



Earnings Presentation

4th Quarter, 2016

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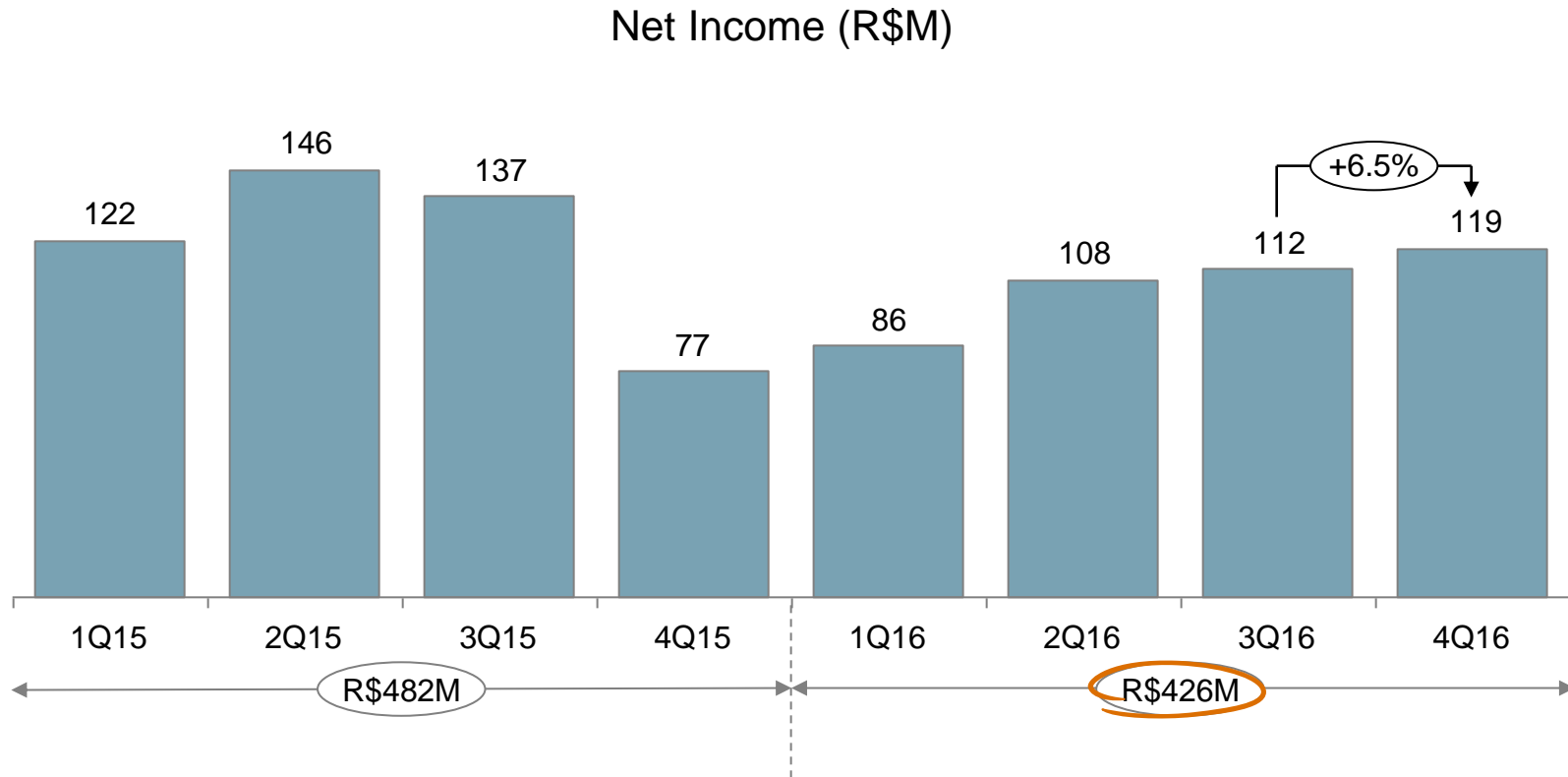
Net Income of R\$ R\$ 426M in 2016

Consistent revenue generation, drop in credit provisions and cost base under control

Highlights of results

Net Income of R\$ 426M	<p>Net Income of R\$ 426M in 2016, compared to R\$ 482M in 2015</p> <ul style="list-style-type: none"> In 4Q16, the Net Income totaled R\$ 119M (R\$ 112M in 3Q16) <p>Shareholders' equity reached R\$ 8.43B in Dec/16</p>
Consistent revenue generation	<p>Income from Services and Insurance increased 17.3% in 2016/2015, more than offsetting the 1.3% decrease observed in the Net Interest Income, due to the conservatism in credit underwriting</p> <p>Net Financial Margin grew 11.0% in 2016, to R\$ 2.56B, reflecting the drop in credit provisions</p>
Conservative approach to credit	<p>Expanded credit portfolio of R\$ 60.9B in Dec/16 – down 7.1% in 2016, but up of 1.4% in 4Q16</p> <ul style="list-style-type: none"> <u>Wholesale</u>: portfolio of R\$ 27.4B, up by 2.4% in 4Q16 <u>Auto Finance</u>: portfolio of R\$ 28.2B, an increase of 1.3% compared to Sept/16
Drop in delinquency	<p>90-day NPL of 5.5%, flat in the quarter, and 20bps lower than Dec/15</p> <ul style="list-style-type: none"> <u>Wholesale</u>: 90-day NPL of 5.6% (Dec/15: 5.8%) <u>Consumer Finance</u>: 90-day NPL of 5.5% (Dec/15: 5.7%). Vehicles' NPL dropped to 5.1% (Dec/15: 5.3%)
Effective cost management	<p>Personnel and admin. expenses grew 2.0% in 2016, compared to IPCA of 6.3% in the last 12 months</p> <ul style="list-style-type: none"> Disregarding labor claims, the expenses would have reduced 0.4% in 2016/2015, despite inflation <p>Efficiency Ratio for the last 12 months reached 38.8% in Dec/16 (Dec/15: 39.4%)</p>

Net Income of R\$ 426M in 2016



4Q16 profit confirms the consistency of Banco Votorantim's results

Highlights of Results

Consistent revenue generation, drop in credit provisions and cost base under control

Managerial Income Statement (R\$M)

(R\$ Million)	4Q15	3Q16	4Q16	Var. 4Q16/3Q16	2015	2016	Var. 2016/2015
Net Interest Income (A)	1,098	1,172	1,072	-8.6%	4,702	4,641	-1.3%
ALL expenses ¹ (B)	(453)	(492)	(623)	26.7%	(2,394)	(2,079)	-13.1%
Net Financial Margin (A+B)	645	681	449	-34.0%	2,308	2,562	11.0%
Operating Income/Expenses	(543)	(483)	(575)	19.1%	(2,276)	(2,156)	-5.3%
Income from Services and Banking Fees	266	281	321	14.6%	961	1,123	16.8%
Personnel and Administrative expenses	(608)	(547)	(674)	23.2%	(2,332)	(2,378)	2.0%
Tax expenses	(88)	(87)	(94)	7.7%	(417)	(372)	-10.8%
Income from subsidiaries ²	40	55	50	-9.0%	163	194	19.4%
Other Operating Income/Expenses	(152)	(184)	(179)	-3.0%	(651)	(724)	11.1%
Operating Income (Loss)	102	198	(126)	-	32	406	-
Non-Operating Income (Loss)	(2)	3	(8)	-	(29)	1	-
Income Tax and Profit Sharing	(23)	(89)	253	-	479	19	-96.1%
Net Income	77	112	119	6.5%	482	426	-11.6%

Banco Votorantim continues advancing in the profitability of its businesses, operational efficiency, and revenue diversification

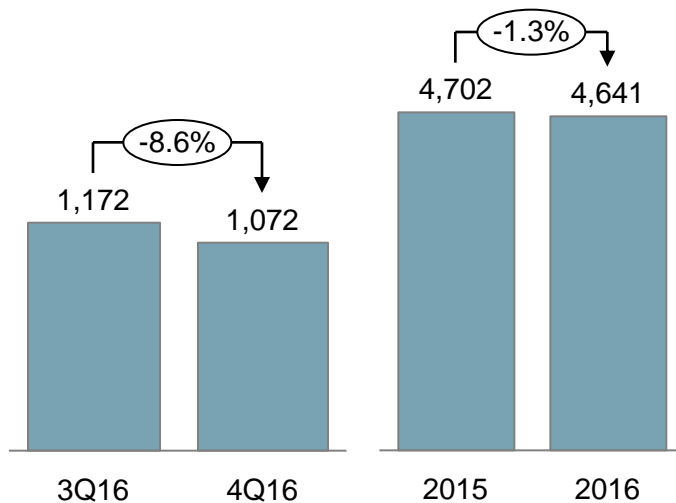
1. Allowance for Loan Losses (ALL), net of revenues from recovery of written-off loans; 2. Subsidiaries accounted by the equity method

Consistent revenue generation

Reduction in NII offset by the growth of income from services and insurance sales

