

Financial Statements

Banco de Desenvolvimento de Minas Gerais S.A. – BDMG

December 31, 2009 and 2008
with Report of Independent Auditors and
Management Report

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Financial Statements

December 31, 2009 and 2008

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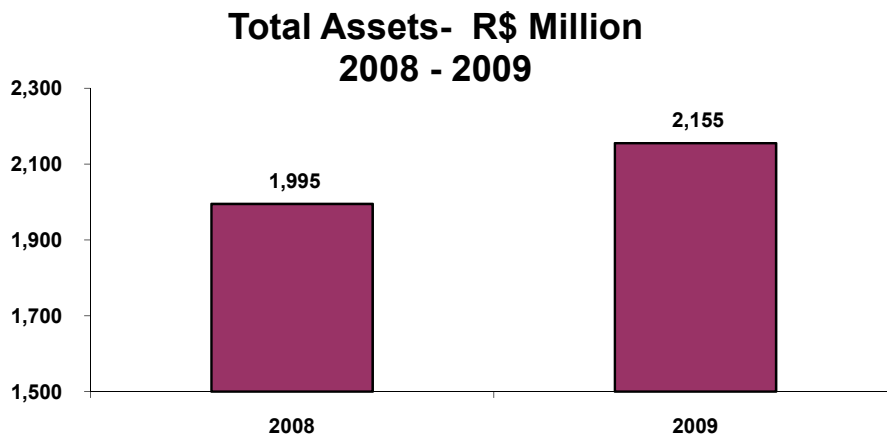
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BANCO DE DESENVOLVIMENTO DE MINAS GERAIS S.A. – BDMG MANAGEMENT REPORT 2009

In line with the guidelines of the State Government, BDMG had a year marked by significant achievements in fostering development in the state. Acting as counter-cyclical to minimize the effects of global financial crisis on the state economy and keep the flow of private investment in the productive sector, the Bank faced the scenario of challenges and reached the end of 2009 accounting achievements. Exceeded the historical level of \$ 1 billion in disbursements, 1 / 3 more than in 2008, intensified throughout the state, support for micro, small and medium businesses and enterprises committed to the environment and the generation of jobs and income; simplified and gave agility to the internal processes of granting credit, has launched products with its own resources to meet the growing demand for working capital, expanded its customer base, and evolved in various financial, equity and operational efficiency indicators.

1. FINANCIAL AND ECONOMIC RESULTS

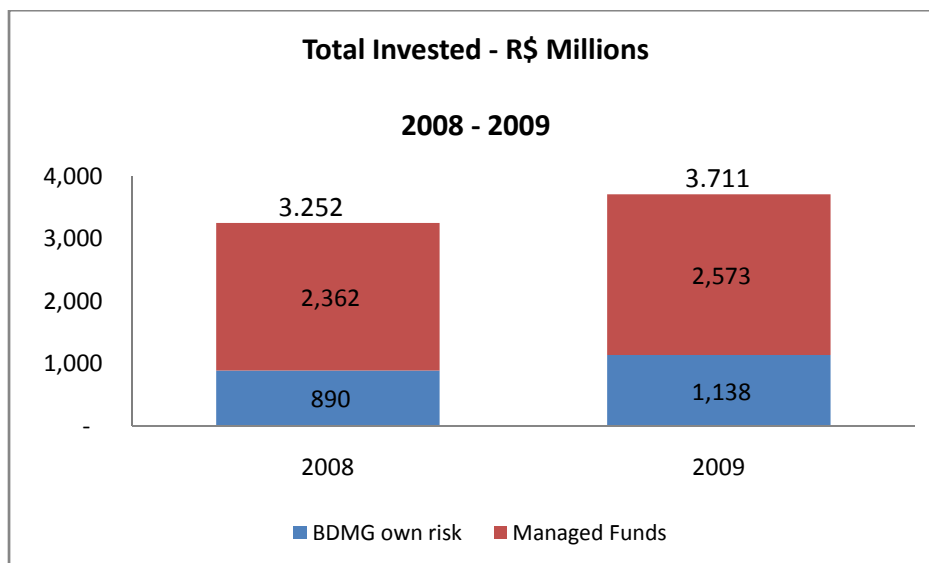
The Total Assets of BDMG increased by 8% in relation to December 2008, from R\$ 1,995 million at December 31, 2008 to R\$ 2,155 million at December 31, 2009.



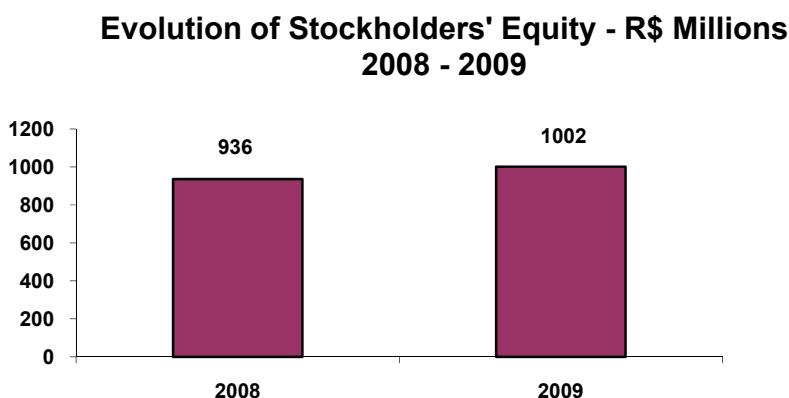
Net income for the year, totaling R\$ 63 million, remained at the same level of R\$ 66 million earned in fiscal of 2008.

The balance of credit and equivalent operations attained the total of R\$ 1,138 million at 12.31.2009, which represents an increase of 28% compared to the balance of R\$ 890 million, at 12.31.2008. Reflecting the management guidelines in the search for quality in the credit portfolio, the operations classified as AA, A and B represented 88% of the total portfolio.

Financing granted by BDMG with resources of the managed funds (third-party risks) totaled R\$ 2,530 million at 12.31.2009, of which R\$ 2,523 million referred to operations contracted with resources of state funds, R\$ 50 million to operations contracted with resources of state funds extinguished by the State Law 13,848/2001 and financing effected with resources from private funds and/or funds linked to state and federal public entities.



The stockholders' equity of BDMG amounted to R\$ 1,002 million at 12.31.2009, representing a growth of 7% in relation to the equity at 12.31.2008 (R\$ 936 million).



The ratio of capital adequacy (Basel Index) calculated at 12.31.2009 was 44%, far superior to the minimum of 11% required by the Brazilian Central Bank. The stockholders' equity required for BDMG, calculated based on its equity structure and on the risk weight of its assets, is R\$ 211 million. The portion of equity exceeding the minimum required, in the amount of R\$ 626 million, represents a great leverage potential of the assets and enables BDMG to contract new operations, which could permit an even more outstanding performance in the future development of the State.

In compliance with the Central Bank Circular 3068/2001, the Banco de Desenvolvimento de Minas Gerais S.A. - BDMG declares that it has the financial capacity and intention to maintain to maturity the securities classified as such, in the amount of R\$ 38 million.

2. OPERATING PERFORMANCE

The total payout in 2009 surpassed the house for R\$ 1 billion, the largest in the history of the Bank and 36% higher than in 2008. The highlight were operations with their own risk which totaled R\$ 419 million, more than double that recorded in the previous period, with R\$ 208 million. The disbursement of resources at risk from third parties amounted to R\$ 619 million, mostly from state funds for development, with growth of 11%. Financing Operations attended 4267 clients, 40% more than in 2008. In the end of December, the Bank had active contracts with 9615 customers.

According to estimates, the projects we support made possible the realization of more than R\$ 2.7 billion in investments in the production and maintenance or creation of more than 12 thousand jobs.

Disbursements by sector reflect the impact of the Bank's performance in the economy of Minas Gerais. For agriculture, cattle raising and forestry, BDMG provided financing of R\$ 37 million. For the industrial ventures, which comprise the mineral extraction industry and the transformation industry, amounts totaling R\$ 596 million, highlighting projects in the sectors of food and beverages, steel and automotive (including auto parts). The tertiary sector activities, construction and utilities received financing of R\$ 406 million, with emphasis on the segment of trade and services, for R\$ 263 million, and sanitation projects and urban development, R\$ 91.4 million.

About 90% of the total disbursements were for private companies and the rest refers to the municipal administrations, public enterprises and individuals. Meriting emphasis is that BDMG's operation has presented significant advances in the segment of medium-sized companies, with releases amounting to R\$ 187 million in 2009, which represented an expansion of 35% in relation to 2008. For micro and small enterprises, funding reached R\$ 178 million and for large funding reached R\$ 579 million.

2.1. OUTSTANDING ACTIONS

Social Inclusion

In its capacity as a development bank, BDMG regards social inclusion as one of its principal pillars of operation. The loans granted for micro and small enterprises, including small farmers and individuals, surpassed the \$ 250 million given 3820 clients in all regions of the state, 90% of the total number of clients attended during the period. One of the actions aimed at expanding both the financing for micro and small enterprises, and strengthen the Bank's presence in different regions of Minas Gerais is the enhancement of performance through partners. Furthermore, we carried out a pilot project where the Bank has maintained a regionally dedicated manager, and the south of the State of Minas Gerais region was chosen for the experiment.

Another action with focus on social inclusion is to support enterprises located in areas with low energy of the state, which disbursement to the north of Minas, Jequitinhonha, Mucuri, Rio Doce and some municipalities of the Central region in 2009 reached R\$ 74 million. Another important action, aimed at generating employment opportunities and income and to improve the living conditions is productive microcredit. The funds released last year through the program CREDPOP reached R\$ 11 million. Finally, released in May, the program PROMORAR MILITAR, available through the BDMG, fund resources of the Fund for Support to Military Housing - FAHEMG (Fundo de Apoio Habitacional aos Militares), for the purchase of residential property by policy holder and pensioners of the Institute of Security for Public Military (Instituto de Previdência dos Servidores Militares – IPSM). The disbursements in 2009 amounted R\$ 72 million, attending 578 clients.

Financing to municipalities

In 2009, 129 clients of municipalities were attended and the disbursements amounted to R\$ 22 million. Important point with regard to external financing to the public sector is changing the regulatory framework, with the publication of Resolution 3781/09, the National Monetary Council - CMN, which excludes credit operations carried out by the Development Banks limit established in Resolution 2827/01 of the CMN with the procedure highlighted portion of the assets of reference. BDMG is prepared to finance municipal investments in urban infrastructure, purchase of machinery for public works and sustainable management of solid waste.

Technology and Innovation

Funds for projects in technology and innovation reached R\$ 15 million in 2009. The main sectors served are: pharmaceutical chemistry, biotechnology, electronics and information technology. In 2009, BDMG also made its first financial investment to the Fundo Horizonti, which aims to invest R\$ 20 million over 10 years, in innovative companies in the field of information technology.

3. INSTITUTIONAL ACTIONS

3.1. Environment

Focused on promoting sustainable development in Minas Gerais, BDMG is involved with the identification and structuring of financial solutions that make possible enterprises with positive impacts on the environment and preservation of natural resources.

In 2009, disbursed R\$ 51 million to 25 projects with this profile, such as the FHIDRO, state program for which the Bank released R\$ 1.7 million in grant resources for the restoration of springs, forests and water courses, revegetation of hilltops and environmental education.

Another important initiative was the technical cooperation with the Inter-American Development Bank (Banco Interamericano de Desenvolvimento-BID), to identify sustainable development projects and management of municipal solid waste in the state in order to eradicate dumps and improve environmental quality in the mining municipalities.

3.2. Integrated Development

The Institute of Integrated Development of Minas Gerais - INDI - is maintained by BDMG together with Companhia Energética de Minas Gerais (CEMIG), and made feasible, in 2009, 62 projects with investments estimated in R\$ 27 billion and potential of generate more than 44 thousand jobs in several economy sectors.

3.3. Dissemination of knowledge

BDMG actively participates in the debate for creating a new model of development by promoting important events that help spread ideas and information, and stimulate the reflection on contemporary themes. Deserves spotlight the *Growth and Health Seminar*, promoted in June, who argued for the first time in Brazil, the conclusions of a report by the Commission on Growth and Development (Comissão de Crescimento e Desenvolvimento), comprised of world leaders in various areas and chaired by Nobel Laureate in Economics, Michael Spence, and Seminar on Development: A Challenge Standing Committee in November with the participation of renowned Brazilian economists, who celebrated in Belo Horizonte, 40 years of ABDE - Brazilian Association of Development Finance Institutions.

