

## EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

### Earnings Release

November 6, 2019

(before market opening)

### Conference Call

November 7, 2019

#### English

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## HIGHLIGHTS

**Banco ABC Brasil reported Recurring Net Income of BRL123.0 million in 3Q19**

- **Recurring Net Income** reached BRL123.0 million in the 3Q19, down 1.8% quarter-over-quarter and up 5.9% year-over-year. **Accounting Net Income** totaled BRL130.5 million in the 3Q19, down 1.7% q-o-q and up 12.4% y-o-y.
- **Recurring Return on Average Equity (ROAE)** was 12.5% pa in 3Q19, down 0.5 p.a in relation to the previous quarter and down 0.8 p.a year-over-year. **Accounting ROAE** was 13.3% in the quarter.
- **The Expanded Credit Portfolio<sup>1</sup>** reached BRL28.2 billion at the end of September 2019, up 4.3% quarter-over-quarter and 11.5% year-over-year. The **Corporate** segment portfolio grew 8.0% in the quarter and 25.6% in the last 12 months. The **Large Corporate** segment portfolio increased by 1.2% in the quarter and 1.5% over the last 12 months. The **Middle** segment increased 9.2% in the quarter and 11.9% in the last 12 months.
- The **Loan Portfolio** presented a sound performance in the quarter, growing 11.4% q-o-q and 22.2% y-o-y.
- **Asset Quality: 95.4%** of the loan portfolio and **98.0%** of the Guarantees Issued Portfolio were rated AA-C at the end of September 2019, according to the Resolution 2,682 of the Brazilian Central Bank. Considering both portfolios, the ratio was **96.4%**.

*\*Includes loans, guarantees issued and corporate securities portfolios.*



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3<sup>rd</sup> Quarter of 2019



## EXECUTIVE SUMMARY

3<sup>rd</sup> Quarter of 2019

We present below financial information and indicators for Banco ABC Brasil in the 3Q19:

### Key Indicators

Income Statements (BRL million)	3Q19	2Q19	Chg	3Q18	Chg	9M19	9M18	Chg
Recurring Net Income	123.0	125.2	-1.8%	116.1	5.9%	369.4	336.3	9.8%
Accounting Net Income	130.5	132.7	-1.7%	116.1	12.4%	382.8	336.3	13.8%
Managerial Net Interest Income before LLP	262.7	239.8	9.5%	235.2	11.7%	736.4	719.0	2.4%
Managerial Net Interest Income after LLP	228.6	220.5	3.7%	202.1	13.1%	653.1	630.3	3.6%

Shares (BRL)	1Q19	2Q19	Chg	3Q18	Chg	9M19	9M18	Chg
Number Shares Outstanding (ex-Treasury)	215,187,488	214,936,742		208,665,751		215,187,488	208,665,751	
Recurring Earnings per Share (EPS)	0.57	0.58	-1.9%	0.56	2.7%	1.72	1.61	6.5%
Published Earnings per Share (EPS)	0.61	0.62	-1.8%	0.56	9.0%	1.78	1.61	10.4%
Book Value per Share	18.39	18.06	1.8%	17.34	6.0%			
ABCB4 Share Price (BRL)	17.90	19.22	-6.9%	13.04	37.3%			
Market Capitalization (BRL million)	3,851.9	4,131.1	-6.8%	2,721.0	41.6%			
Interest on Equity - IOC (BRL million)	0.0	120.2	-	0.0	-	-	-	-
IOC per Share (BRL)	0.00	0.56	-	0.00	-	-	-	-

Performance Ratios (%)	3Q19	2Q19	Chg (p.p.)	3Q18	Chg (p.p.)	9M19	9M18	Chg (p.p.)
NIM - Net Interest Margin (p.a.)	3.6%	3.3%	0.3	3.5%	0.1	3.4%	3.7%	-0.3
Recurring ROAE (annualized)	12.5%	13.0%	-0.5	13.3%	-0.8	12.8%	13.1%	-0.3
Published ROAE (annualized)	13.3%	13.8%	-0.5	13.3%	0.0	13.3%	13.1%	0.2
ROAA (annualized)	1.4%	1.5%	-0.1	1.5%	-0.1	1.4%	1.5%	-0.1
Efficiency Ratio	36.6%	37.7%	-1.1	35.6%	1.0	37.1%	35.9%	1.2
BIS Ratio	17.41%	17.91%	-0.50	16.17%	1.24	17.41%	16.17%	1.24
Core Capital	12.8%	13.4%	-0.5	13.2%	-0.6	12.8%	13.2%	-0.6
Additional Capital	1.6%	1.1%	0.5	0.0%	1.6	1.6%	0.0%	1.6
Coverage Ratio	214.9%	250.6%	-	604.9%	-	-	-	-

Balance Sheet (BRL million)	3Q19	2Q19	Chg	3Q18	Chg
Total Assets	37,079.8	34,916.8	6.2%	31,329.9	18.4%
Expanded Credit Portfolio	28,235.5	27,064.7	4.3%	25,323.0	11.5%
Loans	15,191.8	13,633.3	11.4%	12,436.8	22.2%
Guarantees Issued	9,689.3	10,164.5	-4.7%	10,718.3	-9.6%
Corporate Securities	3,354.3	3,266.8	2.7%	2,167.9	54.7%
Funding with Third-Party Sources	25,457.8	23,887.0	6.6%	22,823.8	11.5%
Tier 1 Capital	4,359.1	4,137.1	5.4%	3,478.4	25.3%
Core Capital	3,886.3	3,829.6	1.5%	3,478.4	11.7%
Additional Capital	472.8	307.5	53.8%	0.0	-
Tier 2 Capital	940.4	999.4	-5.9%	771.3	21.9%
Shareholders' Equity	3,956.3	3,882.2	1.9%	3,618.9	9.3%

	3Q19	2Q19	Chg	3Q18	Chg
Employees <sup>1</sup>	610	598	2.0%	593	2.9%

<sup>1</sup>Including executive directors, employees and interns.



# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

## MANAGERIAL INCOME STATEMENT

Managerial Income Statement (BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Net Interest Income	262.7	239.8	9.5%	235.2	11.7%	736.4	719.0	2.4%
Shareholders' Equity remunerated at CDI Rate	55.2	52.7	4.9%	45.0	22.7%	155.7	130.3	19.5%
Financial Margin with Clients	157.4	137.6	14.4%	142.1	10.8%	436.1	427.9	1.9%
Financial Margin with Market	50.0	49.6	1.0%	48.1	4.0%	144.6	160.8	-10.1%
Loan Loss Provision (LLP)	(34.1)	(19.3)	76.3%	(33.1)	2.9%	(83.3)	(88.7)	-6.1%
Net Interest Income after LLP	228.6	220.5	3.7%	202.1	13.1%	653.1	630.3	3.6%
Service Fees	78.9	87.3	-9.7%	94.4	-16.5%	240.7	258.2	-6.8%
Guarantees Issued	48.8	50.8	-3.9%	57.9	-15.8%	149.8	169.9	-11.8%
Capital Markets and M&A Fees	21.9	29.4	-25.5%	27.5	-20.3%	67.3	61.0	10.4%
Commercial Banking Fees	8.2	7.2	14.0%	9.0	-9.4%	23.6	27.3	-13.7%
Personnel & Other Administrative Expenses	(76.1)	(75.9)	0.3%	(71.8)	6.0%	(225.7)	(211.6)	6.7%
Personnel Expenses (adjusted)	(49.2)	(49.9)	-1.4%	(48.6)	1.3%	(148.3)	(144.1)	2.9%
Other Administrative Expenses	(26.8)	(25.9)	3.5%	(23.2)	15.9%	(77.4)	(67.5)	14.7%
Tax Expenses	(22.0)	(14.4)	52.8%	(20.1)	9.5%	(47.9)	(62.9)	-23.8%
Other Operating Income /Expenses	4.7	(7.5)	-162.0%	(0.5)	-1061.4%	4.4	(0.6)	-795.5%
Non Operating Income	(1.4)	(0.1)	1003.9%	(0.1)	2359.6%	(2.2)	(20.3)	-89.0%
Earnings before Tax and Profit Sharing	212.6	209.9	1.3%	204.1	4.2%	622.4	593.0	4.9%
Income Tax and Social Contribution	(47.2)	(44.4)	6.4%	(48.7)	-3.1%	(131.2)	(138.2)	-5.1%
Profit Sharing	(42.3)	(40.3)	5.1%	(39.2)	7.9%	(121.8)	(118.5)	2.7%
Recurring Net Income	123.0	125.2	-1.8%	116.1	5.9%	369.4	336.3	9.8%
Non Recurring Items	7.5	7.5	-	0.0	-	(39.7)	(14.3)	-
Accounting Net Income	130.5	132.7	-1.7%	116.1	12.4%	382.8	336.3	-0.1%

## 3Q19 - ACCOUNTING AND MANAGERIAL RECONCILIATION STATEMENT

(BRL million)	ACCOUNTING	Non-recurring Items (1)	Managerial Reclassifications (2)	Tax Effect of Hedge (3)	MANAGERIAL
Net Interest Income	269.5		-6.8	0.0	262.7
Loan Loss Provision (LLP)	-21.6	-12.5			-34.1
Net Interest Income after LLP	247.9	-12.5	-6.9	0.0	228.6
Service Fees	81.6		-2.7		78.9
Personnel Expenses	-53.5	0.0	4.2		-49.2
Other Administrative Expenses	-36.6	0.0	9.7		-26.8
Tax Expenses	-11.9			-10.1	-22.0
Other Operating Income (Expenses)	4.8		-0.1		4.7
Operating Income	232.3	-12.5	4.2	-10.1	214.0
Non Operating Income	-1.4				-1.4
Earnings before Tax and Profit Sharing	230.9	-12.5	4.2	-10.1	212.6
Income Tax and Social Contribution	-62.3	5.0		10.1	-47.2
Profit Sharing	-38.1		-4.2		-42.3
Net Income	130.5	-7.5	0.0	0.0	123.0

(1) Partial reversion of the additional provision of BRL 50 million made in September, 2015;

(2) Reclassification of figures from "Personnel Expenses" (related to the social security portion of the variable compensation) to "Profit Sharing", from "Other Administrative Expenses" (expenses related to volume of revenues) to "Net Interest Income" and "Service Fees", and from "Administrative Expenses" (related to expenses linked to recovery of credit and other charges) to "Other Operating (Income) Expenses";

(3) Reclassification of the hedge tax effect from "Tax Expenses" and "Income Tax and Social Contribution" to "Net Interest Income".



