



Earnings Presentation

1st Quarter, 2016

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Net Income of R\$ 86M in 1Q16

Consistent revenue generation, conservative approach to credit and nominal cost base reduction

Highlights of results

<p>Net Income of R\$86M</p>	<p>Net Income of R\$ 86M in 1Q16, compared to R\$ 77M in 4Q15 and R\$ 122M in 1Q15</p> <p>Shareholders' equity reached R\$ 8.1B in Mar/16, up 6.1% in 1Q16</p>
<p>Consistent revenue generation</p>	<p>Net Interest Income (NII) grew 4.7% in 1Q16/1Q15, to R\$ 1,233 million in 1Q16</p> <p>NIM¹ of 5.1% p.y. in 1Q16, stable in relation to 1Q15 and 0.5 p.p. higher than 4Q15 due to higher NII</p> <p>Income from Services and Insurance amounted to R\$ 311 million in 1Q16, 5.3% higher than in 1Q15</p>
<p>Conservative approach to credit</p>	<p>Expanded credit portfolio decreased 9.9% in the last 12 months and 5.6% in 1Q16, to R\$ 61.9B</p> <ul style="list-style-type: none"> • CIB drove the portfolio reduction in the 1Q16 (Mar/16: R\$ 28.4B; Dec/15: R\$ 31.9B) • In Consumer Finance, the Vehicles portfolio remained flat in 1Q16, at R\$ 27.7B
<p>Delinquency under control</p>	<p>90-day NPL decreased to 4.6% in Mar/16, against 5.7% in Dec/15</p> <ul style="list-style-type: none"> • <u>Wholesale</u>: 90-day NPL of 2.4% (Dec/15: 5.8%) • <u>Consumer Finance</u>: 90-day NPL of 5.6% (Dec/15: 5.7%). Vehicles' remained stable at 5.3% <p>Strengthening of the balance sheet: Coverage Ratio of 145% in Mar/16, against 117% in Mar/15</p>
<p>Effective cost management</p>	<p>Personnel and administrative expenses decreased 5.1% in relation to 4Q15 and 2.0% over 1Q15</p> <ul style="list-style-type: none"> • Nominal expenses reduction reflects the continuous focus on improving operational efficiency <p>Efficiency Ratio for the last 12 months remains below 40% (Mar/16: 39.1%)</p>

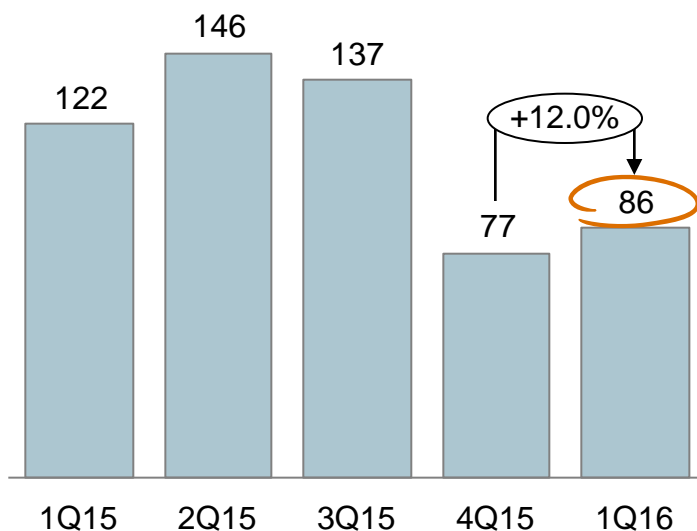
1. Ratio between Net Interest Income and Average Interest-Earning Assets

Net Income of R\$ 86M in 1Q16

Shareholders' equity ended Mar/16 at R\$8,080 million, growth of 6.1% in the quarter

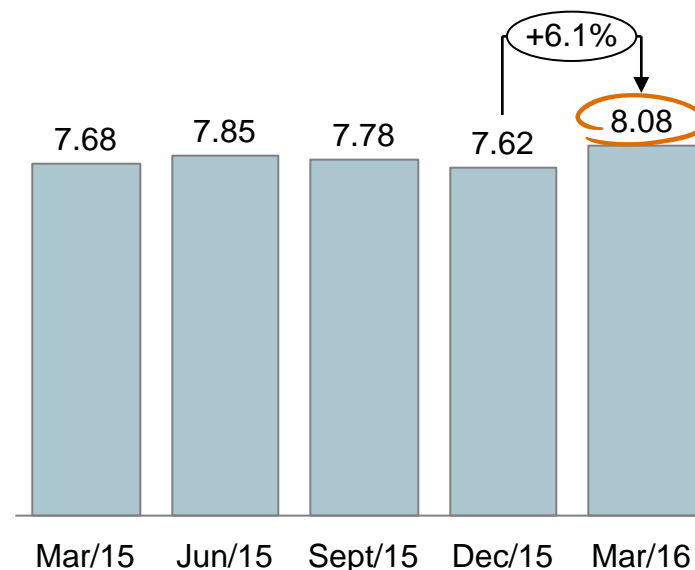
**Net income totaled R\$ 86M in 1Q16,
up 12% over 4Q15**

Net income (R\$M)



**Shareholders' equity grew 6.1% in 1Q16,
ending Mar/16 at R\$ 8.08B**

Shareholders' equity (R\$B)



**Results confirm the progress in our
sustainable earnings growth agenda¹**

1. Earnings growth agenda has three pillars: (i) increase profitability of business, (ii) Increase operational efficiency, and (iii) Strengthen synergies with Banco do Brasil.
Note: in 4Q15, R\$ 114M were provisioned for dividend distribution to shareholders, equivalent to 25% of net income

Highlights of Results

Consistent net income, with consistent revenue generation and nominal cost base reduction

Managerial Income Statement (R\$M)

(R\$ million)	1Q15	4Q15	1Q16	Var. 1Q16/4Q15	Var. 1Q16/1Q15
Net Interest Income (A)	1,178	1,098	1,233	12.3%	4.7%
ALL expenses ¹ (B)	(417)	(453)	(508)	12.0%	21.6%
Net Financial Margin (A+B)	761	645	726	12.5%	-4.6%
Operating Income/Expenses	(540)	(543)	(551)	1.4%	2.1%
Income from Services and Banking Fees	243	266	257	-3.6%	5.6%
Personnel and Administrative expenses	(588)	(607)	(576)	-5.1%	-2.0%
Tax expenses	(132)	(88)	(96)	8.2%	-27.6%
Equity in Income of Associated Companies and Subsidiari	38	40	43	7.4%	13.2%
Other Operating Income/Expenses	(100)	(153)	(178)	16.4%	77.9%
Operating Income (Loss)	221	102	175	71.7%	-20.9%
Non-Operating Income (Loss)	(3)	(2)	(0)	-77.6%	-85.4%
Income Tax and Profit Sharing	(96)	(23)	(88)	-	-8.2%
Net Income	122	77	86	12.0%	-29.3%

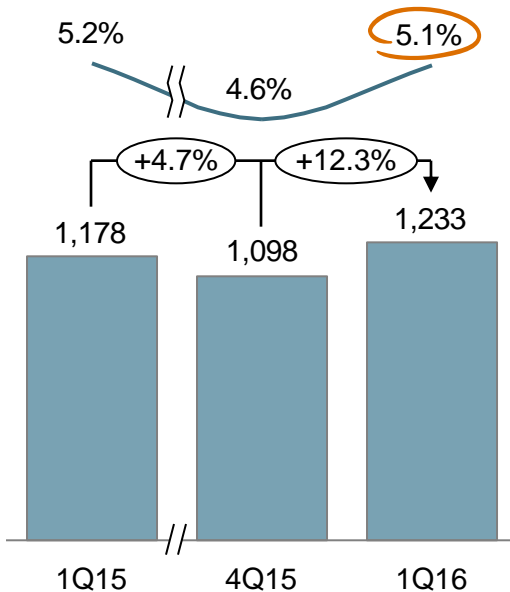
1. Allowance for Loan Losses (ALL), net of revenues from recovery of written-off loans.

Consistent revenue generation

Net Interest Income (NII) grew in 1Q16, despite the credit portfolio reduction

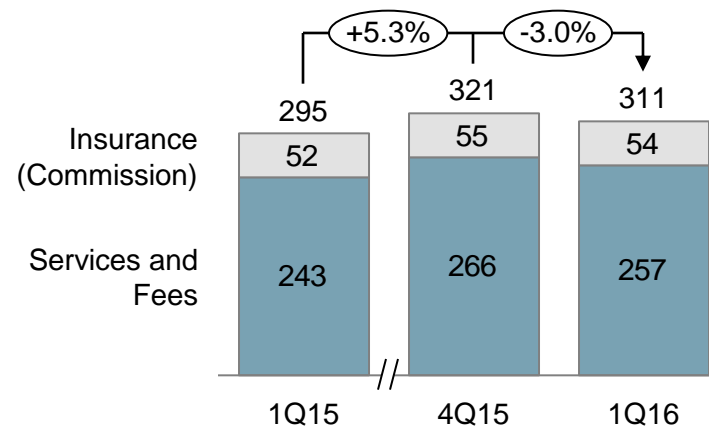
NIM reached 5.1% in 1Q16, driven by growth in NII

Net Interest Income (R\$M) e NIM¹ (% p.y.)