4. OPERATING EFFICIENCY

4.1. Governance

For the first time in its 47 years of foundation, BDMG underwent an evaluation process. The work was done by Moody's Investors Service, one of the major rating agencies in the world and monitors more than 80 thousand credits, with complete analysis of more than 4.5 thousand companies, financial institutions and countries. The Bank received a Ba2 rating - Not Prime - in local currency and even foreign currency with a stable outlook for all ratings.

4.2. Personnel Management

Aware that human capital is one of its main assets and aware of the importance of attracting, developing and retaining people committed to high performance, BDMG progressed on several fronts in 2009. BDMG created the Reward Program for alignment of all the organization's strategy and integration of teams in pursuit of common goals, promoted institutional training; unified various initiatives that promote the quality of work life in a single program called BDMG Involves, registering a significant increase of participants, both employees and family members in various settings.

The Bank is also a sponsor of the Foundation BDMG Social Security - DESBAN that besides the pension plan, administers the Pro-Health - Assistance Program for Health, of self-managed, which is an important tool in human resource policy.

4.3. Risk Management

In 2009, the activities of Risk Management in BDMG focused primarily on improving the measurement model of credit risk for transactions with medium and large enterprises, and implementation of automatic calculation. The emphasis has been on increasing the use of objective and parameterized information.

As a reference, it was considered the main precepts contained in the Basel II aligned to the specific characteristics of long-term operations of the institution.

4.4. Capital market

Always supporting the capital markets growth in the State, BDMG attended the 4th Innovation Seed Program Evaluation ("*4ª Banca de Avaliação do Programa Inovar Semente*"), of the 10th Financial Assessment Innovation Incubator Funds ("*da 10ª Banca de Avaliação da Incubadora de Fundos Inovar*") and of the 1st International Mission of the Group Manager of Capital Markets of Minas Gerais State to New York, which representatives of 10 major mining companies came to know the structure of international finance. The Bank also promoted the Seminar Investment Funds: New Sources of Capital Markets and participated in other national and international.

4.5. New Products

Reinforcing its counter-cyclical action to meet market demands, in 2009 the Bank reported strong growth in the use of resources at their own risk in products such as BDMG Giro Fácil, BDMG Fixo Fácil, BDMG Geraminas, BDMG Equipamentos and BDMG Leaseback, that together answered the disbursement of R\$ 104 million, almost 10% of the total disbursement during the year.

4.6. New methodology for analyzing parameterized

Another significant advance was the introduction of new methods of parameterized analysis for companies with billing between R\$ 10.5 and R\$ 30 million to provide greater agility to the process also in the range of medium-sized enterprises as has already occurred with the micro and small businesses. The model was presented by BDMG the Second International Conference on Financial Innovation, sponsored by COFIDE-Andean Development Corporation SA (Peru), CAF - Development Finance Corporation and Deutsche Bank, in which event the Bank of Minas Gerais was the only Brazilian representative.

5. SOCIAL RESPONSIBILITY

5.1. Voluntary Actions

BDMG's Employees Citizenship Institute (INDEC), maintained through donations from the Bank and monthly contributions from its employees, supports, technically and financially, the needy communities of Minas Gerais. Amongst the projects, the Pão Forte Educativo ("Educational Strong Bread") project should be highlighted, the aim of which is to fight child malnutrition, which, in 2009, benefited approximately 2,200 children in 31 entities located in 13 municipalities of Minas Gerais. In addition, in connection with an agreement executed between INDEC and the Organization for Voluntary Service of Social Assistance (SERVAS), INDEC attended 1,804 people per month, in 6 cities, through the distribution of dried food of high nutritional value.

5.2. Arts and culture

Always working to value the art and culture of Minas Gerais, the BDMG Cultural Institute ("Instituto BDMG Cultural") promoted 80 events last year, in 14 municipalities, with the participation of 1,213 artists for an estimated audience of over 15,890 people. The initiatives which should be highlighted are the BDMG Choral (Coral BDMG), the awards BDMG Instrumental (BDMG Instrumental) and Young Instrumentalist (Jovem Instrumentista) and the project "Viva a Praça - Cantoras Daqui" ("Long Live the Public Square - Singers from here"). In the visual arts there were exhibited 8 shows and displays of 85 artists.

6. ACKNOWLEDGMENTS

BDMG is grateful for the support of the State Government and the Legislative Assembly in taking forward matters of interest of the society of Minas Gerais, which involved BDMG in its mission as the agent of government action.



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A free translation from Portuguese into English of report of independent auditors on financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil

REPORT OF INDEPENDENT AUDITORS

To
The Board of Directors and Shareholders of
Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

1. We have audited the accompanying balance sheet of Banco de Desenvolvimento de Minas Gerais S.A. - BDMG as of December 31, 2009, and the related statements of income, shareholders' equity and cash flow for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements.
2. Our audit was conducted in accordance with generally accepted auditing standards in Brazil and included: (a) the planning of our work, taking into consideration the materiality of balances, the volume of transactions and the accounting and internal control systems of the Company and its subsidiaries; (b) the examination, on a test basis, of the evidence and accounting records supporting the amounts and disclosures in the financial statements; and (c) an assessment of the accounting practices used and significant estimates made by management, as well as an evaluation of the overall financial statements presentation.
3. In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Banco de Desenvolvimento de Minas Gerais S.A. - BDMG as of December 31, 2008, and the related results of operations, changes in shareholders' equity and cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil.



4. The audit of the financial statements for the year ended December 31, 2008, presented for comparison purposes, was conducted under the responsibility of other independent auditors, who expressed an unqualified opinion thereon dated February 13, 2009.

Belo Horizonte (MG), February 5, 2010.

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

A handwritten signature in black ink, appearing to read "Eduardo Braga Perdigão".

Eduardo Braga Perdigão
Accountant CRC 1CE 013.803/O-8-"S" - MG

A free translation from Portuguese into English

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Balance sheets at December 31, 2009 and 2008
(In thousands of reais)

	2009	2008
Assets		
Current assets	767,695	912,504
Cash and banks	3,581	786
Short term interbank investments (Note 4)	460,774	643,329
Open market investments	122,203	398,323
Interbank deposits	338,571	245,006
Securities (Note 5)	31,270	53,621
Own portfolio	31,270	53,621
Credit operations (Note 6)	253,462	158,902
Credit operations		
Public sector	40,289	43,159
Private sector	227,550	126,896
(Allowance for loans losses)	(14,377)	(11,153)
Other receivables (Note 7)	18,512	55,762
Income receivables	1,485	1,597
Sundry	17,028	54,172
(Provision for losses on other receivables)	(1)	(7)
Other assets	96	104
Other assets	96	104
Non-current assets	1,387,509	1,082,043
Long term receivables	1,360,039	1,056,941
Interbank investments	-	-
Interbank investments	17,893	17,893
(Provision for losses)	(17,893)	(17,893)
Securities (Note 5)	294,058	202,555
Own portfolio	234,948	183,364
Deposits with Brazilian Central Bank	59,110	19,191
Credit operations (Note 6)	776,753	634,445
Credit operations		
Public sector	111,429	139,695
Private sector	757,013	578,873
(Allowance for loan losses)	(91,689)	(84,123)
Other receivables (Note 7)	288,958	219,833
Income receivables	2,227	2,395
Specific credits	896	994
Sundry	296,443	226,767
(Provision for losses on other receivables)	(10,608)	(10,323)
Other assets	270	108
Other assets	1,950	1,837
(Provision for losses)	(1,680)	(1,729)
Permanent assets (Note 8)	27,470	25,102
Investments	48	48
Other investments	1,324	1,324
(Provision for losses)	(1,276)	(1,276)
Property and equipment in use	24,570	23,965
Properties in use	37,923	36,619
Other property and equipment in use	10,153	8,847
(Accumulated depreciation)	(23,506)	(21,501)
Leasehold	1,557	-
Leased property	1,704	-
(Accumulated depreciation)	(147)	-
Intangibles	605	64
Intangibles assets	649	65
(Accumulated amortization)	(44)	(1)
Deferred charges	690	1,025
Organization and expansion costs	3,190	3,190
(Accumulated Amortization)	(2,500)	(2,165)
Total Assets	2,155,204	1,994,547

	2009	2008
Liabilities and stockholders' equity		
Current liabilities	209,407	229,284
Local onlendings – Official institutions (Note 9)	165,061	132,852
National Treasury	1,850	1,657
National Bank for Economic and Social Development (BNDES)	112,217	89,354
Federal Savings and Loans Bank (CEF)	861	4,736
Government Agency for Machinery and Equipment Financing (FINAME)	46,383	32,896
Other institutions	3,750	4,209
Other liabilities (Note 10)	44,346	96,432
Social and statutory	8,071	17,784
Collection of taxes and other contributions	263	131
Tax and social security contributions	11,230	52,277
Financial and development funds	1,089	886
Sundry	23,693	25,354
Non-current liabilities	940,547	827,083
Long-term liabilities	940,547	827,083
Local onlendings - Official Institutions (Note 9)	592,382	509,389
National Treasury	17,084	15,201
BNDES	444,794	349,204
CEF	537	1,380
FINAME	88,424	96,486
Other Institutions	41,543	47,118
Other liabilities (Note 10)	348,165	317,694
Tax and social security contributions	273,606	218,140
Financial and development funds	19,356	28,060
Sundry	55,203	71,494
Deferred income	3,056	2,143
Deferred income	3,056	2,143
Stockholders' equity (Note 11)	1,002,194	936,037
Capital		
Capital - local residents	927,892	856,345
Capital increase	71,295	53,048
Unpaid capital	(12,794)	-
Revenue reserves	16,807	29,676
Asset valuation adjustment	(1,006)	(3,032)
Total liabilities and stockholders' equity	2,155,204	1,994,547

See accompanying notes.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statements of income

Six-month period/years ended December 31, 2009 and 2008

(In thousands of reais, except net income per share)

	Second six-month period 2009	Years	
		2009	2008
Income from financial intermediation	100,369	197,825	258,733
- Credit operations	61,808	112,333	141,747
- Leasing	301	475	-
- Securities	38,260	85,017	116,986
Expenses on financial intermediation	(34,479)	(73,669)	(86,414)
- Borrowings and onlendings	(26,202)	(53,423)	(58,106)
- Leasing	(179)	(287)	-
- Exchange currency	(10)	(20)	-
- Allowance for loan losses	(8,088)	(19,939)	(28,308)
Gross profit from financial intermediation	65,890	124,156	172,319
Other operating income (expenses)	(10,974)	(62,782)	(95,101)
- Revenues from services rendered	37,559	56,984	40,228
- Payroll expenses	(34,517)	(68,242)	(67,689)
- Other administrative expenses	(14,252)	(26,987)	(21,013)
- Tax expenses (Note 14a)	(7,019)	(12,841)	(13,116)
- Other operating income (Note 14b)	28,812	36,477	7,061
- Other operating expenses (Note 14c)	(21,557)	(48,173)	(40,572)
Operating Profit	54,916	61,374	77,218
Non-operating results	(2,393)	(2,608)	(1,462)
Profit before taxation and profit sharing	52,523	58,766	75,756
Income tax and social contribution (Note 13b)	3,937	9,555	(5,320)
Provision for income tax	(4,140)	(6,967)	(17,890)
Provision for social contribution	(2,818)	(4,809)	(9,882)
Deferred taxes	10,895	21,331	22,452
Statutory profit sharing	(5,139)	(5,705)	(4,159)
Employees' profit sharing	(5,139)	(5,705)	(4,159)
Net income	51,321	62,616	66,277
Net income per share – R\$	0,0011271	0,0013751	0,0014584

See accompanying notes.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statements of changes in stockholders' equity
Six-month period/years ended December 31, 2009 and 2008
(In thousands of reais)

