100%	500,096	89,452	19,825	100%	436,258	76,784	14,275	
Sicoob Credivaz	MG	100%	103,090	26,161	3,184	100%	80,339	23,157	3,526	
Sicoob Credimata	MG	100%	191,971	32,834	3,210	100%	160,572	28,802	3,141	
Sicoob Credcooper	MG	100%	279,115	44,563	3,504	100%	226,057	37,598	2,788	
Sicoob Credirama	MG	100%	145,258	28,287	5,950	100%	116,392	23,742	5,153	
Sicoob Credisg	MG	100%	288,872	68,787	7,408	100%	280,528	56,120	10,212	
Sicoob Credinosso	MG	100%	25,608	6,680	1,247	100%	20,960	5,228	1,289	
Sicoob Credifemg	MG	100%	171,072	25,870	4,504	100%	118,223	21,762	2,070	
Sicoob Saúde	MG	100%	58,100	7,484	877	100%	44,789	6,223	822	
Sicoob Goiás Central	GO	100%	870,037	104,048	14,662	100%	1,656,287	119,819	5,218	
Sicoob Agrorural	GO	100%	364,029	111,424	363	100%	294,310	103,993	3,420	
Sicoob Centro-Sul	GO	100%	117,600	24,594	3,222	100%	89,152	20,023	(1,867)	
Sicoob do Vale	GO	100%	142,863	28,045	1,190	100%	117,503	21,460	955	
Sicoob Palmeiras	GO	100%	80,056	37,394	3,741	100%	66,451	32,175	3,445	
Sicoob Crediforte	GO	100%	73,468	20,307	(1,929)	100%	58,377	16,305	1,306	
Sicoob Credisaúde	GO	100%	46,489	13,098	1,658	100%	33,525	11,796	(3,123)	
Sicoob Credijur	GO	100%	108,240	37,631	4,554	100%	90,640	32,098	3,495	
Sicoob Credicapá	GO	100%	93,297	22,051	1,414	100%	64,362	17,446	961	
Sicoob Credipar	TO	100%	187,717	41,387	240	100%	140,293	39,005	(126)	
Sicoob Credi-Sgpa	GO	100%	320,838	73,781	3,506	100%	286,047	66,625	3,161	
Sicoob Cerrado	GO	100%	48,464	14,844	2,313	100%	34,810	11,704	267	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob do Vale Rio Crixás	GO	100%	34,000	11,733	601	100%	30,357	12,114	(1,423)	
Sicoob Emprecred	GO	100%	106,207	41,084	1,784	100%	82,297	32,910	1,999	
Sicoob Secoviced	GO	100%	366,082	75,994	8,092	100%	270,775	61,163	8,047	
Sicoob Juriscredcelg	GO	100%	109,752	28,958	6,157	100%	76,227	19,925	3,133	
Sicoob Credicer	GO	100%	58,665	15,074	922	100%	48,467	12,971	776	
Sicoob Crediadag	GO	100%	75,991	27,058	4,487	100%	39,329	14,651	867	
Sicoob Central SC/RS	SC	100%	7,335,894	340,012	19,938	100%	6,623,244	319,226	22,177	
Sicoob Credicanoinhas/SC	SC	100%	525,353	70,788	18,412	100%	399,994	55,205	11,185	
Sicoob Credial/SC	SC	100%	708,429	143,943	13,870	100%	635,020	122,238	15,708	
Sicoob Crédito SC	SC	100%	282,615	29,445	(2,213)	100%	256,373	24,129	88	
Sicoob Alto Vale	SC	100%	356,346	37,148	6,615	100%	275,385	28,729	5,235	
Sicoob Credinorte	SC	100%	459,419	65,180	12,759	100%	347,840	53,830	8,781	
Sicoob Creditaipu	SC	100%	656,150	158,081	11,052	100%	588,414	140,288	13,390	
Sicoob Vale do Vinho	SC	100%	512,918	86,697	11,562	100%	447,990	71,929	7,112	
Sicoob Caçador/SC	SC	100%	59,073	9,373	1,063	100%	49,670	7,324	1,767	
Sicoob São Miguel SC	SC	100%	1,193,526	167,108	28,700	100%	1,070,186	181,117	(5,972)	
Sicoob Valcredi Sul	SC	100%	330,285	65,217	(13,367)	100%	313,067	62,086	6,258	
Sicoob - Crediauc/SC	SC	100%	872,332	122,432	16,063	100%	762,816	105,439	14,253	
Sicoob Oestecredi	SC	100%	490,643	76,287	15,560	100%	429,974	64,037	10,758	
Sicoob Maxicrédito	SC	100%	2,141,598	261,056	62,944	100%	1,857,119	213,850	35,677	
Sicoob Credija	SC	100%	609,446	98,425	24,251	100%	486,480	81,210	18,817	
Sicoob Campos Novos	SC	100%	233,637	40,755	2,099	100%	216,635	34,388	6,388	
Sicoob Creditapiranga SC	SC	100%	357,304	45,204	1,888	100%	312,155	40,870	3,772	
Sicoob Credisulca SC	SC	100%	748,769	128,036	25,716	100%	646,394	115,023	23,397	
Sicoob Credimoc SC	SC	100%	207,692	26,108	2,185	100%	175,933	22,731	2,022	
Sicoob Original	SC	100%	330,468	43,543	6,437	100%	257,716	36,410	2,633	
Sicoob Credivale/SC	SC	100%	400,370	53,560	1,224	100%	345,034	43,874	8,331	
Sicoob/SC Canoas	SC	100%	93,176	20,980	1,358	100%	78,708	17,699	2,576	
Sicoob Credicaruru SC/RS	SC	100%	315,668	75,287	14,166	100%	259,106	61,222	12,244	
Sicoob Crediplanalto SC/RS	SC	100%	322,596	48,862	12,344	100%	302,103	39,009	5,268	
Sicoob Euro Vale	SC	100%	93,705	15,587	704	100%	71,296	12,981	2,002	
Sicoob Crediserra SC	SC	100%	84,094	16,852	1,681	100%	76,609	16,393	901	
Sicoob Credinião	SC	100%	47,010	7,716	1,162	100%	40,524	6,147	1,564	
Sicoob-Crediaracária/SC	SC	100%	115,817	18,608	3,831	100%	94,838	14,172	2,352	
Sicoob Trentocredi SC	SC	100%	341,039	58,612	6,099	100%	292,042	47,676	9,995	
Sicoob Multicredi	SC	100%	131,094	35,153	5,570	100%	104,722	27,774	3,850	
Sicoob/SC Credisserrana	SC	100%	100,582	11,376	482	100%	71,137	9,383	1,900	
Sicoob Credisc	SC	100%	117,953	16,468	5,576	100%	92,683	12,669	3,530	
Sicoob - Transcredi	SC	100%	529,287	97,737	8,696	100%	431,340	81,198	13,912	
Sicoob Creditrán	SC	100%	48,057	9,636	1,790	100%	38,827	8,019	1,311	
Credpom	SC	100%	56,733	8,476	1,391	100%	47,341	7,093	1,230	
Sicoob Advocacia	SC	100%	263,436	33,713	6,779	100%	216,116	26,732	4,548	
Sicoob Ecocredi	RS	100%	304,359	39,803	182	100%	289,471	39,110	6,074	
Sicoob Cejascred	SC	100%	72,409	9,730	2,170	100%	46,984	6,611	1,339	
Sicoob Porto Alegre	RS	100%	29,776	4,578	432	100%	19,656	4,118	(1,071)	
Credicor - SC	SC	100%	-	-	-	100%	-	-	76	
Cooperando	RS	100%	61,217	49,407	2,449	100%	-	-	-	
Cruz Alta	RS	100%	66,579	8,964	337	100%	-	-	-	
Sicoob SP	SP	100%	4,423,074	256,984	13,909	100%	4,660,718	249,569	6,859	
Sicoob Coopecredi	SP	100%	1,148,451	164,841	10,956	100%	1,208,239	163,207	15,626	
Sicoob Cocrealpa	SP	100%	300,139	59,434	9,176	100%	270,748	50,922	4,473	
Sicoob Credicitrus	SP	100%	5,725,768	1,493,362	83,735	100%	5,220,796	1,367,991	114,282	
Sicoob Credimota	SP	100%	185,850	32,246	5,841	100%	160,351	27,950	3,418	
Sicoob Cooplivre	SP	100%	255,422	35,014	8,090	100%	210,729	24,499	8,085	
Sicoob Crediguaçu	SP	100%	408,689	98,893	18,111	100%	341,188	84,914	9,362	
Sicoob Credicocapec	SP	100%	381,306	93,815	17,410	100%	347,059	74,403	15,552	
Sicoob Crediceripa	SP	100%	447,199	52,923	10,162	100%	351,869	44,490	8,848	
Sicoob Coocrelivre	SP	100%	296,810	128,888	13,006	100%	256,507	116,445	14,041	
Sicoob Cocre	SP	100%	574,879	111,384	13,140	100%	478,024	99,820	19,639	
Sicoob Credivale	SP	100%	250,745	49,260	11,779	100%	215,530	37,265	10,564	
Sicoob Credicoonai	SP	100%	907,916	176,213	(45,872)	100%	1,018,808	183,241	6,170	
Sicoob Cecres	SP	100%	210,726	160,902	429	100%	186,090	165,882	1,208	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob Cocred	SP	100%	3,282,663	464,302	58,960	100%	2,930,038	359,238	42,927	
Sicoob Coopcred	SP	100%	87,674	26,596	1,197	100%	80,612	26,513	2,202	
Sicoob Credlíder	SP	100%	53,923	13,455	1,726	100%	38,783	11,725	704	
Sicoob Norte	RO	100%	832,752	43,264	4,438	100%	710,846	40,177	3,301	
Sicoob Credip	RO	100%	1,031,207	165,922	51,095	100%	768,151	121,085	34,490	
Sicoob Ourocredi	RO	100%	166,704	41,250	7,244	100%	126,756	31,741	3,563	
Sicoob Acre	AC	100%	40,302	16,793	2,392	100%	31,922	14,460	1,201	
Sicoob Crediforte	RO	100%	49,172	19,205	(4,809)	100%	53,738	20,820	1,792	
Sicoob Credjurd	RO	100%	80,099	22,942	6,040	100%	70,833	19,184	6,524	
Sicoob Vale do Jamari	RO	100%	348,729	94,542	14,195	100%	252,062	68,975	12,708	
Sicoob Portocredi	RO	100%	233,994	49,332	8,915	100%	170,231	34,922	3,459	
Sicoob Credisul	RO	100%	1,240,928	194,098	66,738	100%	820,770	144,862	36,136	
Sicoob Centro	RO	100%	351,517	74,454	18,446	100%	257,014	56,498	12,009	
Sicoob Credempresas - AM	AM	100%	16,445	3,645	12	100%	11,122	2,720	641	
Sicoob Manaus	AM	100%	-	-	-	100%	28,571	3,070	(3,825)	
Sicoob Planalto Central	DF	100%	826,849	195,980	19,824	100%	741,232	162,318	16,308	
Sicoob Executivo	DF	100%	101,163	23,166	3,667	100%	100,302	18,641	1,268	
Sicoob Judiciário	DF	100%	103,829	19,879	4,022	100%	95,910	15,183	2,724	
Sicoob Credijustra	DF	100%	213,931	38,029	8,816	100%	179,856	33,552	6,186	
Sicoob	DF	100%	204,983	32,927	211	100%	155,387	29,494	1,129	
Sicoob Crediembrapa	DF	100%	160,674	37,257	807	100%	133,788	34,552	1,851	
Cooperforte	DF	100%	2,337,439	523,248	84,892	100%	2,242,310	477,202	79,530	
Sicoob Cooperplan	DF	100%	29,806	6,174	602	100%	21,121	4,806	606	
Sicoob Credfaz	DF	100%	187,081	82,978	9,104	100%	138,851	84,930	11,376	
Sicoob Legislativo	DF	100%	57,308	13,330	2,160	100%	48,594	9,639	1,284	
Sicoob Credsef	DF	100%	40,374	9,897	501	100%	37,200	9,203	694	
Sicoob Dfmil	DF	100%	44,758	9,430	2,484	100%	29,816	6,316	1,339	
Sicoob Empresarial	DF	100%	149,315	32,409	4,151	100%	157,161	29,345	4,538	
Sicoob Credilojista	DF	100%	-	-	-	100%	67,764	10,564	3,221	
Sicoob Central Cecremge	MG	100%	5,257,366	206,620	15,013	100%	4,767,001	173,749	16,400	
Sicoob Credipontal	MG	100%	508,831	67,883	8,131	100%	359,122	57,722	7,667	
Sicoob Credirural	MG	100%	228,061	29,612	5,023	100%	199,498	25,725	7,978	
Sicoob Saromcredi	MG	100%	250,301	40,239	5,710	100%	224,131	37,766	5,129	
Sicoob Creditril	MG	100%	252,020	42,869	4,238	100%	220,658	37,435	4,192	
Sicoob Credileite	MG	100%	46,262	6,981	(875)	100%	40,878	6,670	868	
Sicoob Credicom	MG	100%	2,567,328	361,768	42,525	100%	2,184,209	301,437	38,587	
Sicoob Cofal	MG	100%	177,530	41,013	5,438	100%	148,538	36,993	4,932	
Sicoob Arcomcredi	MG	100%	34,498	6,355	873	100%	30,594	5,491	1,002	
Sicoob Divicred	MG	100%	355,680	50,618	8,458	100%	271,803	40,329	3,460	
Sicoob Credivale	MG	100%	10,348	5,971	171	100%	9,741	5,875	187	
Sicoob Credicopa	MG	100%	355,892	92,543	13,857	100%	321,078	78,304	10,969	
Sicoob Ascicred	MG	100%	218,975	28,817	8,801	100%	202,675	22,835	7,773	
Sicoob Vale do Aço	MG	100%	203,766	46,861	2,245	100%	160,474	41,638	2,248	
Sicoob Ac Credi	MG	100%	166,548	35,387	3,557	100%	147,413	31,339	5,626	
Sicoob Coocrez	MG	100%	53,015	21,716	1,485	100%	43,072	19,003	1,990	
Cecref	MG	100%	55,921	22,096	731	100%	50,285	20,024	342	
Sicoob Cecremec	MG	100%	10,957	7,239	298	100%	10,454	6,957	184	
Sicoob Coopsef	MG	100%	215,681	73,389	9,315	100%	200,781	68,429	7,246	
Creder	MG	100%	-	-	-	100%	-	-	58	
Sicoob Coopjus	MG	100%	150,932	55,776	1,985	100%	133,740	53,556	1,853	
Sicoob Nossacoop	MG	100%	198,107	32,177	3,709	100%	155,874	29,712	3,951	
Sicoob Creditábil	MG	100%	34,815	7,288	1,078	100%	30,441	6,144	1,433	
Sicoob Credesp	MG	100%	126,733	21,272	659	100%	112,999	17,338	4,267	
Sicoob Centro-Oeste	MG	100%	367,206	73,992	8,332	100%	323,664	66,010	7,958	
Sicoob Credicenm	MG	100%	126,479	16,133	3,763	100%	99,015	14,000	1,850	
Sicoob Acicredi	MG	100%	27,562	6,200	963	100%	23,899	5,489	623	
Sicoob Cosmipa	MG	100%	91,934	49,711	3,915	100%	78,014	42,886	3,824	
Sicoob Cosemi	MG	100%	8,595	7,017	514	100%	8,117	6,604	422	
Sicoob Credimepi	MG	100%	424,566	68,171	14,347	100%	319,301	52,768	9,991	
Sicoob Credibelgo	MG	100%	4,910	4,304	30	100%	5,182	4,123	199	
Sicoob Lagoacred Gerais	MG	100%	229,776	33,466	8,195	100%	161,169	27,039	4,275	
Sicoob Credinova	MG	100%	260,302	45,646	5,914	100%	218,925	40,030	5,698	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Coopaço	MG	100%	15,969	13,312	207	100%	15,279	12,796	263	
Sicoob Credigerais	MG	100%	283,077	75,535	13,160	100%	227,007	63,826	6,894	
Sicoob Paraisocred	MG	100%	82,077	13,427	2,406	100%	67,262	9,548	1,626	
Cooperfim	MG	100%	7,720	6,677	768	100%	6,731	5,892	729	
Sicoob Copesita	MG	100%	43,557	16,152	1,381	100%	41,588	14,026	1,450	
Sicoob Credimed	MG	100%	30,597	8,589	902	100%	27,965	7,353	569	
Sicoob Triangulo	MG	100%	11,013	7,487	362	100%	9,822	7,021	554	
Sicoob Sertão Minas	MG	100%	46,014	8,953	1,769	100%	43,468	6,873	1,021	
Sicoob Credimontes	MG	100%	56,390	12,899	2,577	100%	48,994	10,562	2,994	
Credfenas	MG	100%	26,879	3,101	207	100%	28,619	2,814	425	
Sicoob Coopcredi	MG	100%	41,090	8,450	519	100%	36,874	8,242	875	
Sicoob Copermec	MG	100%	327,287	57,421	9,309	100%	298,362	50,967	6,510	
Sicoob Coopemata	MG	100%	333,014	66,661	23,999	100%	244,971	50,867	12,460	
Sicoob Engecred	MG	100%	100,297	16,943	1,421	100%	103,591	15,142	1,473	
Credisam	MG	100%	8,168	7,092	199	100%	9,439	7,064	480	
Sicoob Ufvcredi	MG	100%	59,350	23,641	2,347	100%	52,202	22,075	2,276	
Coopaços	MG	100%	8,961	5,546	761	100%	7,274	4,904	624	
Sicoob Crediserv	MG	100%	24,955	13,344	504	100%	21,564	11,957	224	
Sicoob Coopemg	MG	100%	114,885	15,250	4,571	100%	71,430	11,338	720	
Sicoob Aracoop	MG	100%	838,929	125,032	25,695	100%	469,652	76,778	11,807	
Sicoob Jus-MP	MG	100%	209,688	37,217	5,574	100%	181,055	30,525	3,900	
Sicoob Coopercorreios	MG	100%	57,974	23,037	781	100%	50,581	21,017	1,384	
Sicoob Credpit	MG	100%	97,416	12,799	1,572	100%	81,301	11,395	1,958	
Sicoob Sul de Minas	MG	100%	59,035	8,234	3,802	100%	58,241	4,866	2,071	
Sicoob Credileste	MG	100%	133,749	34,471	3,594	100%	112,448	28,177	4,948	
Sicoob Cred UFU	MG	100%	-	-	-	100%	35,431	18,042	1,987	
Sicoob Credialto	MG	100%	137,017	22,761	1,697	100%	130,483	18,662	1,890	
Cecrem	MG	100%	7,083	6,772	96	100%	6,762	6,511	163	
Sicoob Credjus	MG	100%	55,599	23,540	3,196	100%	45,693	19,568	2,243	
Cooptek	MG	100%	16,939	16,505	566	100%	15,881	15,410	505	
Coopsesp	MG	100%	7,238	5,898	(105)	100%	6,914	5,551	14	
Tupicred	MG	100%	1,803	1,623	93	100%	1,765	1,511	159	
Sicoob Cooppecic	MG	100%	6,057	5,440	329	100%	5,808	5,314	211	
Sicoob Credichapada	MG	100%	46,679	13,291	1,589	100%	47,485	11,884	2,025	
Sicoob Secovicred MG	MG	100%	75,093	10,172	1,342	100%	58,789	8,468	1,059	
Sicoob Central Cecresp	SP	100%	1,654,948	127,850	7,269	100%	1,507,635	113,571	3,056	
Sicoob Credicazola	SP	100%	-	-	-	100%	51,656	8,148	(7,941)	
Sicoob Cred Copercana	SP	100%	45,772	17,658	546	100%	40,825	15,657	744	
Sicoob Credsaúde	SP	100%	11,576	2,643	501	100%	11,036	2,303	418	
Coopluiza	SP	100%	12,423	11,084	643	100%	8,800	7,847	243	
Credirhodia	SP	100%	14,205	10,316	5	100%	15,091	10,784	-	
Coopemesp	SP	100%	24,835	16,660	72	100%	24,099	17,376	343	
Coopmil	SP	100%	297,060	147,804	4,127	100%	324,919	170,039	(5,260)	