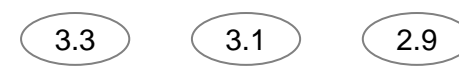


Income from Services grew QoQ, despite the decrease in auto finance origination

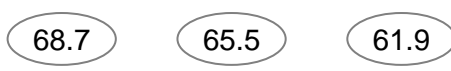
Income from Services, Fees and Insurance⁴ (R\$M)



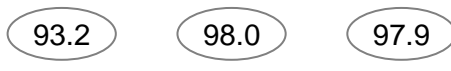
Auto finance origination (R\$B)



Expanded credit portfolio² (R\$B)



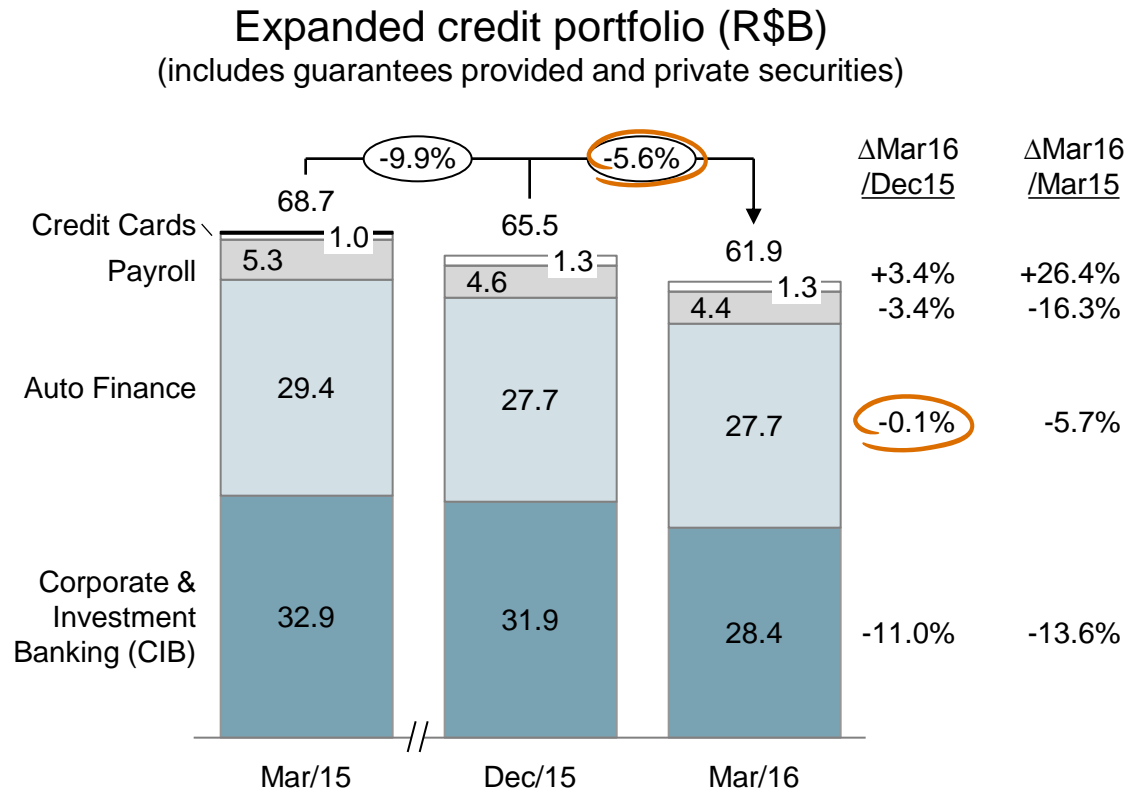
Average interest-earning assets³ (R\$B)



1. Ratio between Net Interest Income and Average Interest-Earning Assets; 2. Includes guarantees provided and private securities; 3. Sum of reserve requirements, interbank transactions, securities and loan portfolio; 4. Result of the stake in Votorantim Corretora de Seguros (insurance brokerage) is recognized using the equity method.

Maintenance of the conservative approach to credit

Total credit portfolio decreased 5.6% in 1Q16, while the Vehicles portfolio remained flat



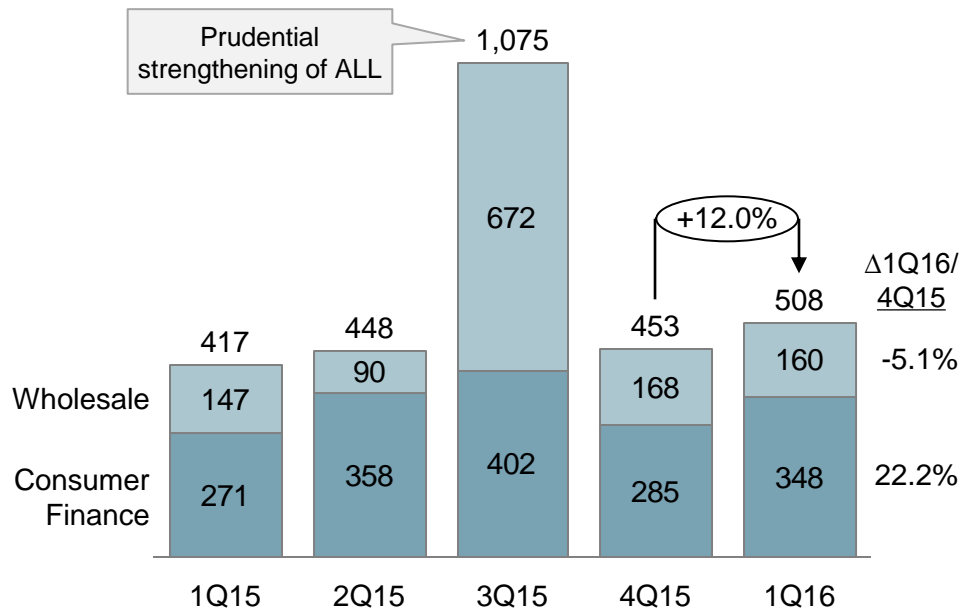
Focus on profitability (vs. asset growth)

Strengthening of the balance sheet over the past 12 months

Coverage ratio reached 145% in Mar/16, versus 117% in Mar/15

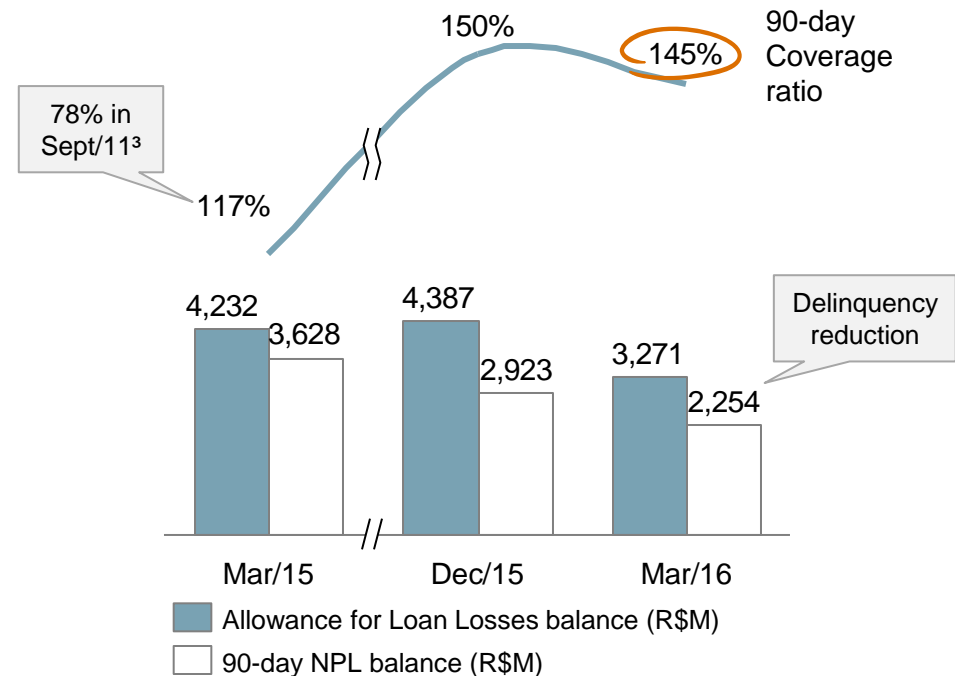
Credit provision expenses grew 12% in relation to 4Q15

Credit provision expenses – ALL¹ (R\$M)



