

(A free translation of the original in Portuguese)

# **Sistema de Cooperativas de Crédito do Brasil - Sicoob**

Combined Financial Statements

at June 30, 2017 and 2016

(A free translation of the original in Portuguese)

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# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Management Report

To the Management and Members of Sicoob,

We hereby present the Combined Financial Statements of Sistema de Cooperativas de Crédito do Brasil – Sicoob at June 30, 2017, containing the main figures obtained from the largest system of credit unions in Brazil, for the first six-month Period of 2017, highlighting the results achieved, the expansion of the service network, and technological advances.

In June 2017, the results achieved totaled R\$ 1.25 billion (an increase of 9.1% against the R\$ 1.14 billion recorded for the first six-month Period of 2016), generating a return of 15.4% on Equity.

In June 2017, the balance of total assets amounted to R\$ 83.9 billion, up 23.9% compared to the same period of 2016. The return on Total Assets was 1.5%.

The loan portfolio totaled R\$ 41.5 billion in June 2017, an increase of 10.5% compared to the balance recorded in June 2016. Rural and agro-industrial financing totaled R\$ 11.5 billion (up 3.3% compared to the first six-month Period of 2016).

The card issuance segment, which closed the period with 1.3 million cards with a built-in limit issued, recorded increased financial movements, reaching R\$ 10.3 billion in the period, up 44% compared to the first six-month Period of 2016.

In June 2017, total deposits amounted to R\$ 53.7 billion, a growth of 24.9% against the R\$ 43.0 billion recorded for the same period of 2016. This result is evidence of the high confidence placed by credit union members in the System's management. The credit union savings account was one of the highlights, closing the period with a total balance of R\$ 3.4 billion, up 19.2% compared to June 2016.

Equity totaled R\$ 17.1 billion in the first six-month Period of 2017, an increase of 15.1% in relation to 2016.

In the first six-month Period of 2017, Sicoob had a total of 36,141 employees (an increase of 3.8% compared to the same period of 2016). This result indicates Sicoob's commitment to social responsibility through the generation of jobs and the expansion of its headcount.

Sicoob provides its members with a wide service network in Brazil, featuring 2,626 branches and 877 correspondents. From June 2016 to June 2017, the System made 146 new branches available to its members. It is worth mentioning that in 205 Brazilian municipalities Sicoob is the only financial institution available, which shows its commitment to Brazil's economic and social development. Its services are also available at 3,562 Electronic Service Units ("PAEs") and over 20 thousand ATMs from the Banco24Horas Network.

Transactions on digital channels accounted for 72% of Sicoob's total operations, which shows the System's technological advances in line with the trends in the financial market.

In the first six-month Period of 2017, there were major advances in relation to the products and services offered to credit union members, including the launch of the "Sicoob Faça Parte" and "Sicoob Conta Fácil" applications, which are fully digital, to attract new members.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob Management Report

## **Acknowledgments**

We would like to thank our members, the central and single credit unions and the Sicoob Confederation for their collaboration towards the achievement of the System's goals, our external partners for believing in the solutions offered by Sicoob, and our employees for their dedication and commitment.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined balance sheet at June 30

(All amounts in thousands of reais)

(A free translation of the original in Portuguese)

<b>Assets</b>	<b>2017</b>	<b>2016</b>
<b>Current Assets</b>	<b>48,404,559</b>	<b>37,065,556</b>
<b>Available Funds (Note 5)</b>	<b>551,579</b>	<b>519,803</b>
<b>Short term Interbank Investments (Note 6)</b>	<b>13,151,848</b>	<b>7,896,991</b>
Money Market Investments	11,485,409	6,771,252
Investments in Interbank Deposits	1,661,538	1,122,490
Investments in Savings Account Deposits	4,901	3,249
<b>Marketable Securities and Derivative Financial Instruments (Note 7)</b>	<b>7,098,161</b>	<b>4,875,263</b>
Own Portfolio	5,726,283	4,539,392
Subject to Repurchase Agreements	26,513	-
Linked to the Provision of Guarantees	1,306,385	237,114
Derivative Financial Instruments	38,980	98,757
<b>Interbank Accounts (Note 8)</b>	<b>1,352,011</b>	<b>889,773</b>
Payments and Receipts Pending Settlement	727,473	628,479
Receivables Linked to the Brazilian Central Bank	617,142	254,952
Correspondents	4,124	4,149
Other	3,271	2,193
<b>Interbranch Accounts</b>	<b>8,249</b>	<b>17,172</b>
Interbranch Accounts	8,249	17,172
<b>Lending Operations (Note 9)</b>	<b>20,129,077</b>	<b>19,181,081</b>
Lending Operations - Private Sector	21,292,743	20,182,639
(-) Provisions for Loan Losses (Note 9 (e))	(1,163,666)	(1,001,558)
<b>Other Receivables</b>	<b>5,288,041</b>	<b>3,083,492</b>
Guarantees	64,497	46,649
Income Receivable	59,404	54,553
Negotiation and Intermediation of Securities	7	-
Sundry (Note 10)	5,247,652	3,040,269
(-) Provisions for Losses on Other Receivables (Note 10 (b))	(83,519)	(57,979)
<b>Other Assets (Note 12)</b>	<b>825,593</b>	<b>601,981</b>
Other Assets	745,945	539,986
Prepaid Expenses	79,648	61,995
<b>Non-Current Assets</b>	<b>35,526,702</b>	<b>30,663,868</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined balance sheet at June 30

(All amounts in thousands of reais)

(continued)

	2017	2016
<b>Long term Receivables</b>		
<b>Interbank Investments (Note 6)</b>	<b>246,303</b>	<b>-</b>
Investments in Interbank Deposits	246,303	-
<b>Securities (Note 7)</b>	<b>13,588,976</b>	<b>11,630,074</b>
Own Portfolio	9,697,861	7,277,348
Subject to Repurchase Agreements	37,487	115,166
Linked to the Provision of Guarantees	3,850,839	4,237,560
Linked to the Brazilian Central Bank	2,789	-
<b>Lending Operations (Note 9)</b>	<b>19,344,082</b>	<b>17,019,131</b>
Lending Operations - Private Sector	20,462,368	17,907,800
(-) Provisions for Loan Losses (Note 9 (e))	(1,118,285)	(888,669)
<b>Other Receivables</b>	<b>590,001</b>	<b>515,285</b>
Sundry (Note 10)	609,737	532,411
(-) Provisions for Losses on Other Receivables (Note 10 (b))	(19,736)	(17,126)
<b>Investments (Note 13)</b>	<b>394,391</b>	<b>320,425</b>
Equity Interests in Associates and Subsidiaries	77,327	64,440
Other Equity Investments	316,479	225,982
Other Investments	585	30,003
<b>Property and Equipment (Note 14)</b>	<b>1,308,675</b>	<b>1,116,584</b>
Properties in Use	743,407	583,342
Other Property and Equipment in Use	1,271,341	1,145,091
(-) Accumulated Depreciation	(706,073)	(611,849)
<b>Intangible Assets (Note 14)</b>	<b>54,274</b>	<b>62,369</b>
Software	174,379	158,870
(-) Accumulated Amortization	(120,105)	(96,502)
<b>Total Assets</b>	<b>83,931,261</b>	<b>67,729,424</b>

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

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined balance sheet at June 30

(All amounts in thousands of reais)

(continued)

Liabilities	2017	2016
<b>Current Liabilities</b>	<b>63,186,277</b>	<b>49,936,840</b>
<b>Deposits (Note 15)</b>	<b>53,198,545</b>	<b>42,830,140</b>
Demand Deposits	9,129,423	7,265,857
Savings Account Deposits	3,380,171	2,835,087
Interbank Deposits	3,795,738	3,185,059
Notice Deposits	828,025	845,494
Credit Union Deposit Receipts	36,049,787	28,687,028
Time Deposits	15,376	11,592
Other	25	23
<b>Repurchase Agreement Obligations (Note 16)</b>	<b>111,719</b>	<b>282,506</b>
Own Portfolio	32,086	2,009
Third-Party Portfolio	79,633	280,497
<b>Funds from Acceptance of Bills of Exchange, Real Estate and Mortgage Notes and Debentures (Note 17)</b>	<b>1,838,891</b>	<b>643,203</b>
Agribusiness Credit Notes	1,838,891	643,203
<b>Interbank Accounts (Note 18)</b>	<b>830,262</b>	<b>704,102</b>
Receipts and Payments Pending Settlement	820,786	699,603
Interbank Onlending	-	1,865
Correspondents	1,734	1,444
Other	7,742	1,190
<b>Interbranch Accounts</b>	<b>80,653</b>	<b>56,885</b>
Third-Party Funds in Transit	80,651	56,877
Internal Transfers of Funds	2	8
<b>Derivative Financial Instruments</b>	<b>-</b>	<b>593</b>
Derivative Financial Instruments	-	593
<b>Onlendings in Brazil - Official Institutions (Note 19)</b>	<b>1,481,596</b>	<b>1,424,390</b>
BACEN (MCR-6-2)	165,766	-
National Treasury	21	21
Banco do Brasil	155,701	303,874
BNDES	246,807	213,445
FINAME	157,985	144,774
Funcafé	355,738	503,241
Other	399,578	259,035
<b>Onlending Abroad (Note 19)</b>	<b>664</b>	<b>664</b>
Onlending Abroad	664	664
<b>Other Liabilities</b>	<b>5,643,947</b>	<b>3,994,357</b>
Collection of Taxes and Similar Charges	214,087	172,280
Social and Statutory Charges	584,171	539,604
Taxes and Social Security Charges (Note 20(a))	202,837	254,216
Negotiation and Intermediation of Securities	1,884	11
Sundry (Note 20(b))	4,640,968	3,028,246

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined balance sheet at June 30

(All amounts in thousands of reais)

(continued)

	2017	2016
<b>Non-Current Liabilities</b>	<b>3,612,988</b>	<b>2,909,947</b>
<b>Long term Liabilities</b>		
<b>Deposits (Note 15)</b>	<b>535,397</b>	<b>187,121</b>
Interbank Deposits	220,161	15,873
Time Deposits	315,236	171,248
<b>Repurchase Agreement Obligations (Note 16)</b>	<b>-</b>	<b>23,364</b>
Own Portfolio	-	23,364
<b>Funds from Acceptance of Bills of Exchange, Real Estate and Mortgage Notes and Debentures (Note 17)</b>	<b>436,631</b>	<b>327,370</b>
Agribusiness Credit Notes	436,631	327,370
<b>Onlending in Brazil - Official Institutions (Note 19)</b>	<b>2,016,132</b>	<b>1,920,775</b>
National Treasury	1,054	1,156
Banco do Brasil	53,719	142,211
BNDES	1,099,486	914,947
FINAME	527,735	549,413
Funcafé	217,357	217,882
Other	116,781	95,166
<b>Other Liabilities</b>	<b>623,655</b>	<b>450,013</b>
Taxes and Social Security charges (Note 20(a))	75	3
Sundry (Note 20(b))	623,580	450,010
<b>Deferred Income</b>	<b>1,173</b>	<b>1,304</b>
Prepaid Income	1,173	1,304
<b>Equity (Note 22)</b>	<b>17,131,996</b>	<b>14,882,637</b>
Capital		
Capital	11,434,579	10,039,799
Capital Reserve	45,630	36,236
Retained Earnings	4,601,663	3,740,959
Revaluation Reserve	1,736	1,810
Profit or Loss/Accumulated Surplus or Deficit	1,045,467	1,067,116
Adjustment to Market Value - Securities	2,947	(3,257)
Treasury Shares	(26)	(26)
<b>Total Liabilities and Equity</b>	<b>83,931,261</b>	<b>67,729,424</b>

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



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined statement of income

Quarter ended June 30, 2017

(All amounts in thousands of reais)

(A free translation of the original in Portuguese)

	2017	2016
<b>Income from Financial Intermediation</b>	<b>6,433,215</b>	<b>5,742,392</b>
Lending Operations (Note 9 (f))	4,604,487	4,221,391
Gains (losses) on Securities (Note 7)	1,809,587	1,501,912
Gains (losses) on Derivative Financial Instruments	4,459	5,494
Gains (losses) on Compulsory Investments	14,682	13,595
<b>Expenses for Financial Intermediation</b>	<b>(3,358,142)</b>	<b>(3,036,561)</b>
Money Market Funding Transactions (Note 15(b))	(2,365,587)	(2,115,843)
Borrowing and Onlending (Note 19(b))	(85,581)	(87,405)
Provisions for Loan Losses (Notes 9(e) and 10(b))	(906,974)	(820,313)
<b>Gross Profit (Loss) From Financial Intermediation</b>	<b>3,075,073</b>	<b>2,718,831</b>
<b>Other Operating Income (Expenses)</b>	<b>(1,693,148)</b>	<b>(1,486,321)</b>
Income from Services Rendered (Note 25(a))	468,931	343,579
Income from Bank Fees (Note 25(a))	288,992	232,494
Personnel Expenses (Note 25(b))	(1,310,225)	(1,098,413)
Administrative Expenses (Note 25(c))	(1,230,763)	(998,460)
Taxes	(93,652)	(64,789)
Equity in the Results of Subsidiaries and Associates (Note 13)	12,148	7,668
Other Operating Income (Note 25(d))	421,164	254,845
Other Operating Expenses (Note 25(e))	(249,743)	(163,245)
<b>Operating Result</b>	<b>1,381,925</b>	<b>1,232,510</b>
<b>Non-Operating Result (Note 25(f))</b>	<b>(4,238)</b>	<b>10,884</b>
<b>Result Before Taxation and Profit Sharing</b>	<b>1,377,687</b>	<b>1,243,394</b>
<b>Income Tax and Social Contribution (Note 11)</b>	<b>(106,430)</b>	<b>(81,592)</b>
Income Tax (Note 11(d))	(60,549)	(44,809)
Social Contribution (Note 11(d))	(48,691)	(36,268)
Deferred Tax Credits (Note 11(d))	2,810	(515)
<b>Employee Profit Sharing (Note 26(e))</b>	<b>(24,273)</b>	<b>(19,144)</b>
<b>Profit for the Six-month Period</b>	<b>1,246,984</b>	<b>1,142,658</b>

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

# Sistema de Cooperativas de Crédito do Brasil - Sicoob

## Combined statement of changes in equity

Six-month periods ended June 30

(All amounts in thousands of reais)

(A free translation of the original in Portuguese)

	Capital	Capital Reserve	Revaluation Reserve	Revenue Reserve	Adjustment to Market Value	Retained Earnings	Treasury Shares	Total
<b>At December 31, 2015</b>	<b>9,527,142</b>	<b>58,371</b>	<b>1,843</b>	<b>3,109,301</b>	<b>(1,370)</b>	<b>1,599,532</b>	<b>(26)</b>	<b>14,294,793</b>
<b>Allocation in the Previous Six-month Period:</b>								
Net Surplus to be Distributed	-	-	-	-	-	(28,245)	-	(28,245)
Allocations to Reserves	-	-	-	12,639	-	-	-	12,639
Reversal of Reserves/Offsetting of Losses	-	(22,350)	-	-	-	22,350	-	-
Distributions to Members	-	-	-	-	-	(170,927)	-	(170,927)
Other Allocations	-	-	-	-	-	41,020	-	41,020
Capital Units Payable - Former Members	-	-	-	-	-	(617)	-	(617)
Proposed Dividends from Previous Years	-	-	-	(108,077)	-	-	-	(108,077)
Capital Increase (Note 22(a))	965,492	-	-	-	-	(683,991)	-	281,501
Refunds (Write-offs of Capital)	(353,705)	-	-	-	-	-	-	(353,705)
Unpaid Capital	(99,130)	-	-	-	-	-	-	(99,130)
Realization of Revaluation Reserve	-	-	(33)	-	-	-	-	(33)
Treasury Shares	-	-	-	-	-	-	-	-
Adjustment to Market Value	-	-	-	-	(1,887)	-	-	(1,887)
<b>Profit for the Six-month Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,142,658</b>	<b>-</b>	<b>1,142,658</b>
<b>Proposed Allocations:</b>								
Reserves	-	215	-	727,096	-	(727,311)	-	-
Allocations to the Fund for Technical, Educational and Social Assistance ("FATES")	-	-	-	-	-	(7,147)	-	(7,147)
Interest on Capital	-	-	-	-	-	(116,826)	-	(116,826)
Proposed Dividends (Note 22(c))	-	-	-	-	-	(3,379)	-	(3,379)
<b>At June 30, 2016</b>	<b>10,039,799</b>	<b>36,236</b>	<b>1,810</b>	<b>3,740,959</b>	<b>(3,257)</b>	<b>1,067,116</b>	<b>(26)</b>	<b>14,882,637</b>
<b>At December 31, 2016</b>	<b>10,991,042</b>	<b>38,977</b>	<b>1,769</b>	<b>3,904,787</b>	<b>(4,589)</b>	<b>1,509,220</b>	<b>(26)</b>	<b>16,441,180</b>
<b>Allocation in the Previous Six-month Period:</b>								
Net Surplus to be Distributed	-	-	-	-	-	-	-	-
Allocations to Reserves	-	-	-	-	-	-	-	-
Reversal of Reserves/Offsetting of Losses	-	(29,431)	-	(75,025)	-	104,456	-	-
Distributions to Members	-	-	-	-	-	(203,205)	-	(203,205)
Other Allocations	-	-	-	-	-	23,735	-	23,733
Capital Units Payable - Former Members	-	-	-	-	-	(181)	-	(181)
Proposed Dividends from Previous Years	-	-	-	(147,309)	-	-	-	(147,309)
Capital Increase (Note 22(a))	1,227,295	-	-	-	-	(526,701)	-	700,594
Refunds (write-offs of capital)	(425,242)	-	-	-	-	-	-	(425,242)
Unpaid Capital	(358,515)	-	-	-	-	-	-	(358,515)
Realization of Revaluation Reserve	-	-	(33)	-	-	-	-	(33)
Treasury Shares	-	-	-	-	-	-	-	-
Adjustment to Market Value	-	-	-	-	7,536	-	-	7,536
<b>Profit for the Six-month Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,246,984</b>	<b>-</b>	<b>1,246,984</b>
<b>Proposed Allocations:</b>								
Reserves	-	36,084	-	919,210	-	(955,294)	-	-
Allocations to the Fund for Technical, Educational and Social Assistance	-	-	-	-	-	(306)	-	(306)
Interest on Capital	-	-	-	-	-	(148,468)	-	(148,468)
Proposed Dividends (Note 22(c))	-	-	-	-	-	(4,773)	-	(4,773)
<b>At June 30, 2017</b>	<b>11,434,579</b>	<b>45,630</b>	<b>1,736</b>	<b>4,601,663</b>	<b>2,947</b>	<b>1,045,467</b>	<b>(26)</b>	<b>17,131,996</b>

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

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Combined statement of cash flows

Six-month periods ended June 30

(All amounts in thousands of reais  
unless otherwise stated)

(A free translation of the original in Portuguese)

	<b>2017</b>	<b>2016</b>
<b>Cash Flows from Operating Activities</b>		
Adjusted Profit	2,370,467	2,137,558
Profit before Taxation and Profit Sharing	1,377,687	1,243,314
Provision for Loan Losses	906,974	820,313
Depreciation and Amortization	84,541	70,842
Equity in the Results of Subsidiaries	(12,148)	(7,668)
Goodwill on Equity Interests in Subsidiaries	1,003	870
Interest on Sales of Property and Equipment	-	(1,511)
Provision for Tax, Labor and Civil Contingencies	12,410	11,298
 Increase (Decrease) in Short Term Interbank Investments	 7,806	 (1,081,843)
Increase in Securities	(1,356,075)	(2,311,476)
Decrease in Interbank and Interbranch Accounts	(694,632)	(504,285)
Increase in Lending Operations	(1,948,702)	(2,179,732)
Increase in Other Receivables	(650,321)	(476,986)
Increase in Other Assets	(107,138)	(22,935)
Increase in Deposits	5,702,871	5,958,270
Increase (Decrease) in Repurchase Agreement Obligations	4,741	190,916
Increase in Funds from Acceptance of Bills of Exchange, Real Estate and Mortgage Notes and Debentures	887,388	354,491
Increase in Borrowing and Onlending	50,710	8,449
Increase (Decrease) in Other Obligations	449,142	271,783
Income Tax and Social Contribution to be Offset	(68,775)	(46,999)
Change in Deferred Income	(818)	(434)
<b>Net Cash Used in Operating Activities</b>	<b>4,646,664</b>	<b>2,296,757</b>
<b>Cash Flows from Investment Activities</b>		
Disposal (Acquisition) of Investments	(48,375)	(12,536)
Disposal/Write-off of Property and Equipment	26,321	51,401
Disposal/Write-off of Intangible Assets/Deferred Charges	2,606	7,243
Purchases of Property and Equipment	(180,622)	(214,322)
Purchases of Intangible Assets	(2,969)	(18,456)
<b>Net Cash Used in Investment activities</b>	<b>(203,039)</b>	<b>(186,670)</b>
<b>Cash Flows from Financing Activities</b>		
Increase in Capital	313,123	182,371
Distribution of Results from Previous Years	(350,514)	(376,409)
Write-offs of Capital	(425,242)	(360,851)
<b>Net Cash Used in Financing Activities</b>	<b>(462,633)</b>	<b>(554,889)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,980,992</b>	<b>1,555,198</b>
Cash and Cash Equivalents at the Beginning of the Six-month Period (Note 4)	7,626,397	4,191,859
Cash and Cash Equivalents at the End of the Six-month Period (Note 4)	11,607,389	5,747,057

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

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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### 1. Operations

Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sicoob" or the "System") is made up of 476 First-Level Individual Credit Unions, which operate in all 27 Brazilian states, featuring 2,150 Credit Union Service Units, 3,562 ATMs and 877 Correspondents, serving a total of 3.7 million members.