Coofer	SP	100%	7,198	6,917	82	100%	6,944	6,628	243	
Sicoob Credimogiana	SP	100%	233,171	24,523	4,533	100%	202,802	19,338	1,174	
Sicoob Coopercredi - SP	SP	100%	97,769	73,460	1,592	100%	80,814	63,496	1,264	
Copercred	SP	100%	17,564	13,439	259	100%	17,120	13,258	100	
Sicoob Credmetal	SP	100%	14,844	12,657	88	100%	14,308	12,057	52	
Sicoob Cantareira	SP	100%	19,677	4,327	(24)	100%	20,334	3,787	309	
Sicoob Credmalhas	MG	100%	37,331	6,659	723	100%	26,136	5,876	645	
Cressem	SP	100%	196,685	157,151	11,967	100%	187,552	154,698	11,783	
Sicoob Cred Acif	SP	100%	147,291	18,335	4,750	100%	120,240	13,540	868	
Copermed De Jaboticabal	SP	100%	13,154	2,228	63	100%	12,802	2,160	211	
Sicoob Cooptransp	SP	100%	19,657	12,988	406	100%	19,441	12,858	363	
Sicoob Credçucar	SP	100%	108,736	11,424	869	100%	104,525	10,871	734	
Magiscred	SP	100%	86,994	17,110	(1,560)	100%	85,119	16,654	1,093	
Sicoob Crediconsumo	SP	100%	47,044	20,985	724	100%	38,765	16,759	370	
Ouricred	SP	100%	85,072	12,381	2,227	100%	70,809	9,342	1,410	
Sicoob Crediacisc	SP	100%	20,830	3,442	182	100%	15,595	3,353	365	
Crediprodesp	SP	100%	20,742	20,100	704	100%	19,676	19,351	421	
Sicoob Credicor/SP	SP	100%	36,315	6,222	964	100%	27,300	5,410	1,131	
Cooperserv	SP	100%	1,173	1,014	66	100%	1,087	1,010	(110)	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob Grande ABC	SP	100%	22,123	5,358	(466)	100%	20,146	4,681	301	
Sicoob Cooperac	SP	100%	62,172	11,494	1,920	100%	47,078	8,302	2,011	
Sicoob Crediacil	SP	100%	85,379	11,721	3,619	100%	58,227	9,426	3,067	
Sicoob Credceg	SP	100%	273,116	54,916	14,477	100%	230,291	41,736	9,945	
Sicoob Cred-Aci	SP	100%	26,310	4,473	585	100%	22,733	4,338	507	
Sicoob Crediaciprev	SP	100%	-	-	-	100%	7,364	1,979	(98)	
Judcred	SP	100%	5,263	2,937	454	100%	3,732	2,467	459	
Sicoob Cred-Acilpa	SP	100%	12,890	4,739	618	100%	11,873	4,032	629	
Sicoob	SP	100%	48,144	8,465	455	100%	33,766	5,920	72	
Metalcred da Grande São Paulo	SP	100%	38,059	32,761	2,001	100%	34,627	25,665	1,358	
Sicoob Crediacirc	SP	100%	51,315	12,387	1,644	100%	44,610	9,147	1,340	
Sicoob Acicred	SP	100%	37,742	7,076	726	100%	31,672	5,687	693	
Sicoob Cooperace	SP	100%	28,696	7,082	297	100%	26,641	6,469	217	
Sicoob Cooperaso	SP	100%	30,721	11,827	243	100%	22,363	9,859	(375)	
Sicoob Paulista	SP	100%	201,333	21,823	3,587	100%	130,326	15,095	1,614	
Sicoob Coopara	SP	100%	18,688	6,535	130	100%	15,874	7,305	(206)	
Sicoob Cecresa	SP	100%	11,091	9,380	133	100%	10,708	9,498	116	
Promocred	SP	100%	14,737	10,756	(297)	100%	14,833	10,877	-	
Cooperserv	SP	100%	25,707	11,558	1,472	100%	19,934	10,394	1,101	
Cosae	SP	100%	6,614	4,062	25	100%	4,854	3,571	60	
Sicoob Grande São Paulo	SP	100%	-	-	-	100%	-	-	(477)	
Barracred Cosan	SP	100%	126,013	110,785	8,173	100%	113,294	98,617	6,742	
Crediprodam	SP	100%	7,236	7,258	1	100%	7,578	7,642	19	
Nossa Terra	SP	100%	15,779	14,706	604	100%	17,025	15,748	514	
Coopercredi Fleury	SP	100%	10,266	10,240	106	100%	9,917	10,105	47	
Sicoob Coopernapi	SP	100%	5,982	3,428	(127)	100%	7,491	3,076	80	
Cooperacs-SP	SP	100%	3,514	2,859	(769)	100%	4,963	4,282	(1,176)	
Cooperemb	SP	100%	396,787	324,166	20,360	100%	385,276	307,681	19,517	
Coopincor	SP	100%	27,730	25,849	853	100%	26,742	24,441	562	
Rápido Luxo Campinas Ltda	SP	100%	-	-	-	100%	617	321	(800)	
Crediafam	SP	100%	7,937	7,798	2	100%	7,638	7,761	271	
Coopermeta	SP	100%	-	-	-	100%	1,545	1,492	(10)	
Coopercredi ACSC	SP	100%	32,704	28,169	690	100%	31,628	30,495	870	
Coocresb	SP	100%	3,931	2,782	54	100%	3,533	2,487	98	
Crediabc	SP	100%	33,792	24,340	817	100%	32,241	22,831	820	
Cred Serv	SP	100%	13,189	12,941	837	100%	10,887	10,847	551	
Sicoob Cooperfac	SP	100%	6,538	6,014	291	100%	6,161	5,581	231	
Cooper Vera Cruz	SP	100%	8,230	8,096	193	100%	8,603	8,556	236	
Cooperparques	SP	100%	1,143	1,011	(158)	100%	1,350	1,220	1	
Sicoob Cooper 7	SP	100%	11,837	11,091	1,183	100%	10,892	9,584	1,162	
Cooperalesp	SP	100%	17,668	16,547	1,050	100%	15,931	15,514	567	
Avibras	SP	100%	9,759	9,630	334	100%	9,062	9,059	190	
Usagro	SP	100%	11,247	10,052	351	100%	10,728	9,723	465	
Coopernitro	SP	100%	6,990	7,106	11	100%	7,135	7,212	22	
Coopervale	SP	100%	13,218	12,684	712	100%	13,344	13,413	617	
Cooper-Sekurit	SP	100%	7,214	6,235	281	100%	6,411	5,760	161	
Coopowens	SP	100%	7,860	4,889	99	100%	7,217	4,778	64	
Piloncred	SP	100%	2,498	2,373	89	100%	2,232	2,145	104	
Sicoob Pilkington	SP	100%	8,807	8,530	589	100%	8,100	7,933	304	
Selene	SP	100%	2,893	2,761	111	100%	2,704	2,594	90	
Cooperpak	SP	100%	21,395	20,470	1,821	100%	20,515	19,755	1,658	
Credirp	SP	100%	-	-	-	100%	-	-	70	
Credi-Camda	SP	100%	4,721	4,283	286	100%	3,979	3,560	260	
Cooperplascar	SP	100%	6,280	5,944	310	100%	5,743	5,479	134	
Coopriclan	SP	100%	6,165	5,715	252	100%	5,961	5,515	202	
Coopermsd	SP	100%	12,230	12,199	161	100%	11,326	11,446	150	
Cooperjs	SP	100%	2,488	2,391	119	100%	2,360	2,269	95	
Crediscoop	SP	100%	5,632	2,236	(226)	100%	6,234	2,763	(154)	
Crediunifi	SP	100%	1,416	1,294	-	100%	1,393	1,380	4	
Grupo Ppg	SP	100%	2,106	2,140	1	100%	2,224	2,305	1	
Owens-Illinois	SP	100%	19,287	19,233	(71)	100%	18,610	18,259	624	
Empresas Itau	SP	100%	6,908	6,651	101	100%	6,863	6,808	14	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Itapira	SP	100%	9,678	8,964	319	100%	8,966	8,410	156	
Eaton Valinhos	SP	100%	7,913	7,156	244	100%	7,722	7,004	27	
Credi Nestlé	SP	100%	67,105	65,798	3,133	100%	65,183	65,723	1,578	
Coopaz	SP	100%	12,318	11,860	192	100%	12,238	11,716	492	
Coopertel	SP	100%	7,518	7,313	70	100%	8,060	7,725	113	
Mondelez	SP	100%	41,945	40,291	1,170	100%	43,865	42,842	1,142	
Cofasa	SP	100%	3,806	3,709	83	100%	3,678	3,611	129	
SKF	SP	100%	12,681	12,658	468	100%	11,886	11,940	435	
Cooperfeis	SP	100%	6,624	6,637	109	100%	6,401	6,448	103	
Usicred	SP	100%	91,154	86,908	1,514	100%	84,488	81,236	2,056	
Morlan	SP	100%	6,982	6,501	443	100%	6,526	6,048	274	
Melhoramentos	SP	100%	8,683	8,718	8	100%	8,697	8,784	5	
Confab	SP	100%	11,654	11,161	341	100%	11,090	11,132	120	
Crediações	SP	100%	10,119	9,407	223	100%	10,435	9,610	207	
Elgin	SP	100%	4,978	4,709	270	100%	4,465	4,325	98	
Cooperalpina	SP	100%	4,245	4,181	342	100%	4,241	3,954	589	
Credicebrace	SP	100%	16,172	15,140	658	100%	15,716	14,495	827	
Parker Hannifin	SP	100%	6,039	5,667	71	100%	6,456	6,031	168	
Metalcoopercred	SP	100%	10,837	10,431	480	100%	10,028	9,848	396	
Coopaspacer	SP	100%	3,746	1,362	(116)	100%	3,443	1,158	(20)	
Cooperfeb	SP	100%	-	-	-	100%	1,136	1,138	(27)	
Coop Akzonobel	SP	100%	7,430	7,191	4	100%	7,408	7,151	8	
Coopercred Unilever	SP	100%	-	-	-	100%	4,215	3,909	28	
Credirhodia Paulínea	SP	100%	16,646	16,657	308	100%	17,808	18,031	297	
Credieaton	SP	100%	2,898	2,874	1	100%	2,615	2,658	16	
VB Transportes	SC	100%	-	-	-	100%	492	569	(744)	
Colorado	SP	100%	22,233	21,248	1,789	100%	19,793	19,374	1,110	
Bombril	SP	100%	10,631	10,172	200	100%	9,803	9,538	64	
Novelis	SP	100%	11,016	10,450	662	100%	10,488	10,318	572	
Coop Zanettini	SP	100%	-	-	-	100%	-	-	3	
Cooperceres	SP	100%	-	-	-	100%	5,520	5,624	13	
Credmil	SP	100%	2,454	1,544	40	100%	2,654	1,819	78	
Coopertrem	SP	100%	8,868	8,887	62	100%	8,560	8,711	56	
Crediações Mogi	SP	100%	-	-	44	100%	-	-	44	
Cooprioclaro	SP	100%	-	-	-	100%	1,113	924	(114)	
Coopertakatapetri	SP	100%	16,562	15,967	1,509	100%	14,517	14,431	838	
Coopunesp	SP	100%	4,111	3,207	54	100%	4,165	3,185	43	
Monsanto	SP	100%	6,121	5,904	2	100%	5,626	5,432	12	
Sicoob Alcatel	SP	100%	-	-	-	100%	4,261	4,275	1	
Villares Metals	SP	100%	17,473	17,433	646	100%	17,421	16,506	635	
Coopmwm Internacional	SP	100%	12,004	11,431	241	100%	11,428	10,726	264	
Sicoob Independência	SP	100%	-	-	-	100%	25,034	(476)	(176)	
Sicoob Vale do Paraíba	SP	100%	308,372	31,487	159	100%	265,904	28,800	640	
Sicoob Central NE	PB	100%	247,069	26,809	146	100%	168,329	21,365	228	
Sicoob Ceará	CE	100%	44,607	11,952	1,608	100%	34,523	10,202	1,247	
Sicoob Centro Nordeste	PB	100%	32,300	15,268	965	100%	26,462	13,182	554	
Sicoob Leste	AL	100%	73,079	31,249	4,027	100%	61,624	29,963	2,717	
Sicoob Coopercret	PB	100%	23,892	7,710	581	100%	21,332	6,790	670	
Sicoob Potiguar	RN	100%	31,191	6,788	50	100%	18,290	5,695	513	
Creds	PB	100%	32,622	8,405	(46)	100%	17,443	5,131	450	
Sicoob Pernambuco	PE	100%	160,607	32,196	1,904	100%	126,400	26,660	2,506	
Sicoob Piauí	PI	100%	30,093	6,446	(199)	100%	25,571	5,954	659	
Sicoob Centro Leste Maranhense	MA	100%	89,468	26,732	3,735	100%	72,505	26,017	(315)	
Sicoob Oeste Maranhense	MA	100%	53,053	11,713	1,375	100%	47,721	13,691	(2,013)	
Sicoob Paraíba	PB	100%	267,199	67,295	20,132	100%	215,366	45,934	12,804	
Sicoob Serfão Paraibano	PB	100%	-	-	-	100%	-	-	(3)	
Sicoob Empresarial	MA	100%	11,773	4,497	(1,039)	100%	11,496	4,358	(320)	
Sicoob Litoral Paraibano	PB	100%	-	-	-	100%	11,198	2,016	200	
Sicoob Sul Maranhense	MA	100%	18,527	2,332	251	100%	7,046	1,256	17	
Sicoob Rio Grande do Norte	RN	100%	188,315	33,942	2,455	100%	-	-	-	
Sicoob Central Rondon	MT	100%	298,570	30,896	78	100%	200,301	28,217	86	
Sicoob União MT/MS	MT	100%	313,243	40,748	723	100%	138,693	30,604	388	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob Servidor	MT	100%	-	-	-	100%	-	-	(3,087)	
Sicoob Primavera MT	MT	100%	181,922	22,830	2,002	100%	124,945	17,648	2,507	
Sicoob Araguaia	MT	100%	-	-	-	100%	-	-	(1,411)	
Sicoob Cerrado MT	MT	100%	94,916	16,213	472	100%	82,884	13,893	607	
Sicoob Cocresul	MS	100%	20,904	2,197	237	100%	12,248	1,154	14	
Sicoob Integração	MT	100%	215,065	37,533	1,731	100%	153,236	29,668	5,042	
Sicoob Centro Sul MS	MS	100%	68,577	11,030	5,000	100%	55,153	7,233	2,105	
Sicoob Norte MT	MT	100%	94,227	12,015	1,169	100%	64,935	7,240	683	
Sicoob Aliança MS	MS	100%	8,443	983	(441)	100%	3,634	755	(79)	
Sicoob Central Unicoob	PR	100%	1,938,485	114,276	3,443	100%	1,873,063	104,591	4,223	
Sicoob Cooesa	PA	100%	39,837	12,230	1,015	100%	40,202	11,012	406	
Coimppa	PA	100%	87,577	55,627	3,700	100%	83,139	56,650	4,561	
Sicoob Unidas	PA	100%	40,922	19,097	190	100%	40,263	19,182	313	
Sicoob Metropolitano	PR	100%	1,428,614	161,609	25,719	100%	1,111,060	133,832	18,503	
Sicoob Vale do Iguaçu	PR	100%	445,618	64,434	3,058	100%	398,004	56,641	5,753	
Sicoob Três Fronteiras	PR	100%	211,985	26,263	5,049	100%	163,193	21,178	4,220	
Sicoob Unicoob Meridional	PR	100%	482,553	60,135	9,585	100%	381,553	48,778	4,158	
Sicoob Norte do Paraná	PR	100%	869,801	104,088	11,055	100%	713,380	86,729	6,355	
Sicoob Noroeste do Paraná	PR	100%	216,893	38,239	5,283	100%	202,139	35,477	3,109	
Sicoob Sul	PR	100%	570,575	63,786	13,558	100%	536,550	50,072	4,100	
Sicoob Credicapital	PR	100%	538,441	59,115	7,848	100%	440,716	47,599	1,699	
Sicoob Aliança	PR	100%	274,215	45,038	8,825	100%	233,323	37,238	6,548	
Sicoob Arenito	PR	100%	212,513	23,930	4,595	100%	143,663	15,126	2,515	
Sicoob Marechal	PR	100%	86,307	11,729	331	100%	73,692	12,141	1,515	
Sicoob Integrado	PR	100%	279,463	30,751	5,344	100%	226,490	23,817	3,073	
Sicoob Horizonte	PR	100%	87,789	18,753	1,338	100%	79,770	14,571	1,640	
Sicoob Médio Oeste	PR	100%	131,601	17,702	2,752	100%	87,260	12,464	2,628	
Sicoob Amapa	AP	100%	27,394	4,082	-	100%	20,446	3,946	80	
Sicoob Transamazônica	PA	100%	36,444	7,776	1,065	100%	14,790	5,340	159	
Sicoob Unimais	SP	100%	582,477	25,489	122	100%	628,129	36,998	475	
Unimais Bandeirante	SP	100%	-	-	-	100%	356,871	11,526	507	
Unimais Anhanguera	SP	100%	-	-	-	100%	-	-	(8,112)	
Sicoob Unimais Mantiqueira	SP	100%	320,303	35,699	1,215	100%	269,430	26,805	3,039	
Unimais Centro Leste Paulista	SP	100%	224,561	32,390	3,995	100%	180,372	27,237	2,423	
Unimais Centro Paulista	SP	100%	-	-	(945)	100%	-	-	(945)	
Unimais Sudeste Paulista	SP	100%	-	-	(1,957)	100%	-	-	(1,957)	
Unimais Norte Paulista	SP	100%	38,257	4,927	(400)	100%	33,400	4,873	(149)	
Unimais Metropolitana	SP	100%	557,753	73,285	11,347	100%	490,606	60,646	4,747	
Sicoob Uni	GO	100%	2,865,822	103,073	3,250	100%	1,105,305	73,534	3,409	
Sicoob Credi-Rural	GO	100%	1,253,238	423,719	59,410	100%	871,852	350,531	55,020	
Sicoob Coopercred	GO	100%	283,953	105,990	6,177	100%	234,411	113,547	5,276	
Sicoob Mineiros	GO	100%	326,702	158,195	24,618	100%	272,726	133,979	22,055	
Sicoob Credigoias	GO	100%	153,554	103,133	1,332	100%	145,813	100,425	1,745	
Sicoob Goiânia	GO	100%	129,413	33,665	3,238	100%	101,639	23,805	1,331	
Sicoob Credseguro	GO	100%	299,639	110,005	12,621	100%	246,179	98,471	11,896	
Sicoob Engecred-Go	GO	100%	717,255	181,800	19,502	100%	592,296	161,178	15,089	
Sicoob Lojicred	GO	100%	89,354	23,419	2,247	100%	64,687	20,182	2,062	
Sicoob Credi Comigo	GO	100%	19,747	12,196	1,113	100%	17,151	11,456	1,044	
Sicoob Empresarial	GO	100%	88,169	18,469	3,819	100%	63,531	13,859	2,553	
Sicoob Cooprem	GO	100%	37,848	9,612	679	100%	29,933	8,439	822	
Sicoob Unicentro Brasileira	GO	100%	2,533,504	455,195	85,940	100%	1,673,661	332,815	56,790	
Sicoob Uniam	AM	100%	123,247	41,579	1,011	100%	106,857	40,372	4,650	
Sicoob Unisaúde Goiás	GO	100%	157,027	30,964	4,793	100%	123,137	23,692	3,616	
Sicoob Unirondônia	RO	100%	183,624	28,634	3,782	100%	136,960	21,018	2,703	
Sicoob Unicentro Norte Goiano	GO	100%	437,601	92,096	17,285	100%	310,754	69,020	10,063	
Sicoob Unibv	RR	100%	22,598	6,663	1,119	100%	18,471	4,794	645	
Sicoob Unirbo	AC	100%	112,698	22,093	3,427	100%	63,748	16,968	2,979	
Sicoob Unigarulhos	SP	100%	108,047	14,435	(1,158)	100%	94,367	17,050	(2,647)	
Sicoob Unisaude Sudeste	MG	100%	207,967	22,982	3,811	100%	175,575	18,002	1,675	
Sicoob Central Rio	RJ	100%	642,653	40,825	857	100%	725,525	36,898	1,352	
Sicoob Servidores	ES	100%	71,593	26,338	942	100%	61,164	23,869	474	
Sicoob Cecremef	RJ	100%	467,791	62,235	1,605	100%	476,632	66,067	4,684	

