



Earnings
Conference Call

4th Quarter and full year of 2018

February 7th, 2019

- **Recurring Net Income reached BRL 457.8 million in 2018, up 5.7% in relation to 2017.** In 4Q18 net income was BRL 121.4 million, an increase of 4.6% in comparison to the previous quarter and 9.8% in relation to the same period of the last year;
- **Recurring Return on Average Equity (ROAE) was 13.2% pa in 2018 and 13.3% pa in 4Q18;**
- **Investment Banking was one of the highlights of the year. The Capital Markets and M&A fees reached BRL 90.2 million in 2018, an increase of 58.7% in relation to 2017;**
- **Another highlight, was the reduction of Loan Loss Provisions Expenses to BRL 118.2 million in 2018, a decrease of 46.3% in relation to 2017;**
- **The Expanded Credit Portfolio reached BRL 26.2 billion at the end of December 2018, growing 3.6% in relation to the previous quarter and 7.0% over the last 12 months.**

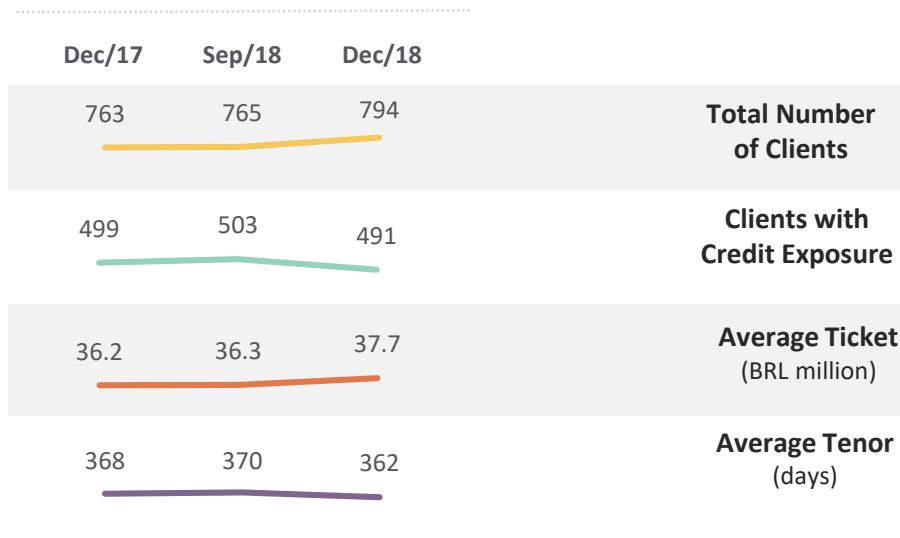


Expanded Credit Portfolio

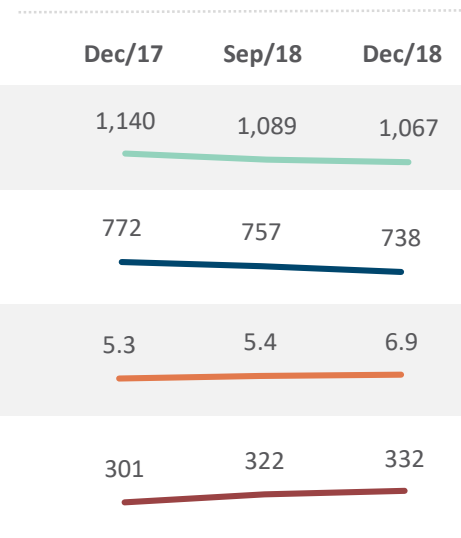
(BRL million)	Dec/18	Sep/18	Chg 3M	Dec/17	Var 12M
Loans	12,978.9	12,436.8	4.4%	12,095.1	7.3%
Large Corporate	8,417.5	8,074.8	4.2%	8,397.3	0.2%
Corporate	4,561.5	4,362.0	4.6%	3,697.9	23.4%
Guarantees Issued	10,650.9	10,718.3	-0.6%	10,049.1	6.0%
Large Corporate	10,105.4	10,202.5	-1.0%	9,676.9	4.4%
Corporate	545.4	515.8	5.7%	372.2	46.5%
Corporate Securities	2,610.1	2,167.9	20.4%	2,386.1	9.4%
Large Corporate	2,339.5	2,003.3	16.8%	2,307.3	1.4%
Corporate	270.6	164.6	64.4%	78.7	243.7%
Expanded Credit Portfolio	26,239.9	25,323.0	3.6%	24,530.3	7.0%
Large Corporate	20,862.4	20,280.6	2.9%	20,381.5	2.4%
Corporate	5,377.5	5,042.4	6.6%	4,148.8	29.6%



