
4th Quarter | 2018

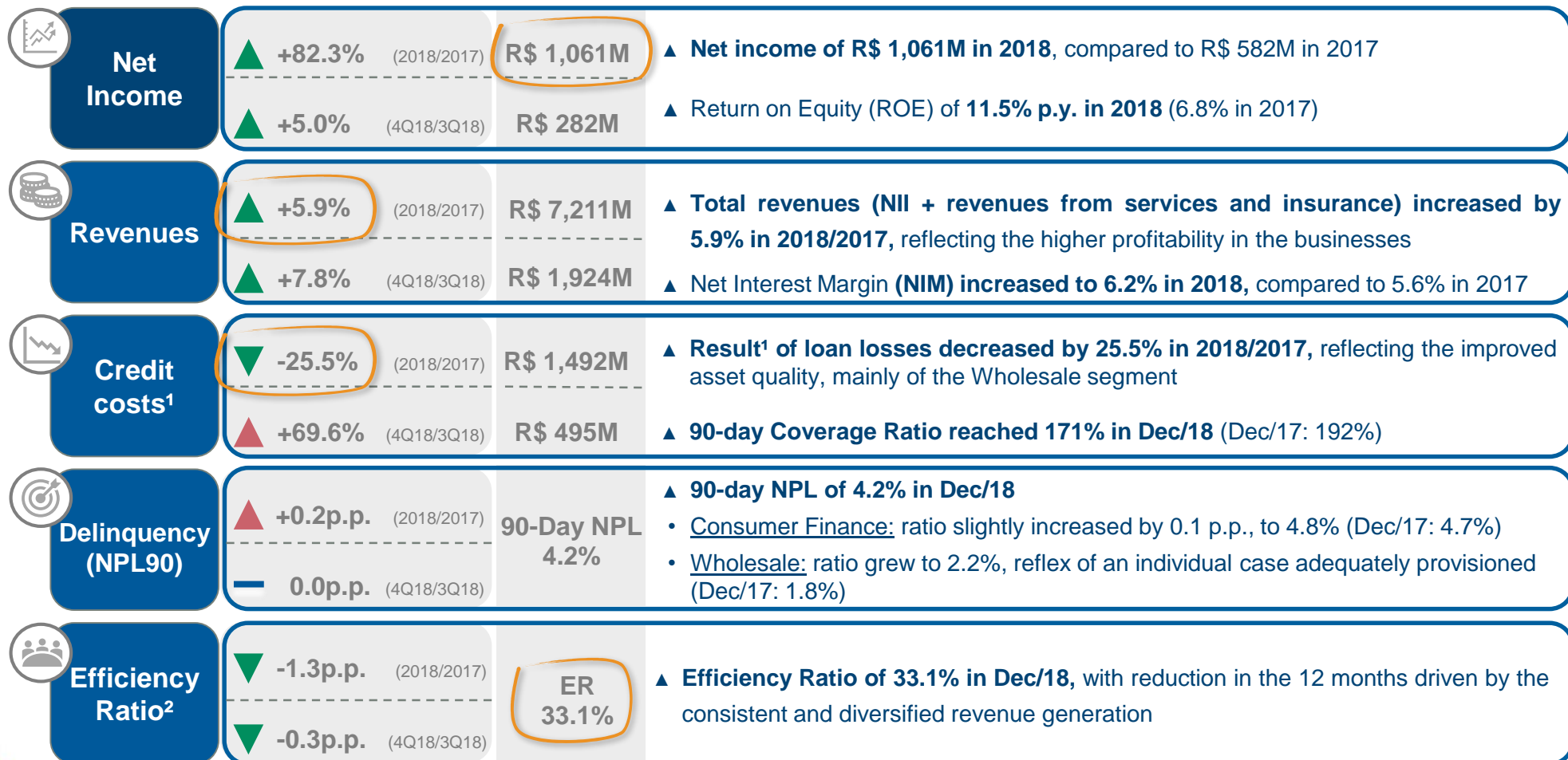
Earnings Presentation

Disclaimer: This presentation may include references and statements on expectations, planned synergies, growth estimates, projections of results, and future strategies for Banco Votorantim, its associated and affiliated companies, and subsidiaries. Although these references and statements reflect the management's belief, they also involve imprecision and risks that are highly difficult to be foreseen. Consequently, they may conduct to different results from those anticipated and discussed here. These expectations are highly dependent on market conditions, on Brazil's economic and banking system performances, as well as on international market conditions. Banco Votorantim is not responsible for bringing up to date any estimate in this presentation.