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

	2018					2017				
	State	Ownership interest	Assets	Equity	Result	Ownership interest	Assets	Equity	Result	
Sicoob Cremendes	RJ	100%	-	-	-	100%	5,409	898	(257)	
Sicoob Coopjustiça	RJ	100%	142,189	61,151	4,654	100%	125,008	55,660	3,788	
Sicoob Fluminense	RJ	100%	142,616	32,830	826	100%	98,916	26,925	1,730	
Sicoob Coopvale	RJ	100%	24,245	7,542	1,004	100%	17,366	6,638	510	
Sicoob Credicor/RJ	RJ	100%	22,455	7,435	(168)	100%	20,240	7,014	9	
Sicoob Empresas RJ	RJ	100%	69,675	13,262	2,116	100%	67,839	11,875	745	
Sicoob Coomperj	RJ	100%	299,593	42,378	3,779	100%	300,964	38,208	1,520	
Investment Funds										
Minascoop FI - RF - CP	DF	100%	36,755	35,607	2,473	100%	77,332	72,149	13,881	
Bancoob Centralização FI - RF - CP	DF	100%	1,763,828	1,726,985	69,360	100%	1,105,339	1,066,957	84,357	
Coopmutuo FI - Multimercado - CP	DF	100%	291,508	278,088	29,475	100%	800,880	768,151	77,561	
Sicoob Unimais FI - Renda Fixa - CP	DF	100%	18,433	17,399	2,262	100%	39,732	37,641	4,836	
Sicoob Institucional FI - RF - CP	DF	100%	1,066,162	1,035,918	52,755	100%	717,462	689,059	54,565	
Sicoob Cocred FI - RF - CP	DF	100%	4,071	3,963	224	100%	5,150	4,923	590	
Sicoob Cocred FI - Multimercado - CP	SP	100%	35,644	10,494	26,680	100%	108,955	52,205	56,535	
Sicoob Previdenciário FI - RF - IMA-B	DF	100%	19,916	17,701	2,444	100%	21,304	19,854	2,407	
Sicoob Agências FI - Imobiliário	DF	100%	27,113	25,863	2,047	100%	26,307	25,627	532	
BB Forte FI - RF - LP - CP	DF	100%	342,225	331,445	19,514	100%	-	-	-	
FI Caixa Sustentabilidade RF - CP	DF	100%	154,809	149,882	9,674	100%	-	-	-	
Sicoob Goiás Central FI - RF - CP	DF	100%	-	-	-	100%	109,276	104,949	10,087	
Unicoob FI - RF - CP	DF	100%	-	-	-	100%	87,427	81,396	11,471	
Sicoob Central SC FI - RF - CP	DF	100%	-	-	-	100%	37,219	33,639	9,521	
Invest Rio FI - RF - CP	DF	100%	-	-	-	100%	291,588	280,001	27,703	
Total			186,169,360	27,611,840	2,864,724		161,396,020	24,163,824	2,619,711	

i. Merger of credit unions

The credit unions merged in the year are presented below:

• 2018

System	Merged credit union	Merged by - credit union
Sicoob Crediminas	Sicoob Credicentro	Sicoob Crediparaopeba
Sicoob Norte	Sicoob Manaus	Sicoob Vale do Jamari
Sicoob Planalto Central	Sicoob Credilojista	Sicoob Credfaz Servidor Federa
Sicoob Cecremge	Sicoob Cred UFU	Sicoob Aracoop
Sicoob Cecresp	Coopermeta	Sicoob Cooperaso
Sicoob Cecresp	Cooperceres	Sicoob Coopercredi - SP
Sicoob Cecresp	Coopriclaro	Sicoob Crediacirc
Sicoob Cecresp	Sicoob Alcatel	Metalcred da Grande São Paulo
Sicoob NE	Sicoob Litoral Paraibano	Creds
Sicoob Unicoob	Sicoob Crediaciprev	Sicoob Metropolitan
Sicoob Uni	Sicoob Cbcred	Sicoob Unirbo
Sicoob Uni	Grancred Noroeste Paulista	Sicoob Unicentro Brasileira
Sicoob Uni	Unimais Bandeirante	Sicoob Unicentro Brasileira
Sicoob Rio	Cecmesb-ES	Sicoob Servidores
Sicoob Rio	Sicoob Cremendes	Sicoob Fluminense

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

• 2017

System	Mrged credit union	Merged by - credit union
Sicoob NE	Cooprev	Sicoob Borborema Paraibano
Sicoob Cecremge	Sicoob Credigerais	Sicoob Credigerais
Sicoob Planalto Central	Sicoob Uniasacred	Sicoob Judiciário
Sicoob Cecresp	Sicoob Alcoop São Roque	Sicoob Cooperaso
Sicoob Cecresp	Sicoob Grande São Paulo	Sicoob Paulista
Sicoob NE	Sicoob Sertão Paraibano	Sicoob Borborema Paraibano
Sicoob Cecresp	Credicont	Metalcred da Grande São Paulo
Sicoob MT/MS	Sicoob Araguaia	Sicoob Sul
Sicoob MT/MS	Sicoob Servidor	Sicoob Integração
Sicoob Cecresp	Credirp	Sicoob Coopercredi - SP
Sicoob SC/RS	Credicor - SC	Sicoob Credipérola
Sicoob Unimais	Unimais Anhanguera	Unimais Mantiqueira
Sicoob Unimais	Unimais Centro Paulista	Unimais Centro Leste Paulista
Sicoob ES	Credicores	Sicoob Sul-Serrano
Sicoob Cecresp	Unimais Sudeste Paulista	Sicoob Vale do Paraíba

d. Eliminations among Sicoob's entities

	2018			2017		
	Aggregate	Eliminations	Combined	Aggregate	Eliminations	Combined
Combined balance sheets						
Current and non-current assets	186,169,360	(81,630,984)	104,538,376	161,396,020	(70,982,361)	90,413,659
Available funds	912,158	(152)	912,006	661,262	(591)	660,671
Short-term interbank investments	47,302,758	(30,120,530)	17,182,228	39,306,138	(25,079,729)	14,226,409
Marketable securities and derivative financial instruments	31,710,866	(10,730,872)	20,979,994	32,557,200	(11,501,584)	21,055,616
Interbank accounts	40,782,790	(36,098,176)	4,684,614	35,041,456	(30,547,175)	4,494,281
Interdepartmental accounts	18,718	-	18,718	14,334	-	14,334
Lending operations	52,736,829	(827,784)	51,909,044	43,413,718	(545,753)	42,867,965
Other receivables	5,602,890	(231,925)	5,370,965	4,325,870	(125,368)	4,200,502
Other assets	1,221,682	-	1,221,682	945,782	-	945,782
Investments	4,117,142	(3,621,545)	495,598	3,624,830	(3,182,161)	442,669
Property and equipment in use	1,702,564	-	1,702,565	1,456,690	-	1,456,690
Intangible assets	60,961	-	60,961	48,740	-	48,740
Total assets	186,169,360	(81,630,984)	104,538,376	161,396,020	(70,982,361)	90,413,659
Current and non-current liabilities	157,586,364	(74,373,210)	83,213,155	136,290,140	(64,426,781)	71,863,359
Deposits	99,300,192	(34,317,177)	64,983,015	86,772,969	(31,089,069)	55,683,900
Money market funding	3,288,705	(3,226,933)	61,772	2,662,404	(2,217,696)	444,708
Funds from acceptance of bills of exchange and issuance of securities	3,854,125	-	3,854,125	2,656,608	-	2,656,608
Interbank accounts	38,457,527	(35,892,420)	2,565,107	32,868,426	(30,605,608)	2,262,818
Interdepartmental accounts	676,168	-	676,168	723,868	-	723,868
Borrowing and onlending operations	5,131,972	(925,136)	4,206,836	5,083,989	(517,626)	4,566,363
Derivative financial instruments	-	-	-	235	-	235
Other payables	6,876,676	(11,544)	6,865,132	5,520,439	3,218	5,523,657
Deferred income	1,000	-	1,000	1,202	-	1,202
Equity	28,582,996	(7,257,775)	21,325,221	25,105,880	(6,555,580)	18,550,300
Total liabilities and equity	186,169,360	(81,630,984)	104,538,376	161,396,020	(70,982,361)	90,413,659
Combined statements of income						
Income from financial intermediation	15,657,149	(3,108,634)	12,548,515	16,825,816	(4,040,275)	12,785,541
Expenses on financial intermediation	(8,227,966)	2,904,300	(5,323,666)	(9,938,394)	3,719,065	(6,219,329)
Other operating income (expenses)	(3,433,149)	(327,559)	(3,760,708)	(3,273,608)	(250,059)	(3,523,667)
Non-operating income (expense)	(40,879)	(124)	(41,003)	(12,402)	-	(12,402)
Income tax and social contribution	(244,855)	-	(244,855)	(186,651)	-	(186,651)
Profit-sharing	(92,138)	-	(92,138)	(61,179)	-	(61,179)
Profit for the year	3,618,162	(532,017)	3,086,145	3,353,582	(571,269)	2,782,313
Interest on capital	(619,749)	48,799	(570,950)	(733,871)	-	(733,871)
Profit after interest on capital	2,998,413	(483,218)	2,515,195	2,619,711	(571,269)	2,048,442

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 3 – Summary of significant accounting policies

a. Accounting estimates

The preparation of combined financial statements in accordance with the Brazilian accounting practices (Note 2) requires Management to use its judgment to determine and record accounting estimates, where applicable. Significant items subject to estimates and assumptions include the valuation of the recoverable amount of property and equipment and intangible assets, the provision for loan losses, the estimated realization of tax assets, the provision for cash outflows in connection with tax, labor and civil contingencies, and the valuation of securities and derivative financial instruments. Settlement amounts of transactions may differ from the estimated amounts presented in the combined financial statements due to estimates inherent in the process of their determination. The estimates and assumptions are reviewed on a half-yearly basis, in order to reflect the best available information.

b. Determination of results

The results of operations are determined on the accrual basis of accounting. Service revenue, typical to the financial system, is recognized upon rendering of the service to the member or third party.

c. Foreign currency

Monetary assets denominated in foreign currency were translated into Brazilian Reais at the exchange rate in effect on the balance sheet date, and currency translation differences were recorded in the statement of income for the period.

d. Cash and cash equivalents

Cash and cash equivalents comprise cash in local currency and foreign currency, and short-term interbank investments, whose maturities at the investment date are equal to or lower than 90 days, and are subject to immaterial risk of change in fair value. Cash and cash equivalents are used by Sicoob to manage its short-term obligations.

e. Short-term interbank investments

Short-term interbank investments are stated at the amount of the investment or acquisition, plus income earned up to the balance sheet date.

f. Marketable securities

Where applicable, securities are classified based on a set of criteria for registration and valuation of the securities portfolios, defined by BACEN Circular Letter 3,068/2001, in accordance with Management's intention regarding the holding period for the securities, into three specific categories, in compliance with the following recognition criteria:

- i. **Trading securities** - securities acquired to be frequently and actively traded, adjusted to market value with a corresponding entry to profit or loss for the period.
- ii. **Held-to-maturity securities** - securities acquired to be held to maturity, based on financial studies, accounted for at acquisition cost plus any income earned.
- iii. **Available-for-sale securities** – these are securities that are not classified as “trading securities” or “held-to-maturity securities”. These securities are adjusted to market value, and the result of the adjustment,

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

net of tax effects, is recorded in a separate account in equity. Gains and losses, where applicable, are recognized in the statement of income.

The methodology for the marking securities to market was established in compliance with consistent and verifiable criteria, which take into consideration the average trading price on the day of the calculation or, in the absence thereof, pricing models that reflect the probable net realizable value.

Income from securities, irrespective of the category in which they are classified, is accrued on a daily *pro rata* basis, under the exponential or straight-line method, based on the return clauses and acquisition cost distributed over the term of the investment and recognized directly in the statement of income for the period.

When available-for-sale securities are sold, the difference between the selling price and the initial acquisition cost, adjusted for accrued income, is considered the result of the transaction and recognized on the transaction date within "Gains or losses on securities".

g. Derivative financial instruments

In compliance with BACEN Circular Letter 3,082/01, derivative financial instruments are measured at market value upon preparation of the monthly trial balances and balance sheets. Any appreciation or depreciation is recognized directly in income or expense accounts for the respective derivative financial instrument.

The methodology for the marking-to-market of securities was established in compliance with consistent and verifiable criteria, which take into consideration the average trading price on the day of calculation, or, in the absence thereof, pricing models that reflect the probable net realizable value based on the characteristics of the derivative.

h. Provision for loan losses

The provision for loan losses is calculated based on Management's judgment of risk levels, considering the analysis and rating of the borrower and the transaction, in compliance with the parameters established by CMN Resolution 2,682/99. This Resolution requires a periodic analysis of the loan portfolio, as well as the classification of its operations into nine levels, of which "AA" is the lowest risk level and "H" the highest risk level.

Income from lending operations overdue for more than 60 days, irrespective of their risk level, is only recognized in profit or loss after it has been received.

Operations classified in risk level "H" are transferred to the offsetting account, with the corresponding debit entry to the allowance account, only six months after their classification into this risk level. Renegotiated operations are maintained in the same risk level in which they were classified prior to the renegotiation, and operations which had been previously recorded as losses start to be classified in risk level "H". Renegotiated operations are only transferred to the lowest risk level category after significant amortization has occurred, or when new relevant facts justify a change in their risk classification. Any gains arising from renegotiations are only recognized as income when effectively received. The allowance for loan losses, considered sufficient by Management, complies with the minimum requirement established by the aforementioned Resolution (Note 9(c)).

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

i. Investments

Investments are recorded at acquisition cost, and equity interests in subsidiaries and associates are accounted for under the equity method.

j. Property and equipment

Property and equipment are recorded at acquisition, formation or construction cost, including interest and other capitalized financial charges. Depreciation is calculated on a straight-line basis, in accordance with the following annual rates, based on the useful lives of the assets: properties in use - 5%; equipment in use - 10%; vehicles and data processing equipment - 20%.

Other expenditures are capitalized only when there is an increase in the economic benefits related to the asset. Any other type of expenditure is recognized in the statement of income as an expense when incurred.

Impairment of Assets - A loss is recognized if there is clear evidence that the assets are not stated at their recoverable amount.

k. Intangible assets

Intangible assets correspond to rights acquired for the maintenance of Sicoob entities or used for this purpose. Intangible assets with a defined useful life are normally amortized on a straight-line basis during an estimated period of economic benefit. Intangible assets comprise software acquired from third parties and are amortized at an annual rate of 20%. Intangible assets are also reviewed for impairment annually.

l. Other current and non-current assets

These are stated at net realizable value.

m. Deposits

Deposits comprise demand deposits, savings account deposits, time deposits, credit union deposit receipts, and interbank deposits.

Savings accounts earn interest at rates established by the regulation in force and are recorded at the amount of the deposit adjusted by 6% annual interest over the Referential Rate (TR) index.

The funds from time deposits and credit union deposit receipts are stated at the amount raised, plus any accrued income, on a pro-rata daily basis, at floating or fixed rates, and are made available at a pre-established date.

n. Repurchase agreement obligations

These obligations are stated at known or determinable amounts, which include accrued charges and monetary variations, net of the corresponding unrecognized expenses, where applicable.

o. Obligations from interbank onlendings and borrowings

These are stated at known or determinable amounts, which include accrued interest and indexation charges, net of the corresponding unrecognized expenses, where applicable.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

p. Employee benefits - Supplementary pension plan

The private defined contribution pension plan established by Bancoob is offered to the entire Sicoob. The monthly contributions to the plan are recognized as an expense in the statement of income for the period.

q. Income tax and social contribution

The provision for income tax (IRPJ) is computed at the rate of 15%, plus 10% surtax, and the provision for social contribution (CSLL) is computed at the rate of 20% for the bank and 17% for the credit unions, on the taxable income calculated as established by the prevailing tax laws.

Income tax credits were calculated in accordance with the aforementioned tax rate, and social contribution tax credits were calculated at the rate of 15%, in compliance with the provisions of Law 13169/15. Tax credits are recognized considering the expected generation of future taxable income, over a maximum period of ten years, pursuant to CMN Resolution 3355/06. The expected generation of future taxable income is supported by a technical study prepared by Management and updated on a half-yearly basis.

r. Contingent assets and liabilities and legal obligations

Provisions are recognized in the balance sheet when Sicoob has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of funds will be required to settle the obligation. The provisions are recorded based on the best estimates of the risk involved.

