



Earnings Presentation

3rd Quarter, 2013

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Results maintained trajectory of gradual improvement

3Q13 Highlights

Consistent revenue generation

Net Interest Income (NII) increased 3.8% (R\$42M) compared to 2Q13, reaching R\$1,154M

- 4.6% p.y. Net Interest Margin¹ (NIM) in 3Q13, an improvement of 30 bps vs. 2Q13

Fee Income² grew 1.8% vs. 2Q13, amounting to R\$257M in 3Q13

Improved quality of the portfolio

Maintenance of quality and scale in Auto Finance origination

- Better quality vintages reached 67% of the auto finance managed loan portfolio (62% in June/13)

NPL 90 reduced to 5.5% in Sept/13 – improvement of 20 bps in the quarter and 190 bps in 12 months

ALL reduction

Allowance for Loan Losses (ALL) expenses³ reduced 26.4% (R\$253M) vs. 2Q13, totaling R\$706M

- Comparing 9M13/9M12, there was a 38.3% total reduction and 48.0% (R\$1.8B) in Consumer Finance
- 90-day Coverage Ratio reached 117% in Sept/13 (June/13: 111%; Sept/12: 93%)**

Net Financial Margin increase

Net Financial Margin tripled when compared to 2Q13, amounting to R\$448M in 3Q13

- Net Financial Margin growth resulted from both NII increase and continuous ALL reduction

Cost base under control

Personnel and Administrative expenses increased only 0.4% vs. 2Q13, totaling R\$604M

- It's worth noting that there was a 1.5% reduction in 9M13 (R\$1,800M) vs. 9M12 (R\$1,828M)
 - Excluding expenses with labor claims, the reduction would have been of 4.5% in the period

Results improved R\$37M when compared to 2Q13 (3Q13: R\$-159M; 2Q13: R\$-196M)

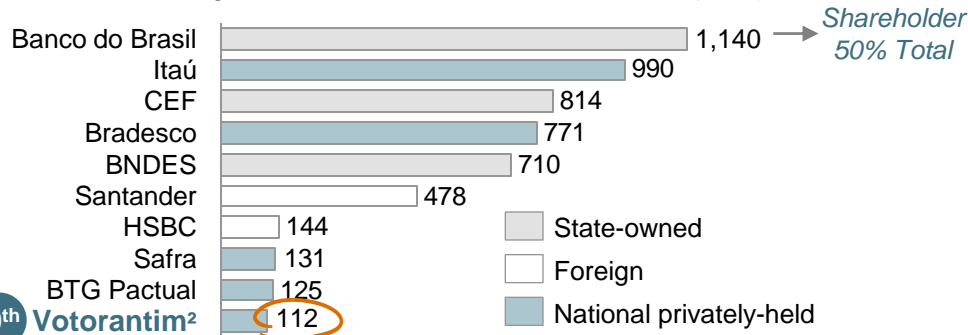
1. Ratio between Net Interest Income and Average Interest-Earning Assets; 2. Includes Banking Fees; 3. Net of income from the recovery of written-off loans; includes ALL expenses of the portfolios assigned with recourse

Banco Votorantim is one of the leading banks in Brazil

“Top 10” in total assets, with diversified business portfolio and robust shareholder base

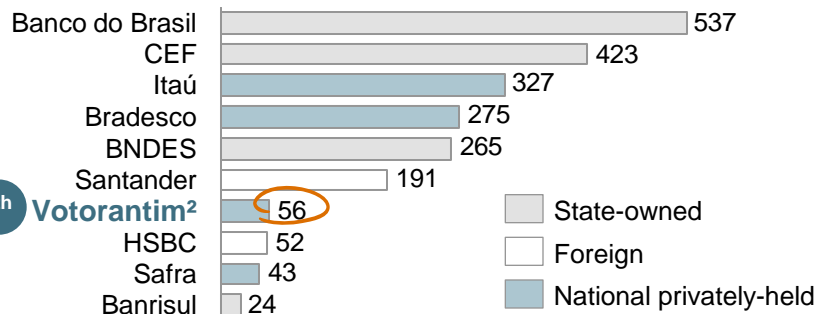
Banco Votorantim is one of the largest privately-held Brazilian banks in total assets...

10 largest banks in June/13 - Total Assets (R\$B)¹



...and also in terms of loan portfolio...

10 largest banks in June/13 - Loan Portfolio (R\$B)¹



...and is well positioned to capture additional business opportunities

Diversified business portfolio

- Wholesale Banking
 - Relevant position in credit for large enterprises
- Consumer Finance
 - Among market leaders in auto finance
 - 7th largest player in payroll loans³
 - 5.6 million customers
- Wealth Management
 - 9th largest asset manager by Anbima’s ranking

Strong shareholder base, committed to the institution

- Votorantim Group and Banco do Brasil

Strategic partnership with Banco do Brasil

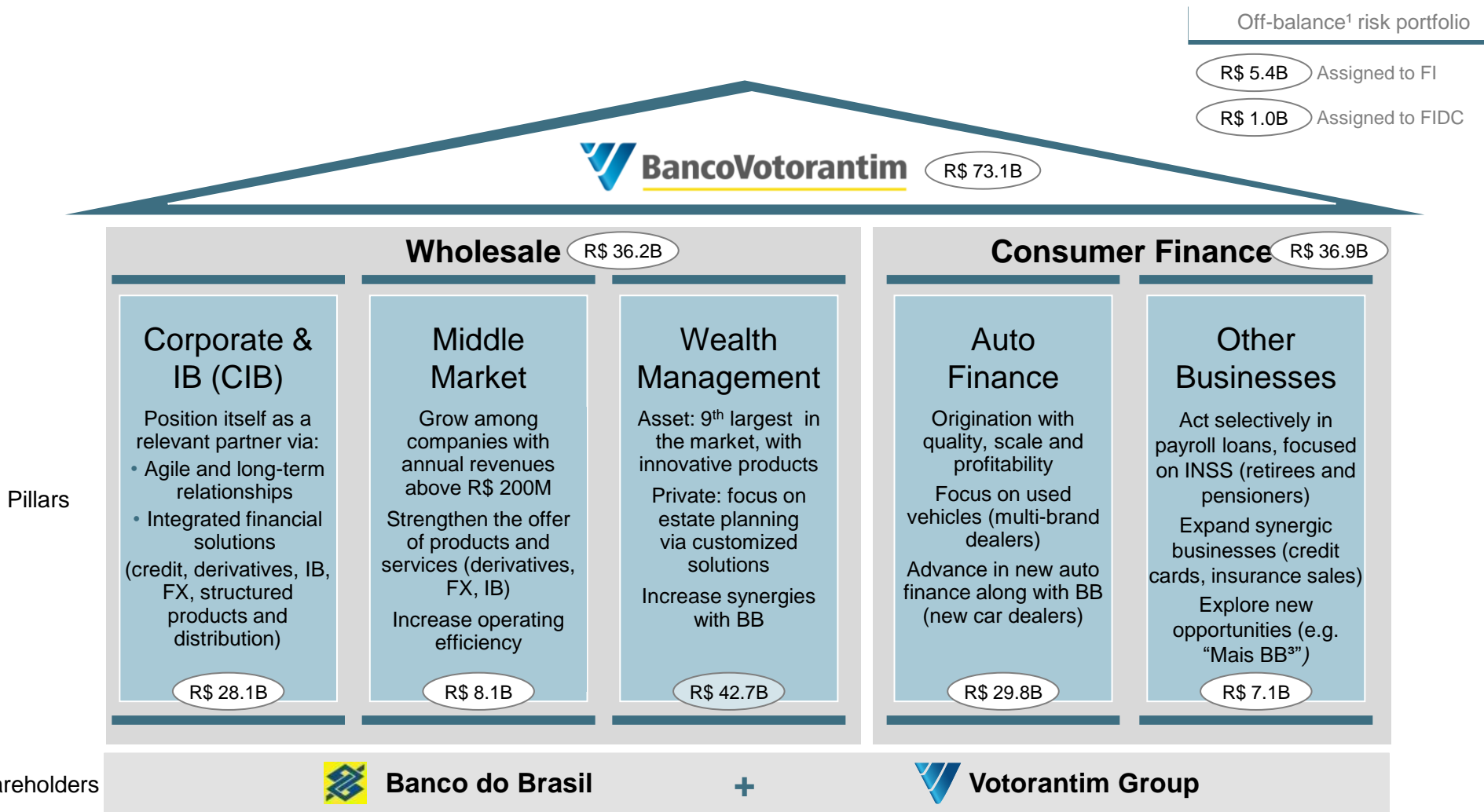
Low fixed-cost business model in Consumer Finance

- Third-party distribution (vs. branches)

1. Sept/13 information unavailable by the preparation of this presentation; 2. On-balance portfolio according to Bacen’s Res. 2,682; 3. Banco Votorantim estimate

Diversified portfolio of Wholesale and Consumer businesses

Focus on profitability while deepening synergies with Banco do Brasil



○ Expanded credit portfolio²
 ○ Assets under Management

1. Securitization with substantial risk retention before entry in force of Bacen's Res. 3,533; 2. Includes guarantees provided and private securities; 3. Commissioned products

Results kept their trajectory of gradual improvement, driven by growth in the Net Financial Margin

