



# Notes to the Financial Statements

June 30, 2016

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## **Independent Auditor's Report**

To the Board of Directors and Shareholder  
**Caixa Econômica Federal - CAIXA**

We have audited the accompanying consolidated financial statements of Caixa Econômica Federal – CAIXA and its subsidiaries (“CAIXA” or “Institution”), which comprise the consolidated balance sheet as at June 30, 2016, and the related consolidated statements of income, of changes in equity and of cash flows for the six-month period then ended, and a summary of significant accounting practices and other explanatory information.

### **Management's responsibility for the individual and consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Brazilian and international standards on auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of CAIXA's consolidated financial statements 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 CAIXA's internal control. An audit also includes evaluating the appropriateness of accounting practices used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Independent Auditor's Report

### Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Caixa Econômica Federal - CAIXA and its subsidiaries as at June 30, 2016, and its consolidated financial performance and consolidated cash flows for the six-month period then ended, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil.

### Emphasis of matters

#### *Receivables from the Salary Variation Compensation Fund (FCVS)*

We draw attention to Note 7(b) to the consolidated financial statements, which describes that at June 30, 2016 CAIXA has receivables from the Salary Variation Compensation Fund (FCVS), in the net amount of R\$ 27,218 million. Housing loans closed with FCVS coverage, not yet approved, amount to R\$ 11,722 million and its effective realization depends on compliance with a set of rules and procedures defined in regulations issued by the FCVS. CAIXA defined statistical criteria to estimate losses arising from operations that will not meet such rules, for which a provision was recorded totaling R\$ 2,940 million. Realization of receivables from housing loans already approved by FCVS, of R\$ 18,436 million at June 30, 2016, follows a securitization process (issue of securities by the Federal Government), as provided for by Law 10,150 of 2000. Our opinion is not qualified in respect of this matter.

#### *Tax credits*

We draw attention to Note 20 (d) to the consolidated financial statements, which describes that, at December 31, 2015, CAIXA had R\$ 37,900 million of tax credits regarding income tax, social contribution, PASEP and COFINS on tax losses, temporary differences and social contribution, less provision for realization of such credits totaling R\$ 1,146 million. The amount recognized in assets, refers to management's projection of realization over the next ten years. Realization of such tax credits is directly related to generation of future taxable profit, which may vary from management's current projection. Our opinion is not qualified in respect of this matter.

#### *Tax credits recorded in jointly-controlled subsidiary*

At June 30, 2016, the jointly-controlled subsidiary Banco PAN S.A. valued under the equity accounting method records income tax and social contribution credits totaling R\$ 3,157 million, substantially recognized based on a current and future scenario study approved by the Board of Directors in August 2016. The major assumptions used in such study were macroeconomic indicators, production and funding costs indicators. Realization of such tax credits depends on materialization of such projections and of the business plan, as approved by the management bodies of Banco PAN S.A. Our opinion is not qualified in respect of this matter.

#### *Risks related to non-compliance with laws and regulations*

As mentioned in Note 2(d), due to news broadcasted in the media, as from April 10, 2015, in relation to the alleged involvement of CAIXA's service suppliers in the 11<sup>th</sup> investigation phase conducted by federal public authorities in the operation known as the "A Origem", CAIXA management adopted investigation actions in order to identify possible non-compliances with laws and regulations by its employees and management related thereto. Such actions have already been concluded, including the internal investigation process. However, since the operation "A Origem" is still ongoing, it is not possible to predict future developments arising from the investigation process conducted by public authorities or its possible effects on CAIXA's consolidated interim financial statements. Our opinion is not qualified in respect of this matter.

## **Independent Auditor's Report**

### *Restatement of corresponding figures*

We draw attention to Note 3(t) to the consolidated financial statements, which describes that, as a result of the changes in the accounting practices adopted by CAIXA, the figures corresponding to the three and six-month periods ended June 30, 2015 and to the year then ended December 31, 2015, presented for comparison purposes, were adjusted and restated as established in NBC TG 23, or CPC 23, (Accounting Policies, Changes in Accounting Estimates and Errors). Our opinion is not qualified in respect of this matter.

### **Outros assuntos**

#### *Consolidated statement of value added*

We have also reviewed the Consolidated Statement of Value Added (SVA) for the six-month period ended June 30, 2016, prepared under the responsibility of CAIXA management, and whose presentation is voluntary. This statement has been subject to the same auditing procedures previously described and, in our opinion, is presented fairly, in all material respects, in relation to the overall financial statements.

#### *Review of figures corresponding to the second quarter of 2016*

The figures of the consolidated statements of income, of changes in equity, of cash flows and of value added for the second quarter of 2016, which are being presented by CAIXA management as supplementary information, were reviewed by us, on which an unmodified review report was issued containing the same emphasis paragraphs described above, dated August 10, 2016.

#### *Presentation of individual financial statements*

CAIXA prepared a set of general purpose individual and consolidated interim financial statements for the six-month period ended June 30, 2016, in accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil, on which we issued an unqualified audit opinion containing the same emphasis paragraphs described above, dated August 10, 2016.

São Paulo, August 10, 2016.

ERNST & YOUNG  
Auditores Independentes S.S.  
CRC-2SP015199/O-6

Flávio Serpejante Peppe  
Accountant CRC-1SP172167/O-6

**Consolidated Balance Sheet**

In thousands of reais, unless otherwise stated

ASSETS	06/30/2016	12/31/2015	06/30/2015
<b>ASSETSCURRENT ASSETS</b>	<b>584,754,810</b>	<b>593,580,550</b>	<b>539,772,848</b>
<b>CASH AND BANKS (Note 4)</b>	<b>9,650,474</b>	<b>11,510,594</b>	<b>12,848,524</b>
<b>SHORT TERM INTERBANK INVESTMENTS (Note 5)</b>	<b>149,619,035</b>	<b>153,488,590</b>	<b>125,713,522</b>
Money market investments	138,125,024	143,111,942	117,549,929
Interbank deposits	11,494,077	10,376,868	8,163,694
Provisions for losses	(66)	(220)	(101)
<b>SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (Note 6)</b>	<b>136,635,493</b>	<b>131,584,306</b>	<b>124,657,116</b>
Own portfolio - unrestricted	84,325,987	58,252,803	44,019,136
Subject to repurchase agreements	43,118,080	61,308,900	71,466,702
Derivative financial instruments	109,081	745,707	353,854
Restricted with Brazilian Central Bank	675		1,100
Linked to guarantees given	4,622,731	11,276,896	8,816,324
Unrestricted portfolio	4,458,939		
<b>INTERBANK ACCOUNTS</b>	<b>109,474,698</b>	<b>106,684,916</b>	<b>98,192,610</b>
Payments and receipts pending settlement	1,328,945	19,846	1,496,605
Restricted deposits with the Brazilian Central Bank (Note 7(a))	107,286,065	106,116,550	95,768,498
Correspondent banks	859,688	548,520	927,507
<b>INTERDEPARTMENTAL ACCOUNTS</b>	<b>66,193</b>	<b>479,552</b>	<b>80,940</b>
Third-party funds in transit	332	687	259
Internal transfers of funds	65,861	478,865	80,681
<b>LOAN OPERATIONS (Note 8)</b>	<b>142,394,074</b>	<b>144,504,493</b>	<b>138,009,940</b>
Public sector	9,101,670	8,772,424	5,606,942
Private sector	153,881,409	155,052,519	147,400,576
Loan operations linked to assignment	1,210,642	764,730	705,386
Provision for loan transactions	(21,799,647)	(20,085,180)	(15,702,964)
<b>OTHER RECEIVABLES (Note 9)</b>	<b>33,085,558</b>	<b>42,751,379</b>	<b>38,304,807</b>
Receivables from guarantees honored	35,029	30,749	32,817
Foreign exchange portfolio	5,518,696	5,473,711	4,183,607
Income receivable	2,954,648	2,833,916	3,984,602
Negotiation and intermediation of securities	37,210	48,313	55,104
Specific receivables	855,599	836,716	781,382
Sundry	24,139,445	33,912,228	29,579,536
Provision for losses	(455,069)	(384,254)	(312,241)
<b>OTHER ASSETS (Note 10)</b>	<b>3,829,285</b>	<b>2,576,720</b>	<b>1,965,389</b>
Other assets	3,901,869	2,689,411	1,957,092
Provision for losses	(163,896)	(133,958)	(94,693)
Prepaid expenses	91,312	21,267	102,990
<b>NON-CURRENT ASSETS</b>	<b>628,706,705</b>	<b>609,700,290</b>	<b>579,389,325</b>
<b>SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (Note 6)</b>	<b>44,586,725</b>	<b>50,393,554</b>	<b>46,282,014</b>
Own portfolio - unrestricted	8,799,473	10,151,228	10,670,844
Subject to repurchase agreements	34,786,577	36,843,514	33,900,020
Derivative financial instruments	997,657	3,395,414	1,708,523
Linked to the Central Bank of Brazil		820	
Linked to guarantees given	3,018	2,578	2,627
<b>INTERBANK ACCOUNTS</b>	<b>27,314,616</b>	<b>26,162,028</b>	<b>26,320,106</b>
National Housing System (SFH) (Note 7(b))	27,314,616	26,162,028	26,320,106
<b>LOAN OPERATIONS (Note 8)</b>	<b>500,962,192</b>	<b>489,367,963</b>	<b>470,286,774</b>
Public sector	47,485,639	44,216,680	44,499,369
Private sector	460,839,723	453,946,351	434,871,276
Loan operations linked to assignment	7,123,604	4,596,632	4,270,540
Allowance for loan losses	(14,486,774)	(13,391,700)	(13,354,411)
<b>OTHER RECEIVABLES (Note 9))</b>	<b>43,982,800</b>	<b>31,774,297</b>	<b>25,039,690</b>
Sundry	44,010,025	31,794,014	25,084,052
Provision for losses	(27,225)	(19,717)	(44,362)
<b>PERMANENT</b>	<b>11,860,372</b>	<b>12,002,448</b>	<b>11,460,741</b>
<b>INVESTMENTS (Note 11)</b>	<b>4,955,362</b>	<b>4,890,146</b>	<b>4,522,889</b>
Investments in subsidiary and associated companies:	4,526,220	4,544,514	4,068,465
- In Brazil	4,526,111	4,544,276	4,068,265
- Abroad	109	238	200
Other investments	703,970	701,529	674,391
Provision for losses	(274,828)	(355,897)	(219,967)
<b>PROPERTY AND EQUIPMENT (Note 12)</b>	<b>3,697,550</b>	<b>3,864,762</b>	<b>3,848,643</b>
Properties in use	1,843,002	1,590,668	1,408,414
Revaluations of properties in use	710,140	715,978	728,363
Other property and equipment in use	7,466,488	7,295,520	7,029,549
Accumulated depreciation	(6,322,080)	(5,737,404)	(5,317,683)
<b>INTANGIBLE ASSETS (Note 13)</b>	<b>3,207,460</b>	<b>3,247,540</b>	<b>3,089,209</b>
Intangible assets	4,860,824	4,650,554	4,427,376
Accumulated amortization	(1,653,364)	(1,403,014)	(1,338,167)
<b>TOTAL</b>	<b>1,213,461,515</b>	<b>1,203,280,840</b>	<b>1,119,162,173</b>

See accompanying notes.

**Consolidated Balance Sheet**

In thousands of reais, unless otherwise stated

LIABILITIES AND EQUITY	06/30/2016	12/31/2015 (Note 3 (f))	06/30/2015 (Note 3 (f))
<b>CURRENT LIABILITIES</b>	<b>685,390,729</b>	<b>710,435,903</b>	<b>641,732,882</b>
<b>DEPOSITS (Note 14)</b>	<b>362,802,878</b>	<b>367,127,623</b>	<b>344,596,723</b>
Demand deposits	26,577,289	27,414,590	27,879,676
Savings deposits	238,702,276	241,362,624	232,117,335
Interbank deposits	483,936	2,053,259	1,936,147
Time deposits	86,160,376	81,757,139	73,537,944
Special deposits and deposits of funds and programs	10,878,942	14,540,011	9,125,621
Other deposits	59		
<b>DEPOSITS OBTAINED IN THE OPEN MARKET (Note 15)</b>	<b>171,306,429</b>	<b>186,597,458</b>	<b>174,301,247</b>
Own portfolio	62,532,628	87,121,336	102,242,377
Third-party portfolio	108,773,801	99,476,122	72,058,870
<b>FUNDS FROM ACCEPTANCES AND ISSUE OF SECURITIES (Note 16)</b>	<b>87,385,233</b>	<b>91,697,612</b>	<b>62,918,178</b>
Funds from housing bonds , mortgage notes , credit bills and Other	87,222,086	91,498,789	62,760,287
Securities issued abroad	163,147	198,823	157,891
<b>INTERBANK ACCOUNTS</b>	<b>2,066,877</b>	<b>378,120</b>	<b>2,166,171</b>
Receipts and payments pending settlement	2,056,366	360,696	2,157,545
Correspondent banks	10,511	17,424	8,626
<b>INTERDEPARTMENTAL ACCOUNTS</b>	<b>737,329</b>	<b>1,598,196</b>	<b>685,398</b>
Third-party funds in transit	714,415	1,597,614	613,642
Internal transfers of funds	22,914	582	71,756
<b>BORROWINGS (Note 17)</b>	<b>5,484,889</b>	<b>7,435,182</b>	<b>6,872,091</b>
Foreign borrowings	5,484,889	7,435,182	6,872,091
<b>LOCAL ONLENDINGS - OFFICIAL INSTITUTIONS (Note 17)</b>	<b>1,523,499</b>	<b>1,348,518</b>	<b>1,462,525</b>
Federal Treasury - Social Integration Program (PIS)	303,553	310,418	359,057
National Bank for Economic and Social Development (BNDES)	1,095,257	872,763	783,297
Government Severance Indemnity Fund for Employees (FGTS)	122,710	163,305	318,086
Other	1,979	2,032	2,085
<b>DERIVATIVE FINANCIAL INSTRUMENTS (Note 6 (g))</b>	<b>892,238</b>	<b>157,782</b>	<b>73,939</b>
Derivative financial instruments	892,238	157,782	73,939
<b>OTHER LIABILITIES (Note 18)</b>	<b>53,191,357</b>	<b>54,095,412</b>	<b>48,656,610</b>
Collection and payment of taxes and social contributions	1,080,750	353,726	1,480,557
Foreign exchange portfolio (Note 9 (c))	1,470,829	104,235	264,984
Social and statutory obligations	1,546,995	2,933,544	1,652,623
Tax and social security obligations	1,751,247	3,105,411	2,229,793
Negotiation and intermediation of securities	10,443	3,073	117,016
Funds for specific purposes:	11,322,694	12,222,859	9,554,544
- Lottery operations	652,627	1,407,542	891,360
- Social funds and programs	8,297,918	9,305,546	7,638,044
- Financial and development funds	2,372,149	1,509,771	1,025,140
Hybrid capital and debt instruments	481,604	1,369,114	741,048
Debt instruments eligible to capital	884,776	875,430	876,818
Sundry	34,642,019	33,128,020	31,739,227
<b>NON-CURRENT LIABILITIES</b>	<b>465,721,848</b>	<b>430,141,494</b>	<b>414,905,805</b>
<b>DEPOSITS (Note 14)</b>	<b>99,575,998</b>	<b>87,534,510</b>	<b>81,290,956</b>
Interbank deposits	350,285	373,368	487,576
Time deposits	99,225,713	87,161,142	80,803,380
<b>DEPOSITS OBTAINED IN THE OPEN MARKET (Note 15)</b>	<b>17,732,888</b>	<b>7,663,763</b>	<b>1,882,657</b>
Own portfolio	13,919,833	7,663,763	1,882,657
Unrestricted portfolio	3,813,055		
<b>FUNDS FROM ACCEPTANCE AND ISSUANCE OF SECURITIES (Note 16)</b>	<b>76,597,512</b>	<b>77,692,747</b>	<b>99,365,563</b>
Funds from housing bonds , mortgage notes , credit bills and other	63,856,507	62,188,626	86,868,650
Securities issued abroad	12,741,005	15,504,121	12,496,913
<b>BORROWINGS (Note 17)</b>	<b>312,346</b>	<b>6,902,375</b>	<b>2,825,578</b>
Foreign borrowings	312,346	6,902,375	2,825,578
<b>LOCAL ONLENDINGS - OFFICIAL INSTITUTIONS (Note 17)</b>	<b>222,723,779</b>	<b>206,333,649</b>	<b>189,270,657</b>
Federal Treasury - Social Integration Program (PIS)	563,091	367,746	351,319
National Bank for Economic and Social Development (BNDES)	30,490,892	31,505,048	30,583,839
Government Severance Indemnity Fund for Employees (FGTS)	189,236,352	172,046,779	156,173,663
Other	2,433,444	2,414,076	2,161,836
<b>LIABILITIES FROM FOREIGN ONLENDINGS (Note 17)</b>	<b>53,420</b>	<b>59,184</b>	<b>59,184</b>
Foreign onlendings	53,420	59,184	59,184
<b>OTHER LIABILITIES (Note 18)</b>	<b>48,725,905</b>	<b>43,955,266</b>	<b>40,270,394</b>
Tax and social security obligations	121,815	127,238	136,666
Hybrid capital and debt instruments	441,437	430,152	247,234
Subordinated debts	11,138,061		
Subordinated debt - eligible as regulatory capital	11,970,183	23,243,491	19,678,516
Sundry	25,054,409	20,154,385	20,207,978
<b>EQUITY (Note 19)</b>	<b>62,348,938</b>	<b>62,703,443</b>	<b>62,523,486</b>
Share capital	22,054,802	22,054,802	22,054,802
Capital - local residents	35,000,000	35,000,000	35,000,000
Unpaid capital	(12,945,198)	(12,945,198)	(12,945,198)
Instrument eligible to capital	36,453,645	36,086,566	36,086,566
Capital reserves			167
Revaluation reserve	389,873	400,384	400,031
Revenue reserves	9,535,917	9,269,290	6,221,877
Carrying value adjustments	(6,590,349)	(5,107,599)	(3,839,032)
Retained earnings	505,050		1,599,075
<b>TOTAL</b>	<b>1,213,461,515</b>	<b>1,203,280,840</b>	<b>1,119,162,173</b>

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

**Consolidated Statement of Income**

In thousands of reais, unless otherwise stated

DESCRIPTION	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> semester	2 <sup>nd</sup> quarter (Note 3 (t))	1 <sup>st</sup> semester (Note 3 (t))
<b>INCOME FROM FINANCIAL INTERMEDIATION (Note 21)</b>	<b>37,036,939</b>	<b>72,914,724</b>	<b>31,912,101</b>	<b>66,269,902</b>
Loan operations (Note 8(e))	23,331,124	45,826,506	21,174,095	40,759,197
Securities (Notes 5(a) and 6(d))	13,206,246	28,290,174	8,381,680	17,376,527
Derivative financial instruments (Note 6(j))	(2,839,044)	(7,762,951)	(371,461)	2,018,629
Foreign exchange (Note 9(c.1))				935,860
Compulsory deposits (Note 7(c))	3,318,873	6,526,308	2,707,160	5,140,712
Sales or transfers of financial assets	19,740	34,687	20,627	38,977
<b>FINANCIAL INTERMEDIATION EXPENSES (Note 22)</b>	<b>(31,777,897)</b>	<b>(61,952,099)</b>	<b>(26,646,702)</b>	<b>(55,656,827)</b>
Money market funds (Note 14(c); 15(b), 16(b) and 16(d))	(21,064,839)	(41,782,820)	(17,214,281)	(36,822,765)
Loans, assignments and onlendings (Note 17(c))	(3,560,004)	(6,423,495)	(2,965,187)	(7,733,729)
Foreign exchange (Note 9 (c.1))	(678,649)	(1,414,616)	(540,953)	
Sales or transfers of financial assets	(215,639)	(2,263,810)	(1,370,809)	(1,517,406)
Provision for loan losses (Note 8(i))	(6,258,766)	(10,067,358)	(4,555,472)	(9,582,927)
<b>GROSS PROFIT FROM FINANCIAL INTERMEDIATION</b>	<b>5,259,042</b>	<b>10,962,625</b>	<b>5,265,399</b>	<b>10,613,075</b>
<b>OTHER OPERATING INCOME (EXPENSES)</b>	<b>(4,869,202)</b>	<b>(10,187,524)</b>	<b>(4,634,757)</b>	<b>(9,176,862)</b>
Service revenues (Note 23 (a))	4,364,698	8,499,589	4,016,554	7,948,591
Income from banking fees (Note 23 (b))	1,212,966	2,370,779	1,025,981	1,980,055
Personnel expenses (Note 24)	(5,040,430)	(10,060,599)	(4,681,190)	(9,624,641)
Other administrative expenses (Note 25)	(2,985,551)	(5,864,571)	(2,911,589)	(5,630,459)
Taxes (Note 29)	(910,448)	(1,843,407)	(904,101)	(1,710,658)
Equity in the results of subsidiary and associated companies (Note 11 (a))	122,312	275,285	145,765	310,648
Other operating income (Note 26)	2,053,670	4,060,195	2,471,733	4,945,781
Other operating expenses (Note 27)	(3,686,419)	(7,624,795)	(3,797,910)	(7,396,179)
<b>OPERATING PROFIT</b>	<b>389,840</b>	<b>775,101</b>	<b>630,642</b>	<b>1,436,213</b>
<b>NON-OPERATING EXPENSES (NOTE 28)</b>	<b>(51,185)</b>	<b>(114,148)</b>	<b>(130,367)</b>	<b>(252,704)</b>
<b>PROFIT BEFORE TAXATION AND PROFIT SHARING</b>	<b>338,655</b>	<b>660,953</b>	<b>500,275</b>	<b>1,183,509</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION (Note 20(a))</b>	<b>1,520,690</b>	<b>2,175,406</b>	<b>1,678,994</b>	<b>2,734,688</b>
Current taxes	349,612	(125,734)	(163,586)	(693,272)
Deferred tax assets	1,295,362	1,039,073	1,744,742	3,333,173
Deferred tax liabilities	(124,284)	1,262,067	97,838	94,787
<b>EMPLOYEE PROFIT SHARING</b>	<b>(249,622)</b>	<b>(388,849)</b>	<b>(244,305)</b>	<b>(434,971)</b>
<b>PROFIT FOR THE PERIOD/YEAR</b>	<b>1,609,723</b>	<b>2,447,510</b>	<b>1,934,964</b>	<b>3,483,226</b>

See accompanying notes.

**Consolidated Statement of Changes in Equity**

In thousands of reais, unless otherwise stated

EVENTS	CAPITAL	Subordinated debt - eligible as regulatory capital	CAPITAL RESERVE	REVALUATION RESERVE	INCOME RESERVE		ADJUSTMENT TO FAIR VALUE	RETAINED EARNINGS	TOTAL
					LEGAL	STATUTORY			
<b>BALANCES AT DECEMBER 31, 2014</b>	<b>22,054,802</b>	<b>35,867,958</b>	<b>167</b>	<b>408,392</b>	<b>2,325,326</b>	<b>4,547,771</b>	<b>(3,113,693)</b>		<b>62,090,723</b>
CARRYING VALUE ADJUSTMENTS							(725,339)		(725,339)
TAX COLLECTION ON REALIZATION OF THE REVALUATION RESERVE				7,419					7,419
PAYMENT OF TAXES ON REVALUATION RESERVE								(5,032)	(5,032)
REALIZATION OF RESERVE				(15,780)				15,780	
INCORPORATION OF IHCD REMUNERATION		218,608							218,608
ADDITIONAL DIVIDENDS DECLARED						(1,043,352)			(1,043,352)
PROFIT FOR THE PERIOD								3,483,226	3,483,226
APPROPRIATIONS OF PROFIT									
Legal reserve (income reserve)					139,830			(139,830)	
Lottery reserve (income reserve)						252,302		(252,302)	
Interest on own capital proposed								(816,147)	(816,147)
Interest on subordinated debt - eligible as regulatory capital								(686,620)	(686,620)
<b>BALANCES AT JUNE 30, 2015</b>	<b>22,054,802</b>	<b>36,086,566</b>	<b>167</b>	<b>400,031</b>	<b>2,465,156</b>	<b>3,756,721</b>	<b>(3,839,032)</b>	<b>1,599,075</b>	<b>62,523,486</b>
<b>BALANCES AT DECEMBER 31, 2015</b>	<b>22,054,802</b>	<b>36,086,566</b>		<b>400,384</b>	<b>2,617,409</b>	<b>6,651,881</b>	<b>(5,107,599)</b>		<b>62,703,443</b>
CARRYING VALUE ADJUSTMENTS							(1,482,750)		(1,482,750)
TAX COLLECTION ON REALIZATION OF THE REVALUATION RESERVE				5,422					5,422
PAYMENT OF TAXES ON REVALUATION RESERVE								(5,548)	(5,548)
REALIZATION OF RESERVE				(14,425)				14,425	
REVERSAL OF REVALUATION RESERVE				(1,508)					(1,508)
ADDITIONAL DIVIDENDS DECLARED						(55,296)			(55,296)
INCORPORATION OF IHCD REMUNERATION		367,079							367,079
PROFIT FOR THE PERIOD								2,447,510	2,447,510
APPROPRIATIONS OF PROFIT									
Legal reserve (income reserve)					99,593			(99,593)	
Lottery reserve (income reserve)						222,330		(222,330)	
Interest on own capital proposed								(1,173,750)	(1,173,750)
Interest on subordinated debt - eligible as regulatory capital								(455,664)	(455,664)
<b>BALANCES AT JUNE 30, 2016</b>	<b>22,054,802</b>	<b>36,453,645</b>		<b>389,873</b>	<b>2,717,002</b>	<b>6,818,915</b>	<b>(6,590,349)</b>	<b>505,050</b>	<b>62,348,938</b>

See accompanying notes.

**Consolidated Statement of Changes in Equity**

In thousands of reais, unless otherwise stated

EVENTS	CAPITAL	Subordinated debt - eligible as regulatory capital	CAPITAL RESERVE	REVALUATION RESERVE	INCOME RESERVE		ADJUSTMENT TO FAIR VALUE	RETAINED EARNINGS	TOTAL
					LEGAL	STATUTORY			
<b>BALANCES AT MARCH 31, 2015</b>	<b>22,054,802</b>	<b>35,867,958</b>	<b>167</b>	<b>398,783</b>	<b>2,325,326</b>	<b>3,504,419</b>	<b>(2,595,198)</b>	<b>782,212</b>	<b>62,338,469</b>
CARRYING VALUE ADJUSTMENTS							(1,243,834)		(1,243,834)
TAX COLLECTION ON REALIZATION OF THE REVALUATION RESERVE				7,419					7,419
PAYMENT OF TAXES ON REVALUATION RESERVE								(1,150)	(1,150)
REALIZATION OF RESERVE				(6,171)				6,171	
INCORPORATION OF IHCD REMUNERATION		218,608							218,608
PROFIT FOR THE PERIOD								1,934,964	1,934,964
APPROPRIATIONS OF PROFIT									
Legal reserve (income reserve)					139,830			(139,830)	
Lottery reserve (income reserve)						252,302		(252,302)	
Interest on own capital proposed								(418,377)	(418,377)
Interest on Subordinated debt - eligible as regulatory capital								(312,613)	(312,613)
<b>BALANCES AT JUNE 30, 2015</b>	<b>22,054,802</b>	<b>36,086,566</b>	<b>167</b>	<b>400,031</b>	<b>2,465,156</b>	<b>3,756,721</b>	<b>(3,839,032)</b>	<b>1,599,075</b>	<b>62,523,486</b>
<b>BALANCES AT MARCH 31, 2016</b>	<b>22,054,802</b>	<b>36,086,566</b>		<b>395,306</b>	<b>2,617,409</b>	<b>6,596,585</b>	<b>(4,768,274)</b>	<b>(27,679)</b>	<b>62,954,715</b>
CARRYING VALUE ADJUSTMENTS							(1,822,075)		(1,822,075)
TAX COLLECTION ON REALIZATION OF THE REVALUATION RESERVE				3,372					3,372
PAYMENT OF TAXES ON REVALUATION RESERVE								(3,285)	(3,285)
REALIZATION OF RESERVE				(7,297)				7,297	
REVERSAL OF REVALUATION RESERVE				(1,508)					(1,508)
INCORPORATION OF IHCD REMUNERATION		367,079							367,079
PROFIT FOR THE PERIOD								1,609,723	1,609,723
APPROPRIATIONS OF PROFIT									
Legal reserve (income reserve)					99,593			(99,593)	
Lottery reserve (income reserve)						222,330		(222,330)	
Interest on own capital proposed								(586,412)	(586,412)
Interest on subordinated debt - eligible as regulatory capital								(172,671)	(172,671)
<b>BALANCES AT JUNE 30, 2016</b>	<b>22,054,802</b>	<b>36,453,645</b>		<b>389,873</b>	<b>2,717,002</b>	<b>6,818,915</b>	<b>(6,590,349)</b>	<b>505,050</b>	<b>62,348,938</b>

See accompanying notes.

**Consolidated Statement of Cash Flows**

In thousands of reais, unless otherwise stated

	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>ADJUSTED PROFIT</b>	<b>8,237,962</b>	<b>15,844,614</b>	<b>6,193,936</b>	<b>12,177,927</b>
Profit for the period/year	1,609,723	2,447,510	1,934,963	3,483,226
Adjustments to profit:				
Adjustments of securities and derivative financial instruments (assets/liabilities)	6,628,239	13,397,104	4,258,973	8,694,701
(Gain)/loss on investments	247,081	2,537,249	718,623	347,829
(Gain)/loss on sale of fixed assets	(109,917)	210,069	(85,057)	(23,791)
(Gain)/loss on sale of fixed assets not for own use	3,862		(3,512)	(4,193)
Allowance for loan losses	(16,025)	(31,288)	(812)	(55)
Actuarial liabilities/assets (employee benefits)	6,258,766	10,067,358	4,555,472	9,582,927
Depreciation and amortization	545,511	1,091,021	369,318	738,636
Deferred taxes	439,382	882,981	423,683	802,751
Adjustment to provision for contingencies	(1,171,078)	(2,301,140)	(1,842,580)	(3,427,960)
Equity in the results of associates	268,853	779,405	344,018	837,072
Expenses with subordinated debt and hybrid instruments	(122,312)	(275,285)	(145,765)	(310,648)
Monetary adjustment expenses over additional dividends paid	284,116	436,734	(74,415)	122,712
				29,421
<b>CHANGES IN ASSETS AND LIABILITIES</b>	<b>(55,346,851)</b>	<b>(30,540,152)</b>	<b>14,811,997</b>	<b>(3,528,019)</b>
Decrease (increase) in short-term interbank investments	1,109,206	(947,337)	(1,264,024)	(1,535,789)
(Increase) decrease in marketable securities held for trading	(11,205,889)	(14,222,083)	1,572,689	(2,506,510)
(Increase) decrease in compulsory deposits with the Central Bank of Brazil	(340,228)	(1,169,515)	885,348	(2,423,366)
Decrease (increase) in interbank accounts (assets/liabilities)	(381,789)	(1,084,098)	(450,010)	(1,233,210)
Decrease (increase) in interdepartmental accounts (assets/liabilities)	(92,230)	(447,508)	(151,447)	(367,302)
Decrease (increase) in loan operations	(11,268,157)	(19,398,723)	(23,588,565)	(47,100,800)
Decrease (increase) in other receivables	(4,730,060)	(393,987)	(2,812,696)	(82,521)
Decrease (increase) in other assets	(793,275)	(1,221,277)	(236,271)	(407,150)
Increase (decrease) in deposits	12,078,546	7,716,743	5,458,150	6,841,940
Increase (decrease) in deposits obtained in the open market	(55,259,198)	(5,221,904)	14,501,915	3,414,020
Increase (decrease) in funds from issuance of securities	(1,052,938)	(5,407,614)	8,695,150	24,534,664
(Decrease) increase in derivative financial instruments	632,154	734,456	27,870	20,221
Increase (decrease) in borrowings and onlendings	9,015,479	8,019,025	8,025,992	17,549,214
Increase (decrease) in other liabilities	6,941,528	2,503,670	4,408,640	77,502
Income and social contribution taxes paid			(260,744)	(308,932)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>(47,108,889)</b>	<b>(14,695,538)</b>	<b>21,005,933</b>	<b>8,649,908</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>				
Acquisition and redemption of marketable securities available for sale	(880,805)	(1,555,657)	(2,915,545)	(3,278,078)
Acquisition and redemption of marketable securities held to maturity	9,085,698	12,513,383	2,606,481	1,764,847
Sale of property and equipment in use	(1,629)	5,816	6,035	14,066
Acquisition of property and equipment in use	(137,624)	(305,058)	(313,445)	(573,574)
Write-off of intangible assets	16,895	31,721	8,331	11,467
Acquisition of intangible assets	(142,184)	(408,168)	(148,694)	(287,883)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>7,940,351</b>	<b>10,282,037</b>	<b>(756,837)</b>	<b>(2,349,155)</b>
<b>NET CASH USED IN FINANCIG ACTIVITIES</b>				
Incorporation of IHCD remuneration	367,079	367,079	218,608	218,608
Supplementary dividends for years 2014 and 2015		(55,296)		(1,072,773)
Dividends/Interest on equity	(586,413)	(1,173,750)	(418,377)	(816,147)
IHCD remuneration paid	(1,401,544)	(1,401,544)	(1,448,100)	(1,448,100)
<b>NET CASH USED IN FINANCIG ACTIVITIES</b>	<b>(1,620,878)</b>	<b>(2,263,511)</b>	<b>(1,647,869)</b>	<b>(3,118,412)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(40,789,416)</b>	<b>(6,677,012)</b>	<b>18,601,227</b>	<b>3,182,341</b>
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>				
Cash and cash equivalents at the beginning of the period/year	187,009,925	152,897,521	111,797,226	127,216,112
Cash and cash equivalents at the end of the period/year	146,220,509	146,220,509	130,398,453	130,398,453
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(40,789,416)</b>	<b>(6,677,012)</b>	<b>18,601,227</b>	<b>3,182,341</b>

See accompanying notes.

**Consolidated Statements of Value Added**

In thousands of reais, unless otherwise stated

	2016				2015			
	2 <sup>nd</sup> quarter		1 <sup>st</sup> six-month period		2 <sup>nd</sup> quarter (Note 3 (t))		1 <sup>st</sup> six-month period (Note 3 (t))	
	R\$	%	R\$	%	R\$	%	R\$	%
<b>1. REVENUES</b>	<b>37,679,674</b>		<b>76,249,165</b>		<b>34,199,576</b>		<b>71,308,697</b>	
Financial intermediation	36,358,290		71,500,108		31,371,148		66,269,902	
Rendering of services	5,577,664		10,870,368		5,042,535		9,928,646	
Allowance for loan losses	(6,258,766)		(10,067,358)		(4,555,472)		(9,582,927)	
Other	2,002,486		3,946,047		2,341,365		4,693,076	
<b>2. EXPENSES OF FINANCIAL INTERMEDIATION</b>	<b>24,840,482</b>		<b>50,470,125</b>		<b>21,550,277</b>		<b>46,073,900</b>	
<b>3. MATERIALS AND SERVICES ACQUIRED FROM</b>	<b>5,569,935</b>		<b>11,847,286</b>		<b>5,924,640</b>		<b>11,491,099</b>	
Materials, energy and others	641,390		1,243,086		621,955		1,203,737	
Data processing and communications	528,435		1,096,183		556,968		1,012,327	
Advertising, publicity and promotions	193,680		340,775		171,597		323,772	
Outsourced and specialized services	577,433		1,136,402		584,134		1,164,556	
Surveillance and security services	225,571		406,045		192,076		390,529	
Other	3,403,426		7,624,795		3,797,910		7,396,178	
- Services delegated by the Federal Government	531,962		1,009,071		521,862		980,386	
- Lottery and business partners	534,107		1,039,278		565,080		1,147,926	
- Discounts from loan operations	65,619		122,858		328,999		460,083	
- Expenses with credit/debit cards	149,758		492,024		330,766		669,165	
- Post-employment benefits	545,511		1,091,021		369,318		738,636	
- Sundry operating provisions	746,527		2,203,647		818,603		1,965,801	
- Sundry	829,942		1,666,896		863,282		1,434,181	
<b>4. GROSS VALUE ADDED(1-2-3)</b>	<b>7,269,257</b>		<b>13,931,754</b>		<b>6,724,659</b>		<b>13,743,698</b>	
<b>5. WITHHOLDING</b>	<b>439,381</b>		<b>882,980</b>		<b>423,683</b>		<b>802,751</b>	
Depreciation, amortization and depletion	439,381		882,980		423,683		802,751	
<b>6. NET VALUE ADDED (4-5)</b>	<b>6,829,876</b>		<b>13,048,774</b>		<b>6,300,976</b>		<b>12,940,947</b>	
<b>7. VALUE ADDED RECEIVED AS TRANSFER</b>	<b>122,312</b>		<b>275,285</b>		<b>145,765</b>		<b>310,648</b>	
Result of equity method	122,312		275,285		145,765		310,648	
<b>8. VALUE ADDED TO BE DISTRIBUTED (6+7)</b>	<b>6,952,188</b>		<b>13,324,059</b>		<b>6,446,741</b>		<b>13,251,595</b>	
<b>9. VALUE ADDED TO BE DISTRIBUTED</b>	<b>6,952,188</b>	<b>100</b>	<b>13,324,059</b>	<b>100</b>	<b>6,446,741</b>	<b>100</b>	<b>13,251,595</b>	<b>100</b>
Personnel	4,895,715	70	9,100,929		4,288,508	67	8,762,586	66
- Direct remuneration	3,751,406		6,892,051		3,195,549		6,537,771	
- Benefits	920,961		1,760,417		887,297		1,805,573	
- FGTS	223,348		448,461		205,662		419,242	
Taxes, fees and contributions	67,087	1	1,016,520		(137,906)	(2)	272,996	2
- Federal	(104,594)		633,685		(320,063)		(103,875)	
- State	379		437		454		591	
- Local	171,302		382,398		181,703		376,280	
Third-party capital remuneration	379,662	5	759,100		361,176	6	732,787	6
- Rentals	379,662		759,100		361,176		732,787	
Equity remuneration	759,084	11	1,629,414		730,989	11	1,502,767	11
- Interest on equity and dividends	586,413		1,173,750		418,377		816,147	
- Interest on subordinated debt - eligible as regulatory capital	172,671		455,664		312,612		686,620	
Retained earnings	850,640	12	818,096		1,203,974	19	1,980,459	15

See accompanying notes.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

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## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### Note 1 – General information

Caixa Econômica Federal (“CAIXA” or “Institution”) is a financial institution set up by Decree Law No. 759, of August 12, 1969, as a private government entity, linked to the Ministry of Finance, headquartered in Brasília – Federal District. CAIXA operates throughout the Brazilian territory and abroad, and through representation offices in Japan, the United States, and Venezuela. CAIXA’s capital is fully controlled by the Federal Government.