	Capital	Capital increase	Revenue reserves		Asset valuation adjustment	Retained earnings	Total
			Legal	Other			
Balances at December 31, 2007	792,378	23,542	10,362	-	(3,030)	23,014	846,266
Approval of capital increase	63,967	(63,967)					-
Capital increase		93,473				(23,014)	70,459
Asset valuation adjustment					(2)		(2)
Net income for the year						66,277	66,277
Appropriations:							-
Reserves			3,314	16,000		(19,314)	-
Dividends						(17,784)	(17,784)
Interest on own capital (R\$ 0.00039 per share)						(29,179)	(29,179)
Balances at December 31, 2008	856,345	53,048	13,676	16,000	(3,032)	-	936,037
Reserve reverse				(16,000)		16,000	-
Approval of capital increase	71,547	(71,547)					-
Capital increase		77,000					77,000
Asset valuation adjustment					2,026		2,026
Net income for the year						62,616	62,616
Appropriations:							-
Reserves			3,131			(3,131)	-
Dividends(R\$ 0.00121 per share)						(55,287)	(55,287)
Interest on own capital (R\$ 0.0004435 per share)						(20,198)	(20,198)
Balances at December 31, 2009	927,892	58,501	16,807	-	(1,006)	-	1,002,194
Balances at June 30, 2009	909,394	18,498	14,241	3,784	(939)	10,730	955,708
Reserve reverse				(3,784)		3,784	-
Approval of capital increase	18,498	(18,498)					-
Capital increase		58,501					58,501
Asset valuation adjustment					(67)		(67)
Net income for the semester						51,321	51,321
Appropriations:							-
Reserves			2,566			(2,566)	-
Dividends (R\$ 0.000946 per share)						(43,071)	(43,071)
Interest on own capital (R\$ 0.0004435 per share)						(20,198)	(20,198)
Balances at December 31, 2009	927,892	58,501	16,807	-	(1,006)	-	1,002,194

See accompanying notes.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statements of cash flows

Six-month period/Years ended December 31, 2009 and 2008

(In thousands of reais)

	Second six-month period	Years (Reclassified)	
	2009	2009	2008
Cash flow from operating activities			
Net income	52,523	58,766	75,756
Depreciation and amortization	1,410	2,676	2,402
Constitution and reversal of provisions and contingent liabilities, net	(13,709)	(2,447)	24,059
Constitution of allowance for loan losses, net	8,088	19,947	28,301
Constitution and reversal of provision for losses, net	233	231	659
Income from sale of assets not for own use	(64)	(119)	(492)
Appropriation of deferred income	(1,650)	(3,037)	(2,314)
Result of foreign exchange variations on long-term securities	3,811	11,752	(13,342)
Recovery of credit operations written-off as losses	(6,279)	(10,246)	(10,673)
Income from monetary restatement of long-term credit operations	371	1,302	(9,532)
Adjusted net income	44,734	78,825	94,825
Changes in assets and liabilities			
Interbank investments	(185,532)	47,772	(113,073)
Securities	(77,173)	(77,639)	(30,088)
Credit operations	(191,966)	(249,883)	(112,253)
Other credits and other assets	(1,807)	(11,319)	(17,657)
Borrowings and onlendings	89,378	115,202	60,916
Deferred income	2,415	3,950	4,154
Other liabilities	7,694	511	11,523
Paid income and social contribution taxes	(4,203)	(24,037)	(15,148)
Paid profit sharing	(1,527)	(3,824)	(2,675)
Net cash used in operating activities	(317,987)	(120,442)	(119,475)
Cash flow for investment activities			
Acquisition of property and equipment	(2,688)	(3,348)	(1,594)
Net cash used in investment activities	(2,688)	(3,348)	(1,594)
Cash flow for financing activities			
Capital increase	58,502	77,000	70,460
Interest on own capital	(20,198)	(20,198)	(29,179)
Dividends	(48,000)	(65,000)	-
Net cash provided (used in) by financing activities	(9,696)	(8,198)	41,281
Decrease of cash and cash equivalents	(330,371)	(131,988)	(79,789)
Cash and cash equivalents at the beginning of the year	434,904	236,521	316,310
Cash and cash equivalents at the end of the year	104,533	104,533	236,521

See accompanying notes.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements
December 31, 2009 and 2008
(In thousands of reais)

1. Operating context

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG is a private limited liability company, controlled by the State of Minas Gerais, and is subject to the rules and regulations of Brazilian Corporation Law, the National Financial System and the applicable legislation of the Government of the State of Minas Gerais.

BDMG's activities, based on its business purposes, are the economic and social development of the State of Minas Gerais. In this context, BDMG carries out development bank activities in accordance with the National Monetary Council (CMN) rules, and acts as a financial agent for the funds allocated by the State Government to finance programs and projects for the development of Minas Gerais. BDMG is also the financial agent and/or manager of other funds which do not pertain to the State Government, which finance projects in the State of Minas Gerais and, therefore, promote its development. The Bank also renders advisory and technical support services to the direct and indirect State Government administration.

2. Basis of preparation and presentation of the financial statements

The Banco de Desenvolvimento de Minas Gerais' Board of Directors approved these financial statements, ratifying the Officers' approval on February 2, 2010.

The financial statements were prepared in accordance with the accounting practices adopted in Brazil, observing the accounting guidelines from Brazil's corporation law (Law n° 6404/76), which include the new provisions introduced, amended and superseded by Law No 11638, dated December 28, 2007 and Law No 11941 dated May 27, 2009, associated with the regulations and instructions of the National Monetary Council (CMN) and the Brazilian Central Bank (BACEN).

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

3. Significant accounting practices

(a) Determination of the results of operations

The results of operations are determined on the accrual basis of accounting and are adjusted by income tax and social contribution on net income due on taxable income, and, when applicable, by deferred income and social contribution taxes that will be recoverable or payable in future years, except in respect of the gains on renegotiated credit operations which are recorded on the cash basis

(b) Cash and cash equivalents

Cash and cash equivalents are represented by cash and banks in local and foreign currency, investments in the open market and investments in interbank deposits, whose operations, at the effective date of investment, have maturity dates within 90 days and are used by the BDMG to manage their short-term commitments. The balances at the end of the periods are:

	2009	2008
Cash and cash in banks	3,581	786
Interbank investments	100,952	235,735
Total	104,533	236,521

For the calculation of the cash balance at December 31, 2009, the opening balance as shown in the statement of cash flow was R\$ 236,521. This value differs from that contained in the published financial statements for the financial year 2008 due to the change of the criterion for determining the cash equivalent for the two considered periods. In the published financial statements for the previous year, it was considered as cash equivalent the resources whose maturities of treasury operations occurring within 30 days from the date of application.

(c) Interbank investments

Interbank investments are stated at cost plus accrued earnings on a "pro rata" basis, adjusted to market values when applicable.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

3. Significant accounting practices -- Continued

(d) Securities

In accordance with BACEN Circular N° 3068/01 and complementary regulations, based on management's intention of negotiation, should be classified into three categories: trading securities, securities available for sale and securities held to maturity, for which the normative establish the accounting criteria. The portfolio of BDMG is distributed in the following two categories:

- (i) Securities available for sale - securities to be used as part of the strategy to manage cash flows, which are recorded at market value, the accrued earnings (securities curve) being recognized in the statement of income, and the unrealized gains and losses arising from market value variations, net of tax effects, recognized in a specific account in stockholders' equity, "Asset Valuation Adjustment".

Gains and losses, when realized, are recognized, net of tax effects, in the statement of income after being specifically identified at the trading date, with a corresponding entry to a specific account in stockholders' equity.

- (ii) Securities held to maturity - securities that management intends and has the financial capacity to hold to maturity, which are recorded at cost of purchase, plus accrued earnings. Financial capacity is defined according to cash flow projections, without considering the possibility of the early redemption of these securities.

The declines in the market value of securities available for sale and held to maturity below their respective cost, for reasons considered to be other than temporary, are reflected in the results of operations as realized losses.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

3. Significant accounting practices -- Continued

(e) Other current assets and long-term receivables

These assets are stated at realizable values including, when applicable, accrued income calculated on a daily "pro rata" basis, net of the corresponding unearned income. The allowance for loan losses is recorded based on criteria defined by BACEN Resolution No 2682/99, and on management's analysis of outstanding operations, taking into consideration the value of guarantees, past loss experience and the portfolio risks.

(f) Permanent assets

In conformity with the amendments of Law No 11638/2007 and CMN/BACEN Resolution No 3642/2008, the group Permanent Assets was increased, in 2008, by the subgroup Intangibles.

Permanent assets are recorded at acquisition cost and, in the case of the subgroup property and equipment in use, the monetary restatement up to 1995 is also included.

The depreciation of property and equipment in use, the amortization of deferred charges and the amortization of intangibles are calculated on the straight-line method, at the annual rates mentioned, respectively, in items (a), (c) and (d) of Note 8.

(g) *Impairment* of non-financial assets

The Resolution of CMN/BACEN No 3566/2007 determined that financial institutions should observe the requirements of the Accounting Statement CPC 1, issued by the Committee of Accounting Standards ("Comitê de Pronunciamentos Contábeis") with respect to the recognition, measurement and disclosure of non-financial assets impairment.

Impairment of assets occurs when the book value of the asset and/or the cash unit is greater than its recoverable value, and should be recognized in the income statement.

The BDMG's non-financial assets, except for the tax credits, are reviewed, at least annually, in order to determine if there is any impairment indicator. At December 31, 2009 there were no impairment indicators.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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3. Significant accounting practices -- Continued

(h) Current and long-term liabilities

These liabilities are stated at known or estimated amounts including, when applicable, accrued charges calculated on a daily "pro rata" basis.

(i) Transactions in foreign currency

The criterion for the translation of asset and liability balances arising from transactions in foreign currencies consists of translating these amounts into local currency (R\$) at the exchange rate ruling at the year-end closing. At December 31, 2009, the U.S. dollar exchange rate was: US\$ 1.00 = R\$ 1.7412 (2008 - US\$1.00 = R\$ 2.3370).

(j) Income tax and social contribution

The provision for income tax is recorded at 15% of taxable income, plus an additional surcharge of 10% and the provision for social contribution on net income is calculated at the rate of 15% of taxable income.

The tax effects from changes in accounting records, in connection with the Law No 11638/2007 will be treated in the Tax Regime Transition - RTT established by Law No 11941/2009 which converted the Provisional Act No 449/2008.

(k) Employee benefits

The Bank sponsors pension and health plans, which supplement the retirement income of participating employees and the coverage of medical and dental expenses of active and assisted participants and their dependents. It also sponsors life insurance for participants who have an interest in this type of benefit. The Bank fully adopts the guidelines prescribed by Accounting Standards and Procedures (NPC) 26 of the Institute of Independent Auditors of Brazil (IBRACON) to account for the pension, health and life insurance plans it sponsors, as mentioned in Note 21.

The Bank recognizes the gains or losses, to the post-employment benefits in accordance with item 53 of the NPC 26.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

3. Significant accounting practices -- Continued

(k) Employee benefits – continued

- (i) The portion of actuarial gains and losses to be recognized as income or expense corresponds to the accumulated gains and losses recognized in excess, each year, the largest of the following limits:
 - 10% of present value of the total actuarial liability and,
 - 10% of the fair value of plan assets

- (ii) The portion of actuarial gains and losses amortized in each year corresponds to dividing the gains and losses accumulated by the average remaining service time estimated for the plan participants.

(l) Contingent assets and liabilities

The recognition, measurement and disclosure of contingent assets and liabilities are made according to the criteria defined in the Standard Accounting Procedures (NPC) and 22 of the Accountants Technical Interpretation No. 02, November 30, 2006, as described below:

- a. Contingent assets - are not recognized in the financial statements, except when the existence of evidence that provide a guarantee of its realization, over which no longer fit appeals.
- b. Contingent liabilities - are recognized in the financial statements when, based on the opinion of legal counsel and Management, is considered likely the risk of losing a lawsuit or administrative, with a probable outflow of resources for the settlement of liabilities and when the amounts involved are measurable with sufficient certainty. The contingent liabilities classified as possible losses by the legal advisors are disclosed in notes, while those classified as remote loss do not require recognition or disclosure.
- c. Legal obligations - refer to lawsuits which are being contested the legality and constitutionality of certain taxes and contributions. The amount discussed is measured, recorded and updated monthly.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

3. Significant accounting practices -- Continued

(m) Employees' profit sharing

It is defined in collective agreement and also for compliance with the Plan targets, and accrued monthly based on a percentage of the result and set the end of the year after calculation of net income and the assessment of the targets.