INCOME STATEMENT (R\$ Million)	2Q13	3Q13	Var. 3Q13/2Q13		9M12	9M13	Var. 9M13/9M12	
			R\$M	%			R\$M	%
Net Interest Income (A)	1,112	1,154	42	3.8	3,355	3,389	33	1.0
ALL Expenses (B)	(959)	(706)	253	(26.4)	(4,140)	(2,554)	1,586	(38.3)
Consumer Finance	(669)	(563)	106	(15.9)	(3,775)	(1,964)	1,811	(48.0)
Wholesale	(290)	(144)	147	(50.5)	(365)	(590)	(225)	61.6
Net Financial Margin (A+B)	153	448	295	193.1	(785)	834	1,619	(206.3)
Operating Income/Expenses	(549)	(682)	(134)	24.4	(1,676)	(1,880)	(204)	12.2
Fee/Banking Fee Income	253	257	4	1.8	749	748	(1)	(0.1)
Personnel Expenses	(250)	(241)	9	(3.7)	(700)	(719)	(19)	2.8
Other Administrative Expenses	(351)	(363)	(12)	3.3	(1,129)	(1,081)	47	(4.2)
Tax Expenses	(133)	(142)	(10)	7.3	(351)	(400)	(48)	13.8
Other Operating Income/Expenses ¹	(67)	(193)	(126)	188.2	(245)	(428)	(183)	74.8
Operating Income (Loss)	(396)	(235)	161	(40.8)	(2,461)	(1,046)	1,415	(57.5)
Non-Operating Income (Loss)	3	(14)	(17)	-	(116)	(29)	87	(75.0)
Taxation and Profit Sharing	197	89	(107)	(54.6)	1,016	442	(575)	(56.6)
Net Income (Loss)	(196)	(159)	37	(18.8)	(1,560)	(633)	927	(59.4)

Results have confirmed, once again,
the progress in Banco Votorantim's restructuring process

1. Includes Other Operating Income/Expenses, as well as Equity in Income of Associated Companies and Subsidiaries

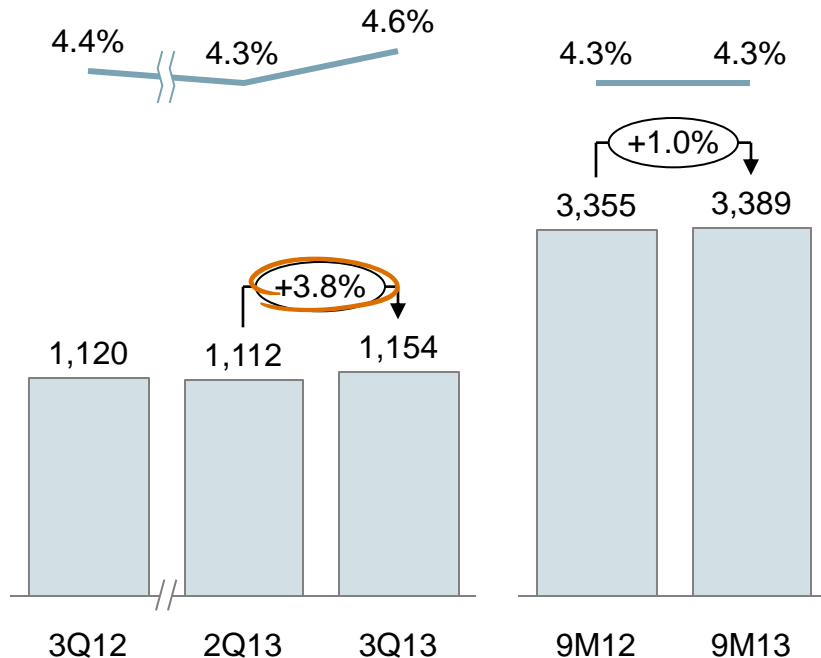
Net Interest Income (NII) grew 3.8% (R\$42M) in 3Q13 vs. 2Q13

Fee Income increased 1.8% vs. 2Q13, amounting to R\$ 257M in the quarter

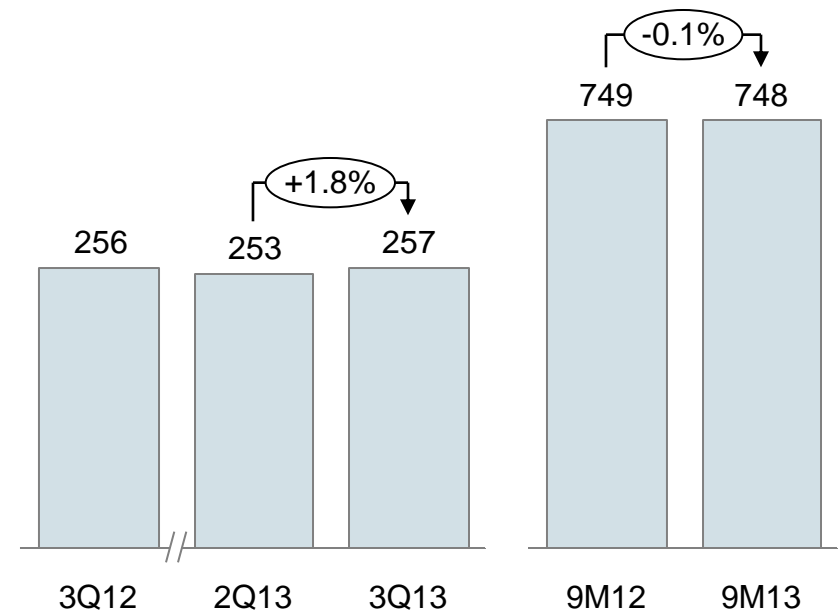
NII increased 3.8% compared to 2Q13, driving the 3Q13 NIM to 4.6%

Fee Income increased 1.8% over 2Q13, amounting to R\$257M

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



Fee and Banking Fee Income (R\$M)



3Q13 NIM increase reflects better portfolio quality, as well as focus on profitability (vs. growth)

1. Ratio between Net Interest Income (before ALL) and Average Interest Earning Assets

The Bank maintained its conservative position in credit

R\$73.1B expanded credit portfolio in Sept/13, with a 1.4% reduction vs. June/13

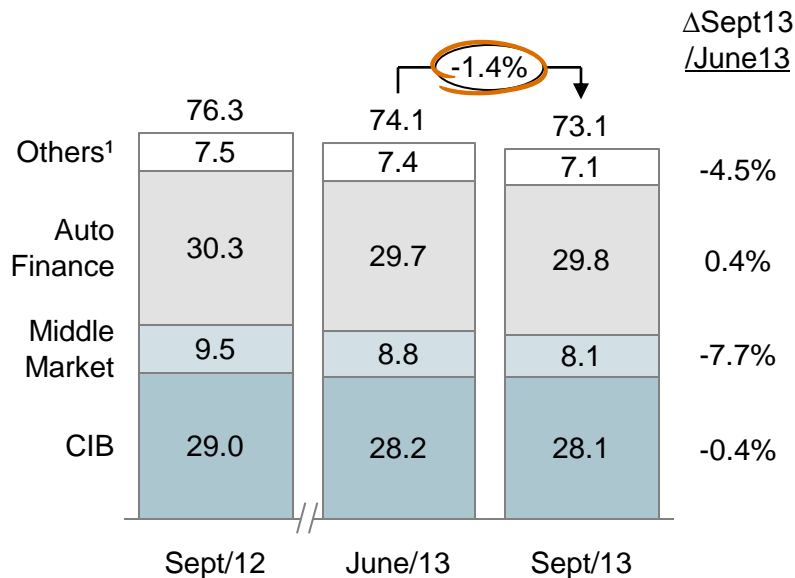
R\$ Billion

Expanded portfolio (interest earning) reduced 1.4% when compared to June/13...

...while managed portfolio decreased 3.0% due to the reduction in off-balance securitization

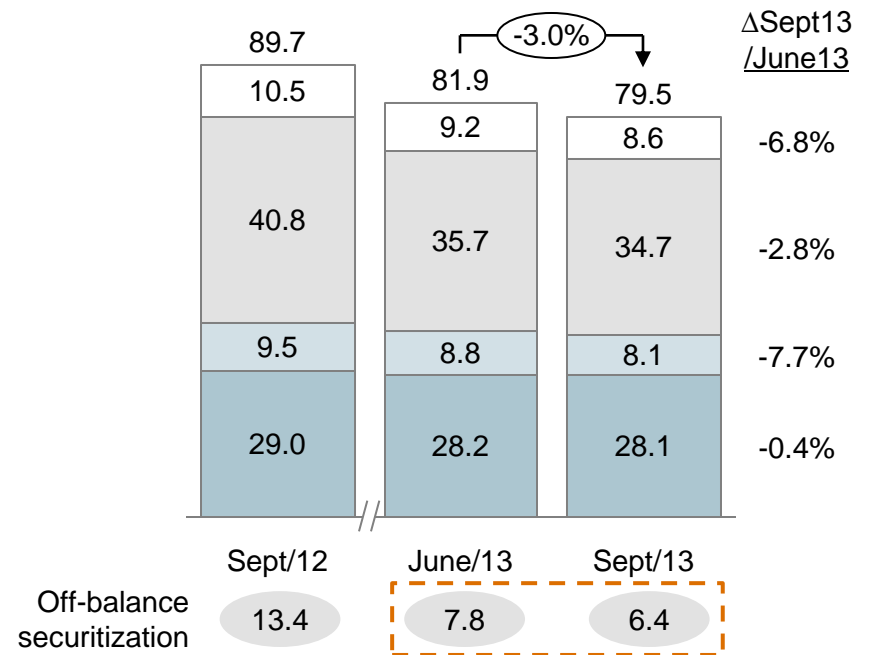
Expanded credit portfolio

(includes guarantees provided, private securities, and on-balance securit.)