The System is comprised of sixteen central credit unions which hold stakes in Banco Cooperativo do Brasil S.A ("Bancoob" or the "Bank"), a multi-service bank established pursuant to Resolution 2,193 of the National Monetary Council ("CMN"), of August 31, 1995.

Bancoob 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").

Fundação Sicoob Previ ("Sicoob Previ") is Sicoob's private pension entity, established in November 2006, to offer participants and their dependents pension benefits that complement those provided by 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 supervision services, standardization of operational procedures and implementation of the internal control system, as well as information technology services.

Sicoob, which has strong operations in all Brazilian states, is a cooperative financial institution that plays a key social role by providing support for the growth and development of the communities in which it operates. Sicoob offers all types of banking products and services, shares the results achieved with its members, and invests the funds raised in the communities themselves, driving commerce and production and creating jobs and income.

The mismatch between current assets and current liabilities, in the combined balance sheet, totaling R\$ 14.78 billion at June 30, 2017, does not pose any risk to the System in view of the following: i) 38.25% of non-current assets consist of highly liquid federal government securities; ii) 66.69% of the deposits are obtained through Credit Union Deposit Receipts ("RDCs") with members of the credit unions; iii) tests conducted periodically indicate the stability/renewal of short term liabilities.

### 2. Presentation of the Combined Financial Statements

Sicoob's combined financial statements ("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 set of financial statements, the consolidated position of all of the activities carried out by Sicoob, through the entities that comprise the System.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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Accordingly, despite the corporate, internal control and governance structures applicable to each member of the System, as well as the requirements for financial statement presentation and disclosure, in accordance with the standards issued by the National Monetary System (“CMN”) and the Brazilian Central Bank (“BACEN”), the combined financial statements are not representative of the individual financial statements of the entities that comprise Sicoob, neither can the figures herein presented be used for the calculation of dividends and taxes, for performance assessments or any other corporate or statutory purposes, as the latter should be based on the individual financial statements.

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

In the preparation of the combined financial statements, the accounting practices adopted in Brazil, based on Law 6,404/1976 and subsequent amendments introduced by Laws 11,638/2007 and 11,041/2009, the standards issued by BACEN and CMN for the purposes of compliance with the Accounting Chart 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), were followed.

The Joint Executive Board of Bancoob submitted these combined financial statements to the Board of Directors, and the latter approved them on September 12, 2017.

### **a. Criteria Used in the Combination of Balances**

The balance sheet and income statement balances of the institutions that comprise Sicoob were included in the preparation of the combined financial statements, and the balances of transactions carried out between these institutions were excluded.

### **b. Sicoob Entities Included in the Combined Financial Statements**

Pursuant to Article 4 of CMN Resolution 4,151/2012, a financial cooperative is made up of individual credit unions, central credit unions, a credit confederation and 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 or management, or operations in the market under the same trademark or trade name.

Accordingly, 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 for the purposes of compliance with the provisions of the abovementioned Resolution.

It is also important to point out that Sicoob Confederation was not included in the combined financial statements due to the fact that it is not a credit confederation as defined by Article 2, item II, of Resolution 4,151/2012.

In addition, Circular Letter 3,669/2013 established, in Article 6, that all investment funds in which the entities that comprise a financial cooperative 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.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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

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

Bancoob was created to render financial, technical and operational services to the credit unions pursuant to Article 88 of Law 5,764/71, and is controlled by the central credit unions which, together with the single credit unions, comprise Sistema de Cooperativas de Crédito do Brasil (“Sicoob”).

- **Bancoob Distribuidora de Títulos e Valores Mobiliários (“Bancoob DTVM”):** Bancoob DTVM is a limited liability company engaged mainly in the management of investment funds by entering into contracts or charging commission.

Bancoob DTVM is engaged in the subscription, either alone or through a consortium with other authorized companies, of securities for resale, the intermediation of public offerings and distribution of securities in the market, and the purchase and sale 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" section, except for Sicoob Cocred Fundo de Investimento Multimercado – Crédito Privado FI, which is managed by Planner.

- **Sicoob's Central Credit Unions:** These are independent financial institutions responsible for integrating the credit unions that comprise the System at both the regional and state levels. They were created by the individual credit unions for the purpose of improving the quality of services rendered to members and expanding the System's service capacity.
- **Sicoob's Individual Credit Unions:** These are non-bank financial institutions authorized to operate by BACEN, resulting from the association of individuals who, in search of a better way to meet their financial needs, become both users and owners of the credit union's products and services. The System is comprised of six segments of credit unions: Private Sector Employees, Professionals, Rural, Small Entrepreneurs, Micro Entrepreneurs, Loans and Open Membership.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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

**i) Funds in which the Central and/or Individual Credit Unions Retain Substantial Risks and Rewards:**

- Minascoop Fundo de Investimento – Renda Fixa – Crédito Privado
- Bancoob Centralização Fundo de Investimento – Renda Fixa – Crédito Privado
- Coopmútuo Fundo de Investimento – Multimercado – Crédito Privado
- Invest Rio Fundo de Investimento Renda Fixa – Crédito Privado
- Unicoob Fundo de Investimento Renda Fixa – Crédito Privado
- Unimais - Fundo de Investimento - Renda Fixa – Crédito Privado
- Sicoob Institucional Fundo de Investimento Renda Fixa – Crédito Privado
- Sicoob Goiás Central Fundo de Investimento Renda Fixa – Crédito Privado
- Sicoob Central SC Fundo de Investimento Renda Fixa – Crédito Privado
- Bancoob Fundo de Investimento em Cotas de Fundos de Investimento em Ações Indexado Ibovespa (a)
- Sicoob Cocred Fundo de Investimento Renda Fixa – Crédito Privado
- Sicoob Cocred Fundo de Investimento Multimercado – Crédito Privado

(a) Fund closed on February 3, 2016

**c. Entities Included in and Excluded from the System:**

**i) Breakdown of Sicoob's entities included in the Combined Financial Statements:**

# Sistema de Cooperativas de Crédito do Brasil - Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016			
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result
BANCO COOPERATIVO DO BRASIL S.A. - BANCOOB	DF	100.00%	40,675,709	1,352,970	100,481	100.00%	30,328,815	1,026,960	71,135
BANCOOB DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIÁRIOS	DF	99.99%	6,009	2,406	1366	99.99%	5,631	3,097	116
<b>SICOOB CENTRAL ESPÍRITO SANTO</b>	<b>ES</b>	<b>100.00%</b>	<b>2,375,029</b>	<b>107,344</b>	<b>8,230</b>	<b>100.00%</b>	<b>1,681,571</b>	<b>101,843</b>	<b>5,590</b>
SICOOB SUL- LITORÂNEO	ES	100.00%	301,792	59,501	5,414	100.00%	242,570	53,307	5,500
SICOOB SUL	ES	100.00%	915,583	205,297	22,703	100.00%	789,515	181,053	26,945
SICOOB LESTE CAPIXABA	ES	100.00%	1,199,268	289,669	31,192	100.00%	1,060,869	243,377	30,735
SICOOB CENTRO-SERRANO	ES	100.00%	743,110	115,776	8,085	100.00%	593,939	103,348	4,642
SICOOB NORTE	ES	100.00%	842,462	183,717	4,917	100.00%	827,677	165,339	24,240
SICOOB SUL-SERRANO	ES	100.00%	1,052,438	216,719	12,865	100.00%	896,118	186,166	23,926
SICOOB CREDIROCHAS	ES	100.00%	439,756	70,152	5,693	100.00%	376,132	59,228	7,463
CREDESTIVA	ES	100.00%	13,543	10,037	383	-	-	-	-
<b>SICOOB CENTRAL BAHIA</b>	<b>BA</b>	<b>100.00%</b>	<b>420,505</b>	<b>49,387</b>	<b>3,441</b>	<b>100.00%</b>	<b>337,000</b>	<b>41,002</b>	<b>1,932</b>
SICOOB COOPERE	BA	100.00%	114,958	26,206	2,113	100.00%	89,769	23,086	627
SICOOB COPELBA	BA	100.00%	5,194	4,588	19	100.00%	4,821	4,304	70
SICOOB COOPERBOM	BA	100.00%	35,841	19,800	866	100.00%	33,532	16,203	718
SICOOB COSTA DO DESCOBRIMENTO	BA	100.00%	62,611	15,294	940	100.00%	48,766	13,801	1,190
SICOOB SERTÃO	BA	100.00%	118,786	33,996	1,164	100.00%	105,552	34,278	(817)
SICOOB CREDICONQUISTA	BA	100.00%	45,607	13,044	711	100.00%	37,416	11,183	792
SICOOB EXTREMO SUL	BA	100.00%	273,100	92,851	4,960	100.00%	238,240	83,035	3,238
SICOOB CREDCOOP	BA	100.00%	19,983	11,773	738	100.00%	16,577	10,180	606
SICOOB NORTE SUL	BA	100.00%	44,192	9,417	660	100.00%	39,095	9,005	(268)
SICOOB COOPEMAR	BA	100.00%	43,952	6,497	151	100.00%	34,380	5,542	441
SICOOB CRED EXECUTIVO	BA	100.00%	62,472	11,746	678	100.00%	49,955	10,623	124
SICOOB BONFIM	BA	100.00%	6,995	2,058	27	100.00%	6,086	1,919	68
SICOOB CREDMED	BA	100.00%	33,425	10,342	727	100.00%	29,815	8,579	956
COOPEC	BA	100.00%	58,810	35,358	1,555	-	-	-	-
SICOOB PORTAL	BA	-	-	-	-	100.00%	10,274	1,581	235
<b>SICOOB CENTRAL CREDIMINAS</b>	<b>MG</b>	<b>100.00%</b>	<b>5,669,933</b>	<b>400,200</b>	<b>27,791</b>	<b>100.00%</b>	<b>4,410,434</b>	<b>355,597</b>	<b>20,136</b>
SICOOB CREDIRIODOCE	MG	100.00%	283,335	46,557	1,321	100.00%	256,789	43,491	1,354
SICOOB CARLOS CHAGAS	MG	100.00%	165,335	43,787	2,170	100.00%	149,141	36,786	3,230
SICOOB CREDIJEQUITINHONHA	MG	100.00%	144,799	38,597	2,811	100.00%	133,909	31,137	3,243
SICOOB CREDICOPE	MG	100.00%	175,391	37,007	1,254	100.00%	152,185	34,742	525
SICOOB CREDILIVRE	MG	100.00%	375,412	75,086	7,496	100.00%	351,637	61,125	5,804
SICOOB CREDINORTE	MG	100.00%	95,264	21,922	1,325	100.00%	98,760	18,312	1,927
SICOOB CREDIVALE	MG	100.00%	182,202	39,092	2,224	100.00%	154,055	33,247	3,049
SICOOB CREDIOESTE	MG	100.00%	125,708	29,244	905	100.00%	112,104	27,372	2,237
SICOOB CREDIALP	MG	100.00%	101,108	17,336	2,704	100.00%	91,405	14,175	2,475
SICOOB COOPEROSA	MG	100.00%	21,025	4,922	374	100.00%	19,837	5,081	380
SICOOB ARACREDI	MG	100.00%	152,796	26,846	2,759	100.00%	133,745	23,043	2,288
SICOOB CREDIARA	MG	100.00%	183,857	34,575	3,428	100.00%	154,600	31,781	1,336
SICOOB UNIÃO CENTRO OESTE	MG	100.00%	92,105	21,038	1,328	100.00%	76,859	18,573	1,183



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SICOOB CREDIBAM	MG	100.00%	82,290	18,947	986	100.00%	62,010	17,893	(64)	
SICOOB BELCREDI	MG	100.00%	97,967	14,167	1,590	100.00%	89,507	11,957	1,343	
SICOOB CREDIBOM	MG	100.00%	285,652	44,001	2,803	100.00%	238,000	38,554	3,590	
SICOOB CREDISUCESSO	MG	100.00%	52,516	8,604	682	100.00%	49,908	8,188	(73)	
SICOOB CREDICAMPINA	MG	100.00%	88,073	17,224	1,760	100.00%	69,309	14,088	892	
SICOOB CREDIBELO	MG	100.00%	80,559	8,972	546	100.00%	68,736	7,755	798	
SICOOB CREDIAGRO	MG	100.00%	102,103	27,425	1,665	100.00%	90,085	25,015	(2,449)	
SICOOB CREDCAM	MG	100.00%	55,469	10,216	1,150	100.00%	50,182	8,085	1,297	
SICOOB CREDICAPI	MG	100.00%	53,320	10,082	971	100.00%	40,670	9,188	686	
SICOOB CARMOCREDI	MG	100.00%	64,175	11,458	1,192	100.00%	53,271	10,119	923	
SICOOB CREDICARPA	MG	100.00%	212,627	55,799	6,207	100.00%	176,431	41,759	7,660	
SICOOB CREDICARMO	MG	100.00%	77,294	19,456	2,446	100.00%	71,721	16,216	1,992	
SICOOB CREDICARMOMINAS	MG	100.00%	74,677	11,408	1,243	100.00%	56,047	8,789	1,022	
SICOOB CREDICENTRO	MG	100.00%	60,241	9,143	(2,895)	100.00%	56,962	11,954	(1,302)	
SICOOB CREDIVERDE	MG	100.00%	118,446	20,505	1,072	100.00%	97,681	19,846	1,377	
SICOOB CREDINDAIÁ	MG	100.00%	35,333	8,065	287	100.00%	33,442	7,446	368	
SICOOB CREDICAMPO	MG	100.00%	129,129	18,740	1,407	100.00%	109,070	15,974	1,162	
SICOOB CREDIESMERALDAS	MG	100.00%	46,184	8,509	(682)	100.00%	41,853	7,770	579	
SICOOB CREDISUDESTE	MG	100.00%	258,949	32,737	1,575	100.00%	213,112	28,670	1	
SICOOB CREDIFOR	MG	100.00%	154,834	22,103	2,708	100.00%	126,501	18,990	1,008	
SICOOB FRUTAL	MG	100.00%	161,051	45,479	2,831	100.00%	148,205	42,985	2,974	
SICOOB CREDIGUAPÉ	MG	100.00%	31,104	6,132	212	100.00%	27,660	5,725	(72)	
SICOOB CREDINTER	MG	100.00%	168,339	24,413	1,686	100.00%	146,753	25,339	1,392	
SICOOB GUARANICREDI	MG	100.00%	122,295	12,936	1,073	100.00%	97,784	11,614	1,060	
SICOOB AGROCREDI	MG	100.00%	853,581	160,939	26,368	100.00%	717,836	128,428	21,919	
SICOOB CREDITAMA	MG	100.00%	47,759	15,145	693	100.00%	50,850	14,344	279	
SICOOB CREDIMIL	MG	100.00%	115,996	23,263	1,938	100.00%	112,803	19,841	1,794	
SICOOB ITAPAGIPE	MG	100.00%	69,644	22,329	1,233	100.00%	64,379	18,608	1,438	
SICOOB CREDIUNA	MG	100.00%	164,513	24,307	4,168	100.00%	129,901	19,770	2,180	
SICOOB CREDIVAG	MG	100.00%	109,279	26,445	124	100.00%	93,493	23,120	2,555	
SICOOB CREDIPINHO	MG	100.00%	72,495	15,210	(816)	100.00%	83,659	18,463	(849)	
SICOOB CREDIPRATA	MG	100.00%	137,242	23,384	1,805	100.00%	126,101	21,159	1,596	
SICOOB CREDICAF	MG	100.00%	233,127	40,725	3,268	100.00%	215,881	34,468	945	
SICOOB CREDIGRANDE	MG	100.00%	28,105	4,768	533	100.00%	28,086	4,728	(384)	
SICOOB CREDILUZ	MG	100.00%	83,640	15,009	1,101	100.00%	69,591	12,754	1,815	
SICOOB CREDIMAC	MG	100.00%	42,366	9,278	189	100.00%	39,588	8,565	650	
SICOOB MONTECREDI	MG	100.00%	154,937	26,959	3,459	100.00%	162,650	22,960	2,624	
SICOOB CREDINOR	MG	100.00%	245,556	44,628	651	100.00%	235,285	42,575	1,565	
SICOOB CREDIPARAOPEBA	MG	100.00%	88,617	18,632	1,806	100.00%	81,191	16,419	1,268	
SICOOB CREDIPATOS	MG	100.00%	275,530	34,757	6,738	100.00%	205,091	32,123	4,193	
SICOOB COOPACREDI	MG	100.00%	198,942	42,587	5,384	100.00%	159,851	35,352	1,243	

