

MANAGEMENT REPORT

3rd Quarter of 2012



CAIXA

We present Caixa Econômica Federal – CAIXA's Management Report and the Consolidated Financial Statements, for the 3rd quarter of 2012, according to the accounting practices adopted in Brazil, applied to institutions authorized to operate by the Central Bank of Brazil.

Management Report – 3rd Quarter of 2012

INTRODUCTION

Caixa Econômica Federal maintained the pace of credit concessions reported throughout 2012. From July to September 2012, the contracting totaled R\$ 92.6 billion, an increase of 22.1% over the total contracted in the third quarter of 2011.

Driven by CAIXA Best Credit Program (Programa CAIXA Melhor Crédito), the loan portfolio recorded a balance of R\$ 324.5 billion, a growth of 42.9% compared to September 2011, in view of an increase of 12.4% of the other institutions. The operations with corporates once again were highlighted, with an increment of 58.7% in 12 months, totaling R\$ 58.9 billion.

With a balance of R\$ 190.6 billion, CAIXA housing portfolio participated with 71.5% of the entire real estate market, confirming the preference of the population in the acquisition of their own homes.

The strategy of lowering interest rates and product diversification and innovation has attracted more and more customers to the Company. By the end of September, the Bank had 63.8 million customers in its base, which had a network of 45.6 thousand service points, including own and correspondent channels.

With more than 45 million savings accounts, CAIXA Savings was also highlighted, with net fund raising of R\$ 12.1 billion and balance of R\$ 169.7 billion, which represented 35.8% of the market.

In September closing, CAIXA was responsible for managing assets worth R\$ 1.2 trillion, of which R\$ 673.4 billion were owned assets and R\$ 315.2 billion were assets from Severance Indemnity Fund for Employees (*Fundo de Garantia do Tempo de Serviço*, or "FGTS"). The consolidated equity reached R\$ 22.5 billion.

Besides providing banking products and services, CAIXA acts as an agent of Federal Government public politics, participating as financial agent of major Government programs, such as My Home, My Life Program (*Programa Minha Casa, Minha Vida*), Growth Acceleration Program (*Programa de Aceleração do Crescimento*) and Family Allowance Program (*Programa Bolsa Família*).

During the period, it was responsible for distributing more than 95 million social benefits to the worker, regarding income transfer programs, totaling R\$ 50.1 billion.

As a result of its operations, CAIXA earned accrued profit of R\$ 4.2 billion, an increase of 17.7% over the cumulative income in September 2012, generating return of 27.5% on equity.

These are some highlights of the third quarter. The following are CAIXA results in the period, the Company's performance and the benefits it brought to society.

ECONOMIC CONJUNCTURE

In the international scenario, the third quarter started with some skepticism as to the mitigation of the crisis in Eurozone, but soon evolved into an optimistic scenario in response to the more fierce actions of Central Banks. However, the crisis solution may lead some European countries to years of stagnation and the global economy to a relatively more modest growth.

The effects of such international scenario affect the Brazilian economy through some transmission channels. One of them, the external sector, resulted in a reduction of the balance of payments due to the commercial balance impairment and the reduction of foreign investments in the portfolio. The direct foreign investment remained as the main source of financing and the exchange rate remained at R\$ 2.00 per US Dollar.

Regarding domestic economy, the latest figures point to a gradual resumption of activity, as a result of the stimulating measures undertaken by the government and the labor market that is still hot.

For prices, the dynamics of moderation seen until the first half lost pace in the last three months, the result of seasonal pressures and supply shocks. Therewith, accrued IPCA in twelve months remained above the middle of the goal set by the National Monetary Council - CMN.

This scenario, analyzed jointly, allowed the Central Bank of Brazil to keep the adjustment cycle of basic interest rate, which is, as of the date of this publication, at 7.25% per year.

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BUSINESS STRATEGY

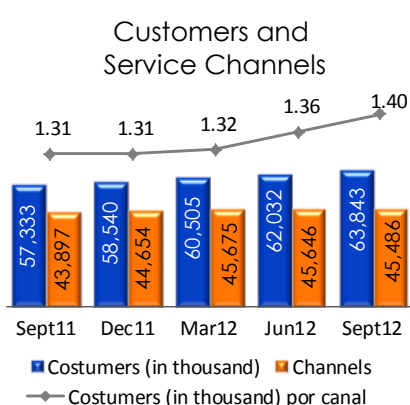
In June 2012, CAIXA ended the process of revising its Strategic Plan for the 2012-2022 period. The future vision was redefined, evidencing the place that CAIXA intends to occupy in the market until 2022: "Be among the three largest Brazilian Banks by 2022, maintaining the leadership as public politics agent".

The company's mission is "to act promoting citizenship and the country's sustainable development, as financial institution, public policy agent and strategic partner of the Brazilian State" was maintained.

In order to achieve the vision and accomplish the company's mission, the strategic map was remade, comprehending business objectives, their indicators and targets, as well as strategic initiatives in order to guide the organization in searching sustainable results from an economic, social and environmental standpoint.

Corporate values, important components of organizational culture, were also reviewed in a process that involved CAIXA employees.

CUSTOMERS AND SERVICE CHANNELS



At the quarter end, all segments represented a portfolio of 63.8 million customers, among account holders and savers, showing an increase of 11.4% compared to September 2011. During the period, CAIXA totaled 21.7 million active checking accounts, between individuals and corporate, evolution of 18.4% more than the total recorded in September 2011.