Expanded managed credit portfolio

(includes off-balance securitization with recourse)



Credits assigned with recourse until Dec/11 had their revenues recognized by the time of the assignment²

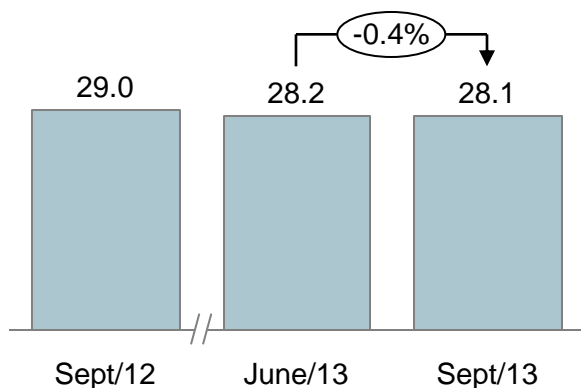
¹ Payroll loans, credit cards and individual loans; ² Since Jan/12, revenues from credit assignments with recourse are recognized over the term of the contract, while the assets themselves remain recorded in the assignor's balance sheet. Note: private securities criteria were revised in 3Q13, in order to be better aligned to BB's methodology

Wholesale: CIB and Middle Market maintained their focus on profitability and on strengthening their product offering

Wholesale businesses

CIB

Expanded credit portfolio (R\$B)



Serves companies with revenues above R\$600M/year

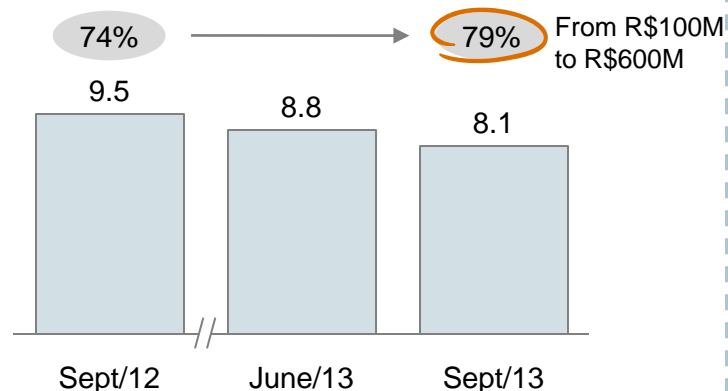
Increase the Bank's relevance to clients via:

- Strengthening of the product platform
- Enhancement of international distribution (NY and London)
- Agile relationships, with long-term vision and industry knowledge

Focus on profitability (disciplined capital allocation)

Middle Market

Expanded credit portfolio (R\$B)



Focus on clients with revenues of R\$200M-R\$600M/year

- R\$100M-R\$200M/year: selective action

Strengthening of the product platform (derivatives, FX, IB)

Increase operating efficiency

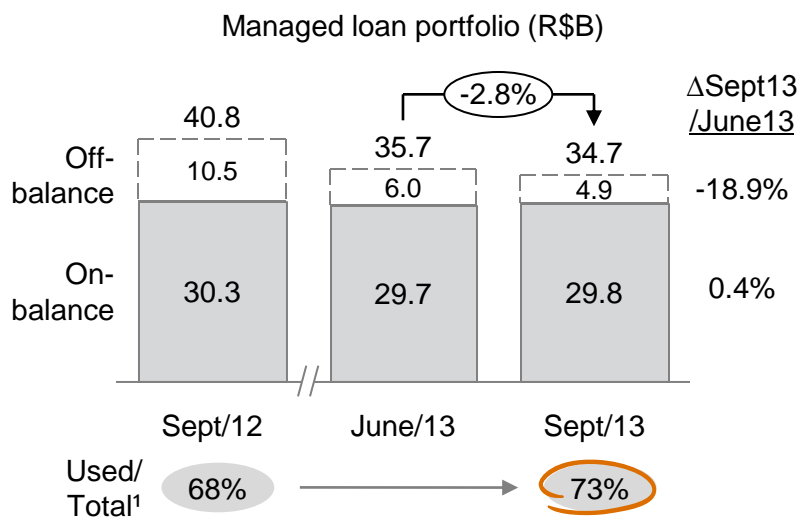
Focus on profitability (disciplined capital allocation)

Note: expanded credit portfolio includes on-balance portfolio, guarantees provided and private securities; private securities' criteria were revised in 3Q13, in order to be better aligned to BB's methodology

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

Consumer Finance businesses

Auto Finance



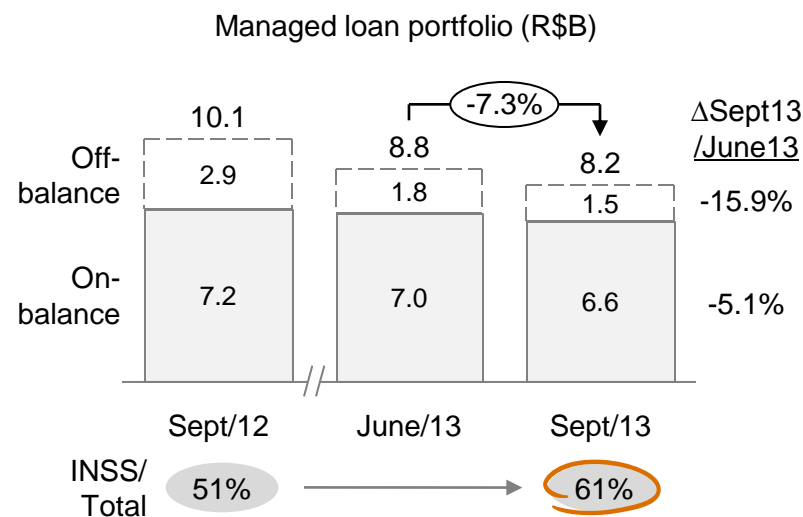
Among market leaders in auto finance

Acts as an extension of Banco do Brasil in auto finance outside the branch network

Continuous improvement of credit processes

- 58%² automated credit decisions in Sept/13

Payroll Loans



7th largest player in the payroll loans market²

Focus on INSS (retirees and pensioners)

Selective operation in private and public payroll loans

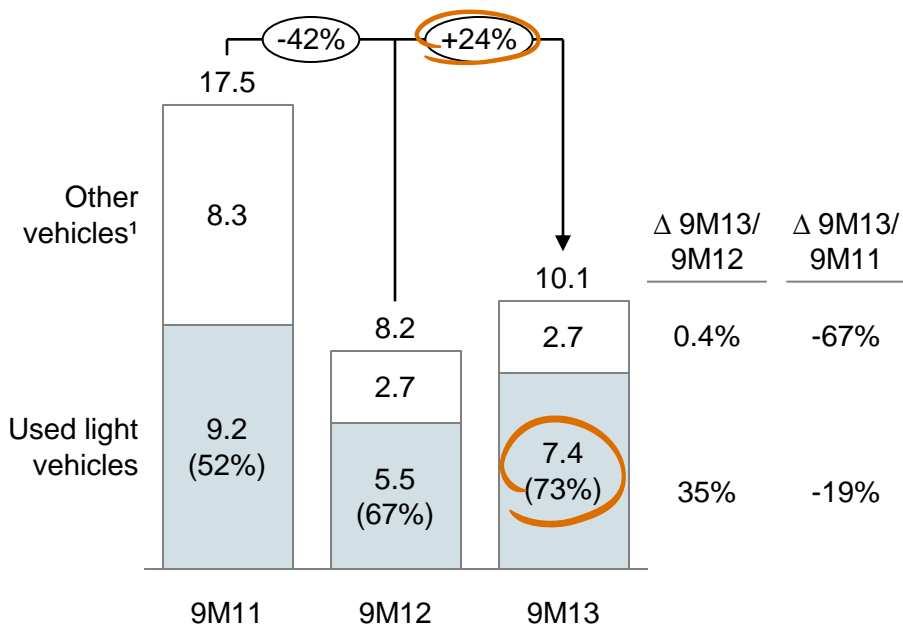
1. Only on-balance portfolio; 2. Refers to light vehicles

Auto Finance: origination increased 24% in 9M13 vs. 9M12

Maintained focus on used light vehicles and conservatism in credit concession

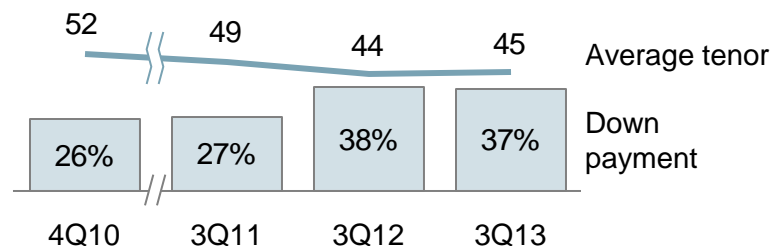
Origination grew 24% in the 9M13 vs. 9M12, focused on used light vehicles...

Auto Finance origination (R\$B)

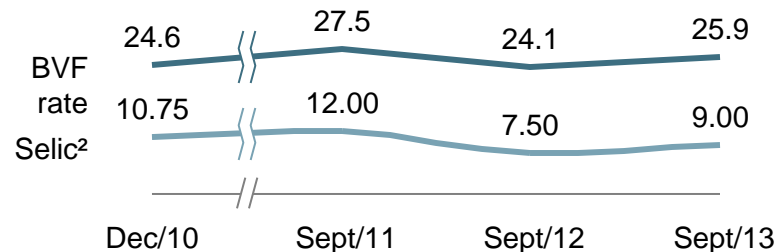


...while maintaining conservative criteria in credit concession

Down payment (%) and average tenor (months)



Auto finance origination interest rate x Selic rate² (% p.y.)