(n) Changes introduced by Law No 11638/07

The initial adoption of this Law did not cause significant impacts on the BDMG's financial statements, except for the presentation of statements of cash flows in replacement of the statement of changes in financial position, taking into consideration the fact that the main changes resulting from the new law, approved by the Brazilian Central Bank, and which affect the Bank's operations, were already being adopted by the Bank since they were in conformity with the existing accounting standards.

(o) Accounting Estimates

The preparation of financial statements in accordance with accounting practices adopted in Brazil requires that management uses judgment in determining and recording accounting estimates. The settlement of transactions involving these estimates may result in different amounts, due to inaccuracies inherent in the process of its determination. Management reviews the estimates and assumptions timely.

4. Interbank investments

Investments in purchase and sale commitments	2009	2008
Funded position		
National Treasury Bills	29,822	175,459
Financial Treasury Bills	-	35,265
National Treasury Notes	-	25,011
Debentures	92,382	162,588
Interbank deposits	356,463	262,899
Provision for losses	(17,893)	(17,893)
Total - Current	460,774	643,329

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

5. Securities

(a) Securities may be summarized as follows:

	<u>2009</u>	<u>2008</u>
Fixed income securities		
Free:		
. Federal securities	262,333	233,607
. Debentures	3,760	3,378
. Bank Deposit Certificates (CDB)	125	-
Restricted:		
. Federal securities	59,110	19,191
Total	<u>325,328</u>	<u>256,176</u>
Current	31,270	53,621
Non-current	294,058	202,555

The restricted federal securities at December 31, 2009 and 2008 referred to the total blocked in favor of the Brazilian Central Bank, awaiting approval of the BDMG capital increase, as described in Note 11(a).

(b) Classification of securities

(i) Securities available for sale

The securities classified as "available for sale" presented the following composition:

<u>Description</u>	<u>Amount</u>	<u>Curve value</u>	<u>Market Value</u>	<u>Appropriated losses</u>
Financial Treasury Bills	79,958	175,754	175,624	(130)
National Treasury Bills	30,000	29,379	29,390	11
National Treasury Notes	42,300	77,858	78,514	656
Debentures	5,621	4,427	3,760	(667)
Shares of investment fund	125	125	125	-
Total at December 31, 2009		<u>287,543</u>	<u>287,413</u>	<u>(130)</u>
Total at December 31, 2008		<u>209,745</u>	<u>206,349</u>	<u>(3,396)</u>

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

5. Securities -- Continued

(b) Classification of securities -- Continued

(i) Securities available for sale -- Continued

In 2009, BDMG acquired 125 shares of emergent and innovation companies, paying R\$20 per share. The total invested was R\$2,500 which corresponded to 5% ownership.

The federal securities were marked-to-market considering the quotations reported by the National Association of Institutions of the Financial Market (ANDIMA).

The market value of the debentures was determined based on the discounted cash flows, considering the conditions of issue and maturity dates involved.

(ii) Securities held to maturity

These securities comprise 37,448 National Treasury Notes (NTN - A3), which amounted to R\$ 37,915 at December 31, 2009 (2008 – R\$ 49,827). These notes if measured at market value would be as of December 31, 2009 R\$ 49,247 (2008 – R\$ 60,264).

In June 2005, the Bank reclassified these securities from "securities available for sale" to "securities held to maturity". The amount of R\$ 1,831, relating to the adjustment to market value of these securities, recorded in a stockholders' equity account, is being amortized to the statement of income, as determined by BACEN Circular 3068/01. At December 31, 2008, the amortized amount of the adjustment to market value totaled R\$ 415, net of tax impacts (2008 – R\$ 323).

The portfolio classification of securities held to maturity considered management's intention to hold them up to their maturities and the Bank's financial capacity supported by the projected cash flows.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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5. Securities -- Continued

(c) The securities fall due as follows:

	From 91 to 180 days	From 181 to 360 days	After 360 days	Total
Federal securities	29,390	-	292,053	321,443
Debentures	-	1,880	1,880	3,760
Shares of investment fund	-	-	125	125
Total 2009	29,390	1,880	294,058	325,328
Total 2008	-	53,621	202,555	256,176

(d) Changes in amounts recorded in shareholders' equity under "Asset valuation adjustments" that covers the adjustment of securities available for sale, held in the portfolio balance and the adjustment to market value of the NTN-A3 on the date of the change of its category, had the following activity during the period:

:

	Unrealized gains (losses)	Tax effects	Adjustment to market value
At December 31, 2008	(4,903)	1,871	(3,032)
Adjustment recorded in the six-month period ended June 30, 2009	3,594	(1,501)	2,093
Adjustment recorded in the six-month period ended December 31, 2009	(237)	170	(67)
Balance at December 31, 2009	(1,546)	540	(1,006)

6. Credit Operations, leasing and other related credit operations

The BDMG's active portfolio of credit operations is made up of credit operations related to development project loans and the conditions resulting from these projects, financial leasing and credit operations originated from the sale of non-use properties.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

6. Credit Operations, leasing and other related credit operations -- Continued

The active portfolio loans of BDMG on December 31 are as follows:

Active Portfolio Loans	Total	Provision	Total, net
Credit Operations	1,136,281	(106,066)	1,030,215
Financial leasing	1,041	-	1,041
Other related credits – non-use property sales	698	(1)	697
Total	1,138,020	(106,067)	1,031,953

With respect to the leasing transactions, which are all lease back transactions, the amounts above are present at their present value, and are classified in different accounts in the balance sheet, following the requirements established by the Accounting Rules issued by the National Financial System (“COSIF”).

The following accounts are impacted by leasing accounting:

Groups/subgroups	Account	Value
Asset –Financial leasing transactions	Leasing receivable	1,448
Asset –Financial leasing transactions	Deferred leasing income	(1,448)
Asset – Permanent	Properties leased	1,557
Liabilities – Other obligations	Anticipation of residual value	(516)

The leasing transactions generated in 2009 total revenues of R\$ 475 (2008 – R\$ 0) and all were classified AA rating.

At December, 31, 2009, the total loans granted by BDMG amounted R\$ 1,138,020 (R\$ 2008 – 889,756). R\$ 393,770 were made with own funds (2008 - R\$ 264,887) and R\$ 744,250 (2008 - R\$ 624,869) with resources received from another financial institutions.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

6. Credit Operations, leasing and other related credit operations -- Continued

(a) Classification by product and sector of activity

	2009	2008
Private sector	984,563	705,768
.Rural and agribusiness	222,943	239,214
.Industry	393,203	232,090
.Commerce	97,621	47,008
.Financial intermediaries	24,505	17,332
.Individuals	1,151	1,513
.Other services	242,425	164,742
.Export	2,715	3,869
Public sector	151,718	182,855
.Direct state administration	-	2,917
.Direct and indirect municipal administration	151,718	179,938
Leasing operations (i)	1,041	-
Other credits (considered as credit operations)	698	1,133
Subtotal	1,138,020	889,756
Allowance for loan losses	(106,067)	(95,285)
Credit operations	(106,066)	(95,276)
Other credits	(1)	(9)
Total	1,031,953	794,471
Current	254,141	159,407
Non-current	777,812	635,064

(i) The balance shown is adjusted to present value.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued

December 31, 2009 and 2008

(In thousands of reais)

6. Credit Operations, leasing and other related credit operations -- Continued

(b) Classification by maturity date and risk level

Risk Level	2009								2008	
	Total	Overdue	Falling due per maturity dates (days)						Above 5400	Total
			From 15 to 90	From 91 to 360	From 361 to 1080	From 1081 to 1800	From 1801 to 5400			
AA	494,242	-	26,395	83,340	164,649	67,019	150,665	2,174	467,014	
A	289,269	-	15,253	52,917	111,814	70,814	38,465	6	186,949	
B	90,071	60	4,644	21,507	44,727	12,400	6,733	-	131,962	
C	107,628	269	5,013	21,990	50,144	20,239	9,699	274	23,864	
D	90,478	1,921	5,334	14,360	30,189	25,662	12,945	67	18,269	
E	5,595	56	823	1,737	2,729	250	-	-	11,328	
F	19,912	645	1,414	3,720	6,157	4,837	2,978	161	10,947	
H	40,825	861	1,568	4,691	8,432	5,627	18,630	1,016	39,423	
	1,138,020	3,812	60,444	204,262	418,841	206,848	240,115	3,698	889,756	

(c) Classification by risk level and allowance

The allowance for loan losses was recorded in accordance with CMN/BACEN Resolution No 2,682/99, mainly taking in consideration the followings aspects: (i) the nature of the operations and guarantees; (ii) overdue installments; and (iii) the past loss experience with debtors.

Level	%	Portfolio	2009		2008	
			Provision for credit risk based on minimum percentage required	Allowance for loan losses	Portfolio	Allowance for loan losses
AA	0.0	494,242	-	38,983	467,014	42,193
A	0.5	289,269	1,446	1,446	186,949	935
B	1.0	90,071	901	901	131,962	1,320
C	3.0	107,628	3,229	3,229	23,864	716
D	10.0	90,478	9,048	9,048	18,269	1,827
E	30.0	5,595	1,679	1,679	11,328	3,398
F	50.0	19,912	9,956	9,956	10,947	5,473
H	100.0	40,825	40,825	40,825	39,423	39,423
		1,138,020	67,084	106,067	889,756	95,285

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

6. Credit Operations, leasing and other related credit operations -- Continued

(c) Classification by risk level and allowance--Continued

Until November 2005, the credit operations relating to the Special Program of Assets Recovery - PESA (Rural Credit, under the terms of CMN/BACEN Resolution No 2471/98) were classified in level H. As from that date, BDMG management reclassified them to level AA. This risk reclassification considered the characteristics of these transactions as regards the credit risk, mitigated through real guarantees represented by public securities. At December 31, 2009, the supplementary allowance for credit transactions, in the amount of R\$ 38,983 (2008 - R\$ 42,193) related to the PESA reclassified operations, and resulted from the difference between the reclassified credit transactions and the present value of the securities which guarantee these transactions.

(d) Changes in the allowance for loan losses

	2009	2008
Opening balance	95,285	90,043
Constitution of allowance, net of reversals	19,939	28,308
Credits written-off as losses	(9,157)	(23,066)
Closing balance	106,067	95,285

In the year ended December, 31, 2009 the Bank recovered the amount of R\$ 12,327 (2008 - R\$ 16,422) related to credits previously written-off as losses.

7. Other receivables

	2009	2008
Tax credits (a)	123,204	102,729
Debtors for guarantee deposits (b)	176,438	163,998
Recoverable taxes	13	41
Sundry receivables - Domestic	491	650
Notes and credits receivable (c)	9,712	9,327
Income receivable (d)	3,712	3,992
Other	4,509	5,188
Sub-total	318,079	285,925
Provision for losses on other receivables (e)	(10,609)	(10,330)
Total	307,470	275,595
Current	18,512	55,762
Non-current	288,958	219,833

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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7. Other receivables -- Continued

- (a) The tax credits for income and social contribution taxes on taxable income were constituted and recorded as described in Note 13(a).
- (b) The debtors for guarantee deposits mainly relate to legal questionings, especially those of a tax nature, as described in Note 10(a).
- (c) The notes and credits receivable relate to “del-credere” commissions receivable from rural credit transactions carried out with funds from the National Treasury Secretariat.
- (d) Income receivable mainly comprises commissions receivable (net of the related provision) from credit operations carried out with resources of the development funds managed by BDMG. The commissions fall due based on the maturity dates of the contracted installments, and a provision for loss is recorded based on the risk level of the operation which gave rise to the commission. This procedure results from the Bank’s policy of applying the same criteria prescribed by CMN/BACEN Resolution No 2682/99 for the own portfolio operations of BDMG to the operations financed by the managed funds.
- (e) The provision for losses on other receivables is mainly recorded to cover operations which are not equivalent to credit operations and comprises the amount of R\$ 10,608 (2008 – R\$ 10,321), related to commissions receivable of R\$ 9,712 (2008 – R\$ 9,327) and R\$ 896 (2008 - R\$ 994) , to the equalization of interest rates of rural credit operations, both of which are to be settled by the National Treasury Secretariat (STN), which has not presented formal arguments regarding the amounts and dates of settlement of the liabilities. The recording of this provision is based on the uncertainty of realization of these credits.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

8. Permanent assets

At December, 31, 2009 and 2008, the group of Permanent Assets consists of Investments in the amount of R\$ 48 and also the following subgroups:

(a) Property and equipment

	Rates depreciation % year	2009		2008
		Cost	Accumulated depreciation	Net
Properties	4	37,923	(18,243)	19,680
Installations, furniture and equipment	10	5,315	(2,801)	2,514
Data processing system	20	3,329	(2,018)	1,311
Other	10	626	(444)	182
Construction in progress		883	-	883
Total		48,076	(23,506)	24,570
				23,965

(b) Properties leased

	2009		
	Cost	Accumulated depreciation	Depreciation supervenience
Properties leased	1,704	(287)	140
			1,557

(c) Deferred charges

	Annual amortization rate - %	2009		2008
		Cost	Accumulated amortization	Net
Costs with acquisition and development of software	20	3,190	(2,500)	690
				1,025

In conformity with CMN/BACEN Resolution No 3617/2008, the deferred assets balance will be kept until its completely realization.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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8. Permanent assets -- Continued

(d) Intangibles

	Annual amortization rate - %	2009		2008	
		Cost	Accumulated depreciation	Net	Net
Intangible assets	20	649	(44)	605	64

In conformity with CMN/BACEN Resolution No 3642/2008 and BACEN Circular No 3357/2008, BDMG started to record as from December 2008 as intangibles the assets without physical substance intended for the maintenance of the entity, which were previously recorded as deferred charges.