Net income of R\$ 1.1B in 2018, and ROE of 11.5%

Consistent revenue generation, maintenance of credit quality and increased operational efficiency

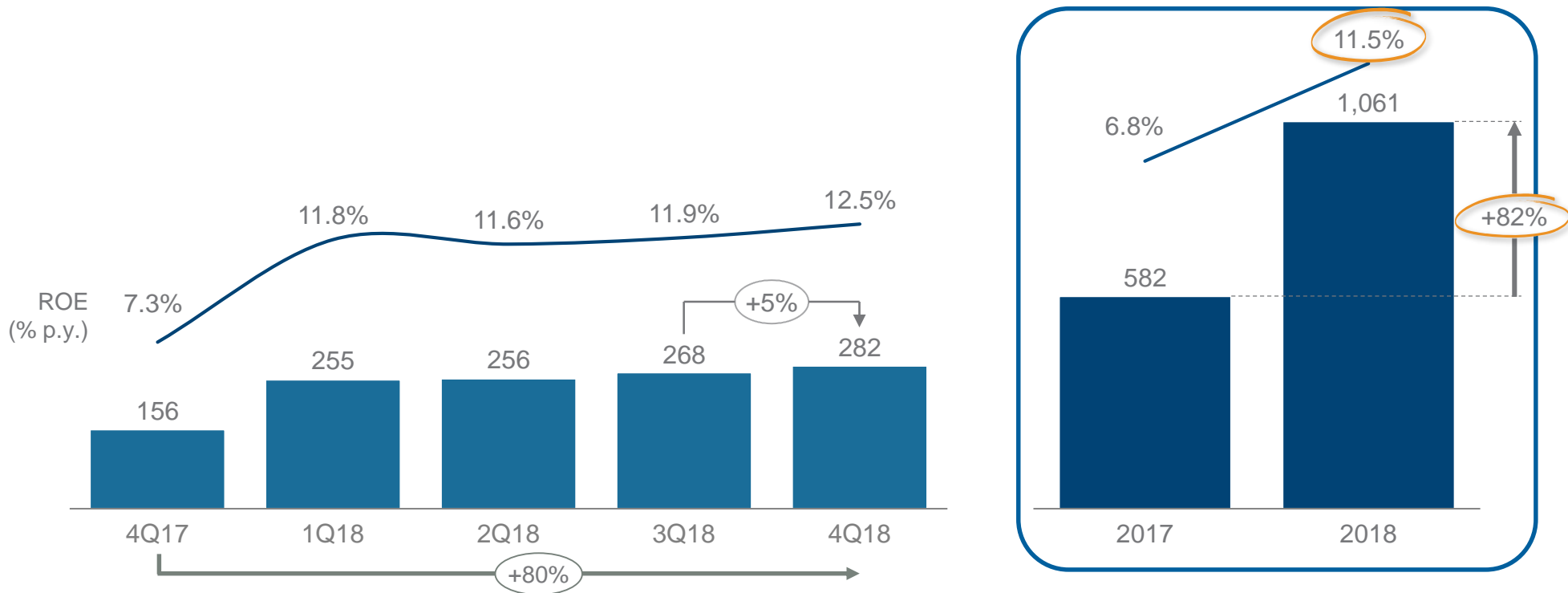
Highlights of results



1. Net of revenues from recovery of written-off loans and impairments; 2. Last 12 months; Excludes labor lawsuits and profit sharing expenses

Net income of 2018 reached R\$1.1B, a 82% increase over the previous year and a ROE of 11.5%

Net Income (R\$M)