## 2Q19 - ACCOUNTING AND MANAGERIAL RECONCILIATION STATEMENT

(BRL million)	ACCOUNTING	Non-recurring Items (1)	Managerial Reclassifications (2)	Tax Effect of Hedge (3)	MANAGERIAL
Net Interest Income	234.5		-7.8	13.2	239.8
Loan Loss Provision (LLP)	-6.8	-12.5			-19.3
Net Interest Income after LLP	227.6	-12.5	-7.8	13.2	220.5
Service Fees	91.4		-4.1		87.3
Personnel Expenses	-53.9	0.0	4.0		-49.9
Other Administrative Expenses	-37.9	0.0	12.0		-25.9
Tax Expenses	-17.8			3.4	-14.4
Other Operating Income (Expenses)	-7.4		-0.1		-7.5
Operating Income	202.0	-12.5	4.0	16.5	210.0
Non Operating Income	-0.1				-0.1
Earnings before Tax and Profit Sharing	201.8	-12.5	4.0	16.5	209.9
Income Tax and Social Contribution	-32.8	5.0		-16.5	-44.4
Profit Sharing	-36.3		-4.0		-40.3
Net Income	132.7	-7.5	0.0	0.0	125.2

(1) Partial reversion of the additional provision of BRL 50 million made in September, 2015;

(2) Reclassification of figures from "Personnel Expenses" (related to the social security portion of the variable compensation) to "Profit Sharing", from "Other Administrative Expenses" (expenses related to volume of revenues) to "Net Interest Income" and "Service Fees", and from "Administrative Expenses" (related to expenses linked to recovery of credit and other charges) to "Other Operating (Income) Expenses";

(3) Reclassification of the hedge tax effect from "Tax Expenses" and "Income Tax and Social Contribution" to "Net Interest Income".

## 3Q18 - ACCOUNTING AND MANAGERIAL RECONCILIATION STATEMENT

(BRL million)	ACCOUNTING	Non recurring Items	Managerial Reclassifications (1)	Tax Effect of Hedge (2)	MANAGERIAL
Net Interest Income	240.0		-4.8	0.0	235.2
Loan Loss Provision (LLP)	-33.1				-33.1
Net Interest Income after LLP	206.9	0.0	-4.8	0.0	202.1
Service Fees	95.7		-1.3		94.4
Personnel Expenses	-51.2		2.6		-48.6
Other Administrative Expenses	-29.7		6.6	0.0	-23.2
Tax Expenses	-16.2			-3.9	-20.1
Other Operating Income (Expenses)	-0.0				-0.5
Operating Income	205.4	0.0	3.1	-3.9	204.1
Non Operating Income	-0.1				-0.1
Earnings before Tax and Profit Sharing	205.4	0.0	3.1	-3.9	204.1
Income Tax and Social Contribution	-52.6			3.9	-48.7
Profit Sharing	-36.6		-2.6		-39.2
Net Income	116.1	0.0	0.5	0.0	116.1

(1) Reclassification of figures from "Personnel Expenses" (related to the social security portion of the variable compensation) to "Profit Sharing", from "Other Administrative Expenses" (expenses related to volume of revenues) to "Net Interest Income" and "Service Fees", and from "Administrative Expenses" (related to expenses linked to recovery of credit and other charges) to "Other Operating (Income) Expenses";

(2) Reclassification of the hedge tax effect from "Tax Expenses" and "Income Tax and Social Contribution" to "Net Interest Income".





### RESULTS

**Recurring Net Income totaled BRL123.0 million in the 3Q19**, down 1.8% in relation to BRL125.2 million presented in the 2Q19 and up 5.9% in relation to BRL116.1 million recorded in the 3Q18. During the **9 months ended 2019, Recurring Net Income totaled BRL369.4 million**, up 9.8% in relation to 9M18.

#### 3Q19 x 2Q19

The decrease in earnings, on a quarter-over-quarter basis, is explained by:

- The increase in Loan Loss Provision (LLP) expenses;
- The decrease in Service Revenues, mainly in Capital Markets and M&A fees; and
- The reduction in Net Income, partially offset by a sound Net Interest Income (NII), mainly in Financial Margin with Clients.

#### 3Q19 x 3Q18

The increase in earnings, on a year-over-year basis, is explained by:

- Mainly as a result of the increase in NII (Financial Margin with Clients, Financial Margin with Market and Shareholders' Equity remunerated at CDI Rate); and
- A partial offset from lower Service Revenues, mainly in Guarantees Issued and Debt Capital Markets and M&A fees.

#### 9M19 x 9M18

The increase in earnings, on a nine months ended September basis, is explained by:

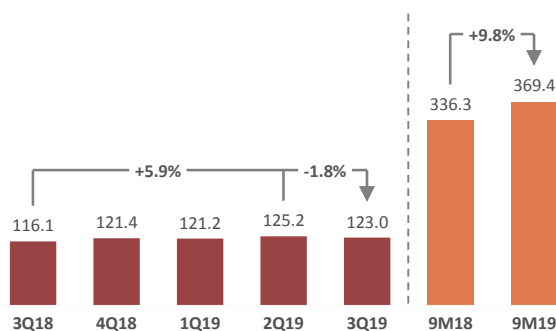
- The NII growth, specifically in the Shareholders' Equity Remunerated at CDI Rate and Financial Margin with Clients;
- The reduction in LLP expenses; and
- A partial offset from a lower Service Revenues, mainly in Guarantees Issued and Personnel & Other Administrative Expenses.



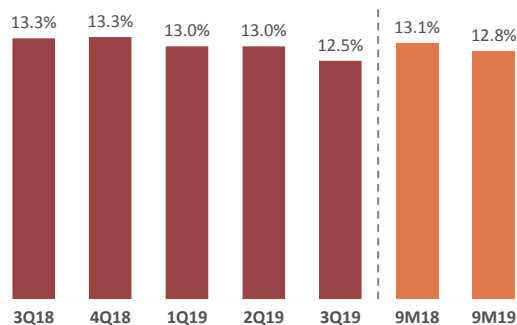
### Profitability

(BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Recurring Net Income	123.0	125.2	-1.8%	116.1	5.9%	369.4	336.3	9.8%
Shareholders' Equity (average)	3,922.6	3,851.0	1.9%	3,503.3	12.0%	3,833.4	3,421.4	12.0%
Recurring ROAE	12.5%	13.0%	-0.5	13.3%	-0.8	12.8%	13.1%	-0.3

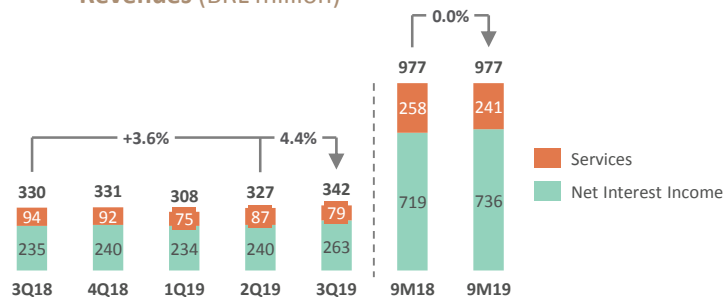
#### Recurring Net Income (BRL million)



#### Recurring ROAE (pa)



#### Revenues (BRL million)



### Expanded Credit Portfolio

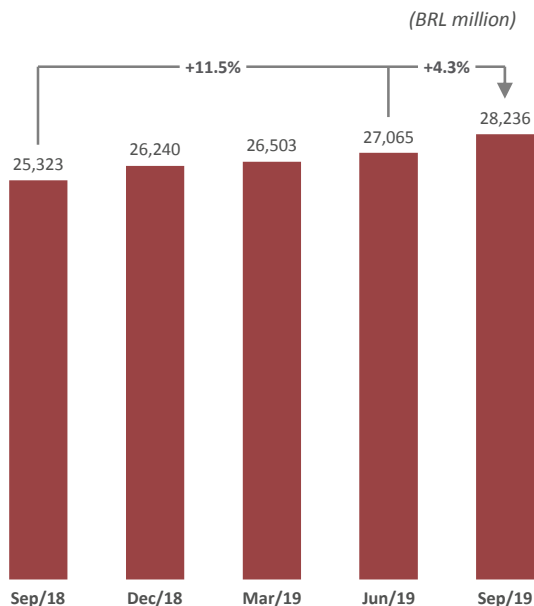
The expanded credit portfolio includes loans, guarantees issued and corporate securities portfolios.

At the end of September 2019, the balance reached BRL28.2 billion, increasing 4.3% quarter-over-quarter and 11.5% year-over-year.

The **Large Corporate** portfolio (companies with annual revenues above BRL2 billion) reached BRL14.8 billion at the end of September 2019, growing 1.2% quarter-over-quarter and 1.5% year-over-year. It accounted for 52.6% of the total portfolio.

The **Corporate** portfolio (companies with annual revenues ranging from BRL250 million to BRL2 billion) reached BRL12.9 billion at the end of September 2019, an increase of 8.0% quarter-over-quarter and 25.6% year-over-year. It accounted for 45.8% of the total portfolio.

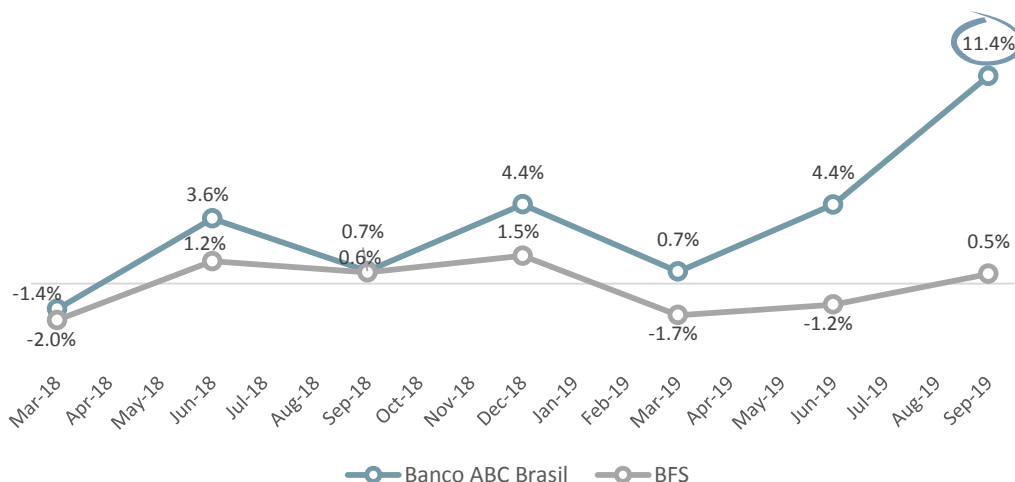
The **Middle** portfolio (companies with annual revenues ranging from BRL100 million to BRL250 million) reached BRL 445 million at the end of September 2019, an increase of 9.2% quarter-over-quarter and up 11.9% year-over-year. It accounted for 1.6% of the total portfolio.



