CORRETORA SOUZA BARROS CÂMBIO E TÍTULOS S.A.

Brazilian Registry of Legal Entities (CNPJ/MF) 61.787.776/0001-98 – São Paulo: Rua Líbero Badaró, 293 – 23º andar – Phone: 3292-6900 – CEP (Zip Code): 01009-907 – Service Charter A-67/1964-BCB

BALANCE SHEETS AS OF - In BRL thousands

Assets	06/30/11	06/30/10
Current Assets	96,110	151,528
Cash And Cash Equivalents	152	197
Interbank Deposits	15,845	22,610
Open Market Investments	15,845	22,610
Securities And Derivatives (90 Days)	52,264	5,978
Own Portfolio	50,614	5,978
Securities and Derivatives	7	-
Subject to Collateral	1,643	-
Securities And Derivatives (Above)	4,858	94,885
Own Portfolio	-	36,201
Subject to Collateral	4,858	58,684
Other Receivables	22,642	27,398
Income Receivable	28	39
Securities Clearing Account	22,624	27,402
Other	414	375
(Provision for Doubtful Debts)	(424)	(418)
Other Assets	349	460
Other Assets	132	143
Prepaid Expenses	217	317
Noncurrent Assets	68,003	12,493
Long-term Assets	66,405	10,895
Securities and Derivatives	54,947	-
Subject to Collateral	54,947	-
Other Receivables	11,458	10,895
Sundry	11,458	10,895
Permanent Assets	1,598	1,598
Investments	268	266
Other Investments	268	266
Premises and Equipment	1,023	1,042
Other Premises and Equipment	3,536	3,488
(Accumulated Depreciation)	(2,513)	(2,446)
Deferred Assets	-	-
Organization and Expansion	-	393
(Accumulated Amortization)	-	(393)
Intangible Assets	307	290
Intangible Assets	393	311
(Accumulated Amortization)	(86)	(21)
Total Assets	164,113	164,021

Liabilities	06/30/11	06/30/10
Current Liabilities	84,107	79,615
Deposits	576	571
Other Deposits	576	571
Borrowings	11,097	-
Other Institutions - Domestic	11,097	-
Other Obligations	72,434	79,044
Corporate and Statutory	98	249
Tax And Social Security	391	401
Securities Clearing Accounts	70,942	77,171
Sundry	1,003	1,223
Noncurrent Liabilities	10,100	9,499
Long-term Liabilities	10,100	9,499
Other Liabilities	10,100	9,499
Tax and Social Security	28	129
Sundry	10,072	9,370
Shareholders Equity	69,906	74,907
Capital:	46,462	46,346
Domestic	46,462	46,346
Capital Reserves	-	116
Profit Reserves	24,442	30
Monetary Adjustments	5	(425)
Retained Earnings	(1,003)	28,840
Total Liabilities And Shareholders' Equity	164,113	164,021

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY – (In BRL thousands)

From 01/01/11 to 06/30/11

Events	Paid-in Capital	Capital Reserves	Profit Reserves	Monetary Adjustment	Retained Earnings or Losses	Total
Balances at the Beginning of Period: 01/01/11	46,462	-	27,142	118	-	73,722
Reversion of Reserves	-	-	(2,700)	-	2,700	-
Interim Dividends	-	-	-	-	(2,700)	(2,700)
Adjustments to Market Value - Securities and Derivatives	-	-		(113)	-	(113)
Net Income (Loss) for the Period	-	-	-	-	(1,003)	(1,003)
Balances at the end of Period: 06/30/11	46,462	-	24,442	5	(1,003)	69,906
Changes in the Period	-	-	(2,700)	(113)	(1,003)	(3,816)
Balances at the Beginning of Period: 01/01/10 to 06/30/10	46,346	116	155	(14)	33,492	80,095
Reversion of Reserves	-	-	(125)	-	125	-
Interim Dividends	-	-	-	-	(125)	(125)
Adjustments to Market Value - Securities and Derivatives	-	-	-	(411)	-	(411)
Net Income (Loss) for the Period	-	-	-		(4,652)	(4,652)
Balances at the end of Period: 06/30/10	46,346	116	30	(425)	28,840	74,907
Changes in the Period	-	-	(125)	(411)	(4,652)	(5,188)