The Bank provides to its account holders, legal entities or citizens who use its services, a network of 45.6 thousand service points. There are 8.6 thousand owned units among branches, points and ATM rooms, and 36.9 thousand correspondents, of which 12 thousand are lottery shops. In addition, CAIXA customers can use the ATM network Banco 24 Horas.

Customer service was extended through Chico Mendes Branch (Riverboat Branch), by providing banking services to people living in Amazon region, and CAIXA itinerant service, which counts on a fleet of 18 Branch-Trucks, serving also in locations under emergency situations.

CAIXA continues to invest in expanding its service network. During the nine months of this year, 317 branches and banking service points have already been opened.

The new units follow the principles of resources economy, rationality in management and sustainability by complying with assumptions such as: constant improvement of customer service, employees satisfaction, accessibility, integration of corporate projects, programs and initiatives, cost reduction and execution time reduction.

From January to September, in both owned channels and shared network, 3.4 billion bank transactions were carried out, 1.2 billion only in the third quarter. CAIXA Internet Banking had 245.3 million transactions in the quarter, including balance checking, account statements, bill payments and money transfers.



Brasília Branch, the 3000th, opened at Brasília/DF.

Actions intended to provide speed and convenience to customers, as well as those that aim to increase security, require continued investments in new technologies and network maintenance. From July to September, R\$ 553.7 million have been spent in data processing, communication and security services.

Expenses with Service Network Maintenance (em R\$ million)	3Q10	3Q11	3Q12	$\Delta\%$ 3Q12/3Q11
Facilities	363	438	539	23.1
Communications	105	156	144	-7.5
Data Processing	217	234	233	-0.5
Security	118	154	177	14.6
Total	802	982	1,093	11.3

Customers are also provided with Customer Service (Serviço de Atendimento ao Consumidor- SAC), which during the third quarter, served 48 million customers. Out of this total, 5.1 million refer to Social Integration Program - PIS, 2.8 million to Severance Indemnity Fund - FGTS, 4.3 million to Family Allowance Program, 1.3 million to social cards, and 3.6 million to commercial operations.

The services provided by Customer Service comply with specific legislation (Decree No. 6.523/2008), which rules, among other things, the maximum waiting time and the reply within 5 working days for cases of complaints, as well as the access of hearing or speech impaired people through toll free number 0800-726-2492.

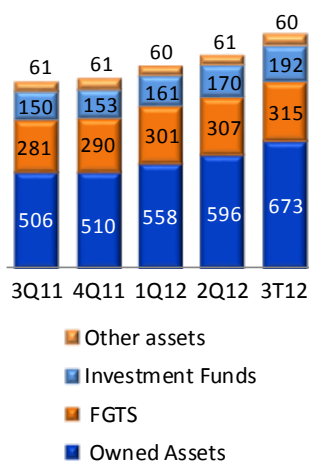
In September 19, CAIXA Ombudsman celebrated its 10th anniversary. There were approximately 1.4 million records in a decade of operation, resulting in discussions that helped to improve the technology systems, products and services offered by the Bank, and also its organizational culture.

On May 16, 2012, CAIXA complied in full with Law No. 12.527/2011, which establishes the procedures to be followed in order to ensure access to public information.

In order to ensure access to public information, the Company has available a specific page on its website (www.caixa.gov.br/acessoainformacao) and provides other communication channels with citizens: electronic form (e-SIC) in the specific page of information access, and reception of paper forms at the Citizen Information Service office, located at Edifício Matriz I, in Brasília/DF. Until the third quarter of this year, the Bank has received 1,410 requests for information.

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Breakdown of Assets Under Managements (R\$ billion)



ECONOMIC-FINANCIAL PERFORMANCE

The total assets under management by CAIXA, at the end of September 2012, was R\$ 1.2 trillion, highlighting R\$ 315.2 billion from FGTS and R\$ 191.6 billion in investment funds.

Owned assets totaled R\$ 673.4 billion and net equity was R\$ 22.5 billion, growth of 33.0% and 24.6%, respectively, compared to the same period of previous year.

Ratios %	3Q11	3Q12
Return on Average Assets (annualized)	1.1	0.9
BIS Ratio (or Basel II Index)	13.5	12.6
Reference Equity exposure to Public Sector	29.7	27.9
Allowance/Loan Portfolio	6.3	5.7
Fee Income / Administrative Expenses	67.4	67.8
Fee Income / Personnel Expenses	111.5	113.7
Return on Average Equity (annualized)	31.7	27.0
Operating Efficiency Ratio*	56.4	59.6

* For the purpose of alignment with market practices, the Operating Efficiency Ratio calculation was refined to consider the results of Subsidiaries and Associates, Other Operating Revenues and Expenses, excepted Allowance for Credit Losses.

The quarter's profit was R\$ 1.4 billion, an increase of 4.6% compared to the same period of 2011, with return on average net equity of 27.0%. The accrued net profit until September was R\$ 4.2 billion.

The values paid to the Federal Government, states and cities, by way of taxes, social charges and interests on equity totaled R\$ 1.4 billion.