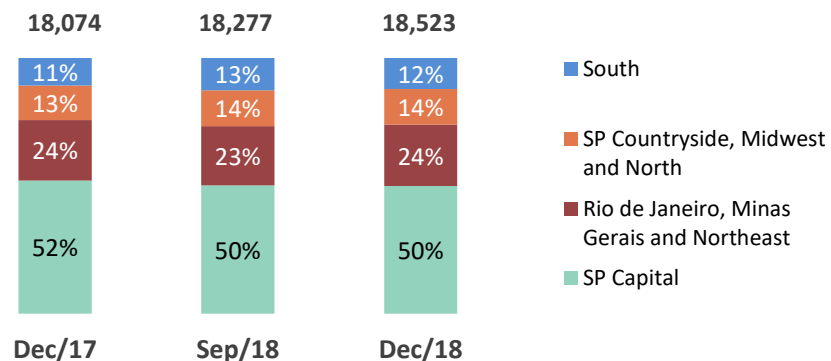
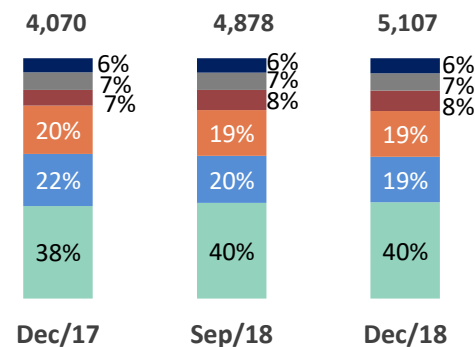
Large Corporate



Corporate



Credit Portfolio Loans and Guarantees Issued (BRL million)

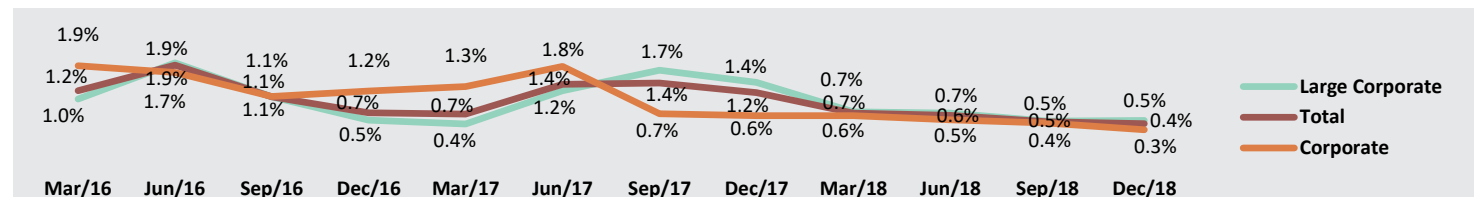


Large Corporate: Clients with annual revenues above BRL 800 million. | **Corporate:** Clients with annual revenues between BRL 100 and 800 million.