90-day CR remains in conservative level, ending Mar/16 at 145%

90-day Coverage Ratio² (%) – Managed portfolio

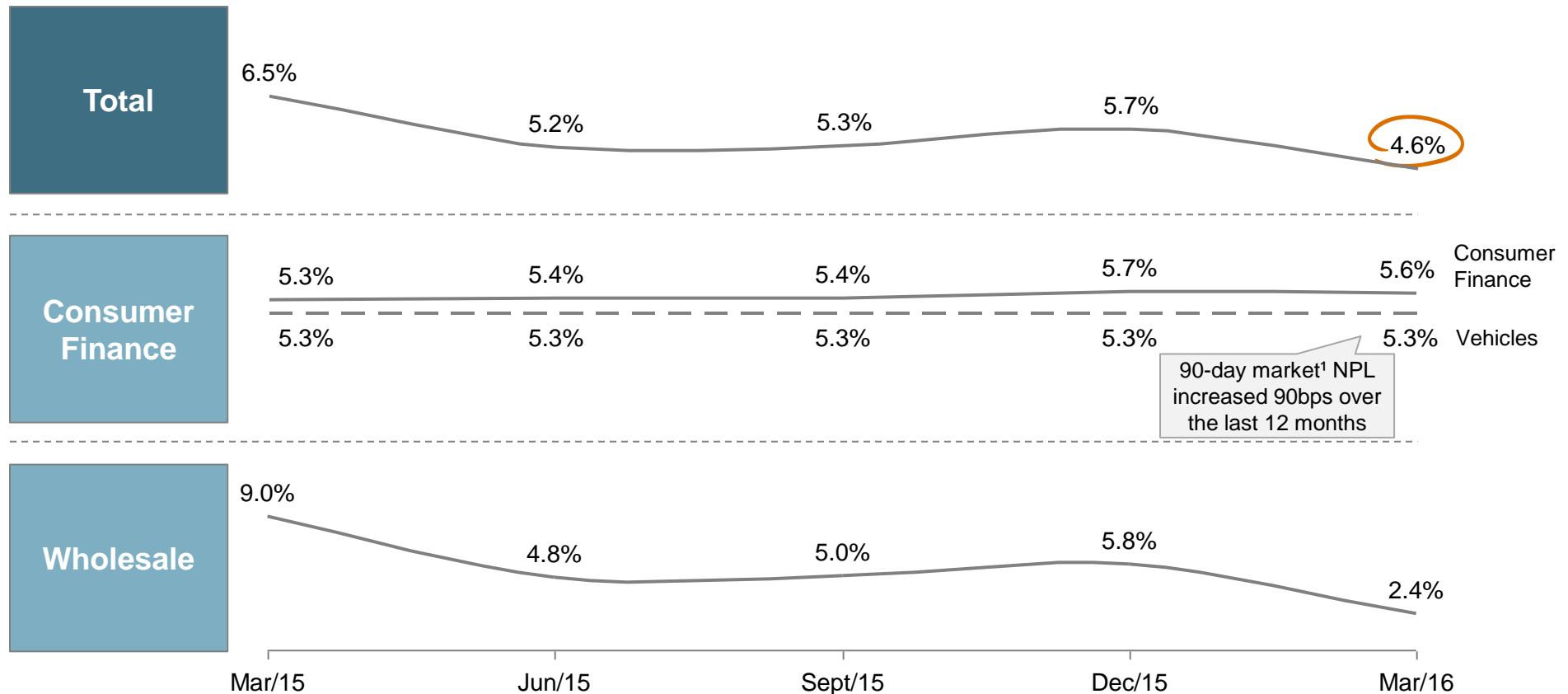


1. Allowance for Loan Losses, net of income from recovery of written-off loans; 2. Ratio between the balance of ALL and the balance of loans past due over 90 days; 3. Beginning of Banco Votorantim's adjustment process, which was concluded in 2014.

90-day NPL down to 4.6% in Mar/16 (5.7% in Dec/15)

Vehicles' delinquency remains stable in 5.3%, while the market indicator¹ rose 90 bps against Mar/15

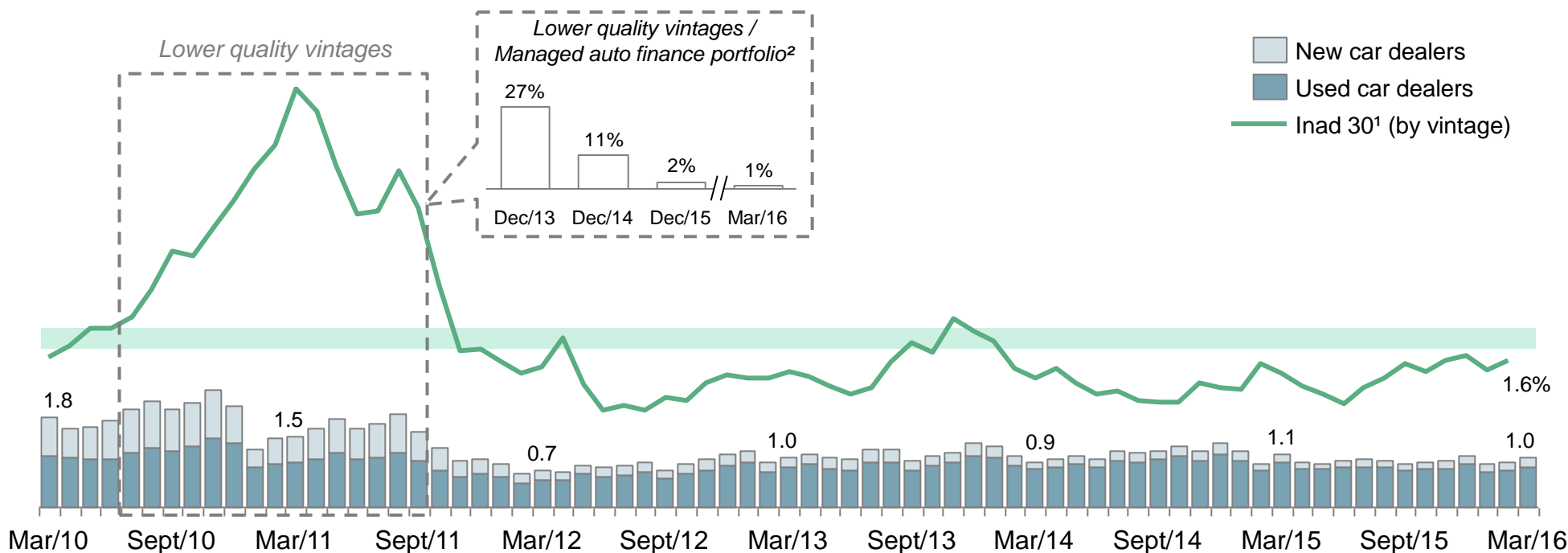
90-day NPL / Managed loan portfolio (%)



1. National Financial System. 90-day NPL obtained in the historical series released on the Central Bank website.

Auto finance: maintenance of quality in auto finance origination, focusing on used cars

Auto Finance – Origination by channel (R\$B) and first payment default by vintage – Inad 30¹ (%)



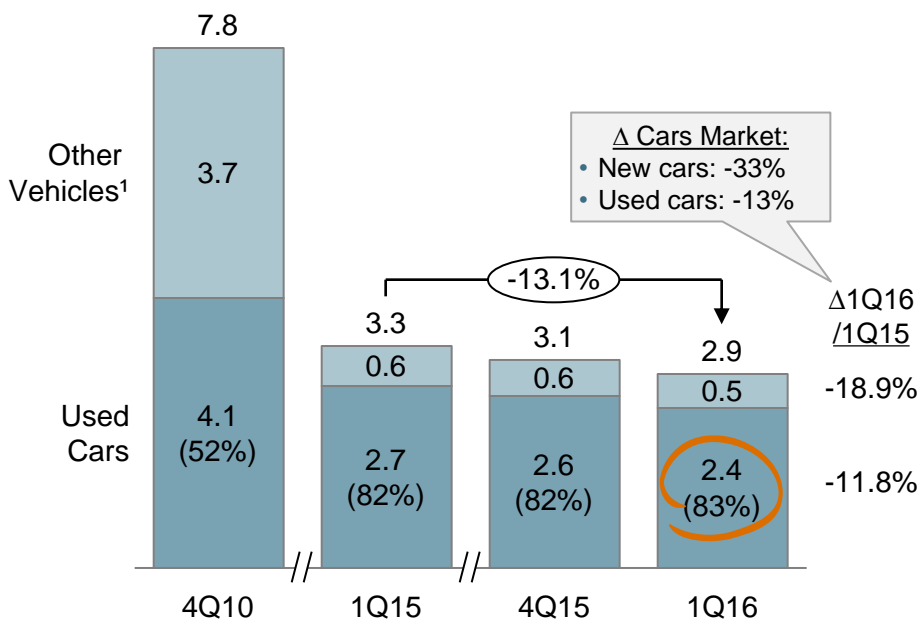
Origination with better quality has contributed to the favorable trend in delinquency

1. First payment default, or % of each month's production with first installment past due over 30 days; 2. Includes securitization with substantial risk retention before Res. 3,533

Auto finance: greater focus on used cars and maintenance of tight credit origination standards

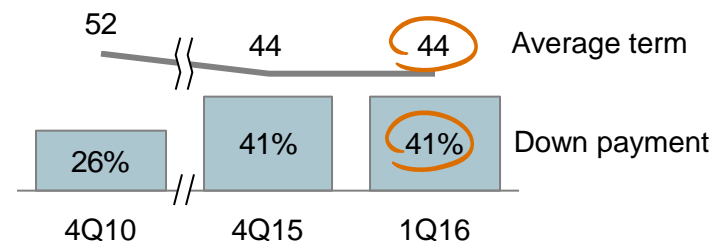
Greater focus on used cars, which represented 83% of 1Q16 origination

Origination of auto loans (R\$B)

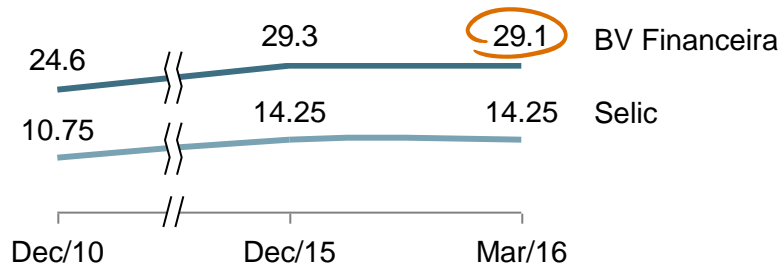


Maintenance of conservative lending standards

Down payment (%) and Average term (months)



Auto finance interest rate x Selic² rate (% p.y.)