STATEMENT OF INCOME – (In BRL thousands)

	1st Half/11	1st Half/10
Income From Financial Operations	9,092	9,418
Securities	9,688	7,059
Derivatives	(604)	2,356
Foreign Exchange	8	3
Expenses of Financial Operations	(206)	(25)
Loans, Transfers and On-lending	(206)	-
Provision for Doubtful Debts		(25)
Gross Income from Financial Operations	8,886	9,393
Other Operating Income/Expenses	(9,574)	(13,719)
Service Fee Income	3,020	5,372
Salaries and Employee Benefits	(4,205)	(4,124)
Other Administrative Expenses	(8,128)	(9,943)
Tax Expenses	(1,088)	(2,477)
Other Operating Income	1,711	2,205
Other Operating Expenses	(884)	(4,752)
Operating Income	(688)	(4,326)
Non-operating Income	37	(34)
Income Before Income Tax and Social Contribution	(651)	(4,360)
Profit Sharing	(352)	(292)
Net Profit (Loss) in the Period	(1,003)	(4,652)
No Of Shares	5,475,301	5,466,826
Profit (Loss) Per Share BRL	(0,18)	(0,85)

CASH FLOW STATEMENT - INDIRECT METHOD – (In BRL thousands)

	2nd Half/11	2nd Half/10
Cash Flows From Operating Activities		
Net Income (Loss) in the Fiscal Period	(1,003)	(4,652)
Depreciation and Amortization	181	170
Provision for Doubtful Debts	-	25
Monetary Adjustments	(113)	(411)
	(935)	(4,868)
Variations In Assets And Liabilities	48,894	(37,987)
Securities and Derivatives (Increase) Reduction (Above)	62,585	(53,841)
Other Receivables (Increase) Reduction	(568)	(15,579)
Other Assets (Increase) Reduction	77	(170)
Deposits (Reduction) Increase	(603)	(1,703)
Borrowings (Reduction) Increase	(685)	-
Other Liabilities (Reduction) Increase	(11,912)	33,306
Net Cash From Operating Activities	47,959	(42,855)
Cash Flow From Investments		
Disposal of:		
Investments	1	34
Premises and Equipment	20	1
Investment in:		
Investments	(3)	-
Premises and Equipment	(170)	(114)
Net Investments in Deferred /Intangible Assets	(82)	(311)
Invested Net Cash	(234)	(390)
Cash Flow From Financing Operations		
Paid/ Proposed Dividends/Profits	(2,700)	(125)
Net Cash Used In Financing Operations	(2,700)	(125)
Net Increase of Cash and Cash Equivalents	45,025	(43,370)
Cash and Cash Equivalents - Beginning of Period	23,236	72,155
Cash and Cash Equivalents - End of Period	68,261	28,785

NOTES TO THE FINANCIAL STATEMENTS AS OF JUNE 30, 2011 AND 2010 - (In BRL thousands)