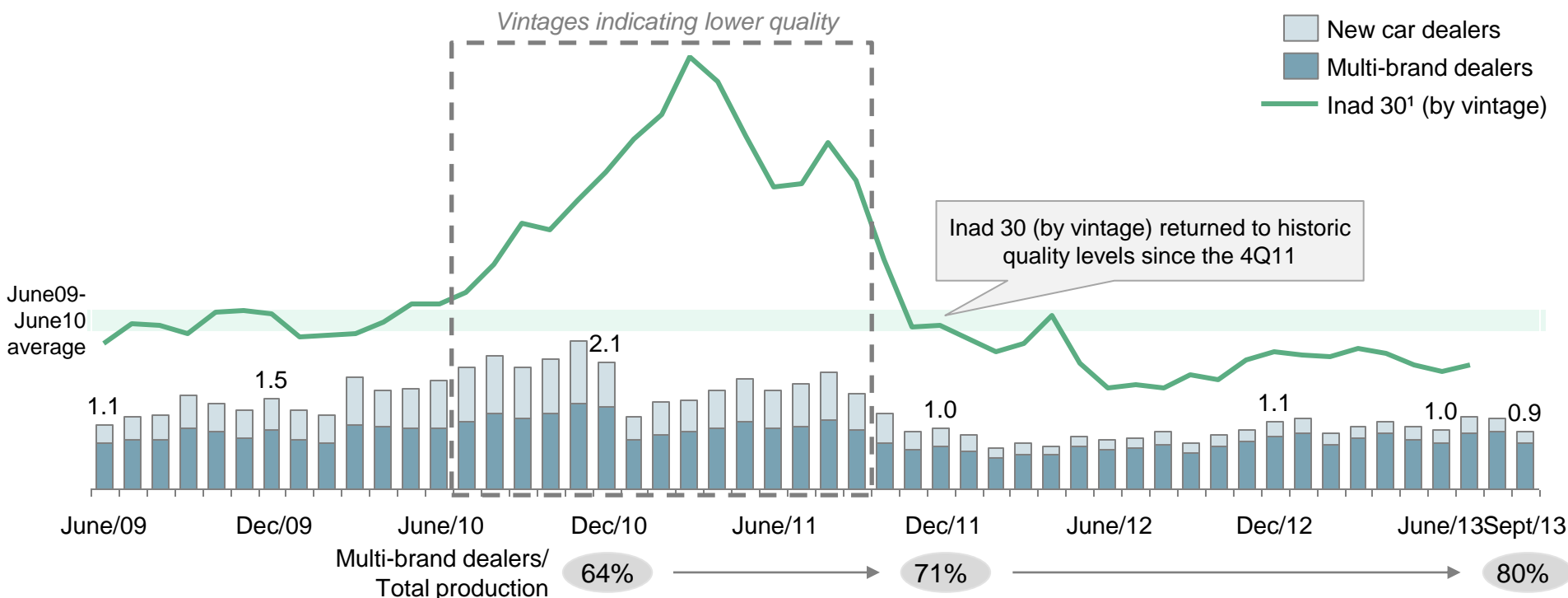


Banco Votorantim is one of the market leaders in auto finance, focused on used light vehicles

1. Composed of trucks, motorcycles and new light vehicles ; 2. Market's benchmark interest rate

The Bank has been originating auto finance vintages with quality for the past 2 years, focused on multi-brand dealers

Light vehicles – Origination by channel (R\$B) and 1st installment delinquency¹ (%)



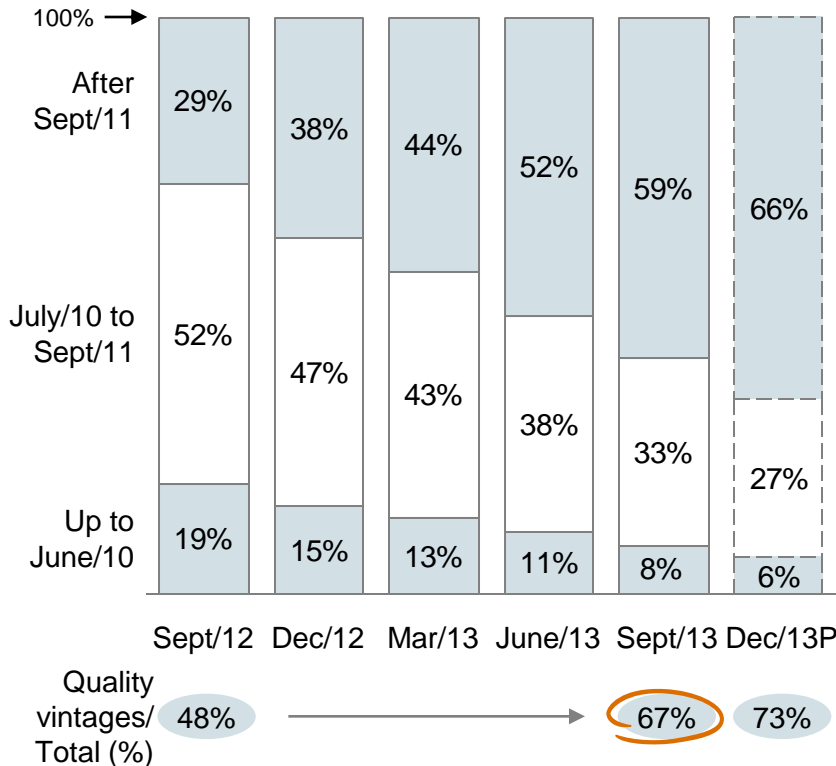
1. % of each month's production with first installments past due over 30 days

Growing participation of better quality vintages in auto finance has contributed to reduce delinquency

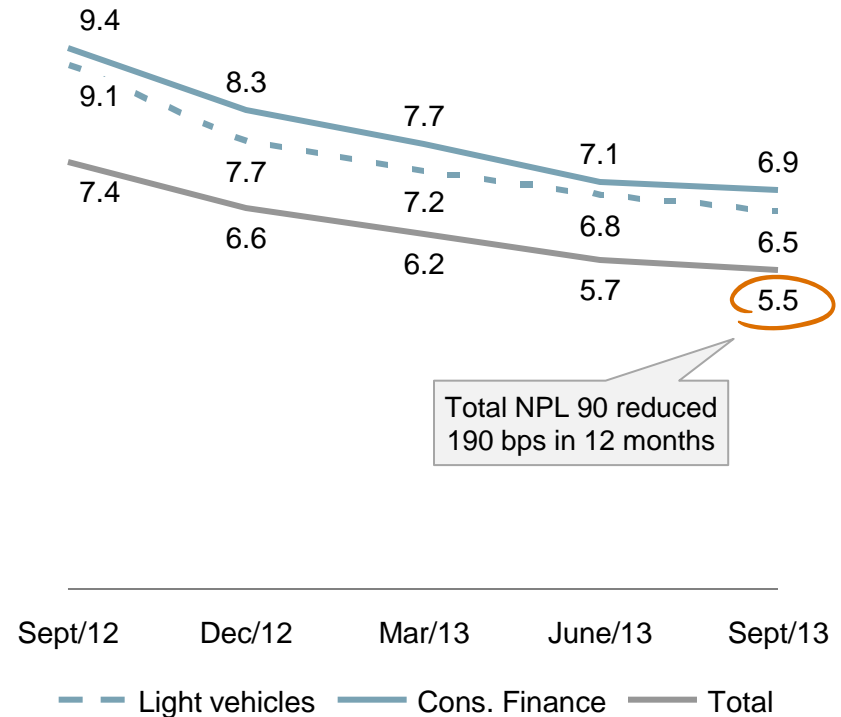
Better quality vintages reached 67% of the auto finance portfolio in Sept/13...

...contributing to the continuous improvement on delinquency, that fell to 5.5% in Sept/13

Auto finance managed portfolio¹ by vintage (%)



Managed loan portfolio's¹ NPL 90 (%)



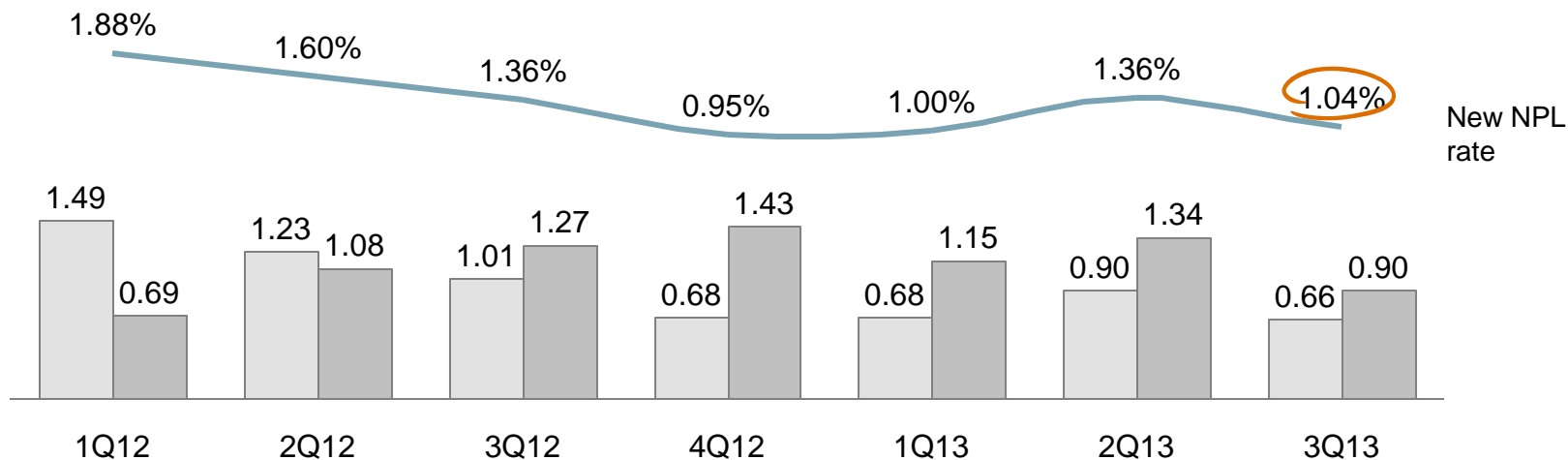
1. Includes on-balance loan portfolio according to Bacen's Res. 2,682, and off-balance credits assigned with substantial risk retention until Dec/11, before entry in force of Bacen's Res. 3,533