In order to fulfill its business purpose and pursuant to Law No. 11908/2009, CAIXA set up the subsidiaries Caixa Participações S.A. – CAIXAPAR, CAIXA Instantânea S.A., CAIXA Seguridade S.A. and CAIXA Securitária.

CAIXA conducts its bank activities by raising and investing funds in various operations related to commercial portfolio, foreign exchange transactions, credit to consumers, real estate and rural credit, provision of banking services, including administration of funds and investment portfolios, and of social nature, in addition to supplementary activities related to intermediation of securities, credit and debit card transactions.

The Institution also operates in the insurance, private pension plan, capitalization and consortium management segments, through interests held in CAIXA Seguridade S.A, in Caixa Seguros Holding S/A, Pan Seguros S/A and Panamericano Administração e Corretagem de Seguros e de Previdência Privada Ltda.

As a long-term financing of its operations, CAIXA issues debt bonds in the international market by means of senior and subordinated bonds eligible to Level II Capital under Basel III rules.

CAIXA has an important role in promoting urban development and social justice in Brazil, and is the main partner of the Federal Government in promoting public policies, carrying out income transfer programs, and implementing national housing policies. CAIXA’s operations range through various areas, such as social interest housing programs, basic sanitation, infrastructure, environmental management, employment and income generation, rural development, and other activities related to the sustainable growth, focused on the improvement of the quality of life of Brazilian citizens, especially those of low income.

Administered by the Federal Government, CAIXA operates funds and social programs, with emphasis to the Unemployment Compensation Fund (FGTS), Wage Variation Compensation Fund (FCVS), Social Integration Program (PIS), Social Development Fund (FDS), Residential Lease Fund (FAR), Popular Housing Guarantee Fund (FGHAB), among others, and exclusively manages federal lottery services, and also holds a monopoly on civil pledge transactions, both permanently and continuously. The administered funds and programs are independent legal entities, managed by specific regulation and governance structure, and they have independent accounting.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 2 – Presentation of the consolidated interim financial statements****a) Overview**

CAIXA's consolidated financial statements are the responsibility of management. The consolidated financial statements at June 30, 2016, were approved by the Chairman of the Board on August 9, 2016, and by the Board of Directors at August 10, 2016.

The Consolidated Financial Statements were prepared and are presented regardless of the Central bank of Brazil's requirement for the presentation of financial statements, since CAIXA management believes such disclosure to be relevant for the market due to the volume of operations and operation of CAIXA in the national financial market.

Based on BACEN guidance to reclassify hybrid capital and debt instruments from equity to liabilities in the individual financial statements as from the quarter ended March 31, 2015, CAIXA's management chose not to present the Institution's individual financial statements, presenting only the Consolidated Interim Financial Statements, as it believes that these consolidated financial statements provide the elements needed for a better understanding of its financial position, the total volume of its operations and compliance with regulatory and prudential limits of BACEN, where hybrid capital and debt instruments are classified as eligible for capital and comprise equity.

**b) Basis of preparation and statement of compliance**

The consolidated financial statements of CAIXA were prepared based on the accounting standards determined by Law No. 4595/64 (National Financial System Law) and No. 6404/76 (Corporation Law), including changes introduced by Law No. 11638/07 and No. 11941/09, in accordance with the standards and rules of the Brazilian Monetary Council (CMN), the Brazilian Central Bank (BACEN), Brazil's National Association of State Boards of Accountancy (CFC), and the accounting practices adopted in Brazil.

These statements have records that reflect the historical cost of transactions, except for portfolio of securities classified as held for trading and available for sale, and derivative financial instruments, at fair value.

The consolidated financial statements are presented in Brazilian reais and all amounts are rounded to thousands of reais, unless otherwise stated.

The accounting practices adopted in Brazil include Management judgment as to the estimates and assumptions for measurement of allowance for doubtful accounts, deferred tax assets, fair value of financial instruments, provision for civil, labor and tax proceedings, impairment of non-financial assets, other provisions, supplementary pension plan, assets and liabilities related to post-employment benefits, and determination of certain assets' useful lives. Definitive values may differ from those determined by these estimates and assumptions, and are only recognized when settled.

**c) Basis of consolidation**

The consolidated financial statements, including CAIXA and its subsidiaries CAIXAPAR, CAIXA Instantânea and CAIXA Seguridade and its subsidiary CAIXA Securitária, were prepared considering the elimination of the equity, revenue, expense and unearned income balances between the companies.

The financial statements of CAIXAPAR, CAIXA Instantânea, CAIXA Seguridade and CAIXA are prepared using consistent accounting practices. Interest in jointly-controlled entities and investments in subsidiaries are recorded under the equity pickup method. P&L of subsidiaries acquired or disposed of in the period is included in the consolidated income statements as from the acquisition or disposal date.

The acquisition cost of a subsidiary is measured at fair value of offered assets, equity instruments issued and liabilities incurred or assumed at the trade date.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

The identifiable assets acquired, contingencies and liabilities assumed in a business combination are initially measured at their fair value on the acquisition date, irrespective of the proportion of any non-controlling equity interest. The exceeding acquisition cost value of net identifiable assets in relation to the interest fair value is recorded as goodwill based on future profitability.

When the acquisition cost is lower than the fair value of the subsidiary's net assets, CAIXA directly recognizes the difference in income statements.

The key companies where CAIXA holds direct or indirect interest - included in this consolidated financial information - are presented in Note 11.

**(d) Risks related to non-compliance with laws and regulations**

Due to news broadcasted in the media, as from April 10, 2015, in relation to the alleged involvement of CAIXA's service suppliers in the 11th investigation phase conducted by federal public authorities in the operation known as the "A Origem" (Origin), CAIXA management adopted internal provisional remedy measures to identify possible non-compliances with laws and regulations in relation thereto by its employees, management and suppliers.

Up to the reporting date of the consolidated financial statements for the quarter ended June 30, 2016, CAIXA, its managing officers and employees had not been notified of any denunciation or objective evidence other than those involving its service providers, possibly arising from facts related to the "A Origem" operation.

In this regard, CAIXA took measures to analyze the news disclosed in the media and the agreements with the companies cited.

Based on available information, an internal investigation process was conducted, which, however, did not identify consequences from such issue that could impact the consolidated financial statements for the quarter ended June 30, 2016, nor any objective information that could cast doubts about the good conduct of its employees, managing officers and suppliers.

Prospectively, CAIXA will continue to monitor and support the investigation process conducted by the competent authorities until its conclusion, systematically assessing any new information that could require additional analyses or the performance of another investigation process.

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### Note 3 – Significant accounting policies

The significant accounting practices applied in the preparation of this consolidated financial information are set out as follows:

#### (a) Foreign currency translation

The consolidated interim financial information is presented in reais, CAIXA's functional currency. Items included in the consolidated financial information of each of the group's entities are measured using the same functional currency. Transactions in foreign currency are initially recorded at the functional currency rate prevailing at the transaction date.

Foreign currency-denominated assets and liabilities are translated at the foreign exchange rate of the functional currency at balance sheet date. Gains or losses arising from the translation process are allocated in income for the period.

#### (b) Profit

Observing the accrual basis, revenue and expenses are recorded upon computation of income (loss) for the period, simultaneously, when they correlate and irrespective of their receipt or payment.

Transactions with fixed financial charges are recorded at redemption value, and revenues (expenses) corresponding to future periods are presented as reduction of the respective assets and liabilities. Floating rate transactions or transactions indexed to foreign currencies are restated up to the balance sheet date.

Revenues and expenses of financial nature are recognized on a daily pro rata basis, computed based on the exponential method, except for those referring to discounted securities or related to foreign operations, which are determined under the straight-line method.

#### (c) Cash and cash equivalents

Amounts recognized as cash and cash equivalents are represented by cash and cash equivalents in Brazilian currency, foreign currency, investments in open market, investments in interbank deposits, bank deposit certificates and others maturing within 90 days.

Amounts in cash, in Brazilian currency, are stated at fair value based on their face value, and those in foreign currencies are translated at the foreign exchange rate disclosed by BACEN at the consolidated financial statements closing date.

Cash equivalents are typified by their high liquidity, and are considered for management of short-term commitments, maturing within 90 days, and have immaterial risk of changes in value.

Breakdown, cash and cash equivalents are presented in Note 4.

#### (d) Short-term interbank investments

These are recorded at acquisition cost, plus earnings computed through balance sheet date, less valuation allowance, where applicable.

The fixed income securities used to guarantee repurchase operations (sale with repurchase commitment) are carried under specific asset accounts on the date of the operation by the restated average book value, classified by security type and maturity. The difference between the repurchase value and the sales value is considered as an expense. Recognition is in accordance with the "pro rata" day accrual regime, given the fluidity of the transactions.

Financing granted that is guaranteed by third party fixed income securities (acquisition with repurchase commitment) are recorded at settlement value. Income from operations is represented by the difference between the resale and purchase amounts. Securities issued to guarantee sales operations with repurchase commitments are recorded in specific accounts under Assets, and transferred from the Bank's own resources to its financed position.

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

As for repurchase agreements, executed under free movement agreement, when securities are definitively sold, the referring liability referring to return of the securities is assessed at market value.

Breakdown, term and earnings computed for short-term interbank investments are presented in Note 5

### (e) Securities

Securities acquired to be included in their own portfolio are recorded at the amount actually paid, and management bases the initial classification of financial instruments on the purpose for which they were acquired and on their characteristics. All financial instruments are initially recognized at fair value plus transaction costs, except when financial assets and liabilities are recognized at fair value through profit or loss.

The securities portfolio is regardless in conformity with BACEN Circular 3068/2001 and classified in accordance with Management's intention, in three specific categories:

- **Trading securities:** these are acquired to be actively and frequently traded, adjusted at fair value and matched against P&L for the period;
- **Available-for-sale securities** - instruments held for an indefinite period and that can be sold in response to the need for liquidity or changes in market condition and securities which are not considered as trading securities nor held to maturity. These are adjusted to fair value against a separate account in equity, denominated "Carrying value adjustments". Gains and losses, when realized/recorded as income or expense for the period, net of tax effects.
- **Held-to-maturity securities:** these are acquired to be held to maturity, recorded at acquisition cost or market value when reclassified from another category. Securities in this category shall include their respective earnings, matched against P&L for the period, not assessed at market value.

Securities' earnings, independently of their classification, are recorded on a pro rata daily basis, and also on an accrual basis, observing their remuneration clauses, recorded in the income statements. Securities' losses, irrespective of their classification, are directly recognized in P&L for the period, and then make up the new asset cost basis.

Every quarter CAIXA evaluates whether there is any objective indication of impairment in debt and equity securities, classified as available for sale and held to maturity. In the event that there is evidence, which is not considered temporary, including those mentioned below, its effects are recognized in P&L as realized losses for the period:

- Significant or prolonged decrease in market value of equity securities, below their cost;
- Significant changes with adverse effect, occurred in the IT, market, economic or legal environment where the issuer operates and indicates that the cost of the investment in equity cannot be recovered;
- Significant financial difficulties faced by the issuer, or breach of contract, such as failure to comply or delay in payment of interest or capital.

Classification, breakdown and segmentation of securities are presented in Note 6 (a), (b) and (c).

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### (f) Derivative financial instruments

CAIXA uses derivative financial instruments, such as swaps, interest rate future securities, foreign exchange securities in foreign currency, held for trade for financial or accounting hedge purposes, recorded according to BACEN Circular Letter No. 3082/2002.

Derivatives are accounted for at fair value and held as assets when positive, and liabilities when negative. These are also subsequently revalued at fair value, and the corresponding increases and decreases are directly recognized in P&L for the period, except for the effective cash flows hedge portion, which is directly recognized in equity.

When the derivative is contracted for trade, associated to the fundraising or investment transaction, under the terms of BACEN Circular Letter No. 3150/2002, revaluation is made under contractual conditions, with no adjustment arising from the derivative's fair value.

Derivative financial instruments use to fully or partially offset risks from variations in the market value of financial assets and liabilities qualified for accounting hedge are classified as follows:

- **Market risk hedge:** Financial instruments classified under this category, as well as related financial assets and liabilities, are adjusted to market value and gains and losses are posted directly to P&L;
- **Cash flow hedge:** The effective portion of valuation or devaluation of financial instruments classified under this category is recorded in a specific equity account, net of taxes. The non-effective portion is recognized directly in P&L.

The documentation also covers the nature of hedged risks, the nature of excluded risks, the prospective statement of effectiveness of hedge relation and how the effectiveness of the derivatives will be evaluated in order to offset variations in the fair value of cash flows referring to hedged items.

Breakdown of values recorded in derivative financial instruments, either in equity accounts or offsetting accounts, is presented in Note 6 (g) and (h).

### (g) Fair value measurement

The fair value is determined based on consistent and verifiable criteria, which considers the average price of financial instruments at determination date or, in the lack thereof, the market price for assets or liabilities with similar characteristics. If this is also not available the fair value is obtained by quotation with market operators or valuation models that may require judgment by Management.

The fair value of the financial instruments traded in active markets at the balance sheet date is based on quoted market prices at the balance sheet date, without deductions for the transaction costs.

The valuation method consists in the construction of cash flows based on observable data, such as prices and rates of other financial instruments available in the market, such as future contracts, government securities, and swap transactions.

Additional information on how the fair value of financial instruments is calculated are available in Note 33

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### (h) Loans, advances on exchange contracts, other receivables with loan features and allowance for loan losses

Loan operations, advances on exchange contracts and other loans with credit assignment characteristics are classified into nine levels, of which "AA" (minimum risk) and "H" (maximum risk), according to the parameters established by CMN Resolution No. 2682/1999, and in line with management's periodic assessment, which considers the economic scenario, past experience, and specific and global risks in relation to the operations, debtors and guarantors.

In addition, late payment periods established by CMN Resolution No. 2682/1999 are also considered in assigning customers' classification levels, as follows:

Period in arrears	Special term (1)	Customer rating
from 15 to 30 days	from 30 to 60 days	B
from 31 to 60 days	from 61 to 120 days	C
from 61 to 90 days	from 121 to 180	D
from 91 to 120 days	from 181 to 240 days	E
from 121 to 150 days	from 241 to 300 days	F
from 151 to 180 days	from 301 to 360 days	G
over 180 days	over 360 days	H

(1) For transactions with remaining term over 36 months, delayed periods are counted in double, as determined by CMN Decision No. 2682/1999

Interest accrued on loans overdue up to 59 days is recorded as income from loans, and, after the 60th day, is recognized as income only when effectively received.

The operations classified as risk level "H" for more than six months and in arrears for more than 180 days are charged off against the existing allowance, and controlled for at least five years in memorandum accounts.

Renegotiated operations are kept at least at the same level into which they were classified. Renegotiations which had already been written off for losses, which controlled in offsetting accounts, are classified as of "H" level risk. Any gains from renegotiation can only be recognized when effectively received. When there is significant amortization, or new material facts justifying a change in the risk level take place, the operation will be reclassified to a lower level category.

The allowance for loan losses is calculated at an amount sufficient to cover probable losses and complies with BACEN standards and instructions, as well as the evaluations of Management, in the determination of credit risks.

As from January 2012, according to CMN Resolutions No. 3.533/2008 and No. 3.895/2010, the results of loan assignments with substantial retention of risks and benefits are recognized over the remaining terms of the operations. Financial assets subject matter of the assignment remain recorded as loan operations and the amount received as liabilities for operations involving sale or transfer of financial assets are recorded as assets, with a matching entry in liabilities referring to the obligation assumed.

The modalities, values, terms, risk levels, concentration, participation in economic activity segments, renegotiations, and income from loan transactions, as well as breakdown of expenses and accounts of allowance for doubtful accounts are presented in Note 8.

### (i) Income tax and social contribution on net income

Set up of tax credits is based on the estimate of their realization, based on technical and other analyses performed by Management, considering the tax rates in force in the period of realization of these assets. Deferred income and social contribution taxes, computed based on income and social contribution tax losses and temporary differences, are recorded as tax credits in accordance, in "Other Receivables – Sundry", with the expected generation of income in the future, in compliance with the set-up, maintenance and write-off criteria determined by CMN Decision No. 3059/2002, amended by CMN Decision No. 3355/2006.

## Notes to the Consolidated Financial Statements

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The realization of tax credits depends on their origin. Those originated from temporary differences are realized by the use or reversal of provisions that were used as a basis for their recognition. In turn, the tax credits on income tax and social contribution losses are realized upon the generation of taxable income, through the offset in the basis of the related taxes, limited to 30% of the taxable income for each year. CAIXA recognizes IRPJ, CSLL, PASEP and COFINS tax credits on the negative adjustments arising from the marking of marketable securities and derivative financial instruments to market recognized in the statement of income and in a separate Equity account.

The provision for income tax is recorded at the rate of 15% of taxable income plus a surcharge of 10%. For the bank, CSLL was calculated considering the rate of 15%, until August 2015. From September 2015 to December 2018, the rate was changed to 20%, under Law No. 13169/15, decreasing to 15% as from January 2019. For the other companies, the social contribution tax is calculated considering the rate of 9%.

Since CSLL increased from September/2015 to December/2018, CAIXA set up supplementary CSLL credits, considering tax credits realizable during the effectiveness thereof at the increased rate, estimated in accordance with technical studies supporting the recognition of such assets.

Breakdown of income and social contribution tax amounts, evidence of calculations, origin and provision for realization of tax credits are presented in Note 20.

### (j) Prepaid expenses

Prepaid expenses represent prepayments whose benefit or rendering of services will occur in future periods. They are recorded in assets on the accrual basis of accounting to ensure their proper recognition as an expense, simultaneously with income when this is related to the expense (Note 10).

### (k) Investments

Investments in subsidiaries or companies whose influence is significant are valued under the equity method. To calculate equity pickup of investments in non-financial entities, amounts are adjusted to converge with the standards and guidelines of the National Monetary Board (CMN), of the Central Bank of Brazil (BACEN). Other permanent investments are measured at acquisition cost. Investments, irrespective of the measurement method, are tested for impairment in conformity with BACEN guidelines and standards. Breakdown of investments in subsidiaries and associated companies is presented in Note 11.

Goodwill is set up as the difference between amount paid and book value of the investment acquired, arising from expected future profitability, based on an economic and financial analysis, amortized and subject to impairment test.

### (l) Property and equipment

Property and equipment for own use is represented by rights over tangible assets owned by CAIXA, intended for maintenance of its operating activities, such as buildings, land, furniture, equipment, computer hardware and other fixtures. Such assets are recognized at acquisition or build-up cost and depreciated by the straight-line method with no residual value.

Depreciation expenses of property and equipment are recognized in the income statement and calculated basically using the following useful lives:

Property and equipment	Term
Buildings	25 years
Communication systems	10 years
Furniture and equipment	10 years
Data processing systems	05 years
Security systems	05 years

## Notes to the Consolidated Financial Statements

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CAIXA is not engaged in financing of fixed assets or loans costs related to these assets. CAIXA, at the base date of the financial information, evaluates whether there is any indication of impairment of fixed assets. In this case, the book value of these assets is decreased to their recoverable value, and future depreciation expenses are proportionally adjusted to the reviewed book value and to the new remaining economic useful if, if this is once again estimated.

Likewise, if there is indication of recovery of the value of a fixed asset item, CAIXA reverses impairment losses recorded in previous periods and respectively adjusts future depreciation expenses. In any circumstance the reversal impairment loss of an asset can increase its book value above the value that it should have in the event that this loss had been recognized in previous years.

The estimated useful lives of property and equipment held for own use are reviewed at least at the end of the year presented, to detect possible significant changes. If changes are detected, the useful lives of the assets are adjusted by correcting the depreciation charge to be recognized in the statement of income for coming periods, based on the new useful lives.

Breakdown of cost value of goods and their depreciation, as well as the unrecorded value added for fixed assets and the construction in progress levels are presented in Note 12.

### (m) Intangible

Intangible assets are represented by goods which do not have a physical body and allocated for maintenance of the entity's activities or exercised with this purpose. These identifiable non-monetary assets, that can be separated from other assets, without physical substance, arising from legal transactions or internally developed by consolidated entities, whose cost can be reliably estimated and based on which CAIXA considers that future generation of economic benefits is probable.

These assets are initially recognized at acquisition or buildup cost and subsequently deducted the accumulated amortization, computed under the straight-line method, observing the contractual terms and subject to impairment tests, as provided for by CMN Decision No. 3566/2008 and No. 3642/2008.

These can have indefinite useful lives when the period over which it is expected that the asset is capable of generating cash, directly or indirectly, for consolidated entities is unforeseeable, based on analysis of all significant factors. Intangible assets with indefinite useful lives are not amortized, however, they are reviewed at the end of every accounting period in order to determine whether their useful lives remain indefinite and, if that is not the case, take the adequate measures.

Intangible assets are comprised essentially of software and acquisition of payrolls. Payroll-related intangible assets refer to amounts paid in connection with business partnerships formed with public and private sectors to ensure banking services relating to payroll processing, payroll deduction loans, maintenance of collection portfolios, payments to suppliers, and other banking services. Internally developed software are recognized as intangible assets only if CAIXA is able capable to use or sell it and if the future generation of economic benefits can be reliably presented.

Amortization of intangible asset expenses is recognized in the income statements under "depreciation and amortization" in Other administrative expenses and have amortization terms of five years for software projects and up to 5 years for acquisition of payroll.

Breakdown of intangible assets and their changes are presented in Note 13.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(n) Impairment of non-financial assets**

At the end of every year, CAIXA tests its non-financial assets for impairment. Irrespective of any indication of impairment, CAIXA checks the recoverable value of intangible assets, as software still not available for use and of the goodwill on acquisition of investments at least on a yearly basis. If an indication of impairment is found, this is recognized in P&L for the period when the asset's book balance exceeds its recoverable value, which is determined by the potential sale value, or realization value less the respective expenses or by the value in use computed by the cash-generating unit.

CAIXA has no impairment in items classified as fixed assets in use.

**(o) Deposits, open market funding, funds from acceptance and issue of securities, and borrowings and onlending obligations**

These are stated at their liability values and include, when applicable, charges accrued up to the balance sheet date on a daily *pro rata* basis.

Terms and amounts of deposits and fundraising in the open market, funds from acceptances and issue of bonds, and liabilities for loans and on-lending are accounted for in equity and P&L accounts, and their charges are monthly allocated due to the flow of their terms, as stated in Notes 14, 15, 16 and 17, respectively. For fundraising operations by means of issue of marketable securities, as these are fixed rates, expenses are allocated to P&L over the operation term, and presented as the corresponding liability reducing account.

**(p) Contingent assets and liabilities and legal, tax, and social security obligations**

The recognition, measurement and disclosure of provisions, asset and liability contingencies, and legal obligations are made according to the criteria defined by CPC 25 – Provisions, Contingent Liabilities and Contingent Assets, approved by CMN Decision No. 3823/2009:

- **Contingent assets:** these are recognized only when there are actual guarantees or unappealable favorable judicial decisions, for which the gain is practically certain, and for their recovery capacity by receipt or offsetting with other liability. Contingent assets, whose positive outcome is probable, are disclosed in explanatory notes;
- **Contingent liabilities:** these are recognized in consolidated financial statements when, based on legal counsel's and management's opinion, the likelihood of an unfavorable outcome for a lawsuit or an administrative proceeding is considered probable, with a probable outflow of funds for the settlement of obligations, and when the amounts involved can be reliably measured. Administrative or judicial issues classified as possible losses are not recognized but only disclosed in explanatory notes when individually significant, and no provision is set up for those whose likelihood of loss is remote, which are also not disclosed;
- **Provisions:** these are set up considering the legal counsel's and management's opinion, the nature of the proceeding, similarity with prior proceedings, complexity and positioning of courts, always that the likelihood of loss is considered probable, which would lead to a probable outcome of resources to settle such obligations, and when the involved amounts are reliably measured;
- **Legal, tax and social security obligations:** these involve ongoing judicial proceedings challenging the enforceability and constitutionality of the obligation and which, regardless of the likelihood of loss, have their amounts fully recognized in the consolidated consolidated financial statements.

Details on contingent assets and liabilities, as well as on provisions, in addition to their corresponding changes, are presented in Note 30.

## Notes to the Consolidated Financial Statements

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### (q) Employee benefits

Benefits to employees, related to short-term benefits for current employees, are recognized on an accrual basis in accordance with the services provided. Post-employment benefits under the responsibility of CAIXA and related to supplementary retirement and healthcare are recognized in accordance with CVM Ruling No. 695/2012.

As for the defined benefit (BD) retirement plan, for which contributions are made to an independently managed fund, the actuarial risk of investments is fully or partially posed to the sponsoring entity.

Recognition of costs requires the measurement of plan obligations and expenses, in view of the possibility of actuarial gains or losses, which may generate liabilities when the amount of actuarial obligations exceeds the amount of benefit plan assets.

The present value of obligations arising from this benefit, as well as the current service cost and, where applicable, the cost of past services is determined under the Projected Unit Credit Method, attributing the benefit to periods when the obligation of providing post-employment benefits arises.

If, in subsequent years, an employee's service leads to a level of benefit materially higher than in earlier years, the benefit is attributed on the straight-line method up to the date when the additional service of the employee will lead to an immaterial amount of further benefits.

As for the defined contribution retirement plan, the actuarial risk and the investment risk are undertaken by the participants. Recognition of costs is determined by each period's contribution values, which represent CAIXA's obligation, and no actuarial calculation for measurement of obligations or expenses is necessary, since there is no actuarial gain or loss.

In the variable contribution retirement plan, during the contribution phase, there is no guarantee in relation to the benefit amount to be received upon retirement.

Therefore, it is considered as a defined contribution plan. However, when retirement is granted, the benefit amount is fixed, and it is classified as a defined benefit plan. Actuarial calculation procedures are then to be applied.

Other benefit granted is the healthcare plan – Saúde CAIXA, for employees, retirees and their corresponding dependents. For calculation of liabilities and costs of said healthcare plan, actuarial hypotheses and assumptions approved by CAIXA were adopted, as well as the Projected Unit Credit method.

CAIXA also provides its employees and managers with meal vouchers and food assistance, according to the legislation in force and the Collective Bargaining Agreement, with indemnification nature, not considered a part of their salaries and free of charges for CAIXA or its employees and managers.

Profit sharing is monthly allocated at the proportion of on the budgeted annual income. After the Collective Bargaining Agreement is closed, this value is adjusted considering the approved rules.

CVM Rule no. 695/2012 approved Technical Pronouncement CPC 33 (R1) – Employee Benefits and made changes in the defined benefit plans referring to the accounting and disclosure of post-employment benefits, such as the removal of the corridor mechanism to record plan obligations, in addition to changes in the criteria for recognition of compensatory interest of plan assets.

The adoption of this pronouncement became effective as from January 1, 2013, thus requiring the full recognition of actuarial losses in liability account, as occurred, matching against Other equity pickup adjustments account in equity.

## Notes to the Consolidated Financial Statements

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Pronouncement CPC 33 (R1) sets forth, for the sponsoring company, parameters specific for measuring assets, liabilities and surplus and deficit of pension plans. However, due to legal provisions in Brazil, the financial statements of the respective plans should be prepared in accordance with the provisions introduced by the corresponding Brazilian authority, resulting in different calculations of surplus and deficit.

Considering that CAIXA has already set up an actuarial reserve, in compliance with CPC 33 (R1), this reserve should only be supplemented if deficit, subject to equation plan, calculated in accordance with local legislation, is higher than that set forth in CPC 33 (R1).

In this case, the reserve should be supplemented matched against Equity, as provided for in ICPC 20 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

Breakdown of employee benefits and any changes thereof are presented in Note 32.

### (r) Other assets and liabilities

Other assets are recorded at realization value, including, where applicable, yield, monetary and currency changes, and provision for losses, on a daily pro rata basis, when deemed necessary. Other liabilities include known and determinable amounts, plus, where applicable, charges, monetary and currency variations, on a daily pro rata basis.

### (s) Subsequent events

Subsequent events are events that occur between the financial statements reporting date and the date of authorization for their issue. They correspond to events that evidence conditions that already existed as of the financial statements reporting date and lead to adjustments. Events that evidence conditions that did not exist as of the financial statements reporting date do not lead to adjustments.

### (t) Restatement of comparative balances

#### (i) Change in accounting practices – Segregation between current and noncurrent contingent liabilities

Up to 12/31/2015, given the impossibility of calculating the estimate for realization of provisioned amounts with contingent liabilities with any reasonable certainty, CAIXA recorded these amounts as current liabilities in accordance with prudential accounting principles.

As from 1/1/2016, the procedures to calculate the estimate for civil and labor proceedings where the likelihood of loss is classified as “probable” allowed that a realization estimate calculation of these liabilities be made and also permitted segregation between current or noncurrent liabilities.

The effects on the consolidated balance sheet stemming from the segregation of contingent liabilities between current and noncurrent are as follows:

Description	06/30/2015		
	Originally presented	Adjustments	Adjusted amount
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>	<b>646,014,134</b>	<b>(4,281,252)</b>	<b>641,732,882</b>
<b>Other obligations</b>	<b>52,937,862</b>	<b>(4,281,252)</b>	<b>48,656,610</b>
Sundry	36,020,479	(4,281,252)	31,739,227
<b>Noncurrent liabilities</b>	<b>410,624,553</b>	<b>4,281,252</b>	<b>414,905,805</b>
<b>Other obligations</b>	<b>35,989,142</b>	<b>4,281,252</b>	<b>40,270,394</b>
Sundry	15,926,726	4,281,252	20,207,978
<b>Equity</b>	<b>62,523,486</b>	<b>-</b>	<b>62,523,486</b>
<b>Total liabilities and equity</b>	<b>1,119,162,173</b>	<b>-</b>	<b>1,119,162,173</b>

## Notes to the Consolidated Financial Statements

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Description	12/31/2015		
	Originally presented	Adjustments	Adjusted amount
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>	<b>715,340,420</b>	<b>(4,904,517)</b>	<b>710,435,903</b>
<b>Other obligations</b>	<b>58,999,929</b>	<b>(4,904,517)</b>	<b>54,095,412</b>
Sundry	38,032,537	(4,904,517)	33,128,020
<b>Noncurrent liabilities</b>	<b>425,236,977</b>	<b>4,904,517</b>	<b>430,141,494</b>
<b>Other obligations</b>	<b>39,050,749</b>	<b>4,904,517</b>	<b>43,955,266</b>
Sundry	15,249,868	4,904,517	20,154,385
<b>Equity</b>	<b>62,703,443</b>	<b>-</b>	<b>62,703,443</b>
<b>Total liabilities and equity</b>	<b>1,203,280,840</b>	<b>-</b>	<b>1,203,280,840</b>

## (ii) Change in accounting practice – Reclassification of securities abroad expenses

Considering Central Bank of Brazil's authorization to use a specific account to record expenses from liabilities from securities abroad, CAIXA reclassified the amounts recognized in its consolidated financial statements. This change in accounting practices solely produced effects on the consolidated income statement and the consolidated statement of value added for the year.

The effects on the consolidated income statements stemming from the reclassification of marketable securities are as follows:

Description	2 <sup>nd</sup> quarter of 2015		
	Originally presented	Adjustments	Adjusted amount
<b>INCOME</b>			
<b>Income from financial intermediation</b>	<b>32,127,820</b>	<b>(215,719)</b>	<b>31,912,101</b>
Foreign exchange gains(1)	215,719	(215,719)	-
<b>Financial intermediation expenses</b>	<b>(27,146,217)</b>	<b>499,515</b>	<b>(26,646,702)</b>
Open market funding	(17,503,922)	289,641	(17,214,281)
Loans, credit assignment and onlending operations	(3,716,014)	750,827	(2,965,187)
Foreign exchange gains (losses)(1)	-	(540,953)	(540,953)
<b>Gross income from financial intermediation</b>	<b>4,981,603</b>	<b>283,796</b>	<b>5,265,399</b>
<b>Other operating income (expenses)</b>	<b>(4,350,961)</b>	<b>(283,796)</b>	<b>(4,634,757)</b>
Other operating income	3,014,197	(542,464)	2,471,733
Other operating expenses	(4,056,578)	258,668	(3,797,910)
<b>Operating income</b>	<b>630,642</b>	<b>-</b>	<b>630,642</b>
<b>Pretax income</b>	<b>500,275</b>	<b>-</b>	<b>500,275</b>
<b>Income and social contribution taxes</b>	<b>1,678,994</b>	<b>-</b>	<b>1,678,994</b>
<b>Employee profit sharing</b>	<b>(244,305)</b>	<b>-</b>	<b>(244,305)</b>
<b>Net income for the period</b>	<b>1,934,964</b>	<b>-</b>	<b>1,934,964</b>

(1) The adjusted exchange results presented, reclassified from "Income from financial intermediation" to "Expenses from financial intermediation", since it has presented negative results after such reclassifications, amounting to (540,953) in connection with the amount of revenues for 756,672 (548,309 reclassified to Market fundraising operations + 208,363 reclassified to Loans, assignments and onlendings).

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

Description	1 <sup>st</sup> six-month period of 2015		
	Originally presented	Adjustments	Adjusted amount
<b>INCOME</b>			
<b>Income from financial intermediation</b>	<b>65,334,042</b>	<b>935,860</b>	<b>66,269,902</b>
Foreign exchange gains(1)	-	935,860	935,860
<b>Financial intermediation expenses</b>	<b>(54,985,959)</b>	<b>(670,868)</b>	<b>(55,656,827)</b>
Open market funding	(34,352,908)	(2,469,857)	(36,822,765)
Loans, credit assignment and onlending operations	(7,575,090)	(158,639)	(7,733,729)
Foreign exchange gains (losses)(1)	(1,957,628)	1,957,628	-
<b>Gross income from financial intermediation</b>	<b>10,348,083</b>	<b>264,992</b>	<b>10,613,075</b>
<b>Other operating income (expenses)</b>	<b>(8,911,870)</b>	<b>(264,992)</b>	<b>(9,176,862)</b>
Other operating income	5,489,315	(543,534)	4,945,781
Other operating expenses	(7,674,721)	278,542	(7,396,179)
<b>Operating income</b>	<b>1,436,213</b>	<b>-</b>	<b>1,436,213</b>
<b>Pretax income</b>	<b>1,183,509</b>	<b>-</b>	<b>1,183,509</b>
<b>Income and social contributioin taxes</b>	<b>2,734,688</b>	<b>-</b>	<b>2,734,688</b>
<b>Employee profit sharing</b>	<b>(434,971)</b>	<b>-</b>	<b>(434,971)</b>
<b>Net income for the period</b>	<b>3,483,226</b>	<b>-</b>	<b>3,483,226</b>

- (1) The adjusted exchange results presented, reclassified from "Expenses from financial intermediation" to "Income from financial intermediation", since it has presented positive results after such reclassifications, amounting to 935.860 in connection with the amount of expenses for 2,893,488 (2,191,315 reclassified to Market fundraising operations + 702,173 reclassified to Loans, assignments and onlendings).

The effects on the consolidated statement of value added stemming from the reclassification of marketable securities are as follows:

Description	2 <sup>nd</sup> quarter of 2015		
	Originally presented	Adjustments	Adjusted amount
<b>1. REVENUE</b>	<b>35,498,712</b>	<b>(1,299,135)</b>	<b>34,199,577</b>
Financial intermediation	32,127,820	(756,672)	31,371,148
Other	2,883,829	(542,464)	2,341,365
<b>2. FINANCIAL INTERMEDIATION EXPENSES</b>	<b>22,590,745</b>	<b>(1,040,468)</b>	<b>21,550,277</b>
<b>3. BOUGHT-IN INPUTS</b>	<b>6,183,308</b>	<b>(258,668)</b>	<b>5,924,640</b>
<b>4. GROSS VALUE ADDED (1-2-3)</b>	<b>6,724,659</b>	<b>-</b>	<b>6,724,659</b>
<b>5. RETENTION</b>	<b>423,683</b>	<b>-</b>	<b>423,683</b>
<b>6. NET VALUE ADDED (4-5)</b>	<b>6,300,976</b>	<b>-</b>	<b>6,300,976</b>
<b>7. VALUE ADDED RECEIVED IN TRANSFER</b>	<b>145,765</b>	<b>-</b>	<b>145,765</b>
<b>8. VALUE ADDED PAYABLE (6+7)</b>	<b>6,446,741</b>	<b>-</b>	<b>6,446,741</b>
<b>9. PAYMENT OF VALUE ADDED</b>	<b>6,446,741</b>	<b>-</b>	<b>6,446,741</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

Description	1 <sup>st</sup> six-month period of 2015		
	Originally presented	Adjustments	Adjusted amount
<b>1. REVENUE</b>	<b>70,916,372</b>	<b>392,326</b>	<b>71,308,698</b>
Financial intermediation	65,334,042	935,860	66,269,902
Other	5,236,611	(543,534)	4,693,077
<b>2. FINANCIAL INTERMEDIATION EXPENSES</b>	<b>45,403,032</b>	<b>670,868</b>	<b>46,073,900</b>
<b>3. BOUGHT-IN INPUTS</b>	<b>11,769,642</b>	<b>(278,542)</b>	<b>11,491,100</b>
<b>4. GROSS VALUE ADDED (1-2-3)</b>	<b>13,743,698</b>	<b>-</b>	<b>13,743,698</b>
<b>5. RETENTION</b>	<b>802,751</b>	<b>-</b>	<b>802,751</b>
<b>6. NET VALUE ADDED (4-5)</b>	<b>12,940,947</b>	<b>-</b>	<b>12,940,947</b>
<b>7. VALUE ADDED RECEIVED IN TRANSFER</b>	<b>310,648</b>	<b>-</b>	<b>310,648</b>
<b>8. VALUE ADDED PAYABLE (6+7)</b>	<b>13,251,595</b>	<b>-</b>	<b>13,251,595</b>
<b>9. PAYMENT OF VALUE ADDED</b>	<b>13,251,595</b>	<b>-</b>	<b>13,251,595</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 4 – Cash and cash equivalents**

Description	06/30/2016	12/31/2015	06/30/2015
<b>Total cash and banks</b>	<b>9,650,474</b>	<b>11,510,594</b>	<b>12,848,524</b>
Cash and banks in local currency	7,291,034	8,792,280	7,691,841
Cash and banks in foreign currency	2,359,440	2,718,314	5,156,683
<b>Short-term interbank investments (1)</b>	<b>136,570,035</b>	<b>141,386,927</b>	<b>117,549,929</b>
<b>Total</b>	<b>146,220,509</b>	<b>152,897,521</b>	<b>130,398,453</b>

(1) Transactions falling due within 90 days from the date of acquisition, subject to insignificant risk of changes in fair value..