OPERATIONS WITH SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

The balance of Securities and Derivative Financial Instruments was, at the end of the period, R\$ 125.9 billion, of which 92.5% were government bonds and 7.5% corresponded to private-issued securities.

In compliance with stipulations issued by BACEN Circular No. 3.068/2001 in its Article 8, CAIXA states its intention to keep securities classified in category III, which totaled R\$ 44.0 billion at the end of September, up to their respective maturities, as well as to have financial capacity to do so.

In the third quarter of 2012, the result recorded for securities and derivatives, related to the yields by papers, negotiations and amortization and interest payments, was R\$ 4.3 billion.

LOAN OPERATIONS

CAIXA total credit portfolio increased 42.9% in the last 12 months and ended September with a balance of R\$ 324.5 billion. The commercial credit recorded a balance of R\$ 109.1 billion, a growth of 52.6% over the same period of 2011. Operations with individuals recorded a balance of R\$ 50.2 billion, an increase of 46.0%, while those with business organizations ended the period with a balance of R\$ 58.9 billion, an increase of 58.7% in a year.

The Company' strong performance in credit concession, with the creation of new products, credit opening facilities and fee reductions, continuing CAIXA Best Credit Program, resulted in increased contracting.

In the quarter, the commercial agreements with individuals totaled R\$ 22.7 billion, an increase of 37.1% in 12 months. The contracting with customers in the basic income segment reached the amount of R\$ 2.25 billion, an increase of 18% compared to the same period of 2011. The contracting with business organizations reached R\$ 21.8 billion in the third quarter of the year.

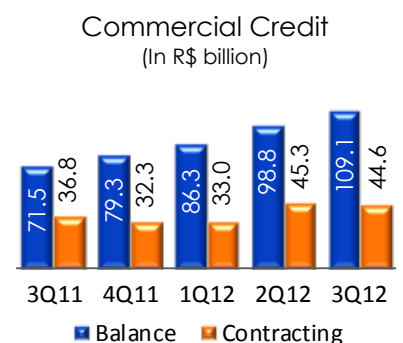
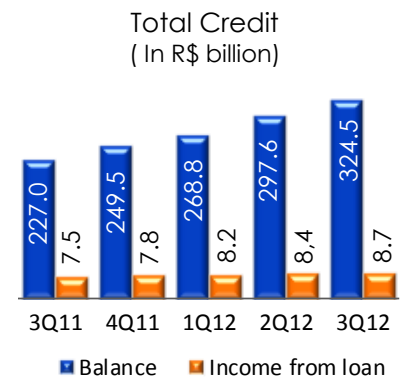
From January to September 2012, through CRESCER Program - CAIXA Productive Oriented Microcredit (Programa CRESCER – Microcrédito Produtivo Orientado CAIXA), the total amount of R\$ 343.6 million was lent to 71.8 thousand customers, of which 7.6 thousand are beneficiaries of Family Allowance Program and 24.5 thousand are individual entrepreneurs.

In the third quarter, Productive Oriented Microcredit's strategy of credit concession was enhanced by an increase of the number of customers benefited by lower value operations, reaching 46.7 thousand contracts, which totaled R\$ 156.1 million, with a reduction on the average contracting values from R\$ 6.9 thousand to R\$ 3.3 thousand.

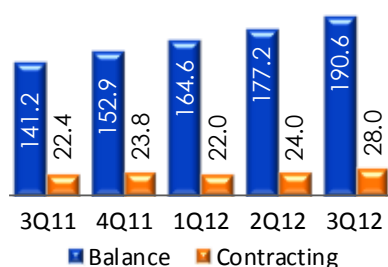
Housing contracting showed a volume of R\$ 28.0 billion, an expansion of 25% over the third quarter of 2011. Housing loans totaled R\$ 23.5 billion and FGTS subsidies totaled R\$ 1.7 billion.

Operations with savings' account resources totaled R\$ 13.7 billion, while lines of credit that use FGTS resources, including subsidies, reached R\$ 10.1 billion.

From 826.3 thousand real state units financed from January to September this year, 64.9% were allocated to families with income up to 10 minimum wage, a situation that reveals the importance of CAIXA's performance in the reduction of Brazil's housing deficit.



Housing Credit
(In R\$ billion)



Under PMCMV-2, since its launch in 2011 until the end of September, CAIXA signed 951 thousand new housing agreements, totaling R\$ 67.6 billion and benefiting approximately 3.9 million people. Only in the third quarter of this year, new loans signed within the Program totaled R\$ 11.1 billion.

Housing portfolio increased 34.9% in a year and closed the month of September with a balance of R\$ 190.6 billion, which represents 71.5% of the entire housing market. During the period, a mortgage backed securities were carried out in the amount of R\$ 2.5 billion of housing loans, accounted in Credit Operations Linked to the Assignment.

In addition to housing loans, the Company also excels in financing infrastructure such as sanitation and improvement of urban transport networks. In September 2012, the balance of such operations was R\$ 22.3 billion, an increase of 55.9% in 12 months.

A portion of investments in infrastructure and basic sanitation is focused in the Growth Acceleration Program. Until the third quarter of this year, CAIXA signed 1.3 thousand financing agreements under the Program, totaling R\$ 27.7 billion, of which R\$ 19.8 billion with the public sector and R\$ 7.9 billion with the private sector.

Portfolio risk mitigation and delinquency rates are a constant concern for the Company. At the end of September this year, more than 90% of credit operations concentrated within ratings AA and C.