Credit Portfolio Quality

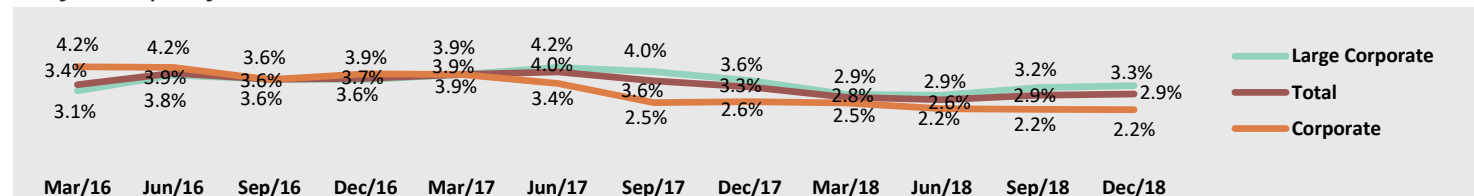
Loans overdue for more than 90 days (includes falling due and overdue installments)

% of loan portfolio

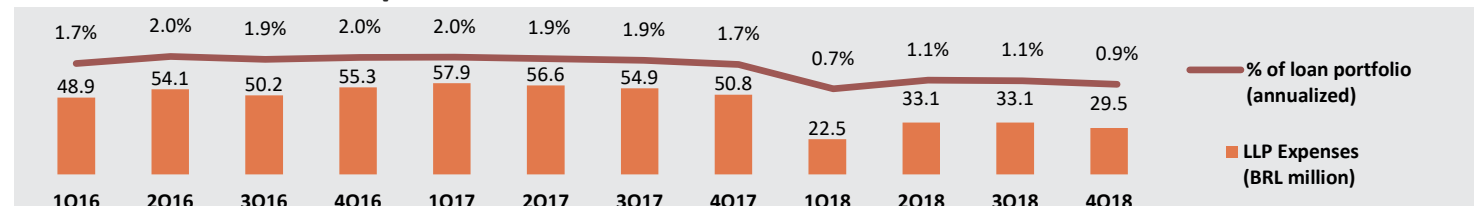


Loans Loss Reserve

% of loan portfolio

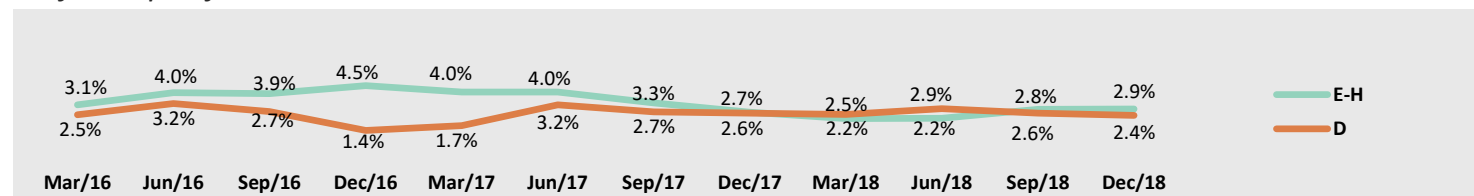


Loan Loss Provision Expenses (Loan Portfolio)