**Note 5 – Short-term interbank investments**

Description	1 to 90 days	91 to 180 days	06/30/2016	12/31/2015	06/30/2015
<b>Money market investments - non-financed position</b>	<b>27,804,638</b>	<b>1,025,517</b>	<b>28,830,155</b>	<b>43,518,292</b>	<b>45,463,206</b>
Financial Treasury Bills	8,297	-	8,297	99,997	202,992
Federal Treasury Bills	9,029,472	1,025,517	10,054,989	9,937,518	33,554,284
Federal Treasury Notes	18,766,869	-	18,766,869	33,480,777	11,705,930
<b>Money market investments - financed position</b>	<b>109,294,869</b>	<b>-</b>	<b>109,294,869</b>	<b>99,593,650</b>	<b>72,086,723</b>
Financial Treasury Bills	2,671,529	-	2,671,529	30,911,806	6,270,687
Federal Treasury Bills	106,623,340	-	106,623,340	68,681,844	65,816,036
Federal Treasury Notes	<b>11,489,000</b>	<b>5,011</b>	<b>11,494,011</b>	<b>10,376,648</b>	<b>8,163,593</b>
<b>Investments in interbank deposits</b>	<b>11,246,503</b>	<b>5,011</b>	<b>11,251,514</b>	<b>9,691,077</b>	<b>5,663,547</b>
Investments in interbank deposits	242,563	-	242,563	685,791	2,500,147
Investments in interbank deposits – associated with rural credit	(66)	-	(66)	(220)	(101)
<b>Provision for losses on investment in Interbank Deposits</b>	<b>148,588,507</b>	<b>1,030,528</b>	<b>149,619,035</b>	<b>153,488,590</b>	<b>125,713,522</b>

**(a) Income from short-term interbank investments**

Breakdown of "Income from security transactions" in income statements.

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Income from money market investments</b>	<b>6,849,929</b>	<b>13,073,246</b>	<b>3,423,795</b>	<b>7,783,884</b>
Non-financed position	1,638,913	2,988,631	911,189	1,911,885
Financed position	5,211,016	10,084,615	2,512,606	5,871,999
<b>Income from investments in interbank deposits</b>	<b>377,743</b>	<b>721,951</b>	<b>207,847</b>	<b>382,708</b>
<b>Total</b>	<b>7,227,672</b>	<b>13,795,197</b>	<b>3,631,642</b>	<b>8,166,592</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 6 – Securities and derivative financial instruments**
**(a) Portfolio**

Description	Own Portfolio – Unrestricted	Designated				Derivative financial instruments	Total
		Repurchase commitments	Pledge of warranties	Unrestricted repurchase agreements	Central Bank		
<b>Brazilian Government Securities</b>	<b>84,003,963</b>	<b>71,305,101</b>	<b>4,625,749</b>	<b>4,458,939</b>	<b>675</b>	<b>-</b>	<b>164,394,427</b>
Financial Treasury Bills	2,518,728	10,040,749	-	-	-	-	12,559,477
Federal Treasury Bills	69,647,162	28,773,915	4,622,731	4,458,939	675	-	107,503,422
Federal Treasury Notes	11,546,042	32,490,437	3,018	-	-	-	44,039,497
Federal Treasury/Securitization	292,031	-	-	-	-	-	292,031
<b>Corporate Securities</b>	<b>9,121,497</b>	<b>6,599,556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,721,053</b>
Debentures (1)	633,646	6,158,905	-	-	-	-	6,792,551
Promissory note	519,911	-	-	-	-	-	519,911
Real Estate Credit Notes	88,518	-	-	-	-	-	88,518
Financial Notes	152,431	-	-	-	-	-	152,431
Investment Fund shares	241,207	-	-	-	-	-	241,207
Mortgage-Backed Securities	902,792	440,651	-	-	-	-	1,343,443
Shares	6,582,992	-	-	-	-	-	6,582,992
<b>Others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,106,738</b>	<b>1,106,738</b>
<b>June 30, 2016</b>	<b>93,125,460</b>	<b>77,904,657</b>	<b>4,625,749</b>	<b>4,458,939</b>	<b>675</b>	<b>1,106,738</b>	<b>181,222,218</b>
<b>December 31, 2015</b>	<b>68,404,031</b>	<b>98,152,414</b>	<b>11,279,474</b>	<b>-</b>	<b>820</b>	<b>4,141,121</b>	<b>181,977,860</b>
<b>June 30, 2015</b>	<b>54,689,980</b>	<b>105,366,722</b>	<b>8,818,951</b>	<b>-</b>	<b>1,100</b>	<b>2,062,377</b>	<b>170,939,130</b>

(1) It includes the write-off of debenture of a telecom company, and reclassification of this amount to "Other credits with no characteristics of credit granting".

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(b) Classificação da carteira por prazo**

June 30, 2016	Cost	P&L adjustment (1)	Equity adjustment (2)	Book Value	Market Value	No maturity	01 – 90 days	91 – 180 days	181 – 360 days	More than 360 days
Description										
<b>Brazilian Government Securities</b>	<b>163,975,606</b>	<b>473,525</b>	<b>(54,704)</b>	<b>164,394,427</b>	<b>164,574,238</b>	-	<b>19,643,935</b>	<b>8,130,971</b>	<b>26,478,778</b>	<b>110,140,743</b>
Financial Treasury Bills	12,566,383	(6,906)	-	12,559,477	12,559,660	-	-	-	-	12,559,477
Federal Treasury Bills	107,000,360	503,062	-	107,503,422	107,488,895	-	19,643,935	8,130,971	8,998,153	70,730,363
Federal Treasury Notes	44,060,105	(22,631)	2,023	44,039,497	44,233,652	-	-	-	17,480,625	26,558,872
Federal Treasury/Securitization	348,758	-	(56,727)	292,031	292,031	-	-	-	-	292,031
<b>Corporate Securities</b>	<b>17,588,890</b>	<b>23,609</b>	<b>(1,891,446)</b>	<b>15,721,053</b>	<b>15,712,167</b>	<b>6,824,199</b>	<b>8,609</b>	<b>708,801</b>	<b>124,472</b>	<b>8,054,972</b>
Debentures	6,716,670	23,597	52,284	6,792,551	6,792,551	-	8,609	-	72,413	6,711,529
Promissory note	519,288	-	623	519,911	519,911	-	-	519,911	-	-
Real Estate Credit Notes	88,460	-	58	88,518	88,518	-	-	88,518	-	-
Financial Notes	152,342	-	89	152,431	152,431	-	-	100,372	52,059	-
Investment fund shares	241,207	-	-	241,207	241,207	241,207	-	-	-	-
Mortgage-Backed Securities	1,395,357	12	(51,926)	1,343,443	1,334,557	-	-	-	-	1,343,443
Shares	8,475,566	-	(1,892,574)	6,582,992	6,582,992	6,582,992	-	-	-	-
<b>Total – Securities</b>	<b>181,564,496</b>	<b>497,134</b>	<b>(1,946,150)</b>	<b>180,115,480</b>	<b>180,286,405</b>	<b>6,824,199</b>	<b>19,652,544</b>	<b>8,839,772</b>	<b>26,603,250</b>	<b>118,195,715</b>
Trading securities (3)	112,702,393	497,134	-	113,199,527	113,199,527	12,022	16,863,995	5,237,829	16,479,034	74,606,647
Available-for-sale securities	17,163,280	-	(1,946,150)	15,217,130	15,217,130	6,812,177	8,609	708,801	124,472	7,563,071
Held-to-maturity securities (4)	51,698,823	-	-	51,698,823	51,869,748	-	2,779,940	2,893,142	9,999,744	36,025,997
<b>Derivative financial instruments</b>	<b>1,106,738</b>	<b>-</b>	<b>-</b>	<b>1,106,738</b>	<b>1,106,738</b>	<b>-</b>	<b>1,056</b>	<b>68,795</b>	<b>39,230</b>	<b>997,657</b>
<b>Total – Securities and Derivatives</b>	<b>182,671,234</b>	<b>497,134</b>	<b>(1,946,150)</b>	<b>181,222,218</b>	<b>181,393,143</b>	<b>6,824,199</b>	<b>19,653,600</b>	<b>8,908,567</b>	<b>26,642,480</b>	<b>119,193,372</b>

(1) The mark-to-market in P&amp;L;

(2) Mark-to-market adjustment (Equity) includes the mark-to-market adjustment of marketable securities of the subsidiary. The effect of the mark-to-market recorded in Equity is (635,874) – (December 31, 2015 – (1,133,284) and June 30, 2015 – (543,021)); net of tax effects;

(3) Securities held as 'For Trading' are classified in current assets, pursuant to BACEN Circular no. 3068/2001;

(4) Securities in the category Held-to-maturity securities, were marked to market, only for disclosure and analysis purposes; however, this marking to market does not have any effect on profit/loss or Equity.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c) Summary of the classification of marketable securities by maturity bucket**

The market value of the securities is based on quoted prices at the balance sheet date. If there is no market price quotation, the amounts are estimated using the mark-to-market model based on the cash flows of the assets and market interest curves.

Cash flows are prepared based on the characteristics of the marketable securities and interest rate curves using available information/pricing data/market rates of the financial instruments, such as: futures contracts, government securities, or swap transactions.

The marketable securities comprising CAIXA portfolio were not reclassified into categories I, II and III for the periods presented.

**(c.1) Category I - Trading Securities**

Description	06/30/2016					12/31/2015			06/30/2015					
	No maturity	01 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	Cost	Equity Adjustment	Market Value	Cost	Equity Adjustment	Market Value	Cost	Equity Adjustment	Market Value
<b>Brazilian Government Securities</b>	-	16,863,995	5,237,829	16,479,034	73,767,291	111,874,624	473,525	112,348,149	101,345,780	(3,688,457)	97,657,323	103,235,358	(1,481,880)	101,753,478
Financial Treasury Bills	-	-	-	-	7,116,161	7,123,067	(6,906)	7,116,161	3,472,622	3,028	3,475,650	2,754,107	2,691	2,756,798
Federal Treasury Bills	-	16,863,995	5,237,829	8,764,641	66,238,381	96,601,784	503,062	97,104,846	89,281,974	(3,376,552)	85,905,422	92,835,645	(1,441,335)	91,394,310
Federal Treasury Notes	-	-	-	7,714,393	412,749	8,149,773	(22,631)	8,127,142	8,591,184	(314,933)	8,276,251	7,645,606	(43,236)	7,602,370
<b>Corporate securities</b>	12,022	-	-	-	839,356	827,769	23,609	851,378	898,214	(75,227)	822,987	969,088	(22,688)	946,400
Debentures	-	-	-	-	838,629	815,032	23,597	838,629	881,980	(75,224)	806,756	949,792	(22,695)	927,097
Investment fund shares	12,022	-	-	-	-	12,022	-	12,022	15,128	-	15,128	17,965	-	17,965
Mortgage-backed securities	-	-	-	-	727	715	12	727	1,106	(3)	1,103	1,331	7	1,338
<b>Total</b>	12,022	16,863,995	5,237,829	16,479,034	74,606,647	112,702,393	497,134	113,199,527	102,243,994	(3,763,684)	98,480,310	104,204,446	(1,504,568)	102,699,878

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c.2) Category II - Available-for-sale securities**

Description	06/30/2016								12/31/2015			06/30/2015		
	No maturity	01 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	Cost	Equity Adjustment (1)	Market Value	Cost	Equity Adjustment (1)	Market Value	Cost	Equity Adjustment (1)	Market Value
<b>Brazilian Government Securities</b>	-	-	-	-	415,793	470,497	(54,704)	415,793	446,563	(78,263)	368,300	15,171	(484)	14,687
Federal Treasury Notes	-	-	-	-	123,762	121,739	2,023	123,762	84,311	1,953	86,264	5,095	2,428	7,523
Federal Treasury/Securitization	-	-	-	-	292,031	348,758	(56,727)	292,031	362,252	(80,216)	282,036	10,076	(2,912)	7,164
<b>Corporate securities</b>	<b>6,812,177</b>	<b>8,609</b>	<b>708,801</b>	<b>124,472</b>	<b>7,147,278</b>	<b>16,692,783</b>	<b>(1,891,446)</b>	<b>14,801,337</b>	<b>17,454,799</b>	<b>(2,678,876)</b>	<b>14,775,923</b>	<b>17,642,943</b>	<b>995,978</b>	<b>18,638,921</b>
Debentures	-	8,609	-	72,413	5,872,900	5,901,638	52,284	5,953,922	6,816,024	(46,712)	6,769,312	6,865,721	(6,897)	6,858,824
Promissory note	-	-	519,911	-	-	519,288	623	519,911	800,112	12,681	812,793	296,784	2,678	299,462
Real Estate Credit Notes	-	-	88,518	-	-	88,460	58	88,518	82,755	118	82,873	77,280	47	77,327
Financial Bills	-	-	100,372	52,059	-	152,342	89	152,431	142,286	230	142,516	221,180	74	221,254
Investment fund shares	229,185	-	-	-	-	229,185	-	229,185	172,676	-	172,676	158,505	-	158,505
Mortgage-backed securities	-	-	-	-	1,274,378	1,326,304	(51,926)	1,274,378	930,417	(89,645)	840,772	771,938	38,413	810,351
Shares (2)	6,582,992	-	-	-	-	8,475,566	(1,892,574)	6,582,992	8,510,529	(2,555,548)	5,954,981	9,251,535	961,663	10,213,198
<b>Total</b>	<b>6,812,177</b>	<b>8,609</b>	<b>708,801</b>	<b>124,472</b>	<b>7,563,071</b>	<b>17,163,280</b>	<b>(1,946,150)</b>	<b>15,217,130</b>	<b>17,901,362</b>	<b>(2,757,139)</b>	<b>15,144,223</b>	<b>17,658,114</b>	<b>995,494</b>	<b>18,653,608</b>

(1) Mark-to-market adjustment includes the mark-to-market adjustment of marketable securities of the subsidiary. The effect of the mark-to-market recorded in Equity is R\$ (635,874) in June 30, 2015; December 31, 2015 – (1,133,284) and June 30, 2015 (543,021) ; net of tax effects.

(2) The equity interests, classified into Category II, are subject to periodic impairment testing, as provided for in BACEN Circular No. 3068/2001. In 2016, there was impairment of assets amounting to R\$ 34,963

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c.3) Categoria III - Títulos mantidos até o vencimento**

CAIXA has financial capacity to hold these securities to their respective maturities, in accordance with Management's intention.

Description	06/30/2016				12/31/2015		06/30/2015			
	1 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	Cost	Market Value	Cost	Market Value	Cost	Market Value
<b>Brazilian Government Securities</b>	<b>2,779,940</b>	<b>2,893,142</b>	<b>9,999,744</b>	<b>35,957,659</b>	<b>51,630,485</b>	<b>51,810,296</b>	<b>64,140,525</b>	<b>60,311,350</b>	<b>47,434,829</b>	<b>47,237,222</b>
Financial Treasury Bills	-	-	-	5,443,316	5,443,316	5,443,499	-	-	-	-
Federal Treasury Bills	2,779,940	2,893,142	233,512	4,491,982	10,398,576	10,384,049	29,688,560	29,339,432	14,829,118	14,650,768
Federal Treasury Notes	-	-	9,766,232	26,022,361	35,788,593	35,982,748	34,451,965	30,971,918	32,605,711	32,586,454
<b>Corporate securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,338</b>	<b>68,338</b>	<b>59,452</b>	<b>71,681</b>	<b>57,460</b>	<b>88,438</b>	<b>78,137</b>
Mortgage-backed securities	-	-	-	68,338	68,338	59,452	71,681	57,460	88,438	78,137
<b>Total</b>	<b>2,779,940</b>	<b>2,893,142</b>	<b>9,999,744</b>	<b>36,025,997</b>	<b>51,698,823</b>	<b>51,869,748</b>	<b>64,212,206</b>	<b>60,368,810</b>	<b>47,523,267</b>	<b>47,315,359</b>

**(d) Income from securities**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Financial assets held for trading	3,996,943	9,961,850	2,573,541	4,810,536
Financial assets available for sale	436,676	761,797	434,902	777,987
Financial assets held to maturity	1,544,178	3,774,125	1,741,585	3,621,581
Other	777	(2,795)	10	(169)
<b>Total</b>	<b>5,978,574</b>	<b>14,494,977</b>	<b>4,750,038</b>	<b>9,209,935</b>

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### (e) Derivative financial instruments

CAIXA uses derivative financial instruments (IFD) recorded in balance sheet and memorandum accounts, which are used to meet its own needs to manage exposures to manage its risk exposure (hedge). These operations involve DI futures contracts, US dollars, exchange coupons, and swap contracts.

Derivative financial instruments, when used as hedging instruments, are designed to hedge changes in foreign exchange rates and variations in the interest rates of assets and liabilities.

Derivatives usually represent future commitments to exchange currencies or indexes, or to purchase or sell other financial instruments under the terms and dates set forth in the contracts. Swap contracts are recorded with or without guarantee in BM&FBovespa or CETIP.

In case they are registered with collateral, there is a clearing that becomes responsible for calculating the daily adjustments and the guarantee margin to be deposited for payment in the event of default of any party. Thus, it is the clearing that becomes the counterparty to the contracts. Accordingly, in this type of registration there is no credit risk.

In case they are registered without collateral, there is no clearing calculating the daily adjustments and guaranteeing the payments and these amounts are calculated between the parties. In this case, however, there is the possibility of entering into contracts (Master Derivative Agreement – CGD and Assignment in Trust), which establish clauses guaranteeing the payment between the parties. Furthermore, in this type of registration, there is a defined credit which, when exceeded, requires assets to be deposited in an escrow account, which is managed by the parties. In this case, there is a credit risk up to the limit set in the agreement.

The reference values of these derivatives are recorded in memorandum accounts, and the differences receivable or payable in balance sheet accounts.

### (f) Hedge Accounting

CAIXA established a fair value hedging structures to hedge against exposure to changes in market risk in the interest and principal payment of foreign issues and issues in financial bills indexed to Extended Consumer Price Index (IPCA) and, as from September 2015, loan agreements based on Law No. 4131/62.

Foreign onlendings and loans based on Law No. 4131/62 are hedged against dollar variation and dollar coupon in payment of principal, interest and 15% tax on payment of interest, which is hedged.

The structure is built for internalized balances and is hedged through swap contracts, as under:

- Swap long position: US Dollar variation + foreign exchange rate;
- Swap short position: DI variation %.

Structured accounting hedge for financial bills indexed to IPCA aims to hedge against changes in IPCA and IPCA coupon, hedge underlying object, and is hedged through swap contracts, as under:

- Swap long position: IPCA variation + rate;
- Swap short position: DI variation %.

Since future flows of the hedge underlying asset are matched with the swap long position, the effectiveness of operations remains close to 100%, within the range of 80% and 125% for hedge effectiveness, as established in BACEN Circular Letter No. 3082/2002

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

ACCOUNTING HEDGE									
Structures	06/30/2016			12/31/2015			06/30/2015		
	Hedge instruments		Hedge underlying object	Hedge instruments		Hedge underlying object	Hedge instruments		Hedge underlying object
	Nominal value	Adjustment to market value (1)	Book value	Nominal value	Adjustment to market value (1)	Book value	Nominal value	Adjustment to market value (1)	Book Value
Foreign onlendings	8,251,681	271,313	11,236,729	8,461,493	3,131,123	13,523,638	5,169,942	1,545,993	7,878,741
Loans 4131	1,975,679	(76,637)	2,263,343	8,051,087	943,617	9,421,628	-	-	-
Financial bills	1,010,660	19,824	1,420,366	1,010,660	(91,401)	1,311,694	930,660	(5,145)	1,142,758
<b>Total</b>	<b>11,238,020</b>	<b>214,500</b>	<b>14,920,438</b>	<b>17,523,240</b>	<b>3,983,339</b>	<b>24,256,960</b>	<b>6,100,602</b>	<b>1,540,848</b>	<b>9,021,499</b>

(1) Accumulated adjustment of swap contracts

TIMEFRAME								
Maturity	06/30/2016			12/31/2015			06/30/2015	
	Foreign onlendings	Loans 4131	Financial bills	Foreign onlendings	Loans 4131	Financial bills	Foreign onlendings	Financial bills
2015	-	-	-	-	-	-	111,125	-
2016	203,419	503,917	-	413,232	2,063,749	-	213,509	-
2017	2,161,629	1,471,761	175,000	2,161,629	3,075,832	175,000	1,975,238	95,000
2018	958,578	-	16,500	958,578	2,911,506	16,500	145,126	16,500
2019	4,147,737	-	10,150	4,147,736	-	10,150	1,944,625	10,150
2020	30,805	-	11,360	30,805	-	11,360	30,805	11,360
2021	29,717	-	25,000	29,717	-	25,000	29,717	25,000
2022	719,797	-	-	719,797	-	-	719,797	-
2023	-	-	562,000	-	-	562,000	-	562,000
2024	-	-	203,450	-	-	203,450	-	203,450
2025	-	-	7,200	-	-	7,200	-	7,200
<b>Total</b>	<b>8,251,682</b>	<b>1,975,678</b>	<b>1,010,660</b>	<b>8,461,494</b>	<b>8,051,087</b>	<b>1,010,660</b>	<b>5,169,942</b>	<b>930,660</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(g) Breakdown of derivative financial instruments portfolio by index, stated at notional and equity value:**

Description	Offsetting account / reference value			Equity value receivable (received) / payable (paid)	Adjustments to market value (equity)	Equity value		
	06/30/2016	12/31/2015	06/30/2015			06/30/2016	06/30/2016	06/30/2016
<b>Futures</b>								
<b>Subject to repurchase agreement</b>	<b>102,438,687</b>	<b>70,294,595</b>	<b>91,889,130</b>	-	-	-	-	-
Interbank market	102,438,687	70,292,013	91,795,047	-	-	-	-	-
Exchange Coupons	-	2,582	94,083	-	-	-	-	-
<b>Swaps</b>								
<b>Long Position</b>	<b>11,238,020</b>	<b>17,523,240</b>	<b>11,378,741</b>	<b>1,458,688</b>	<b>(351,950)</b>	<b>1,106,738</b>	<b>4,141,121</b>	<b>2,062,377</b>
Index	1,010,660	1,010,660	930,695	68,824	(43,198)	25,626	2,481	10,978
Foreign Currency	10,227,360	16,512,580	10,448,046	1,389,864	(308,752)	1,081,112	4,138,640	2,051,399
<b>Short Position</b>	<b>11,238,020</b>	<b>17,523,240</b>	<b>11,378,741</b>	<b>729,281</b>	<b>162,957</b>	<b>892,238</b>	<b>157,782</b>	<b>73,939</b>
Index	1,010,660	1,010,660	930,695	-	5,802	5,802	93,882	16,244
Foreign Currency	10,227,360	16,512,580	10,448,046	729,281	157,155	886,436	63,900	57,695

**(h) Breakdown of derivative financial instrument portfolio by counterparty and maturity, stated at equity value:**

Description	06/30/2016							12/31/2015	06/30/2015
	Equity value receivable (received) / payable (paid)	Adjustments to market value (P&L/ equity)	Equity value	1 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	Equity value	Equity value
<b>Long Position:</b>									
<b>Swap contracts – adjustments receivable</b>	<b>1,458,688</b>	<b>(351,950)</b>	<b>1,106,738</b>	<b>1,056</b>	<b>68,795</b>	<b>39,230</b>	<b>997,657</b>	<b>4,141,121</b>	<b>2,062,377</b>
BM&FBOVESPA	68,824	(43,198)	25,626	-	-	3,000	22,626	2,481	10,978
Companies	1,389,864	(308,752)	1,081,112	1,056	68,795	36,230	975,031	4,138,640	2,051,399
<b>Short Position:</b>									
<b>Swap contracts – adjustments payable</b>	<b>729,281</b>	<b>162,957</b>	<b>892,238</b>	<b>11,080</b>	<b>14,775</b>	<b>113,296</b>	<b>753,087</b>	<b>157,782</b>	<b>73,939</b>
BM&FBOVESPA	-	5,802	5,802	-	-	-	5,802	93,882	16,122
Companies	-	-	-	-	-	-	-	-	122
Financial Institutions	729,281	157,155	886,436	11,080	14,775	113,296	747,285	63,900	57,695

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(i) Breakdown of derivative financial instrument portfolio by type of instrument, maturity, stated at reference value:**

Description	06/30/2016				12/31/2015	06/30/2015
	1 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	Market Value	Market Value
<b>Offsetting account / reference value</b>						
Futures contracts	15,311,968	5,246,522	17,269,228	64,610,969	102,438,687	91,889,130
Swap agreements	75,234	632,103	1,449,412	9,081,271	11,238,020	11,378,741

**(j) Realized and unrealized gains (losses) in the portfolio of derivative financial instruments:**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Swap	(1,877,475)	(3,836,080)	(589,889)	1,391,143
Futures	(961,569)	(3,926,871)	218,428	627,486
<b>Total realized</b>	<b>(2,839,044)</b>	<b>(7,762,951)</b>	<b>(371,461)</b>	<b>2,018,629</b>

**(k) Securities tied to BACEN and offered as collateral**

The guarantee margin is the deposit required from all parties that have outstanding risk positions, with the purpose of ensuring performance of all the related contracts. The guarantee margin on transactions with financial instruments is as follows:

Description	06/30/2016	12/31/2015	06/30/2015
<b>Brazilian Government Securities</b>	<b>4.626.424</b>	<b>11.280.294</b>	<b>8.820.051</b>
Federal Treasury Notes	3,018	2,578	2,627
Federal Treasury Bills	4,623,406	11,277,716	8,817,424

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

## Note 7 – Interbank accounts

(a) The deposits with the Brazilian Central Bank mainly comprise compulsory deposits which are adjusted for inflation by official indexes and interest rates, except for those relating to demand deposits, and are not available to fund CAIXA's routine operations, therefore are not considered as cash equivalents.

Description	Yield	06/30/2016	12/31/2015	06/30/2015
Compulsory deposits on demand deposits	None	4,557,655	4,970,101	3,960,386
Compulsory deposits on savings deposits (1)	TR + 6.17% p.a.	49,271,143	53,926,379	56,536,023
Compulsory deposits on time deposits	SELIC rate	27,166,427	22,343,773	11,774,385
Additional compulsory deposits (2)	SELIC rate	26,290,840	24,876,297	23,497,704
<b>Total</b>		<b>107,286,065</b>	<b>106,116,550</b>	<b>95,768,498</b>

- (1) For deposits made as from May 4, 2012, when the SELIC rate is lower than or equal to 8.5% per year, the yield of the compulsory deposits on savings deposits will be the Referential Interest Rate (TR) + 70% of the annual SELIC rate.  
(2) Variation arising from changes introduced by BACEN Circular No. 3755 of 05/28/2015, effective as from JUN/15.

(b) Account "Linked credits – SFH" includes amounts to be refunded to FGTS and residual amounts of contracts terminated and to be reimbursed by FCVS, which are under novation with that Fund.

Description	06/30/2016	12/31/2015	06/30/2015
<b>FGTS reimbursable</b>	<b>96,567</b>	<b>91,941</b>	<b>90,116</b>
<b>FCVS receivable</b>	<b>30,157,637</b>	<b>28,867,828</b>	<b>28,870,978</b>
Not yet qualified (1)	1,563,583	1,686,271	1,903,472
Qualified and awaiting approval (2)	10,158,131	9,707,114	9,572,767
Qualified and approved (3)	18,435,923	17,474,443	17,394,739
<b>Provision of FCVS receivable</b>	<b>(2,939,588)</b>	<b>(2,797,741)</b>	<b>(2,640,988)</b>
<b>Total (net of provision)</b>	<b>27,314,616</b>	<b>26,162,028</b>	<b>26,320,106</b>

- (1) Contracts not yet submitted to approval of the FCVS, as they are in the process of qualification by CAIXA.  
(2) Contracts already qualified by CAIXA, which are under analysis by FCVS for final approval of the FCVS.  
(3) Qualified and approved credits represent the contracts already analyzed and accepted by the FCVS and which depend on the process of securitization, as set forth in Law 10150/2000, for their realization.

The contracts to be reimbursed by FCVS accrue interest of up to 6.17% per year and are adjusted for inflation based on the Referential Interest Rate (TR). The effective realization of these credits depends on compliance with a set of rules and procedures defined in regulations issued by the FCVS.

CAIXA's management has implemented a process for analyzing and checking the conditions and details of these contracts as to their compliance with the rules and procedures, which enabled the establishment of criteria to estimate the provisions for probable losses arising from contracts that do not meet the rules and procedures defined by the FCVS. The provision for credits with the FCVS is based on half-yearly statistical studies and takes into account the history of loss due to the Fund's refusal to accept liability.

## (c) Resultado das aplicações compulsórias

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Compulsory deposits at BACEN	2,739,835	5,344,611	2,139,079	4,109,439
Compulsory deposits at SFH	579,038	1,181,697	568,081	1,031,273
<b>Total</b>	<b>3,318,873</b>	<b>6,526,308</b>	<b>2,707,160</b>	<b>5,140,712</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 8 – Loan portfolio**
**(a) Analysis of the loan portfolio by type of transaction and risk levels**

Loan transactions	AA	A	B	C	D	E	F	G	H	06/30/2016	12/31/2015	06/30/2015
<b>Loan transactions</b>	<b>327,898,904</b>	<b>97,287,145</b>	<b>111,663,889</b>	<b>73,142,980</b>	<b>31,901,820</b>	<b>9,073,192</b>	<b>4,649,880</b>	<b>3,781,318</b>	<b>20,243,559</b>	<b>679,642,687</b>	<b>667,349,336</b>	<b>637,354,089</b>
Loans and bills discounted	23,436,249	33,318,371	44,282,868	30,141,546	9,366,624	4,112,105	2,691,660	2,181,649	12,092,383	161,623,455	163,744,084	151,424,851
Financing	13,504,765	10,445,566	3,120,484	3,134,372	1,572,340	505,242	349,063	293,025	1,650,878	34,575,735	35,920,873	44,860,724
Rural and agribusiness financing	930,873	1,511,482	2,018,175	1,139,737	239,208	27,063	33,177	26,218	228,807	6,154,740	7,488,834	6,410,167
Real estate financing	240,746,578	34,648,446	56,792,624	33,042,640	18,756,278	2,188,356	1,393,741	1,042,191	4,641,354	393,252,208	384,175,883	366,642,407
Infrastructure and development financing	48,209,176	10,570,942	5,207,143	5,557,311	1,923,534	2,220,289	170,316	231,200	1,612,393	75,702,304	70,658,301	63,040,013
Loan operations linked to assignments	1,071,263	6,792,338	242,595	127,374	43,836	20,137	11,923	7,035	17,744	8,334,245	5,361,361	4,975,927
<b>Other loan-like receivables</b>	<b>3,241,647</b>	<b>5,896,468</b>	<b>1,066,828</b>	<b>966,860</b>	<b>278,306</b>	<b>156,633</b>	<b>42,792</b>	<b>26,554</b>	<b>259,351</b>	<b>11,935,439</b>	<b>12,137,251</b>	<b>10,739,058</b>
Letters of credit	909,114	4,282,420	454,910	295,969	161,397	37,292	25,621	17,218	126,783	6,310,724	7,028,676	6,344,167
Advances on exchange contracts (1)	2,325,129	902,762	519,867	617,374	45,431	19,552	10,218	7,569	111,399	4,559,301	4,517,270	3,539,850
Acquired credits (2)	-	705,796	87,740	46,518	55,727	93,075	-	-	-	988,856	530,573	791,661
Sundry	7,404	5,490	4,311	6,999	15,751	6,714	6,953	1,767	21,169	76,558	60,732	63,380
<b>Total</b>	<b>331,140,551</b>	<b>103,183,613</b>	<b>112,730,717</b>	<b>74,109,840</b>	<b>32,180,126</b>	<b>9,229,825</b>	<b>4,692,672</b>	<b>3,807,872</b>	<b>20,502,910</b>	<b>691,578,126</b>	<b>679,486,587</b>	<b>648,093,147</b>
Allowance for loan losses	(53,440)	(544,675)	(1,339,294)	(2,603,448)	(3,718,473)	(2,994,624)	(2,346,339)	(2,665,512)	(20,502,910)	(36,768,715)	(33,880,851)	(29,413,978)
<b>Total net provisions</b>	<b>331,087,111</b>	<b>102,638,938</b>	<b>111,391,423</b>	<b>71,506,392</b>	<b>28,461,653</b>	<b>6,235,201</b>	<b>2,346,333</b>	<b>1,142,360</b>	<b>-</b>	<b>654,809,411</b>	<b>645,605,736</b>	<b>618,679,169</b>

(1) Advances on exchange agreements are recorded as a reduction of "Other Liabilities",

(2) Credits acquired as guarantee of Banks PAN, Cruzeiro do Sul, BMG, Bonsucesso, BMB and Daycoval

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(b) Analysis of allowance for loan losses**

Loan transactions	AA	A	B	C	D	E	F	G	H	06/30/2016	12/31/2015	06/30/2015
<b>Regulatory provision</b>	-	(515,918)	(1,127,307)	(2,223,294)	(3,218,013)	(2,768,950)	(2,346,339)	(2,665,512)	(20,502,910)	(35,368,243)	(32,886,033)	(29,166,503)
<b>Loan transactions</b>	-	(486,437)	(1,116,639)	(2,194,288)	(3,190,182)	(2,721,959)	(2,324,942)	(2,646,924)	(20,243,559)	(34,924,930)	(32,499,349)	(28,812,504)
Loans and bills discounted	-	(166,592)	(442,829)	(904,246)	(936,662)	(1,233,632)	(1,345,830)	(1,527,154)	(12,092,383)	(18,649,328)	(17,638,759)	(10,362,785)
Financing	-	(52,228)	(31,205)	(94,031)	(157,234)	(151,573)	(174,532)	(205,118)	(1,650,878)	(2,516,799)	(2,446,700)	(6,218,976)
Rural and agribusiness financing	-	(7,557)	(20,182)	(34,192)	(23,921)	(8,119)	(16,589)	(18,353)	(228,807)	(357,720)	(377,704)	(270,832)
Real estate financing	-	(173,242)	(567,926)	(991,279)	(1,875,628)	(656,507)	(696,871)	(729,534)	(4,641,354)	(10,332,341)	(10,124,950)	(10,944,506)
Infrastructure and development financing	-	(52,855)	(52,071)	(166,719)	(192,353)	(666,087)	(85,158)	(161,840)	(1,612,393)	(2,989,476)	(1,856,743)	(969,223)
Loan operations linked to assignments	-	(33,963)	(2,426)	(3,821)	(4,384)	(6,041)	(5,962)	(4,925)	(17,744)	(79,266)	(54,493)	(46,182)
<b>Other loan-like receivables</b>	-	(29,481)	(10,668)	(29,006)	(27,831)	(46,991)	(21,397)	(18,588)	(259,351)	(443,313)	(386,684)	(353,999)
Letters of credit	-	(21,411)	(4,549)	(8,879)	(16,140)	(11,188)	(12,811)	(12,053)	(126,783)	(213,814)	(235,185)	(204,499)
Advances on exchange contracts	-	(4,514)	(5,199)	(18,521)	(4,543)	(5,866)	(5,109)	(5,298)	(125,582)	(174,632)	(98,670)	(36,774)
Acquired credits	-	(3,529)	(877)	(1,396)	(5,573)	(27,923)	-	-	-	(39,298)	(40,443)	(77,918)
Sundry	-	(27)	(43)	(210)	(1,575)	(2,014)	(3,477)	(1,237)	(6,986)	(15,569)	(12,386)	(34,808)
<b>Supplementary provision (1)</b>	(53,440)	(28,757)	(211,987)	(380,154)	(500,460)	(225,674)	-	-	-	(1,400,472)	(994,818)	(247,475)
<b>Loans</b>	(49,170)	(27,428)	(205,747)	(368,632)	(487,168)	(223,346)	-	-	-	(1,361,491)	(977,531)	(244,871)
Loans and discounted notes	(27,676)	(13,715)	(102,900)	(255,855)	(327,788)	(155,363)	-	-	-	(883,297)	(699,890)	(202,935)
Financing	(11,193)	(3,880)	(22,657)	(57,278)	(102,921)	(67,983)	-	-	-	(265,912)	(199,170)	(38,511)
Rural and agribusiness financing	(1,789)	(1,194)	(7,488)	(17,534)	(23,402)	-	-	-	-	(51,407)	(20,955)	(2,163)
Real estate financing	(5,335)	(8,352)	(69,066)	(37,965)	(33,057)	-	-	-	-	(153,775)	(57,516)	(1,262)
<b>Loans</b>	(3,177)	(287)	(3,636)	-	-	-	-	-	-	(7,100)	-	-
<b>Other loan-like receivables</b>	(4,270)	(1,329)	(6,240)	(11,522)	(13,292)	(2,328)	-	-	-	(38,981)	(17,287)	(2,604)
Credit card	(318)	(106)	(869)	(2,850)	(2,370)	(2,203)	-	-	-	(8,716)	(9,851)	(1,875)
Advances on exchange contracts	(644)	(122)	(2,201)	(4,292)	(1,274)	(125)	-	-	-	(8,658)	(6,479)	(706)
Sundry	(3,308)	(1,101)	(3,170)	(4,380)	(9,648)	-	-	-	-	(21,607)	(957)	(23)
<b>Total provision</b>	(53,440)	(544,675)	(1,339,294)	(2,603,448)	(3,718,473)	(2,994,624)	(2,346,339)	(2,665,512)	(20,502,910)	(36,768,715)	(33,880,851)	(29,413,978)