9. Domestic onlendings - Official Institutions

These onlendings refer to financial resources obtained from official funds and programs which have been onlent to finance enterprises in the State of Minas Gerais. The principal and charges mature up to 2025, and the financial charges are established by the operational policies of each agency or fund which onlends the resources.

The balances may be summarized as follows:

	2009	2008
National Bank for Economic and Social Development (BNDES)	557,011	438,559
Government Agency for Machinery and Equipment Financing (FINAME)	134,807	129,382
Bank of Northeast of Brazil (BNB)	45,228	51,130
National Treasury	18,934	16,858
Federal Savings and Loans Bank (CEF)	1,398	6,116
Other	65	196
Total	757,443	642,241
Current	165,061	132,852
Non-current	592,382	509,389

The BNDES/FINAME System is the main source of funds for the onlendings of BDMG to its clients.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued

December 31, 2009 and 2008

(In thousands of reais)

9. Local Onlendings - Official Institutions – Continued

The resources from the National Bank for Economic and Social Development (BNDES) are substantially used for financing long-term investment projects. At December 31, 2009, the credit lines with the most significant volumes of funds obtained for onlending were: BNDES Automático TJLP, totaling R\$ 206,853 (2008 – R\$ 174,005); BNDES FINEM TJLP, amounting to R\$ 70,575 (2008 – R\$ 54,664); the credit line BNDES Automático Rural, in the amount of R\$ 73,163 (2008 – R\$ 78,719) and BNDES PEC-GIRO TJ, totaling R\$ 45,957 (R\$ - R\$ 0). The balance of R\$ 396,548 (2008 – R\$ 307,389) of these three credit lines represents 70% of the amount financed by BNDES and all of them are subject to financial charges related to the long-term interest rate (TJLP) plus a percentage varying from 0.9% e 2.5% p.a. – according to the objective of financing, considering the financial intermediation fee of 0.5% p.a. included in that amount.

The majority of the resources obtained by BDMG from FINAME - Agência Especial (FINAME - Special Agency) have been used for the financing of machinery and equipment associated with development projects. At December 31, 2008, the credit lines "FINAME - Máquinas e Equipamentos", in the amount of R\$ 59.647 (2008 – R\$ 77.095), FINAME MODERMAQ, in the amount of R\$ 24,454 (2008 – R\$ 6,990), FINAME PROVIAS, in the amount of R\$ 20,251 (2008 – R\$ 26,089) and FINAME Simplificado, in the amount of R\$ 19,817 (2008 – R\$ 14,259), corresponded to 92% of BDMG's debit balance with FINAME. The financial charges related to the long-term interest rate (TJLP) plus a percentage varying from 0.9% e 2.5% p.a. – according to the objective of financing, considering the financial intermediation fee of 0.5% p.a. included in that amount.

In 2005, the Bank of Northeast of Brazil (BNB) onlent to BDMG resources deriving from two different sources and intended solely for investment in the area of operation of BNB. The funds onlent to BDMG were obtained from the Inter-American Development Bank (IDB) and aimed to finance the Program of Market Expansion for Small and Medium-sized Companies of the Northeast of Brazil (PEM), and the resources from the Northeast Financing Constitutional Fund (FNE) were onlent to BDMG in order to finance productive enterprises of mini, small, medium-sized and large rural producers, industries, agro-industries (Individuals and Legal Entities), commercial, and services, and their Cooperatives and Associations. At December 31, 2009, the balance of FNE, totaling R\$ 38,922 (2008 – R\$ 41,488), corresponded to 86% of the amount due by BDMG to BNB, and the financial charges on this financing corresponded to 10% p.a.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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10. Other liabilities

	2009	2008
Collection of taxes	263	131
Social and statutory (a)	8,071	17,784
Taxes and social security contributions (b)	284,836	270,417
Funds for specific purposes (c)	20,445	28,946
Sundry (d)	78,896	96,848
Total	392,511	414,126
Current	44,346	96,432
Non-current	348,165	317,694

(a) Social and statutory

The balance at December 31, 2009 refers to the remaining accumulated earnings which were distributed to the shareholders as dividends.

The 2008 balance referred to payable dividends related to a portion of 2008 earnings, which was paid in the first semester of 2009.

(b) Taxes and social security contributions

	2009	2008
Provision for taxes and contributions	2,701	14,999
Taxes and contributions payable	3,327	2,887
Provision for deferred taxes and contributions	3,525	2,113
Provision for tax obligations	275,283	250,418
Total	284,836	270,417
Current	11,230	52,277
Non-current	273,606	218,140

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

10. Other liabilities -- Continued

(b) Taxes and social security contributions -- Continued

- (i) Management reviews the contingencies and, based on the opinion of its legal advisors, evaluates the possibilities of losses, adjusting the provision for tax obligations, as applicable. December 31, 2009, the main liabilities arising from contingencies and binding obligations (which are being questioned by the Bank), recorded in the account "Provision for tax obligations", related to litigation with the Brazilian Federal Revenue. As considered in the projection of results of BDMG, the expectation for the resolution of these measures covers a period of 10 years.

The changes in the provisions in the year were as follows:

	Balance at 12/31/2008	Provision recorded	Restatement	Balance at 12/31/2009
Offset of income tax and social contribution loss carry forwards	112,729	-	6,274	119,003
Change in the social contribution tax on revenues (COFINS) calculation basis- Law 9718/98	95,024	8,317	6,441	109,782
Change in the social integration program tax on revenues (PIS/PASEP) calculation basis - Law 9718/98	26,252	1,352	1,667	29,271
Income Tax - Law 8.200/91	4,080	-	130	4,210
Tax exemption for Social Security Fund (FINSOCIAL) from Sept 1986 to March 1990	3,815	-	145	3,960
Provision for legal fees	7,381	-	392	7,773
Other contingencies and legal obligations	1,137	85	62	1,284
Total	250,418	9,754	15,111	275,283

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

10. Other liabilities -- Continued

(b) Taxes and social security contributions -- Continued

- (ii) Regarding the judicial deposits totaling R\$ 176,438 (2008 – R\$ 163,998) recorded by BDMG at “Other credits - Debtors for Guarantee Deposits (note 7 (b)), the amount of R\$ 176,180 (2008 – R\$163,447) mainly relates to the tax litigation mentioned at (i) above, as follows:

	2009		2008	
	Provision	Deposits	Provision	Deposits
Offset of income tax and social contribution loss carry forwards	119,003	119,003	112,729	112,729
Change in the Social Contribution Tax on revenues (COFINS) calculation basis-Law 9718/98	109,782	21,072	95,024	17,898
Change in the Social Integration Program Tax on revenues (PIS/PASEP) calculation basis - Law 9718/98	29,271	29,106	26,252	26,120
Income Tax - Law 8200/91	4,210	-	4,080	-
Tax exemption for Social Security Fund (FINSOCIAL) from Sept 1986 to March 1990	3,960	3,960	3,815	3,815
Provision for legal fees	7,773	-	7,381	-
Administrative deposit - Public Service Employees Savings Program (PASEP)	-	1,843	-	1,738
Other contingencies and legal obligations	1,284	1,196	1,137	1,137
Total	275,283	176,180	250,418	163,437

On August 03, 2009, it was available the Supreme Court's trial decision, held on 25 June 2009, rejecting the extraordinary appeal filed by BDMG concerning the case on compensation of tax losses and negative basis of social contribution. Thus, when the National Treasury to convert into income the escrow deposit of \$ 119,003, the corresponding provision, which is classified in the long term, will be duly write off.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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10. Other liabilities -- Continued

(b) Taxes and social security contributions -- Continued

With respect to the COFINS and PIS/PASEP claims, the bank is fighting against the changes in the calculation basis of these contributions brought by the Law No 9718/1998 which requires the payment of social contributions taxes on operating and non-operating revenues. With respect to the Social Contribution obligations (COFINS) the bank has been made escrow deposits related to the taxes on income from services rendered. Regarding to the Social Integration Program Tax, the Bank has been made escrow deposits for taxes calculated on total revenue, as determined by Law No 9718/1998.

- (iii) In 2006, the Bank was assessed by the National Institute of Social Security (INSS), in the amount of R\$ 14,729, related to events considered by this agency as subject to the social security contribution. Management and its legal advisors are currently questioning the assessment in the administrative sphere, and the legal advisors evaluated that an unfavorable outcome is considered to be remote except for the amount of R \$ 119 considered to be possible loss. Consequently, no provision for contingencies has been recorded.

The Bank did not have other tax litigations at December 31, 2009, the unfavorable outcome of which was considered to be possible and not provided for.

(c) Funds for specific purposes

The amount of R\$ 20,444 (2008 – R\$ 28,946) mainly refers to resources received from clients in respect of funds managed by BDMG (private funds and funds from government agencies) and not yet transferred to the funds.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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(In thousands of reais)

10. Other liabilities -- Continued

(d) Sundry liabilities

	2009	2008
Provision for payments to be effected (i)	34,528	52,743
Provision for contingent liabilities (ii)	33,963	30,775
Sundry creditors - Local (iii)	8,840	8,794
BDMG Social Security Foundation (DESBAN) contribution (iv)	93	1,089
Contribution for capital increase (v)	956	3,447
Others (vi)	516	-
Total	78,896	96,848
Current	23,693	25,354
Non-current	55,203	71,494

(i) The provision for payments to be effected substantially refers to the actuarial liability of R\$ 18,598 (2008 – R\$ 38,109), relating to the "Program for Health Promotion" (Pró-Saúde), medical and dental care plan, and life insurance benefits, as described in Note 21, the provision for vacation pay and related charges in the amount of R\$ 8,386 (2008 – R\$ 8,607), provision for profit sharing (PLR), in the amount of R\$ 4,178 (2008 - R\$ 2,615) and the provision for compliance with the State Law No 11050/1993 and the Articles of Incorporation of BDMG, in the amount of R\$ 3,204 (2008 – R\$ 3,314).

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Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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10. Other liabilities -- Continued

(d) Sundry liabilities -- Continued

(ii) The changes in 2009 in the provision for contingent liabilities were as follows:

	Balance at 12/31/2008	Provisions recorded	Restatements	Rever- sals	Balance at 12/31/2009
Charges on compulsory deposits with the Central Bank	18,128	-	1,800	-	19,928
Co-obligations assumed on credit operations with STN	5,281	1,317	-	(675)	5,923
Civil lawsuits	5,173	558	-	-	5,731
Labor lawsuits	2,193	269	-	(151)	2,311
Suretyship rendered	-	70	-	-	70
	30,775	2,214	1,800	(826)	33,963

The Bank recorded the amount of R\$ 258 (2008 - R\$ 561) as "Other receivables - Debtors for guarantee deposits", referring to deposits related to appeals filed in connection with the labor lawsuits. The labor contingencies whose unfavorable outcome has been regarded as "possible", and for which no provisions were recorded, totaled, respectively, R\$ 23 (2008 - R\$ 170) and R\$ 522 (2008 - R\$ 272).