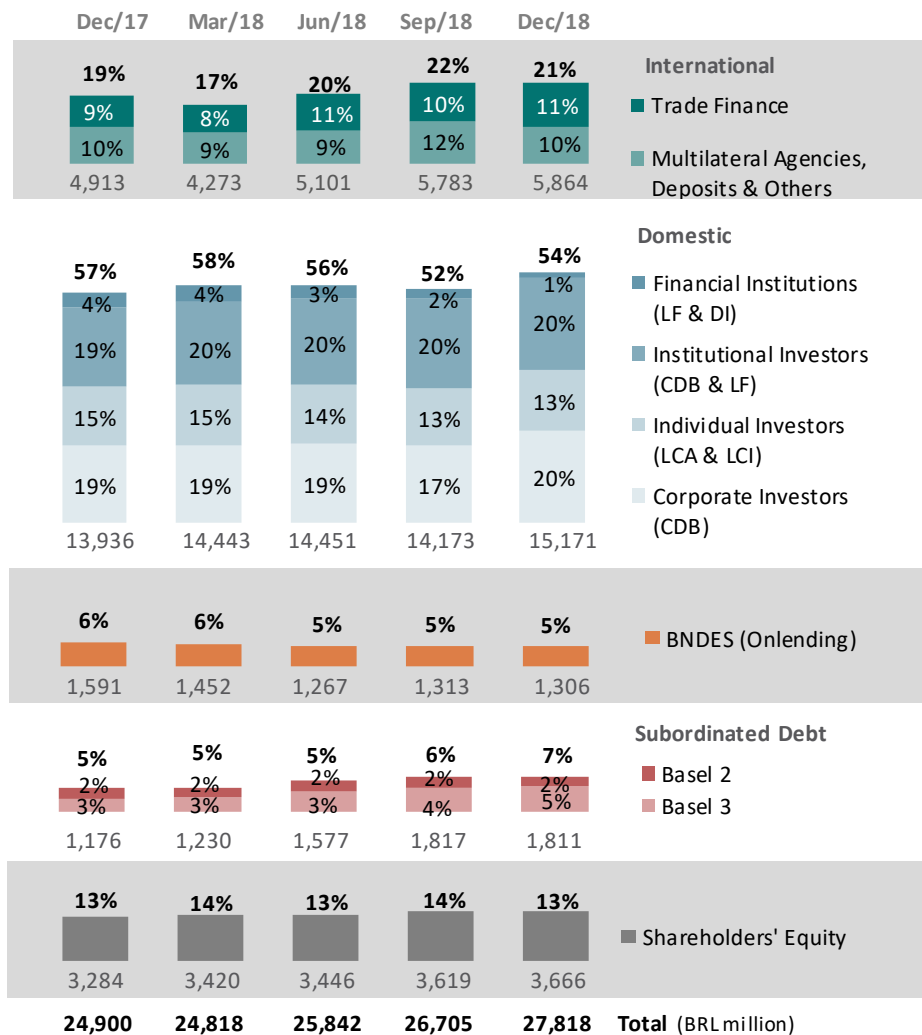
Loans rated D and E-H (Brazilian Central Bank Resolution No. 2682)

% of loan portfolio



Funding & Ratings

Diversified funding with access to local and international sources



Ratings

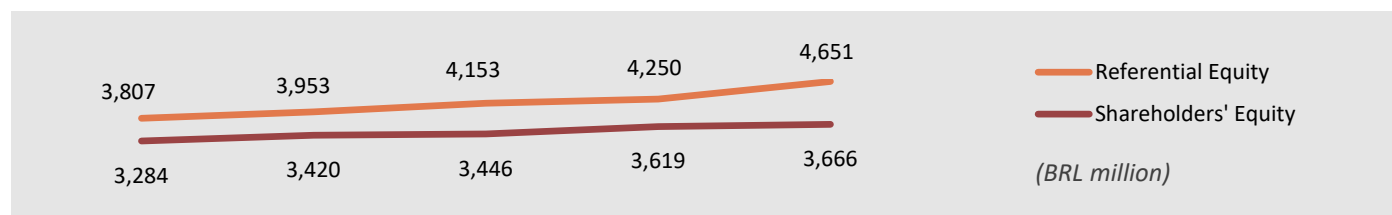
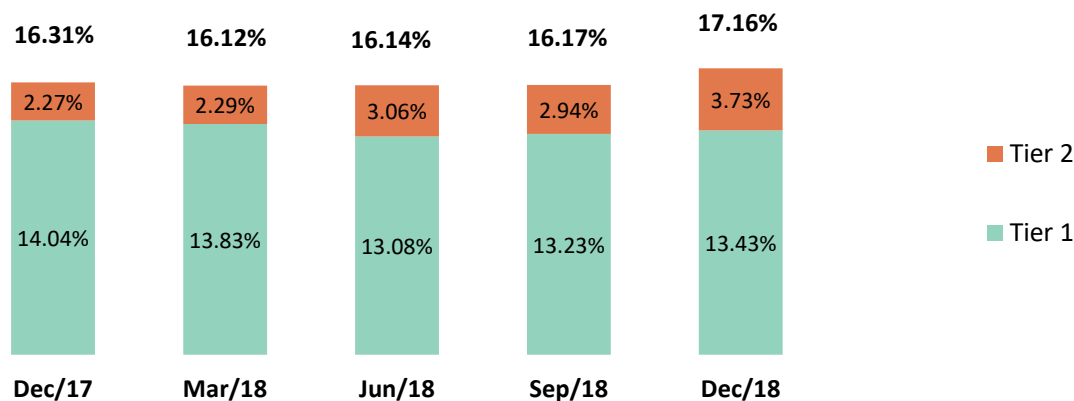
	ABC Brasil		Brazil
	Local	Global	Sovereign
Moody's	Aa2.Br	Ba2	Ba2
Fitch Ratings	AAA	BB	BB-
Standard & Poor's	brAAA	BB-	BB-