(1) It refers to the provision supplementary to minimum percentages required by CMN Resolution No. 2682 of December 21, 1999, using the expected loss methodology, adopted in the institution's credit risk management.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c) Maturity buckets and risk levels**
**(c.1) Normal status**

Description	AA	A	B	C	D	E	F	G	H	06/30/2016	12/31/2015	06/30/2015
<b>Portions falling due</b>	<b>330,967,343</b>	<b>102,674,427</b>	<b>100,840,779</b>	<b>61,181,089</b>	<b>20,504,013</b>	<b>5,064,258</b>	<b>1,297,763</b>	<b>766,120</b>	<b>5,788,040</b>	<b>629,083,832</b>	<b>619,065,105</b>	<b>595,070,212</b>
1 to 30 days	8,227,476	7,656,432	3,760,376	2,719,144	1,092,887	238,596	136,192	88,261	557,668	24,477,032	23,603,731	21,458,766
31 to 60 days	3,813,347	3,976,566	2,580,641	1,692,743	582,640	127,724	52,873	33,072	211,752	13,071,358	13,514,034	13,573,855
61 to 90 days	3,588,144	3,342,930	2,764,283	1,819,215	531,802	116,556	46,032	29,161	267,998	12,506,121	12,405,708	12,470,560
91 to 180 days	14,663,064	9,201,257	7,154,267	4,435,431	1,585,824	430,499	120,252	79,606	533,205	38,203,405	36,959,435	35,821,519
181 to 360 days	20,938,280	11,183,462	12,242,742	8,154,413	2,098,970	521,988	167,288	102,222	804,271	56,213,636	60,308,995	54,144,380
More than 360 days	279,737,032	67,313,780	72,338,470	42,360,143	14,611,890	3,628,895	775,126	433,798	3,413,146	484,612,280	472,273,202	457,601,132
<b>Portions overdue</b>	<b>173,208</b>	<b>509,186</b>	<b>266,458</b>	<b>310,744</b>	<b>195,624</b>	<b>47,252</b>	<b>28,575</b>	<b>16,636</b>	<b>96,159</b>	<b>1,643,842</b>	<b>1,497,222</b>	<b>1,592,220</b>
01 to 14 days	112,975	471,576	218,454	212,515	162,131	36,201	22,882	15,235	86,302	1,338,271	1,233,339	1,592,220
15 to 30 days	60,233	37,610	48,004	98,229	33,493	11,051	5,693	1,401	9,857	305,571	263,883	-
<b>Total</b>	<b>331,140,551</b>	<b>103,183,613</b>	<b>101,107,237</b>	<b>61,491,833</b>	<b>20,699,637</b>	<b>5,111,510</b>	<b>1,326,338</b>	<b>782,756</b>	<b>5,884,199</b>	<b>630,727,674</b>	<b>620,562,327</b>	<b>596,662,432</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c.2) Abnormal status**

Description	AA	A	B	C	D	E	F	G	H	06/30/2016	12/31/2015	06/30/2015
<b>Past-due Installments</b>	-	-	<b>761,799</b>	<b>1,468,134</b>	<b>2,185,279</b>	<b>1,799,611</b>	<b>2,047,934</b>	<b>1,859,650</b>	<b>11,673,042</b>	<b>21,795,449</b>	<b>20,260,607</b>	<b>17,550,009</b>
1 to 30 days	-	-	619,733	283,771	256,721	74,376	63,066	32,687	142,341	1,472,695	1,074,802	1,678,063
31 to 60 days	-	-	142,066	688,406	306,226	122,345	73,717	44,916	1,776,183	3,153,859	1,441,634	1,550,827
61 to 90 days	-	-	-	339,474	1,071,249	343,085	167,689	112,731	516,712	2,550,940	2,856,063	3,332,481
91 to 180 days	-	-	-	156,483	550,988	860,827	1,243,566	1,104,395	1,565,556	5,481,815	6,431,632	5,683,473
181 to 360 days	-	-	-	-	95	398,978	499,896	564,921	6,472,982	7,936,872	7,614,252	5,029,241
More than 360 days	-	-	-	-	-	-	-	-	1,199,268	1,199,268	842,224	275,924
<b>Falling due Installments</b>	-	-	<b>10,861,681</b>	<b>11,149,873</b>	<b>9,295,210</b>	<b>2,318,704</b>	<b>1,318,400</b>	<b>1,165,466</b>	<b>2,945,669</b>	<b>39,055,003</b>	<b>38,663,653</b>	<b>33,880,706</b>
1 to 30 days	-	-	192,562	271,440	166,522	63,975	46,033	23,087	80,792	844,411	789,011	748,143
31 to 60 days	-	-	170,601	191,703	135,907	54,610	44,448	21,913	74,424	693,606	708,886	636,839
61 to 90 days	-	-	166,956	187,184	133,996	50,479	43,516	21,478	72,341	675,950	696,699	624,748
91 to 180 days	-	-	473,140	532,178	385,390	145,525	118,037	61,403	208,935	1,924,608	1,979,434	1,773,346
181 to 360 days	-	-	852,635	952,632	708,955	264,358	123,318	111,637	370,562	3,384,097	3,590,324	3,144,468
More than 360 days	-	-	9,005,787	9,014,736	7,764,440	1,739,757	943,048	925,948	2,138,615	31,532,331	30,899,299	26,953,162
<b>Total</b>	-	-	<b>11,623,480</b>	<b>12,618,007</b>	<b>11,480,489</b>	<b>4,118,315</b>	<b>3,366,334</b>	<b>3,025,116</b>	<b>14,618,711</b>	<b>60,850,452</b>	<b>58,924,260</b>	<b>51,430,715</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(d) Breakdown of loan portfolio by activity sector**

Description	06/30/2016	12/31/2015	06/30/2015
<b>PUBLIC SECTOR</b>	<b>56,587,309</b>	<b>53,154,586</b>	<b>50,283,499</b>
Direct administration	29,879,522	28,015,215	26,390,211
Indirect administration– petrochemical	11,310,632	11,308,664	11,286,643
Indirect administration– sanitation and infrastructure	4,259,558	4,169,113	3,939,207
Indirect administration – other	11,137,597	9,661,594	8,667,438
<b>PRIVATE SECTOR</b>	<b>634,990,817</b>	<b>626,332,001</b>	<b>597,809,648</b>
<b>LEGAL ENTITY</b>	<b>136,500,420</b>	<b>139,077,776</b>	<b>131,310,839</b>
Retail	21,995,443	24,428,543	25,434,019
Civil construction work	16,599,037	17,291,122	16,147,632
Iron and steel industry	9,643,382	9,630,222	9,678,523
Electricity	15,677,240	12,167,623	10,950,261
Financial services	7,462,523	8,457,686	6,241,552
Other industries	7,383,270	7,726,781	8,447,360
Transport	10,248,628	10,192,010	9,470,022
Agribusiness and extractive activities	4,172,352	5,330,556	5,212,164
Wholesale	7,013,417	7,105,384	7,214,753
Health	3,997,954	4,026,272	3,823,247
Sanitation and infrastructure	6,144,954	5,684,020	4,741,023
Petrochemical	1,846,210	2,497,286	2,294,274
Textile	2,092,811	2,047,543	2,283,760
Communications	1,483,904	1,538,300	1,558,530
Food	2,204,703	2,321,937	1,943,396
Personal services	318,969	346,073	370,061
Other services	18,215,623	18,286,418	15,500,262
<b>INDIVIDUAL</b>	<b>498,490,397</b>	<b>487,254,225</b>	<b>466,498,809</b>
<b>Total</b>	<b>691,578,126</b>	<b>679,486,587</b>	<b>648,093,147</b>

**(e) Income from loan operations**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Loans, discounted notes and financing	12,137,713	23,829,952	11,324,507	21,615,568
Rural and agroindustrial financing	109,506	227,955	76,818	164,764
Mortgage loans	9,373,996	18,424,694	8,345,474	15,883,419
Financing of infrastructure and development	1,706,887	3,337,957	1,425,476	3,092,004
Other receivables	3,022	5,948	1,820	3,442
<b>Total</b>	<b>23,331,124</b>	<b>45,826,506</b>	<b>21,174,095</b>	<b>40,759,197</b>

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

**(f) Financial assets sale or transfer operations**

CAIXA acquires, sells or transfers financial assets as a business strategy in its operations.

Credit assignment is in line with the Institution's operational strategy, which results in the recognition of revenues and expenses from these operations in trading revenues/expenses.

**(f.1) Loan portfolios assigned**

In the first six-month period of 2016 the following onerous assignment of credit was performed:

Description	Credits - assets	Credits written off – losses	Total assignment	Amount received
RCB Planejamento Financeiro LTDA	1,033,898	238,500	1,272,397	65,797
Omni Financeira	980,277	425,838	1,406,115	72,690
<b>Total</b>	<b>2,014,175</b>	<b>664,338</b>	<b>2,678,512</b>	<b>138,487</b>

Portfolio assignment				
Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Revenue from sales or portfolio assignment</b>	<b>212,310</b>	<b>2,394,962</b>	<b>1,543,226</b>	<b>1,755,297</b>
<b>Recovered amount – loss (1)</b>	-	<b>34,372</b>	<b>178,847</b>	<b>241,858</b>
Ativos S.A	-	-	29,009	29,009
EMGEA	-	-	-	-
Omni S/A	-	22,058	-	-
RCB Planejamento Financeiro LTDA	-	12,314	-	-
Renova Companhia Securitizadora S.A	-	-	149,838	212,849
<b>Reversão de provisão (1)</b>	-	<b>2,014,038</b>	<b>1,240,391</b>	<b>1,267,969</b>
Ativos S.A	-	-	338,066	338,066
EMGEA	-	-	-	-
Omni S/A	-	980,140	-	-
RCB Planejamento Financeiro LTDA	-	1,033,898	-	-
Renova Companhia Securitizadora S.A	-	-	902,325	929,903
<b>Receitas vinculadas a cessões (2)</b>	<b>212,310</b>	<b>346,552</b>	<b>123,988</b>	<b>245,470</b>
CIBRASEC e RB Capital Securitizadora	212,310	346,552	123,988	245,470
<b>Sales or portfolio assignment expenses</b>	<b>(215,639)</b>	<b>(2,259,543)</b>	<b>(1,370,809)</b>	<b>(1,517,406)</b>
<b>Assignment-related expenses (2)</b>	<b>(215,639)</b>	<b>(349,382)</b>	<b>(123,779)</b>	<b>(244,116)</b>
CIBRASEC e RB Capital Securitizadora	(215,639)	(349,382)	(123,779)	(244,116)
<b>Obligation losses for assignment-related operations (1)</b>	-	<b>(1,910,161)</b>	<b>(1,247,030)</b>	<b>(1,273,290)</b>
Ativos S.A	-	-	(340,771)	(340,771)
EMGEA	-	-	-	-
Omni S/A	-	(929,508)	-	-
RCB Planejamento Financeiro LTDA	-	(980,653)	-	-
Renova Companhia Securitizadora S.A	-	-	(906,259)	(932,519)
<b>Expenses with the provision for portfolios assigned with co-liability (2)</b>	<b>(23,206)</b>	<b>(28,143)</b>	<b>(3,882)</b>	<b>(35,307)</b>
CIBRASEC e RB Capital Securitizadora	(23,206)	(28,143)	(3,882)	(35,307)
<b>P&amp;L</b>	<b>(26,535)</b>	<b>107,276</b>	<b>168,535</b>	<b>202,584</b>

(1) Credit assignment, without co-liability

(2) Credit assignment, with co-liability.

**Notes to the Consolidated Financial Statements**

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Effective as from January 1, 2012, CMN Resolution No. 3533/2008 establishes procedures to classify, record for accounting purposes, and report operations involving the sale or transfer of financial assets.

The classification as substantial retention of risks and benefits, in credit assignment operations, is characterized by credit assignment guarantees. In the referred to classification, assigned operations remain recorded in the assigning institution's assets, and the funds received are recorded in assets against liabilities, given the obligation assumed. Credit assignment-related revenues and expenses are recognized in P&L, over the remaining term of the operations.

**(f.2) Portfolios acquired**

P&L from portfolios acquired				
Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>With guarantee (1)</b>	<b>20,430</b>	<b>36,078</b>	<b>21,827</b>	<b>41,416</b>
Revenue from credits linked to operations acquired in assignment	20,430	36,078	22,561	43,793
Obligation expenses for assignment-related operations	-	-	(734)	(2,377)
<b>Without guarantee (2)</b>	<b>937,784</b>	<b>1,806,461</b>	<b>654,968</b>	<b>1,211,837</b>
Revenue from credits linked to operations acquired in assignment	937,790	1,806,477	655,415	1,211,915
Obligation expenses for assignment-related operations	(6)	(16)	(447)	(78)
<b>P&amp;L</b>	<b>958,214</b>	<b>1,842,539</b>	<b>676,795</b>	<b>1,253,253</b>

(1) Portfolios acquired from banks Cruzeiro do sul, BMG, Bonsucesso, BMB, PAN and Davcoval.

(2) Portfolios acquired from Bank PAN.

**(g) Concentration of main debtors**

Description	06/30/2016	%	12/31/2015	%	06/30/2015	%
Main debtor	11,310,632	1.64	11,308,664	1.66	11,286,643	1.74
10 major debtors	48,483,126	7.01	47,803,402	7.04	44,947,581	6.94
20 major debtors	68,182,526	9.86	66,334,889	9.76	60,195,808	9.29
50 major debtors	93,585,800	13.53	89,689,691	13.20	81,893,182	12.64
100 major debtors	108,720,796	15.72	104,434,440	15.37	95,450,917	14.73

**(h) Breakdown of renegotiation portfolio**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Renegotiated Operations</b>	<b>3,820,720</b>	<b>7,876,937</b>	<b>2,906,256</b>	<b>5,611,756</b>
Commercial Operations	3,584,357	7,199,115	2,806,526	5,349,089
Housing Loan Operations	236,363	677,822	99,730	262,667
<b>Recovered Operations</b>	<b>445,495</b>	<b>1,220,722</b>	<b>744,442</b>	<b>1,052,477</b>
Commercial Operations	282,041	885,537	498,808	789,581
Housing Loan Operations	163,454	335,185	245,634	262,896

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(i) Changes in the allowance for loan losses**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Opening balance</b>	<b>(34,703,598)</b>	<b>(33,880,851)</b>	<b>(28,396,626)</b>	<b>(26,806,599)</b>
Provision set up for the period	(9,752,720)	(15,594,983)	(12,278,544)	(17,354,560)
Reversal of provision for the period	3,493,954	5,527,625	7,723,072	7,771,633
Losses	4,193,649	7,179,494	3,538,120	6,975,548
<b>Closing balance</b>	<b>(36,768,715)</b>	<b>(36,768,715)</b>	<b>(29,413,978)</b>	<b>(29,413,978)</b>

**Note 9 – Other receivables**
**(a) Breakdown**

Description	06/30/2016	12/31/2015	06/30/2015
Receivables from guarantees honored	35,029	30,749	32,817
Foreign exchange portfolio – Note 9 (c)	5,518,696	5,473,711	4,183,607
Income receivable	2,954,648	2,833,916	3,984,602
Dividends and interest on own capital receivable	41,907	217,944	518,363
Agreements with the private sector	86,242	106,535	116,193
Agreements with the public sector	501,582	499,310	763,953
Management of investment funds	73,859	61,192	49,534
Management of social funds and programs	2,210,568	1,901,374	2,523,319
Other receivables	40,490	47,561	13,240
Negotiation and intermediation of securities	37,210	48,313	55,104
Specific receivables	855,599	836,716	781,382
Sundry – Note 9 (b)	68,149,470	65,706,242	54,663,588
Provision for losses on other receivables (1)	(482,294)	(403,971)	(356,603)
<b>Total</b>	<b>77,068,358</b>	<b>74,525,676</b>	<b>63,344,497</b>
Current assets	33,085,558	42,751,379	38,304,807
Non-current assets	43,982,800	31,774,297	25,039,690

(1) Provision for credit card portfolio with assignment of credit characteristics. (Note 8 (a)).

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(b) Other receivables - sundry**

Description	06/30/2016	12/31/2015	06/30/2015
Tax credits – (Note 20)	37,900,318	35,903,427	29,096,898
Receivables from escrow deposits – (Note 30 (c))	14,495,993	13,711,179	13,017,473
Salary advances and prepayments	563,473	208,821	507,991
Advance of dividends and interest on equity	-	2,414,154	-
Taxes and contributions to be offset	1,123,346	1,136,939	705,010
Credit cards (1)	6,500,136	7,240,589	6,458,121
Premium on purchase of loan portfolios	1,639,642	1,512,617	1,411,733
Insurance receivable	350,762	195,466	127,176
Credits acquired	988,856	530,574	791,661
Receivables – fund administration and social programs	95,118	138,843	177,643
Receivables – royalties	601,458	277,384	100,457
Receivables – FND	489,528	451,485	434,708
Receivables – correspondents	101,024	107,097	131,324
Receivables – redemption of bonus	110,145	105,906	101,617
Receivables – government revenue and collection agreements	6,962	8,372	37,798
Receivables – administered credits	19,493	25,243	26,098
Receivables – health plans – self-management	96,686	13,805	12,847
Receivables – Credit assignment	32,503	30,896	-
Receivables – sureties and guarantees paid	187,304	181,918	103,577
Unrecognized amounts (2)	1,803,956	2,280,882	2,116,430
Other debtors (3)	2,453,854	641,732	716,113
Discount on other financial assets	(1,411,087)	(1,411,087)	(1,411,087)
<b>Total</b>	<b>68,149,470</b>	<b>65,706,242</b>	<b>54,663,588</b>
Current assets	24,139,445	33,912,228	29,579,536
Non-current assets	44,010,025	31,794,014	25,084,052

(1) This includes R\$ 6,310,724 (December 31, 2015 – 7,028,676, June 30, 2015 R\$ 6,344,167) of credits with credit lending characteristics (Note 8 (a)) and credit card annual fee, with no credit lending characteristics.

(2) Assets classified in suspense accounts, mainly, release of real estate credits and redemption of investments.

(3) At 06/30/2016, this account balance includes R\$ 1,745,677, net of impairment of R\$ 131,395, in connection with the reclassification from the “marketable securities” group to “other credits” of net balance of debentures overdue from issuance of a telecom company, with early maturity on June 28, 2016 in connection with the application for in-court reorganization. CAIXA management does not have any evidence of impairment higher than that already recognized in connection with the reset of the indebtedness of the debenture issuer.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c) Foreign exchange portfolio**

Description	06/30/2016	12/31/2015	06/30/2015
<b>Assets – Other receivables</b>			
Foreign exchange purchases pending settlement – Foreign currency	34,589	26,236	48,205
Receivables from foreign exchange sales – Local currency	5,429,919	5,368,387	4,100,532
Income receivable from advances granted - ACC/ACE	59,047	80,092	41,230
(-) Advances received – Local currency	(4,859)	(1,004)	(6,360)
<b>Current assets</b>	<b>5,518,696</b>	<b>5,473,711</b>	<b>4,183,607</b>
<b>Liabilities - Other liabilities</b>			
Foreign exchange sales pending settlement – Foreign currency	848,165	52,011	145,693
Payables for foreign exchange purchases – Local currency	5,122,918	4,489,402	3,617,911
(-) Advances on foreign exchange contracts (ACC/ACE)	(4,500,254)	(4,437,178)	(3,498,620)
<b>Current liabilities (Note 18 (a))</b>	<b>1,470,829</b>	<b>104,235</b>	<b>264,984</b>

**(c.1) Results of foreign exchange transactions**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter (Note 3 (t))	1 <sup>st</sup> six-month period (Note 3 (t))
<b>Income</b>	<b>220,894</b>	<b>203,100</b>	<b>6,588,168</b>	<b>13,405,218</b>
Funds in foreign currency	172,676	115,000	6,561,645	13,354,308
Others	48,218	88,100	26,523	50,910
<b>Expenses</b>	<b>(899,543)</b>	<b>(1,617,716)</b>	<b>(7,129,121)</b>	<b>(12,469,358)</b>
Expenses on exchange rate variations and differences	(899,357)	(1,617,231)	(7,129,031)	(12,469,079)
Others	(186)	(485)	(90)	(279)
<b>Profit of foreign exchange transactions</b>	<b>(678,649)</b>	<b>(1,414,616)</b>	<b>(540,953)</b>	<b>935,860</b>

**Note 10 – Other assets**

These are comprised of:

- Assets not for own use (properties adjudicated, properties received as payment of loans, and properties that are no longer used in CAIXA's operations), submitted to impairment tests;
- Prepaid expenses relating mainly to the prepayment of the thirteenth monthly salary for employees. (06/30/2016 and 06/30/2015);
- Inventory of store and supplies.

Description	06/30/2016	12/31/2015	06/30/2015
<b>Assets not for own use</b>	<b>3,864,270</b>	<b>2,654,566</b>	<b>1,924,459</b>
Properties not in use	634,336	403,467	269,660
Adjudicated/auctioned properties	3,229,934	2,251,099	1,654,799
<b>Prepaid expenses</b>	<b>91,312</b>	<b>21,267</b>	<b>102,990</b>
<b>Consumption mate</b>	<b>37,599</b>	<b>34,845</b>	<b>32,633</b>
<b>Provisions for real estate devaluation losses (Note 10 (a))</b>	<b>(163,896)</b>	<b>(133,958)</b>	<b>(94,693)</b>
<b>Total</b>	<b>3,829,285</b>	<b>2,576,720</b>	<b>1,965,389</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(a) Provisions for loss on devaluation of properties**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Opening balance	(137,858)	(133,958)	(93,048)	(90,591)
Provisions	(40,437)	(61,405)	(3,700)	(12,493)
Write-offs	14,399	31,467	2,055	8,391
Closing balance	(163,896)	(163,896)	(94,693)	(94,693)

**Note 11 – Shareholding interest in subsidiaries and affiliates**
**a) Corporate shareholding interest in the consolidated interim financial statements:**

The consolidated investment portfolio is comprised of associates and jointly-controlled companies, over which CAIXAPAR and CAIXA Seguridade have significant influence or joint control, evaluated under the equity method.

Shareholding interest portfolio - CAIXAPAR	Number of shares		Interest %	
	Common	Preferred	Voting capital	Capital
Banco PAN	262,164,552	112,732,358	49.00	40.35
Branes	40,975,186	-	37.25	37.25
Capgemini	63,764,544	-	23.75	21.69
Cia. Brasileira de Securitização – CIBRASEC	6,000	-	9.09	9.09
Crescer	40,783,190	-	49.00	49.00
Elo Serviços	62,779	837,031,603	0.01	33.33
TECBAN	375,508,013	-	10.00	10.00

Shareholding interest portfolio - CAIXA Seguridade	Number of shares		Interest %	
	Common	Preferred	Voting capital	Capital
CAIXA Securitária (1)	100,000	-	100.00	100.00
PAN Seguros	166,210,711	51,313	48.99	48.99
PAN Corretora	149,940	-	49.00	49.00
CAIXA Seguros Holding S.A.	2,239,226	-	48.21	48.21

- (1) The equity interest in CAIXA Seguridade, consolidated in CAIXA, refers to the consolidated position of this investment. Accordingly, 100% interest of CAIXA Seguridade in CAIXA Securitária is eliminated upon preparation of the consolidated financial statements of CAIXA Seguridade.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

Description	Investments			Equity pick-up result			
	06/30/2016	12/31/2015	06/30/2015	2016		2015	
				2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
CAIXA Seguros Holding	2,727,983	2,635,360	2,399,648	186,718	390,103	186,967	420,002
Banco PAN	1,077,538	1,183,161	890,254	(56,297)	(104,018)	(68,293)	(129,217)
Capgemini	143,167	177,957	211,339	(19,557)	(34,787)	(17,442)	(25,552)
Elo Serviços	22,597	18,542	18,749	2,116	4,056	2,045	3,818
Cia. Bras. de Securitização - CIBRASEC	6,861	6,956	6,832	79	126	103	125
Crescer	-	-	100	(1,904)	(3,076)	(3,686)	(1,279)
Branes	1,853	1,841	1,834	11	12	34	(6)
NEWCO - S/A	280	-	-	-	-	-	-
BIAPE	109	238	200	(133)	(140)	(441)	(450)
FGO – Fundo Garantia de Operações	157,142	76,069	211,957	-	-	-	-
FGHAB – Fundo Garantidor Habitação Popular	265,208	262,766	235,629	-	-	-	-
Fundo de Investimento em Participações	32,127	32,428	32,465	(324)	(505)	(152)	(6,594)
TECBAN	106,755	107,004	106,636	(21)	(249)	45,990	47,660
PAN Corretora	32,109	29,381	26,610	1,467	2,727	640	2,141
PAN Seguros	374,808	353,709	336,528	10,157	21,036	-	-
Outros Investimentos (1)	6,825	4,734	44,108	-	-	-	-
<b>Total</b>	<b>4,955,362</b>	<b>4,890,146</b>	<b>4,522,889</b>	<b>122,312</b>	<b>275,285</b>	<b>145,765</b>	<b>310,648</b>

(1) Investments assessed at acquisition cost.

**(b) Movement of goodwill on acquisition of investments**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Prior balance</b>	<b>171,685</b>	<b>180,531</b>	<b>214,519</b>	<b>226,159</b>
Amortization	(8,844)	(17,690)	(11,640)	(23,280)
<b>Current balance</b>	<b>162,841</b>	<b>162,841</b>	<b>202,879</b>	<b>202,879</b>

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

## Note 12 – Property and equipment in use

Considering the construction in progress rate of 15.39% (December 31, 2015 – 14.34%, June 30, 2015 – 15.34%), CAIXA is classified as defined by CMN Decision No. 2669/1999, which determines a 50% limit of Regulatory Capital as from December 31, 2002.

## (a) Breakdown

Description	06/30/2016			12/31/2015			06/30/2015
	Cost	Depreciation	Net	Cost	Depreciation	Net	Net
<b>Properties in use</b>	<b>1,843,002</b>	<b>(782,879)</b>	<b>1,060,123</b>	<b>1,590,668</b>	<b>(518,560)</b>	<b>1,072,108</b>	<b>988,844</b>
Buildings	1,781,998	(782,879)	999,119	1,529,447	(518,560)	1,010,887	927,212
Land	61,004	-	61,004	61,221	-	61,221	61,632
<b>Revaluations of properties in use</b>	<b>710,140</b>	<b>(201,135)</b>	<b>509,005</b>	<b>715,978</b>	<b>(192,466)</b>	<b>523,512</b>	<b>539,310</b>
Buildings	519,239	(201,135)	318,104	524,127	(192,466)	331,661	345,270
Land	190,901	-	190,901	191,851	-	191,851	194,040
<b>Other assets in use</b>	<b>7,466,488</b>	<b>(5,338,066)</b>	<b>2,128,422</b>	<b>7,295,520</b>	<b>(5,026,378)</b>	<b>2,269,142</b>	<b>2,320,489</b>
Construction in progress	23,840	-	23,840	23,881	-	23,881	31,159
Facilities, furniture and equipment in use	1,654,530	(892,661)	761,869	1,606,314	(849,561)	756,753	723,565
Communications systems	91,452	(78,497)	12,955	91,424	(77,158)	14,266	15,777
Data processing system	5,261,376	(4,044,386)	1,216,990	5,154,717	(3,799,290)	1,355,427	1,440,824
Transport and security system	435,290	(322,522)	112,768	419,184	(300,369)	118,815	109,164
<b>Total</b>	<b>10,019,630</b>	<b>(6,322,080)</b>	<b>3,697,550</b>	<b>9,602,166</b>	<b>(5,737,404)</b>	<b>3,864,762</b>	<b>3,848,643</b>

## (b) Changes

Description	12/31/2015	Transfers	Additions	Write-offs	Depreciation	06/30/2016	06/30/2015
<b>Properties in use</b>	<b>1,072,108</b>	<b>53</b>	<b>127,721</b>	<b>(390)</b>	<b>(139,369)</b>	<b>1,060,123</b>	<b>988,844</b>
Buildings	1,010,887	53	127,721	(173)	(139,369)	999,119	927,212
Land	61,221	-	-	(217)	-	61,004	61,632
<b>Revaluations of properties in use</b>	<b>523,512</b>	<b>-</b>	<b>-</b>	<b>(3,864)</b>	<b>(10,643)</b>	<b>509,005</b>	<b>539,310</b>
Buildings	331,661	-	-	(2,914)	(10,643)	318,104	345,270
Land	191,851	-	-	(950)	-	190,901	194,040
<b>Other assets in use</b>	<b>2,269,142</b>	<b>(152)</b>	<b>177,337</b>	<b>(1,463)</b>	<b>(316,442)</b>	<b>2,128,422</b>	<b>2,320,489</b>
Construction in progress	23,881	(151)	110	-	-	23,840	31,159
Facilities, furniture and equipment in use	756,753	(1,556)	51,922	(19)	(45,231)	761,869	723,565
Communications systems	14,266	4	32	(4)	(1,343)	12,955	15,777
Data processing system	1,355,427	1,501	109,208	(1,440)	(247,706)	1,216,990	1,440,824
Transport and security system	118,815	50	16,065	-	(22,162)	112,768	109,164
<b>Total</b>	<b>3,864,762</b>	<b>(99)</b>	<b>305,058</b>	<b>(5,717)</b>	<b>(466,454)</b>	<b>3,697,550</b>	<b>3,848,643</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 13 – Intangible assets**
**(a) Breakdown**

Description	06/30/2016				12/31/2015				06/30/2015
	Cost	Accumulated amortization	Impairment	Net	Cost	Accumulated amortization	Impairment	Net	Net
Payroll acquisitions	3,024,435	(1,186,152)	(1,441)	1,836,842	2,905,765	(992,807)	(6,804)	1,906,154	1,863,509
Other intangible assets	366,655	(65,372)	-	301,283	366,655	(57,614)	-	309,041	316,799
Logistics projects - Software	1,471,175	(401,840)	-	1,069,335	1,384,938	(352,593)	-	1,032,345	908,901
<b>Total</b>	<b>4,862,265</b>	<b>(1,653,364)</b>	<b>(1,441)</b>	<b>3,207,460</b>	<b>4,657,358</b>	<b>(1,403,014)</b>	<b>(6,804)</b>	<b>3,247,540</b>	<b>3,089,209</b>

**(b) Changes**

Description	12/31/2015	06/30/2016			06/30/2015
	Net	Changes			Net
		Additions	Write-offs	Amortization	
Payroll acquisitions	1,906,154	282,728	(31,721)	(320,319)	1,836,842
Other intangible assets	309,041	-	-	(7,758)	301,283
Logistics projects- Software	1,032,345	125,440	-	(88,450)	1,069,335
<b>Total</b>	<b>3,247,540</b>	<b>408,168</b>	<b>(31,721)</b>	<b>(416,527)</b>	<b>3,207,460</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 14 – Deposits**
**(a) Analysis**

Description	06/30/2016	12/31/2015	06/30/2015
Demand deposits – without yield	26,577,289	27,414,590	27,879,676
Individuals	12,058,886	12,800,437	12,037,318
Companies	10,635,641	10,703,860	12,128,760
Restricted	2,190,669	2,071,944	2,038,283
Government	931,256	1,343,474	971,399
Foreign currencies	73,798	54,540	98,298
Financial institutions	19,838	36,620	60,888
Public entities	445,904	215,008	468,868
Accounts closed	21,545	18,195	-
Other	199,752	170,512	75,862
Savings deposits – floating-rate yield	238,702,276	241,362,624	232,117,335
Individuals	235,393,816	237,999,158	229,912,439
Companies	2,390,235	2,482,363	2,202,492
Restricted	2,241	2,323	2,404
Accounts closed	915,984	878,780	-
Interbank deposits	834,221	2,426,627	2,423,723
Time deposits	185,386,089	168,918,281	154,341,324
Fixed-rate yield	88,414,732	80,156,145	73,968,446
Time deposits in local currency	88,414,732	80,156,145	73,968,446
Floating-rate yield	96,971,357	88,762,136	80,372,878
Time deposits in local currency	30,381,807	26,730,337	23,038,633
Remunerated judicial deposits	66,589,550	62,031,799	57,334,245
Special deposits and deposits of funds and programs	10,878,942	14,540,011	9,125,621
Without yield	255,538	271,022	279,354
Fixed-rate yield	590,071	557,968	525,978
Floating-rate yield	10,033,333	13,711,021	8,320,289
Other	59	-	-
<b>Total</b>	<b>462,378,876</b>	<b>454,662,133</b>	<b>425,887,679</b>
Current liabilities	362,802,878	367,127,623	344,596,723
Non-current liabilities	99,575,998	87,534,510	81,290,956

**(b) Deposits by maturity**

Depósitos	No maturity	1 to 90 days	91 to 360 days	More than 360 days	06/30/2016	12/31/2015	06/30/2015
Demand deposits	26,577,289	-	-	-	26,577,289	27,414,590	27,879,676
Savings deposits	238,702,276	-	-	-	238,702,276	241,362,624	232,117,335
Interbank deposits	-	314,572	169,365	350,284	834,221	2,426,627	2,423,723
Time deposits	66,600,986	4,175,812	15,383,578	99,225,713	185,386,089	168,918,281	154,341,324
CDB	11,436	4,175,812	15,383,578	99,225,713	118,796,539	106,872,896	96,992,064
Judicial deposits	66,589,550	-	-	-	66,589,550	62,031,799	57,334,245
Other	-	-	-	-	-	13,586	15,015
Special deposits and deposits of funds and programs	10,878,942	-	-	-	10,878,942	14,540,011	9,125,621
Other	59	-	-	-	59	-	-
<b>Total</b>	<b>342,759,552</b>	<b>4,490,384</b>	<b>15,552,943</b>	<b>99,575,997</b>	<b>462,378,876</b>	<b>454,662,133</b>	<b>425,887,679</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c) Expenses with deposits**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Savings deposits	(4,545,392)	(9,042,566)	(4,223,089)	(8,171,658)
Interbank deposits	(27,954)	(82,264)	(65,920)	(132,368)
Time deposits CDB/RDB	(3,808,164)	(7,400,120)	(2,819,922)	(5,364,780)
Judicial deposits	(1,085,433)	(2,118,481)	(878,679)	(1,640,293)
Special deposits and deposits of funds and programs (d.1)	(440,571)	(895,809)	(331,075)	(646,988)
Other funding	(183,987)	(369,062)	(170,824)	(339,282)
<b>Total</b>	<b>(10,091,501)</b>	<b>(19,908,302)</b>	<b>(8,489,509)</b>	<b>(16,295,369)</b>

**(d) Special deposits and deposits of funds and programs**

Description	06/30/2016	12/31/2015	06/30/2015
Deposits – FGTS	4,780,630	8,569,202	3,431,982
Special deposits with yield	2,149,877	2,064,505	1,931,795
Deposits - FAT (d,2)	1,412,588	1,553,768	1,494,339
Deposits – FISANE	10,103	9,722	9,336
Deposits – PRODEC	58,319	56,088	53,883
Deposits – PIS	22,031	150,246	106,441
Deposits – FGS	220,020	22,768	54,162
Deposits – FAR	60,026	104,815	51,827
Deposits – FDS	476,565	426,318	389,289
Deposits - Program for Expansion and Modernization of the Brazilian Fishing Fleet	8,515	8,107	8,170
Deposits – FAS	6,544	8,050	7,311
Deposits – PREVHAB	745,625	701,267	658,159
Saúde CAIXA	255,538	271,022	279,354
Other	672,561	594,133	649,573
<b>Total</b>	<b>10,878,942</b>	<b>14,540,011</b>	<b>9,125,621</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(d.1) Expenses com Special deposits and deposits of funds and programs**

Description	Yield rate	2016		2015	
		2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Deposits – FGTS	Selic	(226,115)	(468,283)	(182,922)	(366,461)
Deposits – FAT	Selic and Long-term Interest Rate	(27,761)	(57,322)	(23,892)	(51,310)
Deposits – FISANE	TR	(195)	(381)	(172)	(326)
Deposits – PRODEC	TR + Interest 0.4868% p.m.	(1,141)	(2,231)	(974)	(1,836)
Deposits – PIS	Extra market	(44,167)	(85,873)	(24,156)	(41,008)
Deposits – FGS	Selic day factor /Extra market	(5,166)	(5,869)	(956)	(1,405)
Deposits – FAR	Selic	(9,299)	(31,391)	2,124	(1,797)
Deposits – FDS	Selic day factor	(16,512)	(30,838)	(12,509)	(23,393)
Deposits – Federal Treasury	Selic	(13,002)	(25,172)	(10,174)	(19,322)
Deposits – FAS	TR	(36)	(71)	(20)	(45)
Deposits - PREVHAB	Selic	(24,285)	(47,091)	(19,401)	(37,004)
Deposits – Guarantee	TR	(3,999)	(7,576)	(3,007)	(5,076)
Deposits – FCA	Extra – market	(16,085)	(30,308)	(11,759)	(23,267)
Deposits – Fundo Paulista de Habitação	CDI	(10,880)	(22,890)	(13,700)	(28,183)
Other		(41,928)	(80,513)	(29,557)	(46,555)
<b>Total</b>		<b>(440,571)</b>	<b>(895,809)</b>	<b>(331,075)</b>	<b>(646,988)</b>

**(d.2) Special deposits and deposits of funds and programs – FAT**

FAT is a special accounting and financial fund established by Law 7998/1990, linked to the Ministry of Labor and Employment and managed by the Executive Council of the Workers' Assistance Fund (CODEFAT).

The main actions funded with FAT funds to promote employment are structured around the programs for the creation of jobs and income, whose resources are allocated through the special deposits established by Law no.8352/1991, in official federal financial institutions, according to the programs and credit facilities presented in the previous table.