Contingent assets and liabilities - The recognition, measurement and disclosure of provisions and contingent assets and liabilities are carried out in accordance with CMN Resolution 3823/2009, which requires financial institutions and other institutions authorized to operate by BACEN to comply with Technical Pronouncement CPC 25, issued by the Accounting Pronouncements Committee (CPC), as follows:

- **Contingent assets** - Contingent assets are not accounted for, except when backed by real guarantees or final court decisions, for which a favorable outcome is virtually certain. Contingent assets for which a favorable outcome is classified as probable are only disclosed in the notes to the financial statements.
- **Contingent liabilities** - Contingent liabilities are recognized under advice of the legal advisors, the nature of the lawsuits, similarities with prior lawsuits and the complexity of the lawsuits, when the risk of an unfavorable outcome is classified as probable, generating an outflow of funds to settle the obligation, and the amounts involved can be measured reliably. Lawsuits for which an unfavorable outcome is classified as possible are only disclosed in the notes to the financial statements when considered material on a stand-alone basis.
- **Legal obligations** - These are obligations that derive from a contract, through implicit or explicit terms, a law or other operation of law, which should be recognized by the member entities of Sicoob.

s. Other current and non-current liabilities

These are stated at known or estimated amounts including, where applicable, the corresponding accrued interest and indexation charges.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

t. Technical Pronouncements - CPCs

The Brazilian Central Bank has approved the adoption of the following Technical Pronouncements issued by CPC, which were considered in the financial statements:

- CPC 00 (R1) – Basic Conceptual Pronouncement;
- CPC 01 (R1) – Impairment of Assets;
- CPC 03 (R2) – Statement of Cash Flows;
- CPC 05 (R1) – Related-party Disclosures;
- CPC 10 (R1) – Share-based Payments;
- CPC 23 - Accounting Policies, Changes in Accounting Estimates and Correction of Errors;
- CPC 24 - Events After the Reporting Period;
- CPC 25 – Provisions, Contingent Liabilities and Contingent Assets;
- CPC 33 (R1) – Employee Benefits.

The remaining new Technical Pronouncements issued by CPC will be applied upon approval by the Brazilian Central Bank.

Note 4 – Cash and cash equivalents

a. Breakdown

Cash and cash equivalents, presented in the statement of cash flows, are broken down as follows:

Cash	Note	2018	2017
Available funds	5	912,006	660,671
Local currency		904,120	648,764
Foreign currency		7,886	11,907
Cash equivalents			
Short-term interbank investments (up to 90 days)		15,590,845	12,299,315
Investments in savings account deposits		5,438	5,783
Total		16,508,289	12,965,769

Note 5 – Available funds

Currency	2018	2017
Local currency	904,120	648,764
Foreign currency	7,886	11,907
Total	912,006	660,671

Note 6 – Short-term interbank investments

a. Breakdown of short-term interbank investments

	Note	Maturity			2018	2017
		Up to 3 months	From 3 to 12 months	Over 12 months		
Investments in repurchase agreements		15,644,557	-	-	15,644,557	12,299,315
Resales pending settlement - own resources	(a)	13,072,651	-	-	13,072,651	10,250,771
Resales pending settlement - third-party resources		2,571,906	-	-	2,571,906	2,048,544
Investments in interbank deposits		404,252	1,082,254	45,727	1,532,233	1,921,311
Investments in savings account deposits		5,438	-	-	5,438	5,783
Total		16,054,247	1,082,254	45,727	17,182,228	14,226,409
Current					17,182,228	14,166,182
Non-current					-	60,227

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

(a) Transactions backed by Federal Government Securities carried out with other financial institutions, mostly by Bancoob.

b. Income from short-term interbank investments

	Note	2 nd six-month period	2018	2017
Own resources		470,186	825,115	938,149
Third-party resources		70,576	131,226	131,676
Income from investments in interbank deposits		59,236	111,651	206,611
Total	7 (b)	599,998	1,067,992	1,276,436

Note 7 – Securities and derivative financial instruments

a. Marketable securities

Securities are classified as "available for sale", "trading" and "held to maturity". Their market value is calculated as follows:

i. Federal government securities (LTNs, LFTs, NTNs) - the index disclosed by the Brazilian Association of Capital and Financial Markets Institutions (ANBIMA) is used.

ii. National Treasury Certificates (ECTNs) - relating to loan transactions assumed from credit unions, whose face value is equivalent to the amount of debt, are restated at the rate of 12% p.a., added by the General Market Price Index (IGPM) variation.

iii. Investment funds (FIs) - the value of the fund shares on the last working day, disclosed by the fund's administrators, is used.

iv. Investment funds (FIDC) - subordinated shares - the latest price disclosed by the fund's administrator for the subordinated share, which represents the fair value of the fund's net assets, is used.

v. Private securities - are marked to market periodically, using an in-house methodology that considers primarily the prices available on liquid markets. Alternatively, fair values are calculated based on a method that considers the average spreads (for similar private securities) adopted for Sicoob's own portfolio, in accordance with the size of the issuer.

Securities, including derivative financial instruments and short-term interbank investments, are held under the custody of B3 or SELIC, except for investment fund shares of which records are kept by the respective administrators.

The securities classified as "held to maturity" are supported by a study that proves the financial capacity and Management's intention to hold them to maturity.

The credit unions are released from the obligation of classifying securities held in their portfolios into the aforementioned three categories. Accordingly, for purposes of presentation of the combined financial statements, the securities held by these credit unions were classified as "Available for sale", since they do not fit into the other categories.

Securities classified as "Trading securities" are presented within current assets.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

b. Breakdown of securities and derivative financial Instruments

Classification/Securities	Maturity			2018	2017
	With no maturity date and up to 3 months	From 3 to 12 months	Over 12 months	Accounting balance	Accounting balance
I - Available-for-sale securities	2,180,071	2,038,493	14,434,579	18,653,143	18,712,645
Bank's own portfolio	1,674,075	1,812,053	9,450,987	12,937,115	12,935,843
Financial Treasury Bills	795,676	-	8,260,786	9,056,462	8,676,572
Investment fund shares	313,373	-	-	313,373	929,661
Financial Bills (LFs)	565,026	1,811,507	1,069,239	3,445,772	3,174,398
Agribusiness Receivables Certificates (CRAs)	-	-	74,020	74,020	114,012
National Treasury Certificates	-	-	46,942	46,942	38,910
Agribusiness Credit Note (LCA)	-	546	-	546	-
Other	-	-	-	-	2,289
Subject to repurchase agreements	-	-	718,949	718,949	615,170
Financial Treasury Bills	-	-	718,949	718,949	615,170
Linked to the provision of guarantees	505,996	226,440	4,264,643	4,997,079	5,118,352
Financial Treasury Bills	486,415	-	4,215,760	4,702,175	4,504,327
Financial Bills (LFs)	19,509	226,123	41,567	287,199	607,604
National Treasury Certificates	-	317	3,519	3,836	-
Investment fund shares	-	-	3,797	3,797	6,421
Capitalization security	72	-	-	72	-
Linked to the Brazilian Central Bank	-	-	-	-	43,280
Financial Treasury Bills	-	-	-	-	40,288
National Treasury Certificates	-	-	-	-	2,992
II - Trading securities	318,595	459,152	1,474,905	2,252,652	2,222,364
Bank's own portfolio	318,595	459,152	1,474,905	2,252,652	2,222,364
Financial Treasury Bills	25,650	-	468,134	493,784	570,532
National Treasury Notes	-	1,747	17,963	19,710	20,799
Bank Deposit Certificates	47,108	7,056	-	54,164	122,685
Debentures	13,220	-	15,260	28,480	174
Rural Producer Notes (CPR)	-	16	-	16	-
Financial Bills (LFs)	86,850	415,993	932,819	1,435,662	1,094,995
Term deposits with special guarantees	12,575	34,340	40,729	87,644	359,828
Investment fund shares	133,192	-	-	133,192	53,351
III - Held-to-maturity securities	11,236	35,998	26,965	74,199	120,607
Bank's own portfolio	11,236	35,998	26,965	74,199	120,607
Bank Credit Notes	-	16,689	21,571	38,260	39,252
National Treasury Bills	11,236	19,309	3,458	34,003	-
National Treasury Certificates	-	-	1,936	1,936	-
Term deposits with special guarantees	-	-	-	-	81,355
Total	2,509,902	2,533,643	15,936,449	20,979,994	21,055,616
Current				6,518,449	6,101,113
Non-current				14,461,545	14,954,503

In the six-month period and in the year, there were no reclassifications of securities between the categories.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

c. Income from securities and derivative financial instruments

	Note	2 nd six-month period	2018	2017
Income from fixed-income securities	(a)	633,647	1,281,208	1,885,862
Income from investment funds	(a)	41,632	69,565	194,382
Income from short-term interbank investments	6(b)	599,998	1,067,992	1,276,436
Income from fixed-income securities		4,324	4,529	941
Income from derivative transactions		1	1	4,605
Expenses with securities and derivative financial instruments		(17,207)	(25,930)	(13,936)
Other		-	35	15,320
Total		1,262,395	2,397,400	3,363,610

(a) The decrease in income from securities and short-term interbank investments resulted from the fall in interest rates.

d. Breakdown of derivative financial instruments

Derivatives	Note	2018			2017		
		Assets	Liabilities	Exposure	Assets	Liabilities	Exposure
Futures	(a)	-	-	-	-	235	20,000
Total		-	-	-	-	235	20,000

(a) Relates to transactions in the futures market to hedge against the risk of fluctuations in the price of commodities traded through Financial Rural Product Notes (CPRFs).

Note 8 – Interbank accounts - assets

	Note	2018	2017
Payment transactions		3,626,982	3,264,515
Compulsory reserves in cash with BACEN		3,418	44,911
BACEN MCR 6-2 and 6-7	(a)	-	479,438
BACEN - savings deposits		1,040,037	702,480
Other		14,177	2,937
Total		4,684,614	4,494,281
Current		4,684,614	4,494,281
Non-current		-	-

(a) Relates to transfer to Rural Credit Funds to comply with the amount required in the BACEN's Rural Credit Manual (MCR) 6-2 and MCR 6-7.

The results from compulsory investments in the year amounted to R\$ 49,211 (R\$ 34,850 in 2017).

Note 9 – Lending operations

a. Breakdown of the loan portfolio

	2018	2017
Loans and discounted bills	35,713,577	29,573,615
Financing	4,656,739	3,437,580
Rural and agro-industrial financing	14,545,836	12,315,588
Real estate financing	25,095	6,039
Operations linked to assignment of receivables	-	18,864
Total lending operations	54,941,247	45,351,686
(-) Provision for loan losses	(3,032,203)	(2,483,721)
Total lending operations - net of provision	51,909,044	42,867,965
Credit card operations	3,308,984	2,443,943
(-) Provision for loan losses - credit cards	(26,868)	(14,756)
Other receivables with characteristics of credit granting	561,927	528,980
(-) Provision for other loan losses	(111,195)	(108,506)
Total other receivables - net of provision	3,732,848	2,849,661
Total lending operations and other receivables	55,641,892	45,717,626

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

b. Breakdown of the portfolio by industry and maturity

Industry	Note	Expired	Falling due					2018	2017	
			Falling due in up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years			Over 15 years
Rural		175,695	1,554,404	7,590,430	3,441,310	1,134,846	648,961	190	14,545,836	12,315,588
Individuals		713,616	2,922,612	5,057,940	5,889,093	2,291,721	1,114,978	5,692	17,995,651	15,564,320
Financial intermediaries		677	29,755	77,418	143,615	76,079	28,046	125	355,715	115,588
Real estate financing		-	384	806	2,154	2,139	9,575	10037	25,094	6,039
Legal entities										
Services		232,003	1,268,864	2,045,717	2,764,186	886,589	342,371	3,068	7,542,798	5,935,540
Manufacturing		241,688	1,569,025	1,590,853	1,742,344	534,294	165,638	4	5,843,846	4,783,408
Commerce		345,065	2,134,314	2,331,155	2,443,387	619,276	172,809	1,513	8,047,520	6,265,120
Other	(a)	6,690	54,932	134,879	263,194	111,876	13,215	-	584,787	372,122
Total		1,715,434	9,534,290	18,829,198	16,689,283	5,656,820	2,495,593	20,629	54,941,247	45,351,686
Current									30,078,922	26,454,166
Non-current									24,862,325	18,897,523

(a) Relates mostly to legal entities whose activities are classified as Commerce/Manufacturing, and, therefore, do not fit into the manufacturing or commerce fields of activity on an individual basis.

c. Breakdown of provisions for loan losses by risk level

Risk	Percentage	2018			2017		
		Balance of the portfolio	% of the portfolio	Amount of provision	Balance of the portfolio	% of the portfolio	Amount of provision
AA	-	2,162,670	3.93	-	1,337,994	2.95	-
A	0.50	22,905,389	41.69	114,527	21,192,773	43.78	101,174
B	1.00	16,885,976	30.73	168,860	14,281,588	31.49	151,572
C	3.00	7,370,741	13.42	221,122	5,824,863	12.84	179,546
D	10.00	2,089,524	3.80	208,952	1,324,001	2.92	133,601
E	30.00	1,138,847	2.07	341,654	692,237	1.53	207,761
F	50.00	600,204	1.09	300,102	452,965	1.00	227,482
G	70.00	369,705	0.67	258,794	338,913	0.75	238,239
H	100.00	1,418,191	2.59	1,418,191	1,244,346	2.74	1,244,346
Total		54,941,247	100.00	3,032,203	45,351,686	100.00	2,483,721

d. Concentration of lending operations

	2018	%	2017	%
10 largest debtors	307,495	0.56	203,823	0.63
50 next largest debtors	760,787	1.38	643,650	1.42
100 next largest debtors	889,940	1.62	741,021	1.63
Other	52,983,025	96.44	43,763,192	96.32
Total	54,941,247	100.00	43,351,686	100.00

e. Changes in the provision for loan losses

	2 nd six-month period	2018	2017
Balance at the beginning of the six-month period	2,585,377	2,483,721	2,160,845
Constitution (reversal) of provision for loan losses	1,246,411	2,181,592	1,789,765
Lending operations written off as losses	(799,585)	(1,633,110)	(1,466,889)
Balance at the end of the six-month period	3,032,203	3,032,203	2,483,721