“New NPL” rate reduced again in 3Q13

90-day NPL formation decreased to R\$659M in 3Q13, vs. R\$900M in 2Q13

NEW NPL (R\$ Million)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
Managed Loan Portfolio (A)	76,775	74,185	71,480	68,385	65,923	63,546	61,281
NPL 90 Balance	5,390	5,539	5,276	4,520	4,056	3,616	3,373
NPL 90 Quarterly Variation (B)	793	149	(262)	(756)	(465)	(439)	(244)
Write-off (C)	693	1,079	1,269	1,434	1,149	1,339	902
New NPL (D=B+C)	1,486	1,228	1,007	678	684	900	659
New NPL Rate¹ (D/A)	1.88%	1.60%	1.36%	0.95%	1.00%	1.36%	1.04%

□ New NPL (R\$B) □ Write-off (R\$B)



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

ALL expenses decreased 38% in the 9M13 vs. 9M12

And 90-day Coverage Ratio reached 117% in Sept/13

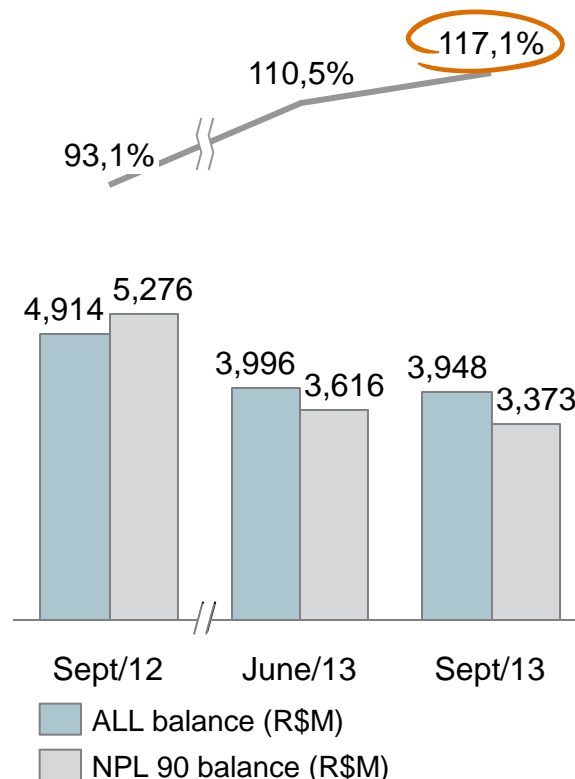
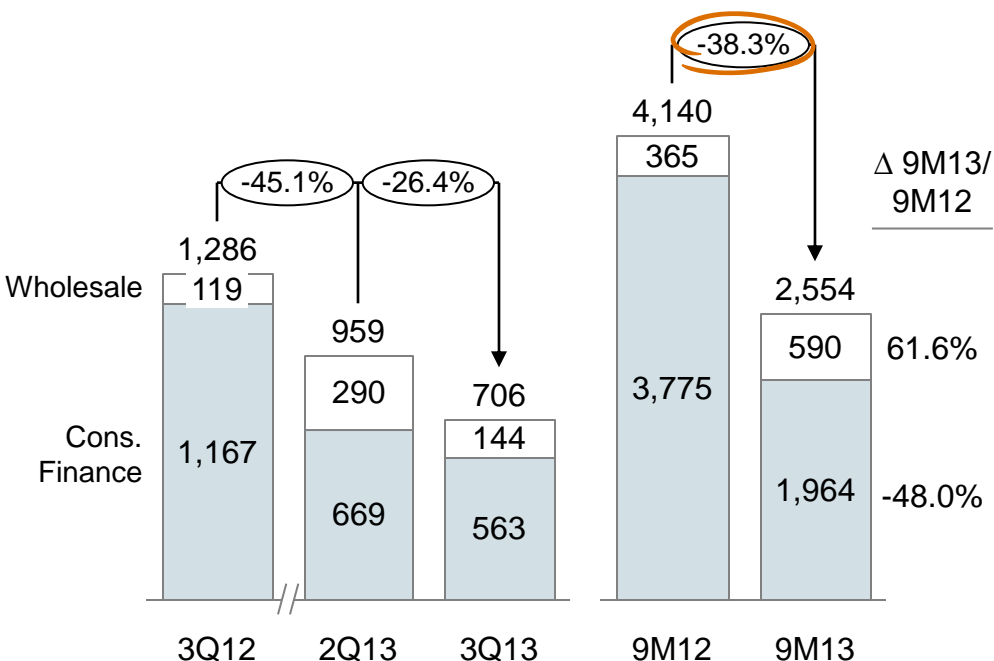
R\$ Million

ALL expenses reduced 26.4% vs. 2Q13 and 38.3% (R\$ 1.6B) in the 9M13 vs. 9M12...

...in parallel to the ongoing increase in the Coverage Ratio, that reached 117% in Sept/13

Expenses with credit provisions (R\$M)

Managed loan portfolio's 90-day Coverage Ratio²



1. Includes on-balance loan portfolio according to Bacen's Res. 2,682, and off-balance credits assigned with substantial risk retention until Dec/11, before entry in force of Bacen's Res. 3,533; 2. Ratio between ALL balance and balance of operations past due over 90 days
 Note: ALL expenses include expenses related to credit assignments with recourse (both on and off-balance), as well as revenues from write-off recovery

Banco Votorantim has also improved cost management

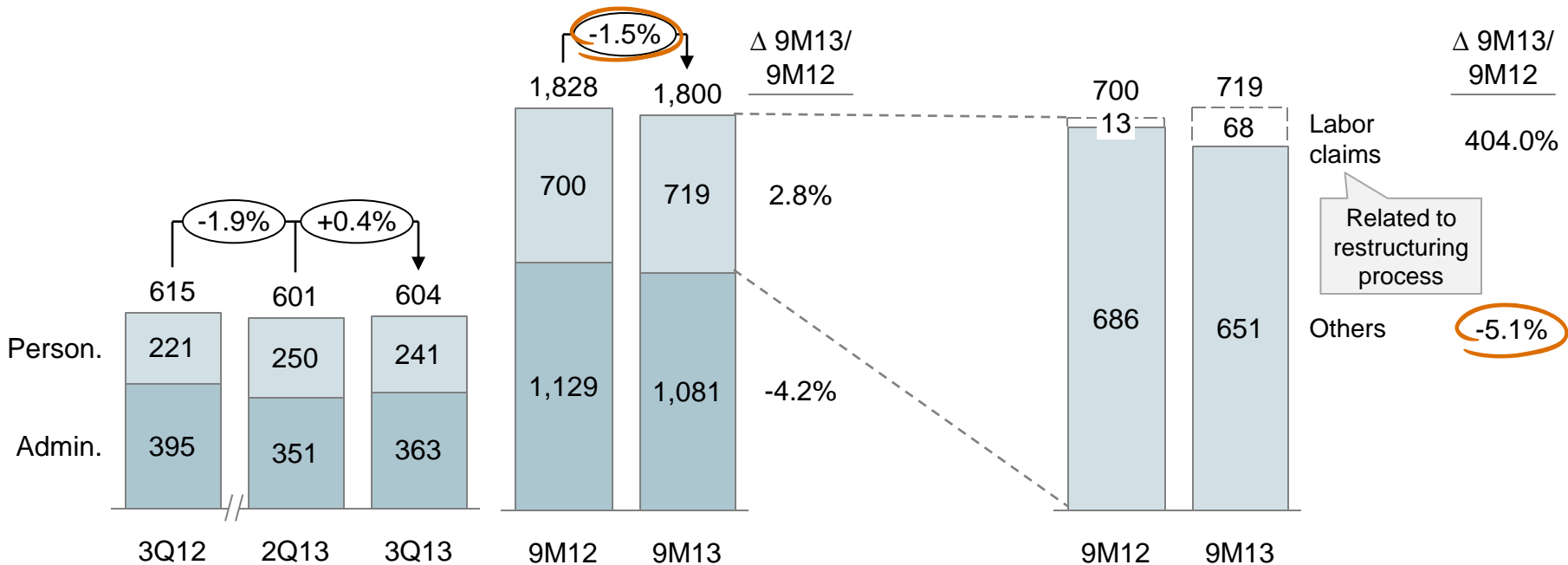
Personnel and Administrative expenses decreased 1.5% (R\$28M) in the 9M13 vs. 9M12

Personnel and Administrative expenses reduced 1.5% in the 9M13 vs. 9M12

Excluding labor claims, Personnel expenses would reduce 5.1% in 9M13 vs. 9M12

Personnel and Administrative expenses (R\$M)

Personnel expenses (R\$M)