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In thousands of reais, unless otherwise stated

The special FAT deposits, while available, incur interest on a daily pro rata basis based on the Average SELIC Rate (TMS); as these deposits are allocated to financing, the TMS is replaced with the Long-term Interest Rate - TJLP throughout the term of the financing.

The interest on the deposits is paid to FAT on a monthly basis, as set forth in CODEFAT Resolutions no. 439/2005 and 489/2006.

Description	Resolution/ TADE	Return of FAT funds		06/30/2016			12/31/2015			06/30/2015		
		Type	Date	Available	Invested	Total	Available	Invested	Total	Available	Invested	Total
Programs				135,390	1,202,447	1,337,837	159,585	1,319,488	1,479,073	118,453	1,301,309	1,419,762
Proger - Urban				72,888	950,101	1,022,989	96,290	1,021,184	1,117,474	54.324	961.377	1.015.701
Investment	08/2005	RA	10/10/2005	72,888	950,101	1,022,989	96,290	1,021,184	1,117,474	54.324	961.377	1.015.701
FAT infrastructure				62,194	247,988	310,182	62,920	293,584	356,504	63.743	336.665	400.408
Infrastructure economical	13/2006	RA	08/08/2008	62,194	247,988	310,182	62,920	293,584	356,504	63.743	336.665	400.408
FAT – PNMPO				308	4,358	4,666	375	4,720	5,095	386	3.267	3.653
FAT – microcredit	15/2006	RA	05/10/2007	308	4,358	4,666	375	4,720	5,095	386	3.267	3.653
FAT – microcredit				460	74,291	74,751	417	74,278	74,695	370	74,207	74,577
FAT - Pan-American village	01/2005	SD	12/09/2005	460	74,291	74,751	417	74,278	74,695	370	74,207	74,577
<b>Total</b>				<b>135,850</b>	<b>1,276,738</b>	<b>1,412,588</b>	<b>160,002</b>	<b>1,393,766</b>	<b>1,553,768</b>	<b>118,823</b>	<b>1,375,516</b>	<b>1,494,339</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 15 – Deposits obtained in the open market**
**(a) Analysis**

Description	06/30/2016	12/31/2015	06/30/2015
<b>Own portfolio (1)</b>	<b>76,452,461</b>	<b>94,785,099</b>	<b>104,125,034</b>
Financial Treasury Bills	10,012,195	42,991	40,227
Federal Treasury Bills	28,003,071	64,294,891	73,206,834
Federal Treasury Notes	31,749,118	22,689,765	23,107,088
Debentures	6,233,244	7,285,266	7,368,736
Mortgage Backed-Securities	454,833	472,186	402,149
Real Estate Notes	<b>108,773,801</b>	<b>99,476,122</b>	<b>72,058,870</b>
<b>Third-party portfolio</b>	<b>2,671,529</b>	<b>30,798,362</b>	<b>6,259,077</b>
Financial Treasury Bills	106,102,272	68,677,760	65,799,793
Federal Treasury Bills	<b>3,813,055</b>	-	-
Federal Treasury Notes	3,813,055	-	-
<b>Total</b>	<b>189,039,317</b>	<b>194,261,221</b>	<b>176,183,904</b>
Current liabilities	171,306,429	186,597,458	174,301,247
Non-current liabilities	17,732,888	7,663,763	1,882,657

(1) Amounts calculated considering the unit price of warranty (unit price of guarantee) of the associated security.

**(b) Expenses of funds obtained in the open market**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Own portfolio	(2,646,302)	(5,512,009)	(2,467,032)	(4,704,234)
Third-party portfolio	(5,113,013)	(9,711,615)	(2,359,551)	(5,584,688)
Unrestricted portfolio	(114,768)	(115,388)	(19,091)	(19,740)
<b>Total</b>	<b>(7,874,083)</b>	<b>(15,339,012)</b>	<b>(4,845,674)</b>	<b>(10,308,662)</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 16 – Funds from acceptance and issuance of securities**
**(a) Funds from notes**

Deposits	Index	Maturity				06/30/2016	12/31/2015	06/30/2015
		1 to 90 days	91 to 180 days	181 to 360 days	More than 360 days			
Mortgage Bill	IGP-M	-	-	-	690,835	690,835	687,723	615,874
Mortgage Bill	INPC	-	-	-	14,989	14,989	15,029	13,680
Mortgage Bill	TR	-	-	-	-	-	-	165
Real estate Bill	IGP-M	-	-	10,541	-	10,541	9,962	9,401
Real estate Bill	CDI	16,824,129	18,950,217	25,853,448	47,355,053	108,982,847	111,221,734	105,109,961
Financial Bill	CDI	15,765,918	5,221,308	3,931,526	14,650,826	39,569,578	39,670,266	40,952,453
Financial Bill	IPCA	-	-	127,547	1,011,694	1,139,241	1,052,891	902,242
Agribusiness Bill	CDI	71,275	196,032	270,146	133,109	670,562	1,029,810	2,025,161
<b>Total</b>		<b>32,661,322</b>	<b>24,367,557</b>	<b>30,193,208</b>	<b>63,856,506</b>	<b>151,078,593</b>	<b>153,687,415</b>	<b>149,628,937</b>
Current liabilities						87,222,086	91,498,789	62,760,287
Non-current liabilities						63,856,507	62,188,626	86,868,650

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(b) Expenses related to funds from notes**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Real estate Bill	(3,227,950)	(6,449,368)	(2,742,417)	(5,087,176)
Mortgage Bill	(37,477)	(76,113)	(30,732)	(59,714)
Financial Bill	(1,384,500)	(2,767,761)	(1,338,451)	(2,498,136)
Agribusiness Credit Bills	(26,200)	(56,153)	(57,139)	(103,851)
<b>Total</b>	<b>(4,676,127)</b>	<b>(9,349,395)</b>	<b>(4,168,739)</b>	<b>(7,748,877)</b>

**(c) Securities issued abroad**

CAIXA issues securities abroad in order to build an alternative source to raise funds in the long term for financing its assets operations. Five issues of securities abroad were realized with 4 senior tranches (stated as follows) and 1 subordinate tranche stated in Note 18 (d1).

Securities	Currency	Amount issued (1)	Yield p.a.	Date of funding	Maturity	06/30/2016	12/31/2015	06/30/2015
1 <sup>st</sup> series	US\$	1,000,000,000	2.38%	Nov/12	Nov/17	3,191,415	3,865,055	3,118,305
2 <sup>nd</sup> series	US\$	500,000,000	3.50%	Nov/12	Nov/22	1,489,682	1,812,940	1,560,570
3 <sup>rd</sup> series	US\$	1,250,000,000	4.50%	Oct/13	Oct/18	4,079,078	4,947,455	3,917,126
4 <sup>th</sup> series	US\$	1,300,000,000	4.25%	May/14	May/19	4,143,977	5,077,494	4,058,803
<b>Total</b>						<b>12,904,152</b>	<b>15,702,944</b>	<b>12,654,804</b>

(1) Amounts in thousands of US\$.

**(d) P&L from liabilities for marketable securities abroad**

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Securities abroad expenses - without subordination	1,392,820	2,485,935	256,883	(2,174,239)
Securities abroad expenses - with subordination	184,052	327,954	32,758	(295,618)
<b>Total</b>	<b>1,576,872</b>	<b>2,813,889</b>	<b>289,641</b>	<b>(2,469,857)</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 17 – Local borrowings and onlendings**

Description	06/30/2016	12/31/2015	06/30/2015
<b>Local onlendings</b>	<b>224,247,278</b>	<b>207,682,167</b>	<b>190,733,182</b>
FGTS	189,359,062	172,210,084	156,491,749
BNDES	31,586,149	32,377,811	31,367,136
National Treasury - Social Integration Program – PIS	866,644	678,164	710,376
Merchant Marine Fund	2,178,131	2,228,930	2,088,838
Other institutions	257,292	187,178	75,083
Foreign onlendings	<b>53,420</b>	<b>59,184</b>	-
<b>Foreign borrowings</b>	<b>5,797,235</b>	<b>14,337,557</b>	<b>9,697,669</b>
From financial institutions abroad	3,616,509	4,726,401	3,505,252
Other credit facilities	2,180,726	9,611,156	6,192,417
<b>Total local borrowings and onlendings</b>	<b>230,097,933</b>	<b>222,078,908</b>	<b>200,430,851</b>
Current liabilities	7,008,388	8,783,700	8,334,616
Non-current liabilities	223,089,545	213,295,208	192,096,235

**(a) Local onlendings**

These mainly comprise funds transferred by the FGTS for investments in infrastructure, urban development and housing loan operations, and are adjusted for inflation based on the Referential Rate (TR) and an average interest rate of 5.09 % p.a. (housing 4,97% p.a. infrastructure 5.67% p.a. and sanitation 6.29%p.a.) and the average term of return is 232 months (housing 240 months, infrastructure 198 months and sanitation 160 months).

**(b) Foreign onlendings**

The balance of foreign onlendings, referring to an agreement entered into between CAIXA and the World Bank (IBRD), for application to the Program for Funding for Urban Solid Waste Management and Clean Development Mechanism, is subject to US dollar (US\$) variation, interest rate of 0.8 % p.a., plus LIBOR. The transaction matures between 12 and 15 years.

**(c) Foreign loans**

The balance of foreign loans comprises mainly loan facilities raised abroad to fund customers' exports, subject to interest rate of up to 2.99% p.a., substantially pegged to the U.S. dollar rate, maturing until 2017. The other funds taken out abroad relate to loans from cross-border financial institutions, subject to interest of up to 2.38% p.a. and to the change in the exchange rate of the U.S. dollar, maturing up to 2017.

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

## (d) Expenses with local onlendings - official institutions

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Domestic onlendings	(4,176,357)	(8,240,139)	(3,518,192)	(6,875,103)
FGTS	(3,643,136)	(7,121,995)	(2,922,086)	(5,554,626)
BNDES	(544,153)	(1,107,733)	(449,060)	(880,942)
National Treasury – PIS	(12,092)	(24,453)	(12,681)	(25,356)
Merchant Marine Fund	46,119	57,780	(119,142)	(380,895)
Other institutions	(23,095)	(43,738)	(15,223)	(33,284)
Foreign onlendings	5,665	12,432	-	-
Foreign borrowings	610,688	1,804,212	553,005	(858,626)
<b>Total</b>	<b>(3,560,004)</b>	<b>(6,423,495)</b>	<b>(2,965,187)</b>	<b>(7,733,729)</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 18 – Other liabilities**
**(a) Analysis**

Description	06/30/2016	12/31/2015 (Note 3 (t))	06/30/2015 (Note 3 (t))
Collections of taxes and social contributions	1,080,750	353,726	1,480,557
Foreign exchange portfolio (Note 9 (c))	1,470,829	104,235	264,984
Social and statutory obligations	1,546,995	2,933,544	1,652,623
Tax and social security obligations (Note 18 (b))	1,873,062	3,232,649	2,366,459
Negotiation and intermediation of securities	10,443	3,073	117,016
Funds for specific purposes (Note 18 (c))	11,322,694	12,222,859	9,554,544
Hybrid capital and debt instruments (Notes 18 (d))	923,041	1,799,266	988,282
Subordinated debt	11,138,061	-	-
Debt instrument eligible to capital (Note 18 (d))	12,854,959	24,118,921	20,555,334
Sundry (Note 18 (e))	59,696,428	53,282,405	51,947,205
<b>Total</b>	<b>101,917,262</b>	<b>98,050,678</b>	<b>88,927,004</b>
Current liabilities	53,191,357	54,095,412	48,656,610
Non-current liabilities	48,725,905	43,955,266	40,270,394

**(b) Tax and social security obligations**

Description	06/30/2016	12/31/2015	06/30/2015
Taxes on salaries payable	440,315	438,803	407,846
Taxes on services payable	316,417	415,575	280,620
Taxes and contributions on profits payable	286,399	184,376	403,448
Income tax	15,777	14,413	27,291
Social contribution	6,358	3,647	9,811
Social Contribution on Revenues – COFINS	227,569	146,571	330,866
Public Service Employee Savings Program – PASEP	36,695	19,745	35,480
Deferred taxes and contributions	683,086	2,026,544	1,119,101
Revaluation of buildings	121,815	127,238	136,665
MTM adjustments – trading securities	236,420	-	-
Market value adjustment - securities available for sale	324,851	264,045	438,388
Futures contracts	-	1,635,261	521,445
Fees receivables from Federal Government	-	-	22,603
Provision for tax risks (Note 30)	146,845	167,351	155,444
<b>Total</b>	<b>1,873,062</b>	<b>3,232,649</b>	<b>2,366,459</b>
Current liabilities	1,751,247	3,105,411	2,229,793
Non-current liabilities	121,815	127,238	136,666

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(c) Funds for specific purposes**

These refer to obligations arising from lottery operations, resources from social funds and programs managed by CAIXA, and special programs supported by the Federal Government or public entities administered by CAIXA.

Description	06/30/2016	12/31/2015	06/30/2015
Social funds and programs	8,297,918	9,305,546	7,638,044
FGTS	3,419,139	4,777,286	3,641,168
"Minha Casa Minha Vida"	4,265,322	3,919,855	3,456,762
Housing Subsidy Program (PSH)	298,207	295,477	291,534
Income Transfer Programs	199,022	195,751	140,929
FGTS	116,228	117,177	107,651
Other funds and programs	2,372,149	1,509,771	1,025,140
PIS	1,373,541	1,258,833	842,089
FAT	997,151	249,494	181,624
FINSOCIAL	1,457	1,444	1,427
Lottery operations	652,627	1,407,542	891,360
<b>Total</b>	<b>11,322,694</b>	<b>12,222,859</b>	<b>9,554,544</b>

**(d) Debt instruments eligible to capital****(d.1) Subordinated financial instruments – Level II**

CAIXA has 19 Subordinated Financial Instruments (IFS) authorized to compose Level II of Reference Assets – (RA), being 06 Subordinated Debt Instruments (IDS), 12 Subordinated Treasury Bills (LFS) and 1 Subordinated Note (NS) abroad, as detailed in the subsequent items.

The total amount raised through these IFSs of the Institution's capital, positively reflecting on reference assets, operating margin, Basel index, and other indexes, such as public sector equity and debt ratio.

**Subordinated Debt Instrument (IDS)**

CAIXA has 06 subordinated debt instruments authorized by the Central Bank of Brazil to comprise Level II of RA, in accordance with CMN Resolution No. 4192 / 13, contracted with the Government Severance and Indemnity Fund for Employees (FGTS) in 2005, 2011, 2012, 2014 and 2015

On the total debt amount will be levied the monetary restatement, upon the adoption of the restatement coefficient identical to the one used for the remuneration of accounts related to FGTS and interest monthly capitalized.

**Subordinated financial bills - LFS**

CAIXA has 12 subordinated financial bills raised on the local market with total face value of R\$ 234,900, and are all considered eligible for Level II of RA with the Central Bank of Brazil.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Subordinated bond – NS**

CAIXA successfully raised funds amounting to US\$ 500,000 thousand (five hundred million dollars) in the international market on July 16, 2014, by means of issue of subordinated bonds eligible for Level II capital under Basel III rules. Bonds issued are effective for 10 years, but can be called in the fifth year, and its return rate is 7.25% p.a.

This transaction was the first issue of Level II capital under Basel III rules conducted by a Brazilian bank, and the fifth CAIXA transaction in the international capitals market. Bonds have coupons that reset after the fifth year and a "loss absorption" clause, with possibility of principal and interest write-off. That is, bonds can be written off permanently at an amount at least equal to the amount accounted for as Level II capital in the following events: (i) Principal Capital lower than 4.5%, (ii) Enforcement of a commitment to contribute emergency capital to the Issuer, (iii) Determination by the Central Bank of Brazil of non-viability of the bank.

In October 2014, BACEN considered NS as eligible. Therefore, as from October 2014, the instrument became part of CAIXA Reference Assets Tier II.

Maturity	Annual yield	Inception date	Amount issued	Monetary adjustment and interest	Amortization	Impact of market risk hedge accounting	Debt balance 06/30/2016	Debt balance 12/31/2016	Debt balance 06/30/2015
<b>Loans payable - FGTS funds</b>									
Feb/2020	6.30%	Oct/05	3,439,717	2,608,717	(2,840,712)	-	3,207,722	3,611,408	4,003,980
Apr/2026	6.00%	Aug/11	3,000,000	1,152,351	-	-	4,152,351	3,995,860	3,842,073
Jul/2032	5.08%	Jun/12	3,000,000	795,359	-	-	3,795,359	3,668,116	3,542,304
Dec/2033	5.15%	Oct/14	3,000,000	360,218	-	-	3,360,218	3,246,532	3,134,178
Feb/2038	4.80%	Dec/14	4,000,000	413,720	-	-	4,413,720	4,271,464	4,130,529
Dec/2040	4.75%	Sep/15	3,000,000	157,950	-	-	3,157,950	3,056,866	-
<b>Eligible financial bill – Tier II</b>									
Jun/2020	110%CDI	Jun/14	10,000	3,176	-	-	13,176	12,265	11,398
Jul/2019	110%CDI	Jul/14	17,400	5,321	-	-	22,721	21,153	19,655
Dec/2021	110%CDI	Dec/14	1,500	363	-	-	1,863	1,735	1,612
Jun/2024	100%IPCA	Jun/14	200,000	73,667	-	(10,995)	262,672	251,919	234,111
Feb/2025	100% IPCA + 6,74%	Feb/15	1,200	293	-	(13)	1,480	1,379	1,281
Feb/2025	100% IPCA + 6,65%	Feb/15	1,200	288	-	(29)	1,459	1,374	1,277
Feb/2025	100% IPCA + 6,58%	Feb/15	2,400	594	-	(107)	2,887	2,762	2,571
Mar/2025	100% IPCA + 6,45%	Mar/15	1,200	284	-	(62)	1,422	1,369	1,275
<b>Eligible marketable securities abroad – Level II</b>									
Jul/2024	7,25%	Jul/14	1,106,450	576,926	-	(85,356)	1,598,020	1,974,719	1,629,090
<b>Total</b>			<b>20,781,067</b>	<b>6,149,227</b>	<b>(2,840,712)</b>	<b>(96,562)</b>	<b>23,993,020</b>	<b>24,118,921</b>	<b>20,555,334</b>

Additional information on Subordinated Financial Instruments is available in the Management Report of Risk and Capital – Pilar 3, at: [www.caixa.gov.br](http://www.caixa.gov.br), menu "About Caixa".

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(d.2) Hybrid capital and debt instruments**

Reference Assets Level I comprises Principal Capital and Supplementary Capital. CAIXA has 6 debt-equity hybrid capital and debt instrument - IHCD authorized to become part of its Principal Capital, but does not have hybrid instruments engaged with Supplementary Capital characteristics.

The Federal Government has been authorized, through Executive Order No. 347, of January 22, 2007, to grant CAIXA a loan of R\$ 5,200,000, under financial and contractual terms and conditions that allow the transaction to be classified as a IHCD. The grant of loan was formalized on May 24, 2007 through loan agreement No. 348 entered into between the Federal Government and CAIXA.

On October 13, 2009, through Executive Order No. 470, a new loan agreement between CAIXA and the Federal Government was authorized, up to the limit of R\$ 6,000,000. As a result, CAIXA entered into agreement No. 504, and R\$ 2,000,400 was released in October 2009, and R\$ 3,999,600 in January 2010.

On September 20, 2012, through Executive Order No. 581, a new loan agreement between CAIXA and the Federal Government was authorized, up to the limit of R\$ 13,000,000, in financial conditions and contractual framework to enable the transaction to be classified as capital. In this context, in September 2012, CAIXA entered into agreements No. 752 and No. 754 for R\$ 6,800,000 and R\$ 6,200,000 respectively.

Agreements No. 348, 504, 752 and 754 were executed in compliance with CMN Resolution No. 3444/07, including conditions that qualify capital as Regulatory Capital Tier I and Tier II, respecting the limits.

Based on Provisional Executive Orders Nos. 600/12 and 620/13 and the requirements established by the Brazilian Monetary Council by means of CMN Resolution No. 4192/13, in June 2013, CAIXA and the Federal Government executed two Hybrid Capital and Debt Instruments (IHCD) totaling R\$ 8,000,000 (Agreements Nos. 868 of R\$ 3,000,000 and 869 of R\$ 5,000,000). In August 2013, BACEN deemed these agreements eligible to Tier I – Principal Capital of Reference Equity.

Whereas the implementation of Basel III rules as from October 2013, CAIXA signed amendments to contracts N° 348, 504, 752 and 754 in November 2013 for adequacy to CMN Resolution N° 4192/13, and filed a new application to the Central Bank of Brazil – BACEN for debt eligibility as Tier I – Principal Capital. .

While waiting for the BACEN authorization to classify these hybrid instruments as Tier I – Core Capital, as from October 2013 such instruments started being considered as Tier I – Supplementary Capital, of which 10% p.a. was applied as a reduction, pursuant to CMN Resolution N° 4.192/13.

In July 2014, BACEN considered contracts No. 348, 504, 752 and 754 eligible to Level I – Principal Capital of CAIXA reference assets. Therefore, the total amount of the contracts was included in the Institution's Principal Capital and the reduction by 10% p.a. invested through June 2014 it is no longer considered.

CMN Resolution No. 4192/13 determines, for presentation of the consolidated financial statements, the reclassification of instruments meeting the Principal Capital characteristics to equity. Therefore, additional information on subordinated financial instruments eligible to principal capita may be found in Note 19 (b).

The agreements have fully variable remuneration clauses; monetary restatement is included annually, after payment of interest for prior year.

The compensatory interest payable and monetary restatement not included comprise the hybrid capital and debt instruments, classified in Other liabilities – Debt instruments eligible to capital, amounting to R\$ 923,041 at June 30, 2016 (December 31, 2015 – R\$ 1,799,266; June 30, 2015 R\$ 988,282).

**Notes to the Consolidated Financial Statements**

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**(e) Sundry**

Description	06/30/2016	12/31/2015	06/30/2015
Actuarial liabilities – post-employment benefit (Note 32 (a))	20,062,102	15,744,858	16,397,054
<i>Saúde Caixa</i>	14,696,873	12,068,398	12,097,849
Meal vouched and food basket allowance	1,236,705	1,097,455	1,055,997
Benefit plans – private pension plan	4,128,524	2,579,005	3,243,208
Provisions for amounts payable	5,018,867	4,429,195	4,597,054
Sundry creditors - Country (Note 18(f))	12,721,384	14,655,218	13,814,308
Provision for labor contingencies (Note 30)	4,309,962	3,860,506	3,314,772
Provision for civil litigation contingencies (Note 30)	3,045,299	3,030,517	2,638,349
Real estate financing to be released	3,402,778	3,777,476	4,657,126
Funds linked to loan operations (1)	862	1,306	1,263
Funds linked to loans assigned (2)	8,380,352	5,392,832	5,000,297
Obligations related to agreements	639,573	710,351	618,988
Contributions to the National Housing System – SFH	28,680	28,211	70,228
FGTS funds for repayment	876,293	682,954	587,388
Payables to related parties	1,208,416	965,690	236,471
Sundry creditors – Abroad	1,860	3,291	13,907
<b>Total</b>	<b>59,696,428</b>	<b>53,282,405</b>	<b>51,947,205</b>

- (1) Funds allocated in accounts linked to loan transactions on behalf of clients, not changed by these and remunerated with the same charges applied to the respective transactions.
- (2) Housing loan transactions securitized with risk retention - CMN Decision no. 3533/2008.

**(f) Sundry creditors – Brazil**

Description	06/30/2016	12/31/2015	06/30/2015
Credit cards	6,283,228	7,126,843	6,658,538
Asset Management Company (EMGEA) (1)	45,529	40,909	34,168
Suppliers	878,558	952,810	894,817
Acquisition of payrolls - amounts pending release	472,595	477,028	505,490
Commercial loans – onlendings	110,212	187,549	125,165
Real estate loans – onlendings	666,708	863,872	688,240
Federal Government obligations – onlendings	48,031	45,777	43,518
Other creditors - simplified savings	500,118	500,121	500,178
Accounts payable	121,473	141,894	206,678
Loan Guarantee Fund – FGC	61,156	59,673	57,068
Redeemable amounts – pledge	90,927	91,445	96,279
Amounts to be allocated (2)	2,905,190	3,953,131	3,731,644
Other sundry creditors	537,659	214,166	272,525
<b>Total</b>	<b>12,721,384</b>	<b>14,655,218</b>	<b>13,814,308</b>

- (1) Asset Management Company (EMGEA): these refer to financial amounts and contracts received by EMGEA on behalf of CAIXA.
- (2) Liabilities classified in a suspense account, mainly collections of commercial loans and housing loans.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 19 – Equity****(a) Share capital**

Decree no. 7973 of the Federal Government approved CAIXA's bylaws on March 28, 2013. Its article 7th set the Capital at R\$ 22,054,802, exclusively paid up by the Federal Government.

**(b) Instrumentos de dívidas elegíveis a capital principal**

Article 16 of CMN Resolution No. 4192/13, authorizes federal financial institutions to make up their Tier I – Core Capital by using equity elements and junior financial instruments and the hybrid equity and debt instruments, provided that meeting the criteria set forth in the Resolution, e.g. having a fully variable remuneration, perpetuity characteristics and absorption of losses while a going-concern.

Also according therewith, the instruments meeting the Core Capital characteristics shall be reclassified as net equity for purposes of Consolidated interim financial statements.

Accordingly, in individual financial statements, the Hybrid equity and debt instruments eligible to comprise Principal Capital are recorded in liabilities and its financial charges recognized as operating expenses, while in the consolidated financial statements these are reclassified to equity, based on the understanding and guidance of the Central Bank of Brazil, in order to improve the quality of the consolidated financial statements.

Accordingly, all CAIXA's Hybrid Capital and Debt Instruments are classified as Core Capital and therefore, make up CAIXA's net equity for disclosure purposes. The table below presents the position of contracts.

Description	06/30/2016	12/31/2015	06/30/2015
Agreement No. 348	7,593,569	7,411,895	7,411,895
Agreement No, 504	7,749,478	7,564,073	7,564,073
Agreement No, 752	6,800,000	6,800,000	6,800,000
Agreement No, 754	6,310,598	6,310,598	6,310,598
Agreement No, 868 and 869	8,000,000	8,000,000	8,000,000
<b>Total</b>	<b>36,453,645</b>	<b>36,086,566</b>	<b>36,086,566</b>

The Regulatory Capital is made up by considering only the face value of contracts added to prior years' Monetary Restatement. Whereas the contracts have fully variable remuneration clauses, the monetary restatement is annually added after the payment of prior year interest.

In April 2016 interest from IHCD and incorporation of monetary restatement for the year 2015 was paid.

**(c) Compliance with the levels required by Resolution 2099/94 (Basel Accord)**

Pursuant to CMN Resolution 2099/1994 and subsequent regulations, which establish the minimum levels of reference equity for financial institutions, based on the volume of their operations, CAIXA presents a ratio of 12.78% (Note 33), whereas the minimum ratio required in Brazil is 11%.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(d) Revaluation and revenue reserves**

The revenue reserves are formed by the legal reserve, calculated at 5% of net income, the lottery reserve and the operating margin reserve.

The lottery reserves are formed by 100% of the result of the management of the federal lottery for which CAIXA is responsible as the performer of such public services to add to equity, after the portion of the Lottery Development Fund has been deducted. The purpose of the Lottery Development Fund is to fund the investments necessary for modernizing the lotteries and for advertising and publicity expenses, pursuant to the applicable legislation, and may not be used to fund public services.

The operating margin reserve intended for the maintenance of the operating margin consistent with the development of CAIXA's borrowing activities is formed by the justification of the percentage considered up to 100% of the profit balance deducted from the destination to the legal reserve, to the unrealized profit reserves, to contingency reserves, to tax incentive reserves, and for the minimum payment (25% of the adjusted profit) of dividends and interest on own capital, up to the limit of eighty percent of the share capital.

Description	06/30/2016	12/31/2015	06/30/2015
Revaluation reserves	389,873	400,384	400,031
Revenue reserves	9,535,917	9,269,290	6,221,877
Legal reserves	2,717,002	2,617,409	2,465,156
Statutory reserves – lotteries	3,004,699	2,782,368	2,411,955
Operating margin reserves	3,814,216	3,869,513	1,344,766

**(e) Dividends and interest on capital**

In 2015, CAIXA formalized its principles and guidelines for distribution of profits and approved the Capital Management and Distribution of Profit Policy, establishing prudential capital limits for Principal Capital, Tier I and Basel of 1.5 p.p. above the minimum regulatory value determined by the Brazilian Monetary Council (CMN).

Based on such Policy, the distribution of profits for the year is 50% (fifty percent) of the Adjusted Net Income (LLA). It may a) exceed 50% (fifty percent) of LLA, provided that prudential limits and their respective projections are met for the next 24 months; or b) be lower than 50% (fifty percent) of LLA, in compliance with the minimum legal distribution of 25%, when the projection for the next 12 months indicates noncompliance with the prudential limits set.

As such, there are dividends on LLA of at least 25% after determination of profit for the period.

To calculate the dividend obligations, interest on equity is calculated at remuneration of the TJLP for the period on adjusted net equity, limited to 50% of net income for the period. Total interest on equity amounts to R\$ 1,173,751 (06/30/2015 – R\$ 816,147) and allows for a reduction in the IRPJ and CSLL taxes amounting to R\$ 528,188 in the first six-month period of 2016 (R\$ 329,459 in the 1st six-month period of 2015).

Pursuant to CAIXA's Capital Management and Distribution of Profit Policy and considering approval from the Chairman of the Board, the Board of Directors and a favorable opinion from the Audit Committee in the first six-month period of 2016 CAIXA paid the remaining dividends for 2015 amounting to R\$ 55,296.

The amount restated by SELIC between 12/31/2015 to 3/31/2016 – the date of effective payment – in accordance with Decree No. 2673/98, corresponding to a cash transfer of R\$ 57,097.

Accordingly, the payment made supplements the prepayment of dividends and IOE made over 2015, amounting to R\$ 2,414,154 to achieve 50% of adjusted net income in the period with R\$ 2,469,450 as the total volume eligible for distribution in 2015.

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 20 – Corporate income tax (IRPJ) and Social Contribution on net income (CSLL)**
**(a) Statement of IRPJ and CSLL expenses**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Current taxes</b>	<b>349,612</b>	<b>(125,734)</b>	<b>(163,586)</b>	<b>(693,272)</b>
<b>Deferred taxes</b>	<b>1,171,078</b>	<b>2,301,140</b>	<b>1,842,580</b>	<b>3,427,960</b>
Deferred tax liabilities	(124,284)	1,262,067	97,838	94,787
Deferred tax assets	1,295,362	1,039,073	1,744,742	3,333,173
Temporary differences – set up / realization	1,131,921	1,069,403	1,808,099	3,627,459
Income and social contribution tax losses (1)	86,963	(16,876)	(38,083)	(182,380)
CSLL - MP No. 2158-35/01	76,478	(13,454)	(25,274)	(111,906)
<b>Income and social contribution taxes for the period</b>	<b>1,520,690</b>	<b>2,175,406</b>	<b>1,678,994</b>	<b>2,734,688</b>

(1) Social contribution tax losses were fully realized in 2014.

**(b) Changes in tax credits**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Income (loss) before taxes and contributions</b>	<b>338,655</b>	<b>660,953</b>	<b>500,275</b>	<b>1,183,509</b>
IRPJ and CSLL charges	(152,390)	(297,417)	(200,109)	(473,397)
Tax effects – additions and exclusions	312,160	(554,286)	(320,815)	(1,101,697)
Interest on equity	263,886	528,188	167,352	326,459
Interests held in affiliates and subsidiaries	87,315	140,680	72,602	148,202
Other	(161,359)	57,101	117,384	407,161
<b>Current income and social contribution taxes</b>	<b>349,612</b>	<b>(125,734)</b>	<b>(163,586)</b>	<b>(693,272)</b>

**(c) Deferred tax liabilities**

Deferred tax liabilities - IRPJ/CSLL			
Description	06/30/2016	12/31/2015	06/30/2015
Deferred expenses/MTM	463,230	1,678,516	812,234
Other	121,815	127,238	136,978
<b>Income and social contribution taxes for the period</b>	<b>585,045</b>	<b>1,805,754</b>	<b>949,212</b>

Deferred tax liabilities - PASEP/COFINS			
Description	06/30/2016	12/31/2015	06/30/2015
Deferred expenses/MTM	98,041	220,791	169,796
Other	1,011	-	94
<b>PASEP and COFINS for the Periodd</b>	<b>99,052</b>	<b>220,791</b>	<b>169,890</b>

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

## (d) Deferred tax assets

Tax credits - IRPJ/CSLL					
Description	12/31/2015	Set up	Reversal	06/30/2016	06/30/2015
<b>Temporary differences:</b>	<b>30,137,155</b>	<b>16,499,882</b>	<b>(15,430,481)</b>	<b>31,206,556</b>	<b>24,640,107</b>
Allowance for loan losses	18,891,975	7,581,328	(6,387,644)	20,085,659	15,422,168
Actuarial liabilities	3,816,802	1,035,835	(686,364)	4,166,273	3,218,232
Provision for labor contingencies	1,737,228	2,074,229	(1,940,215)	1,871,242	1,325,909
Provision for civil litigation contingencies	1,379,550	1,579,746	(1,588,135)	1,371,161	1,154,950
Provision for tax contingencies	57,078	56,986	(67,410)	46,654	46,895
Adjustment to market value – Trading securities	1,634,479	300,122	(1,622,037)	312,564	750,266
Provision for devaluation of assets not for use	34,106	64,761	(51,288)	47,579	14,611
Others	2,585,937	3,806,875	(3,087,388)	3,305,424	2,707,076
<b>Income and social contribution tax losses:</b>	<b>1,614,526</b>	<b>-</b>	<b>(30,330)</b>	<b>1,584,196</b>	<b>1,385,746</b>
Income tax losses realizable	1,514,904	-	(16,876)	1,498,028	1,373,710
CSLL - MP No. 2158-35/01 (1)	99,622	-	(13,454)	86,168	12,036
<b>Total credits impacting P&amp;L</b>	<b>31,751,681</b>	<b>16,499,882</b>	<b>(15,460,811)</b>	<b>32,790,752</b>	<b>26,025,853</b>
Adjustment to market value – Available-for-sale securities	1,465,081	-	(282,919)	1,182,162	-
Actuarial losses CPC 33	2,352,880	1,370,963	-	3,723,843	2,936,521
<b>Total credits impacting on net equity</b>	<b>3,817,961</b>	<b>1,370,963</b>	<b>(282,919)</b>	<b>4,906,005</b>	<b>2,936,521</b>
<b>Total tax credits</b>	<b>35,569,642</b>	<b>17,870,845</b>	<b>(15,743,730)</b>	<b>37,696,757</b>	<b>28,962,374</b>
<b>Total unaccrued credits</b>	<b>1,011,134</b>	<b>135,119</b>	<b>-</b>	<b>1,146,253</b>	<b>939,779</b>

(1) It includes R\$ 2,374,879 thousand regarding the increase in the rate of social contribution rate on temporary additions and losses carryforwards to be realized until December 2018, based on technical studies and analyses carried out by management, according to Law N°. 13169/15.