# Sistema de Cooperativas de Crédito do Brasil - Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SICOOB CREDIPEL	MG	100.00%	80,947	14,190	1,411	100.00%	58,615	11,628		1,864
SICOOB CREDIPIMENTA	MG	100.00%	25,767	5,605	167	100.00%	22,702	5,377		158
SICOOB CREDICOOP	MG	100.00%	110,627	23,483	986	100.00%	96,509	21,813		1,757
SICOOB CREDIPÊU	MG	100.00%	137,589	26,837	1,989	100.00%	118,067	24,440		1,030
SICOOB UNIÃO	MG	100.00%	213,577	30,170	2,340	100.00%	172,031	24,829		2,342
SICOOB SACRAMENTO	MG	100.00%	53,228	16,183	177	100.00%	51,116	14,367		1,971
SICOOB CREDIMONTE	MG	100.00%	176,925	35,345	1,238	100.00%	146,078	34,468		1,085
SICOOB CREDICOOPERTRIL	MG	100.00%	32,865	9,489	274	100.00%	29,367	8,753		288
SICOOB CREDISÃO GONÇALO	MG	100.00%	37,629	8,140	649	100.00%	31,825	7,266		300
SICOOB CREDIVASS	MG	100.00%	390,254	53,729	4,028	100.00%	325,655	45,542		2,786
SICOOB NOSSOCRÉDITO	MG	100.00%	265,181	38,711	4,492	100.00%	212,446	32,398		4,339
SICOOB CREDIVERTENTES	MG	100.00%	303,398	50,997	3,870	100.00%	248,964	41,897		4,917
SICOOB CREDISAVI	MG	100.00%	45,213	7,115	226	100.00%	33,253	5,970		565
SICOOB CREDISETTE	MG	100.00%	189,447	33,185	(5,507)	100.00%	188,248	35,600		1,720
SICOOB CREDITIROS	MG	100.00%	65,854	14,316	1,423	100.00%	50,819	11,819		991
SICOOB COPERSUL	MG	100.00%	122,850	18,139	1,216	100.00%	105,381	14,797		1,254
SICOOB UBERABA	MG	100.00%	66,039	13,643	1,473	100.00%	52,225	11,112		877
SICOOB NOROESTE DE MINAS	MG	100.00%	200,508	39,743	5,121	100.00%	179,232	32,029		3,093
SICOOB CREDIVAR	MG	100.00%	373,566	67,194	9,498	100.00%	322,503	54,925		6,882
SICOOB CREDIVAZ	MG	100.00%	76,059	20,893	2,238	100.00%	66,186	17,226		1,313
SICOOB CREDIMATA	MG	100.00%	156,491	27,218	1,739	100.00%	135,006	24,363		1,850
SICOOB CREDICOOPER	MG	100.00%	211,659	34,788	712	100.00%	172,617	31,512		615
SICOOB CREDIRAMA	MG	100.00%	121,426	21,626	2,294	100.00%	95,181	16,985		2,366
SICOOB CREDISG	MG	100.00%	251,787	48,262	5,078	100.00%	211,353	40,331		3,654
SICOOB CREDINOSSO	MG	100.00%	20,554	4,577	670	100.00%	17,286	3,907		220
SICOOB CREDIFIEMG	MG	100.00%	114,807	19,351	438	100.00%	135,893	15,650		924
SICOOB SAÚDE	MG	100.00%	41,360	5,358	565	100.00%	31,961	4,267		382
<b>SICOOB GOIÁS CENTRAL</b>	<b>GO</b>	<b>100.00%</b>	<b>1,821,866</b>	<b>102,009</b>	<b>8,736</b>	<b>100.00%</b>	<b>1,480,602</b>	<b>86,851</b>		<b>8,047</b>
SICOOB AGRORURAL	GO	100.00%	306,714	92,915	4,941	100.00%	257,005	82,975		6,444
SICOOB CENTRO-SUL	GO	100.00%	90,137	21,785	(1,652)	100.00%	79,603	20,286		146
SICOOB CREDI-RURAL	GO	100.00%	844,243	303,922	33,488	100.00%	767,126	243,832		28,617
SICOOB COOPERCREC	GO	100.00%	297,549	99,011	7,842	100.00%	175,212	87,775		7,789
SICOOB MINEIROS	GO	100.00%	263,574	116,812	13,258	100.00%	234,759	91,716		14,248
SICOOB CREDIGOIÁS	GO	100.00%	156,458	96,148	432	100.00%	155,519	100,541		5,736
SICOOB DO VALE	GO	100.00%	109,270	18,591	1,243	100.00%	84,353	16,285		1,280
SICOOB PALMEIRAS	GO	100.00%	56,915	28,640	1,635	100.00%	53,723	24,384		1,144
SICOOB CREDIFORTE	GO	100.00%	53,764	14,387	726	100.00%	45,138	14,733		(2,151)
SICOOB CREDISAÚDE	GO	100.00%	32,591	13,333	(937)	100.00%	30,912	12,185		1,105
SICOOB GOIÂNIA	GO	100.00%	80,760	19,466	838	100.00%	56,500	14,437		1,074
SICOOB CREDIJUR	GO	100.00%	83,402	27,769	2,498	100.00%	71,284	25,186		2,210
SICOOB CREDSEGURO	GO	100.00%	231,620	84,023	9,597	100.00%	166,574	69,409		8,934

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

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(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016			
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result
SICOOB CREDICAPA	GO	100.00%	59,658	16,479	136	100.00%	56,032	15,864	741
SICOOB CREDIPAR	GO	100.00%	140,121	37,320	34	100.00%	113,141	33,978	1,192
SICOOB CREDI-SGPA	GO	100.00%	245,054	55,300	3,709	100.00%	193,242	47,030	4,105
SICOOB ENGECCRED-GO	GO	100.00%	500,176	133,643	11,123	100.00%	445,957	122,124	6,501
SICOOB LOJICRED	GO	100.00%	59,848	16,098	2,211	100.00%	45,350	14,232	(1,341)
SICOOB CERRADO	GO	100.00%	31,956	11,084	200	100.00%	28,798	9,266	376
SICOOB DO VALE RIO CRIXÁS	GO	100.00%	34,134	11,722	122	100.00%	23,841	10,433	288
SICOOB EMPRECCRED	GO	100.00%	80,085	27,182	2,177	100.00%	68,908	24,576	1,523
SICOOB SECOVICRED	GO	100.00%	242,566	49,465	5,411	100.00%	185,634	46,205	2,086
SICOOB CREDI COMIGO	GO	100.00%	15,934	10,302	774	100.00%	14,333	8,964	477
SICOOB EMPRESARIAL	GO	100.00%	59,132	12,399	1,199	100.00%	46,179	10,139	1,149
SICOOB JURISCCREDCELG	GO	100.00%	82,100	16,299	1,324	100.00%	47,605	11,345	934
SICOOB CREDICER	GO	100.00%	45,567	10,798	802	100.00%	32,836	8,302	1,123
SICOOB COOPREM	GO	100.00%	29,019	7,581	408	100.00%	20,532	6,487	631
SICOOB CREDIADAG	GO	100.00%	28,632	11,718	456	100.00%	21,732	10,752	464
<b>SICOOB CENTRAL SC/RS</b>	<b>SC</b>	<b>100.00%</b>	<b>6,246,235</b>	<b>262,072</b>	<b>22,177</b>	<b>100.00%</b>	<b>4,848,176</b>	<b>245,186</b>	<b>13,350</b>
SICOOB CREDICANONHAS/SC	SC	100.00%	345,484	47,830	6,023	100.00%	271,466	38,595	5,007
SICOOB CREDIAL/SC	SC	100.00%	590,970	107,339	8,985	100.00%	492,213	91,869	5,167
SICOOB CREDIRIO SC	SC	100.00%	241,671	24,463	(733)	100.00%	209,710	20,895	1,572
SICOOB ALTO VALE	SC	100.00%	256,661	24,594	2,938	100.00%	191,955	19,029	2,238
SICOOB CREDINORTE	SC	100.00%	307,974	46,406	5,320	100.00%	276,162	37,173	3,821
SICOOB CREDITAIPU	SC	100.00%	601,813	126,704	6,996	100.00%	532,922	106,351	7,873
SICOOB VIDEIRA/SC	SC	100.00%	433,439	67,600	3,106	100.00%	345,830	62,621	2,202
SICOOB CAÇADOR/SC	SC	100.00%	43,868	6,231	973	100.00%	32,094	4,915	834
SICOOB SÃO MIGUEL SC	SC	100.00%	1,076,149	169,691	10,265	100.00%	937,899	151,837	12,027
SICOOB VALCREDI SUL	SC	100.00%	289,612	53,539	6,894	100.00%	232,780	42,628	3,192
SICOOB - CREDIAUC/SC	SC	100.00%	713,780	96,496	7,612	100.00%	581,034	88,829	934
SICOOB OESTECCREDI	SC	100.00%	358,271	57,039	5,851	100.00%	285,662	45,709	6,501
SICOOB MAXICRÉDITO	SC	100.00%	1,711,622	189,737	17,680	100.00%	1,519,700	164,167	22,453
SICOOB/SC CREDIJA	SC	100.00%	482,832	72,320	8,026	100.00%	387,202	62,933	4,931
SICOOB CAMPOS NOVOS	SC	100.00%	180,306	29,148	3,515	100.00%	164,334	23,801	2,851
SICOOB CREDITAPIRANGA SC	SC	100.00%	287,472	37,873	2,539	100.00%	228,270	31,929	2,122
SICOOB CREDISULCA SC	SC	100.00%	623,420	99,937	14,522	100.00%	510,346	83,101	12,136
SICOOB CREDIMOC SC	SC	100.00%	165,357	21,058	1,420	100.00%	163,202	17,841	546
SICOOB NOROESTE SC	SC	100.00%	223,222	33,412	1,432	100.00%	187,433	29,221	734
SICOOB CREDIVALE/SC	SC	100.00%	319,165	39,722	3,529	100.00%	253,390	30,314	3,375
SICOOB/SC CANOAS	SC	100.00%	72,593	16,208	1,226	100.00%	67,431	13,946	767
SICOOB CREDICARU SC	SC	100.00%	225,491	54,854	5,926	100.00%	182,370	44,276	5,398
SICOOB CREDIPLANALTO SC/RS	SC	100.00%	262,918	32,379	4,948	100.00%	232,091	26,071	2,860
SICOOB CREDIPÉROLA	SC	100.00%	43,607	7,813	1,202	100.00%	33,475	5,638	563
SICOOB CREDISERRA SC	SC	100.00%	78,567	15,341	900	100.00%	76,357	12,815	471

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(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SICOOB/SC CREDIUNIÃO	SC	100.00%	37,841	5,104	870	100.00%	26,279	3,958	285	
SICOOB-CREDIARAUCÁRIA/SC	SC	100.00%	89,230	12,193	1,262	100.00%	78,087	9,876	725	
SICOOB TRENTOCREDI SC	SC	100.00%	260,641	42,283	4,979	100.00%	206,514	34,666	3,903	
SICOOB MULTICREDI	SC	100.00%	91,441	24,392	1,459	100.00%	68,073	21,161	590	
SICOOB/SC CREDISSERRANA	SC	100.00%	61,503	8,041	1,080	100.00%	53,512	6,601	308	
SICOOB CREDISC	SC	100.00%	86,516	10,320	2,034	100.00%	79,681	8,155	834	
SICOOB - TRANSCREDI	SC	100.00%	399,492	74,565	5,361	100.00%	325,090	61,941	5,360	
SICOOB CREDITRAN	SC	100.00%	44,336	7,797	403	100.00%	49,933	14,537	385	
CREDPOM	SC	100.00%	44,527	5,781	574	100.00%	33,947	5,575	92	
SICOOB ADVOCACIA	SC	100.00%	195,950	23,562	2,204	100.00%	144,765	17,363	2,076	
CREDICOR - SC	SC	100.00%	23,941	3,036	76	100.00%	17,279	3,336	(613)	
SICOOB ECOCREDI	SC	100.00%	289,335	33,868	3,498	100.00%	320,064	39,283	(5,888)	
SICOOB CEJASCRED	SC	100.00%	40,994	5,306	785	100.00%	26,304	4,256	152	
SICOOB JUSTIÇA	RS	100.00%	15,128	2,624	(727)	100.00%	15,319	3,927	(1,072)	
<b>SICOOB CENTRAL SÃO PAULO</b>	<b>SP</b>	<b>100.00%</b>	<b>4,884,214</b>	<b>234,097</b>	<b>13,793</b>	<b>100.00%</b>	<b>4,289,203</b>	<b>226,172</b>	<b>14,771</b>	
SICOOB COOPECREDI	SP	100.00%	1,191,489	153,743	9,419	100.00%	1,146,466	139,270	11,637	
SICOOB COCREALPA	SP	100.00%	281,539	46,643	3,038	100.00%	204,407	42,601	818	
SICOOB CREDICITRUS	SP	100.00%	5,315,672	1,225,962	89,163	100.00%	4,465,236	1,079,944	96,861	
SICOOB CREDIMOTA	SP	100.00%	138,863	25,804	1,954	100.00%	134,211	23,490	(258)	
SICOOB CREDICAP	SP	100.00%	181,427	19,800	3,786	100.00%	151,468	15,137	1,919	
SICOOB CREDIGUAÇU	SP	100.00%	315,098	76,820	4,948	100.00%	258,916	51,160	4,491	
SICOOB CREDICOAPEC	SP	100.00%	284,192	66,045	7,246	100.00%	217,451	52,037	6,420	
SICOOB CREDICERIPA	SP	100.00%	332,556	39,376	4,189	100.00%	294,267	33,767	3,276	
SICOOB COOCRELIVRE	SP	100.00%	247,218	107,624	7,492	100.00%	220,886	94,546	6,601	
SICOOB COCRE	SP	100.00%	437,163	88,418	9,600	100.00%	438,836	81,493	10,113	
SICOOB CREDIVALE	SP	100.00%	209,645	33,179	3,832	100.00%	186,341	29,556	792	
SICOOB CREDICOONAI	SP	100.00%	1,079,959	184,436	458	100.00%	1,002,518	149,819	9,639	
CECRES	SP	100.00%	176,603	150,362	6,139	100.00%	169,430	150,794	8,036	
SICOOB COCRED	SP	100.00%	2,784,302	354,208	(4,878)	100.00%	2,680,420	338,907	5,985	
SICOOB COOPCRED	SP	100.00%	77,822	24,254	1,877	100.00%	69,049	23,752	1,425	
SICOOB CREDLÍDER	SP	100.00%	35,996	10,563	503	100.00%	27,126	9,097	564	
<b>SICOOB CENTRAL NORTE</b>	<b>RO</b>	<b>100.00%</b>	<b>729,413</b>	<b>39,498</b>	<b>3,034</b>	<b>100.00%</b>	<b>624,220</b>	<b>33,480</b>	<b>2,046</b>	
SICOOB CREDIP	RO	100.00%	705,716	104,996	15,999	100.00%	618,655	81,213	9,442	
SICOOB OUOCREDI	RO	100.00%	124,050	27,564	920	100.00%	107,207	19,912	1,718	
SICOOB ACRE	AC	100.00%	26,755	12,549	640	100.00%	18,362	10,288	144	
CREDIFORTE	RO	100.00%	48,846	18,281	1,295	100.00%	31,395	14,411	810	
SICOOB CREDJURD	RO	100.00%	57,924	14,537	3,141	100.00%	41,919	11,733	2,282	
SICOOB VALE DO JAMARI	RO	100.00%	215,766	57,245	4,656	100.00%	169,329	38,292	3,168	
SICOOB PORTOCREDI	RO	100.00%	154,803	30,292	942	100.00%	110,538	23,745	539	
SICOOB CREDISUL	RO	100.00%	641,338	119,961	13,509	100.00%	532,553	106,157	6,021	
SICOOB CENTRO	RO	100.00%	222,463	47,141	5,424	100.00%	214,123	41,822	1,541	

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(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016			
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result
SICOOB CREDEMPRESAS - AM	AM	100.00%	11,017	2,307	413	100.00%	9,661	2,736	(204)
SICOOB MANAUS	AM	100.00%	28,554	7,998	(5,172)	100.00%	33,672	10,002	(513)
<b>SICOOB PLANALTO CENTRAL</b>	<b>DF</b>	<b>100.00%</b>	<b>710,256</b>	<b>142,921</b>	<b>10,017</b>	<b>100.00%</b>	<b>504,835</b>	<b>112,940</b>	<b>6,237</b>
SICOOB EXECUTIVO	DF	100.00%	82,955	18,990	(671)	100.00%	86,541	20,958	(220)
SICOOB JUDICIÁRIO	DF	100.00%	89,611	13,543	1,176	100.00%	54,007	12,250	627
SICOOB CREDIJUSTRÁ	DF	100.00%	162,238	31,739	2,932	100.00%	134,219	32,541	2,016
SICOOB BRASÍLIA	DF	100.00%	142,730	28,367	673	100.00%	122,225	24,361	788
SICOOB CREDIEMBRAPA	DF	100.00%	115,893	33,539	404	100.00%	92,567	30,042	1,140
COOPERFORTE	DF	100.00%	2,158,077	437,737	41,052	100.00%	1,896,668	408,457	27,080
SICOOB COOPERPLAN	DF	100.00%	17,508	4,430	300	100.00%	10,371	4,289	157
SICOOB CREFAZ SERVIDOR FEDERAL	DF	100.00%	129,764	76,487	4,455	100.00%	111,155	71,713	2,114
SICOOB LEGISLATIVO	DF	100.00%	42,948	8,816	534	100.00%	38,402	8,187	55
CREDSEF	DF	100.00%	33,180	8,543	472	100.00%	28,522	7,942	395
SICOOB CABECRED	DF	100.00%	26,158	4,835	988	100.00%	22,520	4,343	425
SICOOB EMPRESARIAL	DF	100.00%	153,397	25,556	2,263	100.00%	151,748	23,280	677
SICOOB CREDILOJISTA	DF	100.00%	42,520	8,445	1,301	100.00%	26,931	5,981	1,121
<b>SICOOB CENTRAL CECREMGE</b>	<b>MG</b>	<b>100.00%</b>	<b>4,533,438</b>	<b>164,540</b>	<b>10,736</b>	<b>100.00%</b>	<b>3,388,842</b>	<b>142,495</b>	<b>6,884</b>
SICOOB CREDIPONTAL	MG	100.00%	315,329	53,207	4,189	100.00%	302,720	42,153	5,145
SICOOB SÃO FRANCISCO	MG	-	-	-	-	100.00%	59,368	9,750	(6,723)
SICOOB CREDIRURAL	MG	100.00%	188,552	22,913	2,787	100.00%	140,453	19,260	1,575
SICOOB SAROMCREDI	MG	100.00%	217,865	35,832	2,095	100.00%	181,186	34,530	(124)
SICOOB CREDITRIL	MG	100.00%	216,039	34,736	2,055	100.00%	199,495	30,522	1,546
SICOOB CREDILEITE	MG	100.00%	36,567	6,314	283	100.00%	31,435	5,805	276
SICOOB CREDICOM	MG	100.00%	2,006,868	246,540	31,690	100.00%	1,579,675	187,887	27,330
SICOOB COFAL	MG	100.00%	141,591	32,087	3,065	100.00%	113,860	28,409	1,119
SICOOB ARCOMCREDI	MG	100.00%	27,062	5,107	433	100.00%	24,990	5,304	(258)
SICOOB DIVICRED	MG	100.00%	254,521	38,979	(722)	100.00%	200,843	38,129	1,242
SICOOB CREDIVALE	MG	100.00%	8,777	6,020	(27)	100.00%	7,879	5,995	54
SICOOB CREDICOPA	MG	100.00%	295,784	71,905	6,344	100.00%	231,477	57,125	4,716
SICOOB ASCICRED	MG	100.00%	175,574	18,947	3,929	100.00%	131,311	14,756	2,347
SICOOB VALE DO AÇO	MG	100.00%	165,094	36,365	2,217	100.00%	131,414	32,877	995
SICOOB AC CREDI	MG	100.00%	137,981	27,340	4,026	100.00%	115,012	31,273	61
SICOOB COOCREZ	MG	100.00%	42,203	16,954	967	100.00%	35,428	16,726	966
CECREP	MG	100.00%	49,556	19,494	48	100.00%	45,103	18,332	(246)
SICOOB CECREMEC	MG	100.00%	10,113	6,654	167	100.00%	9,342	5,984	182
SICOOB COOPSEF	MG	100.00%	195,980	60,922	5,297	100.00%	176,964	57,130	4,574
CREDER	MG	100.00%	3,201	2,853	58	100.00%	3,301	2,918	61
SICOOB COOPJUS	MG	100.00%	125,810	50,891	1,448	100.00%	106,112	48,649	1,548
SICOOB NOSSACOOOP	MG	100.00%	123,674	25,182	2,874	100.00%	105,632	24,050	933
SICOOB CREDITÁBIL	MG	100.00%	27,114	5,453	753	100.00%	20,683	4,651	453
SICOOB CREDESP	MG	100.00%	105,718	14,478	2,389	100.00%	82,731	12,233	1,381

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(All amounts in thousands of reais unless otherwise stated)