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

f. Breakdown of the provision for loan losses on other receivables with characteristics of credit granting, by risk level

Risk	Percentage	2018			2017		
		Balance of the portfolio	% of the portfolio	Amount of provision	Balance of the portfolio	% of the portfolio	Amount of provision
AA	-	16,860	0.44	-	6,734	0.23	-
A	0.50	3,321,587	85.81	16,608	2,603,052	87.56	13,015
B	1.00	232,288	6.00	2,871	156,425	5.26	1,564
C	3.00	115,218	2.98	3,457	64,226	2.16	1,927
D	10.00	22,300	0.58	2,230	35,264	1.19	3,526
E	30.00	47,722	1.23	14,536	27,125	0.91	8,138
F	50.00	8,730	0.23	4,370	18,474	0.62	9,237
G	70.00	41,384	1.07	29,169	6,787	0.23	4,751
H	100.00	64,822	1.67	64,822	54,836	1.84	54,619
Total		3,870,911	100.00	138,063	2,972,923	100.00	96,777

The portfolio of other receivables with characteristic of credit granting is substantially represented by credit card operations (payment transactions).

g. Provision for loan losses - Other receivables with characteristics of credit granting

	2 nd six-month period	2018	2017
Balance at the beginning of the six-month period/year	94,002	123,262	94,862
Constitution (reversal) of provision	44,061	14,801	28,400
Balance at the end of the six-month period/year	138,063	138,063	123,262

h. Income from lending operations

Types of borrowings and financing	2 nd six-month period	2018	2017
Loans and discounted bills	3,904,005	7,602,573	7,089,517
Financing	376,048	711,688	648,677
Rural and agro-industrial financing	588,734	1,149,581	1,156,243
Real estate financing	843	1,264	288
Interbank onlending	-	-	16,901
Other	1,058	1,959	2,491
Sub-total	4,870,688	9,467,066	8,914,117
Recovery of credits written-off as losses	384,099	626,611	472,874
Total	5,254,787	10,093,676	9,386,991

Note 10 – Other receivables - sundry

a. Breakdown

	Note	2018	2017
Deposits in court	(a)	757,245	642,945
Tax credits	11(a)	102,002	74,256
Taxes recoverable or to be offset		157,494	122,887
Receivables from payment transactions	(b)	3,308,984	2,443,943
Notes and credits receivable		172,980	173,541
Salary prepayments and advances		17,277	15,612
Advance payments on property and equipment		38,706	36,270
Prepaid expenses		19,563	16,954
Payments to be reimbursed		95,570	70,975
Debtors for purchase of assets	(c)	424,611	402,814
Other		350,095	195,702
Sub-total		5,444,527	4,195,899
Provision for losses on other receivables		(175,116)	(123,262)
Total		5,269,411	4,072,637
Current		5,176,437	4,007,581
Non-current		92,974	65,056

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

- (a) Relate to deposits in court made by Sicoob entities, either upon court order or because of a strategy adopted by the System's entities, without actual settlement of the contingent liability.
- (b) Relates to transactions carried out by holders of Cabal, MasterCard and Visa credit cards. For the purposes of the presentation of total loan portfolio, these amounts are disclosed in Note 9(a).
- (c) Relates mainly to notes receivable for the sale of properties received in renegotiations of loan debts, which are substantially adjusted by the variation of the Long-term Interest Rate (TJLP) or of the Interbank Deposit Certificate (CDI).

Note 11 – Tax credits, income tax and social contribution on net income

a. Breakdown of tax credits

Breakdown	2018		2017	
	Income tax	Social contribution (a)	Income tax	Social contribution
Provision for loan losses	91,068	91,068	64,384	64,384
Civil and labor contingencies	13,154	13,154	3,668	3,668
Fair value adjustment – marketable securities	-	-	1,941	1,941
Profit sharing	11,143	11,143	9,164	9,164
Commission on SIPAG Acceleration Program	2,248	2,248	1,816	1,816
Government Severance Indemnity Fund for Employees ("FGTS") - 50% - Executive Board	1,650	1,650	1,067	1,067
Provisions for the national sales campaign	16,184	16,184	5,751	5,751
Card bonus	104,573	104,573	84,085	84,085
Legal fees	1,518	1,518	1,518	1,518
Other provisions	13,385	13,385	4,961	4,961
Amount	254,923	254,923	178,858	178,858
Tax rates	25%	15%	25%	20%
Tax credits recognized	63,731	38,271	44,715	29,541

- (a) At December 31, 2018, the Social Contribution tax credit was recognized on temporary differences at the rate of 15%, pursuant to Law 13,169/15. These amounts represent tax credits recognized by Bancoob and Bancoob DTVM.

b. Changes in tax credits

Changes	2018		2017	
	Income tax	Social contribution	Income tax	Social contribution
At December 31				
Deferred tax assets	44,715	29,541	21,527	14,817
Deferred tax liabilities	(1,681)	(1,073)	(1,209)	(809)
	43,034	28,468	20,318	14,008
Adjustment to profit (loss)	19,502	9,037	25,809	16,331
Tax credits recognized	25,053	26,192	30,548	26,272
Tax credits derecognized	(5,551)	(17,155)	(4,739)	(9,940)
Changes in deferred taxes	-	-	(1)	(1)
Adjustment to equity (securities)	628	426	(3,093)	(1,871)
Tax credits recognized	-	81	2,827	2,833
Tax credits derecognized	(485)	(388)	(5,449)	(4,440)
Changes in deferred taxes	1,114	733	(471)	(264)
Changes	20,130	9,463	22,716	14,460
At December 31				
Deferred tax assets	63,731	38,271	44,715	29,541
Deferred tax liabilities	(567)	(340)	(1,681)	(1,073)
	63,165	37,931	43,034	28,468

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

c. Expected realization of tax credits

Based on a study conducted by Management on the expected generation of future taxable income, the tax credits will be realized within five years, distributed as follows:

Years	Nominal amount	Present value
2019	35,994	33,587
2020	15,928	13,768
2021	12,211	9,774
2022	18,332	13,594
2023	6,465	4,440
2024 to 2028	13,072	8,314
Total tax assets	102,002	83,477

The present value of tax credits was calculated considering the SELIC rate projected for the realization years.

Note 12 – Other assets

Other assets	Note	2018	2017
Assets not for own use			
Property	(a)	860,897	678,405
Vehicles and similar items		8,269	10,101
Machinery and equipment		3,908	2,815
Assets under a special regime		207,088	178,544
Other		7,260	5,165
(-) Provision for impairment of other assets	(b)	(31,319)	(18,021)
Total assets not for own use		1,056,103	857,009
Other assets			
Materials in stock		8,408	9,148
Prepaid expenses		157,172	79,625
Total other assets		165,580	88,773
Total other assets		1,221,683	945,782
Current		1,221,683	945,782
Non-current		-	-

(a) Properties received in lieu of payment of loan debts.

(b) The increase in the provision for impairment of other assets resulted from the increase in the amount of properties received in lieu of payment.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 13 – Investments

Investments made by Central Credit Unions in Sicoob Confederation are stated at cost, and investments made by Bancoob and credit unions in associates and subsidiaries are valued under the equity method, and recorded in "Non-current assets - Investments". Results from equity interests were included in the "Equity in the results of subsidiaries and associates" line item.

Investments	Note	Ownership interest %	Investment amount	2018			2017			
				2 nd six-month period	Equity in the results	Good will	Ownership interest %	Investment amount	Equity in the results	Premium
Sicoob Confederation	(a)	100.00	267,064	-	-	-	100.00	270,626	-	-
Cabal Brasil Ltda.	(b)	80.00	32,856	1,088	3,917	5,801	80.00	35,351	5,206	7,458
Bancoob PAR	(c)	100.00	34,996	5,787	9,570	-	100.00	28,939	4,534	-
Consórcio Ponta	(d)	99.99	56,447	9,937	21,096	-	99.99	25,426	18,534	-
Sancor Seguros	(e)	25.00	32,180	5,020	9,276	-	25.00	25,018	7,497	-
Sicoob Minaseg	(e)	99.99	13,910	2,421	3,337	-	99.99	10,572	1,800	-
Sicoob Agências - Real estate investment fund	(f)	-	26,909	-	-	-	-	26,115	-	-
Other		-	25,435	3,271	4,083	-	-	13,164	1,917	-
Total			489,797	27,524	51,279	5,801		435,211	39,488	7,458

(a) Third-level credit union established by Sicoob's central cooperatives for the purpose of safeguarding the interests of the System, by standardizing, overseeing and integrating operations, finances, standards and technology. This credit union also defines communication and marketing policies and strategies, mainly as regards the Sicoob brand.

(b) Operator of MasterCard, Visa and Cabal credit cards within Sicoob, controlled by Bancoob.

(c) Investment in Bancoob Participações em Seguridade S.A. – Bancoob PAR Seguridade, holder of an equity interest in Sicoob Seguradora.

(d) Sicoob's Consortium Administrator controlled by Bancoob.

(e) Investments held by two Sicoob's central credit unions.

(f) Relates to property for investment held by a real estate investment fund.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 14 – Property and equipment and intangible assets

Property and equipment in use	2018			2017		
	Indexed cost	Accumulated depreciation/ amortization	Net balance	Indexed cost	Accumulated depreciation/ amortization	Net balance
Construction in progress	208,290	-	208,290	138,898	-	138,898
Land	159,192	-	159,192	141,477	-	141,477
Buildings	671,090	(142,418)	528,672	642,303	(117,573)	524,730
Furniture, fixtures and facilities	906,197	(372,017)	534,180	732,722	(313,706)	419,016
IT equipment	657,775	(386,308)	271,467	568,018	(336,346)	231,672
Other	1,283	(519)	764	1,509	(612)	897
Total	2,603,827	(901,262)	1,702,565	2,224,927	(768,237)	1,456,690

Intangible assets	2018			2017		
	Indexed cost	Accumulated depreciation/ amortization	Net balance	Indexed cost	Accumulated depreciation/ amortization	Net balance
Software	206,762	(145,801)	60,961	177,137	(128,397)	48,740
Total	206,762	(145,801)	60,961	177,137	(128,397)	48,740

Note 15 – Deposits

a. Breakdown by type and maturity

Deposits	With no defined maturity	Maturity			2018	2017
		Up to 3 months	From 3 to 12 months	Over 12 months		
Demand deposits	13,591,263	-	-	-	13,591,263	10,353,450
Savings deposits	5,239,256	-	-	-	5,239,256	3,891,630
Interbank deposits/Rural interbank deposits	-	159,790	2,552,318	264,452	2,976,560	3,598,535
Bank Deposit Certificates (CDBs)	-	46,678	13,980	491,987	552,645	408,915
Notice deposits	-	-	730,157	-	730,157	799,430
Credit Union Deposit Receipts (RDCs)	41,893,095	-	-	-	41,893,095	36,631,812
Other	39	-	-	-	39	128
Total	60,723,653	206,468	3,296,455	756,439	64,983,015	55,683,900
Current					64,226,576	55,170,110
Non-current					756,439	513,790

b. Concentration of depositors

	2018	%	2017	%
10 largest depositors	4,073,380	6.72	4,431,297	6.82
50 next largest depositors	3,649,646	5.62	4,404,780	6.78
100 next largest depositors	2,253,540	3.47	2,073,581	3.19
Other	55,006,449	84.65	44,774,242	68.90
Total	64,983,015	100.00	55,683,900	100.00

c. Money market funding expenses

Type	Note	2 nd six-month period	
		2018	2017
Savings deposits	(a)	105,137	197,605
Interbank deposits		64,314	145,805
Time deposits	(a)	1,284,069	2,478,740
Notice deposits		24,199	50,204
Money market funding		2,923	7,750
Agribusiness Credit Bills (LCAs)	(a)	100,981	182,403
Other funding expenses		47,258	89,152
Total		1,628,881	3,151,659

(a) The decrease in funding expenses resulted from the fall in interest rates.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 16 – Repurchase agreement obligations

Portfolios	Maturity			2018	2017
	Up to 3 months	From 3 to 12 months	Over 12 months		
Own portfolio - Financial Treasury Bills (LFT)	-	-	-	-	8,501
Third-parties' portfolio - LFT	61,772	-	-	61,772	436,207
Third-parties' portfolio - National Treasury Notes (NTN)	-	-	-	-	-
Total	61,772	-	-	61,772	444,708
Current				61,772	444,708
Non-current				-	-

Note 17 – Funds from acceptance of bills of exchange, real estate and mortgage notes, and debentures

Agribusiness Credit Notes	Maturity			2018	2017
	Up to 3 months	From 3 to 12 months	Over 12 months		
Fixed rate	10,589	14,448	270	25,308	22,270
Floating rate	865,011	1,786,334	1,177,473	3,828,818	2,634,338
Total	875,600	1,800,782	1,177,743	3,854,125	2,656,608
Current				2,676,382	2,165,709
Non-current				1,177,743	490,899

Note 18 – Interbank accounts - liabilities

	2018	2017
Payment transactions	2,561,634	2,235,308
Other	3,473	27,510
Total	2,565,107	2,262,818
Current	2,565,107	2,262,818
Non-current	-	-

Note 19 – Interbank onlendings and obligations arising from borrowings and onlendings in Brazil and abroad

a. Breakdown of interbank onlendings and obligations arising from borrowings and onlending in Brazil and abroad, by maturity

Interbank onlendings in Brazil comprise mainly funds obtained from the National Bank for Economic and Social Development (BNDES)/Government Agency for Machinery and Equipment Financing (FINAME), Banco do Brasil, and Funcafé.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

In Brazil	Note	With no defined maturity	Maturity			2018	2017
			Up to 3 months	From 3 to 12 months	Over 12 months		
BACEN MCR 6-2 and 6-7	(a)	-	-	-	-	-	479,438
BNDES		-	88,739	227,539	1,367,875	1,684,153	1,433,145
FINAME		-	67,138	588,127	712,356	1,367,622	686,904
Funcafé		-	160,731	241,926	98,209	500,866	1,146,542
Other financial institutions	(b)	-	32,337	566,208	9,540	608,085	668,068
Banco do Brasil	(c)	-	4,972	10,293	30,846	46,111	151,602
Sub-total		-	353,917	1,634,093	2,218,826	4,206,836	4,565,699
Abroad							
Other		-	-	-	-	-	664
Sub-total		-	-	-	-	-	664
Total onlendings in Brazil and abroad		-	353,916	1,634,093	2,218,827	4,206,836	4,566,363
Current						1,988,009	2,496,506
Non-current						2,218,827	2,069,857

(a) Transfer to Rural Credit Funds to comply with the amount required in the BACEN's Rural Credit Manual (MCR) 6-2 and MCR 6-7.