Breakdown of Tax Credits - PASEP/COFINS					
Description	12/31/2015	Set up	Reversal	06/30/2016	06/30/2015
<b>Total credits impacting P&amp;L</b>	<b>175,011</b>	<b>42,921</b>	<b>(142,485)</b>	<b>75,447</b>	<b>134,524</b>
Market adjustment	175,011	-	(142,485)	32,526	88,569
Financing expenses not incurred - IHCD	-	42,921	-	42,921	45,955
<b>Total credits impacting equity</b>	<b>158,774</b>	<b>-</b>	<b>(30,660)</b>	<b>128,114</b>	<b>-</b>
Market value adjustment - securities available for sale	158,774	-	(30,660)	128,114	-
<b>Total</b>	<b>333,785</b>	<b>42,921</b>	<b>(173,145)</b>	<b>203,561</b>	<b>134,524</b>

## (e) Expected realization

Twice a year, CAIXA carries out a technical study of the expected realization of credits within 10 years. The amounts determined in the study at 06/30/2016 are as follows:

BOOK VALUE			
Year of Realization	Tax loss/ CSLL at 18%	Temporary difference	Total
2016	1,584,196	6,396,123	7,980,319
2017	-	9,701,526	9,701,526
2018	-	8,626,787	8,626,787
2019	-	1,259,717	1,259,717
2020	-	2,243,770	2,243,770
2021	-	686,851	686,851
2022 to 2025	-	7,401,348	7,401,348
<b>Total</b>	<b>1,584,196</b>	<b>36,316,122</b>	<b>37,900,318</b>
Present value	1,567,099	29,429,106	30,996,205

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

## Note 21 – Income from financial intermediation

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Income from loan operations	23,331,124	45,826,506	21,174,095	40,759,197
Repurchase agreements	6,849,929	13,073,246	3,423,795	7,783,884
Financial assets held for trading	3,996,943	9,961,850	2,573,541	4,810,536
Financial assets available for sale	436,676	761,797	434,902	777,987
Financial assets held to maturity	1,544,178	3,774,125	1,741,585	3,621,581
Income from derivative financial instruments	(2,839,044)	(7,762,951)	(371,461)	2,018,629
Compulsory deposits with the Central Bank of Brazil	2,739,835	5,344,611	2,139,079	4,109,439
Restricted deposits with the National Housing System - SFH	579,038	1,181,697	568,081	1,031,273
Foreign exchange transactions	-	-	-	935,860
Other	398,260	753,843	228,484	421,516
<b>Total</b>	<b>37,036,939</b>	<b>72,914,724</b>	<b>31,912,101</b>	<b>66,269,902</b>

## Note 22 – Expenses with financial intermediation

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Operations with customers	(14,299,103)	(28,279,624)	(12,261,253)	(23,264,890)
Operations with customers financial institutions	(27,954)	(82,264)	(65,920)	(132,368)
Repurchase agreements	(7,874,083)	(15,339,012)	(4,845,673)	(10,308,662)
Securities abroad – without subordination	1,576,872	2,813,889	289,641	(2,469,857)
Securities abroad – with subordination	(3,560,004)	(6,423,495)	(2,965,187)	(7,733,729)
Borrowings, assignments and onlendings	(678,649)	(1,414,616)	(540,953)	-
Special deposits and deposits of funds and programs	(440,571)	(895,809)	(331,075)	(646,988)
Allowance for loan losses	(6,258,766)	(10,067,358)	(4,555,473)	(9,582,927)
Sales or transfer of financial assets	(215,639)	(2,263,810)	(1,370,809)	(1,517,406)
<b>Total</b>	<b>(31,777,897)</b>	<b>(61,952,099)</b>	<b>(26,646,702)</b>	<b>(55,656,827)</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 23 – Revenues from services and banking fees**
**a) Revenue from provision of services**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
National Treasury and administration of social funds	1,741,363	3,423,217	1,631,529	3,193,974
Unemployment Compensation Fund (FGTS)	1,205,389	2,385,025	1,085,410	2,143,666
Wage Variation Compensation Fund (FCVS)	35,156	71,979	32,397	63,949
Contribution Tax on Gross Revenue for Social Integration Program (PIS)	18,380	65,467	12,159	22,410
Federal lotteries	310,051	573,567	326,779	594,386
Student Finance (FIES)	126,483	242,484	95,497	208,792
Residential Lease Fund (FAR)	15,351	31,225	16,548	33,599
Brazilian National Treasury Department (STN) – onlendings	17,372	27,747	48,325	96,082
Unemployment insurance	11,645	23,822	13,704	29,662
Other	1,536	1,901	710	1,428
Revenue from cards	372,687	788,820	382,869	762,740
Loan transactions and guarantees provided	497,193	944,276	485,552	980,594
Collection	233,960	417,548	171,293	334,615
Amounts raised	699,777	1,327,543	592,937	1,184,867
Investment funds and administered portfolios	393,800	770,885	358,874	704,669
Checking account	102,256	210,695	64,209	128,419
Income transfer program	100,805	204,663	85,035	170,045
To affiliates – Investment funds	9,881	19,249	8,948	17,984
To affiliates	122,248	205,196	151,591	291,135
Other services	90,728	187,497	83,717	179,549
<b>Total</b>	<b>4,364,698</b>	<b>8,499,589</b>	<b>4,016,554</b>	<b>7,948,591</b>

**b) Income from bank fees**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Revenue from cards	154,634	307,429	152,545	306,404
Loan and registration operations	287,044	557,999	263,364	503,772
Service package	516,594	1,030,382	449,028	852,042
Deposit accounts	147,881	283,661	105,195	209,564
Transfer of funds	60,695	117,245	49,810	97,602
Other	46,118	74,063	6,039	10,671
<b>Total</b>	<b>1,212,966</b>	<b>2,370,779</b>	<b>1,025,981</b>	<b>1,980,055</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 24 – Personnel expenses**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Salaries	(3,218,145)	(6,502,284)	(2,951,080)	(6,102,425)
Salaries and benefits	(2,843,133)	(5,879,868)	(2,672,599)	(5,597,329)
Labor indemnities	(375,012)	(622,416)	(278,481)	(505,096)
Benefits	(580,855)	(1,105,218)	(601,594)	(1,194,645)
Social charges:	(1,202,349)	(2,379,245)	(1,086,021)	(2,247,487)
FGTS	(223,307)	(448,420)	(205,662)	(419,242)
Social security	(677,585)	(1,349,046)	(637,096)	(1,297,260)
Private pension	(238,995)	(454,267)	(181,198)	(404,906)
Other charges	(62,462)	(127,512)	(62,065)	(126,079)
Other	(39,081)	(73,852)	(42,495)	(80,084)
<b>Total</b>	<b>(5,040,430)</b>	<b>(10,060,599)</b>	<b>(4,681,190)</b>	<b>(9,624,641)</b>

**Note 25 – Other administrative expenses**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Communications	(145,012)	(295,170)	(183,792)	(314,697)
Maintenance and repair of assets	(225,929)	(441,140)	(233,741)	(439,741)
Water and electricity	(137,668)	(270,803)	(117,116)	(223,484)
Rentals and leases	(379,663)	(759,100)	(361,176)	(732,787)
Materials	(32,941)	(68,190)	(46,508)	(104,058)
Data processing	(383,424)	(801,013)	(373,176)	(697,630)
Promotions and public relations	(83,464)	(177,056)	(92,722)	(182,386)
Advertising and promotion	(110,214)	(163,719)	(78,875)	(141,386)
Financial system services	(136,669)	(272,488)	(128,687)	(248,864)
Outsourced services	(438,149)	(871,058)	(412,378)	(832,237)
Specialized services	(139,285)	(265,343)	(171,757)	(332,319)
Surveillance and security services	(225,571)	(406,045)	(192,076)	(390,529)
Amortization	(210,791)	(416,527)	(183,584)	(333,653)
Depreciation	(228,589)	(466,454)	(240,098)	(469,098)
Other administrative	(108,182)	(190,465)	(95,903)	(187,590)
<b>Total</b>	<b>(2,985,551)</b>	<b>(5,864,571)</b>	<b>(2,911,589)</b>	<b>(5,630,459)</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**Note 26 – Other operating income**

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Commissions and fees on operations (1) (2)	75,150	165,705	173,415	192,865
Commissions and fees on operations – FGTS financial agent	929,306	1,653,782	978,936	1,868,092
Recovery of expenses	394,906	747,453	349,741	667,031
Reversal of other operating provisions	156,393	512,923	448,716	934,671
Restatement of escrow deposits	241,101	477,958	208,178	407,298
Income from specific credits	25,855	50,183	21,104	39,732
Revenue from negative goodwill on acquisition of royalties	24,817	33,027	2,198	3,045
Recovery of expenses – PASEP/COFINS (3)	-	58	15,010	109,137
Monetary restatement on sundry operations (2)	72,401	123,317	99,580	352,477
Other operating income	133,741	295,789	174,855	371,433
<b>Total</b>	<b>2,053,670</b>	<b>4,060,195</b>	<b>2,471,733</b>	<b>4,945,781</b>

- (1) In 2015, reclassification of R\$ 542,464 in the first quarter and R\$ 543,534 in the 1st six-month period to the Note Expenses with financial intermediation, under “Loans, assignments and onlendings” (Note 3 (t));
- (2) In 2015, reclassification of R\$ 98,746 in the first quarter and R\$ 228,929 in the 1st six-month period from “Commissions and rates on operations” to “Monetary restatement on sundry operations”;
- (3) Recovered PASEP/COFINS expenses refer to IHCD interest expenses added to the related tax base, based on Law No. 12973/2014.

**Note 27 – Other operating expenses**

Description	2016		2015 (Note 3 (t))	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
Expenses with FCVS receivable -provision/losses	(115,320)	(265,839)	(57,583)	(107,493)
Expenses of obligations with funds and programs	(300,590)	(556,066)	(303,042)	(547,455)
Hybrid instruments of capital and debt - monetary restatement	(284,116)	(436,734)	74,415	(122,712)
Expenses with cards	(149,758)	(492,024)	(330,765)	(669,165)
Expenses with lotteries	(59,757)	(110,669)	(56,650)	(112,898)
Expenses with lottery resellers and business partners	(534,107)	(1,039,278)	(565,080)	(1,147,926)
FGTS - Collection/payment	(122,555)	(239,441)	(125,028)	(253,049)
Automated services	(117,999)	(207,088)	(84,708)	(160,302)
Business leverage	(192,770)	(340,559)	(130,040)	(247,307)
Real estate financing operations	(129,548)	(238,519)	(160,164)	(329,211)
Goodwill on the purchase of commercial portfolios	(106,845)	(211,503)	(99,782)	(182,533)
Loan operation discounts	(65,619)	(122,858)	(328,998)	(460,083)
Improvement transactions - monetary restatement	(3,070)	(5,602)	(218,442)	(225,158)
Expenses related to operating provisions	(206,466)	(423,304)	(307,887)	(537,785)
Provision for contingencies	(268,853)	(779,405)	(344,019)	(837,072)
Adverse legal judgments	(25,218)	(59,845)	(23,366)	(31,528)
Social benefits	(49,060)	(102,895)	(37,142)	(66,984)
Post-employment benefits	(545,510)	(1,091,021)	(369,318)	(738,636)
Operating adjustments in loan transactions	(152,578)	(488,035)	(1,800)	(1,595)
Other	(256,680)	(414,110)	(328,511)	(617,287)
<b>Total</b>	<b>(3,686,419)</b>	<b>(7,624,795)</b>	<b>(3,797,910)</b>	<b>(7,396,179)</b>

**Notes to the Consolidated Financial Statements**

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**Note 28 – Non-operating income (expenses)**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Non-operating income</b>	<b>154,018</b>	<b>290,421</b>	<b>75,443</b>	<b>122,946</b>
Gains on sales of assets	23,769	45,111	22,879	36,359
Sale of properties	13,474	28,679	5,688	13,590
Unclaimed cash surpluses	14,238	27,412	13,645	26,042
Fines and charged	10,387	16,117	4,770	11,052
Capital gains on adjustment of outstanding amounts	685	961	22,869	22,997
Recovery of losses on fraud	4,401	6,820	3,250	7,612
Gains on permanent investments recorded at cost (1)	84,482	159,725	5	10
Other non-operating income	2,582	5,596	2,337	5,284
<b>Non-operating expenses</b>	<b>(205,203)</b>	<b>(404,569)</b>	<b>(205,810)</b>	<b>(375,650)</b>
Impairment of other assets	(36,713)	(52,091)	(5,765)	(13,364)
Indemnity for losses and damages	(83,071)	(143,962)	(69,014)	(111,165)
Losses on properties	(16,195)	(29,835)	(18,343)	(29,825)
Losses on fraudulent electronic withdrawals	(29,633)	(59,431)	(53,253)	(108,059)
Loss on sales of assets	(4,235)	(8,888)	(7,555)	(15,414)
Losses related to credit cards	-	(4,398)	(24,288)	(51,767)
Losses on permanent investments recorded at cost (1)	(22,744)	(78,655)	(17,390)	(29,989)
Other non-operating expenses	(12,612)	(27,309)	(10,202)	(16,067)
<b>Total</b>	<b>(51,185)</b>	<b>(114,148)</b>	<b>(130,367)</b>	<b>(252,704)</b>

(1) Setup and reversal of impairment of investments assessed at cost

**Note 29 – Tax expenses**

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
COFINS	(625,744)	(1,241,064)	(616,856)	(1,136,441)
PIS/PASEP	(103,579)	(206,721)	(100,517)	(185,028)
Tax on Services - ISS	(160,423)	(307,654)	(168,709)	(311,672)
Local Property Tax - IPTU	(7,738)	(65,181)	(10,250)	(56,587)
Other	(12,964)	(22,787)	(7,769)	(20,930)
<b>Total</b>	<b>(910,448)</b>	<b>(1,843,407)</b>	<b>(904,101)</b>	<b>(1,710,658)</b>

## Notes to the Consolidated Interim Financial Statements

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### Note 30 – Contingent assets and liabilities, and legal, tax, and social security obligations

#### Contingent assets

CAIXA has no contingent assets giving rise to the inflow of economic benefits that could be classified as probable.

#### Provisions and contingent liabilities

CAIXA is party to various judicial and administrative proceedings of tax, labor and civil nature, arising from the ordinary course of business. Based on the opinion of the legal counsel, and considering that the procedures adopted by CAIXA comply with the legal and regulatory determinations. Management understands that the provisions set up are sufficient to cover the risks arising from any unfavorable outcome.

Considering the high number of administrative and judicial proceedings, CAIXA uses the following methodology to compute the value at risk:

a) for significant proceedings, the analysis is individually made, where the probable case amount is estimated (provisioned); this calculation is based on the economic effect of the claims filed and is weighed according to the status of the proceeding and its prevailing case law in similar cases; these claims are classified as probable, possible or remote;

b) for other proceedings (not significant), the provisioned amount corresponds to the average historical case amount paid in similar proceedings in the last 36 months and are classified as probable.

The proceedings are grouped in tax, civil and labor claims, considering their subject matter and the economic significance of the group.

#### (a) Probable Risk:

Description	12/31/2015	Changes in 2016					06/30/2016	06/30/2015
		New provisions	Monetary restatement	Additions to existing provisions	Reversals of existing provisions	Write-offs after payment		
Fiscais (Nota 18 (b))	167,351	6,379	3,944	1,524	(12,645)	(19,708)	146,845	155,444
INSS	11,843	-	154	-	-	-	11,997	11,684
IPTU	30,153	425	823	62	-	(8,172)	23,291	27,901
ISS	97,665	5,372	1,986	349	(11,933)	(5,619)	87,820	89,461
Other	27,690	582	981	1,113	(712)	(5,917)	23,737	26,398
Civil (Note 18 (e))	3,030,517	450,324	53,606	203,631	(194,766)	(498,013)	3,045,299	2,638,349
Losses and damage	762,321	224,474	15,406	12,940	(13,851)	(270,874)	730,416	744,568
Savings accounts	1,276,722	14,174	2,747	174,978	(108,986)	(130,543)	1,229,092	1,001,416
Real estate receivables	105,272	127,757	2,768	15,713	-	(42,842)	208,668	105,423
Contingencies related to FGTS	886,202	83,919	32,685	-	(71,929)	(53,754)	877,123	786,942
Labor (Note 18 (e))	3,860,506	311,076	93,807	1,044,582	(336,853)	(663,156)	4,309,962	3,314,772
<b>Total</b>	<b>7,058,374</b>	<b>767,779</b>	<b>151,357</b>	<b>1,249,737</b>	<b>(544,264)</b>	<b>(1,180,877)</b>	<b>7,502,106</b>	<b>6,108,565</b>

**Notes to the Consolidated Interim Financial Statements**

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**(i) Tax proceedings**

Because CAIXA regularly complies with the tax and labor obligations affecting its activities, operations and services, it discusses, based on legislation, the lawfulness of the collection parameters adopted by finance departments from the various bodies of the Federal Government, in accordance with the corresponding specificities of each case.

Provisions set up for cases whose likelihood of loss is probable, based on the opinion of the legal counsel, refer to income and social contribution tax suits, CAIXA regularly monitors the status of the ongoing legal suits, which, in the medium and long term, may be favorable to CAIXA with the reversal of the respective provisions.

We emphasize the notices served by the National Institute of Social Security (INSS) for collection of social security taxes on payments to CAIXA employees, where the severance and non-compensatory nature of certain amounts are challenged, such as meal voucher, absence allowed for personal reasons (APIP), and premium license, reclassified for June 30, 2016, corresponding to the amount of R\$ 1,518,335 (December 31, 2015 – R\$ 1,496,712; June 30, 2015 R\$ 1,480,811), for which a provision of R\$ 11,997 (December 31, 2015 – R\$ 11,843; June 30, 2015 – R\$ 11,684) was set up based on the history of success and case laws, grounded on recent technical and legal analysis on the issue.

As for the Service Tax (ISSQN), CAIXA applies the provisions of Federal Supplementary Law No. 116, of July 31, 2003, adjusting its systems and procedures for determination of the tax basis and payment of the tax on services rendered.

Notwithstanding this, tax audits conducted in various Brazilian cities filed suits against CAIXA alleging non-payment or underpayment of the tax, bringing to light the discussion on different interpretations of the materiality, applicable rates and location where the tax should be levied, the total amount of which at June 30, 2016 is R\$ 634,380 (December 31, 2015 – R\$ 506,743; June 30, 2015 R\$ 506,808).

In light of the history of success and case law scenario, assessed in a technical and legal analysis of the matter, as of 06/30/2016 the provision reaches R\$ 87,820 (12/31/2015 – R\$ 97,665; 06/30/2015 – R\$ 89,461).

Also, as a highlight, CAIXA has been discussing the materiality of the debts arising from ex officio levy due to insufficient payments of non-approved offsets which, at 06/30/2016, amount to R\$ 8,120 (12/31/2015 – R\$7,795; 06/30/2015 – R\$ 7,632), in connection with procedural questions, which, based on jurisdictional pronouncements on the matter, the advisors suggested that a provision should be set for the full value.

**(ii) Labor proceedings**

CAIXA is a defendant in claims filed by employees, former employees of CAIXA or service providers and workers' unions, related to their labor activities, career plans, collective bargaining agreements, severance pay, benefits, retirement, subsidiarity, among others.

At June 30, 2016, a provision was recognized for 58,662 thousand labor proceedings, including approximately 55,416 thousand considered "not significant" and 3,246 thousand "significant".

Aiming to reduce litigation and the amounts spent on proceedings, CAIXA continues adopting its in-court and out-of-court reconciliation policy, voluntarily fulfills certain court decisions and makes the analysis of losses incurred in order to mitigate further litigation involving similar cases. Accordingly, the significant claims are not individually disclosed in order not to adversely affect possible agreements.

## Notes to the Consolidated Interim Financial Statements

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### (iii) Civil proceedings

CAIXA is a defendant in civil proceedings of a compensatory/contractual nature referring to its products, services and banking services. At June 30, 2016, a provision was recognized for 338,199 thousand civil proceedings, including approximately 336,929 thousand considered "not significant" and 1,270 thousand "significant".

We emphasize proceedings challenging the disregard of the effects of indexes of economic plans, as part of the economic policy of the Federal Government to avoid past inflation rates, upon restatement of savings accounts balances.

CAIXA fulfilled the legal requirements in force at the time, however, considering the suits effectively filed and analysis of the current case laws of the High Court of Justice (STJ), at June 30, 2016 a provision of R\$ 1,229,092 was recognized for these proceedings (December 31, 2015 – R\$ 1,276,724; June 30, 2015 – R\$1,001,416).

It is worth highlighting that the statute of limitations for filing of new claims has expired, thus the absence of a representative potential liability. The Supreme Court (STF) suspended the analysis of all appeals until a decision is rendered by that Court binding all related cases discussing this issue.

The proceedings seeking compensation for damages involving transfer of funds from FGTS are also significant. At June 30, 2016, the provision for these proceedings amounts to R\$ 877,123 (December 31, 2015 – R\$ 886,202; June 30, 2015 – R\$ 786,942).

The claims seeking compensation for damages refer to occasional problems with banking services, with the rendering of services or with product acquisition/maintenance.

In 2016, CAIXA entered into 29,731 procedural agreements (74% referring to compensation claims and 26% to credit recoveries), decreasing the amounts that would be fully paid had the judicial decision remained the same, in addition to offering the customer a quick solution to settle the issue. Additionally, CAIXA voluntarily fulfills certain court decisions and makes the analysis of losses incurred in order to mitigate further litigation involving similar cases. Accordingly, the significant suits are not individually disclosed in order not to adversely affect possible agreements.

### (b) Possible risk

In accordance with CMN Resolution 3823/2009, companies are not required to record provisions for contingencies classified as possible losses:

Description	06/30/2016	12/31/2015	06/30/2015
Tax proceedings	5,776,733	5,631,847	5,512,011
Civil Lawsuits	1,989,820	1,454,784	1,402,959
<b>Total</b>	<b>7,766,553</b>	<b>7,086,631</b>	<b>6,914,970</b>

### (i) Tax proceedings

CAIXA continuously monitors administrative and legal tax proceedings in which it is a defendant or a claimant and, supported by the opinions of its legal units, classified as possible loss cases that amounted to R\$ 5,776,733, at June 30, 2016 (December 31, 2015 - R\$ 5,631,847; June 30, 2015 – R\$ 5,512,011), including the following main claims based on the amounts under dispute:

a) R\$ 86,266 at June 30, 2016 (December 31, 2015 – R\$ 82,772; June 30, 2015 – R\$ 79,314) referring to a tax violation notice filed by the National Foundation for Education Development (FNDE), which claims that CAIXA failed to timely pay the contribution tax as shown in a Tax Debt Notice;

b) PIS/PASEP deficiency notices, totaling R\$ 4,695,766 at June 30, 2016 (December 31, 2015 - R\$ 4,621,164; June 30, 2015 R\$ 4,545,538), based on underpayment for the period from January 1991 to December 1995, when Decree-Law No. 2445 and No. 2449/1988 were effective, which changed the tax calculation system, and alleged improper offset of overpayments made from January 1992 to May 1993;

## Notes to the Consolidated Interim Financial Statements

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c) PIS/PASEP tax notice amounting to R\$ 211,018 at June 30, 2016 (December 31, 2015 – R\$ 206,921; June 30, 2015 – R\$ 202,767), based on the identification of different tax bases for payment from January 1996 to December 1998, and from January to October 1999, resulting from the exclusion of revenues (or failure to include them) and from computing expenses considered incorrect and nondeductible from the tax base, respectively;

d) CSLL amounting to R\$ 160,791 at June 30, 2016 (December 31, 2015 – R\$ 155,923; June 30, 2015 – R\$ 150,988) relating to credit arising from overpayment reported in DIPJ and offset in 2003, with discussion regarding procedural issues; and

e) ICMS deficiency notice served by the São Paulo State Finance Department totaling R\$ 240,248 at June 30, 2016 (December 31, 2015 – R\$ 233,211, June 30, 2015 – R\$ 224,441), claiming the tax payment stemming from failure to withhold and collect ICMS at source on services classified under "communication" for tax purposes. This tax notice further determines that CAIXA is the ICMS taxpayer due to tax liability under the special agreement published by Brazil's National Board for Fiscal Policy (CONFAZ).

The contingent matters in dispute are followed up on considering possible consolidation or changes in case laws. This enables their maintenance as a consequence of loss risks continually assessed by CAIXA.

### (ii) Civil proceedings

CAIXA, based on the opinion of its legal counsel, systematically monitors all proceedings whose likelihood of loss is possible or remote.

With regards to the amounts R\$ 1,989,820 (12/31/2015 - R\$ 1,454,784; 06/30/2015 – R\$ 1,402,959), Worth noting as probable losses are a class action claiming illegal acts by CAIXA when managing PREVHAB funds as succeeded to by BNH and a public class action on economic plans on savings filed by the association PROJUST, against which CAIXA filed a motion to reopen the case and question the legitimacy of the association. The enforcements involving such public class action are currently suspended following a decision handed down by the Higher Court of Justice.

### (c) Analysis of deposits in court:

The balances of amounts deposited in escrow in connection with probable, possible and/or remote contingent liabilities are as follows:

Description	06/30/2016	12/31/2015	06/30/2015
Tax proceedings	10,391,292	9,997,452	9,598,952
Civil lawsuits	922,238	917,780	742,739
Labor lawsuits	3,182,463	2,795,947	2,675,782
<b>Total</b>	<b>14,495,993</b>	<b>13,711,179</b>	<b>13,017,473</b>

## Note 31 – Related parties

### (a) Controlling entity

CAIXA is a government financial institution, linked to the Department of Finance, and its capital was fully paid in by the federal government. Therefore, it is directly controlled by the Brazilian National Treasury Office (STN).

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**(b) Related parties**

Considering the existence of related-party transactions for the consolidated financial statements reporting period, we present the nature of CAIXA relationships with these entities:

Related parties	
Entity	Relationship
Brazilian National Treasury - STN	Direct controlling agency
CAIXA Participações S.A. – CAIXAPAR (1)	Direct subsidiary
CAIXA Seguridade (1)	
CAIXA Instantânea (1)	
CAIXA Seguros Holding S.A. (2)	
Banco PAN S.A.	Joint Venture
Capgemini S.A.	
ELO Serviços S.A.	
Tecnologia Bancária S.A. - TECBAN	
Cia Brasileira de Securitização - CIBRASEC	Indirect affiliate
Fundação dos Economizários Federais - FUNCEF	Post-retirement benefit plan

(1) The transactions conducted with these wholly-owned subsidiaries are eliminated upon preparation of the consolidated financial statements of CAIXA.

(2) Organized in order to control CAIXA Seguros Group companies, this comprises: CAIXA Seguros Participações Societárias Ltda., CAIXA Seguradora S.A., CAIXA Vida e Previdência S.A., CAIXA Capitalização S.A., CAIXA Administradora de Consórcios S.A., CAIXA Seguros Especializada em Saúde S.A., CAIXA Seguros Assessoria e Consultoria Ltda., CAIXA Seguros Participações do Sul Ltda. and Companhia de Seguros Previdência do Sul S.A.

**(c) Related party transactions**

Related-party transactions are conducted in the course of CAIXA operating activities, and their attributions are established in specific regulations.

The Code of Conduct of the Employees and Managing Officers of CAIXA prevents its employees and managing officers from establishing commercial or professional relationship, whether directly or through third parties, with its controllers and companies of the same economic group.

CAIXA conducts sundry transactions with CAIXA Seguros Holding, including its investees, mentioned in the footnote to chart (b) – Related Parties. We point out the availability of its service network for sale, by the referred to parties, of insurance, certificate account with lottery prizes, private pension plans and pooled financing. On the other hand, CAIXA renders several bank services to these related parties, such as maintenance of deposit accounts, short-term investments and payment/collection agreements.

As regards transactions conducted with bank PAN, we point out, among others, maintenance of an operational agreement which determines a revolving credit limit for acquisition of credit portfolios and investment in interbank deposits.

CAIXA maintains with Capgemini IT service contracts for development of corporate solutions for own use. With TECBAN, CAIXA maintains service contracts for use of ATMs. In June 2016, CAIXA amounts held by TecBan reached R\$ 1,292,776. ELO provides CAIXA with services and payment methods. CAIXA maintains contracts for provision of bank services and rent of properties owned by FUNCEF.

In the course of its operations CAIXA generated amounts receivable from its Controlling Entity which at March 31, 2016, totaled approximately R\$ 2.8 billion. The main part of the amount is comprised of balances relating to operations in prior years, for which CAIXA's management concluded on treatment and reached an understanding with Brazil's National Treasury Department. Receivables procedures are at the validation stage and there is a budgetary projection from the Brazilian Federal Government for its settlement.

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Equity balances arising from related-party transactions, considering the nature of the relationship with those entities, are as follows:

Description	06/30/2016			12/31/2015			06/30/2015		
	Controlling entity	Jointly-controlled entities	Other entities (1)	Controlling entity	Jointly-controlled entities	Other entities (1)	Controlling entity	Jointly-controlled entities	Other entities (1)
<b>ASSETS:</b>	<b>2,997,005</b>	<b>28,016,301</b>	-	<b>2,697,966</b>	<b>25,190,678</b>	-	<b>4,524,925</b>	<b>18,576,086</b>	-
Interbank deposits	-	11,105,714	-	-	9,691,758	-	-	5,663,446	-
Income receivable (2)	2,081,141	19,090	-	1,830,660	25,299	-	2,797,296	5,636	-
Loans	25,107	-	-	26,732	-	-	935,712	-	-
Credits acquired	-	16,873,923	-	-	15,473,621	-	-	12,907,004	-
Other credits	890,757	-	-	840,574	-	-	791,917	-	-
Other values and assets	-	17,574	-	-	-	-	-	-	-
<b>LIABILITIES:</b>	<b>37,655,504</b>	<b>1,661,881</b>	<b>3,354,443</b>	<b>37,204,591</b>	<b>1,158,220</b>	<b>1,630</b>	<b>35,791,853</b>	<b>976,165</b>	-
Deposits	475,125	44,294	1,805	244,556	718	1,630	490,831	21,891	-
Open market funding	-	320,167	-	-	-	-	-	700,354	-
Local on-lending - official institutions (3)	34,632,904	-	-	35,286,937	-	-	34,168,435	-	-
Funds and social programs (4)	127,651	-	-	118,650	-	-	64,911	-	-
Financial and development funds (4)	2,372,149	-	-	1,509,771	-	-	1,025,140	-	-
Sundry liabilities	47,675	1,297,420	3,352,638	44,677	1,157,502	-	42,536	253,920	-

(1) Comprise the group of other entities: FUNCEF and CIBRASEC.

(2) Amount from the controlling entity group changed pursuant to the actualization of the specification. The amount disclosed at 06/30/2015 was R\$ 3,845,890.

(3) At 06/30/2015 the amount of R\$ 34,165,697 was added to the controlling entity group relating to FDS, PIS, BNDES and the FMM. The amount stated in 2015 of R\$ 2,738 solely refers to the Federal Government.

(4) Values of the Controlling entity group not presented at 06/30/2015.

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P&amp;L balances arising from related-party transactions, considering the nature of the relationship with those entities, are as follows:

Description	2 <sup>nd</sup> quarter of 2016			1 <sup>st</sup> six-month period of 2016			2 <sup>nd</sup> quarter of 2015			1 <sup>st</sup> six-month period of 2015		
	Controlling entity	Jointly-controlled entities	Other entities (1)	Controlling entity	Jointly-controlled entities	Other entities (1)	Controlling entity	Jointly-controlled entities	Other entities (1)	Controlling entity	Jointly-controlled entities	Other entities (1)
<b>REVENUE:</b>	<b>43,390</b>	<b>654,191</b>	<b>-</b>	<b>78,251</b>	<b>1,080,814</b>	<b>-</b>	<b>69,637</b>	<b>368,231</b>	<b>-</b>	<b>136,246</b>	<b>690,022</b>	<b>-</b>
Result of operations with marketable securities	-	377,131	-	-	721,063	-	-	207,692	-	-	380,903	-
Service income	17,534	121,987	-	28,068	204,678	-	48,533	160,539	-	96,514	309,119	-
Other operating income	25,856	155,073	-	50,183	155,073	-	21,104	-	-	39,732	-	-
<b>EXPENSES:</b>	<b>(1,194)</b>	<b>(301,813)</b>	<b>(336,249)</b>	<b>(2,350)</b>	<b>(597,281)</b>	<b>(568,161)</b>	<b>(1,365)</b>	<b>(152,135)</b>	<b>(197,319)</b>	<b>(2,031)</b>	<b>(246,757)</b>	<b>(437,157)</b>
Market fundraising operations	-	(933)	-	-	(1,192)	-	-	-	-	-	-	-
Personnel expenses (2)	-	-	(238,995)	-	-	(454,267)	-	-	(181,198)	-	-	(404,906)
Administrative expenses	-	-	(16,838)	-	-	(33,478)	-	-	(16,121)	-	-	(32,251)
Sale or transfer of financial assets	-	-	(80,416)	-	-	(80,416)	-	-	-	-	-	-
Other operating expenses	(1,194)	(300,880)	-	(2,350)	(596,089)	-	(1,365)	(152,135)	-	(2,031)	(246,757)	-

(1) Comprise the group of other entities: FUNCEF and CIBRASEC.

(2) Values of the Other Entities group not presented at 06/30/2015.

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**(d) Remuneration of key management personnel**

The costs incurred with compensation and other benefits provided to key management personnel (Board of Directors, Statutory Audit Board, Executive Board, and Audit Committee) are shown below:

Description	2016		2015	
	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period	2 <sup>nd</sup> quarter	1 <sup>st</sup> six-month period
<b>Short-term benefits</b>	<b>12,927</b>	<b>20,216</b>	<b>12,950</b>	<b>20,248</b>
Salaries	9,721	15,068	9,723	15,069
Payroll charges	3,206	5,148	3,227	5,179

Description	06/30/2016 (amounts in R\$)		12/31/2015 (amounts in R\$)		06/30/2015 (amounts in R\$)	
	Management	Employee	Management	Employee	Management	Employee
Highest salary	53,266.87	36,886.00	53,266.87	36,901.00	50,973.08	33,532.00
Average salary	42,982.42	8,218.57	42,982.42	8,101.39	41,131.48	7,244.59
Lowest salary	39,685.01	2,429.00	39,685.01	2,429.00	37,976.06	2,208.00
Benefits	5,500.35	2,796.05	4,747.86	2,404.27	4,131.00	2,376.00

CAIXA does not provide variable share-based compensation and other long-term benefits, and neither does it offer post-employment benefits to its managers. Post-employment benefits are only offered to CAIXA's staff.

**Note 32 – Employee benefits****(a) Analysis of the provision for employee benefits**

Provisions for employee benefits include expected costs in the short term and in the post-employment period. Provisions for short-term benefits are recognized to settle payroll-related costs and profit sharing. Provisions for post-employment benefits refer to expected costs (actuarial calculations) on retirement, pension and health care plans and meal/food vouchers offered by CAIXA.

These provisions are broken down as follows:

Description	06/30/2016	12/31/2015	06/30/2015
<b>Short-term benefits</b>	<b>3,440,420</b>	<b>3,020,078</b>	<b>3,180,327</b>
Salary-related	3,067,175	2,500,687	2,753,917
Profit sharing	373,245	519,391	426,410
<b>Post-employment benefits (Note 18 (e))</b>	<b>20,062,102</b>	<b>15,744,858</b>	<b>16,397,054</b>
Saúde CAIXA (actuarial calculation (g,1))	14,696,873	12,068,398	12,097,849
Meal and food vouchers (actuarial calculation (g,2))	1,236,705	1,097,455	1,055,997
Benefit plans - private pension (actuarial calculation (g,4))	4,128,524	2,579,005	3,243,208
<b>Total</b>	<b>23,502,522</b>	<b>18,764,936</b>	<b>19,577,381</b>

**(b) Short-term benefits:**

The provisions for short-term benefits mainly comprise salaries payable, 13<sup>th</sup> month salary, vacation pay, bonus leave, frequency bonus, and employee profit sharing, and mature in the course of twelve months following the period to which the consolidated financial statements refer.

**Notes to the Consolidated Financial Statements**

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**(c) Post-employment benefits**

CAIXA sponsors post-retirement, pension, supplementary health care plans and meal/food vouchers. These benefits are offered to employees, officers, retirees and pensioners in connection with their employment relationship or with the succession to duties or rights of other entities (as the case is with former Banco Nacional de Habitação – BNH).

**(d) Plan management, organizational structure and corporate governance**

In relation to retirement and pension plans sponsored by CAIXA, their management is carried out by Fundação dos Economistas Federais (FUNCEF), a closely-held supplementary pension, nonprofit entity with administrative and financial autonomy, created based on Law No. 6435, of July 15, 1977 (repealed by Supplementary Law No. 109, of May 29, 2001).

The foundation is regulated by an industry-related legislation (<http://www.previdencia.gov.br/a-previdencia/previc/legislacao-da-previdencia-complementar/>), its Articles of Organization, regulations of Benefit Plans and management actions, such as the Code of Business Conduct and Code of Best Corporate Governance Practices ([www.funcef.com.br](http://www.funcef.com.br)).

FUNCEF has an Advisory Board, Executive Board and Supervisory Board, according to Supplementary Law No. 108/2001. The first two bodies are for management purposes and the last for internal control purposes.

The three bodies have internal regulations and obligations, roles, formation and criteria related to the provisions of the Articles of Organization of FUNCEF.

In summary, the Advisory Board is the highest authority of the organizational structure of FUNCEF and responsible for defining entity's general management policy and benefit plans. The Supervisory Board is responsible for foundation's internal control. As management board, the Executive Board manages funds, plans and programs, in strict compliance with the rules contained in the Articles of Organization, in Regulations of Benefit Plans and in guidelines and resolutions of the Advisory Board.

The Articles of Organization also provide for Technical Advisory Committees, reporting to the Advisory Board, with their internal regulations approved by that body. In order to support the work of the three statutory bodies, Investment, Benefit, Ethics, Financial Information Quality and Audit Committees comprise members appointed by the Advisory Board, Patrocinadora CAIXA and Executive Board.

The Foundation also has internal groups and commissions created for specific purposes and organized by means of Portaria da Presidência da FUNCEF (PRESI).

With relation to supplementary health care plans and luncheon voucher/food staples basket, they are directly managed by CAIXA.

**(e) Actuarial risks**

Among other risks, CAIXA is exposed to actuarial risk, arising from the condition of sponsor of Pension Plans managed by FUNCEF (REG/REPLAN, REB and Novo Plano) and Caixa health care plans, luncheon voucher/food staples basket and PREVHAB, under direct management of CAIXA.

The concept of actuarial risk may be characterized by the inability to accumulate and/or maintain funds consistent with the commitments made to participants in a Pension Fund, health care plan beneficiaries and other beneficiaries.

Actuarial risk particularly arises from inadequate actuarial hypotheses and assumptions established, which may cause Benefit Plan volatility.

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In order to measure actuarial risk from CAIXA sponsorship to Benefit Plans granted to its employees, a specific methodology was developed, based on the best practices of domestic and foreign markets. The model is based on the application of shocks to actuarial hypotheses and assumptions of Benefit Plans, simulating stress events. Considering the amounts generated by the model, CAIXA calculates capital to be allocated due to its exposure to actuarial risk, if needed.

### (f) Asset/liability crosschecking strategy

As established by CMN Resolution No. 3792 of September 24, 2009, to determine the allocation goal for funds that guarantee benefit plans by investment segment, FUNCEF adopts its own Asset Liability Management (ALM), which uses stochastic scenarios for changes in assets and liabilities, from pessimistic to optimistic scenarios built from scenarios approved by the Executive Board with detailed discussion in investment and technical advisory committees – having representatives of entities representing participants, sponsor and FUNCEF. The purpose of this model is to minimize the risk of benefit plans with expected profitability of five years, exceeding the accumulated actuarial target in more than 1% p.a., considering the individual characteristics of the plans, such as benefit payments, received contributions, committed capital, asset receipt flow and needed liquidity.

With relation to actuarial liability management and risk management associated with it for future projection purposes for ALM, a stochastic methodology is used, generating 50 actuarial liability flows with simultaneous variations in all assumptions previously established, using the SAS system. Stochastic flows consider variations on the main actuarial hypotheses, as follows:

- Economic variables related to actual interest and growth rate of participation salaries;
- Biometric and demographic variables related to survival or death of participant not disabled (active or assisted), survival or death of participant disabled, survival or death of spouse, participant as not disabled or disabled and participant turnover.

### (g) Benefit plans

Details on each of the plans, including those managed by FUNCEF, are as follows:

#### (g.1) Health care plans – Saúde CAIXA and PAMS

Saúde CAIXA is a self-managed health care program established and managed by CAIXA itself for the purpose of providing medical, hospital, laboratory, radiology, dental, psychological assistance, physical therapy, occupational therapy, social services, speech therapy and diet counseling to beneficiaries and their dependents. This benefit is granted by CAIXA to its employees and retirees associated with FUNCEF, PREVHAB, SASSE, PMPP Fund and the National Institute of Social Security (INSS).

The costs of the Saúde CAIXA Health Care Plan are defrayed by CAIXA through contributions equivalent to 70% of the assistance expenditures.