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	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SICOOB CENTRO-OESTE	MG	100.00%	321,686	58,429	5,628	100.00%	256,395	51,744		738
SICOOB CREDICENM	MG	100.00%	89,869	12,989	1,040	100.00%	72,374	11,502		1,158
SICOOB ACICREDI	MG	100.00%	21,641	5,187	314	100.00%	18,759	4,614		292
SICOOB COSMIPA	MG	100.00%	70,990	37,422	3,279	100.00%	58,828	33,972		2,321
SICOOB COSEMI	MG	100.00%	7,831	6,068	280	100.00%	7,151	5,529		247
SICOOB CREDIMEPI	MG	100.00%	275,931	47,575	3,680	100.00%	209,362	39,078		3,071
SICOOB CREDIBELGO	MG	100.00%	5,312	4,109	70	100.00%	5,970	4,162		237
SICOOB LAGOACRED GERAIS	MG	100.00%	150,303	24,398	2,306	100.00%	111,623	19,806		2,275
SICOOB CREDINOVA	MG	100.00%	196,930	34,701	2,923	100.00%	136,754	30,476		900
COOPAÇO	MG	100.00%	15,921	13,519	146	100.00%	16,077	12,478		490
SICOOB CREDIPARNOR	MG	100.00%	215,865	59,489	3,322	100.00%	137,628	45,150		3,833
SICOOB PARAISOCRED	MG	100.00%	60,835	8,858	410	100.00%	51,847	7,493		999
COOPERTIM	MG	100.00%	6,418	5,318	519	100.00%	6,259	4,818		971
SICOOB COPESITA	MG	100.00%	41,803	12,953	860	100.00%	36,327	11,763		696
SICOOB CREDIMED	MG	100.00%	26,873	6,856	255	100.00%	26,508	6,178		235
SICOOB CREDIEMPAR	MG	100.00%	9,329	6,955	275	100.00%	8,662	6,456		290
SICOOB SERTÃO MINAS	MG	100.00%	38,263	6,398	407	100.00%	25,172	5,352		13
SICOOB CREDIMONTES	MG	100.00%	46,486	9,033	1,348	100.00%	37,880	7,626		792
CREDFENAS	MG	100.00%	31,611	2,560	259	100.00%	27,868	2,145		229
SICOOB COOPCREDI	MG	100.00%	30,712	7,460	653	100.00%	24,565	6,735		630
SICOOB COPERMEC	MG	100.00%	272,471	43,253	4,769	100.00%	205,407	38,453		3,871
SICOOB COPEMATA	MG	100.00%	188,128	43,102	5,939	100.00%	131,562	33,897		5,613
SICOOB ENGECCRED	MG	100.00%	90,583	13,890	1,026	100.00%	96,272	14,203		1,980
CREDISAM	MG	100.00%	9,660	8,565	324	100.00%	12,174	11,352		349
SICOOB UFVCREDI	MG	100.00%	49,772	20,634	1,693	100.00%	40,581	17,853		1,517
SICOOB CREDIGERAIS	MG	-	-	-	-	100.00%	29,382	5,781		463
COOPOÇOS	MG	100.00%	7,163	4,392	284	100.00%	6,075	4,043		246
SICOOB CREDISERV	MG	100.00%	20,392	10,435	638	100.00%	17,725	9,503		801
SICOOB COOPEMG	MG	100.00%	61,876	10,303	339	100.00%	38,979	9,117		240
SICOOB ARACOP	MG	100.00%	420,880	69,422	1,993	100.00%	307,666	55,359		4,648
SICOOB JUS-MP	MG	100.00%	168,634	26,770	2,975	100.00%	142,056	23,397		2,682
SICOOB COOPERCORREIOS	MG	100.00%	44,459	17,712	1,399	100.00%	37,019	15,946		1,721
SICOOB CREDMALHAS	MG	100.00%	27,774	5,770	436	100.00%	23,602	5,983		347
SICOOB CREDPIT	MG	100.00%	71,707	10,812	477	100.00%	55,398	10,410		1,100
SICOOB SUL DE MINAS	MG	100.00%	43,880	4,001	796	100.00%	24,303	3,585		328
SICOOB CREDILESTE	MG	100.00%	105,486	25,088	2,124	100.00%	83,350	22,719		1,240
SICOOB CRED UFU	MG	100.00%	32,027	16,832	1,031	100.00%	22,763	15,933		799
SICOOB CREDIALTO	MG	100.00%	124,282	16,338	1,118	100.00%	104,710	14,565		1,198
CECREM	MG	100.00%	6,401	5,690	289	100.00%	5,643	5,017		266
SICOOB CREDJUS	MG	100.00%	40,778	18,687	879	100.00%	35,253	15,533		648
COOPTEK	MG	100.00%	15,016	13,842	250	100.00%	14,513	13,368		176

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(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
COOPSESP	MG	100.00%	6,655	5,283	0	100.00%	6,344	4,887	17	
TUPICRED	MG	100.00%	1,702	1,423	96	100.00%	1,641	1,392	97	
COOPECIC	MG	100.00%	5,837	5,005	191	100.00%	6,015	5,144	240	
SICOOB CREDICHAPADA	MG	100.00%	49,216	9,612	1,585	100.00%	36,988	7,387	832	
SICOOB SECOVICRED MG	MG	100.00%	52,786	6,799	934	100.00%	41,268	4,632	997	
<b>SICOOB CENTRAL CECRESP</b>	<b>SP</b>	<b>100.00%</b>	<b>1,282,327</b>	<b>97,105</b>	<b>7,176</b>	<b>100.00%</b>	<b>930,209</b>	<b>84,954</b>	<b>5,535</b>	
SICOOB CREDICAZOLA	SP	100.00%	52,357	9,080	(5,935)	100.00%	49,575	7,540	(874)	
CRED COPERCANA	SP	100.00%	36,625	13,092	1,013	100.00%	29,557	10,494	827	
SICOOB CREDSAÚDE	SP	100.00%	10,414	1,823	302	100.00%	9,137	1,585	276	
COOPMAIALUIZA	SP	100.00%	6,824	6,022	351	100.00%	4,733	4,230	135	
CREDIRHODIA	SP	100.00%	15,292	10,558	312	100.00%	14,498	10,206	386	
COOPEMESP	SP	100.00%	23,009	15,957	649	100.00%	21,228	15,776	530	
COOPMIL	SP	100.00%	339,883	186,298	(3,902)	100.00%	358,786	205,310	13,413	
COOFER	SP	100.00%	6,734	6,248	309	100.00%	6,395	5,709	361	
SICOOB CREDIMOGIANA	SP	100.00%	174,802	16,854	856	100.00%	139,719	13,659	1,149	
SICOOB COOPERCREDI - SP	SP	100.00%	72,747	55,315	2,594	100.00%	62,751	50,818	2,713	
COPERCRED	SP	-	-	-	-	100.00%	53,421	12,180	2,161	
SICOOB CREDMETAL	SP	100.00%	13,570	10,778	272	100.00%	14,184	10,511	573	
SICOOB CANTAREIRA	SP	100.00%	18,985	3,723	(38)	100.00%	16,090	2,300	34	
CRESSEM	SP	100.00%	170,037	131,426	11,639	100.00%	149,504	116,440	10,055	
SICOOB CRED ACIF	SP	100.00%	108,420	11,842	333	100.00%	72,993	8,663	1,121	
COPERMED DE JABOTICABAL	SP	100.00%	12,387	1,860	151	100.00%	10,837	1,570	83	
SICOOB ALCOOP SÃO ROQUE	SP	-	-	-	-	100.00%	2,500	1,197	(2)	
SICOOB COOPTRANSP	SP	100.00%	18,422	11,686	743	100.00%	16,654	11,415	758	
SICOOB CREDIÇUCAR	SP	100.00%	97,506	11,252	(638)	100.00%	79,665	10,999	(2,277)	
MAGISCRED	SP	100.00%	81,434	16,008	444	100.00%	76,422	15,628	78	
SICOOB CREDICONSUMO	SP	100.00%	28,439	13,632	364	100.00%	17,525	11,635	13	
OURICRED	SP	100.00%	59,579	7,521	1,028	100.00%	44,246	3,805	692	
SICOOB CREDIACISC	SP	100.00%	14,276	2,785	276	100.00%	12,312	2,113	151	
CREDIPRODESP	SP	100.00%	18,947	17,274	1,035	100.00%	18,323	16,623	1,162	
SICOOB CREDICOR/SP	SP	100.00%	27,379	4,013	786	100.00%	23,277	3,048	567	
COOPERSERV	SP	100.00%	1,065	996	(30)	100.00%	973	809	6	
SICOOB GRANDE ABC	SP	100.00%	18,551	4,388	146	100.00%	17,748	4,008	223	
SICOOB COOPERAC	SP	100.00%	39,485	6,808	949	100.00%	27,171	4,937	475	
SICOOB CREDIACIL	SP	100.00%	54,517	7,402	1,471	100.00%	36,278	5,471	835	
SICOOB CREDCEG	SP	100.00%	196,174	32,650	5,422	100.00%	153,578	26,757	3,913	
SICOOB CRED-ACI	SP	100.00%	21,512	3,588	448	100.00%	18,987	3,247	113	
SICOOB CREDIACIPREV	SP	100.00%	9,091	2,069	(39)	100.00%	8,085	1,760	214	
JUDCRED	SP	100.00%	3,029	2,278	260	100.00%	2,359	1,848	182	
SICOOB CRED-ACILPA	SP	100.00%	12,176	3,478	369	100.00%	8,895	2,725	447	
SICOOB	SP	100.00%	28,561	5,701	(149)	100.00%	22,678	7,282	(833)	

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(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
METALCRED DA GRANDE SÃO PAULO	SP	100.00%	30,695	20,842	1,166	100.00%	26,742	15,022		982
SICOOB CREDIACIRC	SP	100.00%	38,399	7,829	716	100.00%	25,353	6,234		784
SICOOB ACICRED	SP	100.00%	29,177	4,620	454	100.00%	19,312	3,139		692
SICOOB COOPERACE	SP	100.00%	26,507	5,815	645	100.00%	30,352	4,011		432
SICOOB COOPERASO	SP	100.00%	19,451	9,761	11	100.00%	14,023	8,649		99
SICOOB PAULISTA	SP	100.00%	96,812	10,632	1,323	100.00%	68,766	7,654		591
SICOOB COOPARA	SP	100.00%	12,704	7,011	(7)	100.00%	9,205	6,206		207
SICOOB CECRESA	SP	100.00%	10,817	8,976	363	100.00%	10,135	8,834		461
PROMOCRED	SP	100.00%	14,567	10,992	(17)	100.00%	14,071	10,710		120
COOPERSERV	SP	100.00%	19,890	9,087	769	100.00%	16,962	8,901		852
SICOOB CREDIBESP	SP	-	-	-	-	100.00%	754	698		(9)
COSAE	SP	100.00%	3,656	2,885	132	100.00%	2,893	2,356		90
SICOOB GRANDE SÃO PAULO	SP	100.00%	12,206	1,874	(477)	100.00%	12,596	1,535		25
BARRACRED COSAN	SP	100.00%	104,888	92,558	2,196	100.00%	86,354	76,509		817
CREDIPRODAM	SP	100.00%	8,639	8,262	296	100.00%	9,538	8,856		645
NOSSA TERRA	SP	100.00%	16,419	15,171	857	100.00%	15,907	14,673		(11)
COOPERCREDI FLEURY	SP	100.00%	9,372	8,793	380	100.00%	8,609	8,014		456
SICOOB COOPERNAPI	SP	100.00%	8,490	2,759	104	100.00%	5,468	2,096		(77)
COOPERACS-SP	SP	100.00%	5,610	4,995	(648)	100.00%	6,844	5,652		(418)
COOPEREMBRAER	SP	100.00%	364,974	260,829	23,592	100.00%	314,339	249,397		21,146
COOPINCOR	SP	100.00%	24,752	22,662	1,391	100.00%	22,527	20,402		1,506
RÁPIDO LUXO CAMPINAS LTDA	SP	100.00%	970	1,304	(625)	100.00%	2,524	2,015		166
CREDIAFAM	SP	100.00%	7,505	6,785	550	100.00%	7,455	7,101		220
COOPERMETA	SP	100.00%	1,574	1,482	(6)	100.00%	1,520	1,426		14
COOPERCREDI ACSC	SP	100.00%	30,005	26,728	1,412	100.00%	26,354	23,935		1,010
COOCRESB	SP	100.00%	3,422	2,190	103	100.00%	3,043	1,799		80
CREDIABC	SP	100.00%	30,530	21,414	759	100.00%	26,780	19,888		425
CRED SERV	SP	100.00%	9,984	9,242	612	100.00%	9,224	8,248		633
SICOOB COOPERFAC	SP	100.00%	6,013	5,299	164	100.00%	5,480	4,809		148
COOPER VERA CRUZ	SP	100.00%	8,952	8,239	491	100.00%	8,009	7,486		282
COOPERPARQUES	SP	100.00%	2,047	1,672	31	100.00%	2,707	1,812		98
COOPER 7	SP	100.00%	9,406	7,765	962	100.00%	7,772	6,391		786
COOPERALESP	SP	100.00%	15,100	13,302	1,035	100.00%	13,438	12,257		942
AVIBRAS	SP	100.00%	8,155	7,445	428	100.00%	7,165	6,442		437
USAGRO	SP	100.00%	10,260	9,162	434	100.00%	9,629	8,661		466
COOPERNITRO	SP	100.00%	6,708	6,201	314	100.00%	6,074	5,610		334
COOPERVALE	SP	100.00%	13,509	12,414	874	100.00%	11,208	10,387		620
COOPER-SEKURIT	SP	100.00%	6,038	4,928	332	100.00%	5,339	4,314		320
COOPERATIVA FIBERGLAS	SP	100.00%	7,149	4,375	123	100.00%	6,249	4,195		211
PILONCRED	SP	100.00%	2,192	1,980	116	100.00%	2,016	1,803		132
SICOOB PILKINGTON	SP	100.00%	7,484	6,836	376	100.00%	7,344	6,634		490



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Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SELENE	SP	100.00%	2,596	2,297	134	100.00%	2,351	2,052		160
COOPERPAK	SP	100.00%	18,346	16,473	1,596	100.00%	17,539	15,453		1,587
CREDIRP	SP	100.00%	1,624	1,493	70	100.00%	1,568	1,417		92
CREDI-CAMDA	SP	100.00%	3,576	3,015	127	100.00%	2,873	2,359		66
COOPERPLASCAR	SP	100.00%	5,142	4,583	220	100.00%	5,246	4,534		346
COOPRICLAN	SP	100.00%	5,608	4,721	292	100.00%	5,163	4,082		247
COOPERMERCK	SP	100.00%	11,827	11,121	609	100.00%	11,157	10,387		664
COOPERJS	SP	100.00%	2,127	1,953	81	100.00%	1,673	1,522		71
CREDISCOOP	SP	100.00%	6,113	2,802	(14)	100.00%	6,128	3,054		170
CREDIUNIFI	SP	100.00%	1,343	1,259	42	100.00%	1,194	1,097		67
GRUPO PPG	SP	100.00%	2,112	2,002	100	100.00%	2,005	1,858		96
OWENS-ILLINOIS	SP	100.00%	17,804	16,269	737	100.00%	16,146	15,158		808
EMPRESAS ITAU	SP	100.00%	6,562	6,013	278	100.00%	6,245	5,737		298
ITAPIRA	SP	100.00%	8,464	7,316	406	100.00%	7,404	6,573		351
EATON VALINHOS	SP	100.00%	7,816	7,061	27	100.00%	8,142	7,342		67
CREDI NESTLÉ	SP	100.00%	61,361	57,063	3,130	100.00%	53,778	50,002		2,688
COOPAZ	SP	100.00%	12,028	11,331	367	100.00%	13,680	12,839		398
COOPTEL	SP	100.00%	7,710	7,045	213	100.00%	7,543	6,811		349
MONDELEZ	SP	100.00%	43,897	39,520	2,423	100.00%	42,474	38,183		2,883
COFASA	SP	100.00%	3,421	3,184	123	100.00%	3,243	2,992		141
SKF	SP	100.00%	11,177	10,343	692	100.00%	9,353	8,657		549
COOPERFEIS	SP	100.00%	6,138	5,797	224	100.00%	5,827	5,456		234
USICRED	SP	100.00%	78,516	68,452	4,630	100.00%	67,968	59,533		4,976
MORLAN	SP	100.00%	5,934	5,504	363	100.00%	5,420	4,995		366
MELHORAMENTOS	SP	100.00%	8,176	7,750	273	100.00%	7,412	6,939		337
CONFAB	SP	100.00%	10,390	9,506	516	100.00%	10,580	9,450		595
SICOOB CREDICONT	SP	-	-	-	-	100.00%	2,056	1,396		(614)
CREDIAÇOS	SP	100.00%	10,285	9,172	555	100.00%	10,472	9,631		253
ELGIN	SP	100.00%	4,224	3,777	200	100.00%	3,694	3,486		177
COOPERALPINA	SP	100.00%	4,054	3,689	309	100.00%	3,618	3,250		309
CREDICEBRACE	SP	100.00%	14,300	12,877	1,069	100.00%	13,037	12,032		88
PARKER HANNIFIN	SP	100.00%	6,268	5,677	172	100.00%	5,748	5,182		183
METALCOOPERCRED	SP	100.00%	9,651	8,676	563	100.00%	8,229	7,378		498
COOPASPACER	SP	100.00%	3,104	995	(4)	100.00%	1,991	606		23
COOPERFEB	SP	100.00%	1,314	1,303	(8)	100.00%	2,158	2,047		98
COOP AKZONOBEL	SP	100.00%	7,391	6,829	204	100.00%	6,998	6,449		221
COOPERCRED UNILEVER	SP	100.00%	4,288	3,849	112	100.00%	4,002	3,539		166
CREDIRHODIA PAULÍNEA	SP	100.00%	17,783	16,603	881	100.00%	17,237	15,926		880
CREDIEATON	SP	100.00%	2,407	2,216	131	100.00%	2,106	1,959		0
VB TRANSPORTES	SP	100.00%	957	833	(243)	100.00%	1,139	423		526
COLORADO	SP	100.00%	18,550	16,231	1,211	100.00%	15,170	13,077		1,016