(iii) The balances of "Sundry creditors - Local" mainly arose from clients' credits to be offset, in the amount of R\$ 5,773 (2008 - R\$ 3,954) and other credits of R\$ 1,026 (2008 - R\$ 1,302) related to the sale of the right to manage the payroll payments to BDMG's employees. This sale took place in September 2008.

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Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

10. Other liabilities -- Continued

(d) Sundry liabilities – Continued

- (iv) The "DESBAN contribution" balance refers to BDMG obligations for the prior service of Bank employees joining the BDMG Social Security Foundation (DESBAN), as mentioned in Note nº 21. To comply with these obligations, the Bank paid R\$ 1,204 (2008 – R\$ 1,175) in 2009, and this amount included the charges for prior service, which is being paid in monthly installments up to January 2010.
- (v) The "Contribution for capital increase" balance refers to amounts received from clients financed by resources of the State Fund, FUNDESE, destined for investments in the Program for Popular Credit (CREDPOP) under the terms of State Law 13667/00. In 2008 the balance included those amounts aforementioned and also the amounts received from clients who were financed by resources of the Program for Environment Sanitation, Organization and Modernization of Municipalities (SOMMA) and the Urban Development Fund (FUNDEURB), extinguished by State Law No 13848 of April 19, 2001.
- (vi) The amounts recorded under "Other accounts" refer to residual value of anticipated leasing payments.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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11. Stockholders' equity

(a) Capital

Subscribed and paid-up capital amounts to R\$ 999,187 (2008 – R\$ 909,394), represented by 45,533,965,970 (2008 – 45,444,172,358) nominative common shares with no par value.

The following events are related with the capital:

On December 17, 2009, the Ordinary General Meeting approved a capital increase in the amount of R\$ 71,295 subscribed by the State of Minas Gerais, which at that date, paid up R\$ 58,501, leaving R\$ 12,794 to paid in. In addition to the R\$47,793 from the shareholder, it is also considered the following items related to BDMG: (i) R\$ 16,700 from the interest on own capital anticipated to the shareholders related to 2009; (ii) R\$ 1,536, using funds arising from the returns of loans with the State Funds SOMMA and FUNDEURB (iii) and R\$ 5,266 the percentage on returns of loans with the State Fund FUNDESE. The Brazilian Central Bank approved the capital increase on January 13, 2010.

At June 16, 2009, the Board of Directors also authorized the capital increase in the amount of R\$ 18,498, which was subscribed by the Minas Gerais State Government and paid up in R\$ 16,004 using funds arising from the returns (i) of loans with the State Funds SOMMA and FUNDEURB; (ii) percentage on returns of loans with the State Fund FUNDESE, and R\$ 2,494 with funds arising from the recovery of the assets of the extinguished banks BEMGE and CREDIREAL. This capital increase was approved by the Brazilian Central Bank on July 15, 2009.

On January, 8, 2009, the Brazilian Central Bank homologated the capital increase approved by the Board of Directors of R\$ 24,450 in the Extraordinary Meeting which took place on December 12, 2008. This capital increase was subscribed by the Minas Gerais State Government e paid in with interest on own capital computed for 2008.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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11. Stockholders' equity -- Continued

(a) Capital -- Continued

On January 7, 2009, the Brazilian Central Bank homologated the capital increase of R\$28,598 approved by the Board of Directors at December 10, 2008. The capital increase of R\$18,798 was subscribed and paid in by the State of Minas Gerais with resources from: (i) the returns of loans with the State Funds SOMMA and FUNDEURB; and (ii) the percentage on returns of loans with the State Fund FUNDESE, and R\$ 9,800 using funds arising from the recovery of the assets of BEMGE e do CREDIREAL.

The Government of Minas Gerais paid-up, in cash, capital increases of R\$ 17,412 using funds arising from (i) the returns of loans with the State Funds SOMMA and FUNDEURB; and (ii) the percentage on returns of loans with the State Fund FUNDESE. This capital increase was approved by the Board of Directors on June 19, 2008 and homologated by the Brazilian Central Bank on September 02, 2008.

In the Extraordinary General Meeting held on April 17, 2008 the Board of Directors approved an increase of capital of R\$23,014 by incorporating the accumulated earnings as of December 31, 2007. This capital increase was homologated by the Brazilian Central Bank on August 20, 2008.

(b) Revenue reserve - Legal

Appropriations of 5% of net income are made annually to the legal reserve, limited to 20% of capital. At December 31, 2009, the reserve balance totaled R\$ 16,807 (2008 - R\$ 13,676).

(c) Retained Earnings/Special Revenue Reserve

The positive results achieved by BDMG in 2009 totaled R\$ 62,616 (2008 - R\$ 66,277), of which R\$ 51,321 (2008 - R\$ 34,798) was generated in the second six-month period.

As proposed by the Board of Directors, the balance of R\$ 8,071 (2008 - R\$ 33,784) remained from the income for the year was transferred to dividends payable and bonus payable, in conformity with Law No 11638/2007 and CMN/BACEN Resolution No 3605/2008.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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11. Stockholders' equity -- Continued

(c) Retained Earnings/Special Revenue Reserve -- Continued

The 2008 net income remaining balance of R\$33,784 was reverted into dividends to the shareholders, being the amount of R\$30,000 deliberated by the Ordinary Shareholders Meeting held on April 30, 2009; and, R\$3,784, deliberated by the Extraordinary General Meeting held on December 14, 2009 and approved by the Extraordinary General Meeting held on December 17, 2009.

(d) Special revenue reserve

The amount of R\$16,000 presented as special revenue reserve was paid to the shareholders as dividends, being R\$12,216 deliberated and approved by the Ordinary General Meeting held on April 30, 2009; and, R\$3,784, deliberated by the Board of Directors Meeting held on December 16, 2009 and approved by the Extraordinary General Meeting held on December 17, 2009.

(e) Dividends and interest on own capital

Stockholders are entitled to a minimum dividend of 1% of the net income for the year, adjusted in accordance with Brazilian Corporation Law and the Bank's by-laws.

For the return on capital to its shareholders BDMG distributes dividends or pay as interest on own capital consistent with the results obtained in the year. In 2009 BDMG distributed to shareholders as dividends and Interest on own capital:

Nature	R\$	Deliberated/approved
Dividends	12,216	Ordinary General Meeting at 4/30/2009
Dividends	35,000	Extraordinary General Meeting at 12/7/2009
Dividends	8,071	Management proposal
	<u>55,287</u>	
Interest on Own Capital	20,198	Extraordinary General Meeting at 12/7/2009
Total	<u><u>75,485</u></u>	

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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11. Stockholders' equity -- Continued

(e) Dividends and interest on own capital --Continued

BDMG, in conformity with the legislation in force, recorded the amount of interest on own capital with a corresponding entry to "Financial expenses" and observed the limits stipulated by Law No 9249/1995 and Normative Instruction No 09/1997 of the Federal Revenue Secretariat for purposes of deductibility from the tax base of income tax and social contribution on net income.

The amount of R\$35,000 is made up of R\$3,784 related to the 2008 net income and recorded as special revenue reserve and R\$31,216 related to 2009 net income.

In 2008 BDMG paid to its shareholders as interest on own capital the amount of R\$ 29,179, as approved by the Extraordinary General Meeting held on December 12, 2008

12. Basel index

The new rules for measuring the regulatory capital through the Standardized Method of Basel II, effective as from July 2008, determine the requirement for the financial institutions to maintain net equity compatible with the risk level of their assets, according to exposure-weighting factors, risk mitigation factors, and factors of credit conversion, determined by CMN/BACEN Resolution No 2099/94 and related amendments, to meet the limits required by the Basel Agreement. The minimum index required in Brazil is 11% of net equity in relation to the risk-weighted assets.

The Brazilian Central Bank, following the guidelines presented by the Standardized Method of Basel II, determined the capital computation methodology needed to cover the credit, operating and market risks, through Instructions letters 3360 to 3366, 3368, 3383, 3388 and 3389, as well as it changed the rules to compute the Reference Equity through the Resolution No 3444/2007 and clarified the computation of the Reference Equity Required since July 1, 2008.

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Notes to the Financial Statements --Continued
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12. Basel index—Continued

Statement of Capital Requirements and Basel Index		
	2009	2008
Adjusted net equity	1,002,194	953,821
Decrease in deferred charges	567	734
Decrease in losses on adjustments to market value	1,998	1,656
Additional provision for loan losses required by Resolution CMN/BACEN No 2682/1999	38,983	
Reference Equity level I	1,038,612	951,431
Addition of losses on adjustments to market value	1,998	1,656
Reference Equity level II	1,998	1,656
Detachable capita for public sector, as required by Resolution CMN 3781/2009	200,000	-
A - Reference Equity (level I + level II)	840,610	953,087
Allocation of capital:		
1 - Credit risk	190,208	162,317
2 - Market risk	-	49,827
3 - Operating risk	19,880	4,583
B - Required Reference Equity (1+2+3)	210,088	216,727
C - Allocation of capital to cover the risk of operations subject to the variation of interest rates not classified in the trading portfolio	3,710	3,090
D - Value of margin (A-B-C)	626,812	733,270
E - Total exposures subject to weighted risk	2,211,988	2,192,409
F - Total weighted risk exposures	1,729,160	2,092,271
G - Leverage capacity: ("D" x 100)/11	5,698,291	6,666,090
H - Coefficient of capital adequacy: "A" / "F"	44,01	45,55

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Notes to the Financial Statements --Continued
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12. Basel index—Continued

The National Monetary Council, through its Resolution No 3674/2008, allowed financial institutions and other institutions under the same regulation rules who accounted for the credit losses over the minimal required by CMN/BACEN Resolution No 2682/1999, to add the additional losses to the level I of the Reference Equity Computation.

The Basel index for the year ended December 31, 2009 was calculated in conformity with CMN Resolution No 2099/94 and complementary regulations.

13. Income Tax and Social Contribution

(a) Deferred income tax and social contribution

The composition of deferred tax credits is as follows:

	2009	2008
Temporary additions	122,188	100,858
Adjustment to market value (securities)	1,016	1,871
Total	123,204	102,729

In September 2009 the Bank accounted for deferred tax assets of R\$2,048 related to provisions of health benefits - PRO-SAÚDE (Note 10 (d) (i)). So as to follow the same accounting procedures, the Bank also accounted for the deferred tax assets of R\$1,364 related to the provision of post-retirement life insurance. Although they have different natures, both represent Bank's future obligations.

In June 2009, the Bank accounted for deferred tax assets of R\$8,117 related to the reversal of the accrued expected additional rural credits which were renegotiated under the Law No 9138/1995 provisions and further regulations of the Special Program of Assets Recovery – PESA, see Note 6(c).

Following Law No 11727/2008 guidelines, in June 2008 the Bank accounted for deferred tax assets of R\$13,948 related to the change of the nominal social contribution percentage on net income from 9% to 15%.

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Notes to the Financial Statements --Continued
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(In thousands of reais)

13. Income Tax and Social Contribution – Continued

(a) Deferred income tax and social contribution -- Continued

The tax credits of BDMG recorded in conformity with CMN/BACEN Resolution No 3355/2007 consider the expected realization within a maximum period of 10 years, assured by the positive tax results presented in the projection of results.

The table below presents the expected realization of the tax credits of R\$ 122,188 recorded at December 31, 2009, arising from temporary additions. The realization of these credits is mainly related to the possibility of recording, as an effective loss, the expenses with allowances for loan losses, net of the reversal of the allowances or the recovery of the credits which originated them. In line with the guidelines of BACEN Circular No 3171/02, the constitution of these assets considers their probable realization date based on projections of future results, prepared in accordance with internal assumptions and future economic scenarios, which, therefore, are subject to changes.

The probable recovery of the tax credits is as follows:

Year	Nominal Value	Present Value
2010	8,442	8,128
2011	19,192	17,219
2012	48,907	40,893
2013	3,882	3,025
2014	15,349	11,146
2015	4,168	2,821
2016	3,835	2,419
2017	8,297	4,877
2018	4,694	2,571
2019	5,422	2,769
Total	122,188	95,868

The present value of the tax credits was obtained by discounting the future flow of recovery at the average rate of onlendings contracted by BDMG, of 7.30% p.a. (2008 – 7.95% p.a.).