Quarterly net income confirms new level of Banco Votorantim results

Consistent revenues generation, with credit cost reduction

Net income increased by 82.3% in 2018

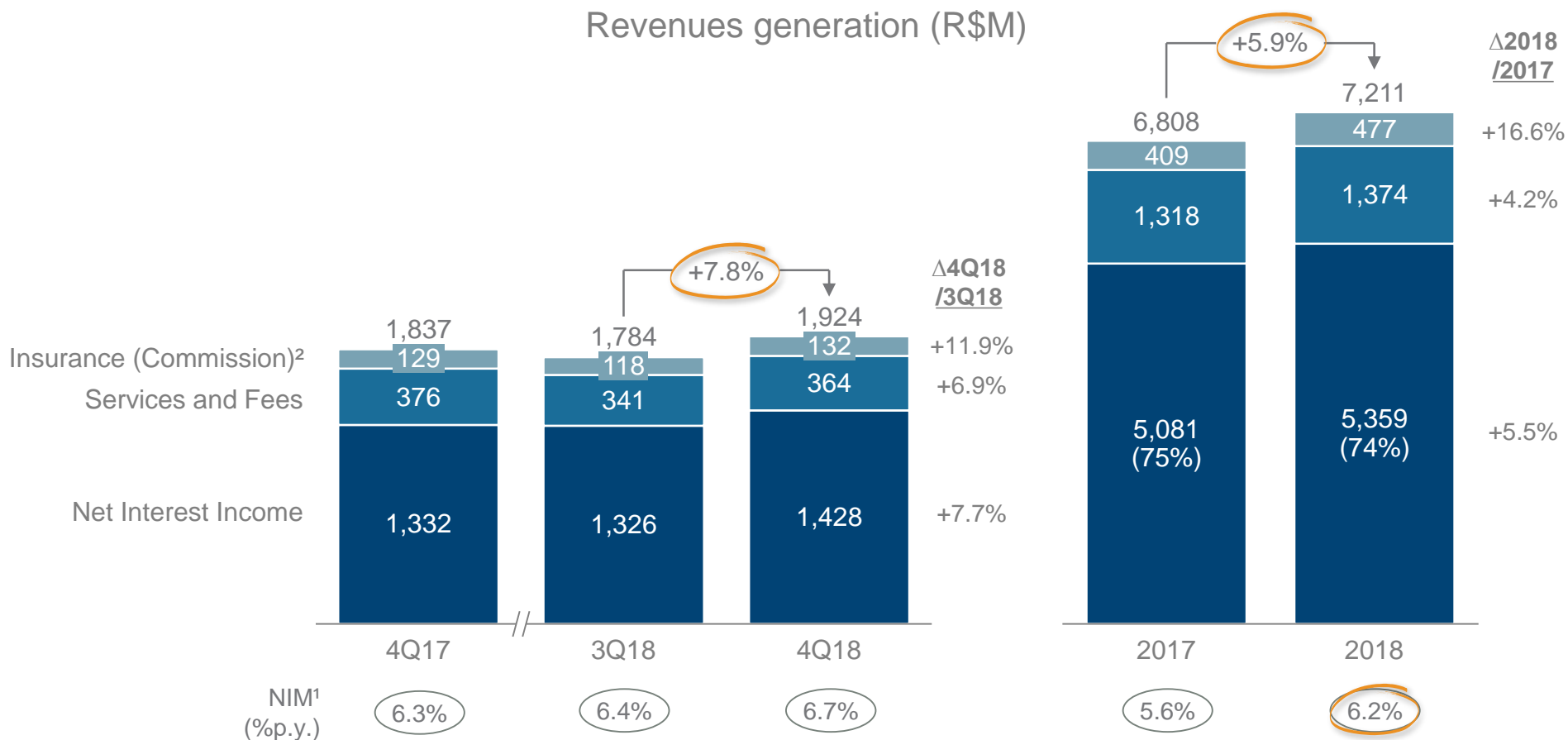
Managerial Income Statement (R\$M)

(R\$ Million)	4Q17	3Q18	4Q18	Var. 4Q18/3Q18	2017	2018	Var. 2018/2017
Net Interest Income (A)	1,332	1,326	1,428	7.7%	5,081	5,359	5.5%
Result of loan losses ¹ (B)	(487)	(292)	(495)	69.6%	(2,004)	(1,492)	-25.5%
Net Financial Margin (A+B)	845	1,034	932	-9.8%	3,077	3,867	25.7%
Operating Income/Expenses	(546)	(491)	(458)	-6.6%	(2,050)	(1,878)	-8.4%
Income from Services and Banking Fees	376	341	364	6.9%	1,318	1,374	4.2%
Personnel ² and Administrative expenses	(657)	(674)	(653)	-3.1%	(2,403)	(2,521)	4.9%
Tax expenses	(112)	(99)	(98)	-0.8%	(398)	(398)	0.1%
Income from subsidiaries	81	87	111	27.5%	285	361	26.5%
Other Operating Income/(Expenses)	(234)	(145)	(182)	25.5%	(853)	(694)	-18.7%
Operating Income (Loss)	298	543	474	-12.7%	1,027	1,989	93.7%
Non-Operating Income (Loss)	(4)	(2)	(69)	-	3	(76)	-
Income before Taxes	294	541	405	-25.1%	1,030	1,914	85.8%
Income Tax and Social Contribution	(138)	(273)	(123)	-54.7%	(448)	(853)	90.3%
Net Income	156	268	282	5.0%	582	1,061	82.3%