The beneficiary defrays 30% of the assistance expenditures through monthly payments of 2% on the base remuneration for the family group, plus a co-participation of 20% on the use of the assistance, limited to a co-participation cap, and monthly payments for each indirect dependent enrolled.

PAMS is a benefit offered by CAIXA to beneficiaries and their dependents who are parties to injunction pending trial and lawsuits. It is a self-managed program established and managed by CAIXA itself for the purpose of providing medical, hospital, dental and psychological assistance, through a network of accredited entities, all over Brazil, in compliance with PAMS rules and Table.

The most recent actuarial studies of present value of the defined benefit obligation were conducted at December 31, 2015 by Deloitte Touche Tohmatsu, a member of the Brazilian Institute of Actuaries. The present value of the defined benefit obligation, current service cost and past service cost were measured by using the projected unit credit method.

The amount of the actuarial provision obtained through the discount to present value of all the flows of assistance expenses relating to current and future retirees and pensioners is R\$ 14,696,873 (December 31, 2015 – R\$ 12,068,398 – June 30, 2015 – R\$12,097,849).

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### (g.2) Meal Vouchers and Food Basket Allowance

CAIXA provides its employees and managing officers with Luncheon/Meal Voucher and Food Staples Basket under current legislation and Collective Bargaining Agreement. The actuarial results presented, related to Luncheon Voucher and Food Staples Basket, refer only to benefits granted to participants assisted entitled to them.

The monthly value of Luncheon/Meal Voucher and Food Staples Basket is defined in September of each year. For the period from September 2015 to August 2016, the value of the luncheon/meal voucher is R\$ 652.08 per month to pay for meals at restaurants and similar establishments. The value of the food staples basket allowance from September 2015 to August 2016 is R\$ 491.52 per month to purchase food from supermarkets or similar commercial establishments. They have an indemnification nature and are not considered part of salary. Accordingly, there are no charges on the company and employees.

The Luncheon/Meal Voucher and Food Staples Basket are benefits paid solely to retirees and pensioners in accordance with a judicial or extra judicial agreements. In the first six-month period of 2016, 433 new benefits were granted while 1,106 were granted in 2015.

The amount of the actuarial provision obtained through the discount to present value of all the flows of meal and food voucher expenses relating to current and future retirees and pensioners is R\$ 1,236,705 (December 31, 2015 – R\$ 1,097,455 – June 30, 2015 R\$ 1,055,997).

### (g.3) Benefit plan - PREVHAB payees

Under Decree No. 2291, of November 21, 1986, the National Housing Bank (BNH) ceased to exist and CAIXA has been the successor to all of its duties and rights, including those arising from employment relations.

Among the obligations assumed by CAIXA in relation to the employees of BNH was the maintenance of Associação de Previdência dos Empregados do BNH – PREVHAB, a Pension Fund responsible for supplementing the social security benefits of the employees of BNH.

For absorption of PREVHAB by Fundação dos Economiários Federais – FUNCEF or transfer of beneficiaries from the former to the latter, in compliance with the private law applicable to the situations, social security strategies were studied and adopted by CAIXA/FUNCEF; however, since they were not in line with CAIXA's proposal or did not meet the requirements established, 65 beneficiaries continue to receive amounts from CAIXA.

Given the characteristics of the Plan, Net Assets will be paid by the Sponsor in the same amount of the Obligation.

### (g.4) Supplementary private pension plans

- **REG/REPLAN**

CAIXA sponsors the REG/REPLAN Benefit Plan, managed by FUNCEF, structured as Defined Benefit plan. This plan was approved by the corresponding authority on May 17, 1977, starting on August 1, 1977. The plan incorporates the regulations introduced in 1977 (REG) and 1979 (REPLAN), treated as a single plan.

The settlement of the benefits of this plan was defined through an amendment to its regulations, on June 14, 2006. Such procedure means that the benefit amount is settled, calculated, and restated based on the plan's index, with no further reference to the participation salary, and the benefit is granted and maintained by a social security government agency. The regular contribution to this plan is cancelled and the participant adheres to another benefit plan offered by the sponsor.

In line with the changes in previous plans, some items established by Supplementary Law No. 109, of May 29, 2001, are included, such as: guaranteed conditions for redemption and portability of the balance of the participant's individual account.

## Notes to the Consolidated Financial Statements

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REG/REPLAN not settled assures its participants and beneficiaries the following benefits:

- Supplementary retirement benefits based on the contribution period;
- Supplementary retirement benefits for disability;
- Supplementary retirement benefits based on age;
- Supplementary special retirement benefits;
- Supplementary pension benefits for death;
- Supplementary annual bonus;
- Funeral payments;
- Self-sponsorship, deferred proportional benefit, portability and redemption.

The settled benefits provided to participants and beneficiaries are as follows:

- Full planned benefit;
- Prepaid planned benefit;
- Benefit for disability;
- Annual bonus;
- Prepaid single benefit;
- Pension for death;
- Benefit for death.

CAIXA adopted the Risk Sharing concept, considering that the Actuarial Liabilities shall be borne 50% by the Sponsor and 50% by the Participants. We point out that the adoption of the Risk Sharing concept is CAIXA's responsibility, which performed the analysis required technically.

In relation to the costing plan of REG/REPLAN, defined as the calculation prepared by the actuary responsible for the plan that defines the level of contribution necessary for setting up reserves that guarantee benefits, funds, provisions and coverage of other benefit plan expenses, for actuarial balance, it will define the contribution percentages to be applied to the Plan and will be segregated between those opting for settlement or not, with review of minimum annual periodicity, under plan's regulation (available on: [www.funcef.com.br/](http://www.funcef.com.br/)).

As the REG/REPLAN Pension Plan sponsored by CAIXA has recorded in 2014 its third consecutive year of accumulated technical deficit, Company management approved the plan for restructuring, which follows the rule approved by the National Supplementary Pension Council (CNPC) on last November 25 and implemented by MPS/CNPC Resolution N° 22/2015, published in the Official Gazette on December 3, 2015.

According to the regulation of the plan itself and Quase-constitutional Laws N° 108 and 109/2001, CAIXA bears on an equal basis with the members on such plan the accumulated deficit subject matter of the restructuring plan.

The amount contributed by CAIXA, updated as of 12/31/2015, reaches R\$ 1,132,946, and the amortization deadline reaches 17.4 years or 208 months.

Specifically in relation to the REG/REPLAN plan – Paid Type, in connection with the provisions of said Pronouncement, CAIXA maintains a provision for R\$ 2,307,318 (at 12/31/2015), to cover the actuarial deficit determined for such plan.

Accordingly, to the detriment of the fact of an expected increase in current expenses (extraordinary contributions to FUNCEF), the amount of the actuarial provision previously set up by CAIXA, pursuant to Technical Pronouncement CPC 33, is sufficient to support the need for future disbursements relating to the plan to restructure the technical deficit determined by FUNCEF.

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- **REB**

CAIXA sponsors the REB Benefit Plan, managed by FUNCEF. The REB Benefit Plan was approved by the corresponding authority on August 5, 1998 and started thereon.

REB is structured as Variable Contribution plan, and the participant's regular contribution is calculated by applying a percentage on the participation salary, defined upon adoption thereof, which cannot be lower than 2% (two percent).

Upon the establishment of the REB Plan, new adhesions to the REG/REPLAN ceased and that plan was offered to employees who joined CAIXA as from 1998. On February 4, 2002, the plan's regulation was amended to permit the migration of REG/REPLAN participants to REB, which was opposed by the members. This experience influenced the process of preparing the proposal for REG/REPLAN Settled and the establishment of the "Novo Plano" Benefit Plan.

Based on Order No. 160/2008/GENEP, the REB Benefit Plan that was virtually segregated into REB 1998 and REB 2002 was unified.

REB assures its participants and beneficiaries the following benefits:

- Life annuity based on the contribution period;
- Life annuity based on retirement for disability of the licensed participant;
- Life annuity based on retirement for disability;
- Pension for death;
- Benefit for death;
- Prepaid annuity;
- Annual bonus; and
- Self-sponsorship, deferred proportional benefit, portability and redemption.

In relation to the costing plan of the REB plan, defined as the calculation that determines the level of contributions of the sponsor, participants and assisted participants, in order to establish the benefit plan cost, it will be established with minimum annual periodicity, to properly set the level of social contributions due and administrative costs, mandatorily contained in the result of plan's actuarial assessment, as defined in plan's regulation (available on: [www.funcef.com.br](http://www.funcef.com.br)).

- **Novo Plano**

CAIXA sponsors the Novo Plano Benefit Plan, managed by FUNCEF. It was approved by the corresponding authority on June 16, 2006 and started on September 1, 2006.

Novo Plano is structured as Variable Contribution, with contribution defined in setting up reserves and benefit defined in receiving benefits, as well as in cases of risk benefits, such as disability and pension for death. It includes items established by Supplementary Law No. 109, of May 29, 2001 – such as guaranteed conditions for redemption and portability of the balance of the participant's individual account. It also adopts the new contribution base, increasing the portion allocated by CAIXA to the balance of the beneficiary's account. The participant's regular contribution is calculated by applying a percentage on the participation salary, defined upon adoption of the plan, which cannot be lower than 5% (five percent).

Administrative expenses shall be equally borne by the Sponsor, Participants and Beneficiaries and shall be approved by the Executive Board and Decision-Making Board of FUNCEF, in compliance with the limits and criteria established by the corresponding authority.

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Novo Plano assures its participants and beneficiaries the following benefits:

- Full planned benefit;
- Prepaid planned benefit;
- Benefit for disability;
- Annual bonus;
- Prepaid single benefit;
- Pension for death;
- Benefit for death; and
- Self-sponsorship, deferred proportional benefit, portability and redemption.

CAIXA adopted the Risk Sharing concept, considering that the Actuarial Liabilities shall be borne 50% by the Sponsor and 50% by the Participants. We point out that the adoption of the Risk Sharing concept is CAIXA's responsibility, which performed the analysis required technically.

The NOVO PLANO costing plan will establish the level of contribution necessary for setting up reserves that guarantee benefits, institutes, funds, provisions and coverage of other expenses, approved by the Executive Board, subject to approval of the Advisory Board of FUNCEF and the sponsor, in compliance with criteria established by the regulator, under plan's regulation (available on: [www.funcef.com.br/](http://www.funcef.com.br/)).

The costing plan will be annual, but may be reviewed at any time if duly justified by FUNCEF, and will be under the responsibility of the sponsor and participants, including those assisted.

FUNCEF's administrative expenses will be borne by the sponsor and participants, including those assisted, in compliance with the limit and criteria established by the regulator.

### (h) Number of participants – post-employment benefit:

There was not significant variation in the number of beneficiaries at 06/30/2016, given the low volatility of entry and exist of participants.

Description	31/12/2015			06/30/2015		
	Active	Beneficiaries	Total	Active	Beneficiaries	Total
Saúde Caixa (Including dependents)	93,523	60,939	154,462	96,120	56,335	152,455
Meal Vouchers and Food Basket Allowance (retirees and pensioners)	-	15,101	15,101	-	14,501	14,501
PREVHAB (retirees and pensioners)	-	65	65	-	66	66
REG/REPLAN	25,127	38,513	63,640	28,227	35,129	63,356
REB	7,265	705	7,970	7,420	654	8,074
Novo Plano	88,028	4,865	92,893	90,411	3,907	94,318

### (i) Actuarial valuation of benefit plans

The company Deloitte Touche Tohmatsu was engaged to perform the actuarial valuation of benefit plans sponsored by CAIXA. The aforesaid actuarial valuation comprised the following benefit plans Saúde CAIXA, Meal Vouchers and Food Basket Allowance, PREVHAB, REG/REPLAN, REB and Novo Plano.

The actuarial calculations and surveys conducted by the advisory department with the accounting pronouncement Brazilian FASB (CPC) 33 (R1), approved by CVM Resolution No. 695/2012, support CAIXA's accounting of equity and profit or loss.

CAIXA is partially responsible for covering the liabilities of REG/REPLAN, REB and Novo Plano plans, and fully responsible for covering the commitments held with Meal Vouchers and Food Basket Allowance and beneficiaries of PREVHAB.

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**(i.1) Recognition of actuarial gains and losses**

CAIXA's accounting policy of gains and losses accounted for in its financial statements for pension and health plans, and post-employment benefits structured as Defined Plan, as determined by CPC 33 (R1), corresponds to recognition of all actuarial gains and losses in the period they take place under Other Comprehensive Income.

In the plans containing net actuarial assets, these are limited to the value of the economic benefit CAIXA may use, calculated as present value of the cash flow of values reversed from CAIXA plans or the actual reduction of future contributions, if any. At 06/30/2016, economic benefits subject to recognition by the sponsor were not determined.

With regards to Defined Benefit (BD) pension plans, these do not generate actuarial gains or losses.

**(i.2) Main actuarial assumptions adopted in the actuarial valuation of the plans:**

As determined by CPC 33 (R1), assumptions (financial and demographic) should be defined for the actuarial evaluation of benefit plans reflecting the best estimates of the entity on the variables that will determine the final cost to provide these benefits to its employees.

The calculation of the annual actuarial discount interest rate considers the rate of return on first-class government bonds used as reference, taking into account the inexistence of marketable securities with the conditions provided for in CPC 33. This alternative is provided for by such standard.

Among the main actuarial assumptions adopted in Saúde CAIXA is the Medical Cost Growth Rate, with projected annual rates of 5.50% for 2017, 5.00% for 2018, 4.50% for 2019, 4.00% for 2020, 3.50% for 2021, 3.00% for 2022, 2.50% for 2023, 2.00% for 2024, and 1.50% from 2025 onwards.

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**(i.3) Financial and demographic assumptions considered in the actuarial calculations of the benefit plans:**

Description	Saúde CAIXA (3)			Allowance and Food Basket			PREVHAB beneficiaries		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
Annual interest rate (1)	11.8	13.91	11.72	11.66	14.22	11.94	11.68	14.42	12.12
Projected annual salary increase	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Projected annual benefit increases	N/A	N/A	5,43	N/A	N/A	5,43	5,18	6,47	5,43
Annual average inflation rate	5,18	6,47	5,43	5,18	6,47	5,43	5,18	6,47	5,43
Expected return on plan assets	N/A	N/A	N/A	N/A	N/A	N/A	11,68	14,42	12,12
Turnover rate (2)	1,08	1,08	1,21	N/A	N/A	N/A	N/A	N/A	N/A
General mortality table	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000
	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)
Disability table	Light	Light	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Disability mortality table	CSO - 58	CSO - 58	N/A	CSO - 58	CSO - 58	N/A	CSO - 58	CSO - 58	N/A
Retirement	H – 55; M – 52	H – 55; M – 52	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (1) The annual actuarial discount interest rate calculation considers, in addition to inflation detected for the period (5.18%), the remuneration rate of first-tier federal government bonds used as reference, considering the inexistence of marketable securities with the conditions set forth in CPC 33. This alternative is set forth in the referred to pronouncement.
- (2) Changes in financial and demographic assumptions identified, in line with CPC 33, are explained by the need to consider the best estimates of the entity about variables that will determine the final cost of providing post-employment benefits.
- (3) Among significant actuarial assumptions adopted in Saúde CAIXA, we point out the Medical Cost Growth Rate, with projected annual rates of 5.00% for 2017, 4.50% for 2018; 4.00% for 2019, 3.50% for 2020; 3.00% for 2021; 2.50% for 2022; 2.00% for 2023; 1.50% for 2024, and 1.00% as from 2025.

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Description	REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	Settled	Not settled								
	06/30/2016	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
Annual interest rate (1)	11.66	11.67	14.27	11.98	11.67	14.37	12.06	11.66	14.27	11.98
Projected annual salary increase	5.18	7.7	N/A	9.03	9.23	10.87	10.2	8.51	9.85	8.14
Projected annual benefit increases	5.18	5.18	6.47	5.43	5.18	6.47	5.43	5.18	6.47	5.43
Annual average inflation rate	5.18	5.18	6.47	5.43	5.18	6.47	5.43	5.18	6.47	5.43
Expected return on plan assets	11.66	11.67	14.27	11.98	11.67	14.37	12.06	11.66	14.27	11.98
Turnover rate (2)	N/A	N/A	N/A	N/A	FUNCEF experience REB 2013	FUNCEF experience REB 2013	FUNCEF experience REB 2013	FUNCEF experience Novo Plano 2015	FUNCEF experience Novo Plano 2015	FUNCEF experience Novo Plano 2015
General mortality table	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000	RP 2000
	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)	(-20%)
Disability table	Light	Light	Light	Light	Light	Light	Light	Light	Light	Light
Disability mortality table	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58	CSO - 58
Retirement	H - 53	H - 55	H - 53	H - 53	100% - 1 <sup>st</sup> eligibility	100% - 1 <sup>st</sup> eligibility	100% - 1 <sup>st</sup> eligibility	H - 55	H - 55	H - 55
	M - 48	M - 52	M - 48	M - 48				M - 52	M - 52	M - 52

- (1) The annual actuarial discount interest rate calculation considers, in addition to inflation detected for the period (5.18%), the remuneration rate of first-tier federal government bonds used as reference, considering the inexistence of marketable securities with the conditions set forth in CPC 33. This alternative is set forth in the referred to pronouncement.
- (2) Changes in financial and demographic assumptions identified, in line with CPC 33, are explained by the need to consider the best estimates of the entity about variables that will determine the final cost of providing post-employment benefits.

**(i.4) Reconciliation of present value of plan actuarial obligations:**

The present value of the actuarial obligation represents the final costs at present value of defined benefit plans for sponsoring entities. The calculation of these costs considers several variables such as salaries on the benefit grant date, employee turnover and mortality, employee contributions and trends of medical cost. This is, therefore, an attempt to identify actuarial amounts, which mainly intends to calculate with as accurate as possible the obligation amount resulting from employee service in current and past periods.

The Projected Unit Credit Method is used to determine the present value of defined benefit obligations and the respective current service cost and, where applicable, past service cost. It is also known as "accumulated benefit method", treats each period of service as the source of an additional benefit entitlement unit and measures each unit separately to determine the final obligation.

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Description	Saúde CAIXA			Meal and food vouchers			PREVHAB beneficiaries		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
VPOA <sup>1</sup> at beginning of year	(12,068,398)	(12,097,849)	(9,346,949)	(1,097,455)	(861,146)	(861,147)	(41,116)	(49,944)	(49,944)
Current service cost	(89,355)	(94,741)	(162,210)	-	-	-	-	-	-
Interest cost	(825,764)	(703,458)	(588,469)	(82,021)	(122,223)	(57,711)	(2,813)	(5,691)	(3,042)
Re-measurement of actuarial gains (losses)	(1,898,873)	636,355	(2,155,886)	(114,014)	(219,016)	(186,276)	(3,198)	10,131	5,894
Experience adjustments	(392,345)	1,151,246	(193,209)	(16,513)	(309,166)	(182,301)	900	5,988	5,382
Changes in demographic assumptions	-	(31,196)	(479,584)	-	-	-	-	-	-
Changes to financial assumptions	(1,506,528)	(483,695)	(1,483,093)	(97,501)	90,150	(3,975)	(4,098)	4,143	512
Benefits paid by the plan	185,517	191,295	155,665	56,785	104,930	49,137	2,316	4,388	2,305
<b>VPOA<sup>1</sup> at end of year</b>	<b>(14,696,873)</b>	<b>(12,068,398)</b>	<b>(12,097,849)</b>	<b>(1,236,705)</b>	<b>(1,097,455)</b>	<b>(1,055,997)</b>	<b>(44,811)</b>	<b>(41,116)</b>	<b>(44,787)</b>

**VPOA<sup>1</sup> – Present Value of Actuarial Obligation**

Description	REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	Settled	Not settled								
	06/30/2016	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
VPOA <sup>1</sup> at beginning of year	(38,512,812)	(3,901,853)	(41,801,945)	(41,801,945)	(277,605)	(276,926)	(254,556)	(861,104)	(721,415)	(581,419)
Current service cost	-	4,272	(83,659)	(74,255)	(691)	(1,501)	(1,217)	(8,300)	(11,757)	(9,099)
Interest cost	(2,639,094)	(268,292)	(5,300,051)	(2,586,749)	(17,394)	(16,381)	(15,670)	(59,472)	(42,705)	(36,316)
Participant's expected contributions	(35,835)	(9,648)	(30,704)	(11,311)	(333)	(172)	(9)	-	-	-
Re-measurement of actuarial gains (losses)	(3,258,609)	(306,847)	1,816,641	(3,022,067)	(21,000)	6,707	(14,981)	(207,018)	(102,102)	(108,537)
Experience adjustments	83,312	200,305	(2,927,808)	(3,077,081)	10,045	(27,901)	(20,432)	(18,828)	(218,026)	(126,843)
Changes in demographic assumptions	-	-	190,595	124,178	-	-	3,003	-	(2,610)	19,690
Changes to financial assumptions	(3,341,921)	(507,152)	4,553,854	(69,164)	(31,045)	34,608	2,448	(188,190)	118,534	(1,384)
Benefits paid by the plan	1,209,003	96,638	2,985,053	1,381,678	12,058	10,668	9,507	20,263	16,875	13,956
<b>VPOA<sup>1</sup> at end of year</b>	<b>(43,237,347)</b>	<b>(4,385,730)</b>	<b>(42,414,665)</b>	<b>(46,114,649)</b>	<b>(304,965)</b>	<b>(277,605)</b>	<b>(276,926)</b>	<b>(1,115,631)</b>	<b>(861,104)</b>	<b>(721,415)</b>

**VPOA<sup>1</sup> – Present Value of Actuarial Obligation**

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(i.5) Defined benefit obligation maturity:**

Description	Saúde CAIXA	Meal and food vouchers	PREVHAB beneficiaries	REG/REPLAN Settled	REG/REPLAN Not settled	REB	NOVO PLANO
	06/30/2016	06/30/2016	06/30/2016	30/06/2016	30/06/2016	30/06/2016	30/06/2016
Payment of expected benefits at the end of June 30, 2017	426,640	117,936	4,213	3,089,135	253,324	22,705	56,004
Payment of expected benefits at the end of June 30, 2017	450,795	108,235	4,679	2,952,780	253,733	21,244	55,763
Payment of expected benefits at the end of June 30, 2019	472,097	99,240	4,250	2,805,947	249,962	19,862	55,623
Payment of expected benefits at the end of June 30, 2020	488,849	90,892	3,849	2,662,656	244,661	18,559	54,903
Payment of expected benefits at the end of June 30, 2021 or after	12,858,492	820,402	27,820	31,726,829	3,384,050	222,595	893,338
<b>Total</b>	<b>14,696,873</b>	<b>1,236,705</b>	<b>44,811</b>	<b>43,237,347</b>	<b>4,385,730</b>	<b>304,965</b>	<b>1,115,631</b>
Duration of actuarial liabilities at June 30, 2016	27.86 years	12.82 years	8.54 years	11.6 years	13.3 years	9.67 years	12,22 years

**(i.6) Reconciliation of present value of plan actuarial obligations:**

Plan assets represent the funding amounts (main and profitability of interest, dividends and other revenues) held by the entity or pension fund to cover actuarial liabilities of each benefit plan sponsored by CAIXA. These funds are measured at fair value, i.e., considering the amount effectively received for the sale of an asset or paid for the allocation of a liability in unforced transactions between market participants on measurement date.

The supplementary health plans and food allowance/basket of food staples are directly managed by CAIXA and do not have assets.

The following reconciliation shows the evolution of fair value of plan assets:

Description	PREVHAB beneficiaries			REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	06/30/2016	12/31/2015	06/30/2015	Settled	Not settled	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
				06/30/2016	06/30/2016								
VJAP <sup>1</sup> at beginning of year	41,116	44,787	49,944	33,898,176	3,988,451	39,189,888	39,189,888	250,893	271,957	263,803	344,443	370,040	279,514
Interest income	2,813	2,650	3,042	2,309,974	277,282	4,768,136	2,421,034	15,682	16,092	16,263	23,833	21,971	17,118
Gains (losses) on plan assets (excluding interest income)	3,198	(4,238)	(5,894)	554,062	75,098	(3,165,071)	(292,317)	52,442	(27,064)	1,226	252,709	(53,223)	77,468
Employer's contributions	-	-	-	2,456	11,459	48,022	36,337	353	405	163	24,139	22,529	9,896
Contributions paid by the participants in the plan	-	-	-	35,835	9,648	30,704	11,311	333	172	9	-	-	-
Benefits paid by the plan	(2,316)	(2,083)	(2,305)	(1,209,003)	(96,638)	(2,985,053)	(1,381,678)	(12,058)	(10,669)	(9,507)	(20,263)	(16,874)	(13,956)
<b>VJAP<sup>1</sup> at end of year</b>	<b>44,811</b>	<b>41,116</b>	<b>44,787</b>	<b>35,591,500</b>	<b>4,265,300</b>	<b>37,886,626</b>	<b>39,984,575</b>	<b>307,645</b>	<b>250,893</b>	<b>271,957</b>	<b>624,861</b>	<b>344,443</b>	<b>370,040</b>

VJAP<sup>1</sup> – Fair value of plan assets

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**(i.7) Equity information of plan assets:**

The supplementary health plans and food allowance/basket of food staples are directly managed by CAIXA and do not have assets.

Description	PREVHAB beneficiaries			REG/REPLAN settled			REG/REPLAN not settled			REB			NOVO PLANO		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
Fixed income	100.00%	100.00%	100.00%	54.27%	51.65%	47.50%	54.83%	51.65%	46.74%	56.96%	53.25%	47.93%	68.42%	63.48%	56.74%
Variable income	-	-	-	21.41%	23.76%	27.83%	23.54%	23.76%	28.55%	23.01%	23.94%	27.55%	17.68%	18.14%	21.43%
Structured investments	-	-	-	9.59%	9.31%	10.46%	8.92%	9.31%	12.52%	6.81%	7.89%	9.79%	4.21%	-	10.07%
Real estate investments	-	-	-	11.55%	11.99%	11.10%	11.08%	11.99%	10.59%	4.14%	4.54%	4.45%	0.65%	0.73%	0.75%
Participants	-	-	-	3.02%	3.27%	3.10%	1.63%	3.27%	1.60%	9.05%	10.37%	10.29%	9.03%	-	11.01%
Other investments	-	-	-	0.01%	0.02%	0.02%	0%	0.02%	0.01%	0%	0.01%	0.01%	0%	17.65%	0%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**(i.8) Own instruments issued maintained as plan assets and plan properties occupied by CAIXA:**

Description	Saúde CAIXA	Luncheon voucher/food staples basket	PREVHAB	REG/REPLAN settled	REG/REPLAN not settled	REB	NOVO PLANO
Savings account – Own portfolio	-	-	-	114,262	15,327	3,559	16,124
Investment funds – Own portfolio	-	-	-	20,317,189	2,176,934	685,844	4,636,332
Properties – Leased to CAIXA	-	-	-	4,714,497	505	65	64
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,145,948</b>	<b>2,192,766</b>	<b>689,468</b>	<b>4,652,520</b>

**Notes to the Consolidated Financial Statements**

In thousands of reais, unless otherwise stated

**(i.9) Net value of plan assets/liabilities recognized in balance sheets:**

The net amount of assets/liabilities arises from the cross checking of actuarial obligation of plans with their respective amounts of assets measured at fair value. The existence of a possible deficit (liability) promotes the need for the sponsoring entity to provision funds to cover the identified incremental actuarial obligation based on its participation in the plan (sharing effect). The existence of surplus (asset) may lead to the reversal of amounts of the plan in favor of the sponsoring and sponsored entities, based on their participations, also considering the recognition limit of actuarial asset (effect of asset ceiling).

Description	Saúde CAIXA			Allowance/Food Basket			PREVHAB		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
VPOA <sup>1</sup> of end of period	(14,696,873)	(12,068,398)	(12,097,849)	(1,236,705)	(1,097,455)	(1,055,997)	(44,812)	(41,116)	(44,787)
VJAP <sup>2</sup> of end of period	-	-	-	-	-	-	44,812	41,116	44,787
Surplus (deficit) of the plan	(14,696,873)	(12,068,398)	(12,097,849)	(1,236,705)	(1,097,455)	(1,055,997)	-	-	-
Effect of restriction on actuarial liability (3)	-	-	-	-	-	-	-	-	-
Asset ceiling effect (4)	-	-	-	-	-	-	-	-	-
<b>Net asset (liability)</b>	<b>(14,696,873)</b>	<b>(12,068,398)</b>	<b>(12,097,849)</b>	<b>(1,236,705)</b>	<b>(1,097,455)</b>	<b>(1,055,997)</b>	<b>-</b>	<b>-</b>	<b>-</b>

 VPOA<sup>1</sup> - Present value of the actuarial liability/ VJAP<sup>2</sup> - Fair value of plan assets

 VJAP<sup>2</sup> – Fair value of plan assets

(3) Refers to the calculation of risk-sharing effect with the participants and beneficiaries of the plan, so as to limit the actuarial liability to be recognized by Caixa.

(4) Refers to the calculation of economic benefit available provided for item 65 of CPC 33 R1 (CVM Resolution 695/2012), so as to limit the actuarial asset to be recognized by Caixa.

Description	REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	Settled	Not settled								
	06/30/2016	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
VPOA <sup>1</sup> of end of period	(43,237,347)	(4,385,730)	(42,414,665)	(46,114,648)	(304,965)	(277,605)	(276,926)	(1,115,631)	(861,104)	(721,415)
VJAP <sup>2</sup> of end of period	35,591,500	4,265,300	37,886,627	39,984,575	307,645	250,893	271,957	624,861	344,443	370,040
Surplus (deficit) of the plan	(7,645,847)	(120,430)	(4,528,038)	(6,130,073)	2,680	(26,712)	(4,969)	(490,770)	(516,661)	(351,375)
Effect of restriction on actuarial liability (3)	3,822,923	60,215	2,307,318	3,065,036	-	13,356	2,485	245,385	258,331	175,687
Asset ceiling effect (4)	-	-	(86,598)	-	(2,680)	-	-	-	-	-
<b>Net asset (liability)</b>	<b>(3,822,923)</b>	<b>(60,215)</b>	<b>(2,307,318)</b>	<b>(3,065,036)</b>	<b>-</b>	<b>(13,356)</b>	<b>(2,485)</b>	<b>(245,385)</b>	<b>(258,331)</b>	<b>(175,687)</b>

 VPOA<sup>1</sup> - Present value of the actuarial liability/ VJAP<sup>2</sup> - Fair value of plan assets

 VJAP<sup>2</sup> – Fair value of plan assets

(3) Refers to the calculation of risk-sharing effect with the participants and beneficiaries of the plan, so as to limit the actuarial liability to be recognized by Caixa.

(4) Refers to the calculation of economic benefit available provided for item 65 of CPC 33 R1 (CVM Resolution 695/2012), so as to limit the actuarial asset to be recognized by Caixa.

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**(i.10) Changes in net assets/liabilities recognized in the Balance Sheet:**

Description	Saúde CAIXA			Allowance/Food Basket			PREVHAB payees		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
Net (liabilities)/assets recognized at the beginning of the period	(12,068,398)	(12,097,849)	(9,346,949)	(1,097,455)	(1,055,997)	(861,147)	-	-	-
Service cost	(89,355)	(94,741)	(162,210)	-	-	-	-	-	-
Provision for benefit plans and other post-employment benefits	(825,764)	(703,458)	(588,469)	(82,021)	(64,512)	(57,711)	-	-	-
Entity contributions	-	-	-	-	-	-	-	-	-
Benefits paid directly by the Entity	185,517	191,295	155,665	56,785	55,794	49,137	-	-	-
Amount recognized in other comprehensive income	(1,898,873)	636,355	(2,155,886)	(114,014)	(32,740)	(186,276)	-	-	-
<b>(Liabilities)/assets recognized at the end of the period</b>	<b>(14,696,873)</b>	<b>(12,068,398)</b>	<b>(12,097,849)</b>	<b>(1,236,705)</b>	<b>(1,097,455)</b>	<b>(1,055,997)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Description	REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	Settled	Not settled								
	06/30/2016	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
Net (liabilities)/assets recognized at the beginning of the period	(2,307,318)	-	(1,306,029)	(1,306,029)	(13,356)	(2,485)	-	(258,331)	(175,687)	(150,953)
Service cost	-	4,272	(83,658)	(74,254)	(691)	(1,501)	(1,217)	(8,299)	(11,757)	(9,099)
Provision for benefit plans and other post-employment benefits	(164,560)	-	(265,958)	(82,857)	(856)	(145)	-	(17,820)	(10,367)	(9,599)
Entity contributions	2,456	11,459	48,022	36,337	353	405	163	24,139	22,529	9,896
Benefits paid directly by the Entity	-	-	-	-	-	-	-	-	-	-
Amount recognized in other comprehensive income	(1,353,501)	(75,946)	(699,695)	(1,638,233)	14,550	(9,630)	(1,431)	14,926	(83,049)	(15,932)
<b>(Liabilities)/assets recognized at the end of the period</b>	<b>(3,822,923)</b>	<b>(60,215)</b>	<b>(2,307,318)</b>	<b>(3,065,036)</b>	<b>-</b>	<b>(13,356)</b>	<b>(2,485)</b>	<b>(245,385)</b>	<b>(258,331)</b>	<b>(175,687)</b>

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In thousands of reais, unless otherwise stated

**(i.11) Expenses expenses/revenues and payments:**

(Expense) / income expected – CPC 33 (R1)						
Description	Saúde CAIXA			Allowance/Food Basket		
	2016	2015		2016	2015	
	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period
Cost of current service, net	(89,355)	67,469	(162,210)	-	-	-
Cost of interest, net	(825,764)	(114,988)	(588,470)	(82,021)	(6,801)	(57,711)
<b>Total (expenses)/ income to be recognized in the next year</b>	<b>(915,119)</b>	<b>(47,519)</b>	<b>(750,680)</b>	<b>(82,021)</b>	<b>(6,801)</b>	<b>(57,711)</b>

(Expense) / income expected – CPC 33 (R1)										
Description	REG/REPLAN		REG/REPLAN		REB			NOVO PLANO		
	Settled	Not settled			2016	2015		2016	2015	
	2016		2015		2016	2015		2016	2015	
	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period
Cost of current service, net	-	4,272	(9,404)	(74,255)	(691)	(284)	(1,217)	(8,299)	(2,658)	(9,099)
Cost of interest, net	(164,560)	-	(183,100)	(82,857)	(856)	(145)	-	(17,820)	(768)	(9,599)
<b>Total (expenses)/ income to be recognized in the next year</b>	<b>(164,560)</b>	<b>4,272</b>	<b>(192,504)</b>	<b>(157,112)</b>	<b>(1,547)</b>	<b>(429)</b>	<b>(1,217)</b>	<b>(26,119)</b>	<b>(3,426)</b>	<b>(18,698)</b>

Expected payments – CPC 33 (R1)						
Descrição	Saúde CAIXA			Allowance/Food Basket		
	2016	2015		2016	2015	
	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period
Common / Risk Contributions (REB) / Benefits (Saúde CAIXA) – Defined benefit	213,320	202,217	180,324	58,968	62,711	49,738
Defined contribution	-	-	-	-	-	-
Management	-	-	-	-	-	-
<b>Total payments expected for the plan</b>	<b>213,320</b>	<b>202,217</b>	<b>180,324</b>	<b>58,968</b>	<b>62,711</b>	<b>49,738</b>

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Description	Expected payments – CPC 33 (R1)								
	REG/REPLAN			REB			NOVO PLANO		
	2016	2015		2016	2015		2016	2015	
	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period	1 <sup>st</sup> six-month period	2 <sup>nd</sup> six-month period	1 <sup>st</sup> six-month period
Common / Risk Contributions (REB) / Benefits (Saúde CAIXA) – Defined benefit	31,002	36,719	14,411	186	433	172	12,695	24,090	10,433
Defined contribution	-	-	-	-	-	-	-	-	-
Management	-	-	-	-	-	-	-	-	-
<b>Total payments expected for the plan</b>	<b>31,002</b>	<b>36,719</b>	<b>14,411</b>	<b>186</b>	<b>433</b>	<b>172</b>	<b>12,695</b>	<b>24,090</b>	<b>10,433</b>

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**(i.12) Analysis of sensitivity of the main financial and demographic assumptions:**

The sensitivity analysis aims at measuring how the defined benefit obligation would be affected by changes in certain significant actuarial assumptions, while maintaining all other constants.