### Banco ABC Brasil vs. Brazilian Financial System (BFS)

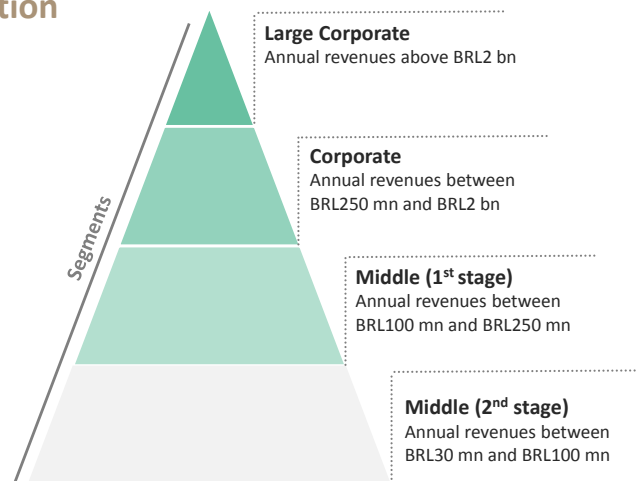
The chart below compares the quarter variation of Classified Corporate Loans of Banco ABC Brasil and the Brazilian Financial System (BFS). Throughout 2019, the Bank has been growing considerably above the BFS.

Quarterly Variation of the Corporate Loan Portfolio (%)





## Client Segmentation



## Expanded Credit Portfolio

The 3Q19 presented the strongest Loan Portfolio increase (+11.4% q-o-q) since March 2010, with a highlight to the Corporate segment (+14.1% q-o-q). The Expanded Credit Portfolio grew 4.3% q-o-q and 7.6% y-o-y, even considering the reduction in the Guarantees Issued Portfolio.

Expanded Credit Portfolio (BRL million)	Sep/19	Jun/19	Chg 3M	Sep/18	Chg 12M	Dec/18	Chg 9M
<b>Loans</b>	<b>15,191.8</b>	<b>13,633.3</b>	<b>11.4%</b>	<b>12,436.8</b>	<b>22.2%</b>	<b>12,978.9</b>	<b>17.0%</b>
Large Corporate	4,610.7	4,339.2	6.3%	3,902.0	18.2%	4,216.1	9.4%
Corporate	10,156.0	8,904.6	14.1%	8,158.3	24.5%	8,403.4	20.9%
Middle	425.1	389.5	9.2%	376.4	12.9%	359.5	18.3%
<b>Guarantees Issued</b>	<b>9,689.3</b>	<b>10,164.5</b>	<b>-4.7%</b>	<b>10,718.3</b>	<b>-9.6%</b>	<b>10,650.9</b>	<b>-9.0%</b>
Large Corporate	8,583.5	8,865.9	-3.2%	9,482.5	-9.5%	9,336.5	-8.1%
Corporate	1,086.3	1,280.8	-15.2%	1,214.7	-10.6%	1,296.4	-16.2%
Middle	19.5	17.8	9.3%	21.0	-7.3%	17.9	8.8%
<b>Corporate Securities</b>	<b>3,354.3</b>	<b>3,266.8</b>	<b>2.7%</b>	<b>2,167.9</b>	<b>54.7%</b>	<b>2,610.5</b>	<b>28.5%</b>
Large Corporate	1,649.1	1,467.1	12.4%	1,235.0	33.5%	1,198.0	37.6%
Corporate	1,705.3	1,799.7	-5.2%	932.9	82.8%	1,412.5	20.7%
Middle	-	-	-	-	-	-	-
<b>Expanded Credit Portfolio</b>	<b>28,235.5</b>	<b>27,064.7</b>	<b>4.3%</b>	<b>25,323.0</b>	<b>11.5%</b>	<b>26,240.3</b>	<b>7.6%</b>
Large Corporate	14,843.3	14,672.2	1.2%	14,619.6	1.5%	14,750.6	0.6%
Corporate	12,947.5	11,985.1	8.0%	10,305.9	25.6%	11,112.3	16.5%
Middle	444.6	407.3	9.2%	397.5	11.9%	377.4	17.8%

## Loan Portfolio by Volume Exposure

Loan Portfolio by Volume Exposure (BRL million)	Sep/19	Jun/19	Chg 3M	Sep/18	Chg 12M
0 - 500K	10.5	12.5	-15.7%	15.4	-31.8%
500K - 2MM	168.4	135.9	24.0%	171.4	-1.8%
2MM - 5MM	768.3	707.7	8.6%	718.3	7.0%
5MM - 10MM	1,259.9	1,485.1	-15.2%	1,345.9	-6.4%
> 10MM	12,984.7	11,292.2	15.0%	10,185.7	27.5%
<b>Total</b>	<b>15,191.8</b>	<b>13,633.3</b>	<b>11.4%</b>	<b>12,436.8</b>	<b>22.2%</b>



## Credit Portfolio by Maturity

The table below provides the breakdown of the Loan Portfolio by maturity:

Loan Portfolio by Maturity (BRL million)	Sep/19	Jun/19	Chg 3M	Sep/18	Chg 12M
Until 3 months	3,525.6	3,754.1	-6.1%	2,847.6	23.8%
3 to 12 months	6,067.8	5,158.5	17.6%	5,279.3	14.9%
1 to 3 years	4,331.7	3,860.0	12.2%	3,555.9	21.8%
Above 3 years	1,266.7	860.8	47.2%	754.0	68.0%
<b>Total</b>	<b>15,191.8</b>	<b>13,633.3</b>	<b>11.4%</b>	<b>12,436.8</b>	<b>22.2%</b>

The table below provides a breakdown of the Guarantees Issued by maturity:

Guarantees Issued Portfolio by Maturity (BRL million)	Sep/19	Jun/19	Chg 3M	Sep/18	Chg 12M
Until 3 months	403.0	1,788.6	-77.5%	2,009.1	-79.9%
3 to 12 months	5,585.0	5,712.1	-2.2%	5,312.1	5.1%
1 to 3 years	3,646.5	2,627.9	38.8%	3,386.1	7.7%
Above 3 years	54.9	36.1	52.3%	10.9	403.0%
<b>Total</b>	<b>9,689.4</b>	<b>10,164.7</b>	<b>-4.7%</b>	<b>10,718.3</b>	<b>-9.6%</b>

At the end of Sep/19, the average Credit Portfolio term was 392 days (364 days at the end of Jun/19 and 361 days at the end of Sep/18).

## Loan Portfolio Ratings

(Brazilian Central Bank Resolution No. 2682)

Loan transactions are classified according to the level of risk, applying criterias that take into account the economic landscape, past experience and specific risks related to the transactions, the borrower and the guarantor, in accordance with Brazilian Central Bank Resolution No. 2682. As of the end of 3Q19, the **Loan Portfolio** reached **BRL 15,192 million**, with a Loan Loss Reserve balance of BRL 402 million.

Loan Portfolio Rating (BRL million)	Sep/19	% of Portfolio	Jun/19	% of Portfolio	Sep/18	% of Portfolio	Provision Sep/19
AA	1,800.7	11.9	1,670.4	12.3	761.0	6.1	0.0
A	5,138.7	33.8	4,698.8	34.5	4,236.4	34.1	25.7
B	6,051.5	39.8	5,051.3	37.1	5,207.3	41.9	60.5
C	1,497.1	9.9	1,463.9	10.7	1,555.6	12.5	44.9
D	289.2	1.9	320.6	2.4	323.2	2.6	32.1
E	141.4	0.9	267.0	2.0	255.5	2.1	44.2
F	158.6	1.0	42.7	0.3	16.8	0.1	79.3
G	40.9	0.3	59.0	0.4	40.3	0.3	28.7
H	73.6	0.5	59.7	0.4	40.8	0.3	73.6
Additional Provision	0.0	-	-	-	-	-	12.5
<b>Total</b>	<b>15,191.8</b>	<b>100.0</b>	<b>13,633.2</b>	<b>100.0</b>	<b>12,436.8</b>	<b>100.0</b>	<b>401.5</b>
AA-C	14,488.1	95.4	12,884.3	94.6	11,760.3	94.6	
D-H	703.7	4.6	749.0	5.5	676.5	5.4	

# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

## Guarantees Issued Portfolio Ratings

As of the end of 3Q19, the **Guarantees Issued Portfolio** reached **BRL 9,689 million**, with balance of BRL 54 million in provisions.

Guarantees Issued Portfolio Rating (BRL million)	Sep/19	% of Portfolio	Jun/19	% of Portfolio	Sep/18	% of Portfolio	Provision Sep/19
AA	5,581.9	57.6	5,975.5	58.8	6,500.0	60.6	0.0
A	1,859.2	19.2	1,974.0	19.4	1,829.9	17.1	9.3
B	1,824.4	18.8	1,825.5	18.0	1,929.1	18.0	18.2
C	226.0	2.3	185.5	1.8	317.7	3.0	6.8
D	197.8	2.0	204.2	2.0	135.1	1.3	19.8
E	0.0	0.0	0.0	0.0	6.6	0.1	0.0
F	0.0	0.0	0.0	0.0	0.0	0.0	0.0
G	0.0	0.0	0.0	0.0	0.0	0.0	0.0
H	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>9,689.4</b>	<b>100.0</b>	<b>10,164.6</b>	<b>100.0</b>	<b>10,718.3</b>	<b>100.0</b>	<b>54.1</b>
<b>AA-C</b>	<b>9,491.7</b>	<b>98.0</b>	<b>9,960.5</b>	<b>98.0</b>	<b>10,576.6</b>	<b>98.6</b>	
<b>D-H</b>	<b>197.8</b>	<b>2.0</b>	<b>204.2</b>	<b>2.0</b>	<b>141.6</b>	<b>1.3</b>	

## Expanded Credit Portfolio Indicators per Segment

	Large Corporate			Corporate			Middle		
	Sep/19	Jun/19	Sep/18	Sep/19	Jun/19	Sep/18	Sep/19	Jun/19	Sep/18
Total of Clients	398	399	429	1,248	1,313	1,292	207	142	133
Clients with Credit Exposure	231	255	266	873	866	884	131	100	110
Average Exposure per Client (BRL million)	57.1	51.8	50.3	12.9	11.8	10.6	3.4	4.1	3.6
Average Term (days)	344	303	346	449	439	379	372	384	276