(b) Onlendings held mainly with Bradesco, Itaú, and Santander. Including the interbank onlendings that were reclassified to the group of Borrowings and onlendings.

(c) Mostly relating to onlendings of funds from the Midwest Constitutional Financing Fund (FCO).

b. Expenses with interbank onlendings and obligations arising from borrowings and onlendings

Onlendings	2 nd six-month period	2018	2017
BNDES	31,953	61,733	53,388
FINAME	14,280	26,089	18,357
Funcafé and financial institutions	36,002	61,926	76,699
Banco do Brasil	1,728	2,931	4,859
Other	22,428	29,190	27,679
Total	106,391	181,869	180,982

(a) The decrease in onlending expenses resulted from the fall in interest rates.

Note 20 – Other payables

a. Tax and social security obligations

	Note	2018	2017
Provision for income tax and social contribution		202,726	177,822
PIS/COFINS/ISSQN and other taxes		58,126	78,058
Taxes payable on third-party services		14,153	12,030
Taxes and contributions on salaries		97,378	84,219
Deferred taxes and contributions (marking to market of securities)	11 (b)	906	2,754
Other taxes payable		10,904	8,395
Total		384,193	363,278

b. Other payables - sundry

	Note	2018	2017
Payment orders pending settlement	(a)	53,100	62,131
Provision for the payment of administrative expenses	(b)	347,766	289,419
Provision for personnel expenses		374,428	361,875
Obligations related to official agreements - INSS		31,636	32,070
Payments not yet processed		18,221	29,231
Payables to third parties		73,923	44,415
Settlement - collection		21,185	9,859
Contingent liabilities	(c)	812,781	653,468
Provision for financial guarantees provided		130,243	94,780

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Checks deposited		31,579	27,683
Credit card obligations	(d)	198,470	145,276
Payables for acquisition of assets and rights		25,426	16,696
Obligations related to payment transactions	(e)	3,008,990	2,244,363
Obligations related to fund shares	(f)	327,534	161,361
Guarantee fund for deposits/assets	(g)	74,804	26,954
Obligations related to the assignment of lending operations	(h)	-	18,871
Other		76,041	131,319
Total		5,606,127	4,349,771

(a) Relates to payment orders pending settlement which had not been cleared up to December 31, 2018.

(b) Relates to provisions for the payment of expenses such as water, electricity, gas, rental, communication, publicity and advertising, among others.

(c) Relates to contingent liabilities arising from tax, civil and labor lawsuits, for which an unfavorable outcome has been classified as probable based on the legal counsel's opinion (Note 21(a.1)).

(d) Corresponds to obligations assumed in relation to the MasterCard brand and store owners of the Cabal chain for transactions carried out by the card holders.

(e) Relates mainly to payables related to acquiring operations.

(f) Relates to fund shares held by non-members of Sicoob.

(g) Relates to guarantee funds for assets and deposits, established by central credit unions.

(h) Relates to obligations arising from the assignment of Financial Rural Producer Notes (CPRFs) and Bank Credit Notes (CCBs) to a securitization company.

Note 21 – Liabilities, contingencies and legal obligations

The entities that comprise Sicoob are parties to tax-related lawsuits and administrative proceedings. These lawsuits are classified by internal and external legal advisors according to the likelihood of a successful outcome and taking into consideration the nature and specifics of each lawsuit, as well as former decisions of higher courts.

The provisions for lawsuits are recognized, measured and disclosed as follows:

A provision is recognized only when: (a) the entities that comprise Sicoob have a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources will be required to settle the obligation; and (c) the amount of the obligation can be estimated reliably. In the event any of the above conditions is not met, the provision is not recognized.

Based on these assumptions, when it is probable that a present obligation exists at the balance sheet date, Sicoob records a provision, and when it is not probable that a present obligation exists at the balance sheet date, Sicoob discloses the contingent liability, unless the possibility of an outflow of resources is considered remote.

Management believes that the provision recorded is sufficient to cover any losses arising from the existing lawsuits, as shown below:

a. Legal obligations classified as "probable losses"

The contingencies classified as involving risk of probable loss basically arise from labor and tax lawsuits and administrative proceedings inherent in the normal course of business, filed by third parties, former employees and public agencies.

a.1. Deposits in court and provisions for contingencies

Type of lawsuit	Note	2018		2017	
		Deposits in court	Provisions	Deposits in court	Provisions
Tax	(a.3 and a.4)	548,900	624,175	456,683	569,958
Labor		9,487	18,101	6,870	14,679
Civil	(a.3)	198,858	170,505	179,392	68,831
Total		757,245	812,781	642,945	653,468

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

a.2. Changes in provisions for contingencies

	Tax	Labor	Civil	Total	Total
Opening balance at December 31, 2017	569,958	14,679	68,831	653,468	625,335
Additions/reversals/adjustments	54,217	3,422	101,674	159,313	28,133
Closing balance at December 31, 2018	624,175	18,101	170,505	812,781	653,468

The provisions for tax, civil, and labor contingencies are recorded under "Other payables - sundry" (Note 20(b)).

a.3. Nature of lawsuits classified as "probable losses"

i. Tax - these lawsuits are being discussed at the administrative level, and relate to tax assessment notices received from the Federal Revenue Service with respect to Corporate Income Tax (IRPJ), Social Contribution on Net Income (CSLL), Social Integration Program (PIS), and Social Contribution on Revenues (COFINS) levied on returns from financial investments, as well as to the increase in the COFINS tax rate.

ii. Civil - these lawsuits basically relate to contractual terms, registration of clients with credit protection services, and personal claims.

a.4. Tax lawsuits - Income Tax Withheld at Source (IRRF) on financial investments

The credit unions are also challenging in court the income tax withheld at source on the earnings from financial investments made by members. Accordingly, the corresponding obligations are being recorded with a corresponding entry to the related deposits in court.

a.5. Schedule of the expected outflow of economic benefits

Due to the existing contingencies and the complexity of Brazil's legal environment, there are uncertainties that prevent a reasonable estimation of the schedule of future cash outflows of the lawsuits.

b. Contingencies classified as involving a "risk of possible loss"

Lawsuits classified as involving a risk of possible loss are not recognized, and are only disclosed when the amount involved is material. The following contingencies are classified as involving "risk of possible loss":

- (i) civil lawsuits discussing Bancoob's joint liability in relation to deposits into credit unions;
- (ii) civil lawsuit discussing Bancoob's civil liability for an error made by a credit union;
- (iii) labor lawsuits;
- (iv) tax and social security administrative proceedings (FAP, scholarships and PIS);
- (v) action for annulment of a tax assessment notice, filed by the Bank, relating to the amount deducted from the tax base by Bancoob in 2008. The deduction arose from the compensatory nature of the amount paid by BANCOOB, as decided at the Annual General Meeting, in relation to a failure in the provision of services under the Bank's responsibility.

Note 22 – Equity

a. Share capital

Capital is comprised of units equivalent to R\$ 1.00 each, in a manner that each member of the System is entitled to one vote, irrespective of the number of units held.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

In 2018, the entities that comprise Sicoob increased their capital by R\$ 1,281,617 (R\$ 1,167,201 in 2017). Returns of capital totaled R\$ 976,180 in the year (R\$ 688,953 in 2017).

In the same period, the number of members totaled 4,395,878 (4,011,429 in 2017), of which 3,655,916 are individuals and 739,962 are legal entities (3,389,552 individuals and 621,877 legal entities in 2017).

b. Legal reserve

This reserve is constituted with allocations of surpluses, at a percentage established by the bylaws, and is used to offset losses and foster development in the credit unions' activities.

c. Dividends

Bancoob's shareholders are entitled to mandatory minimum dividends corresponding to 5% of adjusted profit for the year. In 2018, the bank accrued dividends totaling R\$ 10,881, equivalent to R\$ 13.12 per thousand shares (R\$ 8,295 in 2017, equivalent to R\$ 11.19 per thousand shares). In the first half of 2018, Bancoob paid to Sicoob members the total amount of R\$ 165,527 (R\$ 154,418 in 2017), as dividends for 2017.

d. Interest on capital

Interest on capital is computed on the balance of paid-up capital and adjusted by the SELIC rate, limited to 12% per year, as established by Law 5,764/1971. The percentage used to adjust the members' balance of paid-up capital may vary among the credit unions. BACEN Circular Letter 2,739/1997 determines that for the purposes of being presented in the combined statement of changes in equity, expenses with interest on capital recorded in the statement of income should be adjusted to surplus for the year. Interest on capital is paid on the last day of the year, either through a deposit on current account, or as paid-in capital.

The provision for expenses with interest on capital for the six-month period amounted to R\$ 114,291 (R\$ 148,468 in 2017) and, for the year, it amounted to R\$ 570,950 (R\$ 724,062 in 2017).

e. FATES - Fund for Technical, Educational and Social Assistance

This fund is for educational activities and for the assistance to the members, their relatives, and the employees of the credit unions. Funds from activities unrelated to the core business of the credit unions, as plus at least 5% of the net surplus for the period, are allocated to FATES, as provided for in the bylaws. The amounts payable are recognized within a specific line item in liabilities, in accordance with the Accounting Chart for Institutions of the National Financial System (COSIF). In 2018, R\$ 126,695 (R\$ 163,126 in 2017) was allocated to FATES.

f. Losses computed

Pursuant to Supplementary Law 130/2009, the losses computed by credit unions are covered by the Legal Reserve funds. In the event the aforementioned funds are insufficient, the losses will be apportioned to the members and covered by future years' surpluses.

g. Accumulated surplus

The surplus is distributed and allocated in accordance with each entity's bylaws, in compliance with BACEN standards, as approved by the Annual General Meeting.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

h. Approval of allocations

The appropriations of surplus from 2016 and 2017 were approved by the Annual General Meetings, in accordance with the schedule of the central and individual credit unions.

The surpluses are allocated in accordance with the bylaws of central and individual credit unions as follows: to make up reserve funds, to FATES, to set up reserves, to increase capital, or to be distributed to the members' current account, net of tax effects. In 2018, R\$ 299,598 (R\$ 236,823 in 2017) was distributed to the members.

i. Fair value adjustment

These adjustments result from the mark-to-market of available-for-sale securities, net of the income tax and social contribution effects (Note 11(a)), applicable only to securities held by Bancoob, and totaled R\$ 1,459 in 2018 (R\$ 2,819 in 2017).

Note 23 – Management of third-party funds

At December 31, 2018, total third-party funds managed by Bancoob DTVM amounted to R\$ 24,219,302 (R\$ 19,457,638 in 2017), of which R\$ 20,028,794 (R\$ 15,404,227 in 2017) related to the management of securities, and R\$ 4,190,509 (R\$ 4,053,411 in 2017) to the management of investment funds. The income from management of third-party funds is recognized under "Income from investment fund management" and totaled R\$ 15,466 in 2018 (R\$ 10,177 in 2017).

Note 24 – Operational limits – Basel Accord

In accordance with CMN Resolutions 4,192 and 4,193, both of 2013, financial institutions authorized to operate by BACEN must calculate and maintain reference equity consistent with the risks of its activities, and each entity that comprises the System must comply with the provisions of the aforementioned Resolutions.

Note 25 – Other items in the combined financial statements

a. Income from services rendered and banking fees

	Note	2 nd six-month period	2018	2017
Income from collection services		178,137	335,307	219,080
Income from payment transaction services		216,160	398,127	402,483
Income from prepayments of obligations related to payment transactions	(b)	192,365	363,150	280,322
Income from services - commissions	(c)	116,213	206,100	169,083
Income from credit card services		37,307	92,264	-
Income from banking fees		22,181	41,802	54,316
Income from the management of investment funds		-	-	7,358
Income from acquiring services		3,345	4,428	20,579
Income from bank fees		404,690	763,138	619,356
Income from public utility companies		35,774	69,794	67,442
Other		41,163	55,326	171,610
Total		1,247,335	2,329,436	2,011,629

(a) Relates to electronic checks, annual fees on cards and credit card management services, among others.

(b) Relates to income from advance of receivables for payment transactions.

(c) Relates to commissions received for sales of services or products.

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

b. Personnel expenses

	Note	2 nd six-month period	2018	2017
Fees paid to Officers and Directors		187,618	360,521	325,702
Salaries	(a)	837,712	1,596,004	1,408,688
Social charges	(b)	315,164	608,022	534,089
Benefits	(c)	281,035	523,049	442,108
Training		17,492	25,849	18,878
Interns' compensation		9,925	18,433	15,979
Total		1,648,946	3,131,878	2,745,444

(a) Relates mainly to salaries, overtime, and provisions for 13th month salary and vacation pay.

(b) Relates mainly to provisions for the National Institute of Social Security (INSS) and Government Severance Indemnity Fund for Employees (FGTS) charges.

(c) Relates mainly to health care benefits, transportation, and meal vouchers provided to employees.

c. Administrative expenses

	Note	2 nd six-month period	2018	2017
Water, electricity and gas		32,059	62,161	52,736
Rentals		110,766	202,600	159,894
Communication		78,417	153,395	142,134
Maintenance and upkeep		39,788	75,381	71,712
Materials		23,286	44,137	43,773
Data processing	(a)	156,562	314,754	308,936
Promotions and public relations		66,622	119,402	91,837
Advertising and publicity		57,139	95,124	70,124
Financial System Services	(b)	152,683	274,715	472,231
Travel		27,641	46,847	37,979
Third-party services		93,629	179,445	173,536
Security and surveillance		92,478	177,568	153,316
Specialized technical services		96,797	169,841	150,839
Transportation		76,705	147,254	126,410
Insurance		16,928	30,983	25,880
Depreciation and amortization		107,449	205,674	175,995
Legal expenses and notarial fees		25,282	46,892	42,346
Apportionment of Sicoob Confederation expenses - other		98,327	122,703	192,509
Other administrative expenses		8,709	82,576	17,080
Total		1,361,267	2,551,452	2,509,267

(a) Relates mostly to the apportionment of technology services provided by Sicoob Confederation.