1. Operating Context - The object of the company is to operate on the stock, commodities and futures exchanges, to trade and deal with securities, as principal or agent, and to act as financial intermediary in forex and other transactions sanctioned by the Central Bank of Brazil - BACEN. **2 Preparation and Presentation of Financial Statements** - The financial statements have been prepared and are presented according to the principles provided for in the Brazilian Corporation Law and according to the instructions issued by the Central Bank of Brazil - BACEN. The Firm is applying Law No 11.638/07 and Provisional Measure No 449/08, transformed into Law No 11.941/09. We would like to stress that the initial adoption of such laws had no significant impact on the Financial Statements, considering that the main changes that affect the operations have already been adopted as a result of the previously existing accounting rules set forth by the BACEN. The main changes introduced by the above rules are: (i) the Firm's transactions are already presented at values that reflect those obtained at realization, given that pre-fixed borrowing and financing operations are adjusted to present value because there are unearned income accounts and expenses to be appropriated and that adjust such transactions to values that would be obtained at realization, as if they were cash transactions; the same occurs with obligations subject to post-fixed variations, that are carried out at their cash value and which respective values are updated from time to time according to the applicable rates. Thus, the Adjustment to Present Value for short and long-term borrowings and financing operations has not resulted in adjustments for the Firm; (ii) deferred assets are restricted to pre-operating expenses and restructuring expenses; (iii) Statements of Changes in Financial Position are no longer required; instead the Statement of Cash Flows is being presented. **3. Main Accounting Practices - a)** ***Calculation of results*** - Income and expenses are accounted for under the accrual basis of accounting. ***b) Accounting estimates*** - In order to prepare the financial statements, accounting estimates based on objective and subjective factors and considering the Management´s opinion so as to determine the proper value to be recorded on the financial statements were used. The settlement of transactions based on such estimates may result in diverging amounts due to the subjectivity inherent to the process of calculation. The Firm reviews the estimates and principles at least once a month. ***c) Interbank Accounts*** - Interbank accounts are represented by repo operations, paid at pre-fixed rates and backed by government securities. They are stated at cost added by the resulting yields, calculated *pro rata diem*. ***d) Securities and Derivatives*** - Securities are classified according to Management's objective: trading, available-for-sale and held-to-maturity securities. Trading securities are presented under current assets and stated at market value; available- for-sale securities are stated at market value and held-to-maturity securities are stated at cost of acquisition plus an agreed upon yield. Trading securities are adjusted to market value and recorded under the corresponding credit or debit account, as the case may be. Available-for-sale securities are adjusted to market value and reported as a separate component of shareholders´ equity until realized; adjustments are transferred to the respective income statement for the period. ***e) Securities Trading*** - Are stated at the purchase and sale balance of securities operations carried out on the BM&F BOVESPA S.A., for the account of clients, pending settlement within regular time limits or maturity. ***f) Other Current and Long-Term Assets and Liabilities*** - Are stated at cost including, when applicable, monetary variations and the corresponding income earned up the date of the balance sheet. ***g) Permanent Assets:*** **• Fixed assets in use** - are stated at the cost of acquisition; depreciation was calculated by the straight-line method of accounting, based on the useful and economic life of assets according to parameters and rates established by tax legislation, as follows: 20% p.a for "Data Processing Systems and Transportation Systems", and 10% p.a. for other accounts. **• Intangible assets** - Rights that are presumed to represent an advantage to the Firm - such as software, are recorded at the cost of acquisition and amortized by the straight-line method based on the estimated useful life and according to parameters and rates determined by the tax legislation at the rate of 20%. ***h) Provisions for Doubtful Debts*** - Provision for doubtful debts totaling R$ 424 (R$ 418) refers to possible losses related to amounts receivable from clients related to transactions carried out on the BM&FBOVESPA. This provision is based on delayed payments, under CMN Resolution No 2.682/99. ***i) Current and long-term liabilities*** - **Other current and long-term liabilities** – Are stated at known or calculable values, added, when applicable, by the corresponding charges, monetary and/or exchange variations up to the date of the balance sheet. Provisions – Provisions are recorded when the Firm has a legal obligation or an obligation resulting from a past event and it is likely that funds will be required to pay the obligation and the amounts are safely calculable. Provisions are based on the best estimates of the risk involved. ***j) Provision for Income Tax and Social Contribution -*** Provision for income tax was calculated at 15% on the taxable income plus 10% on profits that exceed R$ 240 p.a. Provision for social contribution was calculated at the rate of 15% after due adjustments according to the applicable legislation. No provision for income tax and social contribution was made given the negative result. ***k) Contingencies*** - Contingent liabilities are accounted for when, in the opinion of legal counsels, there is a probable risk of loss of a judicial or administrative suit, generating a possible outflow of funds to settle the obligations, and when the amounts involved can be determined with assurance. Contingent assets are accounted for when the management has total control of the situation or when there are guarantees or favorable and final judicial orders. ***l) Impairment*** - An impaired asset is a condition in which an asset's book value falls below its carrying amount and is not expected to recover. According to CMN Resolution No 3.566/2008, that provides on procedures applicable to impaired assets, the Firm verifies, at least on an annual basis, the recoverable value of its assets, and any possible losses are recorded on the balance sheet. No decrease was verified in the recoverable value of assets in the period. ***m) Amendments to the Corporation Law*** - Law No 11.638 published in the Union´s Official Gazette on December 28, 2007, complemented by provisional measure Nr. 449 of December 3, 2008 and converted into Law 11.941/09, modified various provisions of Law Nr. 6.404 (Corporation Law) that came into effect as of January 1, 2008. Up to the present date the BACEN has regulated the following issues: (a) treatment of capital reserves balance and allocation of retained earnings; (b) treatment of fixed and deferred assets; (c) recognition, measurement and presentation of losses related to the recoverable value of assets; (d) presentation of the statement of cash flow; (e) divulgation of information on the related parties, and (f) recognition, measurement and presentation of provisions, contingent assets and liabilities. ***n) Cash and Cash Equivalents*** - Cash and cash equivalents are cash and cash equivalents held in domestic and foreign currency, investments in gold, in the open market, in fixed-income and repo agreements which maturity occurs within 90 days or less and present a marginal risk of change in the fair value. Cash and cash equivalents are used by the Firm to cover its short-term obligations.