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

1. Net of revenues from recovery of written-off loans and impairments; 2. Includes profit sharing expenses.

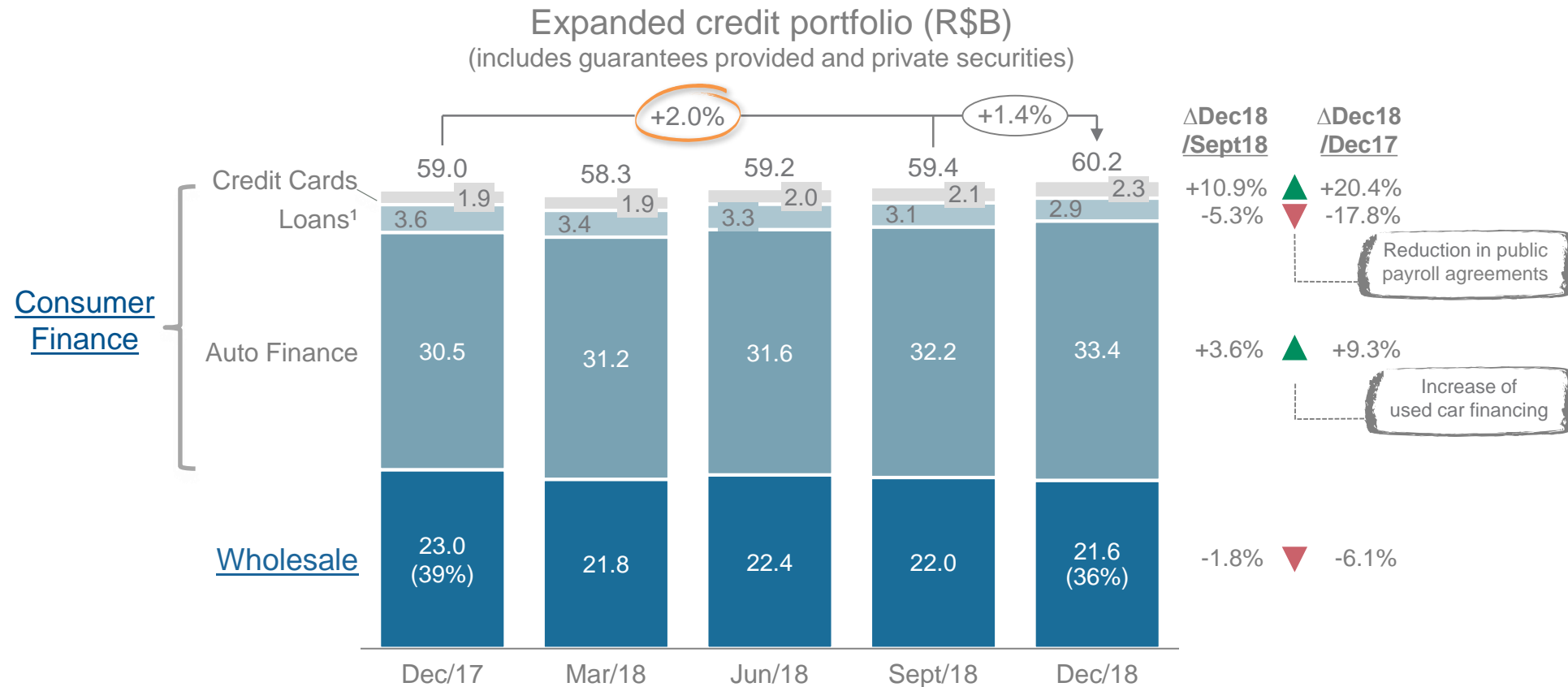
Consistent and diversified revenue generation, with expansion of both NII and income from services and insurance



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

Maintenance of the conservative approach to credit

Extended portfolio grew 2.0% in 2018, with increased participation of the Consumer Finance business