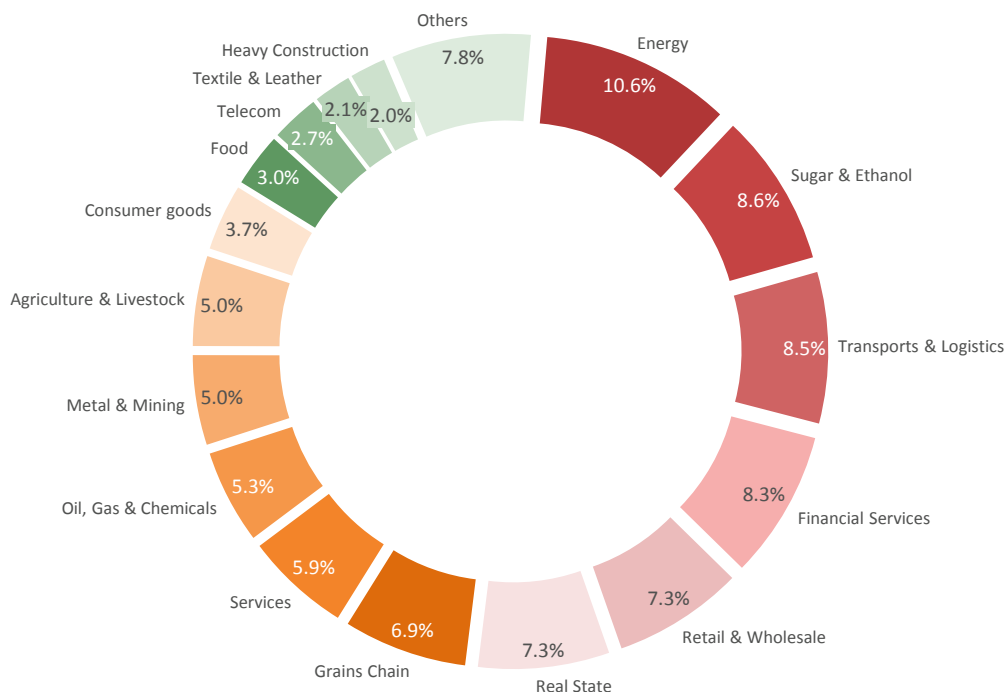
## Geographical Breakdown of the Expanded Credit Portfolio per Segment<sup>1</sup>

Large Corporate				Corporate			
Geographical Distribution	Sep/19	Jun/19	Sep/18	Geographical Distribution	Sep/19	Jun/19	Sep/18
São Paulo	59.9%	62.0%	64.3%	São Paulo - Capital	29.9%	29.7%	39.8%
Rio de Janeiro, Minas Gerais and Northeast	30.6%	29.7%	23.1%	São Paulo - Countryside	22.4%	23.0%	19.0%
South	9.5%	8.3%	12.6%	Rio de Janeiro	6.6%	6.4%	8.5%
				South	24.6%	24.0%	19.6%
				Minas Gerais	10.1%	11.1%	6.1%
				Midwest	6.4%	5.8%	7.1%

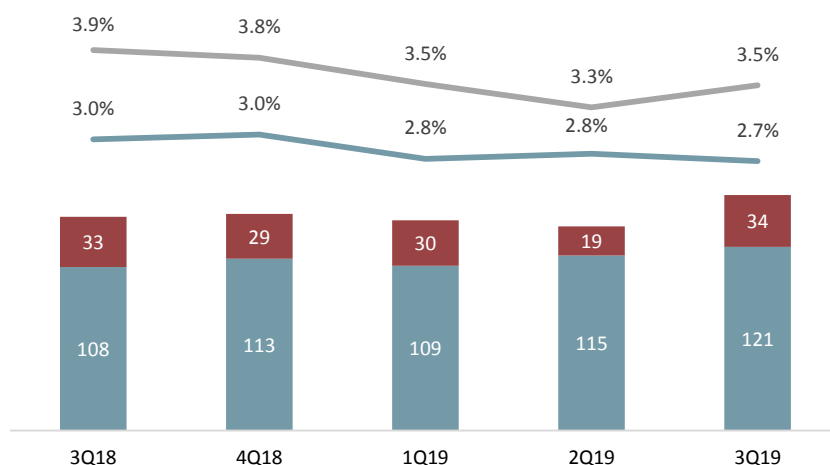
<sup>1</sup>100% of the Middle segment is concentrated in SP Capital, currently.

### Sector Breakdown of the Expanded Credit Portfolio

As of September 2019, the Bank held a diversified credit portfolio with no relevant sector concentration.



### Annualized Spread with Clients<sup>1</sup> (Loans + Private Securities)



■ Mgn. with Clients Adj. to Risk ■ LLP — Spread with Clients — Spread with Clients Adj. to Risk

(BRL million)

	3Q18	4Q18	1Q19	2Q19	3Q19
Loans + Private Securities   Average	14,589.1	15,097.1	15,776.0	16,431.3	17,723.2

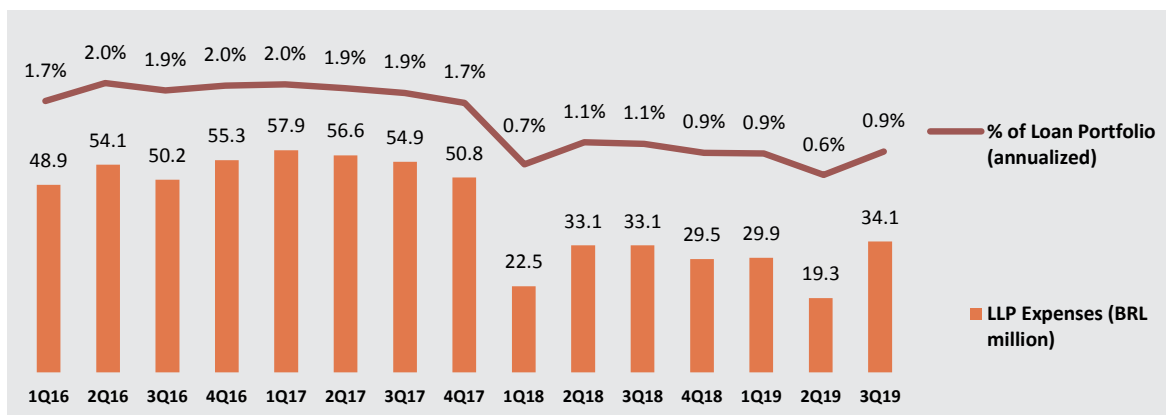
<sup>1</sup>In the calculation of Spread with Clients, the Financial Margin with Clients includes credit recoveries.

### Quality of Loan Portfolio

Segments	Loan Portfolio (BRL million)	Write Off (BRL million)	Write Off / Loan Portfolio	Loan Loss Reserves (BRL million)	Loan Loss Reserves / Loan Portfolio	Past Due > 90 days (BRL million)	Past Due > 90 days / Loan Portfolio
Large Corporate	4,610.7	0.0	0.00%	163.8	3.55%	102.3	2.22%
Corporate	10,156.0	12.2	0.12%	213.7	2.10%	76.1	0.75%
Middle	425.1	0.0	-	11.5	2.70%	2.6	0.62%
<b>Total - Sep/19</b>	<b>15,191.8</b>	<b>12.2</b>	<b>0.08%</b>	<b>389.0</b>	<b>2.56%</b>	<b>181.1</b>	<b>1.19%</b>
Jun/19	13,633.3	6.2	0.05%	391.9	2.87%	156.4	1.15%
Mar/19	13,064.9	6.2	0.05%	391.3	2.99%	171.2	1.31%
Dec/18	12,978.9	6.4	0.05%	379.4	2.92%	55.5	0.43%
Sep/18	12,436.8	4.1	0.03%	356.3	2.86%	58.9	0.47%

### Loan Loss Provision Expenses

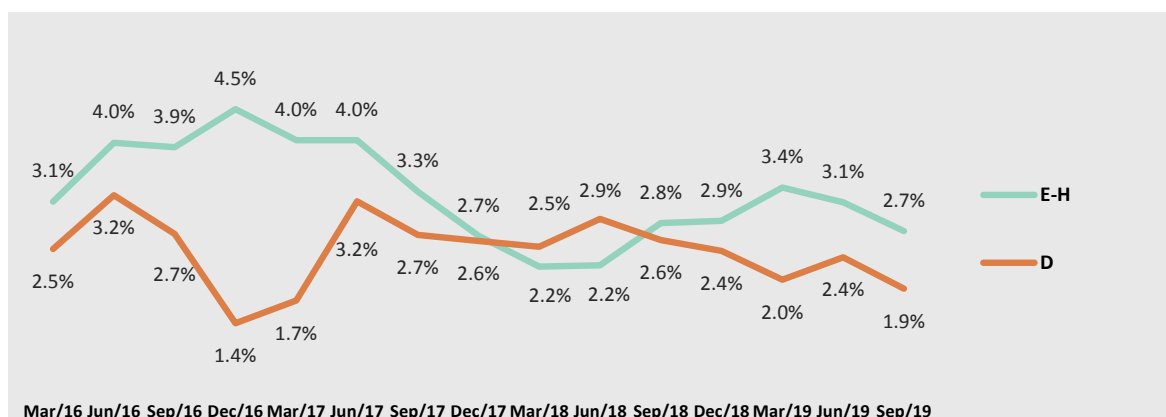
% of loan portfolio



The Bank presented a comfortable cost of risk, which remained under 1% in the quarter, in-line with the performance since 2018, showing a good quality of the Loan Portfolio.

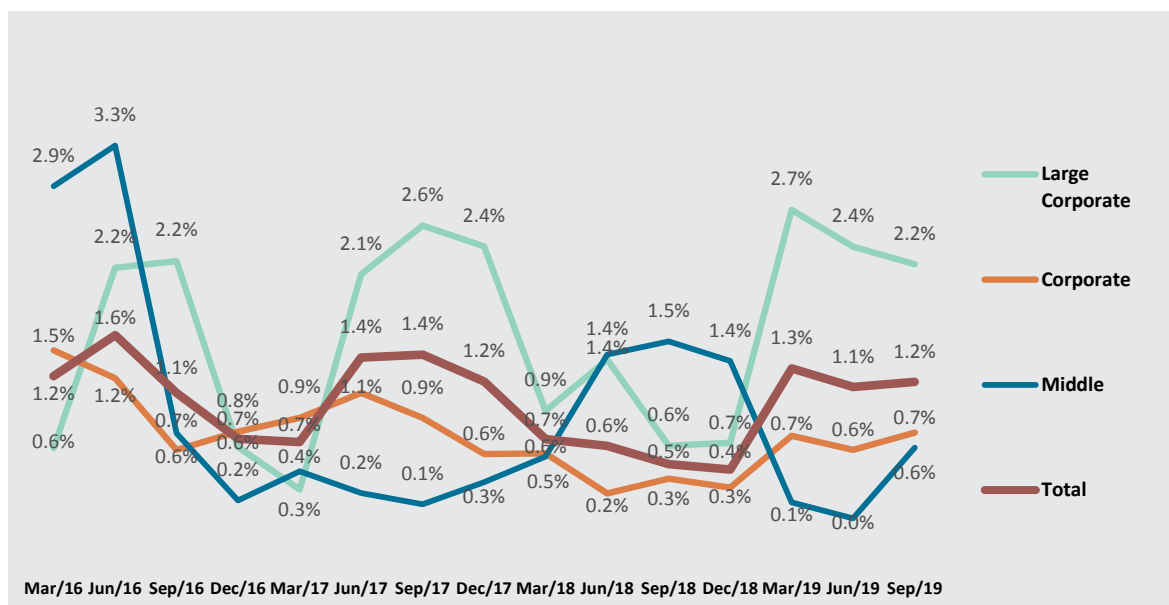
### Loans rated D and E-H (Brazilian Central Bank Resolution No. 2682)