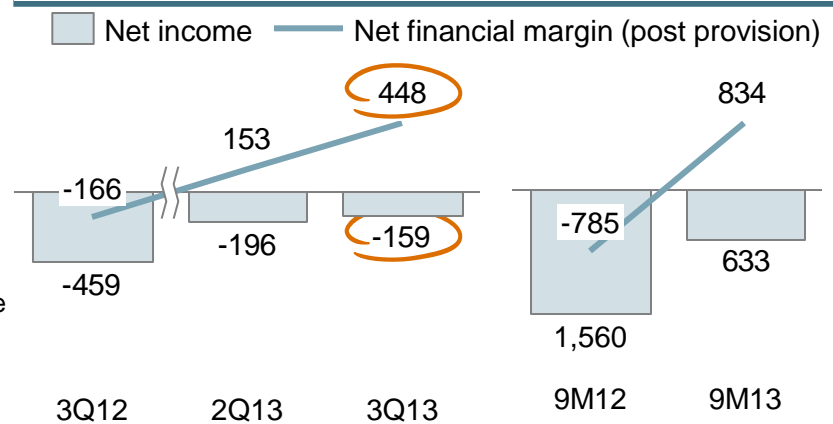
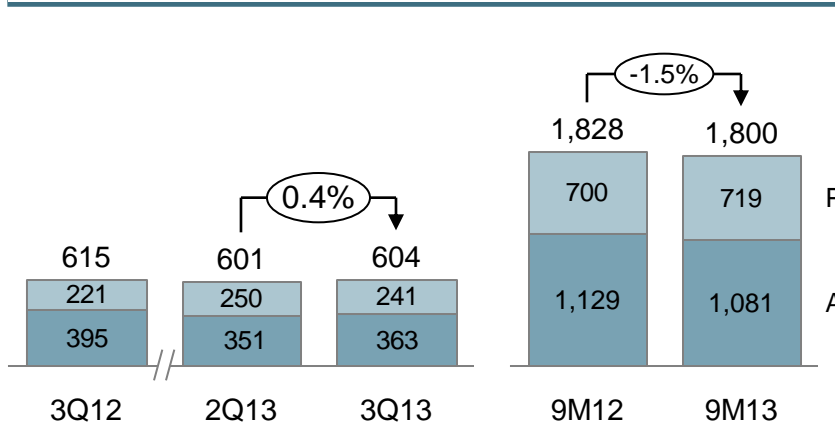
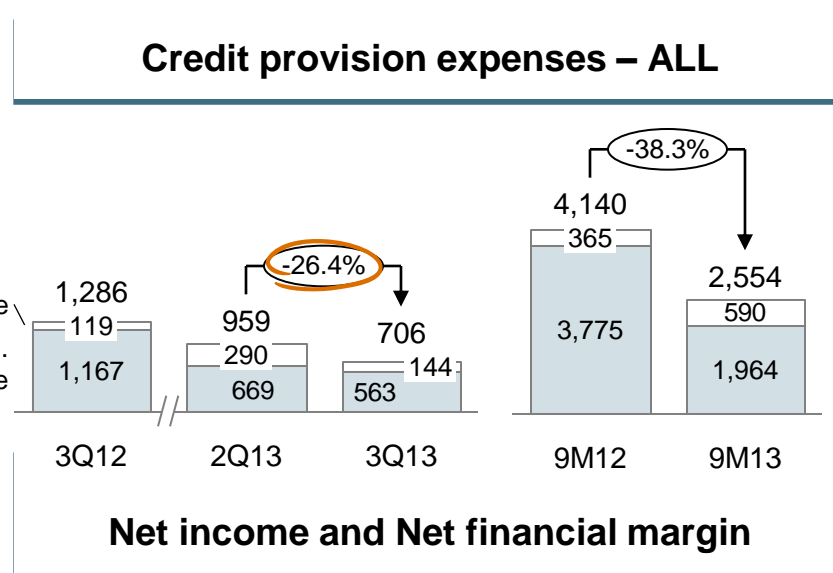
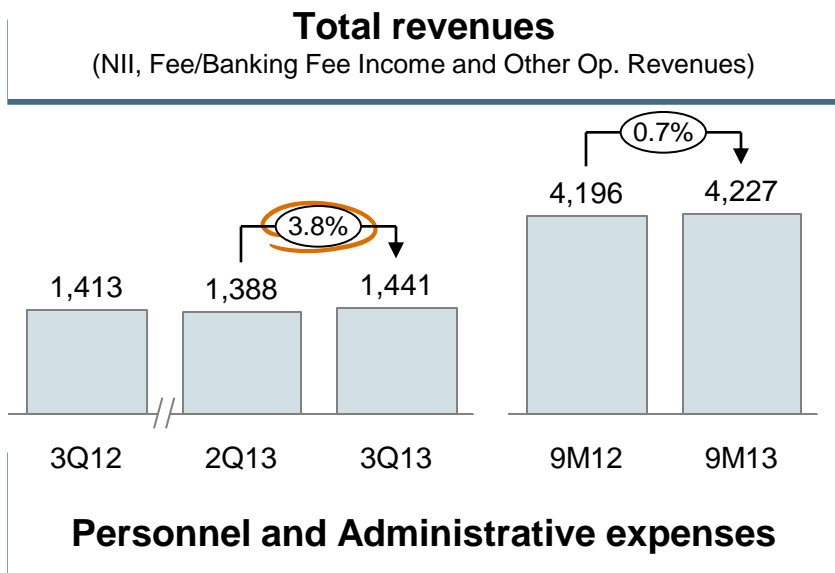


This cost base reduction results from a set of initiatives for efficiency gains undertaken since Sept/11

Summary: results kept trajectory of gradual improvement...

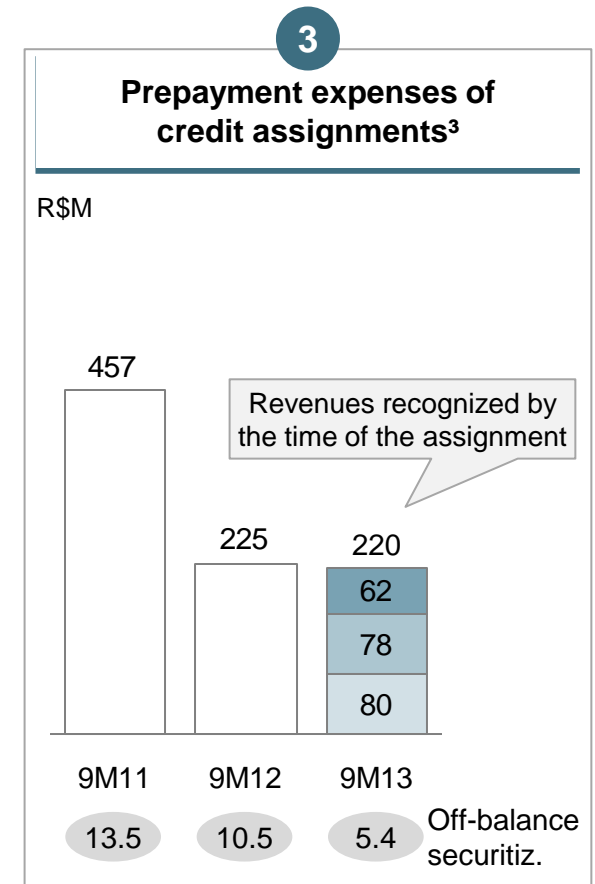
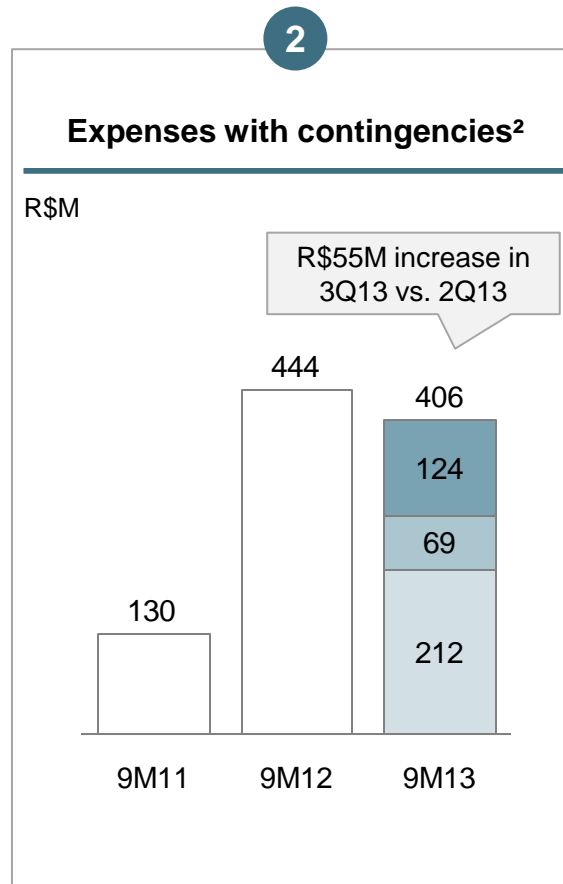
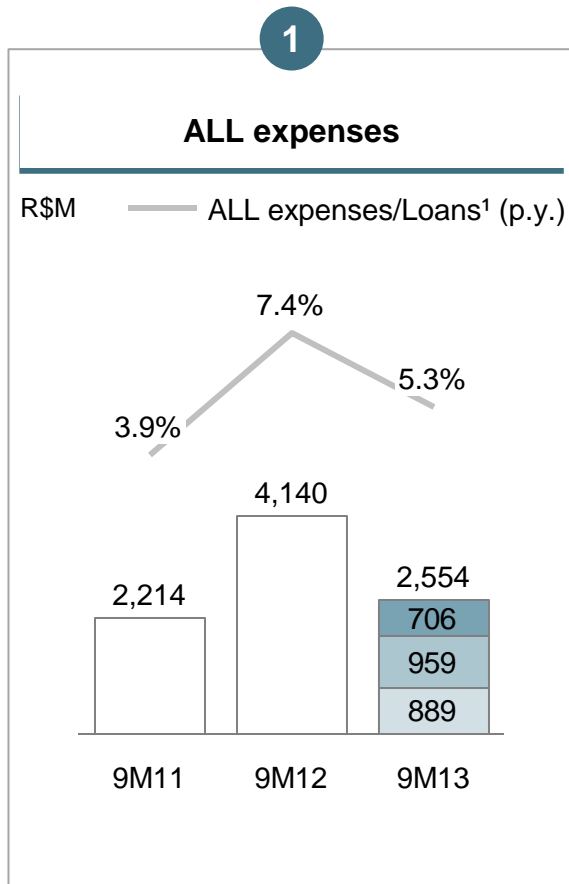
Consistent revenue generation, reduction in ALL expenses and cost base under control