NII decreased in 2016/2015, reflecting the conservative approach to credit

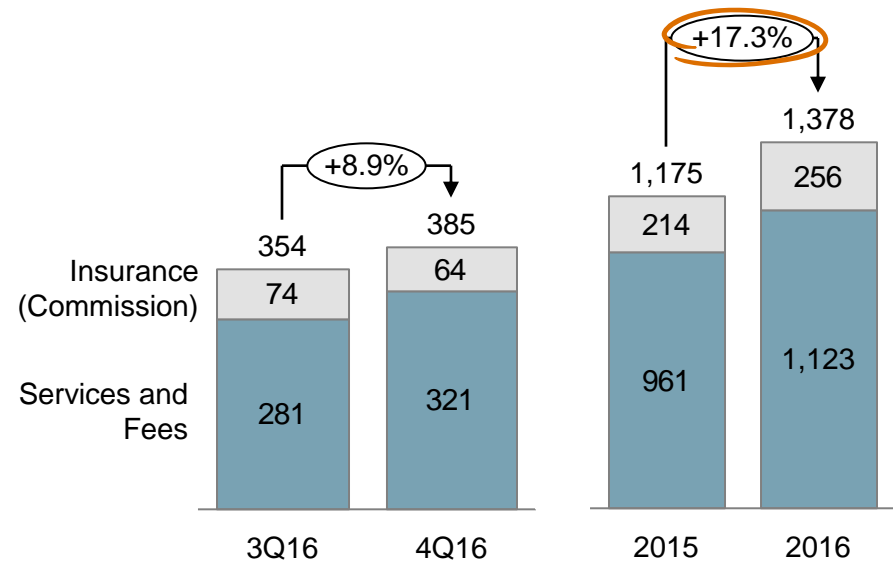
Net Interest Income – NII (R\$M)



Period	NIM ¹ (% a.a.)	Average interest earning assets (R\$B)
3Q16	5.1%	60.0
4Q16	4.7%	60.9
2015	4.9%	65.5
2016	4.9%	60.9

Income from Services grew 17.3% in 2016, reflecting the higher auto finance origination

Income from Services, Fees and Insurance³ (R\$M)

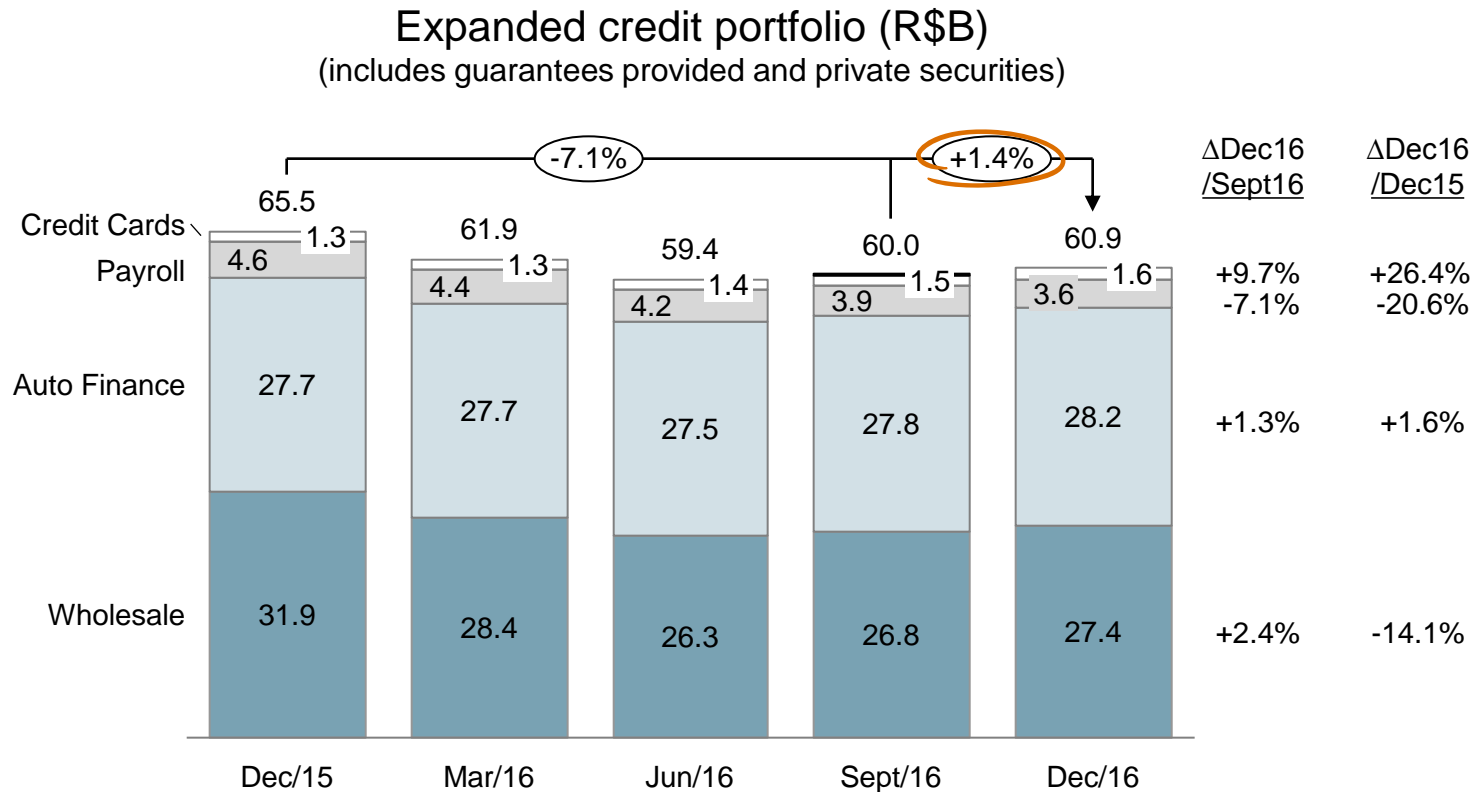


Period	Auto finance origination (R\$B)
3Q16	3.5
4Q16	3.8
2015	12.4
2016	13.3

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

Maintenance of the conservative approach to credit

Expanded credit portfolio of R\$ 60.9B in Dec/16, growth of 1.4% compared to Sept/16



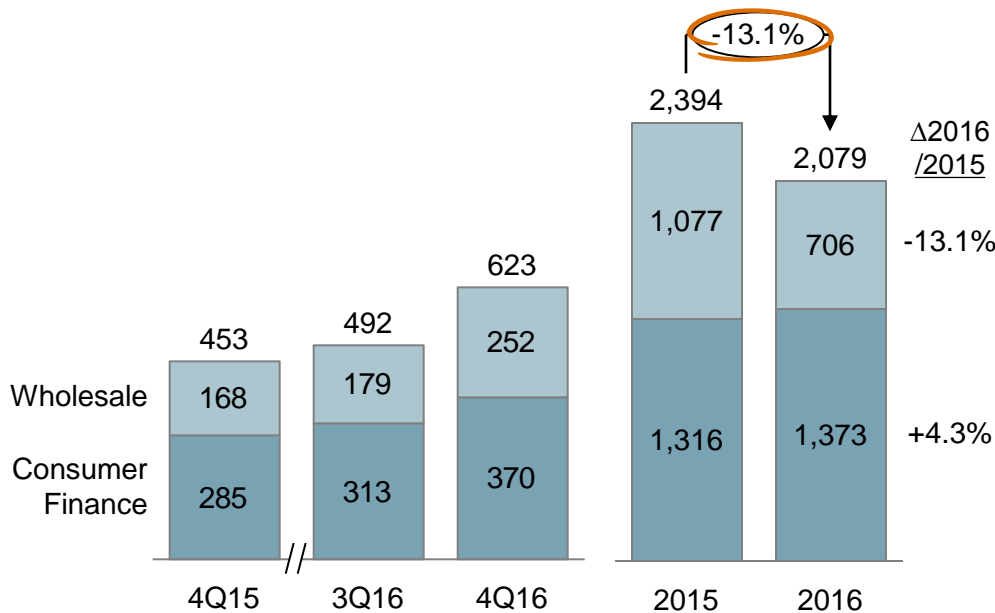
Focus on profitability (vs. growth)

Credit provision expenses reduced 13% in 2016/2015

90-day Coverage Ratio reached 140% in Dec/16

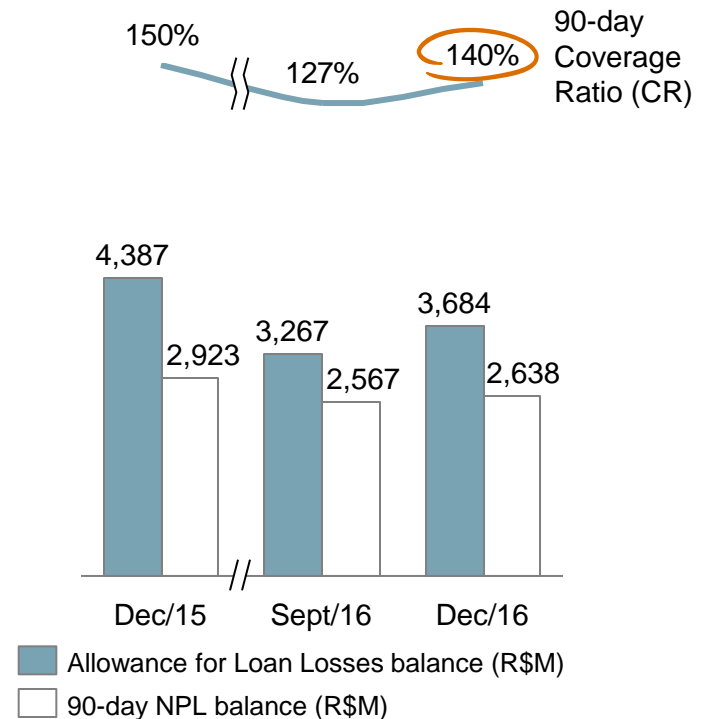
Credit provision expenses reduced 13,1% in 2016/2015