Basel Ratio & Shareholders' Equity

Capital Adequacy (BRL million)	Dec/18	Sep/18	Chg 3M	Dec/17	Var 12M
Reference Equity	4,651.3	4,249.7	9.4%	3,807.1	22.2%
Required Capital Base	2,337.2	2,267.2	3.1%	2,159.1	8.2%
Excess of equity in relation to limit	2,314.1	1,982.5	16.7%	1,647.9	40.4%

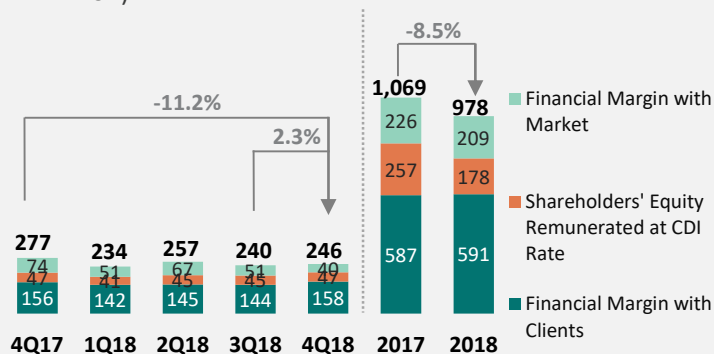
Basel Ratio	17.16%	16.17%	0.99	16.31%	0.85
Tier 1 (Core Capital)	13.43%	13.23%	0.20	14.04%	-0.61
Tier 2	3.73%	2.94%	0.79	2.27%	1.46



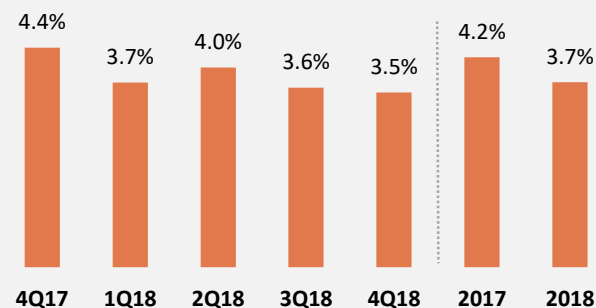
Net Interest Income

(BRL million)	4Q18	3Q18	4Q18x3Q18	4Q17	4Q18x4Q17	2.018,0	2.017,0	2018x2017
Net Interest Income	245.6	240.0	2.3%	276.6	-11.2%	977.9	1,069.2	-8.5%
Shareholders' Equity Remunerated at CDI Rate	47.2	45.0	5.0%	46.9	0.7%	177.5	256.9	-30.9%
Financial Margin with Clients	158.2	144.0	9.9%	156.2	1.3%	591.1	586.5	0.8%
Financial Margin with Market	40.2	51.1	-21.3%	73.5	-45.3%	209.2	225.8	-7.3%
Loan Loss Provision (LLP)	(29.5)	(33.1)	-11.0%	(50.8)	-41.9%	(118.2)	(220.2)	-46.3%
Net Interest Income after LLP	216.2	206.9	4.5%	225.8	-4.3%	859.7	849.0	1.3%

Net Interest Income
(BRL million)

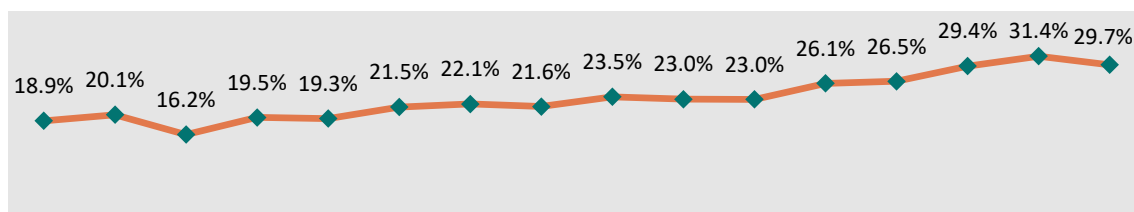


NIM
(% p.a.)