The total delinquency rate at CAIXA remained stable, with a rate of 2.0%. The past due of commercial operations ended the period in 3.0%, with 4.6% in Individual's portfolio and 1.7% in corporate's portfolio. For housing credit, this ratio was 1.7%.

CAIXA Best Credit Program

In April 2012, CAIXA Best Credit Program was launched, aiming to facilitate Brazilian families' access to credit and to improve financing conditions for micro and small business.

CAIXA promoted a significant drop in interest rate that benefits, without the need of joining the Program, all customers, regardless of their current relationship status, reaffirming the financial institution position that offers the best credit conditions and greater respect to the customer.



Between March and September 2012, the Selic¹ rate dropped from 9.7% to 7.5% p.a., recording a decrease of 23.1%. Considering the main products included in CAIXA Best Credit Program, reduction reached up to 88% in the same period, representing almost 4 times the reduction percentage of the basic rate.

Housing credit rate reduction may reach up to 21% over the effective interest rate, which also benefits PMCMV in the income range above R\$ 3.1 thousand.

For Individuals, a number of credit lines was made available, being the main ones: Payroll Deduction Loan, Overdraft, Consumer Direct Credit - CDC, and Credit Card.

The companies were benefited with rate decrease on the products: Corporate Overdraft, Discount, some lines for working capital needs.

Since PCMC launch until September, the products included in the Program totaled R\$ 69.1 billion. Daily new loans changed from R\$ 372.8 million, in the first quarter of the year, to R\$ 548.7 million between April and September.

Giro CAIXA Fácil (a working capital credit line) again was the product that stood up the most in corporate segment, which increased almost 20 times its value; and in Individuals segment, it was Payroll Deduction Loan, with an increase of 43.9%, compared to March this year.

In this quarter, Credit With Pause was launched in order to allow the balancing of household budgets during the months with excessive budget commitments or in emergency situations, and an installment can be requested to be postponed or incorporated to financing/agreement.

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¹ The base interest rate is the benchmark interest rate payable to holders of certain securities issued by the Brazilian Government and traded in the Special System for Settlement and Custody (*Sistema Especial de Liquidação de Títulos Públicos*, or "SELIC").

DEPOSITS AND FUNDING

Amount of Accounts
(In million)



The Bank reached 1.6 million legal entities checking accounts at the end of September, an enlargement of 28.2% over the same period of 2011. Individuals checking accounts totaled 20.1 million, including CAIXA Easy Account¹.

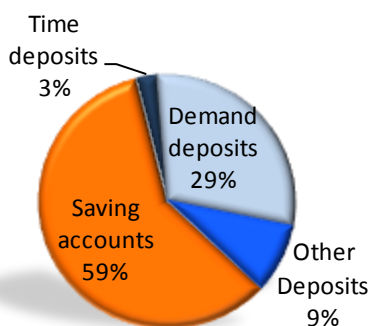
By the end of the quarter, CAIXA was responsible for the inclusion of 1.5 million Brazilians in the banking system through CAIXA Fácil Account, which represents an increase of 9.0% over the same period of the previous year. CAIXA records a base of 9.6 million active accounts in this modality.

The growth in the number of accounts influenced the increase of net funding. At the end of September, the deposits totaled R\$ 303.3 billion, a raise of 18.1% in 12 months. Out of these, R\$ 22.7 billion were demand deposits, excluding those in foreign currency, an increase of 8.0% compared to that recorded in September 2011.

CAIXA savings account balance at the end of the quarter totaled R\$ 169.7 billion, which accounted for 35.8% of Savings deposits in the country and a growth of 17.5% in a year.

Savings net funding, accrued in 9 months, was R\$ 12.1 billion, an increase of 55.0% over the same period of 2011, while in the third quarter of 2012, it was R\$ 5.4 billion. The expectation is that savings accounts continue to have this performance, taking into account that the new compensation rule maintained its competitiveness: exemption from income tax, profitability, daily liquidity, account open and balance movement simplicity.

Deposit Breakdown in
September/2012



Time deposits grew 32.9% compared to the balance recorded in September 2011, reaching R\$ 91.9 billion. All other deposits considered together ended the period with R\$ 19.0 billion.

Housing bonds, mortgage notes and credit bills funds raised R\$ 9.0 billion in the quarter and recorded a balance of R\$ 39.7 billion in the same period.

CAIXA maintained its position as the fourth largest investment fund manager (retail and exclusive) in the country, accounting for 7.5% of the market. In the third quarter of 2012, 23 new investment funds were launched, totaling 312 funds in the portfolio, an increase of 18.6% compared to the amount of products managed at the end of 2011.

¹ CAIXA Easy Account is a specific account with no maintenance fee targeting low-income individuals.

In the retail segment, equity showed an increase of 12.2% compared to the end of 2011, reaching R\$ 57.8 billion. The big highlight was CAIXA FIC Automatic Transactions CP, launched in July this year. This fund accrued, until September, net fund raising of R\$ 4.8 billion and 181.7 thousand shareholders.

At the end of September, assets under management was R\$ 392.6 billion in retail and exclusive funds, portfolios under management, FI FGTS and others, an increase of 21.5% over the same period of 2011.