Credit provision expenses – ALL¹ (R\$M)



90-day CR remains in a conservative level, ending Dec/16 at 140%

90-day Coverage Ratio² (%) – Managed portfolio

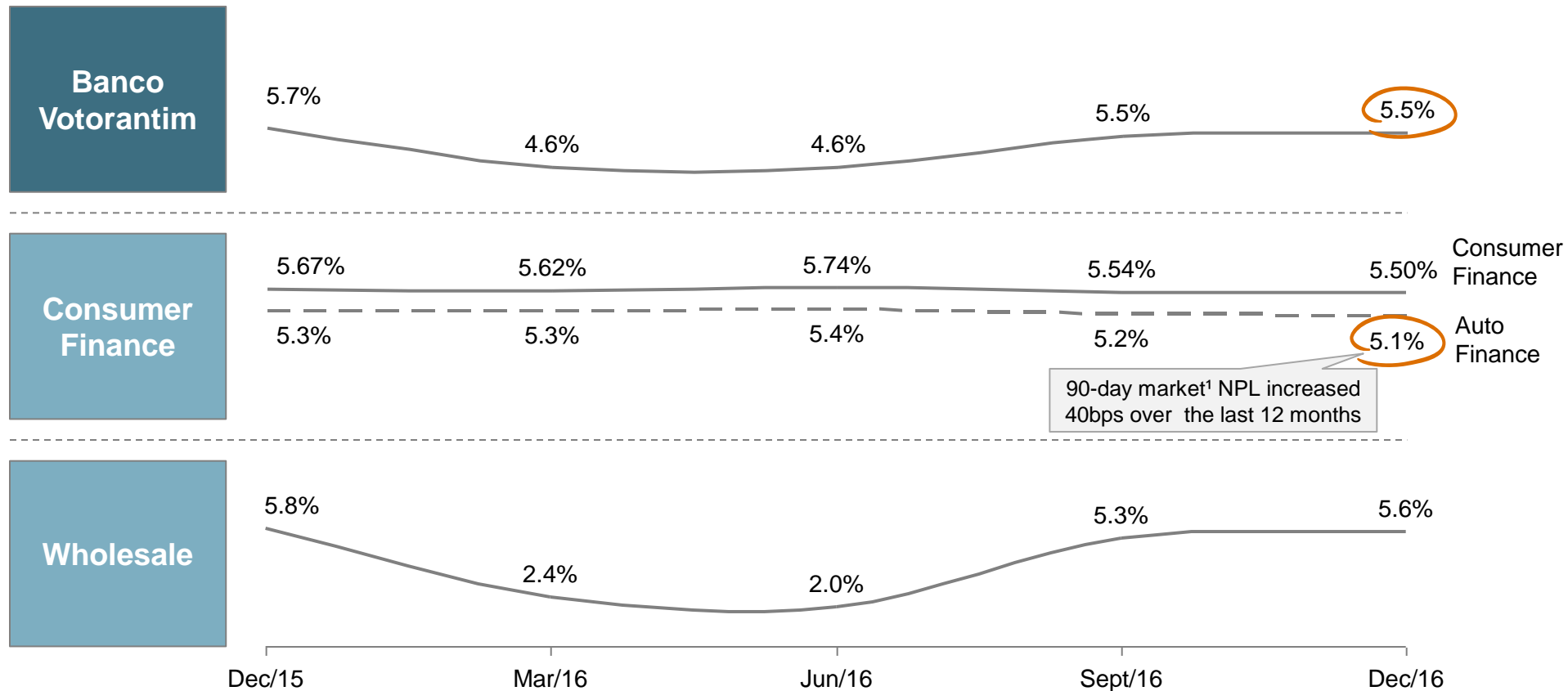


1. Allowance for Loan Losses, net of income from recovery of written-off loans; 2. Ratio between the balance of ALL and the balance of loans past due over 90 days

90-day NPL flat in the quarter, and 20bps lower than Dec/15

Auto Finance: delinquency declined to 5,1% in Dec/16 (Dec/15: 5,3%)

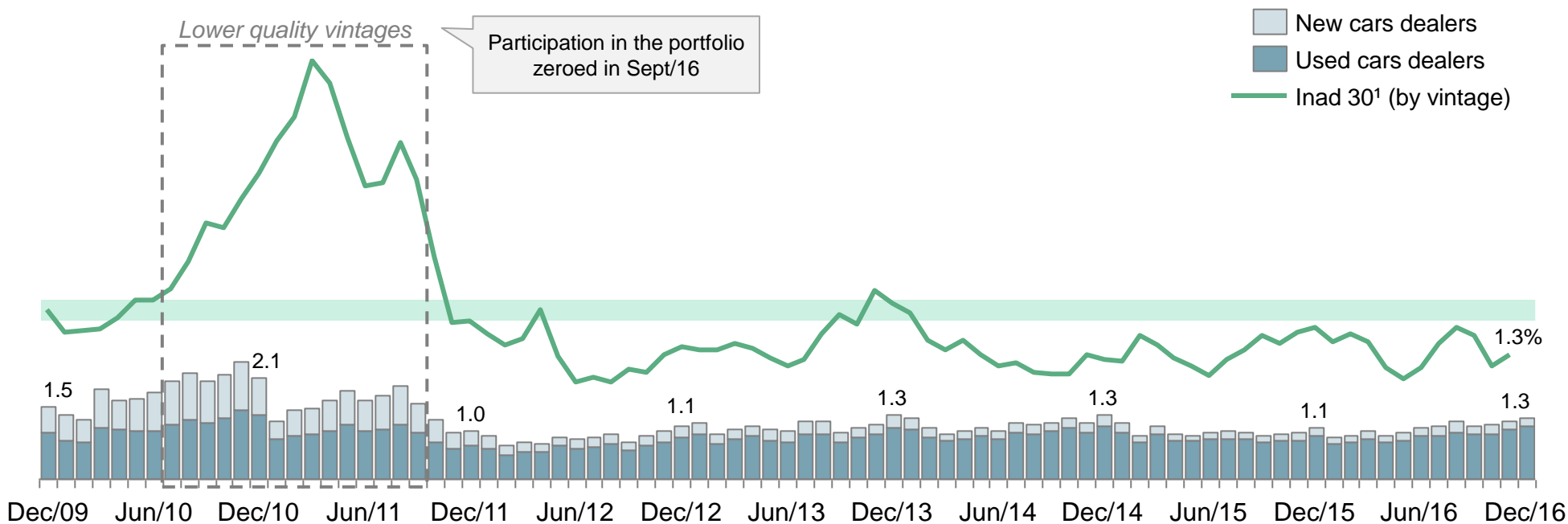
90-day NPL ratio of the managed loan portfolio (%)



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 (%)



Steady quality in auto finance origination 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

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

Focus on used cars, which represented 82% of 2016 origination

Origination of auto loans (R\$B)

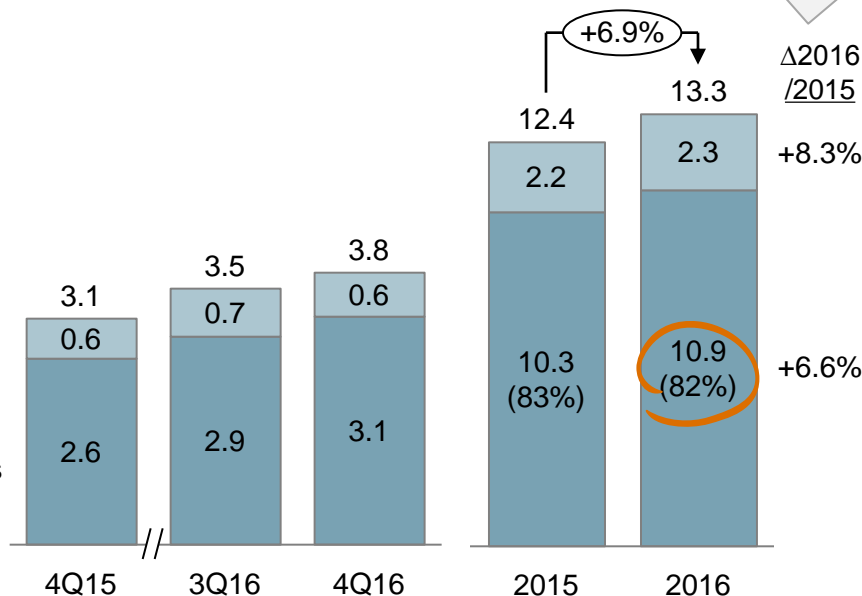
Δ Cars Market:
 • New cars: -27%
 • Used cars: -3%