% of loan portfolio

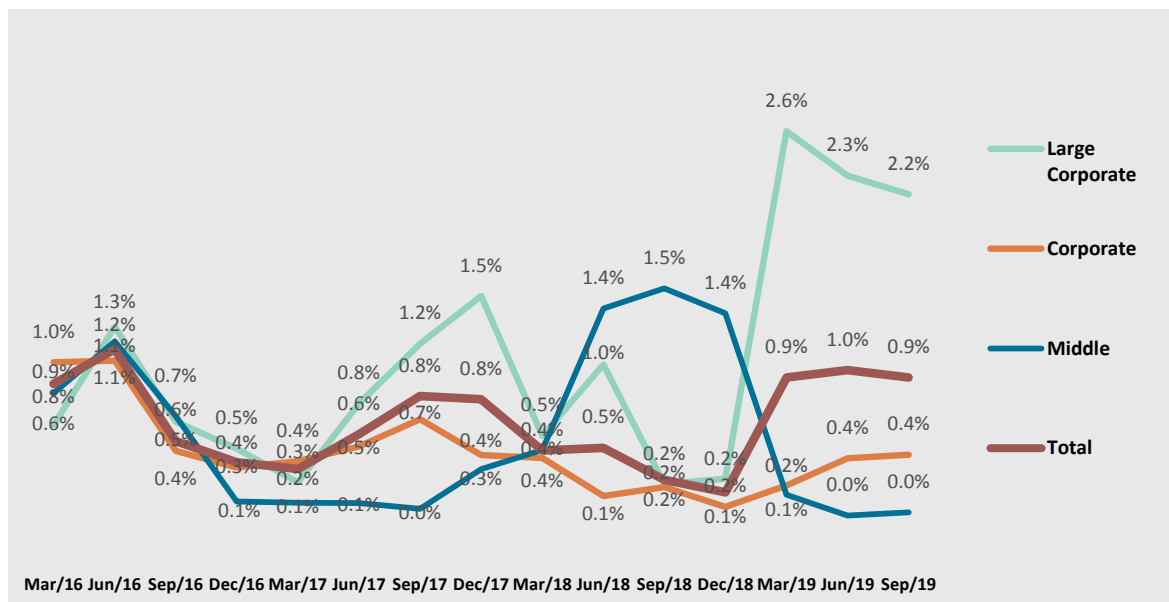




### Loans overdue more than 90 days (falling due and overdue installments) % of loan portfolio



### Past due over 90 days (overdue installments only) % of loan portfolio

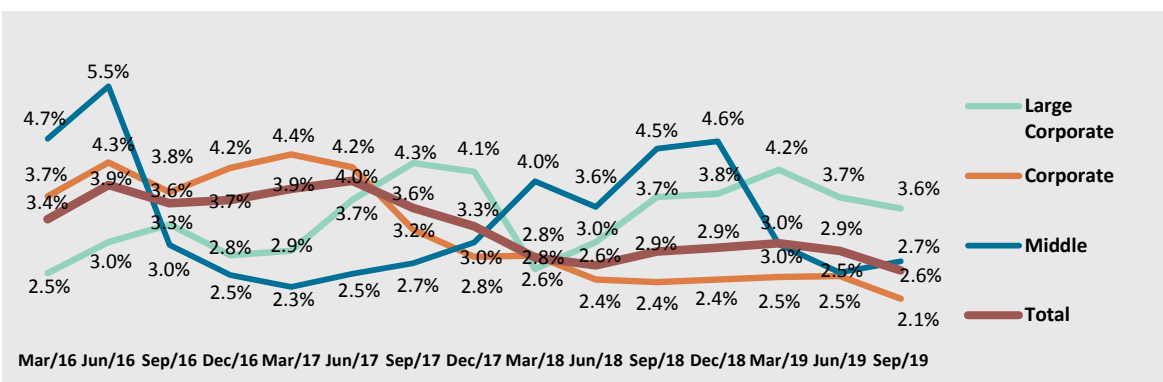


# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

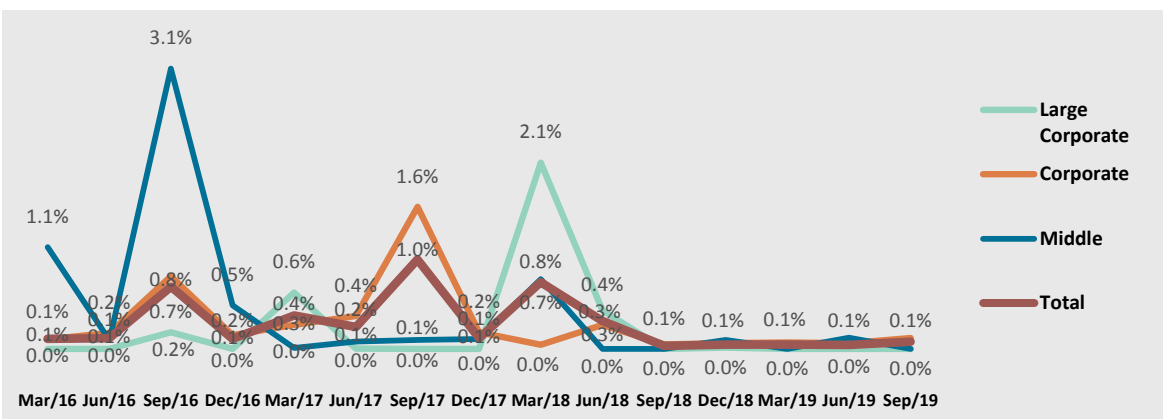
## Loan Loss Reserve

% of loan portfolio



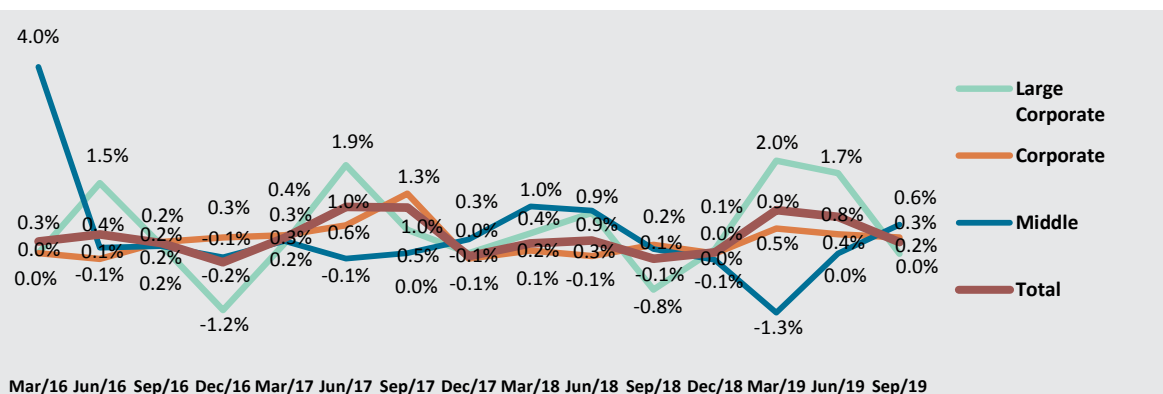
## Write-Offs

% of loan portfolio



## NPL creation<sup>1</sup> (loans overdue for more than 90 days)

% of loans portfolio



<sup>1</sup> Referred to the loan book turned overdue above 90 days in the quarter, summed up to the write-offs.



# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

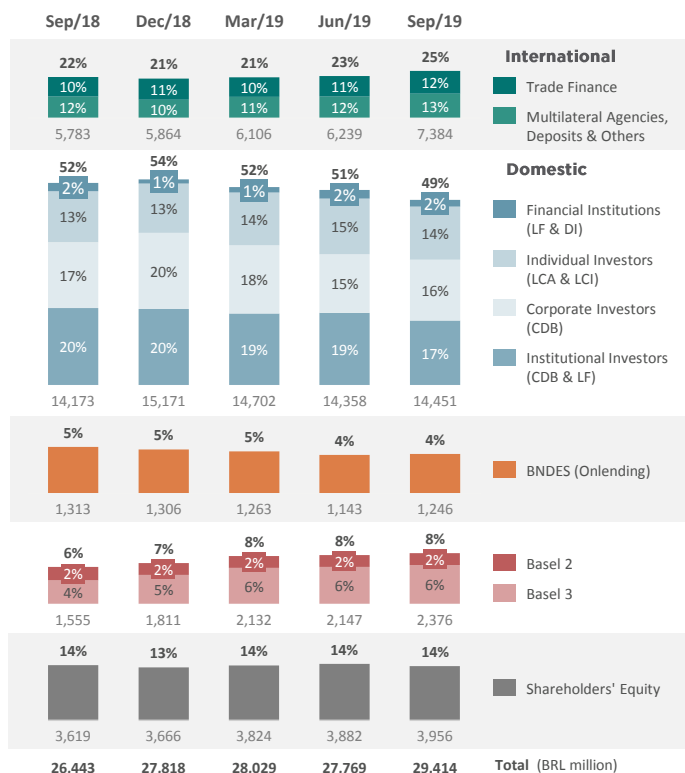
## Funding

The chart on the right shows the funding breakdown by investor profile.

As of the end of September 2019, the balance of funding reached BRL 29.4 billion, growing 5.9% in the quarter and 10.1% in 12 months.

The bank remains with a diversified portfolio, with access to local and international markets at competitive conditions and favorable maturities, considering the profile of its assets.

From January 2019 onwards, the Bank started issuing Perpetual Subordinated Financial Notes, aiming at reinforcing its capital position. As of September 30, 2019, there were BRL494.4 million issued in the local Market, 100% through private placement transactions.



Funding (BRL million)	Sep/19	% of Total	Jun/19	% of Total	Sep/18	% of Total
Demand Deposits	241.8	0.8	224.6	0.8	43.7	0.2
Time Deposits	4,187.7	14.2	4,027.4	14.5	4,608.4	17.4
LCA, LCI & COE <sup>1</sup>	4,125.0	14.0	4,091.3	14.7	3,613.9	13.7
Financial Bills	5,555.0	18.9	5,509.4	19.8	5,228.1	19.8
Subordinated Local Notes (Letras Financeiras)	1,355.3	4.6	1,334.0	4.8	999.8	3.8
Interbank Deposits	320.3	1.1	348.5	1.3	696.5	2.6
Borrowing and Onlending Obligations Abroad	7,384.1	25.1	6,239.2	22.5	5,765.7	21.8
Borrowing and Onlending Obligations (BNDES and FINAME)	1,246.0	4.2	1,142.7	4.1	1,312.9	5.0
Subordinated Debt (Maturity Date: Apr/2020)	548.1	1.9	505.9	1.8	554.8	2.1
Perpetual Sub. Financial Notes <sup>2</sup>	494.4	1.7	464.1	1.7	0.0	0.0
<b>Subtotal (Funding with Third Parties)</b>	<b>25,457.8</b>	<b>86.5</b>	<b>23,887.0</b>	<b>86.0</b>	<b>22,823.8</b>	<b>86.3</b>
Shareholders' Equity	3,956.3	13.5	3,882.2	14.0	3,618.9	13.7
<b>Total</b>	<b>29,414.1</b>	<b>100.0</b>	<b>27,769.2</b>	<b>100.0</b>	<b>26,442.6</b>	<b>100.0</b>

<sup>1</sup>LCA: Agriculture Credit Bills / LCI: Real Estate Credit Bills / COE: Certificate of Structured Transactions

<sup>2</sup>Including BRL 21.6 million to be homologated by the Brazilian Central Bank.