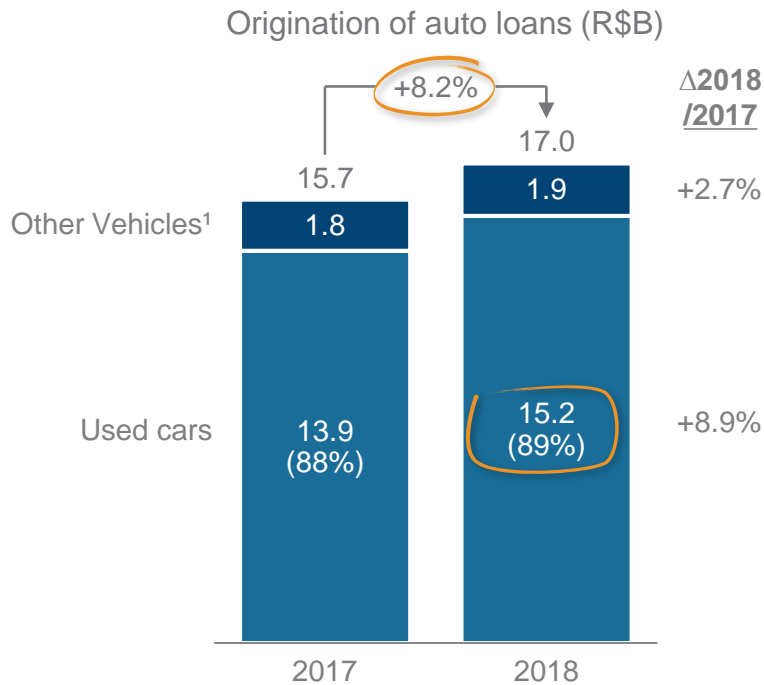


Focus on profitability and asset quality

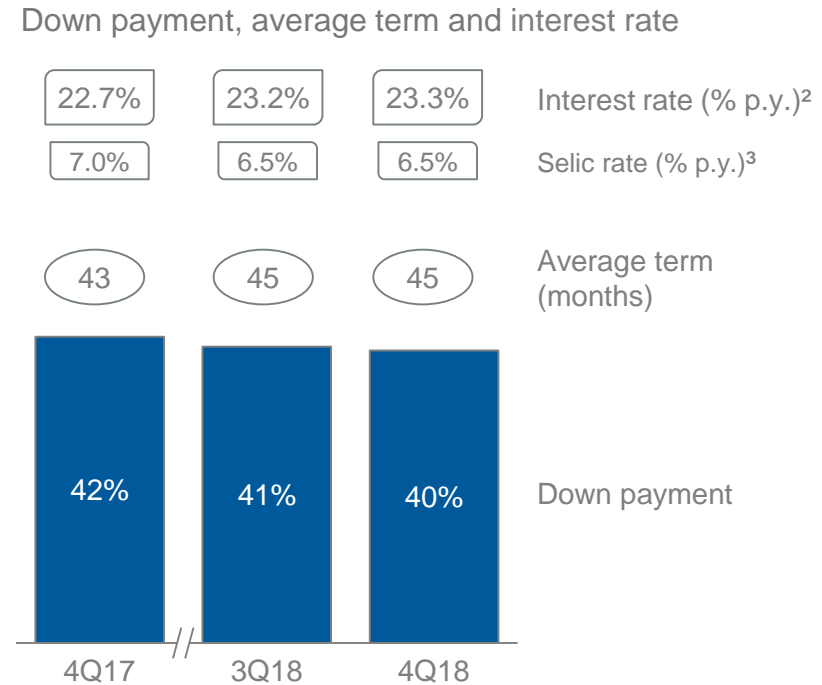
1. Portfolio comprised by products: payroll (retirees, private and public), personal credit (with and without guarantee), home equity, student credit and solar.

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

Focus on used car financing, which represented 89% of 2018 origination



Maintenance of conservative lending standards



Banco Votorantim is one of the market leaders in auto financing

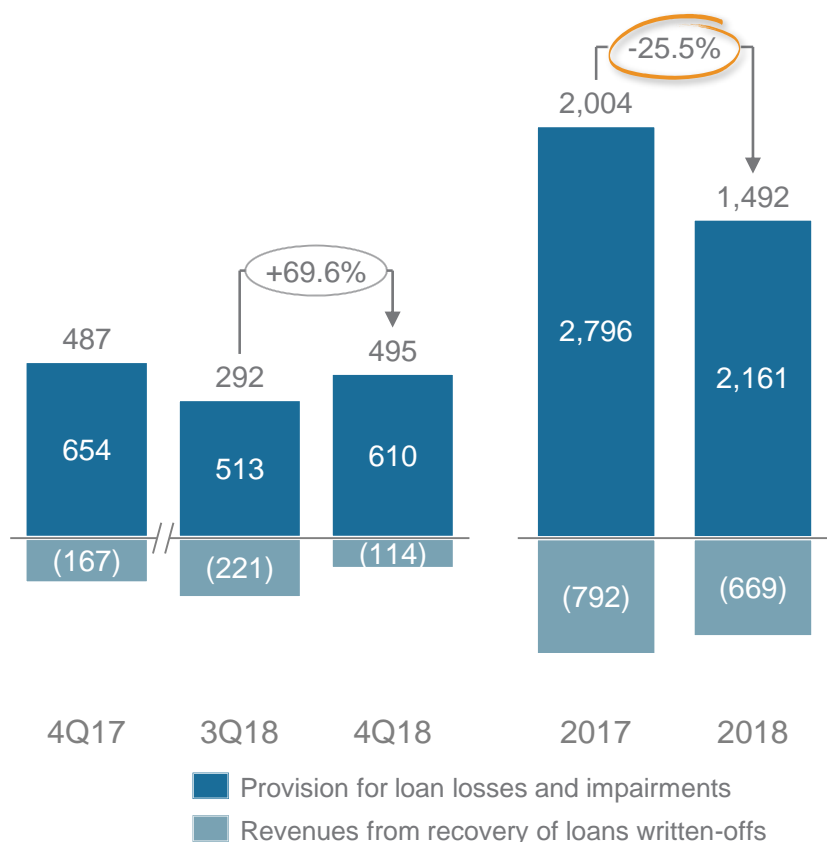
1. New cars, trucks and motorcycles; 2. Weighted average rate for the quarterly origination; 3. End of the period.
Nota: In Dec/18, the average ticket size was R\$ 23,000, and the average vehicle age was 5.6 years (portfolio).