Δ2016 /2015

+8.3%

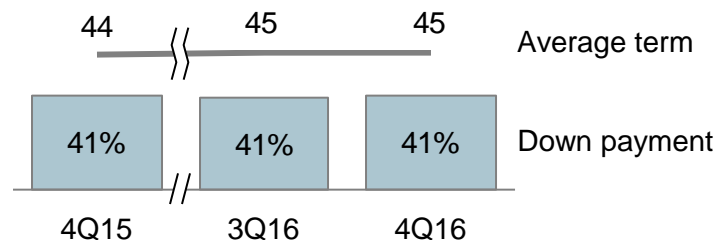
+6.6%

Other Vehicles¹
Used Cars

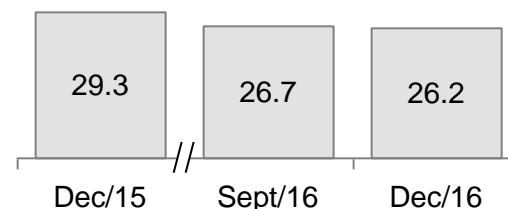


Maintenance of conservative lending standards

Down payment (%) and Average term (months)



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



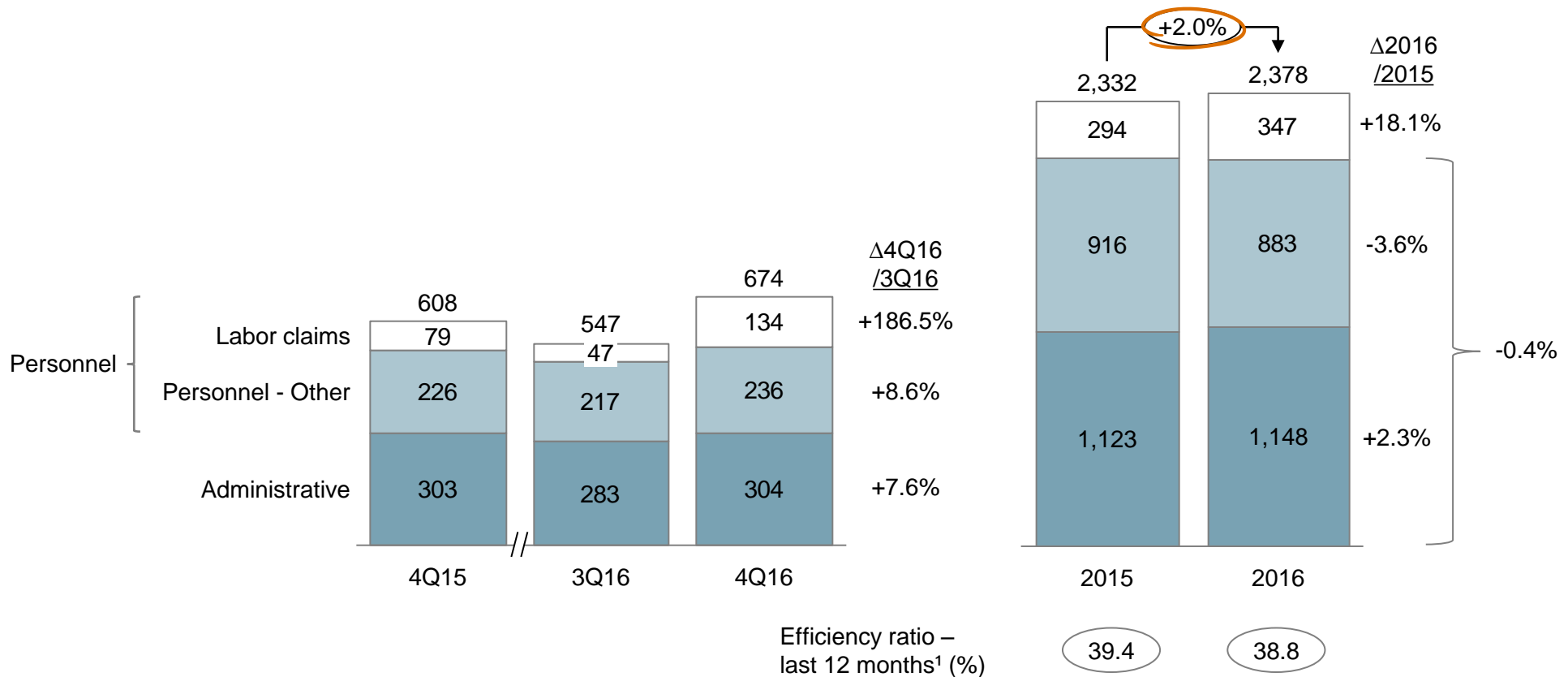
Banco Votorantim is one of the leading players in the auto financing market

1. New cars, trucks and motorcycles
 Note: In Dec/16, the average ticket size was R\$ 21,000, and the average vehicle age was 4.9 years (portfolio)

Effective cost management

Personnel and administrative expenses increased 2.0% in 2016, below inflation (IPCA of 6.3%)

Personnel and administrative expenses (R\$M)

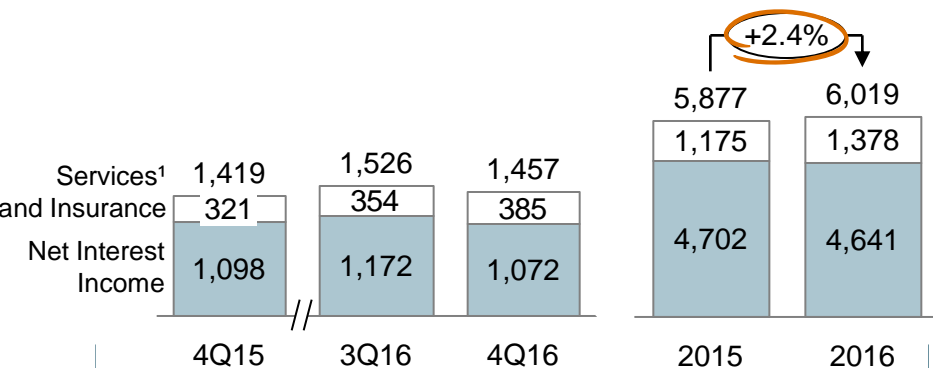


1. Excludes expenses with labor lawsuits Note: The IPCA price index reached 6.29% in the last 12 months.

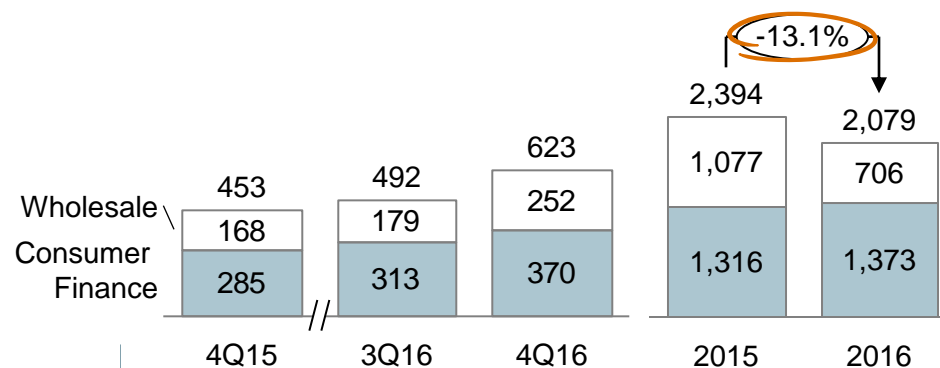
Summary: Net Income of R\$ 426M in 2016

Highlight to the Net Margin growth and effective cost base management

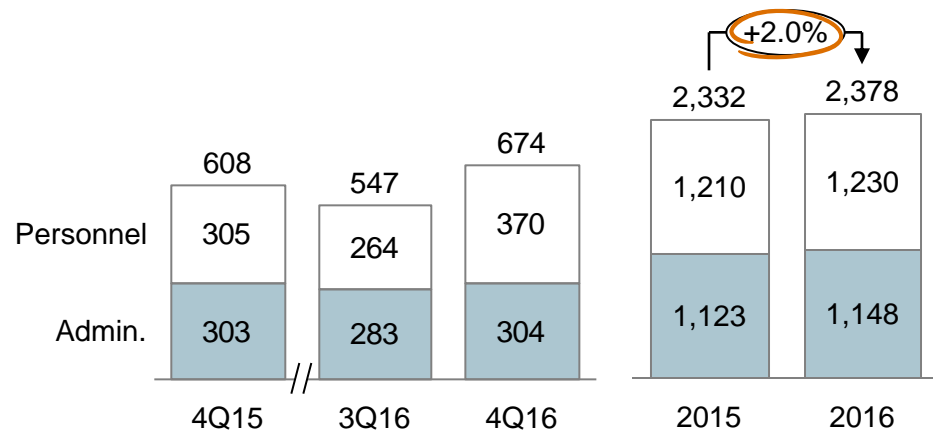
NII and Income from Services¹ and Insurance