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Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
BOMBRIL	SP	100.00%	9,199	8,358	333	100.00%	9,064	7,991	444	
NOVELIS	SP	100.00%	10,038	8,812	730	100.00%	9,204	8,134	633	
COOP ZANETTINI	SP	100.00%	1,453	1,333	3	100.00%	1,371	1,209	64	
COOPERCERES	SP	100.00%	5,653	5,299	239	100.00%	5,723	5,389	268	
CREDMIL	SP	100.00%	2,562	1,624	99	100.00%	2,449	1,581	115	
COOPERTREM	SP	100.00%	8,771	8,175	430	100.00%	8,905	8,322	501	
CREDIAÇOS MOGI	SP	100.00%	1,635	1,498	44	100.00%	3,067	2,764	133	
COOPRIOCLARO	SP	100.00%	1,156	978	(56)	100.00%	1,189	958	28	
COOPERTAKATAPETRI	SP	100.00%	13,140	11,939	876	100.00%	10,956	10,121	809	
COOPUNESP	SP	100.00%	4,141	2,936	69	100.00%	3,565	2,696	79	
MONSANTO	SP	100.00%	5,453	5,011	107	100.00%	4,977	4,481	187	
SICOOB ALCATEL	SP	100.00%	4,219	3,968	130	100.00%	3,984	3,679	154	
VILLARES METALS	SP	100.00%	16,322	15,078	1,109	100.00%	16,837	15,511	1,234	
UNICOPER	SP	-	-	-	-	100.00%	1,489	1,288	103	
COOPMERC	SP	-	-	-	-	100.00%	2,297	2,148	116	
FDE	SP	-	-	-	-	100.00%	2,201	2,084	68	
COOPMWM INTERNACIONAL	SP	100.00%	11,793	11,177	520	100.00%	11,115	10,472	552	
SICOOB VALE DO PARAÍBA	SP	100.00%	171,783	20,579	159	100.00%	160,018	19,901	(339)	
<b>SICOOB CENTRAL NORDESTE</b>	<b>PB</b>	<b>100.00%</b>	<b>169,894</b>	<b>19,010</b>	<b>24</b>	<b>100.00%</b>	<b>88,355</b>	<b>14,007</b>	<b>270</b>	
SICOOB CEARÁ	PB	100.00%	34,456	8,546	582	100.00%	21,338	7,277	487	
SICREDI FEDERALCRED NE	CE	100.00%	25,686	11,813	279	-	-	-	-	
SICOOB LESTE	PB	100.00%	57,686	24,374	2,412	100.00%	44,168	21,167	1,146	
SICOOB COOPERCRET	AL	100.00%	19,967	6,001	239	100.00%	15,792	5,174	293	
CREDIPOL	PB	100.00%	17,157	6,152	(206)	100.00%	10,244	4,533	299	
COOPREV	RN	-	-	-	-	100.00%	13,603	4,702	122	
CREDS	PB	100.00%	14,815	4,803	211	100.00%	12,101	3,994	109	
SICOOB PERNAMBUCO	PE	100.00%	124,612	25,736	765	100.00%	86,805	21,770	(125)	
SICOOB JURISCRED/PI	PI	100.00%	21,243	5,380	338	100.00%	15,250	4,452	453	
SICOOB SINDICRED RN	RN	-	-	-	-	100.00%	4,783	1,426	(109)	
SICOOB CENTRO LESTE MARANHENSE	MA	100.00%	61,553	22,125	1,415	100.00%	47,530	16,958	1,121	
SICOOB OESTE MARANHENSE	MA	100.00%	45,722	13,977	(470)	100.00%	39,564	14,182	(55)	
COOPEMATER	PE	-	-	-	-	100.00%	4,277	3,751	50	
SICOOB ALUMAR	MA	-	-	-	-	100.00%	2,903	2,756	(190)	
SICOOB BORBOREMA PARAIBANO	PB	100.00%	173,508	34,913	6,306	100.00%	97,590	18,192	4,309	
SICOOB SERTAO PARAIBANO	PB	100.00%	4,460	1,101	(3)	100.00%	2,571	1,116	(229)	
SICOOB EMPRESARIAL	MA	100.00%	12,746	4,264	(223)	100.00%	5,472	1,229	(168)	
SICOOB LITORAL PARAIBANO	PB	100.00%	11,662	1,641	(115)	100.00%	5,363	1,156	(27)	
SICOOB SUL MARANHENSE	MA	100.00%	3,178	806	-	-	-	-	-	
<b>SICOOB CENTRAL MT/MS</b>	<b>MT</b>	<b>100.00%</b>	<b>173,188</b>	<b>24,240</b>	<b>236</b>	<b>100.00%</b>	<b>159,352</b>	<b>23,042</b>	<b>758</b>	
SICOOB COOPERTEC	MT	-	-	-	-	100.00%	15,543	6,091	(201)	

# Sistema de Cooperativas de Crédito do Brasil - Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016			
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result
SICOOB FEDERAL	MT	-	-	-	-	100.00%	19,352	8,949	(798)
SICOOB CREDIJUD	MT	100.00%	93,261	30,166	(300)	100.00%	40,487	15,588	382
SICOOB SERVIDOR	MT	100.00%	53,316	17,460	(3,087)	100.00%	65,540	16,627	833
SICOOB PRIMAVERA MT	MT	100.00%	112,877	14,772	1,934	100.00%	103,189	10,615	1,969
SICOOB ARAGUAIA	MT	100.00%	21,263	4,157	(1,411)	100.00%	21,186	4,208	545
SICOOB SUL	MT	100.00%	45,314	8,479	779	100.00%	47,348	7,172	196
SICOOB COCRESUL	MS	100.00%	7,942	1,208	(215)	100.00%	4,233	990	(81)
SICOOB INTEGRAÇÃO	MT	100.00%	77,459	10,650	2,245	100.00%	55,908	7,272	612
SICOOB DOURADOS	MS	100.00%	47,096	5,522	998	100.00%	32,578	4,063	(138)
SICOOB NORTE	MT	100.00%	51,108	6,357	46	100.00%	28,011	3,686	(104)
<b>SICOOB CENTRAL UNICOOB</b>	<b>PR</b>	<b>100.00%</b>	<b>1,962,374</b>	<b>85,404</b>	<b>4,657</b>	<b>100.00%</b>	<b>1,436,735</b>	<b>84,160</b>	<b>-2,665</b>
SICOOB COOESA	PR	100.00%	38,023	10,908	(234)	100.00%	30,085	10,257	210
COIMPPA	PR	100.00%	81,019	53,802	2,401	100.00%	70,431	48,362	2,164
SICOOB UNIDAS	AM	100.00%	38,563	19,214	32	100.00%	28,611	22,057	(289)
SICOOB METROPOLITANO	PR	100.00%	1,027,043	120,380	9,356	100.00%	819,980	106,433	7,500
SICOOB VALE DO IGUAÇU	PR	100.00%	368,757	49,027	3,556	100.00%	307,062	38,136	3,139
SICOOB TRÊS FRONTEIRAS	PR	100.00%	143,972	16,382	3,185	100.00%	114,382	11,688	(830)
SICOOB UNICOOB MERIDIONAL	PR	100.00%	356,324	41,954	1,950	100.00%	287,215	36,939	2,694
SICOOB NORTE DO PARANÁ	PR	100.00%	703,185	76,380	6,431	100.00%	628,404	68,508	778
SICOOB NOROESTE DO PARANÁ	PR	100.00%	195,131	32,302	2,334	100.00%	171,131	26,820	(132)
SICOOB SUL	PR	100.00%	540,939	50,036	(2,541)	100.00%	423,792	42,459	629
SICOOB CREDICAPITAL	PR	100.00%	407,188	40,982	1,821	100.00%	303,843	36,070	1,258
SICOOB ALIANÇA	PR	100.00%	220,104	33,782	1,284	100.00%	203,062	29,640	2,504
SICOOB ARENITO	PR	100.00%	139,154	12,572	939	100.00%	111,599	11,758	(93)
SICOOB MARECHAL	PR	100.00%	69,767	10,227	1,401	100.00%	57,406	9,619	177
SICOOB INTEGRADO	PR	100.00%	204,416	21,820	630	100.00%	159,833	19,698	(509)
SICOOB HORIZONTE	PR	100.00%	72,298	13,197	249	100.00%	53,613	11,819	621
SICOOB MÉDIO OESTE	PR	100.00%	71,718	10,044	1,329	100.00%	58,889	7,393	386
SICOOB AMAPA	AM	100.00%	18,120	4,383	(327)	100.00%	14,858	3,375	98
SICOOB TRANSAMAZÔNICA	PA	100.00%	10,065	3,863	210	100.00%	2,826	1,177	(273)
<b>SICOOB UNIMAIS</b>	<b>SP</b>	<b>100.00%</b>	<b>835,581</b>	<b>31,298</b>	<b>3,032</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>
UNIMAIS BANDEIRANTE	SP	100.00%	333,311	39,957	(30,801)	-	-	-	-
UNIMAIS ANHANGUERA	SP	100.00%	107,215	12,467	(8,112)	-	-	-	-
UNIMAIS MANTIQUEIRA	SP	100.00%	138,671	22,822	90	-	-	-	-
UNIMAIS RIO CLARO	SP	100.00%	109,402	17,076	658	-	-	-	-
UNIMAIS CENTRO PAULISTA	SP	100.00%	66,117	9,669	(945)	-	-	-	-
UNIMAIS SUDESTE PAULISTA	SP	100.00%	81,315	9,114	(1,957)	-	-	-	-
UNIMAIS NORTE PAULISTA	SP	100.00%	31,140	5,005	(340)	-	-	-	-
UNIMAIS METROPOLITANA	SP	100.00%	447,836	55,440	546	-	-	-	-
UNIMAIS DE GUARULHOS E REGIÃO	SP	100.00%	100,231	18,402	(2,274)	-	-	-	-
<b>SICOOB UNI</b>	<b>GO</b>	<b>100.00%</b>	<b>1,052,449</b>	<b>58,111</b>	<b>5,628</b>	<b>100.00%</b>	<b>687,253</b>	<b>38,176</b>	<b>8,633</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Name	2017					2016				
	State	Ownership interest	Assets	Equity	Net Result	Ownership interest	Assets	Equity	Net Result	
SICOOB UNICENTRO BRASILEIRA	GO	100.00%	1,468,650	284,260	16,890	100.00%	1,215,056	250,435	22,955	
SICOOB UNIAM	AM	100.00%	102,375	37,913	1,666	100.00%	86,091	34,708	3,312	
SICOOB UNISAÚDE GOIAS	GO	100.00%	110,214	18,922	2,471	100.00%	74,226	14,910	644	
SICOOB UNIRONDÔNIA	AM	100.00%	119,848	21,022	(382)	100.00%	62,683	12,447	55	
SICOOB UNICENTRO NORTE GOIANO	GO	100.00%	275,018	55,827	6,518	100.00%	208,059	43,285	4,603	
SICOOB UNIBV	AM	100.00%	18,156	4,212	203	100.00%	15,317	3,648	16	
SICOOB UNIRBO	AM	100.00%	56,983	14,284	1,397	100.00%	42,167	11,598	441	
SICOOB UNIJPR	AM	-	-	-	-	100.00%	36,729	7,788	405	
SICOOB UNIASACRED	DF	-	-	-	-	100.00%	10,360	1,377	(238)	
UNICOOPJUR	AM	-	-	-	-	100.00%	188	170	(69)	
SICOOB UNISAUDE SUDESTE	MG	100.00%	153,734	16,492	1,110	100.00%	118,223	12,679	1,569	
<b>SICOOB CENTRAL RIO</b>	<b>RJ</b>	<b>100.00%</b>	<b>671,032</b>	<b>24,974</b>	<b>1,648</b>	<b>100.00%</b>	<b>603,085</b>	<b>22,594</b>	<b>953</b>	
SICOOB SERVIDORES	RJ	100.00%	56,234	22,641	722	100.00%	45,838	20,596	1,192	
SICOOB CECREMEF	RJ	100.00%	445,275	61,650	1,644	100.00%	389,572	55,996	2,049	
CREMENDES	RJ	100.00%	5,071	980	(135)	100.00%	3,540	167	(399)	
SICOOB COOPJUSTIÇA	RJ	100.00%	112,963	47,710	3,150	100.00%	96,607	42,391	2,419	
SICOOB FLUMINENSE	RJ	100.00%	80,514	24,311	666	100.00%	53,287	20,788	385	
COOPVALE	RJ	100.00%	15,665	6,179	158	100.00%	12,318	5,114	260	
SICOOB CREDICOR/RJ	RJ	100.00%	20,692	6,542	194	100.00%	17,306	5,797	92	
SICOOB EMPRESAS RJ	RJ	100.00%	56,369	11,671	366	100.00%	50,518	10,235	747	
SICOOB COOMPERJ	RJ	100.00%	302,867	33,412	1,617	100.00%	256,766	26,102	242	
SICOOB COODPERJ	RJ	-	-	-	-	100.00%	26,168	4,910	(150)	
<b>FUNDOS DE INVESTIMENTO</b>	<b>DF</b>									
MINASCOOP FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	149,406	140,619	8,730	100.00%	139,793	129,294	10,440	
BANCOOB CENTRALIZAÇÃO FUNDO DE INVESTIMENTO – RF– CP	DF	100.00%	1,085,878	1,038,106	47,010	100.00%	882,294	838,261	43,741	
COOPMÚTUO FUNDO DE INVESTIMENTO MULTIMERCADO – CP	DF	100.00%	770,171	723,201	44,966	100.00%	774,851	725,071	49,596	
INVEST RIO FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	280,103	263,799	16,202	100.00%	245,337	229,824	15,416	
UNICOOB FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	105,145	99,616	5,484	100.00%	95,233	88,621	6,558	
UNIMAIS FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	36,663	33,878	2,763	100.00%	-	-	-	
SICOOB INSTITUCIONAL FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	488,147	461,794	26,252	100.00%	361,112	340,406	20,621	
SICOOB GOIÁS CENTRAL FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	104,992	99,150	5,799	100.00%	55,891	52,303	3,555	
SICOOB CENTRAL SC FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	112,400	106,401	5,957	100.00%	93,908	86,465	7,399	
SICOOB COCRED FUNDO DE INVESTIMENTO RENDA FIXA – CP	DF	100.00%	4,933	4,552	371	100.00%	4,502	3,983	507	
SICOOB COCRED FUNDO DE INVESTIMENTO RENDA FIXA MULTIMERCADO – CP	SP	100.00%	52,217	52,409	(204)	100.00%	-	-	-	
SICOOB PREVIDENCIÁRIO FUNDO DE INVESTIMENTO RENDA FIXA – IMA-B	DF	100.00%	21,914	20,937	967	100.00%	15,975	13,951	2,012	
<b>Total</b>			<b>152,456,915</b>	<b>21,872,634</b>	<b>1,447,176</b>		<b>121,222,534</b>	<b>18,718,290</b>	<b>1,326,443</b>	

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### ii) Breakdown of Credit Unions Merged:

#### • First six-month Period of 2017

System	Merged credit union	Merging credit union
Sicoob Planalto Central	Sicoob Uniasacred	Sicoob Judiciário
Sicoob Cecremge	Sicoob Credigerais	Sicoob Crediparnor
Sicoob Cecresp	Sicoob Alcoop São Roque	Sicoob Cooperaso
Sicoob NE	Cooprev	Sicoob Borborema Paraibano

#### • First six-month Period of 2016

System	Merged credit union	Merging credit union
Sicoob SC/RS	Sicoob Blucredi Sul	Sicoob Maxicredito
Sicoob SC/RS	Sicoob Indacredi	Sicoob Maxicredito
Sicoob NE	Sicoob Empresarial MT	Sicoob Credisul
Sicoob Cecremge	Sicoob Ardocredi	Sicoob Credinova
Sicoob Cecresp	Coopersarco	Sicoob Credmetal

### d. Eliminations between Sicoob's Entities

Combined Balance Sheets	2017			2016		
	Aggregate	Eliminations	Combined	Aggregate	Eliminations	Combined
<b>Assets</b>						
<b>Current and Non-Current Assets</b>						
Available Funds	553,977	(2,398)	551,579	519,944	(141)	519,803
Short Term Interbank Investments	37,403,628	(24,005,477)	13,398,151	25,505,956	(17,608,965)	7,896,991
Securities and Derivative Financial Instruments	33,193,198	(12,506,061)	20,687,137	28,122,970	(11,617,633)	16,505,337
Interbank Accounts	23,000,892	(21,648,881)	1,352,011	15,271,598	(14,381,825)	889,773
Interbranch Accounts	8,249	-	8,249	17,172	-	17,172
Lending Operations	46,694,940	(7,221,781)	39,473,159	43,450,449	(7,250,237)	36,200,212
Other Receivables	6,020,624	(142,582)	5,878,042	3,739,227	(140,450)	3,598,777
Other Assets	825,593	-	825,593	601,981	-	601,981
Investments	3,392,866	(2,998,475)	394,391	2,814,284	(2,493,859)	320,425
Property and Equipment in Use	1,308,675	-	1,308,675	1,116,584	-	1,116,584
Intangible Assets	54,274	-	54,274	62,369	-	62,369
<b>Total Assets</b>	<b>152,456,917</b>	<b>(68,525,656)</b>	<b>83,931,261</b>	<b>121,222,534</b>	<b>(53,493,110)</b>	<b>67,729,424</b>
<b>Liabilities</b>						
<b>Current and Non-Current Liabilities</b>						
Deposits	85,614,924	(31,880,982)	53,733,942	68,429,626	(25,412,365)	43,017,261
Money Market Funding	1,631,712	(1,519,993)	111,719	1,536,608	(1,230,738)	305,870
Funds from Acceptance of Bills of Exchange and Issuance of Securities	2,275,522	-	2,275,522	970,573	-	970,573
Interbank Accounts	29,320,225	(28,489,964)	830,261	21,819,836	(21,115,734)	704,102
Interbranch Accounts	80,653	-	80,653	56,885	-	56,885
Borrowing and Onlendings	3,904,438	(406,046)	3,498,392	3,876,348	(530,519)	3,345,829
Derivative Financial Instruments	-	-	-	593	-	593
Other Obligations	6,308,460	(40,857)	6,267,603	4,486,027	(41,657)	4,444,371
Deferred Income	1,173	-	1,173	1,304	-	1,304
<b>Equity</b>	<b>23,319,810</b>	<b>(6,187,814)</b>	<b>17,131,996</b>	<b>20,044,734</b>	<b>(5,162,097)</b>	<b>14,882,637</b>
<b>Total Liabilities and Equity</b>	<b>152,456,917</b>	<b>(68,525,656)</b>	<b>83,931,261</b>	<b>121,222,534</b>	<b>(53,493,110)</b>	<b>67,729,424</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

Combined Statements of Income	2017			2016		
	Aggregate	Eliminations	Combined	Aggregate	Eliminations	Combined
Income from Financial Intermediation	8,569,947	(2,136,732)	6,433,214	7,662,051	(1,919,659)	5,742,392
Expenses for Financial Intermediation	(5,348,914)	1,990,772	(3,358,141)	(4,795,260)	1,771,699	(3,023,561)
Other Operating Income (expenses)	(1,490,448)	(202,700)	(1,693,148)	(1,333,670)	(152,650)	(1,486,281)
Non-Operating Income (expenses)	(4,238)	-	(4,238)	10,884	-	10,884
Income Tax and Social Contribution	(106,430)	-	(106,430)	(81,592)	-	(81,592)
Profit Sharing	(24,273)	-	(24,273)	(19,144)	-	(19,144)
<b>Profit for the Six-month Period</b>	<b>1,595,644</b>	<b>(348,660)</b>	<b>1,246,984</b>	<b>1,443,269</b>	<b>(300,611)</b>	<b>1,142,658</b>
Interest on Capital	(148,468)	-	(148,468)	(116,826)	-	(116,826)
Profit after Interest on Capital	1,447,176	(348,660)	1,098,516	1,326,443	(300,611)	1,025,831

### 3. Summary of Significant Accounting Practices

#### a. Accounting estimates

The combined financial statements have been prepared in conformity with Brazilian accounting practices, and require Management to exercise judgment in the process of calculating and recording accounting estimates, when applicable. Significant items subject to the application of 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. The settlement amounts of the transactions may differ from the estimated amounts presented in the combined financial statements due to inaccuracies inherent in their determination process. Estimates and assumptions are periodically reviewed to reflect the best information available.

#### b. Determination of Results

Results of operations are calculated on the accrual basis of accounting.

#### c. Functional Currency

The combined financial statements are presented in Brazilian Reais (R\$), which is the functional currency used by the whole of Sicoob.

#### d. Foreign Currency

Monetary assets denominated in foreign currencies 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.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

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### **e. Cash and Cash Equivalents**

Cash and cash equivalents are represented by cash in local and foreign currency, and short term interbank investments with maturities on the investment date equal to or lower than 90 days and subject to an immaterial risk of changes in fair value, which are used by Sicoob to manage its short-term obligations.

### **f. 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.

### **g. Marketable Securities**

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

- i. Trading securities** - securities acquired for frequent and active trading, adjusted to market value with a corresponding entry to the profit or loss for the period;
- ii. Held-to-maturity securities** - securities acquired to be held to maturity, based on financial capacity studies, accounted for at their acquisition cost plus any income earned.
- iii. Available-for-sale securities** - securities that are not classified as "trading securities" or "held-to-maturity securities". These securities are adjusted to market value, and the result of this adjustment, net of tax effects, is recorded in a separate account in equity. Gains and losses, when applicable, are recognized in the statement of income.