With respect to Alternative Social Security Systems - RPPS, four new funds were launched in the third quarter, which raised more than R\$ 500 million. CAIXA is one of the leaders in this segment and reached, at the end of the quarter, R\$ 21.6 billion in investment funds intended to this niche.

STRATEGIC PARTICIPATIONS

Caixa Participations - CAIXAPAR is CAIXA' strategic arm in businesses related to participations in other companies, operating in supplementary and similar economy sectors and activities to the Institution's businesses. The main activities relate to prospecting new businesses, management and governance of participations invested.

Currently, among the companies that compose the portfolio of CAIXAPAR participations, we highlight: Caixa Seguros, Banco PanAmericano, CPM Braxis, Elo Serviços, Cia Brasileira de Securitização - CIBRASEC, Companhia Interbancária de Pagamento - CIP, BIAPE, CIELO and Tecnologia Bancária - Tecban.

Compositions of Investments (R\$ million)	3Q11	3Q12
CAIXA Seguros Holding S.A.	1,298	1,760
Banco Panamericano	546	898
CPM BRAXIS	-	320
Elo Serviços	-	12
CIBRASEC – Cia Brasileira de Securitização	7	7
CIP – Câmara Interbancária de Pagamento	3	3
BIAPE	1	1
Other Investments	88	226
Total	1,942	3,226

BANKING SERVICES

In the third quarter of 2012, 1.2 billion bank transactions were carried out, including withdrawals, deposits, inquiries and payments, which generated revenues of service provision and fees of approximately R\$ 3.6 billion, 14.8% more than the same period of the previous year.

CAIXA also offers products such as life, home and auto insurance, capitalization, private pension and consortium to its customers through a partnership with Caixa Seguros Group. The resources transacted yielded R\$ 29.9 million in fees in the quarter, an increase of 8.9% compared to the same period in the previous year.

In the third quarter of 2012, 1.2 billion bank transactions were carried out, including withdrawals, deposits, inquiries and payments, which generated revenues of service provision and fees of approximately R\$ 3.6 billion.

CREDIT AND DEBIT CARDS

CAIXA cards customers carried out 209.4 million transactions, representing a financial volume of R\$ 14.8 billion, an increase of 28.6% in transactions and 36.2% in banked value compared to the third quarter of 2011.

CAIXA closed the month of September with more than 8.5 million credit cards on MasterCard and VISA banners, an enlargement of 33.8% in the last 12 months, representing 45.2% of the market, with R\$ 5.8 billion transacted.

During the period, CAIXA launched two new products: the new University Card and CAIXA Platinum Tourism Credit Card, and continuing CAIXA Best Credit Program, made further reductions in the interest rates on credit cards for the following lines: revolving, emergency cash withdraw, installment and invoice agreement.

MasterCard Debit, VISA Electron and Elo Debit banners ended the period with a base of 73.4 million cards, an increase of 18.1% in 12 months, with revenues of R\$ 9.0 billion, an increase of 36.0% compared to the same period of the previous year, while the market grew 23.0% in the same period.

At the end of the quarter, the Bank held 26.2% of the market debit card base and participated, in the period, with 14.5% of the amount banked in this market.

As a result of the partnership among CAIXA, Banco do Brasil and Bradesco, Elo label was created to promote financial inclusion and democratize the means of electronic payment, issuing cards with debit and credit features.



Most customers who have Elo CAIXA cards are CAIXA Fácil and Savings accounts holders. The Bank reached, at the end of September 2012, 5.7 million debit cards issued on Elo banner, which carried out 15 million transactions in the period, concentrated in supermarket, retail and apparel segments.

With CAIXA Best Credit Program, interest rates for all credit card lines were reduced, both in revolving and installment lines, as well as time extension for the installment with interest and invoice installment lines.

GOVERNMENT SERVICES

As the main operator agent of the Federal Government social programs, CAIXA actively contributes to the eradication of poverty and in improving income distribution of Brazilian population.

In the third quarter of 2012, the income transfer programs distributed R\$ 5.7 billion for 43.0 million benefits paid. Among these programs, it is worth pointing out the performance of Family Allowance Program, that paid of 39.4 million benefits in the total amount of R\$ 5.3 billion, which represents an enlargement of 23.5% over the amount paid in the same period of 2011.

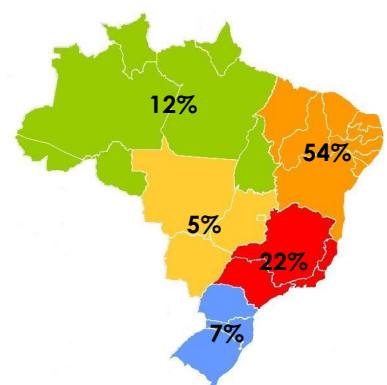
Out of the families receiving Family Allowance, approximately 3.0 million receive benefits through bank account, with the option of moving their benefits partially, using the features inherent to the product, plus the option of shopping in all accredited businesses.

The Federal Government single registry showed an increase of 54.9% in the volume of families registered in this last quarter, compared to the same period last year. In absolute numbers, this means that more than 24.5 million families are registered in the national single registry base. The data entered in the application makes possible the inclusion of families in various income transfer programs operated by CAIXA, and the implementation of other Federal Government's social programs.