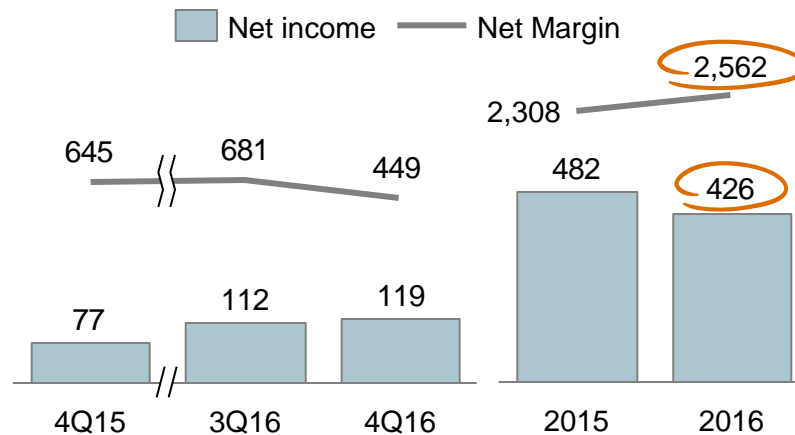
Credit provision expenses – ALL



Personnel and Administrative expenses



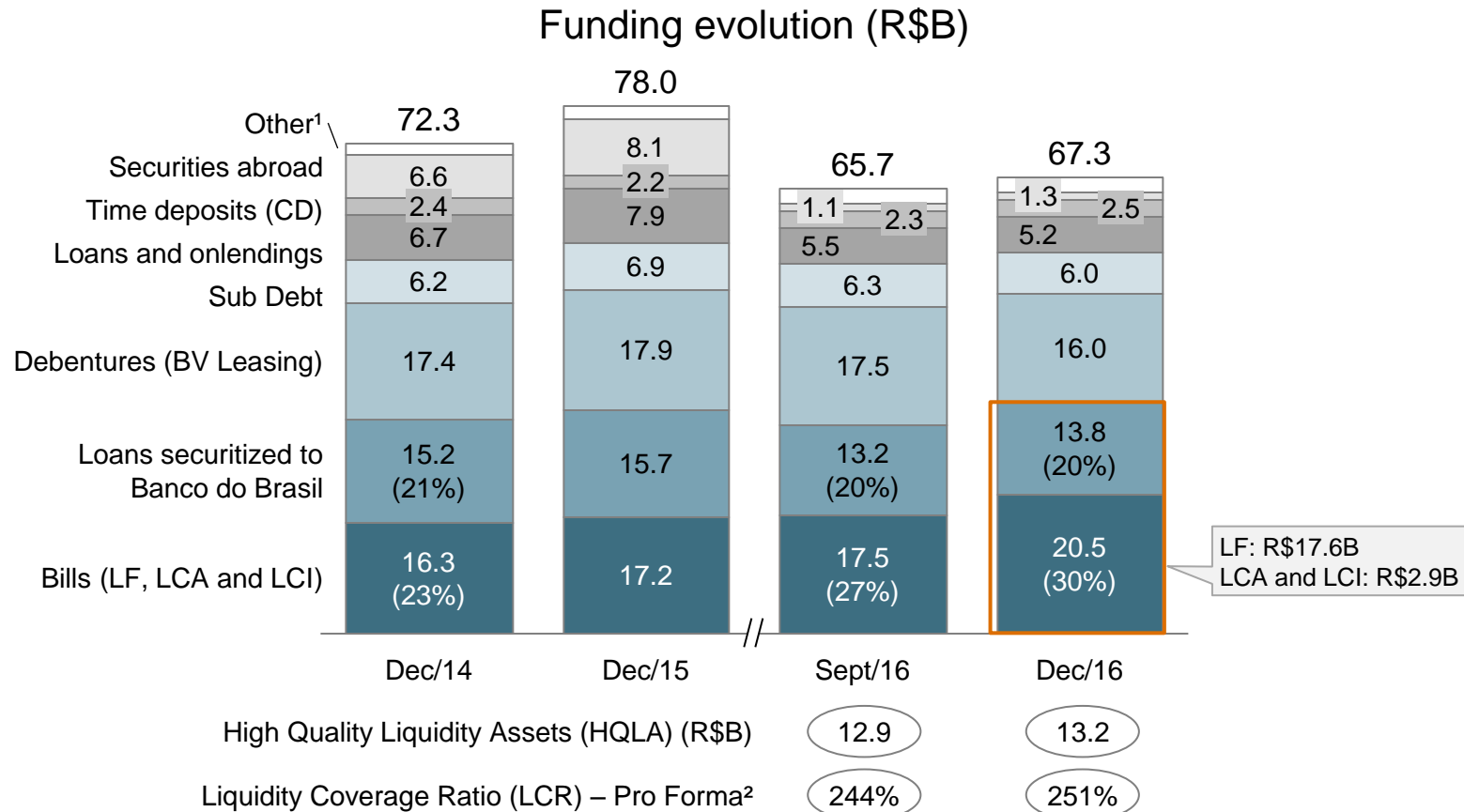
Net Income and Net Margin (post provisions)



1. Income from services and banking fees

Funding profile improved over the last years

Bills and Credit Assignments account for 50% (R\$ 34.3B) of the total funding sources



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; 2. Ratio of total high quality liquid assets (HQLA) and the total cash inflows for a 30 days period. Considers stand-by credit facility with Banco do Brasil. Excluding it, the LCR regulatory reported the Central Bank in Dec/16 was 165% and the regulatory minimum of 70%.

Basel Ratio of 15.8% in Dec/16

Tier I Capital ratio of 11.2%, entirely composed of Common Equity

BASEL RATIO (R\$ Million)	Dec.15	Sept.16	Dec.16
Total Capital	10,742	9,737	9,219
Tier I Capital	6,686	6,894	6,837
Common Equity Tier I	6,686	6,894	6,837
Additional Tier I	-	-	-
Tier II Capital	4,056	2,843	2,382
Risk Weighted Assets (RWA)	70,549	61,626	61,207
Credit risk	62,926	56,871	55,922
Market risk	2,843	1,130	670
Operational risk	4,780	3,625	4,615
Minimum Capital Requirement	7,760	6,086	6,044
BaseI Ratio (Capital/RWA)	15.2%	15.8%	15.1%
Tier I Capital Ratio	9.5%	11.2%	11.2%
Common Equity Tier I Ratio	9.5%	11.2%	11.2%
Additional Tier I Ratio	-	-	-
Tier II Capital Ratio	5.7%	4.6%	3.9%

Note: In 2016, the minimum capital requirement was changed to 10.50% (11.00% in 2015), For Tier I Capital, it is 6.0% and for Principal Capital it is 4.5%.

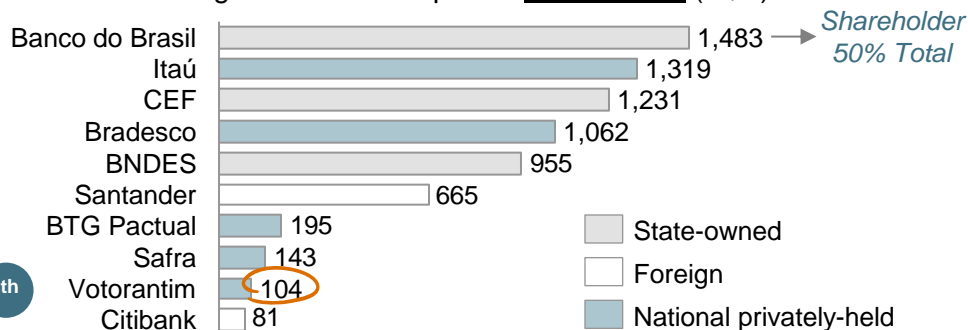
Appendix

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...