Funding by Maturity (BRL million)	Sep/19	Jun/19	Chg (%)	Sep/18	Chg (%)
Until 3 months	5,970.4	5,028.6	18.7	5,188.0	15.1
3 to 12 months	11,133.5	10,175.5	9.4	10,638.0	4.7
1 to 3 years	5,999.0	6,441.8	-6.9	4,657.9	28.8
Above 3 years	2,354.9	2,241.2	5.1	2,340.0	0.6
<b>Total</b>	<b>25,457.8</b>	<b>23,887.0</b>	<b>6.6</b>	<b>22,823.8</b>	<b>11.5</b>

## CAPITAL ADEQUACY

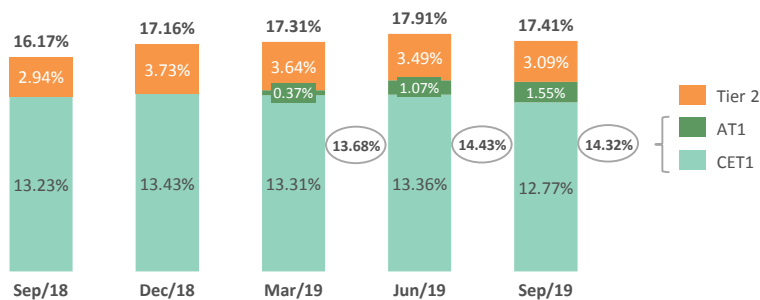
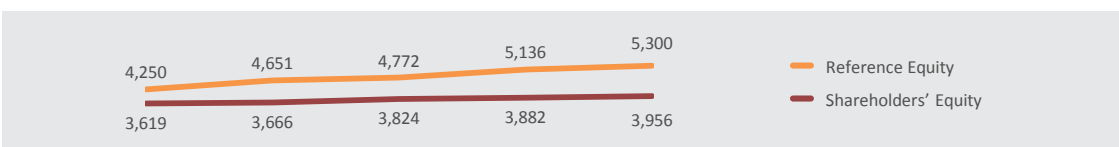
The Brazilian Central Bank regulations require banks to maintain a minimum total capital of 8.0% of risk weighted assets (from January 1, 2019). Banco ABC Brasil's Basel Ratio is already in full compliance to Basel III rules.

The table below shows the bank's capital position in relation to its risk-weighted assets, as well as the capital adequacy requirements under Brazilian Central Bank regulations:

Capital Adequacy (BRL million)	Sep/19	Jun/19	Chg 3M	Sep/18	Chg 12M
Reference Equity	5,299.5	5,136.5	3.2%	4,249.7	24.7%
Required Capital	2,435.1	2,294.0	6.2%	2,267.2	7.4%
Excess Equity in relation to Required Capital	2,864.4	2,842.5	0.8%	1,982.5	44.5%

Basel Ratio	17.41%	17.91%	-0.50	16.17%	1.24
Tier 1	14.32%	14.43%	-0.11	13.23%	1.09
CET1	12.77%	13.36%	-0.59	13.23%	-0.47
AT1	1.55%	1.07%	0.48	0.00%	1.55
Tier 2	3.09%	3.49%	-0.40	2.94%	0.15

Evolution of BIS Ratio - 3Q19  
(BRL million)

	Tier 1	Tier 2	Total	Risk Weighted Assets	Basel Index	Ratio Tier 1 / Reference Equity
Ratio in June, 30 2019	4,137.1	999.4	5,136.5	28,675.2	17.91%	80.54%
Net Profit	130.5				0.46%	
Interest on Capital (IOC)					-0.19%	
IOC Recapitalization					0.00%	
Basel 3 Subordinated Debt issuance		-59.0			-0.21%	
Others	-19.3				-0.07%	
Change in Risk Weighted Assets				1,764.0	-0.70%	
BIS Ratio in September 30, 2019	4,359.1	940.4	5,299.5	30,439.2	17.41%	82.26%

## FINANCIAL HIGHLIGHTS

## Net Interest Income

The table below presents the Net Interest Income:

(BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
<b>Net Interest Income</b>	<b>262.7</b>	<b>239.8</b>	<b>9.5%</b>	<b>235.2</b>	<b>11.7%</b>	<b>736.4</b>	<b>719.0</b>	<b>2.4%</b>
Shareholders' Equity Remunerated at CDI	55.2	52.7	4.9%	45.0	22.7%	155.7	130.3	19.5%
Financial Margin with Clients	157.4	137.6	14.4%	142.1	10.8%	436.1	427.9	1.9%
Financial Margin with Market	50.0	49.6	1.0%	48.1	4.0%	144.6	160.8	-10.1%
<b>Loan Loss Provision (LLP)</b>	<b>(34.1)</b>	<b>(19.3)</b>	<b>76.3%</b>	<b>(33.1)</b>	<b>2.9%</b>	<b>(83.3)</b>	<b>(88.7)</b>	<b>-6.1%</b>
<b>Net Interest Income after LLP</b>	<b>228.6</b>	<b>220.5</b>	<b>3.7%</b>	<b>202.1</b>	<b>13.1%</b>	<b>653.1</b>	<b>630.3</b>	<b>3.6%</b>

And below, the Adjusted Financial Margin with Clients, excluding the effect of recovered assets:

(BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Financial Margin with Clients	157.4	137.6	14.4%	142.1	10.8%	436.1	427.9	1.9%
Recovered Assets	(2.2)	(3.0)	-26.7%	(1.3)	72.1%	(7.7)	(6.6)	16.7%
<b>Adjusted Financial Margin with Clients</b>	<b>155.2</b>	<b>134.7</b>	<b>15.3%</b>	<b>140.8</b>	<b>10.2%</b>	<b>428.4</b>	<b>421.3</b>	<b>1.7%</b>

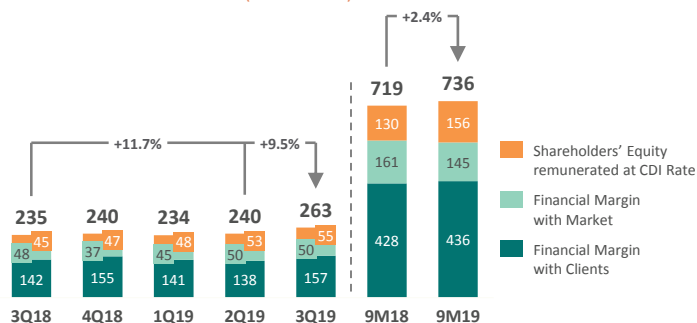
Daily average consolidated VaR was BRL 4.2 million in 3Q19 (average Value-at-Risk estimated through historical simulation method with one day of time horizon and 99% confidence level).

## NIM

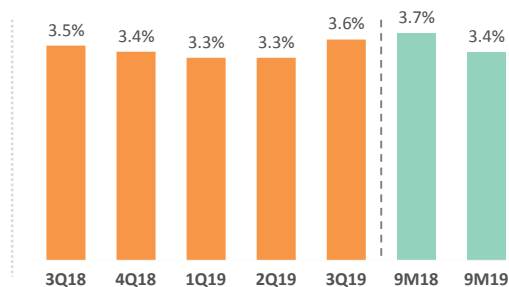
NIM (Net Interest Margin) was 3.6% p.a. in 3Q19, down 0.3 p.a compared to the previous quarter and down 0.1 p.a. in relation to 3Q18. The NIM improvement was mainly driven by the growth of the Financial Margin with Clients, resulted from a strong increase of the Loan Portfolio in the quarter.

(BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
<b>Net Interest Income before LLP</b>	<b>262.7</b>	<b>239.8</b>	<b>9.5%</b>	<b>235.2</b>	<b>11.7%</b>	<b>736.4</b>	<b>719.0</b>	<b>2.4%</b>
Loans (Average)	14,412.6	13,349.1	8.0%	12,394.6	16.3%	13,594.5	12,181.3	11.6%
Other Interest Earning Assets (Average)	15,042.6	15,385.7	-2.2%	14,259.4	5.5%	15,380.1	13,627.5	12.9%
Average Interest Earning Assets	29,455.2	28,734.8	2.5%	26,654.0	10.5%	28,974.6	25,808.8	12.3%
<b>Net Interest Margin (% pa)</b>	<b>3.6%</b>	<b>3.3%</b>	<b>0.3</b>	<b>3.5%</b>	<b>0.1</b>	<b>3.4%</b>	<b>3.7%</b>	<b>(0.3)</b>

## Net Interest Income (BRL million)



## NIM (% pa)





# EARNINGS RELEASE

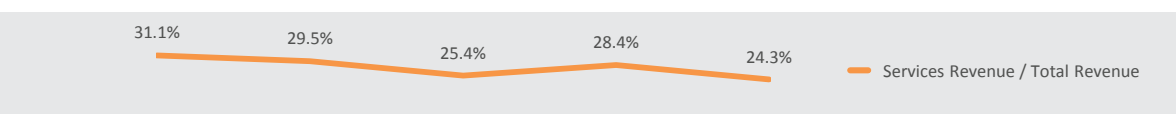
3<sup>rd</sup> Quarter of 2019

## Service Revenues

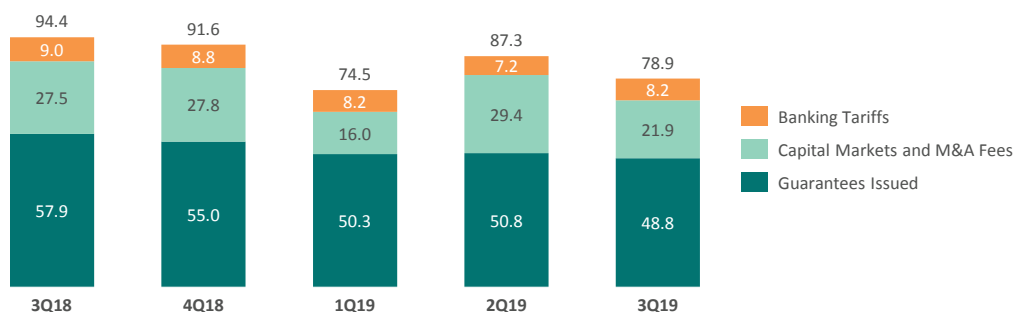
Banking Service Fees reached BRL 78.9 million in 3Q19, down 9.7% in relation to 2Q19 and down 16.5% year-over-year. Follows below the Service Revenues breakdown:

Service Fees (BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Guarantees Issued	48.8	50.8	-3.9%	57.9	-15.8%	149.8	169.9	-11.8%
Capital Markets and M&A Fees	21.9	29.4	-25.5%	27.5	-20.3%	67.3	61.0	10.4%
Commercial Banking Tariffs	8.2	7.2	14.0%	9.0	-9.4%	23.6	27.3	-13.7%
<b>Total</b>	<b>78.9</b>	<b>87.3</b>	<b>-9.7%</b>	<b>94.4</b>	<b>-16.5%</b>	<b>240.7</b>	<b>258.2</b>	<b>-6.8%</b>

The chart below presents the Service Revenues evolution, including its share over total income. In the 3Q19, Service Revenues accounted for 24.3% of total revenue.