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Notes to the Financial Statements --Continued
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13. Income Tax and Social Contribution – Continued

(a) Deferred income tax and social contribution -- Continued

The changes in tax credits for the year ended December 31, 2008 were as follows:

	Adjustment to market value	Temporary additions	Total
At December 31, 2008	1,871	100,858	102,729
Constitution	-	38,940	38,940
Reversal	(855)	(17,610)	(18,465)
At December 31, 2009	1,016	122,188	123,204

In addition to the deferred tax asset mentioned above, the Bank also recorded in its tax books the amount of R\$ 10,086 (2008 – R\$ 33,100), resulting exclusively from temporary differences, which have not yet been recorded in the financial statements due to the fact that it does not comply with the recognition requirements prescribed by BACEN rules.

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Notes to the Financial Statements --Continued
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13. Income Tax and Social Contribution – Continued

(b) Reconciliation of the income tax and social contribution recorded in the statement of income

	2009		2008			
	2nd six-month period	Year	Year	Year		
	Income tax	Social Contribution	Income tax	Social Contribution	Income tax	Social Contribution
Profit before income tax and social contribution and after statutory profit sharing	47,384	47,384	53,061	53,061	71,597	71,597
Interest on own capital	(20,198)	(20,198)	(20,198)	(20,198)	(29,179)	(29,179)
Additions (deductions), net						
Provision for contingencies, net of reversals	3,670	3,670	8,198	8,198	10,947	10,947
Taxes whose payment was suspended	5,162	5,162	9,753	9,753	10,880	10,880
Constitution of allowance for loan losses and recovery of credits written-off as losses, net	2,476	2,476	10,182	10,182	15,328	15,328
Effective credit losses	(314)	(314)	(12,805)	(12,805)	(8,450)	(8,450)
Provision of post-retirement benefits net of reversals	(19,298)	(19,298)	(16,690)	(16,690)	6,471	6,471
Others	(1,619)	(97)	(2,872)	556	(4,188)	(780)
Calculation basis	17,263	18,785	28,629	32,057	73,406	76,814
Tax at the effective rate (*)	(2,589)	(2,818)	(4,294)	(4,809)	(11,011)	(9,882)
Income tax at the additional rate	(1,714)		(2,839)		(7,317)	
Tax incentives	183		201		438	
Sub-total income tax and social contribution payable	(4,120)	(2,818)	(6,932)	(4,809)	(17,890)	(9,882)
Deferred income tax	(20)		(35)			
Total income tax and social contribution payable	(4,140)	(2,818)	(6,967)	(4,809)	(17,890)	(9,882)
Constitution of deferred tax credits (net of reversals) on temporary differences	6,809	4,086	13,332	7,999	5,397	17,055
Income tax and social contribution recorded in the statement of income	2,669	1,268	6,365	3,190	(12,493)	7,173

(*) Income tax: 15% plus additional of 10% e Social Contribution: 9% (until April, 2008) and 15% (from May, 2008).

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Notes to the Financial Statements --Continued
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14. Tax expenses and Other Operating Income (Expenses)

(a) Tax expenses

The tax expenses substantially refer to the Social Integration Program (PIS) and Social Contribution on Revenues (COFINS) charges, as follows:

	2009		2008
	2nd six-month period	year	year
PIS and COFINS	(5,130)	(9,668)	(10,880)
Tax on Services of Any Kind - ISSQN	(1,885)	(2,859)	(2,012)
Other	(4)	(314)	(224)
Total	(7,019)	(12,841)	(13,116)

Based on the understanding of the Federal Revenue Secretariat (RFB) that the income from interest on judicial deposits must be submitted to taxation only when the dispute has concluded with a favorable outcome for the taxpayer, the restatement of the tax contingencies and judicial deposits (note 10 (b)) are recorded directly in balance sheet accounts.

(b) Other operating income

They refer mainly to income arising from foreign exchange variation, reversal of provisions for contingencies and revenues from honor to endorse FGPC:

	2009		2008
	2nd six-month period	year	year
Income from foreign exchange variations	3,005	8,521	2,482
Reversal of provisions for contingencies	24,250	25,111	1,639
Other	1,557	2,845	2,940
Total	28,812	36,477	7,061

Included into the total of provisions reversal there is an amount of R\$22,177 related to the reversal of health and dental care post benefits accrual, accounted for in September 2009. This reversal was due to the changes to the health benefit plan (PRO-SAÚDE), approved by DESBAN, where it migrated from defined contributions to defined post-retirement benefit with actuarial risks. At December 31, 2009 the accrued balance of the health benefits plan was R\$11,963 (R\$32,184).

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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14. Tax expenses and Other Operating Income (Expenses) – Continued

(b) Other operating income -- Continued

Starting at January 2008 the income from escrow deposits restatement have been accounted for against their related accruals For the escrow balances without accruals the income was accounted for in the income statement.

(c) Other operating expenses

	2nd six-month period	2009	2008
Provisions for contingencies	(3,821)	(8,349)	(11,815)
Foreign exchange variations	(7,451)	(21,385)	(6,731)
Post-employment benefits	(3,728)	(6,346)	(6,008)
Services related to the capital market	-	-	(1,017)
Public disclosure	(15)	(15)	(21)
Reimbursement to FGPC of values honored	(333)	(373)	(2,167)
Expenses of INDI agreement	(1,598)	(3,315)	(3,212)
Expenses of BDMG Cultural agreement	(859)	(1,632)	(1,667)
Other	(3,752)	(6,758)	(7,934)
Total	(21,557)	(48,173)	(40,572)

15. Related parties

Starting in December 2009, the CMN/BACEN Resolution No 3750/2009 established the minimal related parties disclosures in the financial institutions' financial statements and also in accordance with the Accounting Statement CPC 05 – Related parties disclosures. According to this accounting statement, the companies should disclose the transactions with related parties that could affect their balance sheet and P&L.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

15. Related parties --Continued

The Bank's corporation related parties are:

(I) The State of Minas Gerais, Bank's controlling shareholder, and its direct and indirect subsidiaries, with whom the Bank had the following arrangements:

- Estado de Minas Gerais
 - Credit operations related to long-term financing made with BNDES and Caixa Econômica Federal for the Development and Regional Integration Program covering, basically, urban road infra-structure and creation of urban cores of marketing of agricultural produce in several regions within the State, mainly in Vale do Jequitinhonha and Bacia do Suaçuí. The agreement value was R\$2,917 in December 2008, and it was fully liquidated in November 2009.
 - service as financial agent of the state funds - accounting units without legal personality, created by state laws to achieve certain goals or services of public interest. BDMG receives commissions for the services rendered which are attached to the interest revenue received by the Bank on behalf of the state funds.
- Fundação João Pinheiro, a public institution linked to the Department of Planning and Management: BDMG as set out in its bylaws and in compliance with State Law No11050/1993, donates 5% of net income to the Foundation. In 2009 the accrued amount was R\$ 3,204 (2008 - R\$ 3.314);
- Secretaries of State: Development and Technology Planning and Management, Government, Culture, Economic Development and Tourism. BDMG lends employees these secretaries;

(II) INDI - Institute for Integrated Development of Minas Gerais, non-for-profit entity, linked to the State Secretariat for Economic Development, is considered BDMG's associate, who own 25% interest, as a partner maintainer. Transactions between the two companies resulting from the assignment of BDMG's staff necessary to operate the INDI. In 2009, the Bank's expenses related to these employees totaled R\$ 3,315 (2008 - R\$ 3,212);

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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15. Related parties --Continued

- (III) DESBAN – Fundação BDMG de Seguridade Social, a non-for-profit closed complementary pension entity, is sponsored by the Bank which made payments to the Foundation in order to attend the social security and health benefits of its employees as detailed at Note 21;
- (IV) The Instituto Cultural Banco de Desenvolvimento de Minas Gerais - BDMG Cultural, a civil non-for-profit association, created by the Bank jointly with the Associação dos Funcionários do BDMG – AFBDMG for the creation of a stimulating cultural environment in the State of Minas Gerais. In 2009, the Bank contributed R\$ 1,632 (2008 – R\$ 1,667) to its maintenance.

The individuals related parties who are the key management personnel of the Bank make up the Board of Directors, executive management and Superintendent Board (employees and non-employees), received in the current year the following compensation:

	2009	2008
Compensation (including social charges)	3,679	3,398
Profit sharing (*)	47	47
Paid pension contributions	139	133
Termination of employee contracts (*)	192	-
Total	4,057	3,578

(*) Only employed superintendent directors are entitled to receive profit sharing and termination of employment charges.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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16. Insurance coverage

At December 31, 2009 the Bank maintained insurance coverage of R\$ 16,178 (2008 - R\$ 16,228) so as to protect the bank's property, plant and equipments against losses and damages.

17. Financial instruments

(a) Identification and valuation of financial instruments

BDMG operates with financial instruments, mainly: interbank investments and securities, credit operations and obligations related to local onlendings.

(i) Interbank investments and securities.

As shown at Note 4, BDMG gives priority to its investments in federal securities, in Interbank Deposit Certificates (CDI) and purchase and sale commitments carried out with large financial institutions.

(ii) Credit operations and obligations related to local onlending.

Considering the nature and the term, the amounts recorded approximate to the realizable values.

(b) Derivative Financial Instruments

The Bank did not carry out transactions involving derivative financial instruments during the years 2009 and 2008.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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18. Risk Management

(a) Financial risks management policies

The Risk Management Policy was established by the Board of Directors aiming to identify and mitigate the risks at BDMG, and is oriented to the convergence of the methodologies and internal models with the Basel Agreements and to meeting the recommendations of the Regulators, consistent with the best practices of risk management. This policy stipulates limits and guidelines to monitor and mitigate the risk exposure.

The objective of Risk Management at BDMG is to mitigate the credit, market, liquidity and operating risks so as to optimize the operating effectiveness and the results. Based on this objective, the Bank adopts risk management practices adequate to the nature and specificities of the operations that it conducts.

(b) Credit risk

The Bank's policy of credit concession considers the credit risk level that it is disposed to face in the course of its business and respects the rules of the regulating bodies for risk management. In this sense, it establishes limits of concentration and of credit risk exposure by client, economic group and risk categories, as well as authority levels for the decisions and criteria for the analysis and monitoring of credit, seeking operating selectiveness in order to minimize default.

(c) Liquidity Risk

BDMG operates its cash with a high security margin, considering a minimum daily level of liquidity established by its internal policy. The high liquidity presented by the Bank significantly exceeds this minimum level at present. Furthermore, there is practically no mismatching of terms and currencies, and the financial commitments of the Bank are honored on the maturity dates.

To manage the liquidity, the area responsible for treasury management monitors daily the changes in receipts and disbursements, there being policies defined for investing the available funds.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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18. Risk Management -- Continued

(d) Market Risk

At BDMG the market risk results from the possibility of losses due to the fluctuation of interest rates and the variations of foreign exchange rates, which could affect the market value of its asset and liability operations.

A Policy for Market Risk Management was defined for managing the market risk. It was approved by the Board of Directors and defines limits of monitoring and levels of reporting. For monitoring these risks, the Bank uses the VAR and stress tests and accompaniment of the foreign exchange risk exposure.

The credit operations with the Bank own resources are exposed to indexes and interest rates, depending on the type of product. The major impact of possible risks are related to IGP-M index and SELIC interest rates fluctuations which corresponded to 44% and 26%, respectively, of the credit operations balance of R\$393,770 as of December 31, 2009.

The risk of credit operations in local currency from onlendings of R\$714,723 is proportional to the related unpaid credits.

BDMG conducts credit operations backed by US Dollars and currency basket with their corresponding liabilities, since all the operations result from the onlending of funds obtained from other local financial institutions. For these operations, which amounted R\$ 29,527, the associated risk results from the possibility of mismatching due to default on the asset transactions.

BDMG has assets in US Dollars of R\$38,000, being R\$84 represented by deposits and R\$37,916 represented by foreign currency notes, classified as held to maturity as mentioned at Note 5(b)(ii).

At December 31, 2009, the Bank did not have hedge instruments for reducing the exposure to the foreign exchange rates and interest rates fluctuations of the credit operations portfolio which was made up with own resources.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

18. Risk Management -- Continued

(e) Operating Risks

The Bank followed the CMN Resolution No 3380/2006 guidelines when preparing its operating risk management which was approved by the Board of Directors in June 2008.