	2011	2010
Cash and Cash Equivalents	152	197
Cash	5	5
Bank Deposits	34	60
Investments in Gold	38	36
Foreign Currency	75	96
Interbank Funds Applied	15,845	22,610
Treasury Bills	15,845	16,612
National Treasury Bills	-	5,998
Securities	52,264	5,978
Treasury Bills	-	5,978
Shares in Investment Funds	386	-
Stocks in Publicly-Traded Companies	31,267	-
Borrowings	18,961	-
Premium on Options to Exercise	7	-
Backed by Guarantees	1,643	-
Total Cash and Cash Equivalents	68,261	28,785

4. Securities and Derivatives - The firm has classified its securities as "available for sale" in the amount of R$ 112.062 (R$ 100.863 – 2010) and they are appraised, respectively, at their market value and at the cost of acquisition plus yield. Derivatives are recorded on a case by case basis: • "Swap" – by the receivable or payable difference; • "Futures" – by daily adjustments; • "Forward" - *pro-rata diem* on the difference between the contract final price and the spot price of the underlying asset; and • "Options" – the premiums, in the case of the exercise or maturity of the options, are adjusted to the cost of the asset, or if the options are not exercised, they are accounted for as income or expense. Transactions with these instruments are intended to hedge against fluctuations in other assets, and the risks involved are evaluated daily by the management. On June 30, 2011, the Firm´s financial derivatives amounted to R$ 7, classified as premiums on options to exercise.

5. Securities Trading

	Other Credits		Other Liabilities	
	2011	2010	2011	2010
Recording and Settlement	5,763	1,469	294	119
Debtors/Creditors – Pending Settlement Account	2,719	6,138	18,340	20,688
Transactions With Financial Assets and Commodities	-	-	292	69
Securities Acquisition and Subscription	-	-	153	-
Creditors for Securities Lending	-	-	18,960	22,423
Other Credits from Securities Trading	14,142	19,795	32,903	33,872
	22,624	27,402	70,942	77,171

The Firm has considered the recording of net amounts receivable related to income earned on the intermediation of Swap transactions, as from November 1999, in accordance with BACEN Circular Letter No 2.951, of November 11, 1999.

6. Composition of Relevant Balances

	2011	2010
Current Assets		
Other Receivables		
Sundry	414	375
Advance to Employees	71	9
Payments to Return	24	78
Taxes and Contributions Payable	119	48
Other Accounts and Amounts Receivable	200	240
Long Term Assets		
Other Receivables		
Sundry	11,458	10,895
Receivable from Securities Sold	-	200
Income Tax to Recover	37	37
Options for Tax Incentives	12	12
Debtors - Domestic	848	908
Receivables from Security Deposits	10,561	9,738
Current Liabilities		
Other Liabilities		
Tax and Social Security	98	249
Taxes and Contributions Payable	98	249
Tax and Social Security	391	401
Taxes and Contributions on Income	111	102
Taxes and Contributions Payable	278	299
Provisions for Taxes and Contributions Payable	2	-
Sundry	1,003	1,223
Payable for the Acquisition of Assets and Rights	32	32
Provision for Payment	960	1,136
Creditors - Domestic	11	55
Long Term Liabilities		
Other Liabilities		
Tax and Social Security	28	129
Taxes and Contributions Payable on Income	28	129
Sundry	10,072	9,370
Provision for Contingent Liabilities	10,072	9,370