During the period, new types of cards were created to allow for payment of new programs such as Emergency Financial Assistance (Auxílio Emergencial Financeiro), Green Allowance (Bolsa Verde) and Development Program (Programa Fomento), in addition to the specific card of *Chapéu de Palha Estiagem* Program of the State of Pernambuco. Specifically for these programs, more than 295 thousand cards were issued in the third quarter, which were included in the base of 92.5 million social cards activated.

Most customers who have Elo Caixa cards are Caixa Fácil account holders and savers.

Family Allowance Program Distribution per Region



About the programs aiming the workforce, the Bank was responsible for the payment of 28.8 million benefits, by way of Unemployment Insurance, Salary Bonus and Social Integration Program - PIS (quotas and profits), totaling R\$ 14.3 billion.

In the same period, approximately 15.0 million workers, 58% of the total amount paid, received their benefits with more convenience and security through deposit in their own current or savings accounts, or agreement with companies in their payrolls, amounting R\$ 7.1 billion.

In its role of operator agent of Government Severance Indemnity Fund for Employees - FGTS (Fundo de Garantia do Tempo de Serviço), CAIXA maintains its performance in the pursuit of excellence in worker's patrimony management and application of resources, committed to social development and the improvement of life quality of Brazilian population.

During the quarter, the Bank was responsible for the payment of 28.8 million benefits, by way of Unemployment Insurance, Salary Allowance and PIS, amounting R\$ 14.3 billion.

At the end of September, the Fund had 109.4 million active accounts, which represented a balance of R\$ 233.6 billion. During the quarter, FGTS revenue was R\$ 20.3 billion.

Infrastructure constructions, housing financings and sanitation received more than R\$ 6.7 billion from FGTS resources. Popular housing programs received R\$ 6.1 billion and sanitation an urban infrastructure sectors received R\$ 626 million. Moreover, R\$ 1.9 billion were disbursed by way of FGTS subvention to benefit families with gross monthly income up to R\$ 3.1 thousand, who took financings with FGTS resources.

CAIXA made available FGTS services on internet banking for all account holders. In this new channel, FGTS statement services is available the following services: FGTS balance statements, including supplementary credits, and address update, providing satisfaction and convenience to customers holding FGTS account.

Lotteries

CAIXA lotteries transferred to the Federal Government and other legal beneficiaries R\$ 648.5 million in the third quarter. These resources are applied in social security, education, culture, public health and safety programs .

During the period, the lotteries paid an amount of R\$ 659.6 million in prizes in all categories, and gathered R\$ 2.6 billion, of which just Mega-Sena lottery alone raised R\$ 950.9 million, while R\$ 772.5 million refer to Lotofácil lottery.

The growth highlights were Dupla Sena and Timemania lotteries, exceeding in 44.7% and 151.1%, respectively, the total sales made in the third quarter of 2011.

In September, CAIXA Lotteries completed 50 years of existence. The celebration included the special commemorative extraction prize of Federal Lottery, called Federal Millionaire, whose grand prize was R\$ 1 million.

INTERNATIONAL OPERATIONS

CAIXA international operations are aligned to Federal Government's expectations of supporting both Brazilians living abroad and institutions from various countries through the offer of services, products and money transfers to Brazil.

The internationalization process of the Company was started in 2004, building partnerships with other banks and researching the possibility of opening offices in other countries. The Company has representative offices in Tokyo - Japan, New Jersey State - United States, and Venezuela.

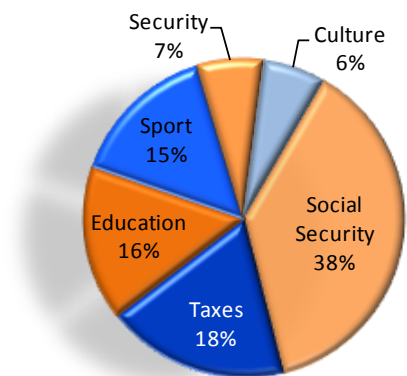
The positive impact of the Offices' operations aroused the interest of many countries in establishing partnerships with the Company in sectors such as corporate governance, corporate training systems, banking security, business development, modernization of banking technology systems, urban development, social programs, government funds, service network and banking inclusion.

Throughout the third quarter of 2012, the Company welcomed foreign missions from Uruguay, Tanzania and Suriname, interested in being acquainted with the Company's experience in topics such as the Brazilian social housing programs, banking correspondents and PMCMV. The Company also sent a mission to São Tomé and Príncipe to share experience in housing financing of social interest in that country.

In order to encourage Brazilian businessmen participation in the international context, CAIXA served in the Foreign Trade Meetings - ENCOMEX held in Vitória and Rio de Janeiro, debating the relevance of foreign trade in the country's economic and social development.

In the quarter, as a supporter of Brazilian companies in international trade, CAIXA performed R\$ 79.9 million in foreign exchange transactions and R\$ 66.2 million in working capital, to finance production and to support Brazilian Foreign Trade.

Lotteries' Destination - 3Q12



The positive impact of the Offices' operations aroused the interest of many countries in establishing partnerships with the Company.

For customers residing abroad, the Company offers the International Remittance Program (Programa de Remessas Internacionais) through which they can send money to Brazil. Throughout the third quarter of 2012, the Program raised R\$ 116.7 million through both correspondent banks (SWIFT) and partner banks (under agreement), an increase of 114.9% compared to the same period of 2011.