Result of loan losses and impairments dropped by 25.5% in 2018

90-day Coverage Ratio reached 171% in Dec/18

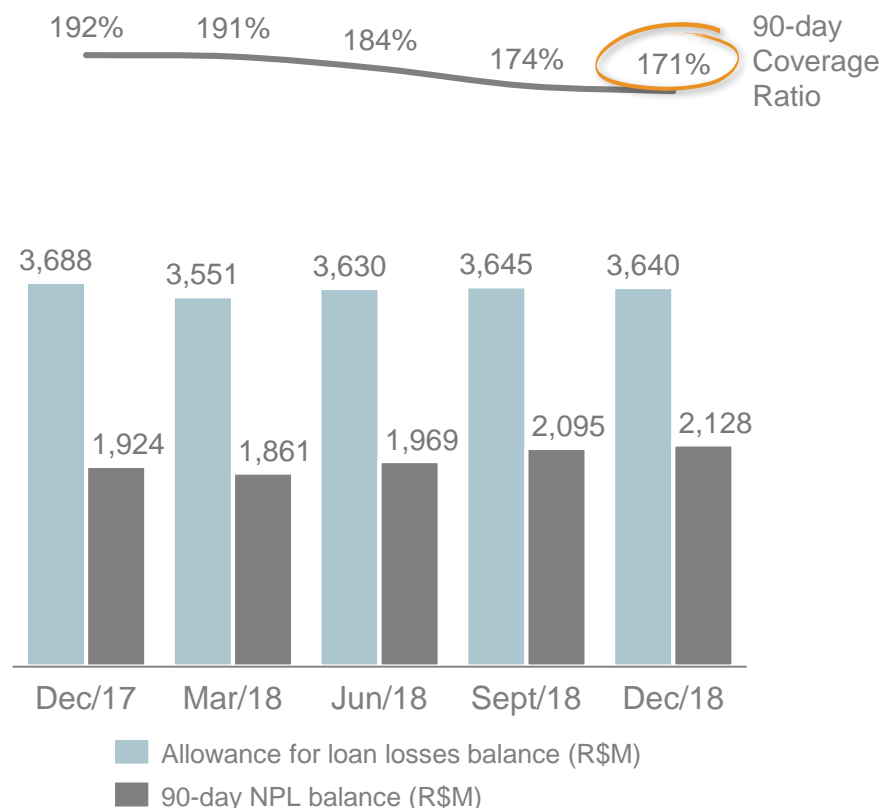
Result¹ of loan losses and impairments decreased by 26% in 2018, reflecting the improved asset quality

Result of loan losses¹ and impairments - (R\$M)