(BRL million)



## Investment Banking

The table below presents the evolution of Debt Capital Markets (DCM) underwriting volume and number of transactions. In the last 12 months ended September 2019, there was a 46.7% increase in underwriting volume over the same period of 2018.

DCM (BRL million)	LTM19	LTM18	Change
Volume of Origination <sup>1</sup>	4,653	3,172	46.7%
# Transactions	46	35	+11

It is important to highlight that the Investment Banking area recently launched two new business lines: Equity Capital Markets (ECM) and Project Finance Advisory, adding to the existing Debt Capital Markets (DCM) and M&A.

<sup>1</sup>Includes the origination of the debt instrument Financial Letters.

## Personnel, Administrative and Profit-Sharing Expenses

The table below presents the changes in expenses by type:

Expenses (BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Personnel Expenses (adjusted)	(49.2)	(49.9)	-1.4%	(48.6)	1.3%	(148.3)	(144.1)	2.9%
Other Administrative Expenses	(26.8)	(25.9)	3.5%	(23.2)	15.9%	(77.4)	(67.5)	14.7%
<b>Subtotal</b>	<b>(76.1)</b>	<b>(75.9)</b>	<b>0.3%</b>	<b>(71.8)</b>	<b>6.0%</b>	<b>(225.7)</b>	<b>(211.6)</b>	<b>6.7%</b>
Profit Sharing	(42.3)	(40.3)	5.1%	(39.2)	7.9%	(121.8)	(118.5)	2.7%
<b>Total</b>	<b>(118.5)</b>	<b>(116.2)</b>	<b>2.0%</b>	<b>(111.0)</b>	<b>6.8%</b>	<b>(347.5)</b>	<b>(330.1)</b>	<b>5.3%</b>

As of the end of Sep/19, the Bank had 610 employees (598 as of the end of Jun/19 and 593 as of the end of Sep/18).

## Operating Income

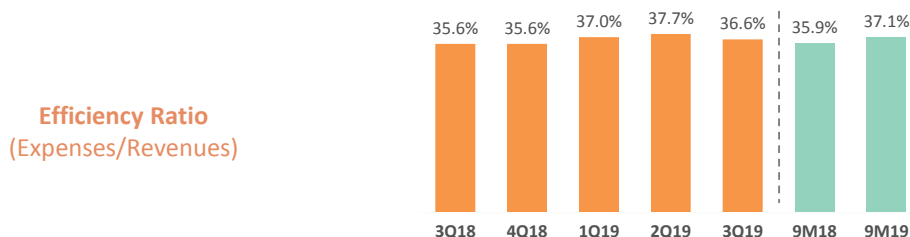
Operating Income totaled BRL 214 million in the 3Q19, up 1.9% compared to the 2Q19 and 4.8% in relation to the 3Q18. Follows below, the Operating Income breakdown:

Managerial Operating Income (BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
Managerial Net Interest Income before LLP	262.7	239.8	9.5%	235.2	11.7%	736.4	719.0	2.4%
Loan Loss Provision (LLP)	(34.1)	(19.3)	76.3%	(33.1)	2.9%	(83.3)	(88.7)	-6.1%
<b>Managerial Net Interest Income after LLP</b>	<b>228.6</b>	<b>220.5</b>	<b>3.6%</b>	<b>202.1</b>	<b>13.1%</b>	<b>653.1</b>	<b>630.3</b>	<b>3.6%</b>
<b>Service Fees</b>	<b>78.9</b>	<b>87.3</b>	<b>-9.7%</b>	<b>94.4</b>	<b>-16.5%</b>	<b>240.7</b>	<b>258.2</b>	<b>-6.8%</b>
Personnel & Other Administrative Expenses	(76.1)	(75.9)	0.3%	(71.8)	6.0%	(225.7)	(211.6)	6.7%
Tax & Other Operating Expenses	(17.4)	(21.9)	-20.8%	(20.6)	-15.7%	(43.5)	(63.6)	-31.5%
<b>Operating Income</b>	<b>214.0</b>	<b>210.0</b>	<b>1.9%</b>	<b>204.1</b>	<b>4.8%</b>	<b>624.6</b>	<b>613.4</b>	<b>1.8%</b>

## Efficiency

Recurring efficiency ratio was 36.6% in 3Q19, down 1.1 p.p compared to 2Q19 and up 1.0 in relation to 3Q18.

(BRL million)	3Q19	2Q19	3Q19x2Q19	3Q18	3Q19x3Q18	9M19	9M18	9M19x9M18
<b>Efficiency Ratio</b>	<b>36.6%</b>	<b>37.7%</b>	<b>-1.1</b>	<b>35.6%</b>	<b>1.0</b>	<b>37.1%</b>	<b>35.9%</b>	<b>1.2</b>
<b>Expenses</b>	<b>(118.5)</b>	<b>(116.2)</b>	<b>2.0%</b>	<b>(111.0)</b>	<b>6.8%</b>	<b>(347.5)</b>	<b>(330.1)</b>	<b>5.3%</b>
Personnel	(49.2)	(49.9)	-1.4%	(48.6)	1.3%	(148.3)	(144.1)	2.9%
Other Administrative	(26.8)	(25.9)	3.5%	(23.2)	15.9%	(77.4)	(67.5)	14.7%
Profit Sharing	(42.3)	(40.3)	5.1%	(39.2)	7.9%	(121.8)	(118.5)	2.7%
<b>Revenues</b>	<b>324.2</b>	<b>307.8</b>	<b>5.3%</b>	<b>311.4</b>	<b>4.1%</b>	<b>937.6</b>	<b>920.0</b>	<b>1.9%</b>
Net Interest Income before LLP	262.7	239.8	9.5%	235.2	11.7%	736.4	719.0	2.4%
Tax Expenses	(22.0)	(14.4)	52.8%	(20.1)	9.5%	(47.9)	(62.9)	-23.8%
Services Fees	78.9	87.3	-9.7%	94.4	-16.5%	240.7	258.2	-6.8%
Other Revenues/ Expenses	4.7	(7.5)	-162.0%	(0.5)	-1061.4%	4.4	(0.6)	-795.5%
Change in LLP of Guarantees Issued	(0.0)	2.6	-100.0%	2.4	-100.0%	3.9	6.3	-37.9%



### GUIDANCE

This guidance contains forward-looking statements that are subject to risks and uncertainties, as they are based on Management's expectations and assumptions and on information available to the market as of this date.

2019

Variation

Expanded Credit Portfolio<sup>1</sup>

6% to 10%

Personnel & Other Administrative Expenses

4% to 6%

<sup>1</sup> Includes Loans, Guarantees Issued and Corporate Securities.

### GEOGRAPHICAL FOOTPRINT

#### Footprint in 15 cities

##### Offices

São Paulo Capital	São Paulo
São Paulo Countryside	Campinas, Ribeirão Preto and Sorocaba
South	Curitiba, Londrina, Blumenau, Passo Fundo and Porto Alegre
Rio de Janeiro	Rio de Janeiro
Minas Gerais	Belo Horizonte and Uberlândia
Midwest	Goiânia and Cuiabá
Norwest	Recife



### RATINGS

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

# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

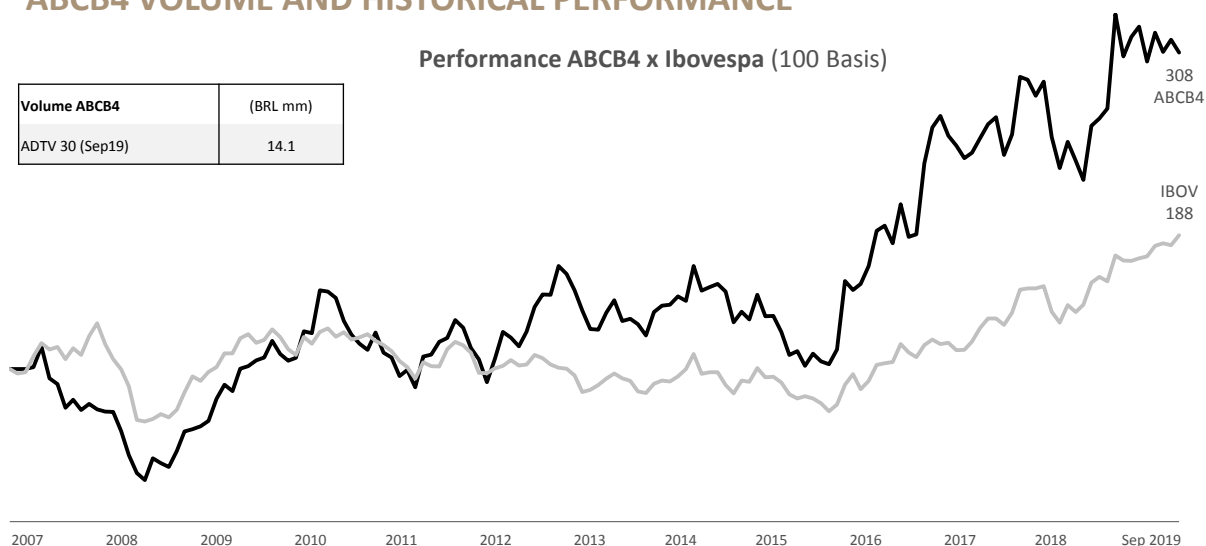
## OWNERSHIP BREAKDOWN

	November 6th, 2019				September 30th, 2019				September 30th, 2018	
	Common Shares	Preferred Shares	Total	%	Common Shares	Preferred Shares	Total	%	Total	%
Bank ABC	105,003,434	25,874,388	130,877,822	61.2%	105,003,434	25,874,388	130,877,822	60.8%	126,439,134	60.6%
Management	4,492,998	5,557,881	10,050,879	4.7%	4,492,998	5,564,881	10,057,879	4.7%	11,951,293	5.7%
Free-float	0	73,093,755	73,093,755	34.2%	0	74,251,787	74,251,787	34.5%	70,275,324	33.7%
<b>Total (ex-Treasury)</b>	<b>109,496,432</b>	<b>104,526,024</b>	<b>214,022,456</b>	<b>100.0%</b>	<b>109,496,432</b>	<b>105,691,056</b>	<b>215,187,488</b>	<b>100.0%</b>	<b>208,665,751</b>	<b>100.0%</b>
Shares in Treasury	0	4,336,601	4,336,601	-	0	3,171,569	3,171,569	-	2,467,199	-
<b>Total</b>	<b>109,496,432</b>	<b>108,862,625</b>	<b>218,359,057</b>	<b>-</b>	<b>109,496,432</b>	<b>108,862,625</b>	<b>218,359,057</b>	<b>-</b>	<b>211,132,950</b>	<b>-</b>