During the quarter, CAIXA prepared itself to perform its first foreign note issue. This issue aligned with the Company' strategy of expanding its customer and business base, will further expand its sources of funding, and consolidate international investors's perception of the Company's economic and strategic fundamentals. It is part of a program up to R\$ 5 billion, allowing the Bank to become a frequent issuer in the international capital market.

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CORPORATE GOVERNANCE

CAIXA has a historical commitment and a contemporary management style, aligned with the provisions of Decree No. 6.021/07, which are expressed through the core values of honesty, respect, responsibility and transparency - in the way its businesses are conducted, in its relationships with stakeholders and in accountability for its actions.

According to the Bank' statute, CAIXA's management bodies are the Administration Counsel and the Board of Directors, the last one consisting of CEO, Managing Counsel, Vice-President responsible for third parties' assets management, and Vice-President responsible for management or operation of federal lotteries and funds set up by the Federal Government, which share the organic representation and the Company's management, including FGTS.

CAIXA has also Executive Directors, responsible for managing the Board of Directors (administration, supervision and coordination of the Board's activities and units under their responsibility), strategy implementation and defining guidelines for the formulation of strategies, aiming to achieve the organizational goals and sustainable results.

The Executive Director's position is private to active employees of the Company and the holders are appointed and dismissed by the Board of Directors, on the recommendation of CAIXA's CEO.

As part of its corporate governance system, CAIXA has instruments that inhibit conflicts of interest between their management instances.

In addition to the rules concerning the non-participation of Vice-Presidents of segregated areas as Board Members, the statute contains other rules of segregation of duties that should be observed by the management bodies.

Aligned with good governance practices, the Bank has also collegiates and a specific unit that performs the functions related to the supervision and oversight of the Company's directors' management, besides the supervisory and external control bodies, namely: Fiscal Council, Audit Committee, and Internal Audit.

The Company continued its quest to become a reference in corporate governance practices, either with its current management model, which has corporate governance as one of its branches, or with the adoption of management practices aligned to principles such as transparency, fairness, accountability, corporate social responsibility, compliance, strategic risk management and sustainability, which are implemented in a variety of management tools, such as the Code of Ethics and CAIXA Operation Policies.

INTERNAL CONTROLS

CAIXA Internal Control System - SCI CAIXA - is a set of elements consisting of policies, rules, standards of conduct and culture adopted by the Company to achieve its objectives, to keep and provide managerial and financial information, to have all its activities performed according to the laws, internal and external rules applicable to them and to reduce risks of damage to its image.

During the third quarter, implementations were made by different units of the Bank with positive impacts for the maintenance and improvement of the Internal Control System, whose highlight was the Special Qualification Program (Programa de Qualificação Especial) which goal is to promote innovation in processes, products and services for the Company by identifying, training and retaining talents for the technical staff of CAIXA

Strategic Control Certification Project is in development, which consists in the development and implementation of a certification model, through diagnosis, knowledge of the process flow, risk identification, development of mitigation actions, compliance verification, identification of key control indexes, definition of tests, result monitoring and validation of its information and communication flow.

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RISK MANAGEMENT

Corporate Risk Management

CAIXA risk management is based on the best market practices and in compliance with the standards issued by the Central Bank of Brazil - BACEN.

In the period, CAIXA completed the adequacy plan to ensure an authorization to use the internal model of market risk and presented to BACEN new version of Market Risk Notebook for continuity of supervision of this process by the regulator.

During the third quarter of 2012, actions of excellence of operational risk management were implemented, highlighting the qualification of more than 4 thousand employees with a Operational Risk training took at CAIXA University (the Company's training system).

The report "Information Relating to Risk Management in CAIXA" is available at: http://www.caixa.gov.br/acaixa/administracao_riscos.asp.

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Management of Borrower Credit Risk and Operation

The Company policy of borrower credit risk and operation establishes the responsibilities guiding the assessment of credit risk in accordance with the strategies, current legislation and good corporate governance practices, observing the policies of risk and credit management in force .

The ongoing strategy of expanding customer base, adhering to CAIXA Best Credit Program, is strengthened by actions of management of credit risk to ensure adequate mitigation of borrower/operation credit risk.

The management of borrower credit risk and operation adopts models of assessment and reassessment of risk applied to the credit proposals or in the prospection of customers.

In the assessments, ratings are assigned to the borrower, the operation, the expiration date and the maximum credit limits, considering the individual borrower , the economic group/conglomerate or the project presented. The operations are reassessed in compliance with the standards set by regulators, considering the nature, timing and relevance of each operation.

A safe credit expansion requires credit risk management actions to ensure that concessions have good quality, aiming at a positive impact on credit portfolios, with consequent positive result on the CAIXA's balance sheet.

One of these actions relates to contracting an information bureau to enhance credit risk mitigation to new customers, with the inclusion of borrower's demographic and market behavior data in the models of input credit risk.

HUMAN RESOURCES MANAGEMENT

At the end of September 2012, the Bank had 89.7 thousand employees and 11.9 thousand interns and trainees.

The employee's fixed compensation, plus charges, totaled R\$ 3.2 billion, highlighting the social benefits provided to employees and their dependents to the amount of R\$ 303.1 million. Additionally, R\$ 28.2 million were invested in training and development programs.