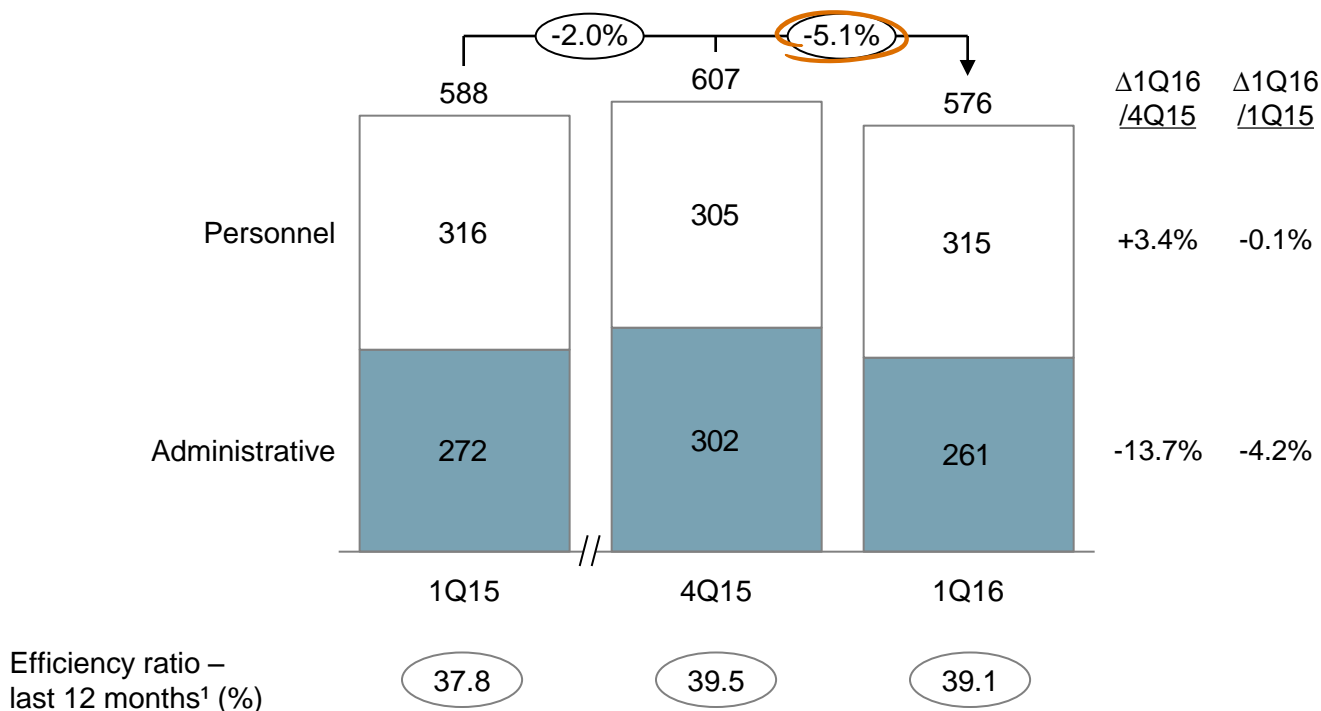
Banco Votorantim is one of the leading players in the auto financing market

1. New cars, trucks and motorcycles; 2. Benchmark interest rate (Central Bank).
 Note: In Mar/16, the average ticket size was R\$ 20,000, and the average vehicle age was 4.8 years (portfolio)

Nominal cost base reduction

Administrative and personnel expenses decreased 5.1% over 4Q15 and 2.0% compared to 1Q15

Personnel and administrative expenses (R\$M)



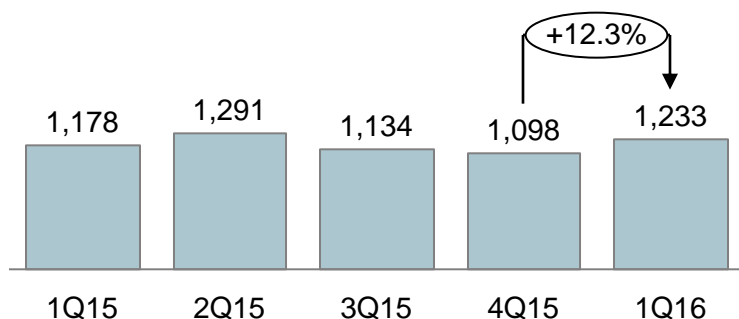
1. Excludes expenses with labor lawsuits. Note: The IPCA price index reached 9.4% in the last 12 months. In 1Q16, labor lawsuits summed up R\$ 106 million against R\$ 79 million in the 4Q15. Excluding labor claims, personnel and administrative expenses would have decreased 7.4% in 1Q16/4Q15.

Summary: Net Income of R\$ 86M in 1Q16

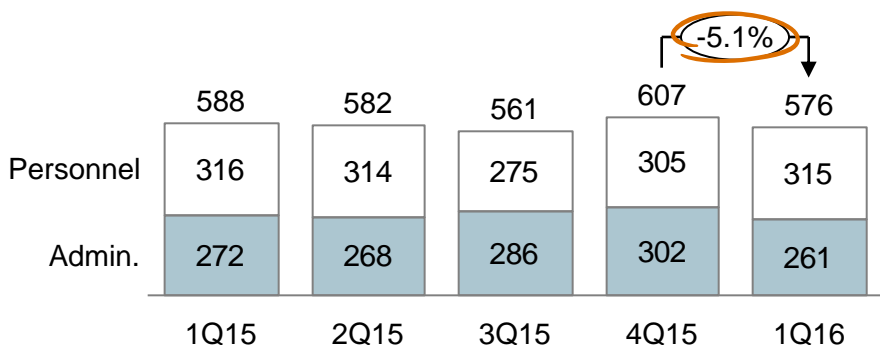
Highlight to the Net Margin growth and cost base reduction

R\$ million

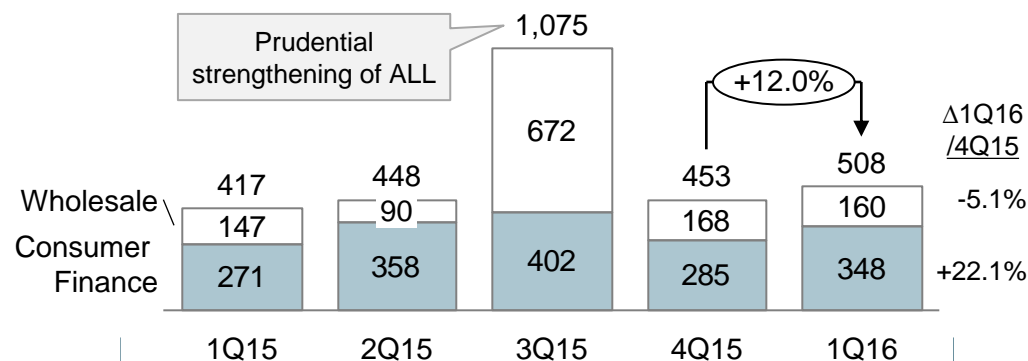
Net Interest Income (NII)