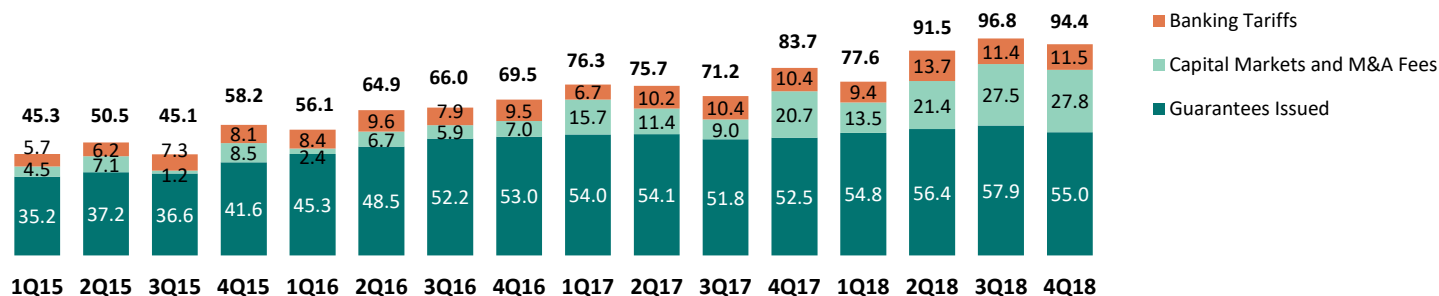
Service Revenues

Service Fees (BRL million)	4Q18	3Q18	4Q18x3Q18	4Q17	4Q18x4Q17	2018	2017	2018x2017
Guarantees Issued	55.0	57.9	-5.0%	52.5	4.8%	224.9	212.4	5.9%
Capital Markets and M&A Fees	27.8	27.5	1.2%	20.7	34.1%	90.2	56.8	58.7%
Commercial Banking Tariffs	11.5	11.4	1.1%	10.4	10.4%	46.0	37.7	21.9%
Total	94.4	96.8	-2.5%	83.7	12.8%	361.1	306.9	17.6%



Services Revenue
Total Revenue

(BRL million)