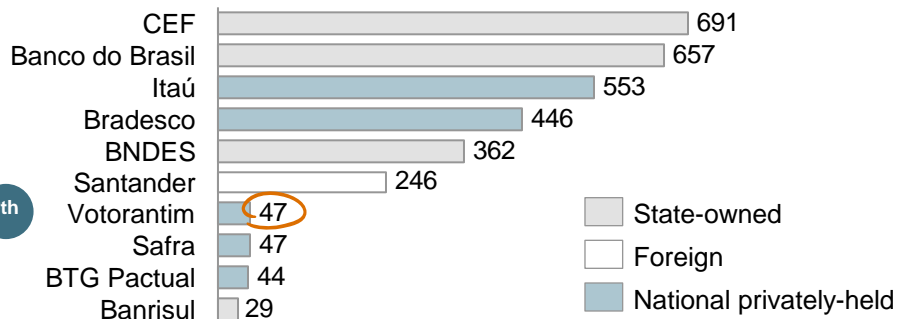
10 largest Banks in Sept/16 - Total Assets (R\$B)



9th

...and also in terms of loan portfolio

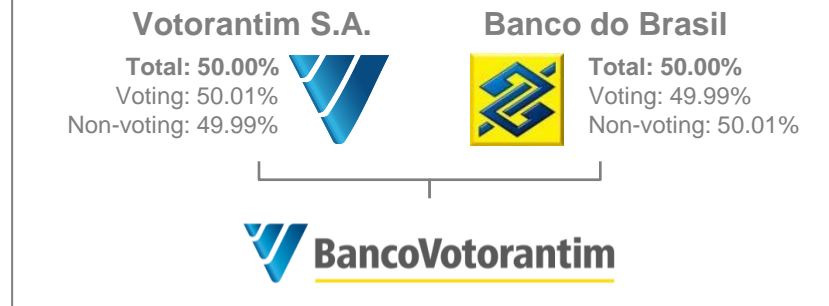
10 largest Banks in Sept/16 – Loan Portfolio¹ (R\$B)



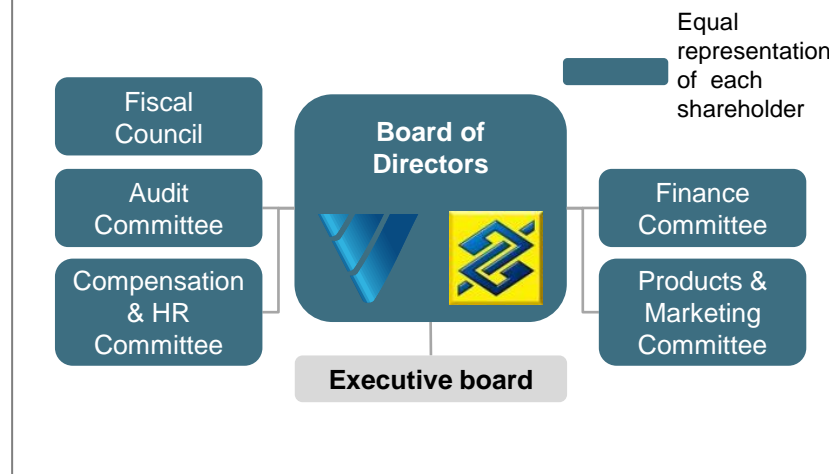
7th

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

Ownership Structure



Corporate Governance Structure



Diversified business portfolio

Focus on increasing business profitability, operating efficiency and diversifying revenues



Consumer Finance R\$ 33.5B

Auto Finance

To originate portfolios with quality, scale and profitability

To focus on used auto finance (multi-brand dealers), where BV has a history of leadership and expertise

R\$ 28.2B

Other Businesses

Payroll loans: to focus on INSS (portfolio refinancing) and Private (portfolio growth)

Credit Card, Insurance, Student and Individual loans and CrediCasa (home equity): to leverage the existing client base and diversify revenues

Other synergies with BB: Promotiva, consortium, etc

R\$ 5.3B

Atacado

Corporate Bank

Business approach focused on long-term relationships

- Agility to serve
- Customer knowledge
- Capital discipline
- Active portfolio management
- Corporate bank: growth
- Leverage customer base
- Increase spread and cross-sell
- Large Corporate: profitability

R\$ 27.4B

Wealth Management

Asset: 9th largest in the market, with innovative products and growing synergies with BB

R\$ 53.8B in AuM¹

Private: tailor-made solutions

Pillars

Shareholders



Banco do Brasil



Votorantim S.A.

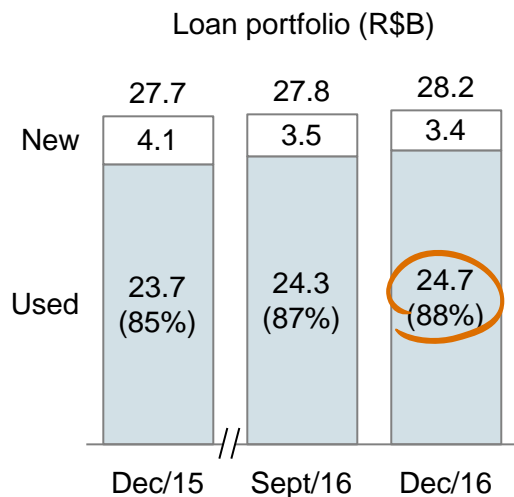
XX Expanded² credit portfolio

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

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

Consumer Finance Businesses

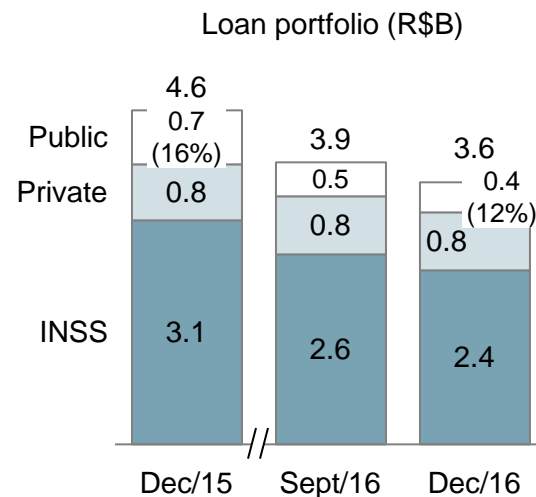
Auto finance



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

- Capillarity: presence in ~12,000 car dealerships nationwide
- Agility: 83% of proposals with automatic credit decision
- Expertise: continuous improvement of management tools (pricing, credit, collection etc.)
- Long-term relationship: first access to customer record

Payroll Loans



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.)

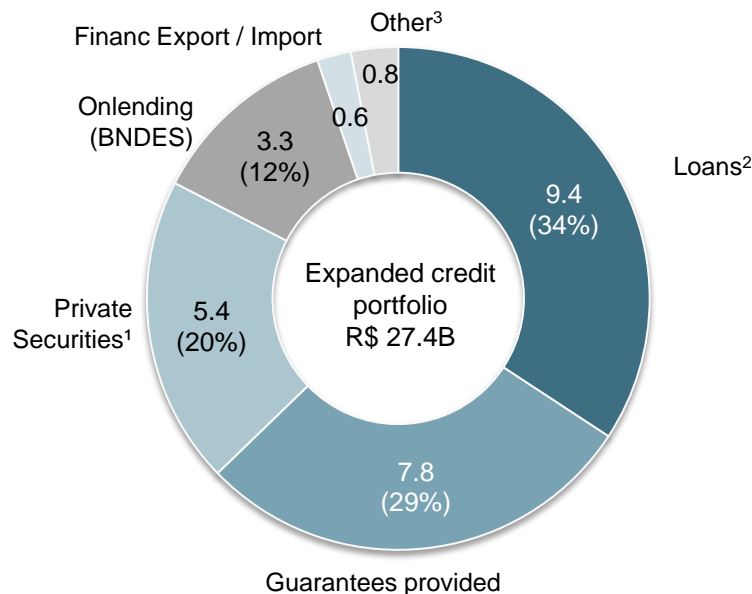
Wholesale: continued focus on improving return on capital

Leverage Corporate customer base, increasing spread and cross-sell

Wholesale Business (CIB)

Corporate Bank

Expanded credit portfolio (R\$B and %)



Diversified portfolio of wholesale products

Highlights and strategy

Business approach focused on long-term relationships

- Deep customer knowledge
- Agility in the interaction with clients and market

Discipline in capital allocation

- Risk x return management
- Active portfolio management

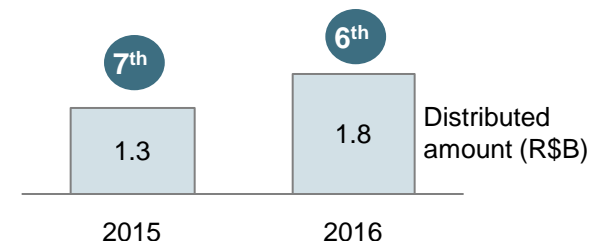
Grow in Corporate bank (R\$ 300M to R\$ 1.500M)

- Leverage customer base
- Increase spread and cross-sell (FX, derivatives, DCM, M&A)
- Deconcentrate risk

Increase profitability in Large Corporate (ex: unfunded)

Explore competitive advantages, such as DCM:

Local Fixed Income Distribution Ranking⁴



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 Anbima de Distribuição – Renda Fixa Consolidado (Dec/16)