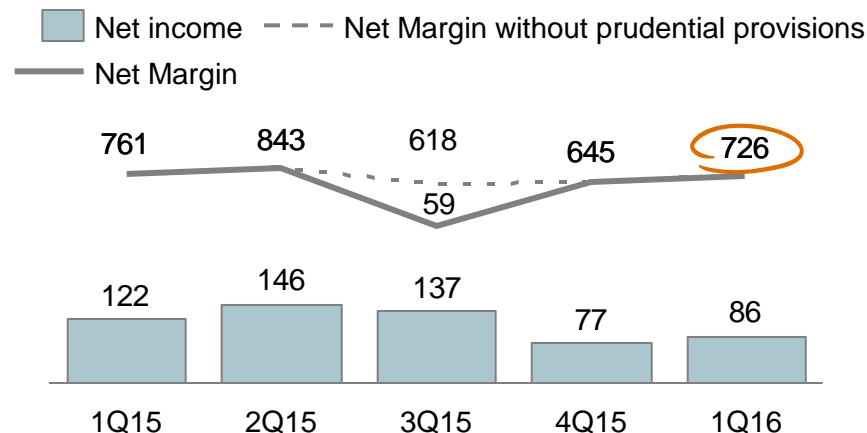
Personnel and Administrative expenses



Credit provision expenses – ALL



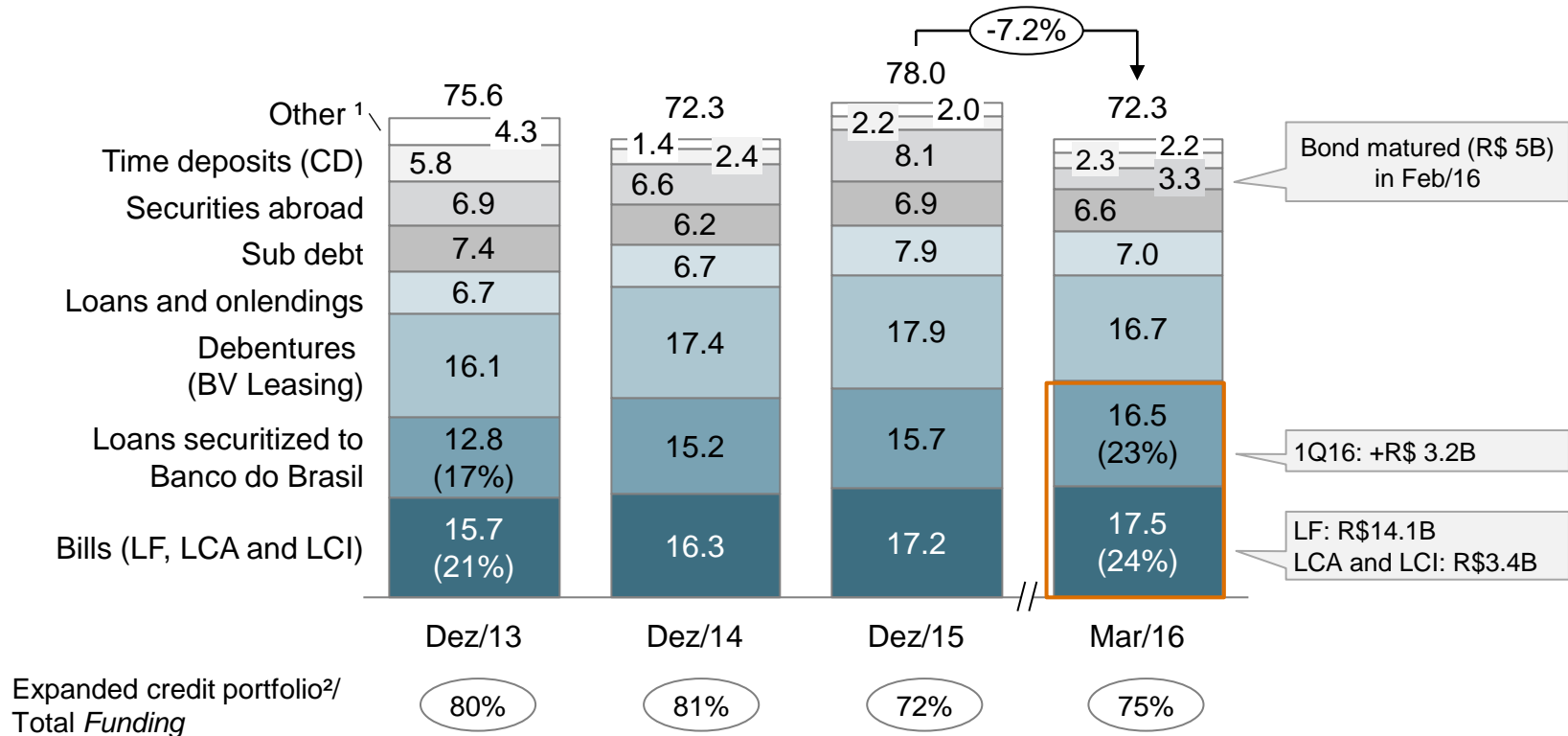
Net Income and Net Margin (post provisions)



Funding profile improved over the last years

Bills and Credit Assignments accounted for 47% (R\$ 34.0B) out of the total funding sources

Funding evolution (R\$ billions)



Additionally, Banco Votorantim has a stand-by credit facility of ~R\$7B from BB, which has never been tapped

1. Includes cash and interbank deposits and Structured finance certificates ("COEs"); 2. Excludes guarantees provided.
Note: International funding is 100% hedged for BRL

Basel Ratio of 14.4% in Mar/16

Tier I Capital rose to 9.7%, entirely composed of Common Equity

BASEL RATIO (R\$ Million)	Mar.15	Dec.15	Mar.16
Total Capital	10,523	10,742	9,742
Tier I Capital	6,873	6,686	6,587
Common Equity Tier I	6,873	6,686	6,587
Additional Tier I	-	-	-
Tier II Capital	3,651	4,056	3,155
Risk Weighted Assets (RWA)	76,289	70,549	67,714
Credit risk	68,988	62,926	59,714
Market risk	2,894	2,843	1,984
Operational risk	4,407	4,780	6,016
Minimum Capital Requirement	8,392	7,760	6,687
Basel Ratio (Capital/RWA)	13.8%	15.2%	14.4%
Tier I Capital Ratio	9.0%	9.5%	9.7%
Common Equity Tier I Ratio	9.0%	9.5%	9.7%
Additional Tier I Ratio	-	-	-
Tier II Capital Ratio	4.8%	5.8%	4.7%

Note: In 2016, the minimum capital requirement was changed to 10.50% (11.00% in 2015), including 0.63% for maintenance capital.

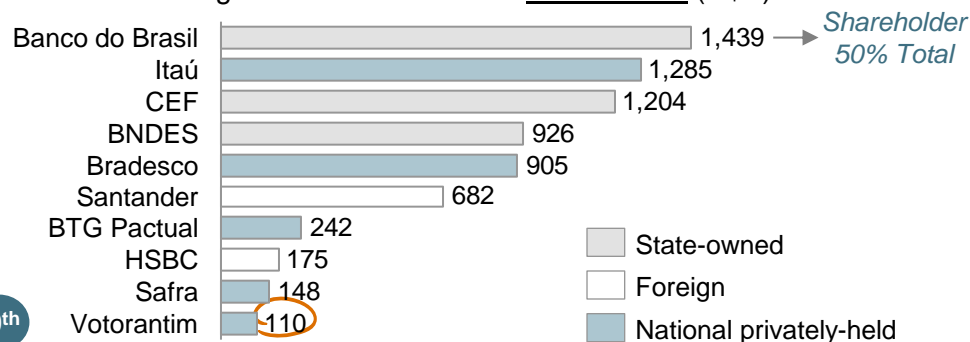
Appendix

Banco Votorantim is one of the leading banks in Brazil

“Top 10” in total assets, with strong shareholders and shared governance

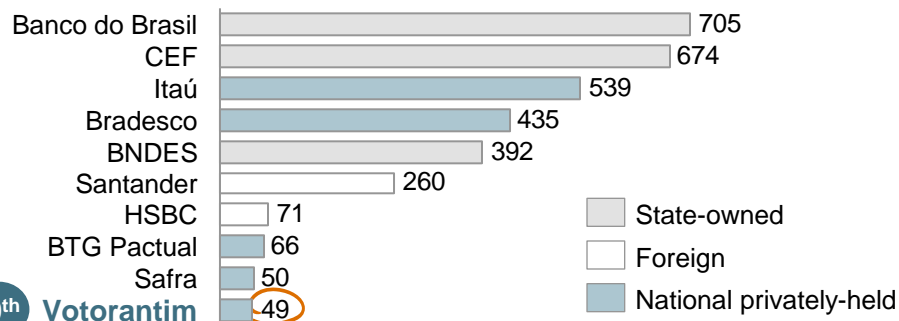
Banco Votorantim is one of the largest privately-held Brazilian banks in total assets...

10 largest Banks in Dec/15 - Total Assets (R\$B)

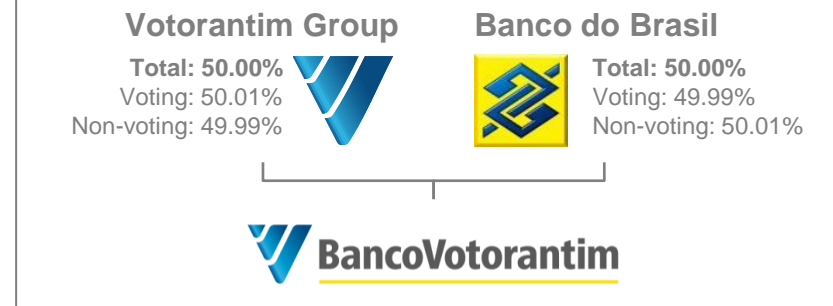


...and also in terms of loan portfolio

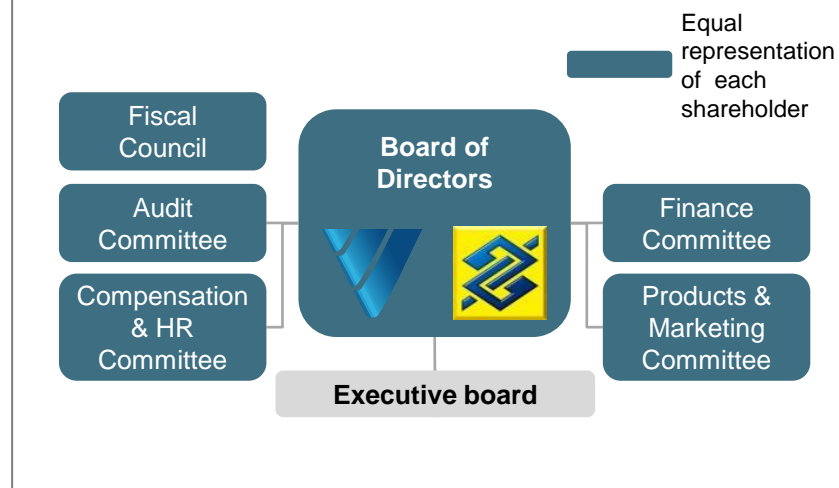
10 largest Banks in Dec/15 – Loan Portfolio¹ (R\$B)