Sensitivity analysis of significant assumptions - CPC 33 (R1)									
Description	Actuarial table		Discount rate		Wage growth		HCCTR		06/30/2016
	+ 1 age	- 1 age	+ 0.25%	-0.25%	+0.25%	-0.25%	+1.00%	-1.00%	
<b>Saúde CAIXA</b>									
Interest expense	(913,065)	(845,179)	(865,136)	(894,243)	N/A	N/A	(1,034,883)	(835,015)	(825,764)
Present value of liabilities	(15,248,672)	(14,135,440)	(14,150,769)	(15,277,013)	N/A	N/A	(17,333,280)	(13,944,496)	(14,696,873)
<b>Luncheon voucher and food staples basket</b>									
Interest expense	(73,897)	(77,148)	(75,833)	(75,221)	N/A	N/A	N/A	N/A	(75,352)
Present value of liabilities	(1,208,662)	(1,264,427)	(1,214,571)	(1,259,644)	N/A	N/A	N/A	N/A	(1,236,705)
<b>EX-PREVHAB</b>									
Interest expense	(4,895)	(5,351)	(5,119)	(5,103)	N/A	N/A	N/A	N/A	(2,494)
Present value of liabilities	(42,958)	(46,860)	(43,950)	(45,692)	N/A	N/A	N/A	N/A	(44,812)
<b>REG/REPLAN settled</b>									
Cost of services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
Interest expense	(4,744,012)	(5,183,006)	(4,925,191)	(4,978,032)	N/A	N/A	N/A	N/A	(164,560)
Present value of liabilities	(41,448,756)	(45,213,709)	(42,115,949)	(44,391,219)	N/A	N/A	N/A	N/A	(43,237,347)
<b>REG/REPLAN not settled</b>									
Cost of services	(8,731)	(11,062)	(4,531)	(10,640)	N/A	N/A	N/A	N/A	(4,272)
Interest expense	(483,420)	(527,987)	(500,230)	(508,786)	N/A	N/A	N/A	N/A	-
Present value of liabilities	(4,204,306)	(4,586,200)	(4,258,448)	(4,517,114)	N/A	N/A	N/A	N/A	(4,385,730)
<b>REB</b>									
Cost of services	(292,081)	(2,522)	(1,172)	(2,459)	N/A	N/A	N/A	N/A	(691)
Interest expense	(33,426)	(36,525)	(34,686)	(34,914)	N/A	N/A	N/A	N/A	(856)
Present value of liabilities	(292,349)	(318,905)	(298,441)	(311,646)	N/A	N/A	N/A	N/A	(304,965)
<b>NOVO PLANO</b>									
Cost of services	(26,788)	(29,226)	(13,596)	(28,724)	N/A	N/A	N/A	N/A	(8,299)
Interest expense	(123,078)	(134,405)	(127,631)	(129,340)	N/A	N/A	N/A	N/A	(17,820)
Present value of liabilities	(1,069,481)	(1,166,626)	(1,085,554)	(1,146,611)	N/A	N/A	N/A	N/A	(1,115,631)

**HCCTR - Medical Cost Growth Rate**

**Notes to the Consolidated Financial Statements**

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Sensitivity analysis of significant assumptions - CPC 33 (R1)									
Description	Actuarial table		Discount rate		Wage growth		HCCTR		12/31/2015
	+ 1 age	- 1 age	+ 0.25%	-0.25%	+0.25%	-0.25%	+1.00%	-1.00%	
<b>Saúde CAIXA</b>									
Interest expense	(1,717,852)	(1,584,509)	(1,621,978)	(1,682,356)	N/A	N/A	(1,932,078)	(1,426,904)	(1,291,927)
Present value of liabilities	(12,563,127)	(11,569,948)	(11,649,870)	(12,511,603)	N/A	N/A	(14,085,998)	(10,452,989)	(12,068,398)
<b>Luncheon voucher and food staples basket</b>									
Interest expense	(160,838)	(167,192)	(164,306)	(163,773)	N/A	N/A	N/A	N/A	(122,223)
Present value of liabilities	(1,074,924)	(1,119,608)	(1,079,347)	(1,116,182)	N/A	N/A	N/A	N/A	(1,097,455)
<b>EX-PREVHAB</b>									
Interest expense	(5,384)	(5,900)	(5,613)	(5,643)	N/A	N/A	N/A	N/A	(5,691)
Present value of liabilities	(39,415)	(42,995)	(40,344)	(41,904)	N/A	N/A	N/A	N/A	(41,116)
<b>REG/REPLAN settled</b>									
Cost of services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(64,850)
Interest expense	(5,039,635)	(5,518,188)	(5,219,270)	(5,313,643)	N/A	N/A	N/A	N/A	(245,623)
Present value of liabilities	(36,919,660)	(40,273,217)	(37,548,754)	(39,503,816)	N/A	N/A	N/A	N/A	(38,512,812)
<b>REG/REPLAN not settled</b>									
Cost of services	(9,523)	(7,464)	(4,611)	(7,845)	N/A	N/A	N/A	N/A	(18,808)
Interest expense	(303,465)	(351,711)	(315,969)	(336,737)	N/A	N/A	N/A	N/A	(20,334)
Present value of liabilities	(3,740,445)	(4,080,205)	(3,790,006)	(4,017,255)	N/A	N/A	N/A	N/A	(3,901,852)
<b>REB</b>									
Cost of services	(510)	(1,468)	(672)	(1,422)	N/A	N/A	N/A	N/A	(2,718)
Interest expense	(36,542)	(40,016)	(38,024)	(38,351)	N/A	N/A	N/A	N/A	(145)
Present value of liabilities	(266,121)	(290,294)	(271,905)	(283,436)	N/A	N/A	N/A	N/A	(277,605)
<b>NOVO PLANO</b>									
Cost of services	(15,908)	(17,363)	(8,092)	(17,026)	N/A	N/A	N/A	N/A	(20,856)
Interest expense	(116,086)	(126,786)	(120,188)	(122,125)	N/A	N/A	N/A	N/A	(19,965)
Present value of liabilities	(900,465)	(900,465)	(839,732)	(883,068)	N/A	N/A	N/A	N/A	(861,104)

**HCCTR - Medical Cost Growth Rate**

**Notes to the Consolidated Financial Statements**

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Sensitivity analysis of significant assumptions - CPC 33 (R1)									
Description	Actuarial table		Discount rate		Wage growth		HCCTR		06/30/2015
	+ 1 age	- 1 age	+ 0.25%	-0.25%	+0.25%	-0.25%	+1.00%	-1.00%	
<b>Saúde CAIXA</b>									
Interest expense for next six-month period	(674,541)	(732,098)	(692,218)	(715,136)	N/A	N/A	(831,349)	(596,552)	(703,458)
Present value of liabilities	(11,596,286)	(12,595,421)	(11,659,146)	(12,563,323)	N/A	N/A	(14,281,699)	(10,272,197)	(12,097,849)
<b>Luncheon voucher and food staples basket</b>									
Interest expense for next six-month period	(63,498)	(66,317)	(64,696)	(66,023)	N/A	N/A	N/A	N/A	(64,512)
Present value of liabilities	(1,039,006)	(1,086,237)	(1,036,846)	(1,076,192)	N/A	N/A	N/A	N/A	(1,055,997)
<b>PREVHAB</b>									
Interest expense for next six-month period	(2,592)	(2,724)	(2,654)	(2,645)	N/A	N/A	N/A	N/A	(2,650)
Present value of liabilities	(43,812)	(46,026)	(43,959)	(45,613)	N/A	N/A	N/A	N/A	(44,787)
<b>REG/REPLAN</b>									
Cost of services for next six-month period	(3,662)	(10,377)	(6,496)	(7,577)	N/A	N/A	N/A	N/A	(9,404)
Interest expense for next six-month period	(2,692,272)	(2,728,154)	(2,705,588)	(2,720,848)	N/A	N/A	N/A	N/A	(2,713,302)
Present value of liabilities	(45,775,217)	(46,313,322)	(45,046,783)	(47,192,968)	N/A	N/A	N/A	N/A	(46,114,648)
<b>REB</b>									
Cost of services for next six-month period	(1,589)	(1,575)	(1,486)	(1,698)	N/A	N/A	N/A	N/A	(1,501)
Interest expense for next six-month period	(16,088)	(16,644)	(16,268)	(16,501)	N/A	N/A	N/A	N/A	(16,381)
Present value of liabilities	(272,146)	(281,341)	(269,632)	(284,783)	N/A	N/A	N/A	N/A	(276,926)
<b>NOVO PLANO</b>									
Cost of services for next six-month period	(12,547)	(11,044)	(11,078)	(12,483)	N/A	N/A	N/A	N/A	(11,757)
Interest expense for next six-month period	(36,887)	(35,493)	(35,396)	(36,846)	N/A	N/A	N/A	N/A	(42,705)
Present value of liabilities	(622,029)	(598,347)	(584,841)	(634,252)	N/A	N/A	N/A	N/A	(721,415)

**HCCTR - Medical Cost Growth Rate**

**Notes to the Consolidated Financial Statements**

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**(j) Expenses recognized with pension plans with defined benefit characteristics:**

Description	06/30/2016	12/31/2015	06/30/2015
REG/REPLAN	9,820	21,528	10,053
<b>Total</b>	<b>9,820</b>	<b>21,528</b>	<b>10,053</b>

**(k) Expenses recognized for coverage of risks with lawsuits related to benefit plans:**

Description	06/30/2016	12/31/2015	06/30/2015
Lawsuits	4,229	3,390	2,116
<b>Total</b>	<b>4,229</b>	<b>3,390</b>	<b>2,116</b>

**Note 33 – Corporate risk management**

CAIXA adopts good local and international practices for managing its credit, operational, market, liquidity, interest rate, concentration, counterparty, strategic, reputation and social environment, including an active capital management in conformity with the principles, amounts, guidelines and limits established by the Board of Directors.

Risk management and capital is understood by Senior Management as a distinguishing feature for financial market competitiveness and the best way of safeguarding CAIXA's solvency, liquidity and profitability.

The risk management structures are in accordance with the current regulations, being adjusted to the nature and complexity of CAIXA's financial instruments, products, services and operations, and good corporate governance practices, ensuring that Senior Management is able to identify the capital commitment required to cover risks, evaluate the impacts on results of operations and make prompt decisions on acceptable exposure limits.

The Risk Management Policy, Capital Management and Distribution of Profit Policy and exposure limits are reviewed at least annually, based on the strategy, macroeconomic factors, the business environment, and on the ability to take risks, and are clearly communicated to all employees in the internal system for disclosure of standards.

A detailed description of the risk and capital management structures, including responsibilities, practices, processes, procedures and models is available for consultation on CAIXA's website: <http://www.caixa.gov.br> under the "About CAIXA" Corporate Governance.

## Notes to the Consolidated Financial Statements

In thousands of reais, unless otherwise stated

### Capital Management

The capital management structure, capital management process and the internal process of capital adequacy assessment (ICAAP) are adopted by CAIXA in accordance with CMN Resolution No. 3988/11, BACEN Circular No. 3547/11.

CAIXA adopts the best national and international capital management practices in compliance with principles, values, guidelines and limits defined by the Board of Directors, and recommendations of Basel Committee and other regulatory bodies.

The purpose of capital management is ensuring that there is sufficient capital to carry out the Company's strategies and businesses, given that the process is compatible with the nature of its operations, complexity of the products and services offered and the dimension of its exposure to risks.

Accordingly, capital is managed through:

- Mechanisms enabling the identification and evaluation of significant risks incurred by CAIXA;
- Capital management policies and strategies establishing mechanisms and procedures to keep the capital compatible with the risks incurred by CAIXA;
- Capital plan covering a minimum 3-year period;
- Simulation of severe events and extreme market conditions (stress tests) and evaluation of their impacts on capital;
- Periodical management reports on adequacy of capital for Management and Board of Directors; and
- Internal Capital Evaluation and Adequacy Process (ICAAP).

With this management, CAIXA controls and assesses the need for capital in order to avoid risks, evaluates impacts thereof, plans goals through strategic objectives and complies with the guidelines of the Board of Directors. CAIXA also seeks the prospective adoption, with application of ordinary and stress scenarios in order to check and plan its capital use.

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**Regulatory Capital Requirements**

The table below presents details of the regulatory capital requirement. Pursuant to CMN Resolutions N° 4192 and No. 4193/13, beginning January 2015, the calculation of regulatory capital and minimum capital requirement considers the Prudential Conglomerate.

Calculation of regulatory required capital			
Description	06/30/2016	12/31/2015	06/30/2015
<b>Capital Requirement</b>	<b>72,076,198</b>	<b>78,962,391</b>	<b>77,543,602</b>
<b>TIER I</b>	<b>49,394,585</b>	<b>55,537,056</b>	<b>57,802,919</b>
Principal capital – CP	49,394,585	55,537,056	57,802,919
Equity	25,895,293	26,616,877	26,436,920
Hybrid capital and debt instruments, authorized according to CMN Decision No. 4192/2013	36,453,645	36,086,566	36,086,566
Exceeded limit established in art. 25 of CMN Resolution No. 4192/2013	(2,774,878)	(1,646,635)	(198,111)
Prudential adjustments	(10,179,474)	(5,519,752)	(4,522,456)
Supplementary Capital – CC	-	-	-
Hybrid capital and debt instruments authorized under CMN Resolution No. 3444/2007	-	-	-
<b>Tier II</b>	<b>22,681,614</b>	<b>23,425,335</b>	<b>19,740,683</b>
Subordinated debt instruments	22,087,321	21,850,246	18,653,065
Subordinated debt instruments (20% deduction)	-	(722,282)	(800,796)
Subordinated debt instruments (40% deduction)	(1,283,089)	-	-
Subordinated notes	1,570,391	2,014,328	1,619,165
Financial bills	318,600	293,957	273,180
Financial bills (20% deduction)	(2,635)	(2,453)	(3,931)
Financial bills (40% deduction)	(8,974)	(8,461)	-
<b>Risk-weighted assets (RWA)</b>	<b>563,833,655</b>	<b>547,136,671</b>	<b>554,171,966</b>
Credit risk - $RWA_{CPAD}$	508,456,278	504,257,301	517,010,889
Market risk – negotiation portfolio - $RWA_{MPAD}$	11,221,034	2,529,614	3,567,837
Interest rate – $RWA_{IUR}$	3,069,118	1,715,595	1,756,766
Commodities – $RWA_{COM}$	2,018,876	-	-
Shares – $RWA_{ACS}$	-	-	-
Foreign exchange – $RWA_{CAM}$	6,133,040	814,019	1,811,071
Operating risk - $RWA_{OPAD}$	44,156,342	40,349,756	33,593,240
<b>Minimum Required Reference Equity (RWA*Factor F) - PRMR</b>	<b>55,678,573</b>	<b>60,185,033</b>	<b>60,958,916</b>
<b>Market risk – non-negotiation portfolio- <math>R_{BAN}</math></b>	<b>8,746,152</b>	<b>8,226,904</b>	<b>8,381,101</b>
<b>Capital margin (PR - PRMR - <math>R_{BAN}</math>)</b>	<b>7,651,473</b>	<b>10,550,454</b>	<b>8,203,585</b>
<b>Principal capital rate (CP / RWA)</b>	<b>8.76%</b>	<b>10.15%</b>	<b>10.43%</b>
<b>Capital rate – Level I (Level I / RWA)</b>	<b>8.76%</b>	<b>10.15%</b>	<b>10.43%</b>
<b>Basel rate (PR / RWA)</b>	<b>12.78%</b>	<b>14.43%</b>	<b>13.99%</b>
<b>Factor F (CMN Resolution No. 4193/2013)</b>	<b>9.875%</b>	<b>11.00%</b>	<b>11.00%</b>

(1) Equity discounted from hybrid debt/equity instruments authorized under CMN Resolution No. 4192/2013.

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### Credit Risk

Credit risk is defined as the possibility of incurring losses because a borrower or counterparty fails to perform its financial obligations in accordance with the terms and conditions of the agreement entered into with CAIXA, as well as losses arising from the impairment of loan agreements as a result of the deterioration in the borrower's risk rating, decrease in gains or remuneration, advantages granted upon renegotiation and recovery costs.

Credit risk is controlled and monitored through the identification, measurement, assessment and follow-up of delay and exposure indicators, credit limit by borrower, transaction, segment, geographic region and economic activity sector; incurred, expected and unexpected losses; provisions; transaction ratings; regulatory and economic capital requirements; alternatives proposed to mitigate credit risk and reporting to product and service managers and CAIXA's decision-making levels.

Credit exposures of CAIXA are assessed based on consistent and verifiable criteria which are capable of measuring and classifying the risks involved in each transaction.

All credit exposures of CAIXA are assessed based on consistent and verifiable criteria which are capable of measuring and classifying the risks involved in each transaction. Furthermore, new transactions are evaluated based on Credit Scoring - CS models or analyses performed by experts, depending on the characteristics of the borrower and transaction, Transactions in the portfolio are periodically reviewed; retail transactions make use of Behavioral Scoring - BS models, and rating re-evaluation is used for the other exposures.

As part of the ongoing improvement of the process for controlling and monitoring credit risk, CAIXA annually reviews its models, policies, strategies, exposures or extrapolation limits for purposes of reporting and approval by the Executive Board and Board of Directors. The purpose of the periodic reviews of policies, strategies, practices, processes, models and systems is to ensure compliance with the best market practices and the requirements of the New Capital Accord and regulatory authorities.

All processes and models adopted are previously evaluated and approved by an internal and independent unit for the monitoring and validation of models, whose predictive ability is constantly monitored.

### Market Risk

Market risk consists of the possibility of losses arising from changes in the market values of the positions held by the Institution, including transactions subject to foreign exchange variation and fluctuations in interest rates and prices of shares and commodities.

CAIXA's risk area maintains a market risk management structure which is compatible with the nature and complexity of financial instruments, products, transactions and the extent of the exposure to this risk.

CAIXA's risk area maintains activities of market risk management are separated from business and audit activities, with independent structures for the development and monitoring of models, in order to avoid conflicts of interest and to safeguard the impartiality of the work performed.

The risks inherent to new financial instruments, products and transactions are previously identified, with an analysis of the adequacy of the procedures and controls adopted by CAIXA. The exposure limits and market risk concentration, for both the transactions included in the trading portfolio and other positions, including all significant sources of market risk, are monitored with timely reporting to decision-making levels, ensuring lower volatility in CAIXA's results of operations, alignment with the best market practices and compliance with legal requirements.

### Market Risk Measurement

Market risk measurement begins with the marking-to-market of securities, i.e., with the calculation of the trading prices of these instruments in the secondary market, based on the identification of all the positions held by CAIXA and the calculation of their cash flows, discounted at the market interest rates for each instrument.

These interest rates are shown by the term structure of interest rates, which is a graphical depiction of the relationship between the interest rates of instruments of the same credit quality, but with different maturities, and whose main objective is to serve as the basis for the pricing of fixed-income instruments.

CAIXA, this structure is estimated using information on rates or prices traded in the secondary and derivative markets, or, in the case of assets which are not traded, on an appropriate methodology.

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### Value at Risk – VaR

CAIXA uses the Delta Normal approach to calculate the VaR internal model, a methodology based on a covariance matrix analytical model which assumes that the returns on the portfolio are normally distributed.

Volatilities and correlations are calculated daily for a historical data period of 252 business days based on the series of the returns of the market curves of the various risk factors.

To calculate the VaR, the market risk measurement system uses a data weighting technique, the EWMA - Exponentially Weighted Moving Average, a method that applies weighting factors that decrease exponentially in accordance with the decrease parameter selected, provided that the VaR result is more conservative than that obtained through sample variance.

The accuracy of this model is daily monitored based on a compliance test program, using two methodologies which count the number of violations, a standard procedure established in the Basel Accord and Kupiec's Proportion of Failure (POF) Test. These tests verify whether unrealized gains or losses are lower than the VaR calculated for the 95%, 97.5% and 99% confidence levels.

The determination of the number of violations for the application of these methodologies is carried out by measuring unrealized losses and actual results.

Under the first methodology, violation is defined as the negative result arising from unrealized losses which exceeds the VaR projected for the day. Under the second methodology, violation is defined as the negative result arising from changes in the value of the portfolio, considering the trading activities performed during the day, which is higher than the VaR projected for the day. In both cases, the number of violations in a certain period must be consistent with the confidence interval established for the model.

### Stress Testing

The Stress Testing Program, which supplements the information provided by the VaR calculation, adopts historical scenarios and dates, prospective scenarios and sensitivity analyses to reproduce historical periods and important dates, and simulate adversities based on the characteristics of the portfolio and the macroeconomic environment which represent severe conditions and gradual changes in market yield curves, respectively.

The analysis of historical scenarios uses the worst-case scenarios for interest curves which have already occurred to measure their impacts on the value of CAIXA's portfolio.

Two scenarios are used to assess the impacts: the first consists of finding the worst date in the database to define the stress VaR, and the second consists of finding the worst date for each risk factor in the portfolio and adding up these results, thus considering a possible assumption breach.

The analysis of historical dates calculates the VaR based on important and known stress dates which took place from 2000 to 2003. The worst shocks observed in this period are determined and applied to the yield curves with a view to measuring the impairment in the value of the portfolio should these shocks occur again.

The analysis of prospective scenarios consists of verifying the impacts on the value of CAIXA's portfolio in the event the projected scenario takes place.

At CAIXA, the prospective scenarios are proposed by the Vice President of Finance, who explains the assumptions and hypotheses adopted for each model variable, and are approved by the Risk Committee, so that they can be used as inputs for the risk models.

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Currently, three types of prospective scenarios are used in market risk management:

- Basic scenario, considering the most likely changes in variables and macroeconomic indicators;
- High-stress scenario, weighting possible internal and external adversities which lead to an increase in the interest rate above that considered in the basic scenario; and
- Low-stress scenario, considering alternative events which lead to a decrease in the interest rate below that considered in the basic scenario.

The sensitivity analysis, which determines the portfolio's sensitivity to possible changes in the rates of risk factors, is performed by applying percentage points to the term structure of each risk factor, in order to simulate an increase in the rates and a consequent reduction in the prices of the assets.

The results of stress tests are considered during the entire market risk management process, also to establish or review policies and limits on risk exposure.

### Trading portfolio

CAIXA's trading portfolio comprises all transactions involving securities, financial instruments, and commodities, including derivatives held for trading or to hedge other components of the portfolio that are not subject to trading limitations. The changes in the portfolio's value at risk, by risk factor, are as follows:

Value at Risk - Normal Scenario <sup>(1)</sup>			
Risk Factors	06/30/2016	12/31/2015	06/30/2015
PRE	19,956	23,523	16,249
IPCA Coupon	134	12,285	49
SELIC Coupon	(9)	(1)	(2)
TR Coupon	-	1	-
<b>VaR com ED</b>	<b>20,081</b>	<b>35,808</b>	<b>16,296</b>

(1) All amounts considering the portfolio diversification effect.

### Operations not classified in the trading portfolio

These refer to securities classified in categories II - available-for-sale and III - held-to-maturity, the loan operations of the commercial, housing, sanitation, and infrastructure portfolios and the funding and deposit liability operations.

With a view to ensuring that the Reference Equity (PR) is sufficient to cover the market risks taken by CAIXA, the risk area measures and assesses the interest rate risk of these operations, considering their nature, the complexity of the products and the extent of the exposure to this risk.

The estimation of PR compatible with market risk of operations not classified in the trading portfolio and subject to interest rate variations is performed by means of the Economic Value of Equity (EVE) methodology, in line with the criteria established by BACEN Circular No. 3365/07 and the principles of the Basel Accord.

The monitoring of the levels of exposure of these operations to interest rate risk and the compliance with the limits established are reported to Senior Management on a monthly basis.

Stress testing is conducted in accordance with BACEN Circular No. 3365/2007. Additionally, sensitivity analysis is performed to check any changes in the banking portfolio amount by applying percentage points to the term structure of each one of the risk factors, simulating the increase in rates and the consequent reduction in asset prices.

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**Financial Instruments – Market Value**

Description	Book Value			Mark to Market Value			Payable or Receivable		
	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015	06/30/2016	12/31/2015	06/30/2015
<b>Comparison between the financial instruments recorded in the balance sheet accounts and their mark-to-market value– ASSET</b>									
Investments in interbank deposits	11,494,011	10,376,648	8,163,593	11,494,084	10,376,993	8,163,008	73	345	(585)
Investments in repurchase agreements	138,125,024	143,111,942	117,549,929	138,125,024	143,111,942	117,549,929	-	-	-
Securities and Financial Instruments	179,153,472	177,087,448	167,909,490	179,324,397	173,244,049	167,701,582	170,925	(3,843,399)	(207,908)
Trading securities	113,199,527	98,480,310	102,699,876	113,199,527	98,480,310	102,699,876	-	-	-
Available-for-sale securities	14,255,122	14,394,931	17,686,347	14,255,122	14,394,931	17,686,347	-	-	-
Held-to-maturity securities	51,698,823	64,212,207	47,523,267	51,869,748	60,368,808	47,315,359	170,925	(3,843,399)	(207,908)
Loan operations, leases and other receivables	672,537,552	662,119,119	632,895,702	642,332,367	588,297,509	591,324,230	(30,205,185)	(73,821,610)	(41,571,472)
Commercial	196,199,188	199,664,957	196,285,575	211,203,556	213,447,169	207,696,623	15,004,368	13,782,212	11,411,048
Housing	393,252,209	384,175,883	366,642,407	358,108,496	317,248,681	331,051,767	(35,143,713)	(66,927,202)	(35,590,640)
Infrastructure/Development	75,702,304	70,658,301	63,040,013	65,636,464	49,981,681	45,648,133	(10,065,840)	(20,676,620)	(17,391,880)
Other receivables	7,383,851	7,619,978	6,927,707	7,383,851	7,619,978	6,927,707	-	-	-
<b>Comparison between the financial instruments recorded in the balance sheet accounts and their mark-to-market value – LIABILITY</b>									
Funding Transactions	283,596,667	276,941,479	259,889,724	292,341,577	281,422,870	258,687,069	8,744,910	4,481,391	(1,202,655)
CDB/RDB	119,613,922	107,551,120	97,605,984	121,184,263	108,017,121	97,860,395	1,570,341	466,001	254,411
LCI LH	151,078,593	153,687,415	149,628,937	157,696,797	156,956,988	147,469,045	6,618,204	3,269,573	(2,159,892)
Securities Obligations Abroad	12,904,152	15,702,944	12,654,803	13,460,517	16,448,761	13,357,629	556,365	745,817	702,826
Funds obtained from repurchase agreements	189,149,546	194,364,507	176,283,465	189,149,546	194,364,365	177,213,692	-	(142)	930,227
Local borrowings and onlendings and Other	225,419,854	217,538,099	198,618,443	156,094,505	140,358,592	137,886,656	(69,325,349)	(77,179,507)	(60,731,787)
Abroad	5,797,235	14,337,557	9,697,669	6,625,709	14,382,740	9,683,198	828,474	45,183	(14,471)
Treasury	47,675	44,677	42,536	48,010	46,530	43,857	335	1,853	1,321
Employee Severance Indemnity Fund - FGTS(1)	189,359,062	172,210,084	156,491,749	131,458,024	108,847,521	110,801,191	(57,901,038)	(63,362,563)	(45,690,558)
BNDES	29,188,228	29,823,211	31,367,136	17,087,692	16,229,536	16,541,605	(12,100,536)	(13,593,675)	(14,825,531)
Deposits without yield	1,027,654	1,122,570	1,019,353	875,070	852,265	816,805	(152,584)	(270,305)	(202,548)
Hybrid equity and debt instrument	12,854,959	24,118,920	20,555,333	9,184,453	14,500,124	14,775,563	(3,670,506)	(9,618,796)	(5,779,770)

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### Determination of the marked-to-market value of financial instruments

The prices of the financial instruments in the securities portfolio are determined based on rates or prices adopted in daily transactions, provided that a minimum number of business transactions has been reached on the calculation date.

The market price of shares listed on stock exchanges corresponds to the closing price of the day and the market price of standardized derivatives at the adjustment price of the day.

Trading prices of fixed-income instruments are calculated through the assessment of discounted cash flows at the market interest rates of each instrument.

These interest rates are established by the estimated term structure of interest rates based on information on rates and prices adopted in the secondary market, or, in the case of assets which are not traded, on an appropriate methodology, using the following assumptions in this exact order:

- a) Use of prices and reference rates calculated and disclosed by ANBIMA.
- b) Construction of the term structure by adding the spread between an interest rate curve of government securities and one of BM&F with similar characteristics, or the curve of a similar asset which has liquidity in the secondary market, to the charge or surcharge of the security.

The marking-to-market of the other transactions not classified in the trading portfolio and subject to interest rate risk is based on the construction of the cash flows of assets and liabilities and of the term structures of market interest rates.

The cash flows are constructed based on the characteristics of the operations, using statistical models for those without a defined maturity. These cash flows are discounted by the term structures estimated based on available information on rates and trading market prices of the financial instruments available, such as futures contracts, public securities or swap transactions.

### Sensitivity analysis of the significant positions - CVM Instruction No. 475

The sensitivity analysis enables the verification of the impact of interest rate changes on the prices of assets and liabilities by risk factor. These hypothetical studies become a market risk management tool, allowing the definition of mitigation measures in the event such scenarios take place, since the exposures are monitored on a daily basis, and adverse changes in the market result in prompt actions by the units involved in the process with a view to minimizing any possible losses.

In compliance with CVM Instruction 475, of December 17, 2008, the sensitivity analyses for each type of market risk deemed significant by Senior Management, to which CAIXA was exposed, included all the relevant transactions with financial instruments and considered the most significant losses in each of the following scenarios:

- Scenario I: Probable scenario which considers the most likely trend for the variables and macroeconomic indicators;
- Scenario II: Possible scenario which considers a +25% or -25% parallel shock in scenario I in the risk variables at the balance sheet date;
- Scenario III: Second possible scenario which considers a +50% or -50% parallel shock in scenario I in the risk variables at the balance sheet date, which are deemed the worst possible losses.

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The Financial Instruments results at June 30, 2016 are summarized in the following table:

Description	Risk	Probable scenario	25% shift	50% shift
Fixed rate	Increase in interest rate	(251,166)	(5,982,208)	(11,374,231)
Price index	Increase in price index coupons	(30,451)	(722,586)	(1,366,872)
TR/TBF/TJLP	Increase in TR coupon	(115,451)	(2,583,011)	(4,610,695)
Foreign exchange variation	Decrease in exchange rates	(770)	(19,726)	(40,810)

### Liquidity Risk

Liquidity risk is defined as:

I - The possibility that CAIXA will be unable to efficiently fulfill its expected and unexpected, current and future, commitments, including those arising from offered guarantees, without affecting its daily operations or incurring significant losses; and

II - The possibility that CAIXA will be unable to sell a position at market price, due to its large size in relation to the volume usually traded, or on account of some market discontinuity.

The rules for managing liquidity risks, involving practices, processes, procedures, models and reports, have been established by the Risk Committee and aim at maintaining the risk exposure at acceptable levels and avoiding mismatches between assets and liabilities which may affect CAIXA's ability to meet its payment obligations.

Liquidity risk is managed by using internal models for projecting the financial flows of CAIXA's products, services and transactions under normal and stress circumstances.

In order to deal with stress situations, a Liquidity Contingency Plan has been established to identify in advance and increase CAIXA's ability to handle internal or external liquidity crises, minimizing their potential effects on the continuity of CAIXA's businesses, its ability to generate profits and reputation. This Plan describes the parameters used to identify crises, the responsibilities of the units and levels involved in the carrying out of the plan, and the procedures to be followed to ensure an acceptable situation for CAIXA, or restore the liquidity level it had prior to the onset of the crisis.

The measurement and monitoring of the levels of exposure to liquidity risk are reported to the Vice-Presidents of Control, Risk and Finance on a daily basis; to the Risk Committee on a monthly basis; and to the Board of Directors on a half-yearly basis.

### Operational Risk

Operating risk is defined as the possibility of losses resulting from failure, deficiency or inadequacy of internal processes, people or systems or from external events. This includes the legal risk associated with inadequacy or weakness in contracts signed by the Bank, in addition to disciplinary actions from non-observance of legal provisions and damages paid to third parties arising from activities carried out by CAIXA.

The perfect cycle for Operating Risk Management and Management of Information on Operating Risks is made up of identification, assessment, measurement, mitigation, and control stages.

At CAIXA such management is ultimately based on a three-assumption framework, namely:

- Proper management environment of operational risk, made up by the senior management sponsorship, a set of policies and rules and an audit process;
- Management process of operational risk, made up by the different phases: Identification, Evaluation, Control/Mitigation, Monitoring and Report. All these phases are connected so that the analysis flow has a well-defined beginning, middle and end; and
- Disclosure of information on operational risk, defined according to the goal and targeted audience.

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At CAIXA, Operating Risk is realized through two analyses: a preventive and a reactive analysis. The preventive analysis seeks variables and indicators that may reveal probable occurrences so that actions can be taken before these events take place. The reactive analysis seeks to study the behavior of losses with a view to identifying their possible causes. In both cases, the assessment seeks to provide instruments and sufficient information for the risk to be controlled/mitigated, monitored and reported. The various managing units of CAIXA are the greatest sources of information for the Identification and Assessment of Operating Risk.

### Calculation Methodology Adopted by CAIXA

According to criteria in BACEN Circular No. 3640/2013 for calculation of capital required for operational risk under the standardized method (RWAopad), a tool has been developed to perform calculations integrating three approaches provided for:

- Basic Indicator Approach (BIA);
- Alternative Standardized Approach (ASA); and
- Simplified Alternative Standardized Approach (ASA2).

CAIXA adopts ASA approach since this methodology has a more granular character for using gross profit, which is more suitable for operational risk exposure.

### Internal Models

The advanced approaches of capital allocation for operating risk involve the improvement of management and control techniques and, as a result, is expected to reduce the impact of fraud (internal and/or external), operating procedures failures, failures in the management of labor agreements, among others, in order to mitigate the operating risk exposure. The internal model, known by this terminology because it requires several pieces of information from the institution itself, requires more variables to be aggregated to calculate the portion related to operating risk, the risk-weighted assets, resulting in a more accurate value of regulatory capital to be allocated.

The internal model requires, at least, the use and integration of four elements:

- Internal data of operational loss – The databases of occurrences of internal operational losses must include information from operational areas in line with accounting information.
- External database of operational loss – This database helps to quantify operational risk events which have occurred in other financial institutions, as well as to quantify events which seldom occur at CAIXA.
- Factors related to business environment and internal controls – These factors reflect the internal controls and the business and operating environments to which CAIXA is exposed, and which will act as mitigation factors to the exposure of operational risk.
- Analysis of scenarios – opinions of specialists and managers that allow the depiction of changes in the internal and external business environment, including situations that are not covered by internal data, since it enables the consideration of the impacts of extreme events on CAIXA's operations.

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### Monitoring, Operating Control and Mitigation

The losses arising from operational risk events are monitored and reported with a view to improving the decision-making process related to the mitigation actions. Moreover, information on the indicators of CAIXA's exposure to the occurrence of operational risk events is regularly monitored.

The operational control of products and services to be launched is carried out using a specific tool which consolidates opinions from various areas, making contributions that range from the presentation of projects to the assessment of the behavior of products and services in relation to projected risk levels.

The actions taken to mitigate operational risks are recorded in a corporate system to improve the monitoring of preventive or corrective measures and risk management, so that failures, if any, are not repeated or have reduced financial consequences

### Business Continuity Management

Business continuity management is an essential part of operational risk management and has been a focus of CAIXA, through of Business Continuity Program (PCN CAIXA), to be implemented whenever there is an interruption in services and activities, as a key factor for the success of any initiative for the preservation or restoration of CAIXA's ability to do business.

### Information security management

Information security management is an important element in the structure of CAIXA, involving all CAIXA's areas in the construction and consolidation of models, procedures, structures, tools and a corporate culture that lead to a management whose main focus is the protection of CAIXA's assets and information of the bank.

### Crisis Management

Crisis management is a component of business continuity risk management, which seeks to effectively manage events of significant impact affecting one or more pillars: people, business, infrastructure, information, IT and suppliers. This management involves actions involving the preparation, identification, response, resolution and at the end, observation of lessons learned, the so called post-crisis.

At CAIXA, the crisis management is structured in a model that includes assumptions, responsibilities and ways of working, always in coordination with the Group Management.

### Transparency and Disclosure

Transparency and disclosure of information on CAIXA's operational risk management are indispensable factors for market players to be able to assess the quality of this management of this risk category in the institution.

There is a structured process of internal communication and disclosure to the market to make transparency a regular routine and demonstrate CAIXA's commitment to the consistency of the data, banking environment, and to the Brazilian society.

### Spreading the Operational Risk Culture

In order to internally disseminate the operational risk management culture, the Bank is offering two courses, basic and advanced, at University CAIXA, which can be accessed on the Bank's Intranet. Accordingly, the Bank made available regulatory manuals related to Operational Risk Policy and procedures associated with this risk management cycle.

**Notes to the Consolidated Financial Statements**

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**Note 34 – Other information****(a) Net assets of the social funds and programs managed by CAIXA:**

Description	06/30/2016	12/31/2015	06/30/2015
PIS (1)	29,785,044	29,196,805	30,908,276
FGTS (1)	99,195,322	94,024,286	87,669,243
FAR (1)	37,808,059	37,916,332	35,945,312
FDS (1)	1,211,170	1,187,745	1,153,987
FGS	920,478	799,085	578,933
FGHAB (1)	2,054,832	1,705,304	1,630,930
FGCN	50,722	4,421,909	4,766,970
Outros (1)	28,387	28,284	105,499
<b>Total</b>	<b>171,054,014</b>	<b>169,279,750</b>	<b>162,759,150</b>
<b>FCVS</b>	<b>(102,064,188)</b>	<b>(98,282,812)</b>	<b>(99,874,914)</b>

(1) Position in May 2016

**(b) Guarantees provided to third parties**

These guarantees amount to R\$ 69,554 (December 31, 2015 R\$ 69,554 and June 30, 2015 – R\$ 69.554) and refer to properties and securities pledged as collateral offered to third parties in connection with lawsuits filed against CAIXA.

**(c) FGTS**

The credit risk from transactions contracted as from June 1, 2001 falls on CAIXA, which is the Operator, while the Federal Government is subject to risk arising from investments made to such date, as established in article 9 of Law No. 8036/1990, amended by article 12 of Provisional Executive Order No. 2196-3/2001. Credit risk assessment is recognized as a provision in CAIXA in "Sundry liabilities" amounting to R\$ 21,142.

**(d) FIES**

The credit risk of operations contracted as of June 12, 2001 lies with CAIXA in its capacity of Financing Agent and joint debtor, up to the limit of 25%, as established in article 5 of Law 10,260/2001, amended by Law 11,552/2007. The result of the assessment of this credit risk is recognized by CAIXA as a provision under "Sundry liabilities" in the amount of R\$ 223,613 (December 31, 2015 - R\$ 217,539 and June 30, 2015 – R\$211,587).

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**Note 35 – Subsequent events**

Decree N° 8830 of August 4, 2016 modifies CAIXA articles of incorporation, increasing its capital to R\$24,837,171 by incorporating the accumulated balance of the Statutory Reserve up to 12/31/2015 for R\$2,782,369.

Gilberto Magalhães Occhi  
Chief Executive Officer

Antônio Carlos Ferreira  
Vice President

Fábio Lenza  
Vice President

Fabio Soares da Silva  
Vice President under  
Ordinance No. 532/2016

Joaquim Lima de Oliveira  
Vice President

Jose Henrique Marques da Cruz  
Vice President

Lucas José Palomero  
Vice President under  
Ordinance No. 686/2016

Márcio Percival Alves Pinto  
Vice President

Marcos Fernando Fontoura dos Santos Jacinto  
Vice President

Nelson Antônio de Souza  
Vice President

Paulo José Galli  
Vice President

Marcos Brasileiro Rosa  
National Superintendent  
Accountant CRC 022351/O-1-DF