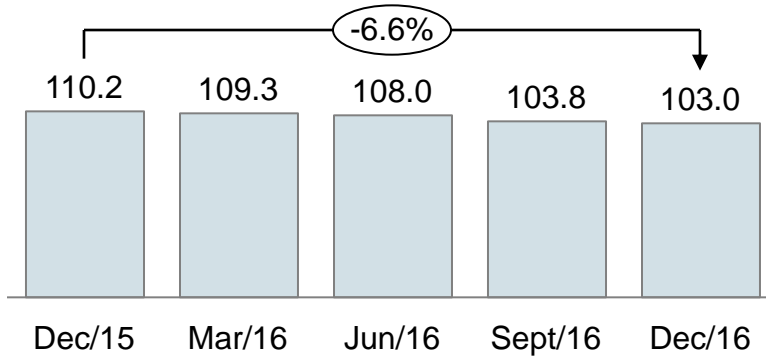
Balance Sheet

BALANCE SHEET Assets (R\$ Million)	Dec.15	Sept.16	Dec.16	Variation %	
				Dec.16/Sept.16	Dec.16/Dec.15
CURRENT AND LONG-TERM ASSETS	109,700	103,201	102,338	(0.8)	(6.7)
Cash and cash equivalents	180	176	184	4.4	2.0
Interbank funds applied	17,187	17,093	17,116	0.1	(0.4)
Securities and derivative financial instruments	30,424	28,225	28,480	0.9	(6.4)
Derivative financial instruments	2,550	3,398	2,685	(21.0)	5.3
Interbank accounts or relations	72	330	341	3.1	-
Loan Operations, Leases and Others receivables	51,135	46,542	47,401	1.8	(7.3)
Allowance for loan losses	(4,148)	(3,069)	(3,671)	19.6	(11.5)
Tax credit	7,833	7,238	7,411	2.4	(5.4)
Others	4,466	3,268	2,391	(26.8)	(46.5)
NON-CURRENTS	522	603	660	9.5	26.5
Investments	324	406	456	12.3	40.5
Fixed assets	97	90	98	8.2	0.8
Intangible and deferred charges	100	106	106	(0.2)	6.2
TOTAL ASSETS	110,221	103,804	102,998	(0.8)	(6.6)
BALANCE SHEET Liabilities (R\$ Million)	Dec.15	Sept.16	Dec.16	Variation %	
				Dec.16/Sept.16	Dec.16/Dec.15
CURRENT AND LONG-TERM LIABILITIES	102,556	95,349	94,535	(0.9)	(7.8)
Deposits	4,206	4,535	4,578	0.9	8.8
Demand deposits	81	60	88	45.5	8.2
Interbank deposits	1,933	2,153	1,997	(7.2)	3.4
Time deposits	2,192	2,322	2,492	7.3	13.7
Money market borrowings	32,800	38,840	35,673	(8.2)	8.8
Acceptances and endorsements	25,323	18,661	21,802	16.8	(13.9)
Interbank accounts	83	103	100	(2.8)	19.8
Borrowings and onlendings	7,893	5,454	5,203	(4.6)	(34.1)
Derivative financial instruments	2,914	2,967	2,708	(8.7)	(7.1)
Others obligations	29,337	24,790	24,471	(1.3)	(16.6)
Subordinated debts	6,928	6,316	6,046	(4.3)	(12.7)
Credit transactions subject to assignment	15,677	13,208	13,756	4.2	(12.3)
Others obligations	6,732	5,267	4,669	(11.3)	(30.6)
DEFERRED INCOME	48	38	38	(1.9)	(22.2)
SHAREHOLDERS' EQUITY	7,617	8,416	8,426	0.1	10.6
TOTAL LIABILITIES	110,221	103,804	102,998	(0.8)	(6.6)

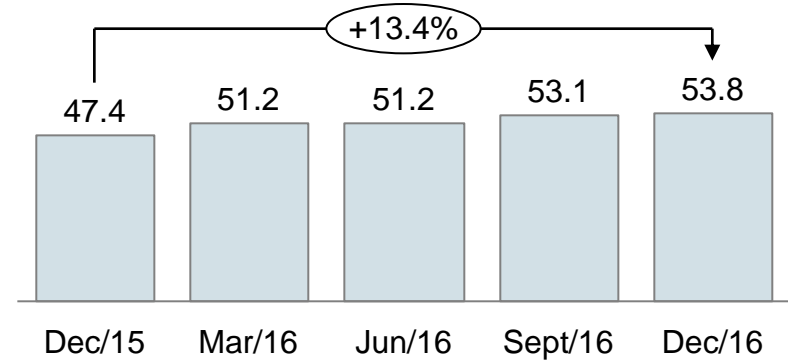
Financial highlights

R\$ Billion

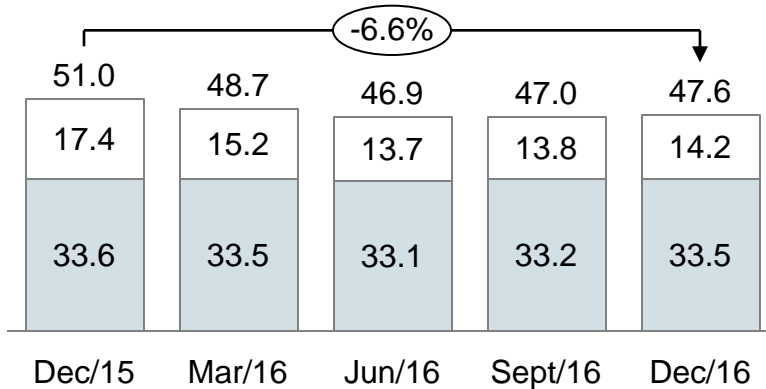
Total Assets



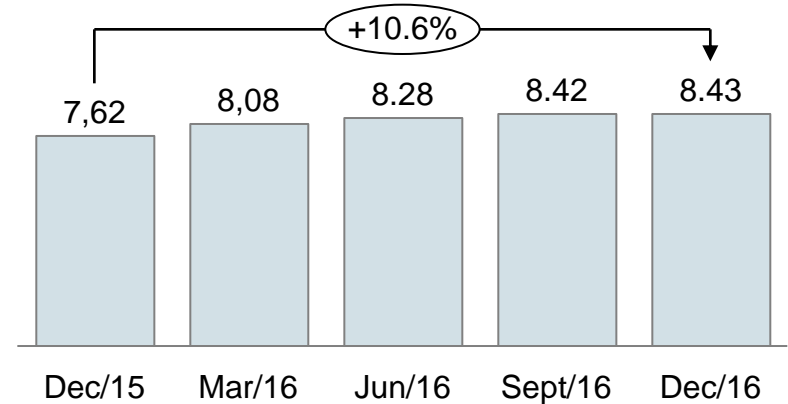
Assets under Management¹



Loan portfolio



Shareholders' Equity



1. Includes onshore funds (ANBIMA criteria) and private clients resources. Note: Shareholders' Equity includes the destination of dividends (R\$ 101 million) in Dec/16.

Net Interest Margin (NIM)

NET INTEREST MARGIN (NIM) (R\$ Million)	4Q15	3Q16	4Q16	Var. 4Q16/3Q16	2015	2016	Var. 2016/2015
Net Interest Income (A)	1,098	1,172	1,072	-8.6%	4,702	4,641	-1.3%
Average Interest-Earning Assets (B)	98,020	93,721	93,112	-0.6%	95,350	95,363	0.0%
Compulsory Deposits (Bacen)	24	458	335	-26.7%	38	334	-
Interbanks Funds Applied	16,689	18,474	17,105	-7.4%	14,740	17,656	19.8%
Securities	30,258	27,842	28,352	1.8%	28,243	29,141	3.2%
Loan Portfolio	51,049	46,947	47,319	0.8%	52,329	48,232	-7.8%
NIM (A/B)	4.6%	5.1%	4.7%	-0.4 p.p.	4.9%	4.9%	0.0 p.p.

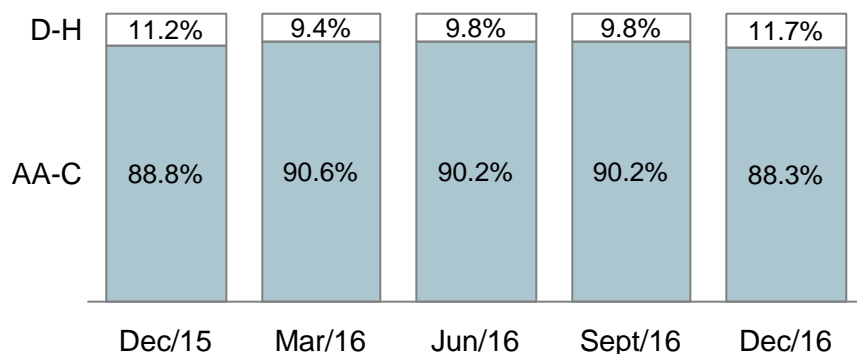
Efficiency Ratio

EFFICIENCY RATIO (ER) (R\$ Million)	4Q15	3Q16	4Q16	Var. 4Q16/3Q16	2015	2016	Var. 2016/2015
Total Personnel ¹ and Administrative expenses (A)	529	500	541	8.0%	2,039	2,031	-0.4%
Total Revenues (B)	1,252	1,323	1,264	-4.5%	5,174	5,234	1.2%
Net Interest Income (NII)	1,098	1,172	1,072	-8.6%	4,702	4,641	-1.3%
Income from Services and Banking Fees	266	281	321	14.6%	961	1,123	16.8%
Income from subsidiaries ²	40	55	50	-9.0%	163	194	19.4%
Other Operating Income/Expenses	(152)	(184)	(179)	-3.0%	(651)	(724)	11.1%
Efficiency Ratio (A/B) - period	42.3%	37.8%	42.8%	5.0 p.p.	39.4%	38.8%	-0.6 p.p.
Efficiency Ratio - last 12 months	39.4%	38.7%	38.8%	0.1 p.p.	39.4%	38.8%	-0.6 p.p.