## ABCB4 VOLUME AND HISTORICAL PERFORMANCE

Performance ABCB4 x Ibovespa (100 Basis)

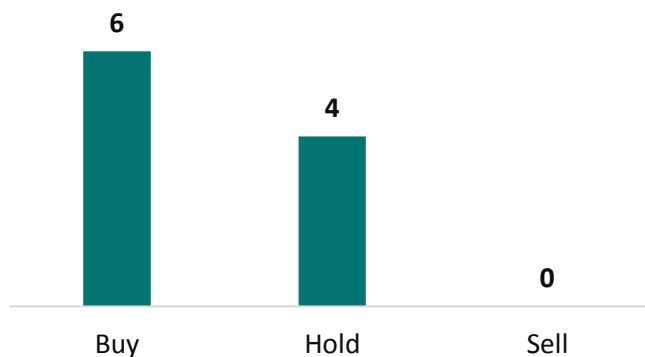
Volume ABCB4	(BRL mm)
ADTV 30 (Sep19)	14.1



Source: Economática (series adjusted for dividends).

## SELL-SIDE ANALYSTS RECOMMENDATION (ABCB4)

(As of November 05, 2019)



# EARNINGS RELEASE

## 3<sup>rd</sup> Quarter of 2019

### BALANCE SHEET

#### Consolidated

ASSETS (BRL thousand)	Sep/19	Jun/19	Sep/18
<b>CURRENT AND LONG TERM ASSETS</b>	<b>37,013,342</b>	<b>34,855,317</b>	<b>31,281,075</b>
Cash and Banks	57,667	68,154	26,844
Interbank Investments	6,407,064	6,959,812	6,304,218
Marketable Securities and Derivative Instruments	8,372,176	7,625,408	7,804,616
Derivative Instruments	1,128,661	1,024,225	950,302
Interbank Accounts	161,506	113,339	44,841
Lending Operations	12,549,073	11,806,613	11,048,133
Other Credits	8,092,079	7,001,117	4,802,551
Other Assets	245,116	256,649	299,570
<b>PERMANENT ASSETS</b>	<b>66,505</b>	<b>61,437</b>	<b>48,872</b>
Investments	1,297	1,215	614
Fixed Assets	26,982	27,898	24,416
Intangible	38,226	32,324	23,842
<b>TOTAL ASSETS</b>	<b>37,079,847</b>	<b>34,916,754</b>	<b>31,329,947</b>
<b>LIABILITY (BRL thousand)</b>	<b>Sep/19</b>	<b>Jun/19</b>	<b>Sep/18</b>
<b>CURRENT AND LONG TERM LIABILITY</b>	<b>33,099,054</b>	<b>31,006,617</b>	<b>27,680,021</b>
Demand Deposits	241,779	224,594	43,650
Money Market Funding	320,313	348,451	696,513
Time Deposits	4,187,740	4,027,358	4,608,415
Money Market Funding	1,055,107	777,734	400,065
Funds from Acceptance and Issuance of Securities	9,680,006	9,600,645	8,841,996
Interbank Accounts	32,471	14,187	3,573
Interbranch Accounts	160,295	140,964	77,027
Foreign Borrowings	8,630,100	7,381,902	7,078,584
Derivative Financial Instruments	936,137	835,833	775,713
Other Liabilities	7,855,106	7,654,949	5,154,485
<b>DEFERRED INCOME</b>	<b>24,506</b>	<b>27,918</b>	<b>31,074</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>3,956,287</b>	<b>3,882,219</b>	<b>3,618,852</b>
Capital	2,565,892	2,565,892	2,470,313
Capital Reserve	32,311	45,470	33,819
Income Reserves	1,207,629	1,207,629	1,008,386
Equity Valuation Adjustment	11,794	4,013	(22,470)
Retained Earnings	195,581	119,504	163,674
Treasury Shares	(56,920)	(60,289)	(34,870)
<b>TOTAL LIABILITIES</b>	<b>37,079,847</b>	<b>34,916,754</b>	<b>31,329,947</b>





## INCOME STATEMENT

### Consolidated

INCOME STATEMENT (BRL thousand)	3Q19	2Q19	3Q18	9M19	9M18
<b>Income from Financial Intermediation</b>	<b>1,355,318</b>	<b>476,061</b>	<b>885,169</b>	<b>2,422,911</b>	<b>2,903,656</b>
Lending Operations	625,369	204,640	376,112	1,185,433	1,319,285
Marketable Securities	574,742	288,551	451,355	1,096,390	1,319,528
Gains (Losses) on Derivative Financial Instruments	25,166	(7,347)	51,523	39,040	83,328
Foreign Exchange Operations	130,041	(9,783)	6,179	102,048	181,515
Gain on Financial Assets Sale or Transfer	0	0	0	0	0
<b>Expenses from Financial Intermediation</b>	<b>(1,254,465)</b>	<b>(248,439)</b>	<b>(774,737)</b>	<b>(1,910,268)</b>	<b>(2,609,247)</b>
Funding Expenses	(323,273)	(273,184)	(317,964)	(871,558)	(968,115)
Borrowings and Onlendings	(909,592)	31,584	(423,644)	(992,894)	(1,552,402)
Transactions with Financial Assets Sale or Transfer	0	0	0	0	(10)
Allowance for Loan Losses	(20,102)	(7,118)	(31,898)	(44,842)	(86,192)
Allowance for Loan Losses - Exchange Rate Variation on Credit Assignment Operations	(1,498)	279	(1,231)	(974)	(2,528)
<b>GROSS INCOME FROM FINANCIAL INTERMEDIATION</b>	<b>100,853</b>	<b>227,622</b>	<b>110,432</b>	<b>512,643</b>	<b>294,409</b>
<b>Other Operating Income (Expenses)</b>	<b>(15,612)</b>	<b>(25,668)</b>	<b>(1,498)</b>	<b>(75,067)</b>	<b>(20,673)</b>
Income from Services Rendered	81,573	91,432	95,697	249,541	262,061
Personnel Expenses	(53,456)	(53,949)	(51,229)	(175,640)	(155,039)
Other Administrative Expenses	(36,623)	(37,904)	(29,730)	(111,521)	(85,075)
Taxes	(11,904)	(17,815)	(16,218)	(42,467)	(42,452)
Other Operating Income	4,985	687	2,441	12,154	6,765
Other Operating Expense	(187)	(8,119)	(2,459)	(7,134)	(6,933)
<b>OPERATING INCOME</b>	<b>85,241</b>	<b>201,954</b>	<b>108,934</b>	<b>437,576</b>	<b>273,736</b>
Non-Operating Income (Loss)	(1,402)	(127)	(57)	(2,244)	(20,341)
<b>INCOME BEFORE TAXES AND PROFIT SHARING</b>	<b>83,839</b>	<b>201,827</b>	<b>108,877</b>	<b>435,332</b>	<b>253,395</b>
Income Tax and Social Contribution	84,797	(32,846)	43,845	53,934	190,528
Variable Compensation	(38,115)	(36,256)	(36,610)	(106,466)	(107,610)
<b>NET INCOME</b>	<b>130,521</b>	<b>132,725</b>	<b>116,112</b>	<b>382,800</b>	<b>336,313</b>



# EARNINGS RELEASE

3<sup>rd</sup> Quarter of 2019

## KEY INDICATORS IN U.S. DOLLAR

	BRL	USD
Shares	Sep/19	Sep/19
Number of Outstanding Shares (ex-Treasury)	215,159,756	
Earnings per share (EPS)	0.57	0.14
Book Value per share (BV)	18.39	4.42
Market Capitalization (Million)	3,851.4	924.8
<b>Balance Sheet (Million)</b>		
Total Assets	37,079.8	8,904.0
Expanded Credit Portfolio	28,235.5	6,780.2
Loans	15,191.8	3,648.0
Guarantees Issued	9,689.3	2,326.7
Corporate Securities	3,354.3	805.5
Funding with third-party sources	25,457.8	6,113.2
Tier 2 Capital	940.4	225.8
Shareholders' Equity	3,956.3	950.0
	BRL Million	USD Million
<b>Managerial Income Statement</b>	<b>3Q19</b>	<b>3Q19</b>
<b>Net Interest Income</b>	<b>262.7</b>	<b>63.1</b>
Shareholders' Equity remunerated at CDI Rate*	55.2	13.3
Financial Margin with Clients	150.4	36.1
Financial Margin with Market	57.0	13.7
<b>Loan Loss Provision (LLP)</b>	<b>-34.1</b>	<b>-8.2</b>
<b>Net Interest Income after LLP</b>	<b>228.6</b>	<b>54.9</b>
<b>Banking Services Fees</b>	<b>78.9</b>	<b>18.9</b>
Guarantees Issued	48.8	11.7
Capital Markets and M&A Fees	21.9	5.3
Commercial Banking Fees	8.2	2.0
<b>Personnel &amp; Other Administrative Expenses</b>	<b>-76.1</b>	<b>-18.3</b>
Personnel (adjusted)	-49.2	-11.8
Other Administrative	-26.8	-6.4
<b>Tax Expenses</b>	<b>-22.0</b>	<b>-5.3</b>
<b>Other Operating Income (Expenses)</b>	<b>4.7</b>	<b>1.1</b>
<b>Non Operating Income</b>	<b>-1.4</b>	<b>-0.3</b>
<b>Earnings before Tax and Profit Sharing</b>	<b>212.6</b>	<b>51.0</b>
<b>Income Tax and Social Contribution</b>	<b>-47.2</b>	<b>-11.3</b>
<b>Profit Sharing</b>	<b>-42.3</b>	<b>-10.2</b>
<b>Net Income</b>	<b>123.0</b>	<b>29.5</b>

Note: U.S. dollar (USD) amounts are translated from Brazilian Real (BRL) for convenience only, at the rate of BRL 4.1644 to USD 1.0000, the official USD/BRL exchange rate as of September 30, 2019.



**EARNINGS RELEASE**  
3<sup>rd</sup> Quarter of 2019