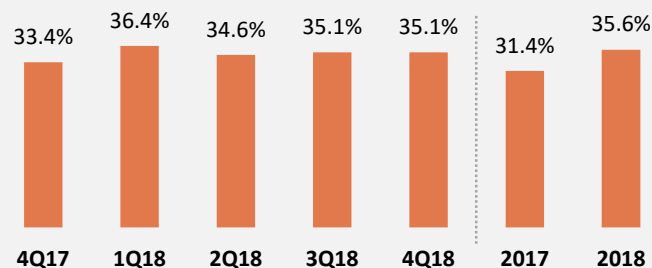


Expenses and Efficiency Ratio

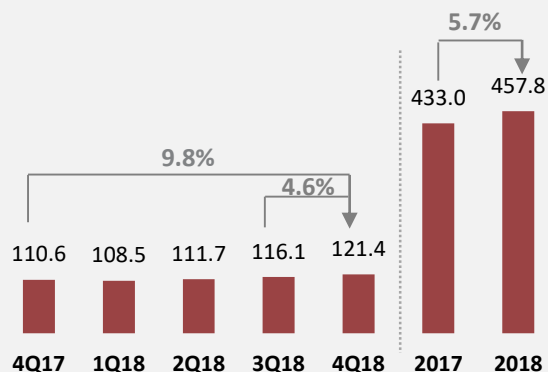
Expenses (BRL million)	4Q18	3Q18	4Q18x3Q18	4Q17	4Q18x4Q17	2018	2017	2018x2017
Personnel Expenses (adjusted)*	(51.2)	(48.6)	5.4%	(49.4)	3.6%	(195.3)	(184.9)	5.7%
Other Administrative	(28.9)	(28.8)	0.5%	(28.5)	1.4%	(112.9)	(106.0)	6.5%
Subtotal	(80.1)	(77.4)	3.6%	(77.9)	2.8%	(308.2)	(290.9)	6.0%
Profit Sharing	(40.1)	(39.2)	2.1%	(36.9)	8.6%	(158.6)	(141.9)	11.8%
Total	(120.2)	(116.6)	3.1%	(114.8)	4.7%	(466.9)	(432.8)	7.9%

*From the first quarter of 2018 on, the managerial income statement considers the following reclassification: (i) INSS (Social Security) expenses related to the variable compensation will be reclassified to the line "Profit Sharing", where the variable compensation is accounted, from the line "Personnel Expenses"; and (ii) expenses with initiatives that set tax shields such as the Rouanet Law (cultural incentive), Sports Incentive Law and FUMCAD (incentives for Child and Adolescent rights) will be reclassified to the line "Income Tax and Social Contribution" from the line "Other Administrative".

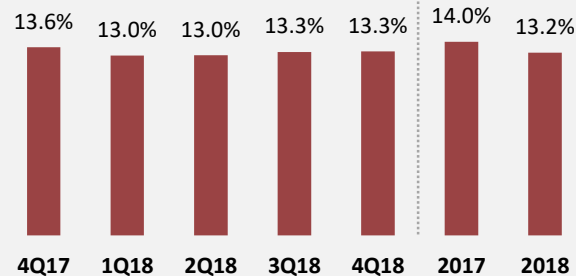
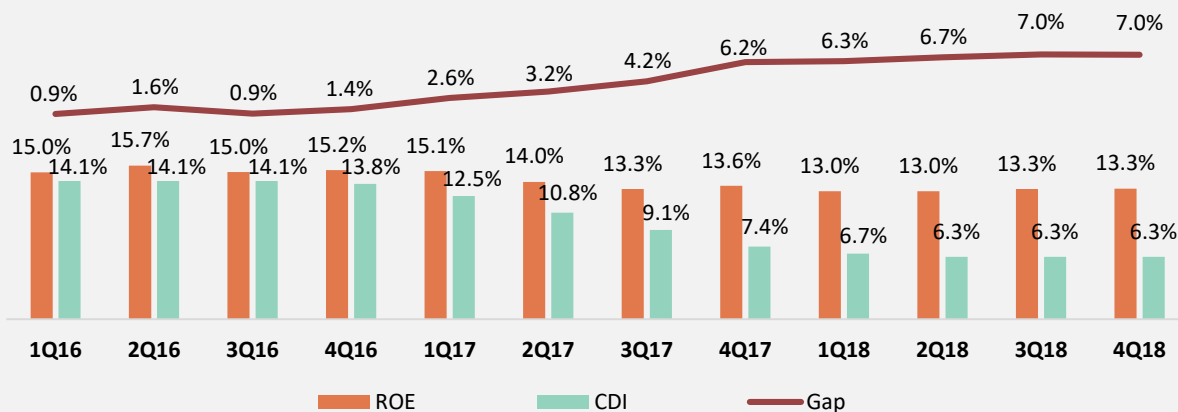
Recurring Efficiency Ratio (Expenses/Revenues)



Recurring Net Income (BRL million)



Recurring ROAE (% p.a.)



2019

Expanded Credit Portfolio* 11% to 15%

Personnel & Other Administrative Expenses 4% to 6%

2018

	Forecasted	Performed
Expanded Credit Portfolio*	9% to 13%	7.0%
Personnel & Other Administrative Expenses	4% to 6%	6.0%

* Includes Loans, Guarantees Issued and Corporate Securities.



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