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.

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 costs 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 as the result of the transaction and recognized on the transaction date within "Gains or losses on securities".

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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### ***h. Derivative Financial Instruments***

In compliance with Central Bank Circular Letter 3,082/2001, derivative financial instruments are valued at market value at least at the time of preparation of the monthly trial balances and balance sheets. Any appreciation or depreciation is recognized directly in the revenue or expense accounts for the respective derivative financial instruments.

The methodology for the marking-to-market of derivative financial instruments 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 in accordance with the characteristics of the derivative.

Sicoob's derivative financial instruments include only a forward equity transaction and a commodity futures transaction entered into with an exclusive investment fund and an individual credit union, respectively. The financial effects arising from these transactions are described in Note 7(d).

### ***i. Provision for Loan Losses***

The provision for loan losses is calculated based on Management's judgment concerning the risk level, considering the risk 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.

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

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

### ***j. Investments***

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

### ***k. Property and Equipment***

Property and equipment are recorded at their acquisition, formation or construction cost, including interest and other capitalized financial charges. Depreciation of assets is calculated on a straight



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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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 in the event there is clear evidence that the assets are not stated at their recoverable amounts.

### ***I. Intangible Assets***

Intangible assets correspond to rights acquired in intangible assets that are intended for the maintenance of the entities that comprise Sicoob or which are used for this purpose. Intangible assets with a defined useful life are usually amortized on a straight line basis over the estimated period of the economic benefit. Intangible assets include software acquired from third parties, and are amortized at an annual rate of 20%. Intangible assets are also reviewed for impairment on an annual basis.

### ***m. Other Current and Non-Current Assets***

These are stated at net realizable value.

### ***n. Deposits and Money Market Funding***

Funds arising from deposits are stated at the amount raised, plus any accrued income, on a daily *pro rata* basis.

### ***o. Borrowing and Onlending***

Borrowing and onlending are stated at their known or determinable amounts, including accrued charges and monetary variations, net of the corresponding unrecognized expenses, when applicable.

### ***p. Private Pension Plan***

The private pension plan established by Bancoob is a plan of the defined contribution type offered to all Sicoob entities. 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 is computed at the rate of 15%, plus a 10% surtax for annual income exceeding R\$ 240, and the provision for social contribution 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. Up to August 2015, Social Contribution on Net Income was levied at the rate of 15%.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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The calculation of the Corporate Income Tax (“IRPJ”) and Social Contribution on Net Income (“CSLL”) due by credit unions is subject to specific rules. When credit unions earn income from non-cooperative acts, they are subject to the same rules applicable to financial institutions.

Tax assets were calculated in accordance with the aforementioned tax rates and are recognized based on the expected generation of future taxable income, over a maximum period of ten years, pursuant to CMN Resolution 3,059/2002 as amended by Resolution 3,355/2006. 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, 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 is carried out in accordance with CMN Resolution 3,823/2009, which requires financial institutions and other institutions authorized to operate by the Central Bank in compliance with Technical Pronouncement CPC 25, issued by the Accounting Pronouncements Committee (“CPC”), as follows:

- **Contingent Assets** - Contingent assets are not accounted for, except when there are real guarantees or unappealable 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 based on the opinion of the legal advisors, the nature of the lawsuits, similarities to previous 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. The lawsuits for which an unfavorable outcome is classified as possible are only disclosed in the notes to the financial statements when they are considered material on a standalone basis.
- **Legal Obligations** - These are obligations that derive from a contract, with implicit or explicit terms, a law or another operation of law, which should be recognized by the member entities of Sicoob.

### **s. Other Current and Non-Current Liabilities**

These are stated at their known or estimated amounts including, when applicable, the corresponding charges and monetary variations incurred.

### **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:

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

- 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 other Technical Pronouncements issued by CPC will be applied after their adoption has been approved by the Brazilian Central Bank.

## 4. Breakdown of Cash and Cash Equivalents

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

<b>Cash</b>	<b>2017</b>	<b>2016</b>
<b>Available Funds (Note 5)</b>	<b>551,579</b>	<b>519,803</b>
Local Currency	547,149	516,847
Foreign Currency	4,430	2,956
<b>Cash Equivalents</b>	<b>11,055,810</b>	<b>5,227,254</b>
Short-Term Interbank Investments (up to 90 days)	11,055,810	5,227,254
<b>Total</b>	<b>11,607,389</b>	<b>5,747,057</b>

## 5. Available Funds

	<b>2017</b>	<b>2016</b>
Local Currency	547,149	516,847
Foreign Currency	4,430	2,956
<b>Total</b>	<b>551,579</b>	<b>519,803</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## 6. Short-term Interbank Investments

### a. Breakdown of Short-term Interbank Investments

	Maturity			2017	2016
	3 months or less	From 3 months to 1 year	Over 1 year		
Investments in Repurchase Agreements	11,053,964	431,445	-	11,485,409	6,771,252
Resales Pending Settlement - Own Resources	9,485,844	431,445	-	9,917,289	5,349,689
Resales Pending Settlement – Third-Party Resources	1,568,120	-	-	1,568,120	1,421,563
Investments in Interbank Deposits	1,032,552	628,986	246,303	1,907,841	1,122,490
Investments in Savings Account Deposits	4,901	-	-	4,901	3,249
Total	12,091,417	1,060,431	246,303	13,398,151	7,896,991

### b. Income from Short-term Interbank Investments

	6/30/2017	6/30/2016
Own Resources	453,734	287,755
Third-Party Resources	67,745	64,109
Income from Investments in Interbank Deposits	133,132	72,339
Total	654,611	424,203

## 7. Marketable Securities and Derivative Financial Instruments

### a. Securities

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

- i. For federal government securities (LTNs, LFTs, NTNs), the index disclosed by the Brazilian Association of Capital and Financial Markets Institutions ("ANBIMA") is used.
- ii. 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.
- iii. Private securities are marked-to-market periodically, using an in-house methodology that first considers the prices available on liquid markets. Alternatively, fair values are calculated under a method that considers the average spreads (for similar private securities) adopted for the own portfolio, in accordance with the size of the issuer.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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Securities, including derivative financial instruments and short-term interbank investments, are under the custody of CBLC, CETIP, SELIC or BM&FBOVESPA, except for investment fund shares whose records are kept by the respective administrators.

In compliance with Article 8 of Central Bank Circular Letter 3,068/2001, 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.

It is worth mentioning that, pursuant to Article 1 of Central Bank Circular Letter 3,068/2001, credit unions are released from the obligation to classify the securities held in their portfolios into the three categories established by the aforementioned Circular Letter. Accordingly, for the purposes of the 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.

For disclosure purposes, in accordance with Circular Letter 3,068/2001, the securities classified as "Trading securities" must be presented in current assets.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## b. Breakdown of Marketable Securities and Derivative Financial Instruments

Securities were broken down as follows:

	Maturity			2017	2016
	3 months or less	From 3 months to 1 year	Over 1 year	Balance	Balance
<b>I - AVAILABLE-FOR-SALE SECURITIES</b>	<b>2,870,156</b>	<b>1,879,171</b>	<b>13,550,754</b>	<b>18,300,081</b>	<b>14,368,256</b>
<b>Own portfolio</b>	<b>2,516,754</b>	<b>927,080</b>	<b>9,659,639</b>	<b>13,103,473</b>	<b>9,801,696</b>
Financial Treasury Bills	492,855	235,899	7,285,463	8,014,217	4,993,260
National Treasury Bills	-	-	-	-	1,699
Certificates of Agribusiness Receivables	-	4,134	53,177	57,311	52,143
Investment Fund Shares	1,659,773	-	-	1,659,773	888,717
Financial Bills (LFs)	364,126	687,047	2,238,557	3,289,730	3,831,757
Other	-	-	82,442	82,442	34,120
<b>Subject to Repurchase Agreements</b>	<b>277</b>	<b>18</b>	<b>37,487</b>	<b>37,782</b>	<b>91,886</b>
Financial Treasury Bills	277	18	37,487	37,782	91,886
<b>Linked to the Provision of Guarantees</b>	<b>353,125</b>	<b>952,073</b>	<b>3,850,839</b>	<b>5,156,037</b>	<b>4,474,674</b>
Financial Treasury Bills	317,174	250,470	3,809,370	4,377,014	4,229,851
National Treasury Notes	-	-	-	-	1,558
Investment Fund Shares	-	-	-	-	25,297
National Treasury Certificates	-	-	24,437	24,437	-
Financial Bills (LFs)	35,951	701,603	17,032	754,586	217,968
<b>Linked to the Central Bank</b>	<b>-</b>	<b>-</b>	<b>2,789</b>	<b>2,789</b>	<b>-</b>
National Treasury Certificates	-	-	2,789	2,789	-
<b>II - TRADING SECURITIES</b>	<b>2,030,014</b>	<b>-</b>	<b>-</b>	<b>2,030,014</b>	<b>1,768,859</b>
<b>Own Portfolio</b>	<b>2,030,014</b>	<b>-</b>	<b>-</b>	<b>2,030,014</b>	<b>1,768,859</b>
Financial Treasury Bills	316,936	-	-	316,936	220,126
National Treasury Notes	21,613	-	-	21,613	15,935
Bank Deposit Certificates	64,240	-	-	64,240	88,665
Debentures	350	-	-	350	2,030

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

	Maturity			2017	2016
	3 months or less	From 3 months to 1 year	Over 1 year	Balance	Balance
Financial Bills (LFs)	615,872	-	-	615,872	513,047
Term Deposits with Special Guarantees	957,019	-	-	957,019	893,123
Fund Shares	53,317	-	-	53,317	-
Other	667	-	-	667	35,933
<b>III - HELD-TO-MATURITY SECURITIES</b>	<b>129,765</b>	<b>150,075</b>	<b>38,222</b>	<b>318,062</b>	<b>269,465</b>
<b>Own Portfolio</b>	<b>102,360</b>	<b>150,075</b>	<b>38,222</b>	<b>290,657</b>	<b>246,185</b>
Financial Treasury Bills	102,360	-	-	102,360	90,653
Bank Credit Notes	-	5,339	38,222	43,561	26,500
Bank Deposit Certificates	-	207	-	207	179
Term Deposits with Special Guarantees	-	144,529	-	144,529	128,853
<b>Subject to Repurchase Agreements</b>	<b>26,219</b>	<b>-</b>	<b>-</b>	<b>26,219</b>	<b>23,280</b>
Financial Treasury Bills	26,219	-	-	26,219	23,280
<b>Linked to the Provision of Guarantees</b>	<b>1,186</b>	<b>-</b>	<b>-</b>	<b>1,186</b>	<b>-</b>
Financial Treasury Bills	1,186	-	-	1,186	-
<b>IV - DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>38,980</b>	<b>-</b>	<b>-</b>	<b>38,980</b>	<b>98,757</b>
Forward Sales Receivable	38,874	-	-	38,874	97,465
Futures	106	-	-	106	1,292
<b>Total</b>	<b>5,068,915</b>	<b>2,029,246</b>	<b>13,588,976</b>	<b>20,687,137</b>	<b>16,505,337</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

In the first six-month period of 2017, there were no reclassifications of securities between the categories.

At June 30, 2017, Sicoob had securities linked to guarantees provided, totaling R\$ 5,157,224 (2016 – R\$ 4,474,674).

### c. Income from Securities and Derivative Financial Instruments

	6/30/2017	6/30/2016
Income from Fixed-Income Securities	1,075,426	1,021,611
Income from Investment Funds	79,279	55,003
Income from Short-Term Interbank Investments (Note 6(b))	654,611	424,203
Profit from Fixed-Income Securities	403	147
Income from Derivative Transactions	4,459	5,494
Expenses with Securities and Derivative Financial Instruments	(8,041)	(4,132)
Other	7,908	5,080
<b>Total</b>	<b>1,814,045</b>	<b>1,507,406</b>

### d. Breakdown of Derivative Financial Instruments

Derivative Financial Instruments	2017			2016		
	Assets	Liabilities	Exposure	Assets	Liabilities	Exposure
Forward Sales Receivable (a)	38,874	-	-	97,465	-	-
Futures (b)	107	-	20,000	1,292	593	5,913
<b>Total</b>	<b>38,981</b>	<b>-</b>	<b>20,000</b>	<b>98,757</b>	<b>593</b>	<b>5,913</b>

In the first six-month of 2017, the result from derivative financial instruments amounted to R\$ 4,459 (2016 – R\$ 5,494).

(a) Refers to forward sales receivable held by a multi-market fund.

(b) Refers to transactions in the futures market to hedge against the risk of fluctuations in the prices of commodities traded in transactions involving Financial Rural Producer Notes ("CPRFs").

## 8. Interbank Accounts

	2017	2016
Rights with Participants of Settlement Systems	727,473	628,479
Transfer to Rural Credit Funds - BACEN - MCR 6-2 (a)	165,766	-
Compulsory Cash Reserves with BACEN	35,884	18,210
BACEN - Mandatory Payments	415,493	236,742
Correspondents	4,124	4,149
Other	3,271	2,193
<b>Total</b>	<b>1,352,011</b>	<b>889,773</b>



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

In the first six-month of 2017, the results of compulsory investments amounted to R\$ 14,682 (2016 – R\$ 13,595).

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

## 9. Lending Operations

### a. Breakdown of the Loan Portfolio

	2017	2016
Loans and Discounted Notes	26,965,237	23,684,691
Financing	3,231,019	3,241,055
Rural and Agro-Industrial Financing	11,532,272	11,164,693
Real Estate Financing	2,854	-
Operations Linked to the Assignment of Receivables (a)	23,728	-
<b>Sub-total</b>	<b>41,755,110</b>	<b>38,090,439</b>
(-) Provision for Loan Losses	(2,281,951)	(1,890,227)
<b>Total</b>	<b>39,473,159</b>	<b>36,200,212</b>

(a) Refers to the assignment of CPRFs and Bank Credit Notes ("CCBs") to a securitization company.

### b. Breakdown of the Portfolio by Industry and Maturity

	Past due and falling due up to 3 months	Falling due					Total 2017	Total 2016
		From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	From 5 to 15 years	Over 15 years		
Rural	2,321,851	5,477,068	2,208,132	980,192	545,027	-	11,532,271	11,164,693
Financial Intermediaries	18,259	50,940	83,096	2,694	-	-	154,989	243,178
<b>Legal entities</b>								
Services	361,538	357,051	749,400	473,418	244,813	4,019	2,190,239	2,188,021
Manufacturing	807,853	393,513	599,338	457,159	155,354	3,509	2,416,726	2,513,075
Commerce	1,547,169	998,555	1,449,911	880,081	237,211	3,234	5,116,161	5,200,548
Individuals	742,815	5,374,787	2,720,684	2,004,666	1,891,747	12,099	12,746,798	12,493,558
Other (a)	1,372,776	1,468,567	2,458,832	1,616,048	662,184	19,519	7,597,926	4,287,366
<b>Total</b>	<b>7,172,261</b>	<b>14,120,481</b>	<b>10,269,393</b>	<b>6,414,258</b>	<b>3,736,336</b>	<b>42,380</b>	<b>41,755,110</b>	<b>38,090,439</b>

(a) Refers predominantly 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.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### c. Breakdown of Provisions for Loan Losses by Risk Level

2017					2016		
Risk	Percentage	Balance of the portfolio	% of the portfolio	Amount of provision	Balance of the portfolio	% of the portfolio	Amount of provision
AA	0.00%	1,365,077	3.27	-	2,250,675	5.91	-
A	0.50%	20,842,739	49.92	108,214	19,449,267	51.06	97,246
B	1.00%	11,628,874	27.85	119,902	10,331,672	27.12	103,317
C	3.00%	4,186,999	10.03	126,036	3,084,648	8.10	92,539
D	10.00%	1,144,173	2.74	115,794	915,002	2.40	91,500
E	30.00%	632,745	1.52	192,823	450,561	1.18	135,168
F	50.00%	462,372	1.11	233,186	331,033	0.87	165,517
G	70.00%	353,786	0.85	247,651	249,596	0.66	176,955
H	100.00%	1,138,345	2.73	1,138,345	1,027,985	2.70	1,027,985
<b>Total</b>		<b>41,755,110</b>	<b>100.00</b>	<b>2,281,951</b>	<b>38,090,439</b>	<b>100.00</b>	<b>1,890,227</b>

### d. Concentration of Lending Operations

	2017	%	2016	%
10 largest debtors	164,320	0.39	242,147	0.64
50 next largest debtors	456,557	1.09	518,702	1.36
100 next largest debtors	543,008	1.30	633,507	1.66
Other	40,591,225	97.21	36,696,083	96.34
<b>Total</b>	<b>41,755,110</b>	<b>100.00</b>	<b>38,090,439</b>	<b>100.00</b>

### e. Changes in the Provision for Loan Losses

	2017	2016
Balance at the beginning of the six-month period	2,160,845	1,364,553
Constitution (reversal) of provision for loan losses	906,974	821,179
Lending operations written off as losses	(785,868)	(295,505)
<b>Balance at the end of the six-month period</b>	<b>2,281,951</b>	<b>1,890,227</b>

In the first six-month period of 2017, the total loans written off as losses amounted to R\$ 785,868 (2016 – R\$ 295,505).

### f. Income from Lending Operations

	6/30/2017	6/30/2016
Loans and Discounted Notes	3,504,812	3,122,178
Financing	324,475	318,663
Rural and Agro-Industrial Financing	593,924	588,256
Real Estate Financing	64	-
Receivables from Guarantees Honored	1,672	810
<b>Sub-total</b>	<b>4,424,947</b>	<b>4,029,907</b>
Recovery of Loans Written Off as Losses (a)	179,540	191,484
<b>Total</b>	<b>4,604,487</b>	<b>4,221,391</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### 10. Other Receivables - Sundry

#### a. Breakdown of Other Receivables

	2017	2016
Deposits in Court (a)	609,737	532,412
Tax Assets (Note 11(a))	35,106	30,724
Taxes Recoverable or to be Offset	68,955	47,125
Receivables from Credit Cards (b)	1,993,131	1,327,412
Notes and Credits Receivable	160,657	128,420
Salary Prepayments and Advances	40,631	41,248
Advances on Property and Equipment	42,847	16,363
Prepaid Expenses	15,026	11,991
Payments to be Reimbursed	60,118	43,949
Debtors for Purchase of Assets (c)	317,000	166,171
Acquiring Operations (d)	2,346,956	1,014,761
Other	167,225	212,104
<b>Sub-total</b>	<b>5,857,389</b>	<b>3,572,680</b>
Provision for Losses on other Receivables	(103,255)	(75,105)
<b>Total</b>	<b>5,754,134</b>	<b>3,497,575</b>

- (a) Refers to deposits in court made by Sicoob entities, at the request of the court or following a strategy adopted by these entities, without the actual settlement of the contingent liability.
- (b) Refers to changes in credit card operations payable in a lump sum or in interest-free installments.
- (c) Refers mainly to notes receivable for properties sold in loan renegotiation transactions, which are substantially adjusted by the variations of the Long Term Interest Rate ("TJLP") or the Interbank Deposit Certificate ("CDI").
- (d) Refers to receivables from acquiring operations.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### **b. Provision for Loan Losses - Other Receivables with Loan Characteristics**

	<u>2017</u>	<u>2016</u>
Balance at the Beginning of the Six-Month Period	94,562	51,795
Constitution (Reversal) of Provision for losses on Other Receivables	8,693	23,310
<b>Balance at the End of the Six-Month Period</b>	<b><u>103,255</u></b>	<b><u>75,105</u></b>

## **11. Tax Credits, Income Tax and Social Contribution on Net Income**

At June 30, 2017, Sicoob recorded the amount of R\$ 35,106 (2016 – R\$ 30,724) under "Other Receivables" (Note 10), referring to temporary differences between the accounting result and the taxable result, mainly related to Bancoob.