90-day Coverage Ratio remains in a sturdy level

90-day Coverage Ratio²

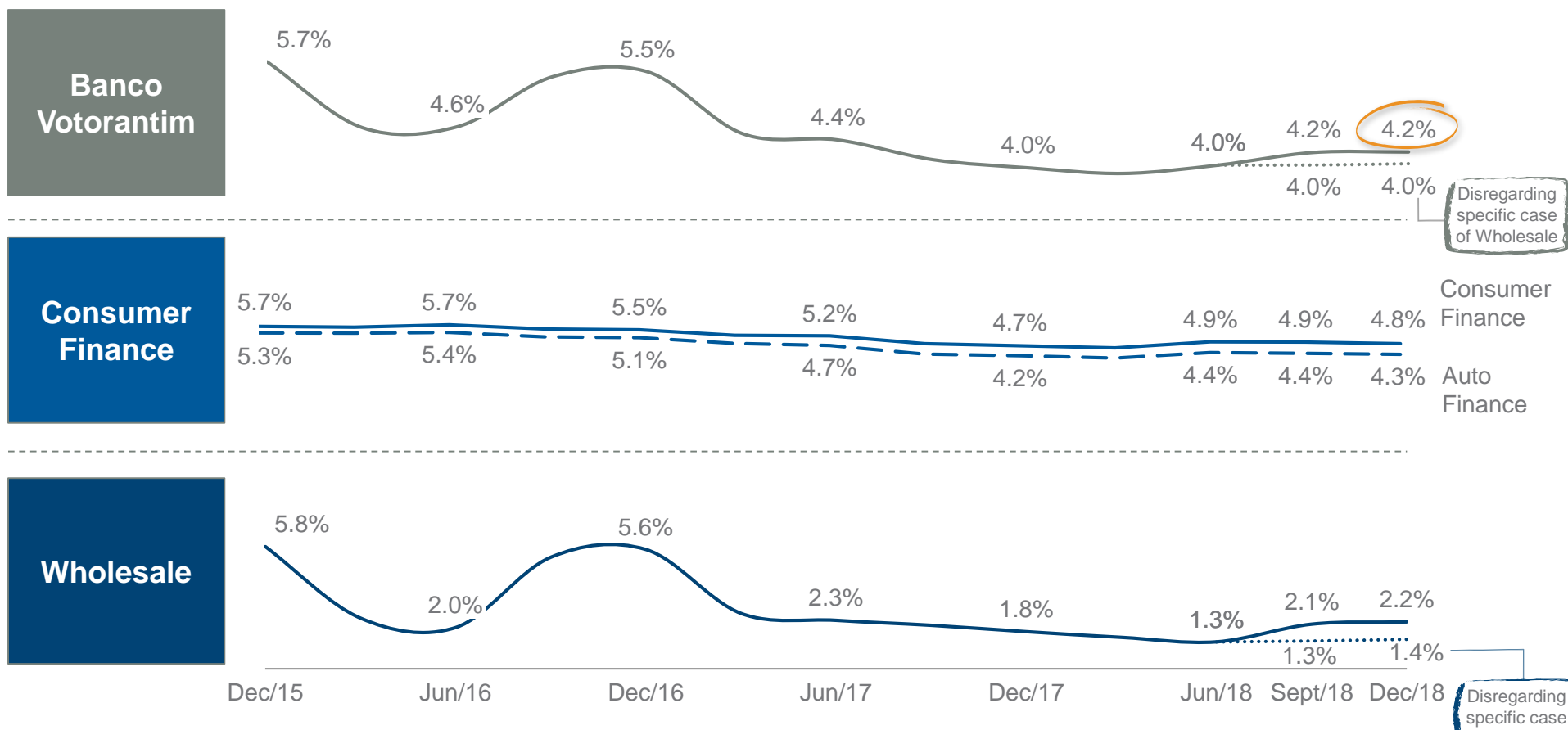


1. Net of revenues from recovery of written-off loans; 2. Ratio between the balance of Allowances for Loan Losses and the balance of loans past due over 90 days

90-day NPL of 4.2% in Dec/18 (4.0% in Dec/17)

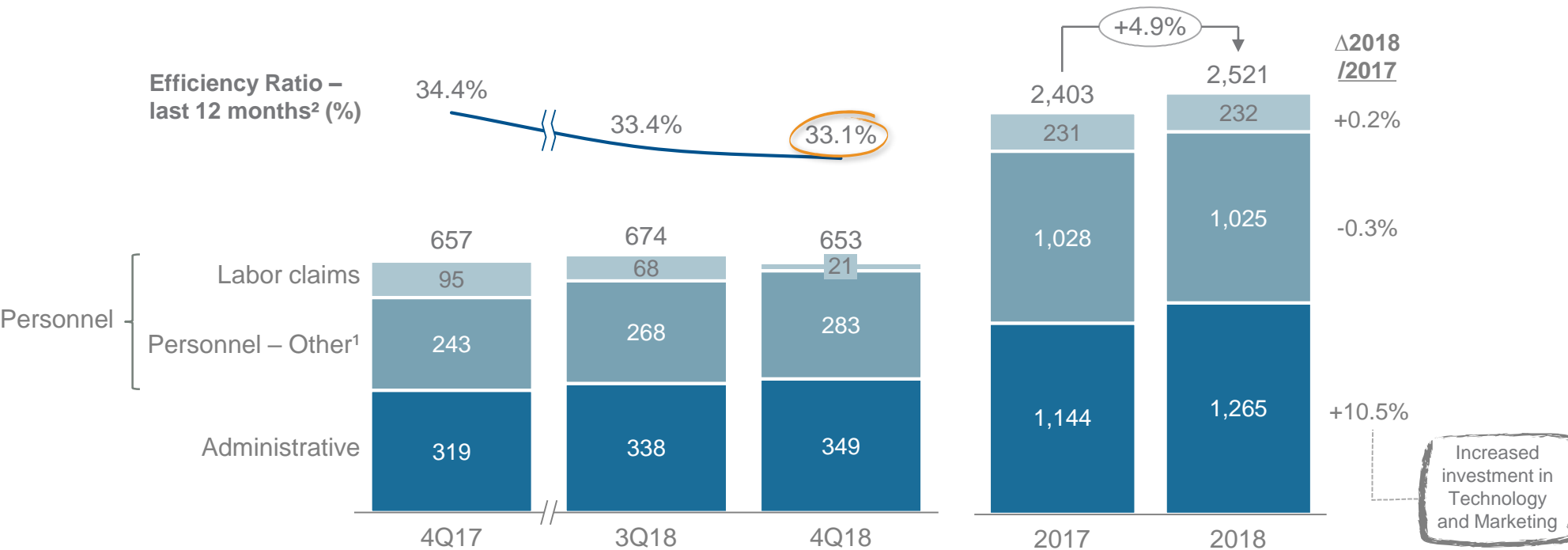
Increase in the indicator reflects Wholesale's specific case adequately provisioned

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



The cost base management contributed to the improvement of the Efficiency Ratio for the last 12 months

Personnel¹ and administrative expenses (R\$M)