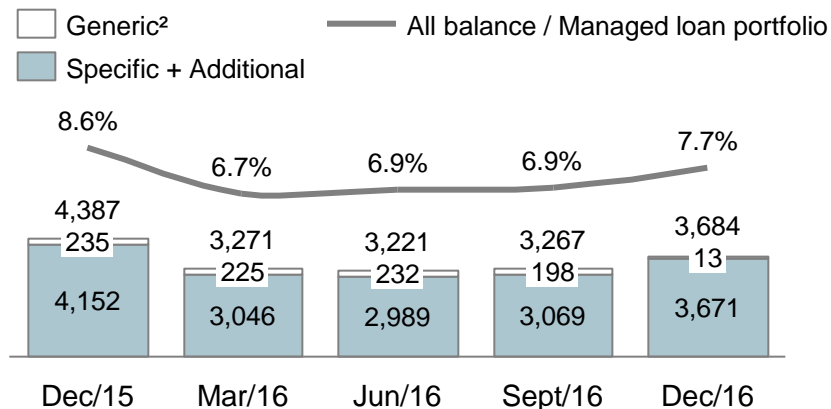
1. Excludes expenses with labor lawsuits; 2. Subsidiaries accounted by the equity method

Credit quality indicators

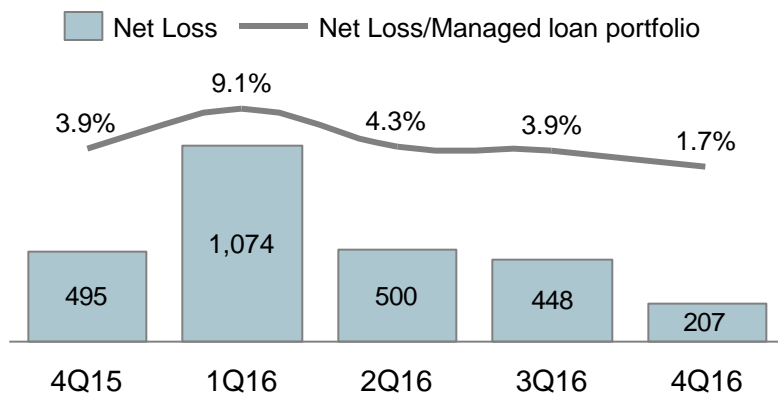
Managed loan portfolio rated by risk level¹ (%)



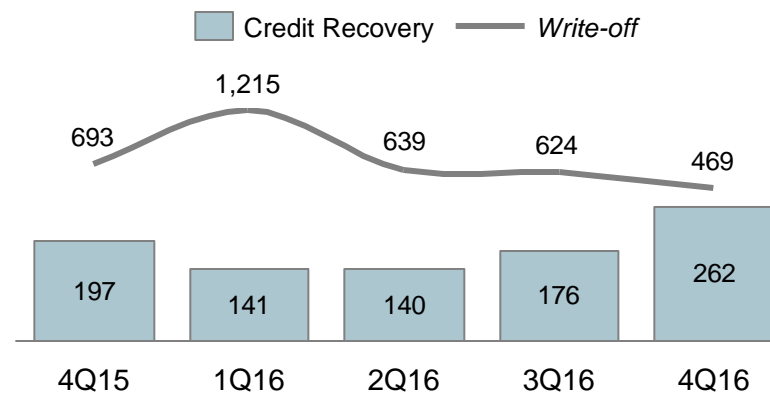
ALL Balance (R\$M)



Net Loss (R\$M)



Credit Recovery (R\$M)

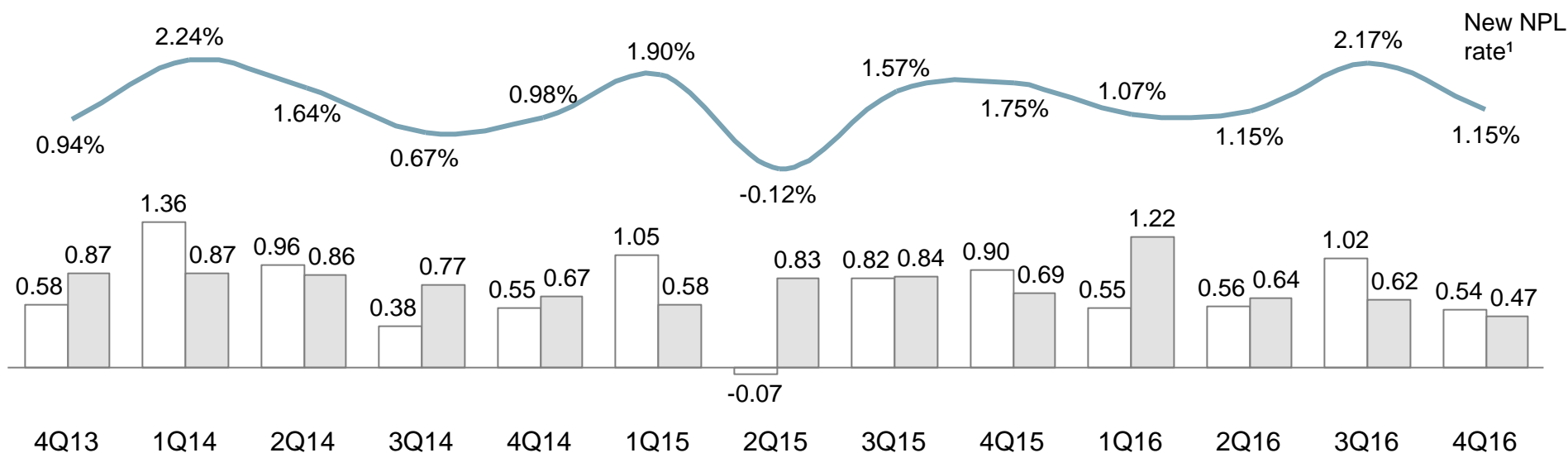


1. According to Bacen's Resolution 2,682; 2. Considers credit provisions recognized as Liabilities in the "Other" line (see Note #18d of Financial Statements)

New NPL rate

NEW NPL (R\$ Million)	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Managed Loan Portfolio (A)	60,539	58,281	56,806	55,712	55,231	55,422	52,505	51,576	51,250	48,799	46,925	47,031	47,620
90-day NPL Balance	3,081	3,563	3,662	3,273	3,154	3,628	2,727	2,712	2,923	2,254	2,174	2,567	2,638
90-day NPL Quarterly Variation (B)	-292	482	99	(388)	(119)	474	(902)	(14)	211	(669)	(80)	393	71
Write-off (C)	869	874	857	771	666	578	834	838	693	1,215	639	624	469
New NPL (D=B+C)	578	1,356	955	383	547	1,052	(67)	823	903	546	560	1,017	540
New NPL Rate ¹ (D/A)	0.94%	2.24%	1.64%	0.67%	0.98%	1.90%	-0.12%	1.57%	1.75%	1.07%	1.15%	2.17%	1.15%

□ New NPL (R\$B)
 ■ Write-off (R\$B)



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 86% of the Wholesale credit exposure

Wholesale Sectorial concentration	Dec.15		Sept.16		Dec.16	
	R\$M	Part.(%)	R\$M	Part.(%)	R\$M	Part.(%)
Financial Institutions	5,229	21.3%	4,133	20.1%	4,523	21.9%
Sugar and Ethanol	2,252	9.2%	1,996	9.7%	1,831	8.9%
Telecom	1,675	6.8%	1,624	7.9%	1,633	7.9%
Petrochemical	1,684	6.8%	1,575	7.7%	1,395	6.8%
Retail	1,313	5.3%	945	4.6%	1,332	6.5%
Mining	1,006	4.1%	861	4.2%	891	4.3%
Railways	771	3.1%	775	3.8%	723	3.5%
Agribusiness	1,001	4.1%	768	3.7%	710	3.4%
Electricity Generation	683	2.8%	591	2.9%	542	2.6%
Automotive	404	1.6%	450	2.2%	539	2.6%
Government	705	2.9%	573	2.8%	525	2.5%
Electricity Distribution	461	1.9%	420	2.0%	419	2.0%
Residential Construction	522	2.1%	415	2.0%	416	2.0%
Oil & Gas	401	1.6%	401	2.0%	401	1.9%
Road Cargo Transportation	533	2.2%	467	2.3%	372	1.8%
Pulp and Paper	755	3.1%	357	1.7%	355	1.7%
Steel industry	189	0.8%	270	1.3%	311	1.5%
Slaughterhouses	284	1.2%	263	1.3%	258	1.3%
Food industry	215	0.9%	330	1.6%	245	1.2%
Services	414	1.7%	289	1.4%	232	1.1%
Other sectors	4,106	16.7%	3,029	14.8%	2,958	14.3%
Total¹	24,604	100.0%	20,532	100.0%	20,614	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
		Local	Foreign	Local	
Moody's	Long-term	Ba2	Ba3	Aa3.br	Ba2
	Short-term	NP	NP	BR-1	
Standard & Poor's	Long-term	BB		brA+	BB
	Short-term	B		brA-1	