### **a. Breakdown**

	<u>2017 (a)</u>		<u>2016</u>	
	<u>Income tax</u>	<u>Social contribution</u>	<u>Income tax</u>	<u>Social contribution</u>
Provision for Loan Losses	53,103	53,103	48,400	48,400
Civil and Labor Contingencies	3,186	3,186	2,745	2,745
Profit Sharing	3,708	3,708	2,627	2,627
Adjustment to Market Value - Securities	2,405	2,405	5,922	5,922
Government Severance Indemnity Fund for Employees ("FGTS") - 50% - Executive Board	1,218	1,218	963	963
SIPAG Acceleration Program	1,241	1,241	-	-
Legal Fees	1,519	1,519	1,000	1,000
Card Bonus	15,840	15,840	6,190	6,190
Other Provisions	1,762	1,762	429	429
<b>Amount</b>	<b>83,982</b>	<b>83,982</b>	<b>68,276</b>	<b>68,276</b>
Tax rates	25%	20%	25%	20%
<b>Tax Credits Recognized</b>	<b><u>20,995</u></b>	<b><u>14,111</u></b>	<b><u>17,069</u></b>	<b><u>13,655</u></b>

- (a) At December 31, 2016 and June 30, 2017, the Social Contribution tax asset was recognized on temporary differences at the rate of 20% up to December 2018, and at the rate of 15% from January 2019, pursuant to Law 13,169/15.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### b. Changes

	2017		2016	
	Income tax	Social contribution	Income tax	Social contribution
<b>At December 31</b>				
Deferred tax credits	21,527	14,817	16,497	13,198
Deferred tax liabilities	(1,209)	(809)	-	-
	<b>20,318</b>	<b>14,008</b>	<b>16,497</b>	<b>13,198</b>
<b>Adjustment to profit (loss)</b>	<b>1,973</b>	<b>836</b>	<b>(286)</b>	<b>(229)</b>
Tax credits recognized	5,340	4,274	1,789	1,431
Tax credits derecognized	(3,367)	(3,438)	(2075)	(1,660)
<b>Adjustment to equity (securities)</b>	<b>(3,157)</b>	<b>(1,935)</b>	<b>858</b>	<b>686</b>
Tax credits recognized	1,781	1,425	1,058	846
Tax credits derecognized	(4,286)	(2,967)	(200)	(160)
Changes in deferred taxes	(652)	(393)	-	-
<b>Changes</b>	<b>(1,184)</b>	<b>(1,099)</b>	<b>572</b>	<b>457</b>
<b>At June 30</b>				
Deferred tax credits	20,995	14,111	17,069	13,655
Deferred tax liabilities	(1,861)	(1,202)	-	-
	<b>19,134</b>	<b>12,909</b>	<b>17,069</b>	<b>13,655</b>

### c. Expected Realization of Tax Credits

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

	Nominal amount	Present value
2017	6,331	6,079
2018	7,291	6,375
2019	5,360	4,281
2020	4,587	3,354
2021	1,974	1,323
2022 to 2026	9,563	5,878
<b>Total tax assets</b>	<b>35,106</b>	<b>27,290</b>

The present value of tax assets was calculated using the SELIC rate projected for the realization years.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### **d. Income Tax and Social Contribution on Net Income**

#### **d.1. Reconciliation of Corporate Income Tax ("IRPJ") and Social Contribution on Net Income**

The calculation of the IRPJ and CSLL due from credit unions is subject to specific rules. When credit unions accrue income from non-cooperative acts, they are subject to the same rules applicable to financial institutions.

The provisions for IRPJ and CSLL are constituted at the following rates:

- IRPJ: 15% on taxable income plus a 10% surtax on income exceeding R\$ 120 in the six-month period; and
- CSLL: 20% on taxable income for financial institutions, and 17% for credit unions. Up to August 2015, CSLL was levied at the rate of 15%.

## **12. Other Assets**

	<b>2017</b>	<b>2016</b>
<b>Assets not for Own Use</b>		
Properties	605,742	406,198
Vehicles and Similar Items	12,799	11,730
Machinery and Equipment	1,928	3,845
Assets under a Special Regime	137,941	135,052
Other	3,653	2,478
(-) Provision for Impairment of Other Assets (a)	(22,648)	(23,000)
<b>Total</b>	<b>739,415</b>	<b>536,303</b>
Materials in Stock	6,530	3,683
Prepaid Expenses	79,648	61,995
<b>Total Other Assets</b>	<b>825,593</b>	<b>601,981</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## 13. Investments

Investments in associates and jointly-controlled subsidiaries are valued under the equity method and recorded within "Non-current assets - investments". Adjustments arising from equity interests were included under "Equity in the results of subsidiaries and associates".

	2017				2016			
	Ownership interest - %	Investment amount	Equity in the results	Goodwill	Ownership interest - %	Investment amount	Equity in the results	Goodwill
Sicoob Confederation (a)	100.00%	269,318	-	-	100.00%	225,982	-	-
Ponta Administradora de Consórcios (b)	99.99%	21,016	4,199	-	99.99%	13,294	2,030	-
Cabal Brasil Ltda (c)	80.00%	34,843	2,768	8,342	80.00%	19,780	2,401	10,778
Bancoob Par (d)	100.00%	21,469	577	-	100.00%	20,588	588	-
Other	-	39,403	4,604	-	-	30,003	2,649	-
<b>Total</b>		<b>386,049</b>	<b>12,148</b>	<b>8,342</b>		<b>309,647</b>	<b>7,668</b>	<b>10,778</b>

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

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

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

(d) Investment in Bancoob Participações em Seguridade S.A. – Bancoob PAR Seguridade whose purpose is to hold an interest in Sicoob Seguradora.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

## 14. Property, Equipment and Intangible Assets

	2017			2016		
	Adjusted cost	Accumulated Depreciation/ Amortization	Net Book Value	Adjusted Cost	Accumulated Depreciation/ Amortization	Net Book Value
<b>Property and equipment in use</b>	<b>2,014,748</b>	<b>(706,073)</b>	<b>1,308,675</b>	<b>1,728,433</b>	<b>(611,849)</b>	<b>1,116,584</b>
Construction in Progress	105,623	-	105,623	142,236	-	142,236
Land	141,019	-	141,019	119,899	-	119,899
Buildings	602,388	(106,435)	495,953	463,443	(84,042)	379,401
Furniture, Fixtures and Facilities	648,710	(285,006)	363,704	451,480	(181,268)	270,213
IT Equipment	515,715	(314,040)	201,675	441,253	(267,175)	174,078
Other	1,293	(592)	701	110,122	(79,364)	30,758
<b>Intangible assets</b>	<b>174,379</b>	<b>(120,105)</b>	<b>54,274</b>	<b>158,870</b>	<b>(96,501)</b>	<b>62,369</b>
Software	174,379	(120,105)	54,274	158,870	(96,501)	62,369
<b>Total</b>	<b>2,189,127</b>	<b>(826,178)</b>	<b>1,362,949</b>	<b>1,887,303</b>	<b>(708,350)</b>	<b>1,178,953</b>



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## 15. Deposits

### a. Breakdown

	Term				2017	2016
	With no defined maturity	3 months or less	From 3 months to 1 year	Over 1 year		
<b>Deposits</b>						
Demand Deposits	9,129,423	-	-	-	9,129,423	7,265,857
Savings Account Deposits	3,380,171	-	-	-	3,380,171	2,835,087
Interbank Deposits	-	1,912,675	1,883,063	220,161	4,015,899	3,200,932
Time Deposits	-	9,530	5,847	315,236	330,613	182,840
Notice Deposits	-	828,025	-	-	828,025	845,494
Credit Union Deposit Receipts ("RDCs")	36,049,786	-	-	-	36,049,786	28,867,028
Other	25	-	-	-	25	23
<b>Total</b>	<b>48,559,406</b>	<b>2,750,230</b>	<b>1,888,910</b>	<b>535,397</b>	<b>53,733,942</b>	<b>43,017,261</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements  
at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## b. Expenses for Money Market Funding

	6/30/2017	6/30/2016
Savings Account Deposits	108,045	104,394
Interbank Deposits	156,397	89,414
Time Deposits	1,920,515	1,779,293
Notice Deposits	47,276	55,717
Money Market Funding	8,564	10,121
Agribusiness Credit Notes ("LCAs")	88,374	46,592
Other Funding Expenses	36,416	30,312
<b>Total</b>	<b>2,365,587</b>	<b>2,115,843</b>

## 16. Repurchase Agreement Obligations

### a. Breakdown

	Maturity			2017	2016
	3 months or less	From 3 months to 1 year	Over 1 year		
Own Portfolio	26,285	5,801	-	32,086	25,373
Third-Party Portfolio	79,633	-	-	79,633	280,497
<b>Total</b>	<b>105,918</b>	<b>5,801</b>	<b>-</b>	<b>111,719</b>	<b>305,870</b>

## 17. Funds from Acceptance of Bills of Exchange, Real Estate and Mortgage Notes, and Debentures

Agribusiness Credit Notes ("LCAs") are backed by transactions involving Rural Producer Notes ("CPRs"). These transactions are issued at floating rates and amounted to R\$ 2,275,521 (2016 – R\$ 970,573) at June 30, 2017.

	Maturity			2017	2016
	3 months or less	From 3 months to 1 year	Over 1 year		
Agribusiness Credit Notes	484,469	1,354,424	436,629	2,275,522	970,573
<b>Total</b>	<b>484,469</b>	<b>1,354,424</b>	<b>436,629</b>	<b>2,275,522</b>	<b>970,573</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

## 18. Interbank Accounts Payable

	2017	2016
Rights with Participants of Settlement Systems	820,786	699,603
Correspondents	1,734	1,444
Other	7,742	3,055
<b>Total</b>	<b>830,262</b>	<b>704,102</b>

## 19. Borrowing and Onlending

### a. Breakdown of Onlending - In Brazil and Abroad

Onlending in Brazil mainly relates to funds obtained from the National Bank for Economic and Social Development BNDES/Government Agency for Machinery and Equipment Financing FINAME, the National Treasury, the Brazilian Central Bank and Funcafé.

	Maturity			2017	2016
	3 months or less	From 3 to 12 months	Over 12 months		
<b>In Brazil</b>	<b>349,716</b>	<b>1,131,880</b>	<b>2,016,132</b>	<b>3,497,728</b>	<b>3,345,165</b>
BACEN MCR 6-2 (a)	165,766	-	-	165,766	-
National Treasury	-	21	1,054	1,075	1,177
BNDES	45,363	201,444	1,099,486	1,346,293	1,128,392
Banco do Brasil	7,352	148,349	53,719	209,420	446,085
FINAME	43,673	114,312	527,735	685,720	694,187
Funcafé	57,013	298,725	217,357	573,095	721,123
Other	30,549	369,029	116,781	516,359	354,201
<b>Abroad</b>	<b>-</b>	<b>-</b>	<b>664</b>	<b>664</b>	<b>664</b>
Other	-	-	664	664	664
<b>Total</b>	<b>349,716</b>	<b>1,131,880</b>	<b>2,016,796</b>	<b>3,498,392</b>	<b>3,345,829</b>

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

### b. Result from Onlending in Brazil

	6/30/2017	6/30/2016
National Treasury	6,443	7,116
BNDES	24,984	20,929
FINAME	8,212	6,259
Banco do Brasil	2,827	8,540
Funcafé and financial institutions	35,025	37,915
Other	8,090	6,646
<b>Total</b>	<b>85,581</b>	<b>87,405</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### 20. Other Obligations

#### a. Taxes and Social Security Contributions

	2017	2016
Provision for Income Tax and Social Contribution	85,209	57,527
PIS/COFINS/ISSQN and Other	28,708	120,729
Taxes on Third-Party Services	10,601	8,224
Taxes and Contributions on Salaries	62,860	52,977
Deferred Taxes and Contributions (Marking-to-Market of Securities)	3,062	-
Other Taxes Payable	12,472	14,762
<b>Total</b>	<b>202,912</b>	<b>254,219</b>

PIS: Social Integration Program  
COFINS: Social Contribution on Revenue  
ISSQN: Tax on Services of Any Nature

#### b. Breakdown of Other Obligations - Sundry

	2017	2016
Payment orders pending settlement (a)	5,045	49,536
Provision for administrative expenses (b)	359,807	229,159
Provision for personnel expenses	346,434	282,918
Obligations related to official agreements - INSS	25,358	25,807
Payments not yet processed	33,259	26,259
Payables to third parties	38,693	29,441
Settlement - collection	66,584	41,344
Contingent liabilities (c)	623,580	516,512
Checks deposited	74,011	79,850
Credit card obligations (d)	1,748,959	1,253,335
Payables for acquisition of assets and rights	87	12,794
Acquiring operations (e)	1,638,641	710,141
Obligations related to fund shares (f)	102,836	99,262
Guarantee fund for deposits/assets (g)	64,141	43,453
Obligations related to the assignment of lending operations (h)	23,728	-
Other	113,387	78,445
<b>Total</b>	<b>5,264,548</b>	<b>3,478,256</b>

- (a) Refers to payment orders pending settlement, which had not been cleared up to June 30, 2017.  
(b) Refers to provisions for the payment of expenses such as water, electricity, gas, rental, communication, publicity and advertising, etc.  
(c) Refers to contingent liabilities for which an unfavorable outcome has been classified as probable based on the opinion of legal counsel, consisting of lawsuits of a tax, civil and labor nature (Note 21(a.1)).  
(d) Refers to obligations assumed in relation to the Mastercard brand and store owners of the Cabal chain for transactions carried out by cardholders.  
(e) Refers mainly to payables related to acquiring operations.  
(f) Refers to the fund shares held by shareholders that are not members of Sicoob.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

- (g) Refers mainly to contributions to the Fund for the Reimbursement of Receivables ("FRV"), the purpose of which is to cover damages/losses incurred by credit unions which are not covered by insurance companies.
- (h) Refers to obligations arising from the assignment of CPRFs and CCBs to a securitization company.

## 21. Contingent Liabilities 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 based on the likelihood of a successful outcome. The opinion of the legal advisors takes into consideration the nature and specifics of each lawsuit, as well as the case law from higher courts.

Provisions for contingent liabilities are recognized, measured and disclosed in accordance with CMN Resolution 3,823/2009, as summarized below:

- i. 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 that any of the above conditions is not met, the provision is not constituted.
- ii. 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 understands that the provision recorded is sufficient to cover any losses arising from the existing lawsuits and administrative proceedings, as shown below:

### a. Legal Obligations Classified as "Probable Losses"

The contingencies classified as "probable losses" basically arise from lawsuits and administrative proceedings arising in the normal course of business, filed by third parties, former employees and public agencies, relating to tax and labor matters.

#### a.1. Breakdown of Balance Sheet Balances

	2017		2016	
	Deposits in court	Provisions	Deposits in court	Provisions
Civil	163,647	190,045	132,145	84,112
Labor	7,836	14,903	8,072	14,115
Tax (a)	438,254	472,362	392,193	418,285
<b>Total</b>	<b>609,737</b>	<b>677,310</b>	<b>532,410</b>	<b>516,512</b>

- (a) Tax contingencies are being discussed at the administrative level, and refer to tax assessment notices issued by the Federal Revenue Service with respect to IRPJ, CSLL, Social Integration Program ("PIS"), and Social Contribution on Revenue ("COFINS") levied on income from financial investments, as well as to the increase in the COFINS tax rate.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### a.2. Changes in the Provisions for Contingencies

	2017				2016
	Tax	Labor	Civil	Total	Total
Opening Balance at December 31	507,949	21,340	96,046	625,335	484,394
Additions/Reversals/Adjustments in the Six-Month Period	(35,587)	(6,437)	93,999	51,975	32,118
Closing balance at June 30	472,362	14,903	190,045	677,310	516,512

The provision for tax, labor and civil contingencies is recognized under "Other Obligations - Sundry".

### b. Nature of the Contingencies Classified as "Probable Losses"

- i. **Labor** – These are basically lawsuits filed by employees claiming overtime for working past the regular six-hour workday.
- ii. **Civil** – These refer basically to contractual terms, registration of clients with credit protection services, pain and suffering.

### c. Contingencies Classified as "Possible Losses"

Contingencies classified as possible losses are not recognized in the financial statements, and are only disclosed when the amount involved is material. The following contingencies are classified as possible losses: (i) civil lawsuits filed by members against credit unions; (iii) civil lawsuits alleging Bancoob's joint liability in relation to deposits into credit unions; (iii) civil lawsuit alleging Bancoob's civil liability for an error made by a credit union, (iv) labor lawsuits; (v) tax and social security administrative proceedings, as described in Note 21 (a.1(a)).

## 22. Equity

### a. Capital

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

In the first six-month period of 2017, the entities that comprise Sicoob increased its capital by R\$ 1,227,295 (2016 – R\$ 965,492).

In the same period, the total number of members was 3,733,990 (2016 – 3,321,608), of which 3,187,340 are individuals and 546,650 are legal entities (2016 – 2,887,268 individuals and 434,340 legal entities).

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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### **b. Legal Reserve**

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

### **c. Dividends**

Bancoob's shareholders are entitled to mandatory minimum dividends corresponding to 5% of adjusted profit for the six-month period. In June 2017, Bancoob accrued dividends totaling R\$ 4,773, equivalent to R\$ 6.61 per thousand shares (2016 - R\$ 3,379, equivalent to R\$ 6.04 per thousand shares).

### **d. Interest on Capital**

Interest on capital, which is adjusted by the TJLP, was recognized in the statement of income for the period. The amount of interest on capital is presented in the statement of changes in equity, as a deduction from the result for the period. Interest on capital is always paid in the second six-month period of the year, and may be used to increase capital in the credit units, or paid directly to the members, in accordance with the bylaws of each credit unit.

### **e. Fund for Technical, Educational and Social Assistance (“FATES”)**

This fund is intended for educational activities and the provision of assistance to the members, their family members, and the employees of the credit unions. Funds derived from non-cooperative acts, as well as at least 5% of the net surpluses for the six-month 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”).

### **f. Calculated Losses**

Pursuant to Supplementary Law 130/2009, the losses computed by credit unions during the six-month period are covered using funds from the Legal Reserve. In the event the aforementioned funds are not sufficient, the losses will be apportioned to the members and covered using future years' surpluses. Sicoob did not compute any losses that needed to be covered with funds from the Legal Reserve during the six-month period.

### **g. Accumulated Surpluses**

Surpluses are distributed and allocated in accordance with the bylaws of each entity, in compliance with the BACEN standards, as approved by the Annual General Meeting.

### **h. Adjustments to Market Value**

These are adjustments arising from the marking-to-market of available-for-sale securities, as required by Central Bank Circular Letter 3,068/01, net of tax effects (Note 11 (a)), applicable only to securities held by Bancoob and Bancoob DTVM.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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### 23. Investment Fund Management

At June 30, 2017, the total third-party funds managed by Bancoob DTVM amounted to R\$ 16,473,559 (2016 – R\$ 12,393,171), of which R\$ 12,744,712 (2016 – R\$ 9,297,479) refers to securities management, and R\$ 3,728,847 (2016 – R\$ 3,095,692) to investment funds management. The income from the management of third-party funds is recognized under "Income from investment fund management" and totaled R\$ 4,966 (2016 – R\$ 3,620) in the first six-month period of 2017.

### 24. Operational Limits - Basel Accord

In accordance with CMN Resolutions 4,192 and 4,193, both of 2013, financial institutions authorized to operate by the Central Bank must calculate and maintain referential equity consistent with the risks of its activities, and each entity included in the System must comply with the provisions of the aforementioned Resolutions.

### 25. Other Items in the Financial Statements

#### *a. Income from Services Rendered and Banking Fees*

	<u>6/30/2017</u>	<u>6/30/2016</u>
Income from funds management (Note 23)	4,966	3,620
Income from collection services	122,313	79,246
Income from custody services	1,100	1,089
Income from banking services (a)	16,647	24,107
Income from credit card services (b)	152,139	110,228
Income from guarantees provided	1,419	2,062
Income from services - commission (c)	28,957	21,088
Income from banking fees	288,992	232,494
Income from public utility companies (d)	75,326	67,225
Other	66,064	34,914
<b>Total</b>	<b><u>757,923</u></b>	<b><u>576,073</u></b>

(a) Refers to services rendered to members of Sicoob, which are not related to banking fees.