Aiming to provide future well-being to its employees, CAIXA sponsors supplementary pension plans administered by Federal Economists Foundation - FUNCEF. In the third quarter of 2012, the Company had 95.4% of the staff associated to the supplementary pension plans.

In addition to the several programs for employees' health and safety, the Company also seeks to integrate corporate education, performance and skill management and knowledge management, through scholarships and creation and maintenance of systems and processes for disseminating knowledge and skill development.

CAIXA knowledge management consists of an organizational management practice set that aims to create a environment of continued and collective learning through knowledge sharing among the employees, Company and society, generating value, innovation and business sustainability.

The scholarship program includes more than 3.3 thousand employees and invested R\$ 8.3 million in the third quarter. The scholarship program for undergraduate/graduate education, in turn, has almost 1.4 thousand employees enrolled and paid, in the period, R\$ 2.6 million. As for the scholarship for foreign language studies, it amounted for R\$1.2 million in the period.



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CAIXA University currently has 189 educational actions in the 3 categories: classroom courses/training conferences, online learning and mixed. These actions, along with participation in events such as seminars, conferences and qualification and extension courses, promoted approximately 2.3 million hours of training in the quarter.

During this period, the 2012-2013 cycle of 2012-2022 Continuing Training Program was continued. This program includes a number of training actions that aims to contribute, in a gradual and complementary way, to the development of all employees, by offering educational solutions that will enable them to meet the challenges of the Company.

CORPORATE SOCIAL RESPONSIBILITY

CAIXA signed the Financial Cooperation Agreement between CAIXA Environmental Fund (FSA) and Brasil Solair company for a project of income generation and renewable energy included in PMCMV.

The energy not consumed by the residents may be sold to the concessionaire or consumer. The income generated will be divided among the residents and associates. Part of this income may be used in the improvement of local conditions.

Aiming at making its units physically accessible, the Company has executed a plan, obtaining a percentage higher than 98% of units adapted. Branches and PAB's have in their ATM rooms at least one terminal accessible to disabled person, using audio and software feature installed and active.

Support to Sport

CAIXA is the official sponsor of Olympic athletics, gymnastics, associated fights as well of paralympic sport, through its confederations and committee: Brazilian Athletics Confederation - CBAf, Brazilian Gymnastics Confederation - CBG, Brazilian Associated Fight Confederation - CBLA and Brazilian Paralympics Committee - CPB.

In the third quarter of 2012, the Bank invested R\$ 33.4 million in sports. In addition to sponsoring committees and confederations, CAIXA kept the partnership in sports projects of relevant social nature.

These projects ensured social inclusion opportunities and life quality improvement to approximately 5 thousand Brazilian children and youth. Some of them participated in major competitions across the country, increasing their self-esteem and sense of citizenship.

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The Company has sponsored the Brazilian Paralympic Committee (CPB) since 2004, using funds from the Lottery Development Fund, with the goal of encourage the growth of national parasports and materialize the benefits provided to Brazilian society, resulting from transfers, instituted by law, of part of the amounts raised through sales of federal lottery bets.

Support to Culture

CAIXA is aware that by valuing culture it contributes to the process of social inclusion. The Company manages its own cultural facilities (CAIXA Cultural) located in seven Brazilian capitals - Brasilia, Curitiba, Fortaleza, Recife, Rio de Janeiro, Salvador and São Paulo. These facilities have theaters, cinemas, galleries, educational activity room and memory/historical rooms.

CAIXA Cultural units offers a schedule formed by cultural projects selected by call for bid, called CAIXA Cultural Occupation Program.

In the quarter, R\$ 10.2 million were invested in sponsorship of 163 cultural events, which made available high quality art to the population, following the policy to grant everyone access to varied cultural events.



Stained-glass Foyer
Headquarters Building
Brasília/DF

AWARDS AND RECOGNITION

The Company once again stood out in 2012 Exame Personal Investment Guide, Exame Magazine - September issue. The Institution won second place in the category Best Retail Managers. In addition, eight CAIXA funds were part of the list of Best Open Investment Funds of the market.

ValorInveste Magazine presented the Star Ranking, prepared by Standard & Poor's company, which analyzed more than one thousand of funds. The Institution stood out with *CAIXA FI Qualificado RF Crédito Privado LP* fund, which won five stars in its category.

The Company was awarded 2012 Sustainability Marketing Best Award for the initiative of riverboat Chico Mendes Branch, in an annual event that rewards and disseminates the best sustainability practices of companies, foundations, institutes and associations.

The Company also received, for the second consecutive year, Época Green Company Award, created by Época Magazine. CAIXA was recognized as one of the "20 Greenest Companies of Brazil", in the category "Services".

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During the National Congress of Company-Customer Relations (Conarec), CAIXA Ombudsman was awarded for being among the top 10 ombudsmen in the country, and received 2012 Ombudsmen Brazil Award, an initiative Consumidor Moderno Magazine promotes in order to get to know the different structures ombudsman offices of national range, recognize and value ombudsman institution, ombudsman officers, and public and private institutions that stood out for their performance and structuring.

THANKS

The results reported herein, reflect the confidence of our customers, account holders and savers, as well as the professionalism and commitment of all employees and collective effort to meet the Company's guidelines.

We thank our customers for their trust and loyalty, our employees and all those who make CAIXA a key company for the social and economic development of Brazil.