Ownership Structure



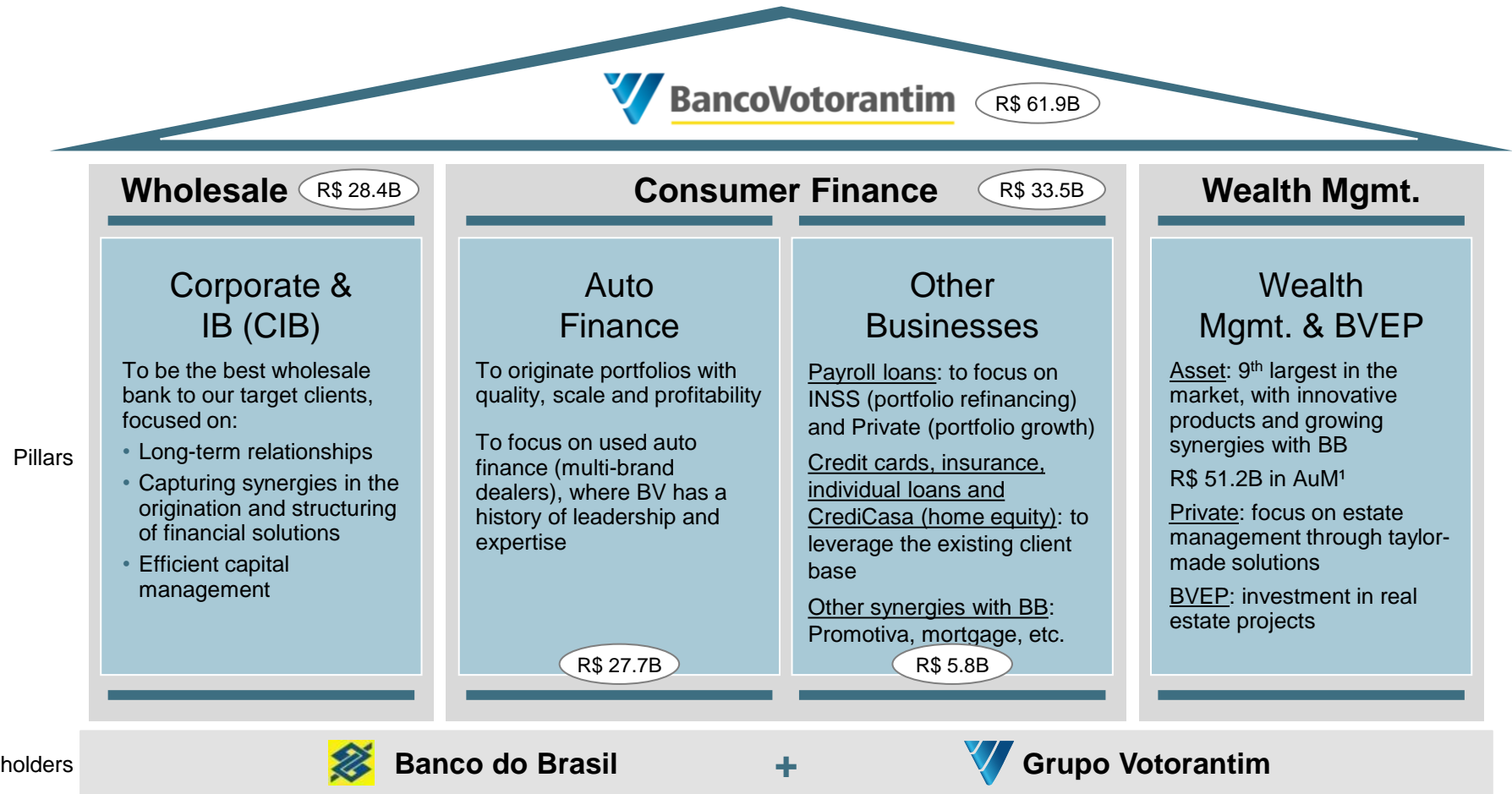
Corporate Governance Structure



1. On-balance loan portfolio according to Bacen's Resolution 2,682

Diversified business portfolio

Focus on increasing business profitability, operating efficiency and synergies with BB



○ Expanded² credit portfolio

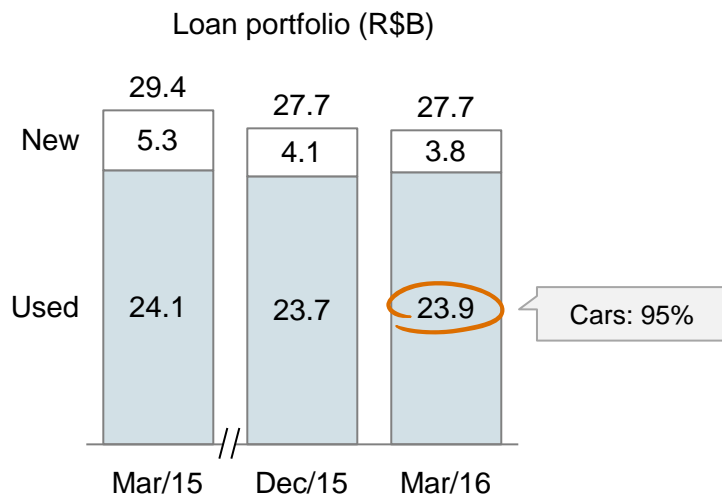
1. Assets under management 2. Includes guarantees provided by the Bank and private securities

Note: In Mar/16, the outstanding volume of loans (off-balance) securitized with recourse prior to Resolution 3,533 totaled R\$ 0.1B (versus R\$ 0.3B in Dec/15)

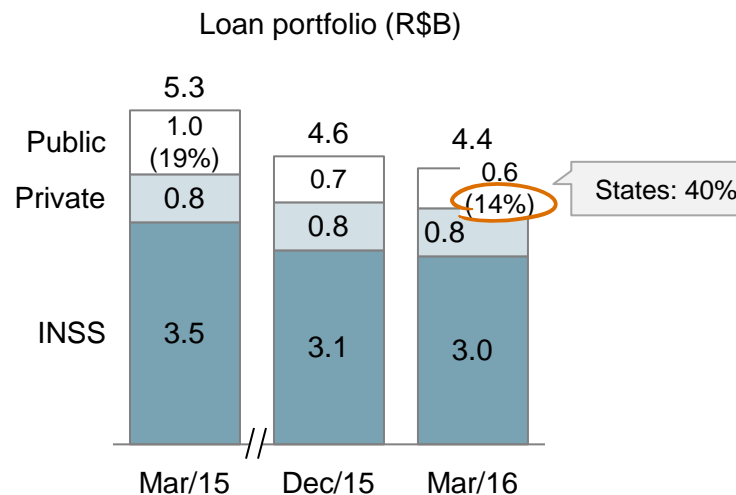
Consumer Finance: increased focus on used auto finance and INSS payroll loans (retirees and pensioners)

Consumer Finance Businesses

Auto Finance



Payroll Loans



Among market leaders in auto financing, with the following advantages:

- Capillarity: presence in ~13,000 car dealerships nationwide
- Agility: 84% of proposals with automatic credit decision
- Expertise: continuous improvement of management tools (pricing, credit, collection etc.)
- Long-term relationship: first access to customer record

Focus on refinancing the INSS payroll loan portfolio (retirees and pensioners)...

...and on increasing the private payroll loan portfolio

Selective operation in public payroll agreements

Continuous improvement of management tools (pricing, credit, collection etc.)

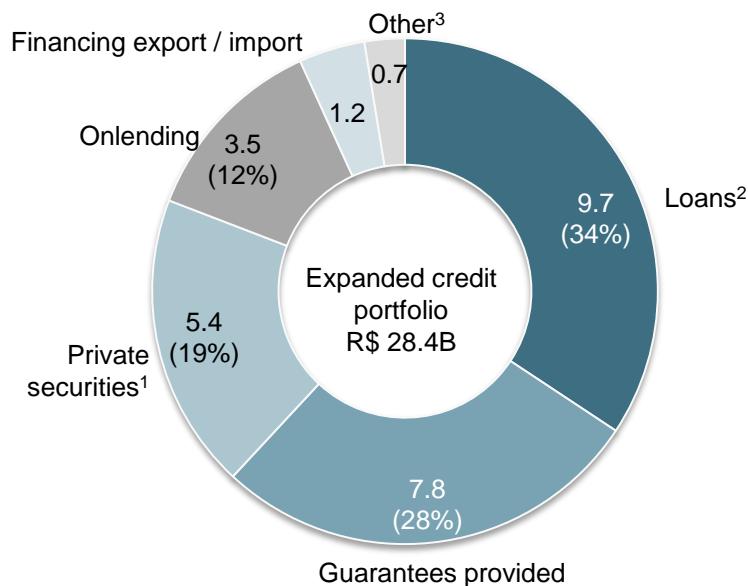
Wholesale: continued focus on improving return on capital and on strengthening the product portfolio

Wholesale Business

Corporate & Investment Bank (CIB)

Highlights and strategy

Expanded credit portfolio (R\$B e %)



Additional strengthening of the balance sheet

- Prudential strengthening of credit provisions in view of the uncertainties of the macroeconomic scenario
- 90-day Coverage Ratio exceeds 200%

Conservative approach to credit

- Focus on profitability (vs. asset growth)

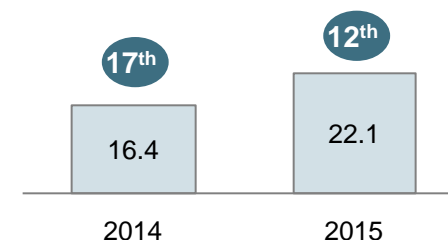
Increased relevance of BV to its target clients

- Focus on 400 Corporate groups with credit exposure and better risk profile, plus Financial Institutions

Exit of non-core clients

Focus on capturing synergies in the origination and structuring of Credit, IB, Derivatives and FX

FX Ranking⁴ – Traded Volume (US\$ B)



Diversified portfolio of wholesale products

1. Includes debentures and promissory notes; 2. Includes export credit notes, working capital and Loan Offshore; 3. Rural Financing e Advances on Exchange Contracts; 4. Ranking published by the Brazilian Central Bank. Only considers Primary Market.