(b) Refers to exchange services, withdrawals, electronic checks, annual card fees, credit card management services etc.

(c) Refers to commission received for sales of services or products.

(d) Refers to fees charged for collection services rendered to public utilities companies.



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

### **b. Personnel expenses**

	<u>6/30/2017</u>	<u>6/30/2016</u>
Officers and Directors	158,345	135,913
Salaries (a)	672,002	570,955
Social Charges (b)	258,294	217,539
Benefits (c)	207,645	163,232
Training	6,395	4,673
Interns' compensation	7,544	6,101
<b>Total</b>	<u><b>1,310,225</b></u>	<u><b>1,098,413</b></u>

(a) Refers mainly to salaries, overtime, and provisions for 13<sup>th</sup> month's salary and vacation pay.

(b) Refers mainly to provisions for INSS and FGTS charges.

(c) Refers mainly to healthcare benefits and transportation and meal vouchers provided to employees.

### **c. Administrative Expenses**

	<u>6/30/2017</u>	<u>6/30/2016</u>
Water, Electricity and Gas	27,256	26,589
Rentals	76,812	63,083
Communication	69,495	60,959
Maintenance and Upkeep	32,793	29,543
Materials	23,052	19,424
Data Processing	156,160	100,380
Promotions and Public Relations	34,785	30,630
Advertising and Publicity	32,169	22,399
Publications	2,136	2,264
Financial System Services (a)	243,403	226,456
Travel	16,134	12,280
Outsourced Services	88,607	76,356
Security and Surveillance	74,765	61,745
Specialized Technical Services	69,705	51,034
Transportation	58,633	46,135
Insurance	12,184	10,547
Philanthropic Contributions	2,025	1,373
Depreciation and Amortization	84,541	70,842
Other Administrative Expenses	126,108	86,421
<b>Total</b>	<u><b>1,230,763</b></u>	<u><b>998,460</b></u>

(a) Refers mainly to expenses related to settlement and clearance services, issuance of checkbooks, the Brazilian Payment System ("SPB"), Centralized Check Clearance Service ("COMPE") processing fees, services rendered to credit card brands, fees paid to inspection agencies etc.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### d. Other Operating Income

	<u>6/30/2017</u>	<u>6/30/2016</u>
Income from Credit Cards	67,353	31,752
Recovery of Charges and Expenses	92,623	65,933
Reversal of Operating Provisions	28,105	10,537
Income from Onlending – <i>Del Credere</i>	8,067	23,382
Adjustment of Deposits in Court	10,343	2,874
Management Fees	10,166	7,969
Acquiring Operations	123,960	74,525
Income from Insurance	6,397	6,616
Surpluses Received from the Confederation	28,999	20,538
Other	45,151	10,719
<b>Total</b>	<b><u>421,164</u></b>	<b><u>254,845</u></b>

### e. Other Operating Expenses

	<u>6/30/2017</u>	<u>6/30/2016</u>
Credit card management expenses	61,241	36,775
Adjustment of INSS tax assets	1,099	996
Collection fee expenses	18,103	1,188
Commission on lending operations	-	1,458
Discounts granted	48,985	37,944
Contributions to the Guarantee Fund	4,220	3,832
Development Fund (a)	6,230	3,248
Cancellation of pending fees	24,244	17,497
Reversal of income	9,136	8,919
Contingent liabilities	6,132	10,604
Sundry contributions	2,425	1,412
Contributions to the Fund for Reimbursements	6,978	24,357
Contributions to the Information Technology Fund	24,751	-
Acquiring operations	3,995	13,924
Insurance commission	3814	-
Other	28,390	1,091
<b>Total</b>	<b><u>249,743</u></b>	<b><u>163,245</u></b>

- (a) Refers mainly to the guarantee and development fund, the purpose of which is to provide funds for: i) additional coverage, pursuant to the terms of FGCoop; and ii) expansion of the businesses through the establishment of new service units (PAs) and the modernization of the existing ones.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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### **f. Non-Operating Income (Expenses)**

	<u>6/30/2017</u>	<u>6/30/2016</u>
Non-Operating Income	19,036	34,496
Non-Operating Expenses	(19,411)	(19,076)
Provision for Impairment of Assets not for Own Use	(2,860)	(3,666)
Amortization of Goodwill - Cabal Brasil Ltda.	(1,003)	(870)
<b>Total</b>	<u><b>(4,238)</b></u>	<u><b>10,884</b></u>

## **26. Other Information**

### **a. Agreements for Offsetting Payables against Receivables of 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, in assets and liabilities, respectively.

### **b. Insurance**

The System takes out insurance policies for assets subject to risk, at amounts deemed sufficient by Management to cover any losses, taking into consideration the nature of its activities.

### **c. Guarantees Provided**

The guarantees provided by the credit unions that comprise Sicoob, through financial charges, totaled R\$ 4,464,327 (2016 – R\$ 3,620,052) at June 30, 2017. The income from guarantees provided amounted to R\$ 1,418 (2016 - R\$ 2,062).

### **d. Employee Benefits - Private Pension**

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

At June 30, 2017, the contributions to Sicoob Previ totaled R\$ 4,584 (2016 - R\$ 2,349).

### **e. Profit Sharing**

Sicoob offers profit sharing to its employees, which is calculated in accordance with the Collective Labor Agreement. Up to June 30, 2017, profit sharing totaling R\$ 24,273 (2016 – R\$ 19,144) had been accrued.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### f. Inspections

Accounting, tax and labor records are subject to review by the relevant tax authorities for varying periods, pursuant to the applicable legislation.

## 27. Related-party Transactions

### a. Sicoob's credit unions

	<u>2017</u>	<u>2016</u>
<b>Assets</b>	<b>6,903,564</b>	<b>7,280,700</b>
Lending Operations	6,865,308	7,250,237
Amounts Receivable	6,716	5,007
Prepaid Expenses - Credconsignado Commission	31,540	25,456
<b>Liabilities</b>	<b>61,400,207</b>	<b>47,658,824</b>
Demand Deposits	2,325	141
Interbank Deposits	22,485,485	16,353,438
Time Deposits	9,392,358	9,058,127
Repurchase Agreements - Own Portfolio	31,631	89,408
Repurchase Agreements - Third-Party Portfolio	531,337	451,774
Commissions Payable - Credconsignado	-	1,637
Amounts Payable - <i>Del Credere</i>	21,317	16,860
Interbank Accounts	28,489,963	21,008,253
Borrowing and Onlending	406,046	637,999
Other Obligations	39,745	41,187
<b>Income</b>	<b>429,531</b>	<b>339,094</b>
Lending Operations	295,849	253,843
Income from Services Rendered	133,682	85,251
Other Operating Income		
<b>Expenses</b>	<b>2,081,358</b>	<b>1,795,762</b>
Funding	1,664,519	1,467,373
Other Operating Expenses	214,140	175,738
Other Operating Income	202,699	152,651

The amounts above are included in the balances before elimination.

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

(All amounts in thousands of reais unless otherwise stated)

### b. Bancoob's Subsidiaries

	Bancoob DTVM		Cabal		Consórcio Ponta		Bancoob Par	
	2017	2016	2017	2016	2017	2016	2017	2016
<b>Liabilities</b>	<b>3,183</b>	<b>1,426</b>	<b>40,049</b>	<b>9,887</b>	<b>22,986</b>	<b>13,646</b>	<b>492</b>	<b>473</b>
Demand Deposits	6	4	7,084	6,287	5	147	4	1
Time Deposits	3,177	1,422	27,928	76	22,981	13,499	488	472
Amounts Payable	-	-	5,037	3,524	-	-	-	-
<b>Expenses</b>	<b>226</b>	<b>128</b>	<b>23,970</b>	<b>19,029</b>	<b>1,142</b>	<b>836</b>	<b>27</b>	<b>925</b>
Funding Expenses	226	128	1,495	62	1,142	836	27	925
Expenses with Cards	-	-	22,475	18,967	-	-	-	-
<b>Income</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>151</b>	<b>106</b>	<b>-</b>	<b>-</b>
Income from Cards	-	-	8	8	151	106	-	-

### c. Investment Funds

Description	2017			2016		
	Repurchase agreements	Time deposits	Funding expenses	Repurchase agreements	Time deposits	Funding expenses
Minascoop - Fixed-Income Investment Fund - Private Credit	2,232	4	105	663	2	212
Bancoob Centralização - Fixed-Income Investment Fund	906,613	8	29,389	662,161	7	30,711
Coopmútuo - Multi-Market Investment Fund - Private Credit	11,534	5	2,778	12,955	3	332
Invest Rio - Fixed-Income Investment Fund - Private Credit	1,289	7	286	1,162	3	191
Unicoob - Fixed-Income Investment Fund - Private Credit	240	5	9	556	4	65
Unimais- Fixed-Income Investment Fund - Private Credit	4,793	2	221	-	-	-
Sicoob Cocred - Fixed-Income Investment Fund - Private Credit	934	5	51	895	4	62
Sicoob Central SC - Fixed-Income Investment Fund - Private Credit	800	4	26	374	3	48
Sicoob Previdenciário - Fixed-Income Investment Fund - IMA-B	293	8	28	39	2	10
Sicoob Institucional - Fixed-Income Investment Fund - Private Credit	27,478	16	1,352	8,451	2	257
Sicoob Goiás Central - Fixed-Income Investment Fund - Private Credit	818	9	424	2,299	3	191
<b>Total</b>	<b>957,024</b>	<b>73</b>	<b>34,669</b>	<b>689,555</b>	<b>33</b>	<b>32,079</b>

### d. Remuneration of the key management personnel

Key management includes directors and officers. At the General Shareholders' Meetings, which are held on an annual basis, the maximum aggregate compensation payable to the Board of Directors and Executive Board is established.

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

	2017	2016
Fees	158,345	135,913
Charges	31,682	29,277
<b>Total</b>	<b>190,027</b>	<b>165,190</b>

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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## 28. Risk Management

### **a. Operational Risk**

The guidelines regarding operational risk management are set out in the Operational Risk Institutional Policy, which was approved by the Executive Board and Board of Directors of Sicoob Confederation, the entity responsible for providing centralized operational risk management services for the entities that comprise Sicoob.

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

Operational losses are reported to the Internal Control Department, and the latter interacts with the managers of the respective areas and formally reviews the causes of any losses incurred, the adequacy of the controls in place, and the need to improve processes, which may include the implementation of new controls.

The results are submitted to the Executive Board and Board of Directors.

For purposes of the New Basel Accord, the capital allocation methodology used to compute the RWAOPAD is the BIA.

In compliance with CMN Resolution 3,380/2006, a report detailing the operational risk management structure is available on Sicoob's website ([www.sicoob.com.br](http://www.sicoob.com.br)).

### **b. Market and Liquidity Risks**

The Market and Liquidity Risk Management Policy sets out procedures, metrics and standardized actions to be followed by all the entities that comprise Sicoob. Bancoob is responsible for the centralized structure for credit, market and liquidity risk management, as provided in Article 9 of CMN Resolution 3,464/2007 and Article 8 of CMN Resolution 4,090/2012.

Sicoob's market and liquidity risk management structure is consistent with the nature of its operations and the complexity of the products and services offered, as well as being proportional to the extent of the exposure to risks.

The Market and Liquidity Risk Management Policy requires the adoption of the following procedures:

- a) Use of the VaR to measure market risk;
- b) Analysis of mismatches to assess the impact on the financial margin;
- c) Maximum limit of exposure to market risk;

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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- d) Periodic back testing on market risk calculation models;
- e) Minimum liquidity limit;
- f) 90-day cash flow forecast;
- g) Different scenarios, simulating losses in stress situations; and
- h) Contingency plans.

The systems, models and procedures are periodically reviewed by internal audit teams. The results presented in the audit reports are used to make improvements to market and liquidity risk management.

The mismatch between current assets and current liabilities, in the combined balance sheet, totaling R\$ 14.78 billion at June 30, 2017, does not pose a risk to the System in view of the following: i) 38.25% of non-current assets consist of highly liquid federal government securities; ii) 66.69% of the deposits is obtained through RDCs with members of the credit unions; iii) periodic tests conducted show the stability/renewal of short-term liabilities.

In compliance with CMN Resolutions 3,464/2007 and 4,090/2012 and BACEN Circular Letter 3,678/2013, a report detailing the market and liquidity risk management structure and the risk management report - Tier III are available on Sicoob's website ([www.sicoob.com.br](http://www.sicoob.com.br)).

### **c. Credit Risk**

Bancoob is responsible for Sicoob's centralized structure for credit risk management, as provided for in Article 9 of CMN Resolution 3,721/2009, by standardizing processes, establishing methodologies to assess the risk posed by clients and operations, monitoring loan portfolios and maintaining a credit risk policy.

Credit risk arises from uncertainty regarding a counterparty's ability to honor its commitments. In order to mitigate credit risk, Sicoob makes use of risk analysis and rating models based on quantitative and qualitative data, to provide support for the risk calculation process and the establishment of credit limits for borrowers, with a view to maintaining the high quality of its portfolio. Bancoob performs periodic testing on its models to ensure that they are consistent with the economic and financial condition of borrowers. It also monitors defaults in the portfolio and the respective ratings assigned to the operations in accordance with CMN Resolution 2,682/1999.

The credit risk management structure consists of the following:

- a) Proper validation of systems, models and internal procedures;
- b) Estimation (using consistent and prudent criteria) of losses associated with credit risk, and comparison of the estimated amounts with the amounts of the losses actually incurred;
- c) Procedures for the monitoring of loan portfolios;

# Sistema de Cooperativas de Crédito do Brasil – Sicoob

## Notes to the combined financial statements

at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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- d) Procedures for recovery of receivables;
- e) Systems, routines and procedures to identify, measure, control and mitigate the exposure to credit risk;
- f) Periodic managerial information for the entities that comprise the System;
- g) Area responsible for the calculation and projection of the regulatory capital required, and the adequacy of the provision for loan losses;
- h) Models to assess the credit risk of clients, which take into consideration specific characteristics of the borrowers, as well as industry-specific and macroeconomic aspects;
- i) Portfolio-based credit limits for each client and overall credit limits by portfolio; and
- j) Model to assess the impact on the provision for loan losses, regulatory capital and the Basel ratio in an extreme credit risk scenario.

Internal credit risk management standards include the organizational and regulatory structure, risk rating models for borrowers and operations, overall and individual limits, use of computer systems, and system-based monitoring to validate models and the compliance of processes.

Credit granting and credit risk management processes are clearly segregated, and the organizational structure involved ensures specialization, representation and rationality within Sicoob.

The systems, models and procedures are periodically reviewed by internal audit teams. The results presented in the audit reports are used to make improvements to credit risk management.

In compliance with CMN Resolution 3,721/2009 and BACEN Circular Letter 3,678/2013, a report detailing the credit risk management structure and the risk management report - Tier III are available on Sicoob's website ([www.sicoob.com.br](http://www.sicoob.com.br)).

## 29. Capital Management Structure

Capital management complies with the guidelines from Sicoob's Capital Management Policy, to which the System formally adopted the decision of the Executive Board and Board of Directors.

In addition to a specific capital plan, which sets out capital targets and projections considering strategic objectives over a minimum period of three years, the main sources, and a contingency plan, the System has a set of methodologies in place that enables the identification and evaluation of significant risks to its operations, with a view to maintaining a compatible level of capital.

Additionally, simulations of severe events and extreme market conditions are performed, and their results and impacts on the capital structure are submitted to the Executive Board and Board of Directors.

The capital management process is reviewed annually by the Internal Audit function.



# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements  
at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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In compliance with CMN Resolution 3,988/2011, a report detailing the capital management structure is available on Sicoob's website ([www.sicoob.com.br](http://www.sicoob.com.br)).

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# Sistema de Cooperativas de Crédito do Brasil – Sicoob

Notes to the combined financial statements  
at June 30, 2017

*(All amounts in thousands of reais unless otherwise stated)*

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## **Board of Directors**

Henrique Castilhano Vilarés – Chairman  
José Salvino de Menezes – Vice Chairman  
Geraldo Souza Ribeiro Filho – Member  
Ivo Azevedo de Brito – Member  
Luiz Gonzaga Viana Lage – Member  
Manoel Messias da Silva – Member  
Miguel Ferreira de Oliveira – Member  
Neilson Santos Oliveira – Member  
Rui Schneider da Silva – Member

## **Executive Board of Banco Cooperativo do Brasil S/A - Bancoob**

Marco Aurélio Borges de Almada Abreu – CEO  
Ênio Meinen – Chief Operations Officer  
Marcos Vinicius Viana Borges – Chief Electronic Payments Officer  
Ricardo Simone Pereira – Chief Financial Officer  
Rubens Rodrigues Filho – Chief Risk Officer

## **Accountant**

Primo João Cracco  
CRC-SP 149.703/O-S-DF

(A free translation of the original in Portuguese)

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# ***Sistema de Cooperativas de Crédito do Brasil - Sicoob***

***Combined financial statements as at  
June 30, 2017  
and independent auditor's report***



(A free translation of the original in Portuguese)

## ***Independent auditor's report***

To the Management and Members  
Sistema de Cooperativas de Crédito do Brasil - Sicoob

### **Opinion**

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We have audited the accompanying combined financial statements of Sistema de Cooperativas de Crédito do Brasil - Sicoob ("Sistema Sicoob" or "System") formed by those entities listed in Note 2(b) to the combined financial statements, which comprise the System's combined balance sheet as at June 30, 2017 and the combined statements of income, changes in equity and cash flows for the six-month period then ended, and notes to the combined financial statements, including a summary of significant accounting policies.

In our opinion, the combined financial statements referred to above present fairly, in all material aspects, the combined financial position of Sistema de Cooperativas de Crédito do Brasil - Sicoob as at June 30, 2017, and its combined financial performance and cash flows for the six-month period then ended, in accordance with the provisions regarding the preparation of combined financial statements established by CMN Resolution 4,151, issued on October 30, 2012 by the National Monetary Council (CMN), as well as supplementary regulations of the Brazilian Central Bank (BACEN) described in Notes 2 and 3 to the combined financial statements.

### **Basis for opinion**

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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 Sistema Sicoob 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**

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We draw attention to Note 2 to the combined financial statements, which states that management prepared the System's combined financial statements in order to comply with CMN Resolution 4,151 and the BACEN supplementary regulations. Consequently, our report on these combined financial statements was prepared, exclusively, for compliance with 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**

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



## Sistema de Cooperativas de Crédito do Brasil –Sicoob

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

In connection with the audit of the combined financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the combined 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's 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**

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Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with CMN Resolution 4,151 as well as BACEN supplementary regulations, whose main accounting criteria and practices are described in Notes 2 and 3 to these combined financial statements, and for such internal control as management determines is necessary to enable the preparation of combined 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 System'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 System or to cease operations, or has no realistic alternative but to do so.

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

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

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Our objectives are to obtain reasonable assurance about whether the combined financial statements taken 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:

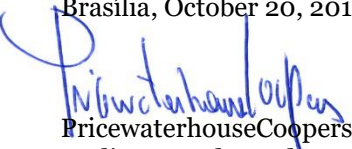
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control.

Sistema de Cooperativas de Crédito do Brasil - Sicoob

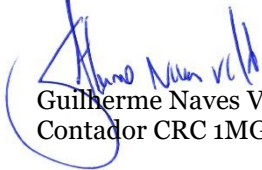
- Evaluate the appropriateness of accounting practices used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the System'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 System 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 combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, October 20, 2017



PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5



Guilherme Naves Valle  
Contador CRC 1MG070614/O-5