R\$ Million



...but were still impacted by the following factors

Credit provision expenses (ALL) and contingencies remain above the historic level



- 3Q13
- 2Q13
- 1Q13

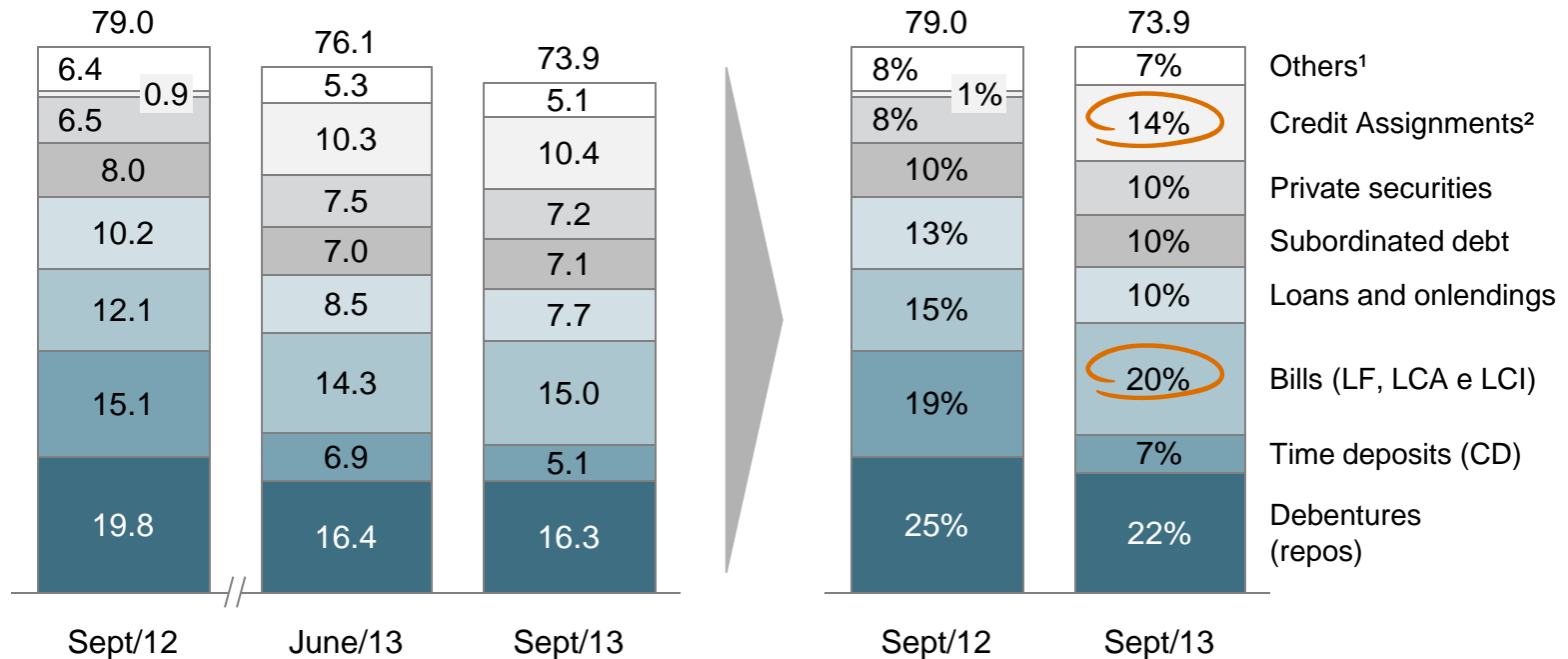
2014 results are going to be substantially better, despite impacts from the past

1. Refers to the period's average managed loan portfolio; 2. Civil and labor; 3. Credits assigned with recourse until Dec/11 (before Res. 3,533)

In this context, the Bank has improved its funding profile

Increased participation of long-term instruments (e.g. LF, Securitization) and reduced CDs

Funding evolution (R\$B)



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

1. Includes other deposits, debenture issuances, and box of options; 2. Credits assigned with substantial risk retention to FIDCs e to other FI, under Res. 3,533 (i.e. does not include off-balance credit assignments) Note: International funding is 100% swapped for BRL

Banco Votorantim ended Sept/13 with a 13.9% Basel Ratio

Tier I ended 3Q13 at 9.5%, only composed of Core Capital

BASEL RATIO (R\$ Million)	Sept.12 Dec.12 Mar.13 June.13				Sept.13
	Capital (PR)	13,002	12,111	11,430	10,794
Tier I Capital	8,449	7,875	7,595	7,401	7,338
Tier II Capital	4,553	4,236	3,835	3,393	3,390
Capital Requirement (PRE)	9,396	9,310	9,245	8,541	8,481
Credit risk	8,764	8,721	8,494	7,991	7,846
Market risk	337	294	469	268	234
Operational risk	296	296	282	282	400
Excess Capital	3,606	2,800	2,185	2,253	2,247
Basel Ratio (PR/(PRE/0,11))	15.2%	14.3%	13.6%	13.9%	13.9%
Tier I	9.9%	9.3%	9.0%	9.5%	9.5%
Tier II	5.3%	5.0%	4.6%	4.4%	4.4%

Shareholders are committed to maintain the Bank's capital structure at adequate levels

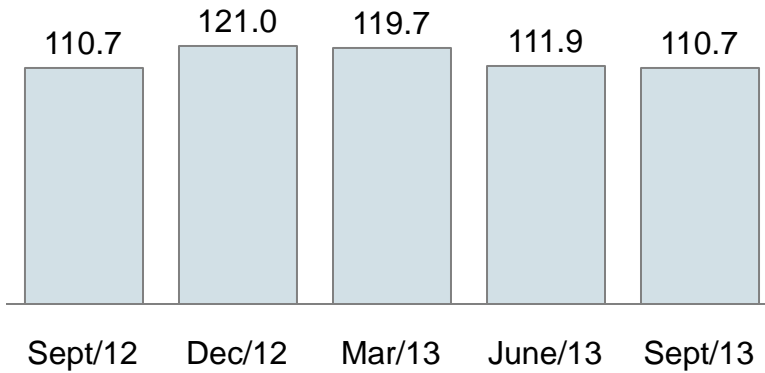
Note: as of Oct/13, shall come into force some of the new Basel III rules, which considers, among other measures: (i) removal of the subordinated debt limit authorized to integrate Tier II capital, and (ii) 10% decay of subordinated debt that do not fit the new Basel III requirements

Annexes

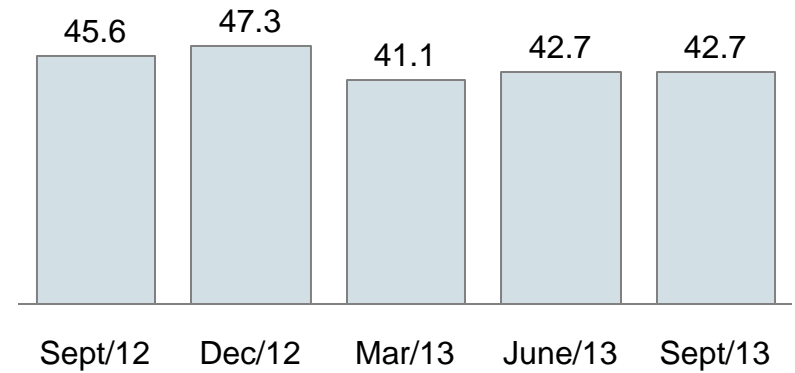
Financial highlights

R\$ Billion

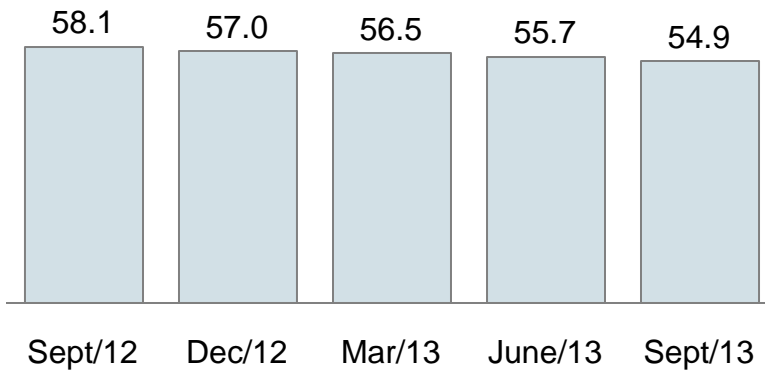
Total assets



Assets under management



On-balance loan portfolio



Capital



Net Interest Margin (NIM)

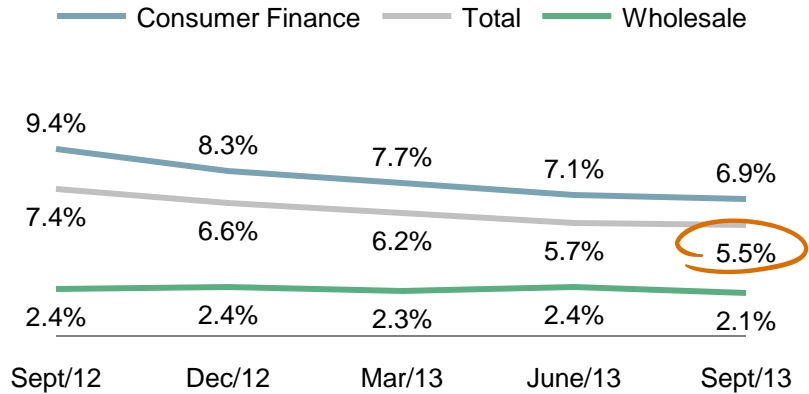
NET INTEREST MARGIN (NIM) (R\$ Million)	3Q12	2Q13	3Q13	Var. 3Q13 /2Q13	9M12	9M13	Var. 9M13 /9M12
Net Interest Income (A)	1,120	1,112	1,154	3.8%	3,355	3,389	1.0%
ALL Expenses	(1,286)	(959)	(706)	-26.4%	(4,140)	(2,554)	-38.3%
Net Financial Margin (B)	(166)	153	448	193.1%	(785)	834	-206.3%
Average Interest-Earning Assets (C)	104,263	105,840	102,260	-3.4%	105,371	105,837	0.4%
Compulsory Reserves (Bacen)	2,267	491	200	-59.2%	3,540	564	-84.1%
Interbank Funds Applied	12,251	15,492	15,374	-0.8%	14,592	15,920	9.1%
Securities	31,301	33,719	31,360	-7.0%	28,637	33,319	16.4%
Loan Portfolio	58,444	56,138	55,326	-1.4%	58,602	56,034	-4.4%
NIM (A/C)	4.4%	4.3%	4.6%	0.3 p.p.	4.3%	4.3%	-
NIM after ALL (B/C)	-0.6%	0.6%	1.8%	1.2 p.p.	-2.9%	3.2%	6.1 p.p.