7. Investments

	2011	2010
Bovespa membership - Bolsa de Valores de São Paulo	-	1
Other investmens	268	265
	268	266

8. Shareholders' Equity - 8.1. Stock Capital - The stock capital, in the amount of R$ 46,462 (R$ 46,346 in 2010) is divided into 5,475,301 (5.466.826 in 2010) non-par value nominative common shares. On December 15, 2010 there was an increase in capital stock by R$ 116 out of capital reserves to R$ 46,346. The process was ratified by the Central Bank of Brazil on January 24, 2011. Dividends in the amount of R$ 2,700 were distributed to shareholders in 2011/1HY (R$ 125 in 2010). **8.2. Corporate Acts and the Withdrawal of Partner -** A minority shareholder filed a suit against the firm and the other shareholders with the purpose of breaking his corporate relationship, withdrawing from the shareholders roll and receiving the pertinent assets. The suit was judged valid by the Lower Court as regards breaking the corporate relationship and the exclusion of the minority shareholder from the roll of the company's shareholders. As regards the way the credits will be calculated, a date was set forth for the judgment of the appeal by the Appellate Court. The Firm and the other shareholders appealed against the manner of calculation of the dissident shareholder's credits. As the exclusion of the plaintiff from the corporate roll became final and unappealable, the plaintiff became a creditor of the defendants in an amount to be calculated according to a judgment to be handed down in a secondary proceeding, yet to be set up, so as to compute the settlement and the calculation of credits. This amount, still undefined, remains *sub judice* with a mutual appeal before the Supreme Court of the State of São Paulo. This being so, the Firm's management, in view of the uncertainty regarding the amounts involved, chose not make any accounting record of this until final decision. **9. Contingencies** - The Firm filed petition for writ of mandamus and preliminary injunction related to the Federal Revenue Office's interpretation of the IRPJ and CSLL tax levy on the updated amounts resulting from the demutualization of the Bovespa and the BM&F. Even though Administrative Ruling 785/77 and prior Decision 13/97 lead to the conclusion that the taxes in question are not owed, the Firm´s Management considered the uncertainty relating to the understanding of the tax authorities on the matter and the opinion of its counsels who think that a loss is likely to occur and made a provision in the amount of R$ 9,765 (R$ 9,095 em 2010) for such alleged taxes. **10. Sundry Obligations** - Commitments and other information: • The Firm is responsible for the management of investment clubs the net assets of which amount to R$ 1,120 (R$ 812 in 2010); • Other operating income and expenses refer chiefly to debit and credit monetary fluctuations of court deposits; • Other administrative expenses refer mainly to specialized technical services, expenses with communications, material, data processing and rentals; • The Firm owns works of art in the amount of R$ 177 and telephone lines in the amount of R$ 172; • Other credits recorded under long-term assets are represented by court deposits as follows: Labor claims in the amount of R$ 5; ISS and FINSOCIAL in the amount of R$ 131 (R$ 133 in 2010); Telesp´s court-ordered payments (*precatórios*) in the amount of R$ 234 (R$ 211 in 2010); court deposit Barueri in the amount of R$ 14 (R$ 13 in 2010); IRPJ (Corporate Income Tax) in the amount of R$ 7,482 (R$ 6,898 in 2010), CSLL (Social Contribution on Net Income) in the amount of 2,695 (R$ 2,484 in 2010); amounts payable for the acquisition of assets in the amount of (R$ 200 in 2010); court deposits relating to tax incentives in the amount of R$ 12 (R$ 12 in 2010), domestic doubtful debtors in the amount of R$ 848 (R$ 907 in 2010); and income tax receivable in the amount of R$ 37 (R$ 37 in 2010); • Other Liabilities recorded under long-term liabilities are contingent liabilities relating to FINSOCIAL in the amount of R$ 44 (R$ 51 in 2010); relating to guarantee for tax foreclosures in the amount of R$ 248 (R$ 224 in 2010); relating to IRPJ and CSLL on the updating of memberships in the amount of R$ 9,765 (R$ 9,095 em 2010); and to payroll liabilities in the amount of R$ 15. **11. Interest on Equity -** No interest on equity was paid in the first half of 2011and 2010, as provided for in article 9 of Law No. 9.249/95. **12. Private Pension Plan** - The Firm is a sponsor of the Fundo de Pensão Multipatrocinado das Instituições do Mercado Financeiro - Mercaprev (Multisponsored Pension Fund of the Financial and Capital Market Institutions). This is complementary to the Social Security defined benefit system. In the first half the payments made totaled R$ 40 (R$ 40 in 2010). **13. Transactions With Related Parties** - The Firm carries on transactions with other related parties with no insurance coverage and no guarantees, as follows:

	2011	2010
Liabilities		
Securities Trading		
Debtors – Pending Settlement Account		
Directors and Shareholders	625	11

The operations above were based on rates, terms and values generally practiced by the market on the date of the operations, considering the absence of risks. **Compensation of Key Management Staff -** The total compensation of key management staff for the half year ended on June 30, 2011 amounted to R$ 539 (R$ 523 em 2010) and is accounted for as a short-term benefit. **14. Operating Risk -** In compliance with CMN Resolution 3.380/2006 the Firm created and implemented a system for the Management of Operating Risks and is able to identify, evaluate, monitor and reduce such type of risk. **15. Ombudsman -** In compliance with CMM Resolution 3.489 of 03/25/2010, the Firm created, implemented and announced to the public the implementation of an ombudsman scheme that is available for clients and users through telephone number 0800 724 30 20.

INDEPENDENT AUDITORS' REPORT

To the Board of Officers and Shareholders
Corretora Souza Barros Câmbio e Títulos S.A. - São Paulo – SP

1. We have audited the financial statements of **Corretora Souza Barros Câmbio e Títulos S.A.**("Souza Barros") as of June 30, 2011 and the related statements of income, changes in shareholders' equity and cash flows for the half-year then ended and the summary of the main accounting practices and other notes to the financial statements. **Responsibility of the Firm´s Management for the Financial Statements. 2.** Souza Barros´ management is responsible for the preparation and adequate presentation of such Financial Statements according to Brazilian general accounting principles applicable to companies authorized to function by the Central Bank of Brazil – BACEN, and according to the Firm´s internal regulations required to prepare financial statements that are free of materially relevant misstatements regardless of whether or not caused by fraud or error. **Responsibility of the Independent Auditors - 3.** Our responsibility is to express an opinion on such financial statements. Our examinations were conducted in accordance with the Brazilian and International applicable auditing rules. Such rules require auditors to observe ethical principles and that the audit be planned so as to assure that the financial statements are free of materially relevant distortions. **4.** An audit involves procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of risks of material misstatement of the financial statements, whether or not caused by fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to Souza Barros´ preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Souza Barros´ internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. **Opinion. 5.** In our opinion, the financial statements referred to in paragraph 1 present fairly, in all material respects, the financial and equity position of **Corretora Souza Barros Câmbio e Títulos S.A.** on June 30, 2011, the results of its operations and cash flows for the half-year then ended, in conformity with Brazilian generally accepted accounting principles, applicable to institutions authorized to function by the Central Bank of Brazil.

São Paulo, August 16, 2011

VENEZIANI AUDITORES INDEPENDENTES - CRC 2SP13744/O-1

SIDNEY REY VENEZIANI
Accountant CRC 1SP061028/O-1

DIRECTORY

Accountant - REINALDO DANTAS - CRC1SP – 110330/O-6