(b) Relates mainly to expenses with settlement and clearance services, issue of check books, the Brazilian Payment System (SPB), Centralized Check Clearance Service (COMPE) processing fees, services rendered to credit card brands, fees paid to inspection agencies etc.

d. Taxes

	Note	2 nd six-month period	2018	2017
Social Contribution on Revenues (COFINS)		53,150	101,625	88,969
Social Integration Program/Public Service Employees Savings Program (PIS/PASEP)		13,523	25,974	21,319
Tax on Services of Any Nature (ISSQN)		29,759	57,433	45,648
Tax on Financial Transactions (IOF) levied on remittances abroad		77	16,972	26,874
Other		14,523	28,603	27,356
Total		111,032	230,607	210,166

e. Other operating income

	Note	2 nd six-month period	2018	2017
Income from credit card operations		124,159	207,422	104,752
Recovery of charges and expenses		128,754	226,355	143,820
Reversal of operating provisions		1,865	7,950	71,100
Income from Onlending – Del Credere		12,152	17,484	15,669
Adjustment of deposits in court		18,075	24,179	17,128
Charges and fees		11,756	20,817	18,890
Acquiring operations		135,345	232,206	202,057
Income from brokerage, consortia and insurance		-	5,000	6,397
Surpluses received from Sicoob Confederation		298	9,648	28,999
Income from fines and interest		26,243	32,732	-

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Reversal of provision for guarantees provided	15,352	30,020	28,114
Other	2,096	48,701	7,733
Total	476,095	862,514	644,659

f. Other operating expenses

	Note	2 nd six-month period	2018	2017
Credit card administration expenses		202,083	366,715	218,585
Adjustment of INSS tax credits		-	-	1,901
Expenses with collection fees		21,603	42,953	36,090
Discounts granted		52,567	94,964	84,009
Contributions to the guarantor fund		5,189	10,069	8,547
Contributions to development/reimbursement fees		16,254	26,790	12,575
Cancellation of pending fees		36,517	66,687	51,928
Return of income		9,613	16,032	19,018
Contingent liabilities		18,060	30,011	17,939
Provisions for guarantees		50,236	69,376	81,650
Sundry contributions		14,038	23,532	12,690
Contributions to the Fund for Reimbursements		160	1,701	17,938
Contributions to the fund for information technology	(a)	23,892	48,152	49,104
Acquiring operations		143,904	192,358	67,009
Sundry commissions		42,274	52,718	-
Other		2,132	47,941	75,583
Total		638,522	1,089,999	754,566

(a) Information technology fund maintained by Sicoob Confederation.

g. Non-operating income (expense)

	2 nd six-month period	2018	2017
Non-operating income	28,581	55,028	51,388
Non-operating expenses	(48,088)	(66,678)	(54,617)
Provision for devaluation of assets not for own use	(18,807)	(27,696)	(7,286)
Amortization of goodwill - Cabal Brasil Ltda.	(631)	(1,657)	(1,887)
Total	(38,945)	(41,003)	(12,402)

Note 26 – Other information

a. Agreements for offsetting payables against receivables with the same financial institution

As established by CMN Resolution 3,263/2005, Bancoob has investments in financial institutions that allow it to offset payables against receivables held with these institutions. The amounts receivable and payable are stated in the balance sheet in the line items related to products under assets and liabilities, respectively.

b. Insurance

The System's assets are insured against risks at amounts deemed sufficient by Management to cover any losses, taking into consideration the nature of its activities.

c. Financial guarantees provided

The guarantees relating to endorsements and sureties provided by the credit unions that comprise Sicoob through financial charges totaled R\$ 5,750,042 at December 31, 2018 (R\$ 5,021,514 in 2017). The income from guarantees provided amounted to R\$ 2,022 (R\$ 2,601 in 2017).

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

d. Employee benefits - Private pension plan

The credit unions that comprise Sicoob are sponsors of the Sicoob Private Pension Foundation (Sicoob Previ), which was established in November 2006, in the form of a defined contribution plan, to provide its participants and their dependents with pension benefits that supplement the benefits provided by the official social security system.

At December 31, 2018, the contribution to Sicoob Previ totaled R\$ 12,235 (R\$ 9,157 in 2017).

e. Apportionment of Sicoob Confederation expenses

The Sicoob Confederation's Policy for Apportionment of Expenses became effective from January 1, 2017 by virtue of Resolution 179. The following expenses are apportioned among the Sicoob entities: **1)** technology: expenses with depreciation and amortization, personnel, data processing, outsourced personnel, communication, technical services, security and other expenses; **2)** other areas: expenses with depreciation and amortization, personnel, administrative expenses, rentals and condominium fees, communication, technical services and other expenses.

f. Profit sharing

Sicoob offers profit sharing to its employees, which is calculated in accordance with the Collective Labor Agreement. Up to December 31, 2018, profit sharing of R\$ 92,138 (R\$ 61,179 in 2017) had been accrued.

Note 27 – Related-party transactions

a. Bancoob's subsidiaries

The balances of Bancoob's subsidiaries were as follows:

	Bancoob DTVM		Bancoob PAR		Cabal		Consórcio Ponta	
	2018	2017	2018	2017	2018	2017	2018	2017
Assets	23	15	-	-	109	70	90	95
Receivables	23	15	-	-	109	70	90	95
Liabilities	5,004	4,271	507	512	64,959	44,338	104	43,830
Demand deposits	19	3	1	4	15,030	5,796	41	526
Time deposits	4,985	4,268	506	508	40,677	38,542	63	43,304
Payables	-	-	-	-	9,252	-	-	-
Expenses	148	163	15	27	30,730	26,881	1,881	1,409
Funding expenses	148	163	15	27	1,168	1,281	1,881	1,409
Administrative expenses	-	-	-	-	29,562	25,600	-	-
Revenue	-	-	-	-	8	8	453	242
Sundry income	-	-	-	-	8	8	453	242

b. Sicoob's credit unions

The balances of transactions carried out with Sicoob's credit unions are presented below:

	2018	2017
Assets	76,723,933	64,557,111
Interbank onlendings and lending operations	9,738,835	8,099,496
Marketable securities	10,730,872	8,226,443
Short-term interbank investments	28,768,251	25,079,729
Interbank accounts - financial centralization	27,187,125	22,993,432
Other receivables	231,925	125,369
Prepaid expenses - Credconsignado commission	66,925	32,642
Liabilities	64,502,934	56,011,640

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Demand and savings deposits	112	518
Interbank deposits	26,897,615	23,020,406
Time deposits	7,413,600	8,067,302
Repurchase agreements - own portfolio	717,555	605,763
Repurchase agreements - third-party portfolio	1,157,098	654,908
Interbank accounts	27,052,741	23,003,635
Borrowing and onlending operations	925,135	517,626
Other payables	339,077	141,481
Revenue	6,408,240	6,734,723
Interbank onlendings and lending operations	617,574	622,287
Short-term interbank investments and marketable securities	2,464,339	3,406,703
Income from services rendered	438,285	91,874
Other operating income	2,888,042	2,613,859
Expenses	4,995,629	5,382,518
Funding	2,860,199	3,029,363
Other operating expenses	2,135,430	2,353,155

c. Investment funds

The balances of transactions carried out with combined investment funds and managed by Bancoob DTVM are presented below:

Funds	Note	2018			2017		
		Repurchase agreements	Demand deposits	Revenue	Repurchase agreements	Demand deposits	Revenue
Minascoop - Fixed-income investment fund - Private Credit		740	4	28	667	3	249
Bancoob Centralização - Fixed-income investment fund - Private Credit		1,330,593	6	24,912	974,943	13	61,332
Coopmútuo - Multi-market investment fund - Private Credit		5,562	10	180	11,534	5	4,285
Sicoob Unimais - Fixed-income investment fund - Private Credit		2,761	8	99	3,963	2	387
Sicoob Cocred - Fixed-income investment fund - Private Credit		4,063	8	54	1,398	7	101
Sicoob Previdenciário - Fixed-income investment fund - IMA-B		197	9	17	500	5	39
Sicoob Institucional - Fixed-income investment fund - Private Credit		8,363	5	690	18,322	10	2,389
Sicoob Central SC - Fixed-income investment fund - Private Credit	(a)	-	-	106	167	7	118
Invest Rio - Fixed-income investment fund - Private Credit	(a)	-	-	1,042	34,709	6	817
Unicoob - Fixed-income investment fund - Private Credit	(a)	-	-	22	546	2	237
Sicoob Goiás Central - Fixed-income investment fund - Private Credit	(a)	-	-	38	12,600	5	697
Total		1,352,279	50	27,187	1,059,349	65	70,651

The amounts above are included in the balances before eliminations.

(a) Funds discontinued in 2018. Revenue presented relate to amounts accrued by the fund up to the discontinuation date.

d. Remuneration of the key management personnel

Key management includes directors and officers. The maximum aggregate compensation payable to the Board of Directors and Executive Board is established Annual Shareholders' Meeting.

The compensation paid or payable to officers and directors for their services is shown below:

Events	2018	2017
Fees	360,521	325,702
Social charges	81,147	62,933
Benefits	315,029	282,208
Total	756,697	670,843

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

Note 28 – Sicoob's centralized risk and capital management

a. Risk management

The integrated risk and capital management of Sicoob's credit unions is performed on a centralized basis by Sicoob Confederation, and addresses, at least, the credit, market, liquidity, operational, environmental, operational, business continuity and capital management risks.

The institutional policy for the integrated risk and capital management, as well as the related guidelines, is approved by the Board of Directors of Sicoob Confederation.

This centralized risk and capital management framework is consistent with the nature of the operations and the complexity of the products and services offered, as well as proportional to the extent of the Sicoob's entities exposure to risks.

In compliance with CMN Resolution 4,557/2017, a report detailing the risk management and capital management frameworks is available on Sicoob's website (www.sicoob.com.br).

a.1. Operational risk

The operational risk management process consists of a qualitative assessment of operational risks through stages that involve identification, evaluation, remediation, testing of control systems, communication and awareness.

The results obtained through this process are submitted to the Executive Board and the Board of Directors. For purposes of compliance with the New Basel Accord, the capital allocation methodology used to compute the portion of operational risk (RWAopad) is the Basic Indicator Approach (BIA).

a.2. Credit risk

Credit risk is managed through the use of good practices that ensure adherence to standards, maximize the use of capital, and minimize the risks involved in lending operations.

The centralized manager (Sicoob Confederation) is responsible for standardizing processes and methodologies for analysis of the risk posed by clients and transactions, creating and maintaining a single policy for Sicoob's credit risk, and monitoring the credit unions' loan portfolios.

a.3. Market and liquidity risks

The market risk management process aims at quantifying the possibility of losses arising from fluctuations in the market values of financial instruments held by the credit unions, and includes the risk of variations in interest rates and stock prices for financial instruments classified in the trading portfolio, and the risk of variations in the exchange rate and commodity prices for financial instruments classified in the trading or banking portfolios.

The liquidity risk management process addresses the possibility that the credit union will not be able to honor its current and non-current obligations, whether expected or unexpected, including those arising from guarantees provided, without affecting its daily operations and without incurring significant losses.

The following procedures are used to manage credit unions' market and liquidity risk:

- (a) Use of Value at Risk (VaR) to measure market risk;

Notes to the combined financial statements

December 31, 2018 and 2017

(All amounts in thousands of reais unless otherwise stated)

- (b) Analysis of mismatches between Assets and Liabilities to assess the impact on the financial margin;
- (c) Definition of maximum limit of exposure to market risk;
- (d) Periodical performance of back test on the VaR of the credit unions' portfolios and the models for calculating market risk;
- (e) Definition of minimum liquidity limit;
- (f) 90-day cash flow forecast;
- (g) Different scenarios simulating a loss in stress situations.

The mismatch between current assets and current liabilities in the combined balance sheet, totaling R\$ 14.81 billion at December 31, 2018, does not pose any risk to the System in view of the following: **i)** 35.88% of non-current assets consists of highly liquid federal government securities; **ii)** 70.41% of the deposits is obtained through Credit Union Deposit Receipts (RDCs) with members of the credit unions; **iii)** tests conducted periodically show the stability/renewal of short-term liabilities.

a.4. Environmental risk

Environmental risk management consists of the identification, classification, assessment and treatment of potential risks of loss arising from environmental damages.

a.5. Business continuity management

Business Continuity Management is a comprehensive process to identify potential threats of business interruption faced by the organization, and the impacts that those threats, if realized, might cause.

The Impact Analysis (AIN) is performed by Sicoob Confederation to identify the system's critical processes and define strategies for the continuity of these processes, in order to protect the organization from prolonged interruptions that could threaten business continuity. This analysis is based on financial, legal, and reputation impacts.

Business Continuity Plans are prepared annually, and include the key procedures to be performed to ensure the maintenance of activities in the event of contingencies. These Plans are classified into: Operational Continuity Plan (OCP), and Disaster Recovery Plan (DRP).

The effectiveness of the Business Continuity Plans is tested annually.

b. Capital management

Capital management is an ongoing process of monitoring and controlling the capital held by the credit unions to cope with the risks to which they are exposed, and ensure the achievement of the strategic objectives established.

Note 29 – Events after the reporting period

a. Foreign exchange portfolio

Committed to its vision of being the main Brazilian financial institution to foster the social and economic development of its members, and aiming to leverage its portfolio of products, Bancoob started its Foreign Exchange operations in the first half of 2019.

* * *

Composition of Bancoob's Management Bodies

Board of Directors

Henrique Castilhano Vilares – Chairman
Geraldo Souza Ribeiro Filho – Vice Chairman
Hudson Tabajara Camilli – Member
Ivo Azevedo de Brito – Member
Luiz Gonzaga Viana Lage – Member
Marcelo Baiocchi Carneiro – Member
Miguel Ferreira de Oliveira – Member
Neilson Santos Oliveira – Member
Rui Schneider da Silva – Member

Executive Board

Marco Aurélio Borges de Almada Abreu – CEO
Ênio Meinen – Executive Officer
Marcos Vinicius Viana Borges – Executive Officer
Ricardo Simone Pereira – Executive Officer
Rubens Rodrigues Filho – Executive Officer

Accountant

Primo João Cracco
CRC-SP 149.703/O-2