Balance Sheet

BALANCE SHEET Assets (R\$ Million)	Mar.15	Dec.15	Mar.16	Variation %	
				Mar.16/Dec.15	Mar.16/Mar.15
CURRENT AND LONG-TERM ASSETS	105,142	109,698	108,890	(0.7)	3.6
Cash and cash equivalents	124	180	210	16.6	69.7
Interbank funds applied	14,743	17,187	17,030	(0.9)	15.5
Securities and derivative financial instruments	27,236	30,424	31,117	2.3	14.3
Derivative financial instruments	2,227	2,550	2,929	14.9	31.5
Interbank accounts or relations	67	72	442	-	-
Loan Operations, Leases and Others receivables	53,646	51,138	48,363	(5.4)	(9.8)
Allowance for loan losses	(4,144)	(4,152)	(3,046)	(26.6)	(26.5)
Tax credit	6,825	7,833	7,273	(7.1)	6.6
Others	4,419	4,466	4,572	2.4	3.4
NON-CURRENTS	369	522	417	(20.1)	13.0
Investments	195	324	216	(33.4)	11.1
Fixed assets	101	97	98	0.8	(3.1)
Intangible and deferred charges	73	100	103	2.8	40.4
TOTAL ASSETS	105,511	110,221	109,307	(0.8)	3.6
BALANCE SHEET Liabilities (R\$ Million)	Mar.15	Dec.15	Mar.16	Variation %	
				Mar.16/Dec.15	Mar.16/Mar.15
CURRENT AND LONG-TERM LIABILITIES	97,803	102,556	101,186	(1.3)	3.5
Deposits	4,928	4,206	4,491	6.8	(8.9)
Demand deposits	86	81	78	(4.5)	(9.5)
Interbank deposits	1,636	1,933	2,086	8.0	27.5
Time deposits	3,206	2,192	2,327	6.1	(27.4)
Money market borrowings	29,227	32,800	36,653	11.7	25.4
Acceptances and endorsements	24,409	25,323	20,860	(17.6)	(14.5)
Interbank accounts	177	83	35	(58.2)	(80.3)
Borrowings and onlendings	7,500	7,893	7,032	(10.9)	(6.2)
Derivative financial instruments	2,746	2,914	2,776	(4.7)	1.1
Others obligations	28,816	29,337	29,339	0.0	1.8
Subordinated debts	7,079	6,928	6,648	(4.0)	(6.1)
Credit transactions subject to assignment	15,873	15,677	16,538	5.5	4.2
Others obligations	5,863	6,732	6,153	(8.6)	4.9
DEFERRED INCOME	29	48	41	(14.5)	40.0
SHAREHOLDERS' EQUITY	7,679	7,617	8,080	6.1	5.2
TOTAL LIABILITIES	105,511	110,221	109,307	(0.8)	3.6

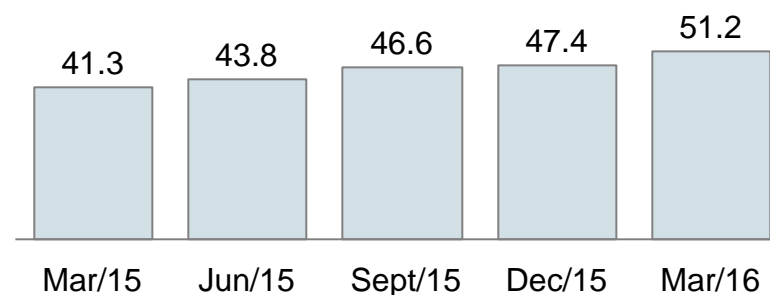
Financial highlights

R\$ billion

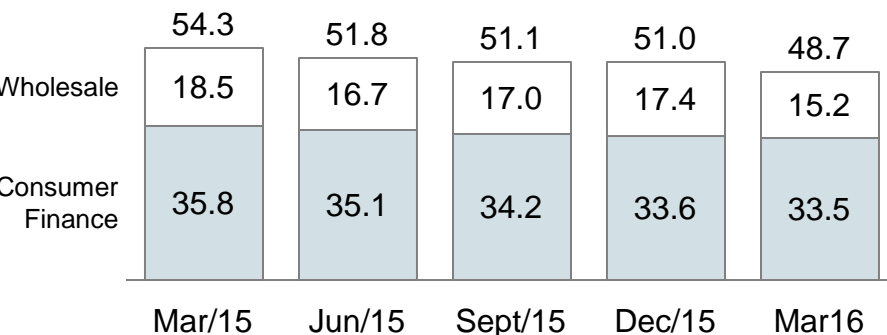
Total Assets



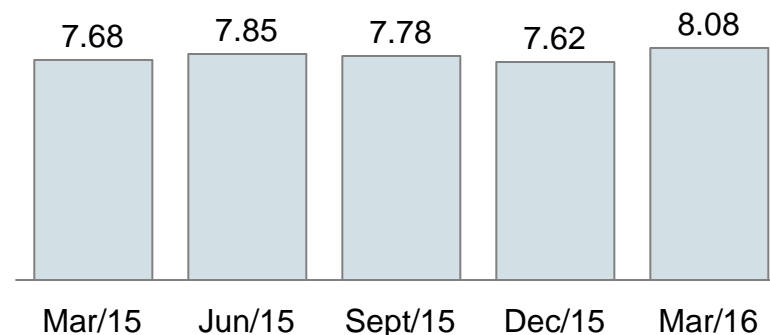
Assets under Management¹



On-balance loan portfolio



Shareholders' Equity



1. Includes onshore funds (ANBIMA criteria) and private clients resources.

Net Interest Margin (NIM)

NET INTEREST MARGIN (NIM) (R\$ million)	1Q15	4Q15	1Q16	Var. 1Q16/4Q15	Var. 1Q16/1Q15
Net Interest Income (A)	1,178	1,098	1,233	12.3%	4.7%
Average Interest-Earning Assets (B)	93,183	98,020	97,909	-0.1%	5.1%
Compulsory Reserves (Bacen)	48	24	206	-	-
Interbanks Funds Applied	11,059	16,689	17,109	2.5%	54.7%
Securities	28,184	30,258	30,771	1.7%	9.2%
Loan Portfolio	53,892	51,049	49,823	-2.4%	-7.5%
NIM (A/B)	5.2%	4.6%	5.1%	0.5 p.p.	-0.1 p.p.

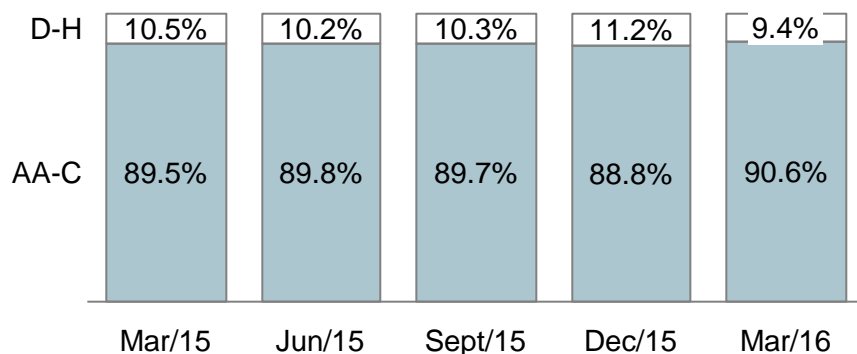
Efficiency Ratio

EFFICIENCY RATIO (ER) (R\$ million)	1Q15	4Q15	1Q16	Var. 1Q16/4Q15	Var. 1Q16/1Q15
Total Personnel¹ and Administrative expenses (A)	493	528	470	-11.0%	-4.8%
Total Revenues (B)	1,358	1,251	1,354	8.3%	-0.3%
Net Interest Income (NII)	1,178	1,098	1,233	12.3%	4.7%
Fee/Banking Fee Income	243	266	257	-3.6%	5.6%
Equity in Income of Associated Companies and Subsidiaries	38	40	43	7.4%	13.2%
Other Operating Income/Expenses	(100)	(153)	(178)	16.4%	77.9%
Efficiency Ratio (A/B) - period	36.3%	42.2%	34.7%	-7.5 p.p.	-1.6 p.p.
Efficiency Ratio - last 12 months	37.8%	39.5%	39.1%	-0.4 p.p.	1.3 p.p.