NIM reached 4.6% in 3Q13, reflecting continuous improvement of portfolio quality and focus on profitability

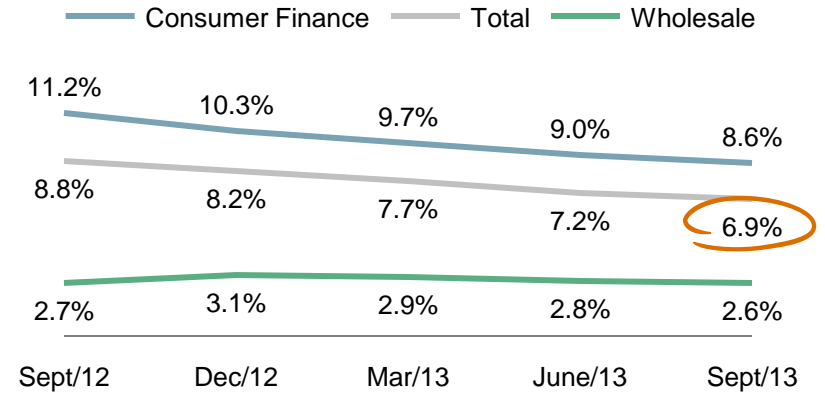
Managed loan portfolio's credit indicators

Improved asset quality and coverage ratio of the portfolio

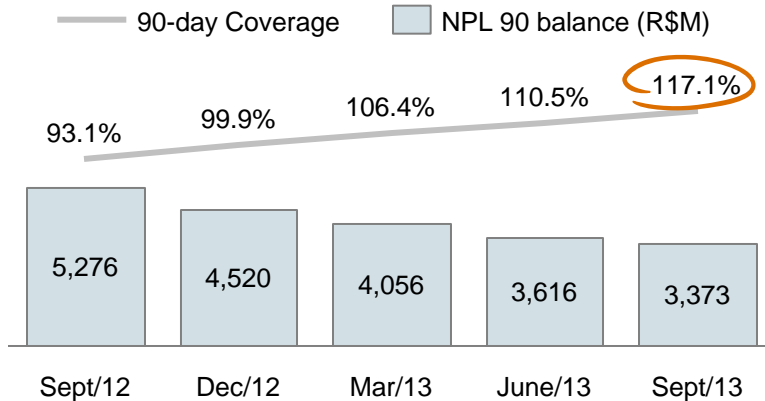
NPL 90 / Managed loan portfolio (%)



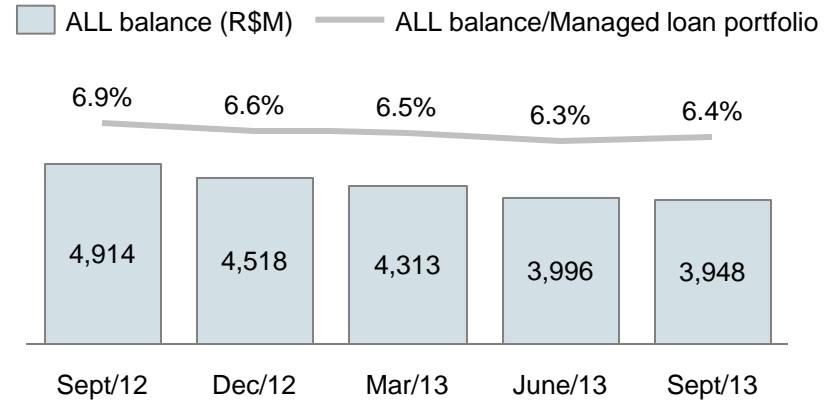
NPL 60 / Managed loan portfolio (%)



90-day Coverage ratio¹ (%)



ALL Balance (R\$M)



1. Ratio between ALL balance and balance of operations past due over 90 days

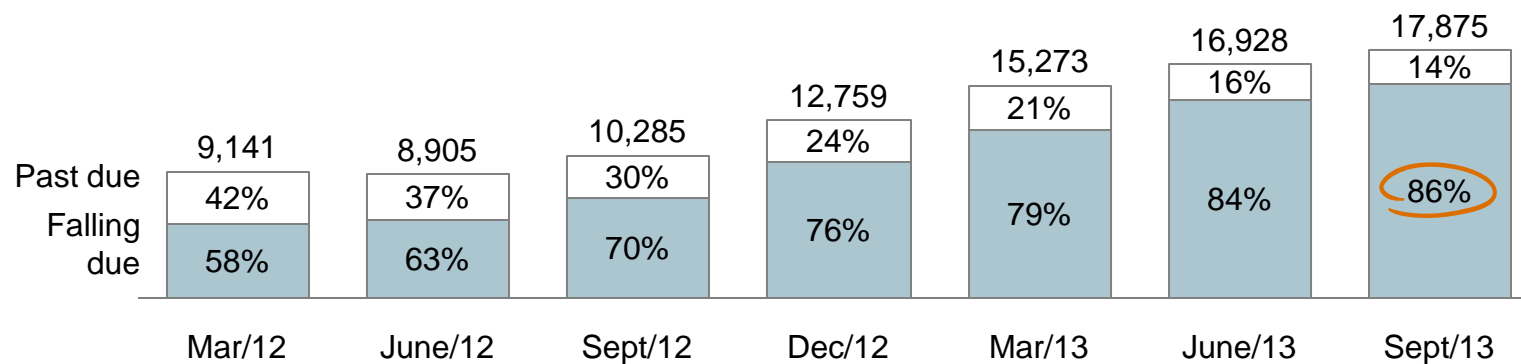
Note: refers to managed loan portfolio (includes credits assigned with substantial risk retention until Dec/11 (before Res. 3,533))

On-balance loan portfolio per risk level

Greater B-C portfolio due to the adoption of a more conservative “departure rating” policy since 2Q12

RISK (R\$ Million)	Sept.12			June.13			Sept.13		
	Total	Past due	Falling due	Total	Past due	Falling due	Total	Past due	Falling due
AA	8,034	-	8,034	6,662	-	6,662	5,244	-	5,244
A	33,087	-	33,087	26,293	-	26,293	26,285	-	26,285
B	6,640	1,632	5,008	10,109	1,227	8,882	10,062	1,125	8,936
C	3,645	1,443	2,202	6,819	1,454	5,364	7,814	1,303	6,511
D	1,411	837	574	1,556	891	664	1,198	678	521
E	1,104	637	467	1,139	530	609	1,180	469	711
F	554	517	37	569	440	130	461	379	82
G	678	589	88	522	416	106	498	358	140
H	2,925	2,698	226	2,078	1,987	92	2,162	2,035	127
TOTAL	58,079	8,354	49,725	55,748	6,946	48,802	54,903	6,347	48,557
B-C/Total	18%	37%	15%	30%	39%	29%	33%	38%	32%

On-balance loan portfolio classified as levels B and C (R\$M)



Increase in B-C portfolio related to greater % of initial provisioning applied to vehicles financed since 2Q12 (“departure rating”)

Efficiency Ratio (ER)

Efficiency Ratio still impacted by specific expenses with contingencies and labor claims

EFFICIENCY RATIO (ER) (R\$ Million)	3Q12	2Q13	3Q13	Var. 3Q13 /2Q13	Var. 3Q13 /3Q12
Personnel Expenses	(221)	(250)	(241)	-3.7%	9.2%
Other Administrative Expenses	(395)	(351)	(363)	3.3%	-8.1%
Total Personnel and Administrative Expenses (A)	(615)	(601)	(604)	0.4%	-1.9%
Net Interest Income (NII)	1,120	1,112	1,154	3.8%	3.0%
Fee/Banking Fee Income	256	253	257	1.7%	0.1%
Equity in Income of Associated Companies and Subsidiaries	18	20	30	50.9%	63.9%
Other Operating Income/Expenses	(95)	(87)	(223)	156.9%	133.7%
Total Revenues (B)	1,300	1,297	1,218	-6.1%	-6.3%
Efficiency Ratio (A/B) - 3M	47.4%	46.4%	49.6%	3.2 p.p.	2.2 p.p.
Efficiency Ratio (A/B) - 12M	50.6%	51.0%	51.6%	0.6 p.p.	1.0 p.p.
Expenses with labor claims and contingencies	(183)	(98)	(143)	45.2%	-22.1%
Efficiency Ratio (A/B) excl. labor claims and conting. - 3M	41.5%	41.9%	43.6%	1.7 p.p.	2.1 p.p.
Efficiency Ratio (A/B) excl. labor claims and conting. - 12M	44.4%	43.6%	44.2%	0.6 p.p.	-0.2 p.p.