Essentially, the policies aim the monitoring of financial, operating and management activities and systems, assuring that the operating risks are identified, assessed and minimized to an acceptable minimal level through adequate actions.

Operating risk is defined, subject to the aforementioned monitoring, the situation that would result losses resulting from mistakes, deficiencies or inappropriate internal processes, personnel and systems, or from external events and also from legal risks associated to inadequate agreements, penalties due to noncompliance with laws and compensation for damages to third parties arising from activities undertaken by the Bank.

In order to comply with the requirements of capital allocation for operating risk established by BACEN Circular No 3383/2008, the Bank has been updated its "Basic Indicator" methodology, as structured by BACEN.

The description of the operating risk management structure is available at the Bank's website (<http://www.bdmg.mg.gov.br>), field: Institucional/Gestão de Riscos.

19. Management of Development Funds (Unaudited)

The Bank has a specific structure for managing development funds of the State of Minas Gerais. The amounts recorded at December 31, 2009 and 2008, referring to the net assets of those funds, were as follows:

Balance	2009	2008
State funds	2,765,761	2,611,148
Private funds	1,145	1,223
Other funds	15,109	1,787
Total	2,782,015	2,614,158

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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20. Commitments, Responsibilities and Contingencies

(a) Sureties, pledges and assignment of credits

BDMG granted sureties and pledges and assigned credits with co-obligation, with counter guarantees provided and financial charges paid by the beneficiaries. At December 31, 2009, the balance of these commitments totaled R\$ 57,439 (2008 - R\$ 72,676), of which R\$ 13,926 (2008 - R\$ 14,308) related to pledges granted to financial institutions, R\$ 34,603 (2008 - R\$ 50,514) to pledges granted to non-financial corporate entities and R\$ 8,910 (2008 - R\$ 7,854) to securitized rural loan operations, under the terms of Law No 9138/95, and assigned to the National Treasury Secretariat (STN) with co-obligation, for which provisions were recorded in the amount of R\$ 5,922 (2008 - R\$ 5,281).

21. Benefits to employees

The Bank sponsors the Social Security Benefits Plan, managed by DESBAN – Fundação BDMG de Seguridade Social, a closed non-profit social security entity. The plan's objective is to supplement the benefits guaranteed by the Regime Geral de Previdência Social – RGPS (pension benefits guaranteed by the Government) to the participating employees and their beneficiaries, under the defined-benefit method, based on financial capitalization regime for calculation and accumulation of reserves.

The normal contribution of the Bank is limited to the sum of the normal contributions of the active and assisted participants, fixed in the annual cost plan, based on an actuarial evaluation and in conformity with the contributive parity determined in Constitutional Amendment No 20, of December 16, 1998. Considering the required normal contributions, in 2009 the Bank contributed R\$ 4,679 (2008 – R\$ 4,344) to DESBAN. It should be emphasized that any insufficiency in the mathematical reserves are the joint responsibility of the Bank and the participants.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
(In thousands of reais)

21. Benefits to employees--Continued

The monthly payment of the normal contribution of the Bank is equivalent to the sum of the monthly contributions of the active and assisted participants, calculated individually. Relatively to the number of risk participants, in December 31, 2009 the pension plan had 438 active participants (2008 - 475), of which 405 (2008 – 450) were directly related to BDMG, and 424 assisted participants (2008 – 394) of which 410 (2008 – 410) were directly related to BDMG.

DESBAN also operates the PRÓ-SAÚDE Program (Health Promotion Program), a medical assistance plan which operates under the pay-as-you-go system, to cover health and dental expenses for both active and assisted participants and their dependents. The PRÓ-SAÚDE Program is funded by contributions from the participants (active and assisted), DESBAN and BDMG. In September 2009 the DESBAN's Decision-Making Board approved a new plan which changed from defined contribution to defined benefit. The BDMG's contributions which were based on a fixed amount, regardless of the number of participants, became defined benefit with actuarial risks starting in 2010. The BDMG's contributions in 2009 corresponded to a fixed monthly installment totaled R\$ 3,384 (2008 - R\$ 3,101).

BDMG also sponsors life insurance for the participants of these plans which contribution corresponds to 50% of the paid premium. In 2009 the contributions totaled R\$ 595 (2008 – R\$ 628).

The Bank has fully adopted IBRACON NPC 26 in its accounting for the social security, health and life insurance plans under its sponsorship. In compliance with NPC 26, the Bank contracts an annual actuarial study for the Social Security Benefits Program, the Pró-Saúde Program and life insurance benefits, as part of the procedures for the closing of its fiscal year (December 31). The result of the actuarial studies at December 31 can be summarized as follows:

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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21. Benefits to employees--Continued

	Pension Plan		Health plan		Life insurance plan	
	2009	2008	2009	2008	2009	2008
Actuarial liability, net						
Present value of actuarial liability at the end of the year	559,507	453,771	47,105	32,195	9,120	7,888
Fair value of the plan assets at the end of the year	(596,236)	(526,435)	(16,477)			
Unrecognized actuarial gains (losses)	13,095	61,478	(7,041)	(11)	(2,485)	(1,962)
Unrecognized past costs-- Plan changes			(11,624)			
Actuarial liability (assets), net	(23,634)	(11,186)	11,963	32,184	6,635	5,926
Net expenses (income) for the next 12 months						
Cost of current services	6,711	5,250	768	186	132	114
Interest cost	60,948	56,494	5,141	4,207	998	989
Expected return on plan assets	(69,264)	(64,604)	(1,984)	(405)		
Amortization costs of actuarial (gains) losses not recognized		(585)	160	48	120	92
Amortization of unrecognized past service costs			799	200		
Expected participants' contributions	(4,153)	(3,945)				
Expected contributions for administrative expenses			363	109		
Expense / (income) to be recognized	(5,758)	(7,390)	5,247	4,345	1,250	1,195

In respect of the Pension Plan, the Bank did not recognize the balance of the actuarial assets of R\$ 23,634 (2008 - R\$ 11,186) since the Pension Plan does not include the two possible conditions for its recording: (i) decrease in the future contributions of the sponsor and, (ii) reimbursement of the amount of assets computed.

In September 2009 the Decision-Making Body of DESBAN approved the changes to the health plan (PRO-SAÚDE), from defined contribution to defined benefit with actuarial risks. The actuarial study hired by the Bank for September 30, 2009 applicable for the new rules showed the following impacts:

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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21. Benefits to employees--Continued

	Health Plan
	September, 2009
Actuarial liability, net	
Present value of actuarial liability at the end of the year	46,011
Fair value of the plan assets at the end of the year	(15,483)
Unrecognized actuarial gains (losses)	(7,433)
Unrecognized past services cost – Plan changes	(11,824)
Actuarial liability (assets), net	11,271
Net expenses (income) for the next period:	3 months period of
	2009
Cost of current services	178
Interest cost	1,201
Expected return on plan assets	(407)
Amortization costs of actuarial (gains) losses not recognized	48
Unrecognized past services cost – Plan changes	200
Expected contributions for administrative expenses	138
	1,358

The provision of R\$18,598 (2008 – R\$38,109) related to the net actuarial liability, mentioned at Note 10 (d), is made up of R\$11,963 (2008 – R\$32,184) intended to attend the health plan and R\$6,635 (2008 – R\$5,925) intended to attend the benefits.

The changes in medical plans and dental benefits and life insurance are shown below:

	Pension Plan		Health and life insurance plans	
	2009	2008	2009	2008
Net actuarial liability as of December 31, 2008	32,184	29,206	5,926	5,040
Net expenses recognized in the P&L	4,291	5,118	1,196	1,353
Immediate recognition of past services (*)	(6,694)	-	-	-
Adjustments from recognition of Care Fund (*)	(15,483)	-	-	-
Paid contributions	(2,335)	(2,140)	(487)	(467)
Net actuarial liability as of December 31, 2009	11,963	32,184	6,635	5,926

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
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21. Benefits to employees--Continued

The costs of these two plans in the P&L are as follows:

	2009		2008	
	Health plan	Life insurance plan	Health plan	Life insurance plan
Cost of current services	(186)	(114)	(19)	(155)
Interest costs	(4,153)	(990)	(4,436)	(926)
Expected return on plan assets	405	-	-	-
Amortization of unrecognized actuarial losses (gains)	(48)	(92)	(663)	(272)
Amortization costs-- Unrecognized past service costs	(200)	-	-	-
Expected contributions for administrative expenses	(109)	-	-	-
Recognized (expenses) in the P&L (**)	(4,291)	(1,196)	(5,118)	(1,353)

(*) The revenue of R\$22,177 was due to the changes of the health plan and was accounted for as "other operating income".

(**) These expenses were accounted for as "other operating expenses" - R\$ 4,175 (2008 - R\$ 4,145) and "payroll expenses"- R\$ 1,312 (2008 - R\$ 2,326).

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the Financial Statements --Continued
December 31, 2009 and 2008
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21. Benefits to employees -- Continued

The actuarial evaluations at December 31, 2009 and 2008, mentioned in the table above, were based on the following assumptions:

Type of plan	Pension plan	Health plan	Life insurance
	2008	Defined benefit	Defined contribution with actuarial risks
2009	Defined benefit	Defined benefit	Defined benefit
Actuarial evaluation method	Projected unit of credit	Projected unit of credit	Projected unit of credit
Nominal discount rate for the actuarial liability			
2008	12.90%	12.90%	12.90%
2009	11.25%	11.03%	11.25%
Expected nominal yield on the plan assets			
2008	12.55%	N/A	N/A
2009	11.89%	11.89%	N/A
Estimated index of nominal increase of salaries			
2008	5.95%	N/A	N/A
2009	5.55%	N/A	N/A

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Notes to the Financial Statements --Continued
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21. Benefits to employees -- Continued

	Pension plan	Health plan	Life insurance
Estimated index of nominal increase of expenses			
2008	N/A	9.11%	4.90%
2009	N/A	-1.60%	4.50%
Estimated index of nominal increase of benefits			
2008	4.90%	N/A	N/A
2009	4.50%	N/A	N/A
Nominal increase of medical costs			
2008	N/A	N/A	N/A
2009	N/A	3.00%	N/A
Estimated inflation rate in the long-term			
2008	4.90%	4.90%	4.90%
2009	4.50%	4.50%	4.50%
Estimated inflation rate in the long-term (basis for determination of nominal rates)			
2008	4.90%	4.90%	4.90%
2009	4.50%	4.50%	4.50%
Growth of Medical Costs by age			
2008	N/A	N/A	N/A
2009	N/A	3.75%	N/A
Mortality table	AT-2000	AT-2000	AT-2000
Disability table	Álvaro Vindas	Álvaro Vindas	Álvaro Vindas
Turnover hypothesis	Entity variable table for service	Entity variable table for service	Entity variable table for service
Probability of retirement	100% in the first eligibility to a benefit of the Plan	100% in the first eligibility to a benefit of the Plan	100% in the first eligibility to a benefit of the Plan
Turnover:			
- Less than three years of service time	9.21%	9.21%	9.21%
- Three to five years	2.70%	2.70%	2.70%
- Over five years	0.31%	0.31%	0.31%

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BOARD OF DIRECTORS

ITAMAR AUGUSTO CAUTIERO FRANCO	President
ANTONIO AUGUSTO JUNHO ANASTASIA	Vice-President
ÂNGELA MARIA PRATA PACE SILVA DE ASSIS	Councilor
FÁBIO PROENÇA DOYLE	Councilor
FUAD JORGE NOMAN FILHO	Councilor
PAULO DE TARSO ALMEIDA PAIVA	Councilor
RONDON PACHECO	Councilor
SÉRGIO ALAIR BARROSO	Councilor
SIMÃO CIRINEU DIAS	Councilor

EXECUTIVE BOARD

PAULO DE TARSO ALMEIDA PAIVA	President
JOSÉ AUGUSTO TRÓPIA REIS	Vice-President
FERNANDO LAGE DE MELO	Director
CLÁUDIO HORTA MENDES	Director
JORGE LUIZ SCHMITT-PRYM	Director
RONALDO LAMOUNIER LOCATELLI	Director

CONTROLLERS' DEPARTMENT

GIOVANI ROSEMBERG FERREIRA GOMES – Accountant CRC-MG – 075701/O-5