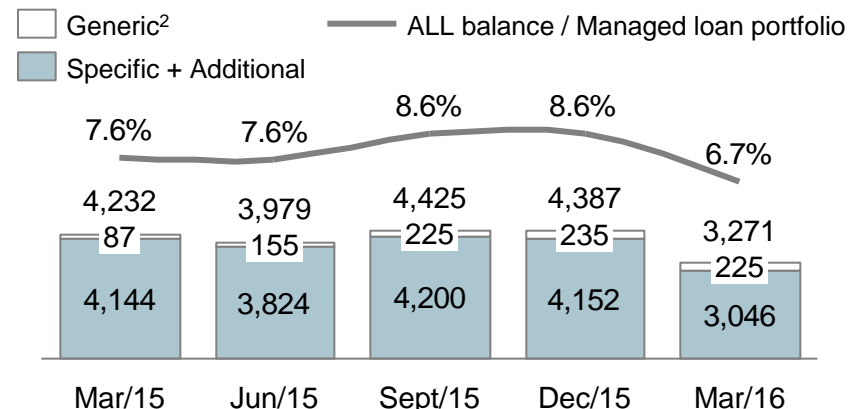
1. Excludes expenses with labor lawsuits

Credit quality indicators

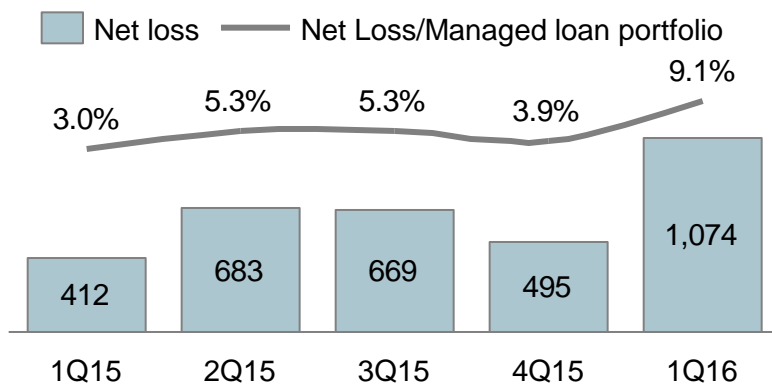
Managed loan portfolio rated by risk level¹ (%)



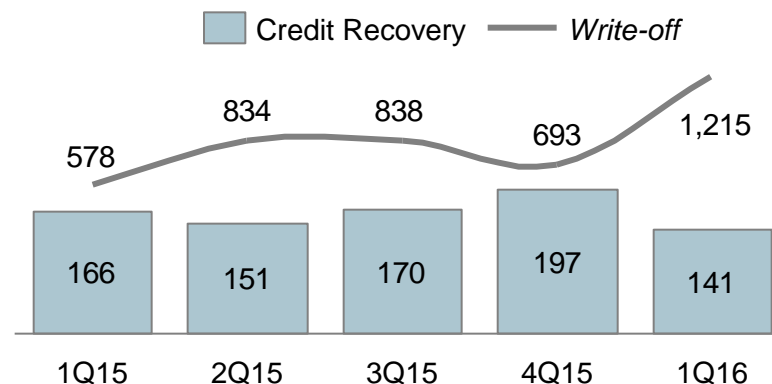
ALL Balance (R\$M)



Net Loss (R\$M)



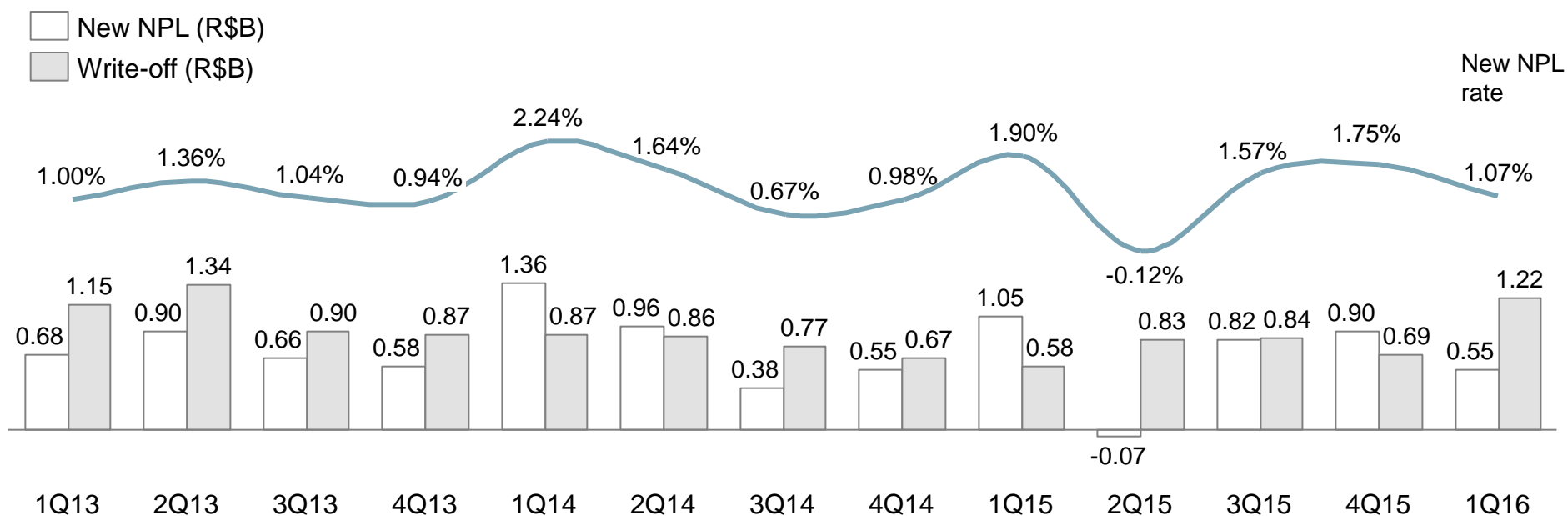
Credit Recovery (R\$M)



1. According to Bacen's Resolution 2,682; 2. Considers balance of R\$ 225M of "generic" credit provisions recognized as Liabilities in the "Other" line (see Note #19d of 1Q16 Financial Statements)

New NPL rate

NEW NPL (R\$ Million)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16
Managed Loan Portfolio (A)	65,923	63,546	61,281	60,539	58,281	56,806	55,712	55,231	55,422	52,505	51,576	51,250	48,799
90-day NPL Balance	4,056	3,616	3,373	3,081	3,563	3,662	3,273	3,154	3,628	2,727	2,712	2,923	2,254
90-day NPL Quarterly Variation (B)	(465)	(439)	(244)	(292)	482	99	(388)	(119)	474	(902)	(14)	211	(669)
Write-off (C)	1,144	1,339	902	869	874	857	771	666	578	834	838	693	1,215
New NPL (D=B+C)	680	900	659	578	1,356	955	383	547	1,052	(67)	823	903	546
New NPL Rate ¹ (D/A)	1.00%	1.36%	1.04%	0.94%	2.24%	1.64%	0.67%	0.98%	1.90%	-0.12%	1.57%	1.75%	1.07%



1. Variation in the balance of 90-day NPL balance + loans written-off to loss in the quarter, divided by loan portfolio by the end of the immediately preceding quarter

Wholesale has a diversified credit portfolio

Top 20 sectors account for 85% of the Wholesale credit exposure

Wholesale - Sectoral concentration	Mar.15		Dec.15		Mar.16	
	R\$M	Part.(%)	R\$M	Part.(%)	R\$M	Part.(%)
Financial Institutions	4,297	17.1%	5,229	21.5%	3,800	17.3%
Sugar and Ethanol	2,522	10.0%	2,153	8.9%	2,033	9.2%
Telecom	1,687	6.7%	1,675	6.9%	1,568	7.1%
Petrochemical	1,310	5.2%	1,684	6.9%	1,558	7.1%
Retail	1,234	4.9%	1,313	5.4%	1,440	6.5%
Agribusiness	1,375	5.5%	1,001	4.1%	908	4.1%
Mining	480	1.9%	1,006	4.1%	889	4.0%
Railways	705	2.8%	771	3.2%	810	3.7%
Electricity Generation	777	3.1%	683	2.8%	751	3.4%
Government	600	2.4%	401	1.7%	616	2.8%
Pulp and Paper	662	2.6%	755	3.1%	606	2.8%
Road Cargo Transportation	649	2.6%	533	2.2%	527	2.4%
Residential Construction	628	2.5%	522	2.1%	462	2.1%
Electricity Distribution	309	1.2%	461	1.9%	448	2.0%
Food Industry	314	1.2%	314	1.3%	423	1.9%
Heavy Construction	749	3.0%	472	1.9%	401	1.8%
Oil & Gas	772	3.1%	401	1.7%	401	1.8%
Automotive	533	2.1%	404	1.7%	391	1.8%
Services	713	2.8%	414	1.7%	304	1.4%
Slaughterhouses	460	1.8%	284	1.2%	292	1.3%
Other sectors	4,422	17.5%	3,823	15.7%	3,378	15.4%
Total¹	25,198	100.0%	24,300	100.0%	22,005	100.0%

1. Numbers exclude private securities and are net of credit provisions. Note: Does not consider application of Credit Conversion Factor of 50% in transactions relating to some specific guarantees provided.

Banco Votorantim' s main ratings

RATING AGENCIES		International		National	Brazil Sovereign rating
		Domestic	Foreign	Domestic	
Fitch Ratings	Long-term	BB-		AA+(bra)	BB
	Short-term	B		F1+(bra)	
Standard & Poor's	Long-term	BB		brA+	BB
	Short-term	B		brA-1	
Moody's	Long-term	Ba2	Ba3	Aa3.br	Ba2
	Short-term	NP	NP	BR-1	