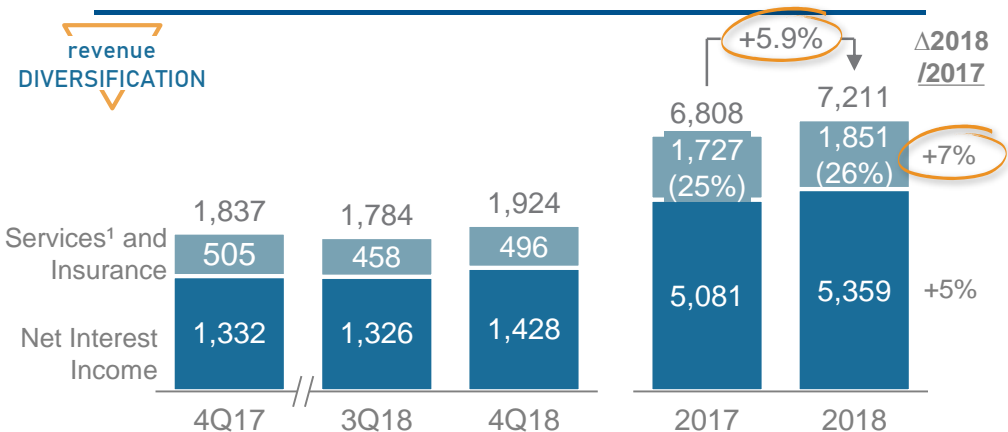
1. Includes profit sharing expenses; 2. Excludes expenses with labor lawsuits and profit sharing expenses.

Net income of R\$ 1.1B in 2018, and ROE of 11.5%

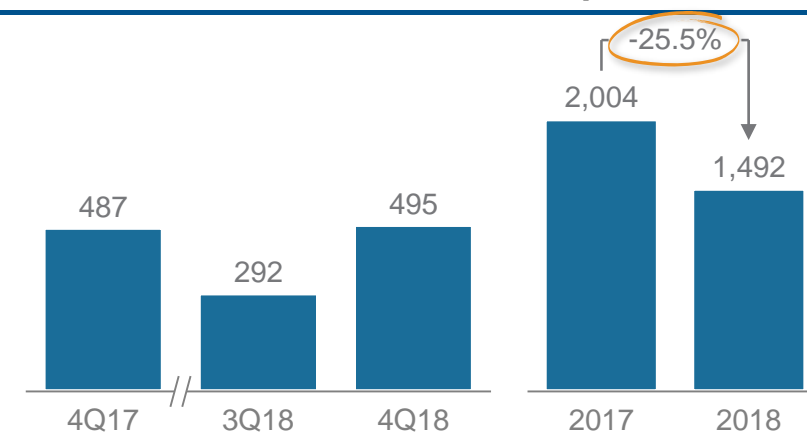
Consistent generation of revenues, with reduction of the credit cost

R\$ Million

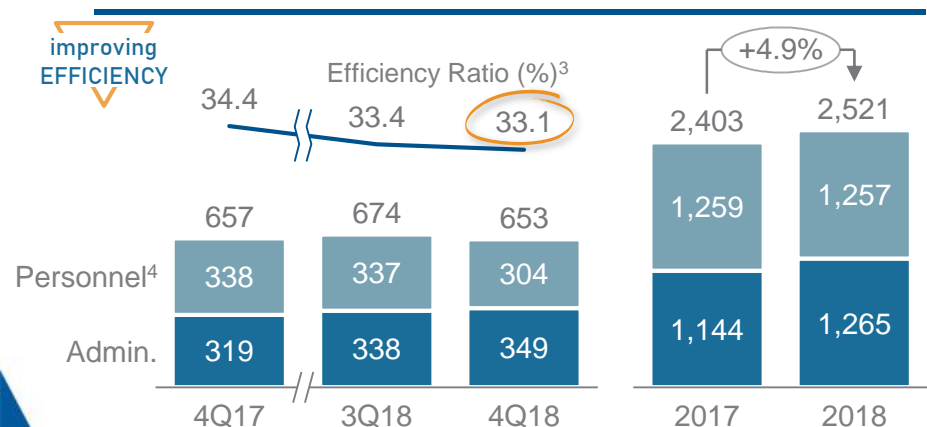
NII and Income from Services¹ and Insurance



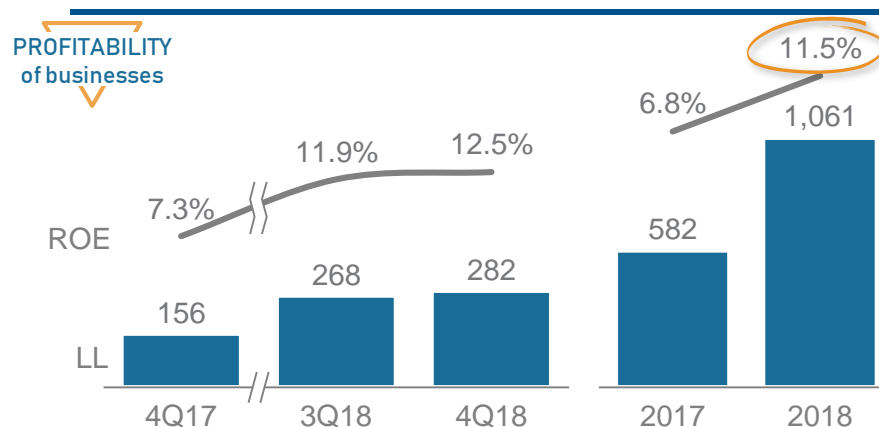
Result² of loan losses and impairments



Personnel and Administrative expenses



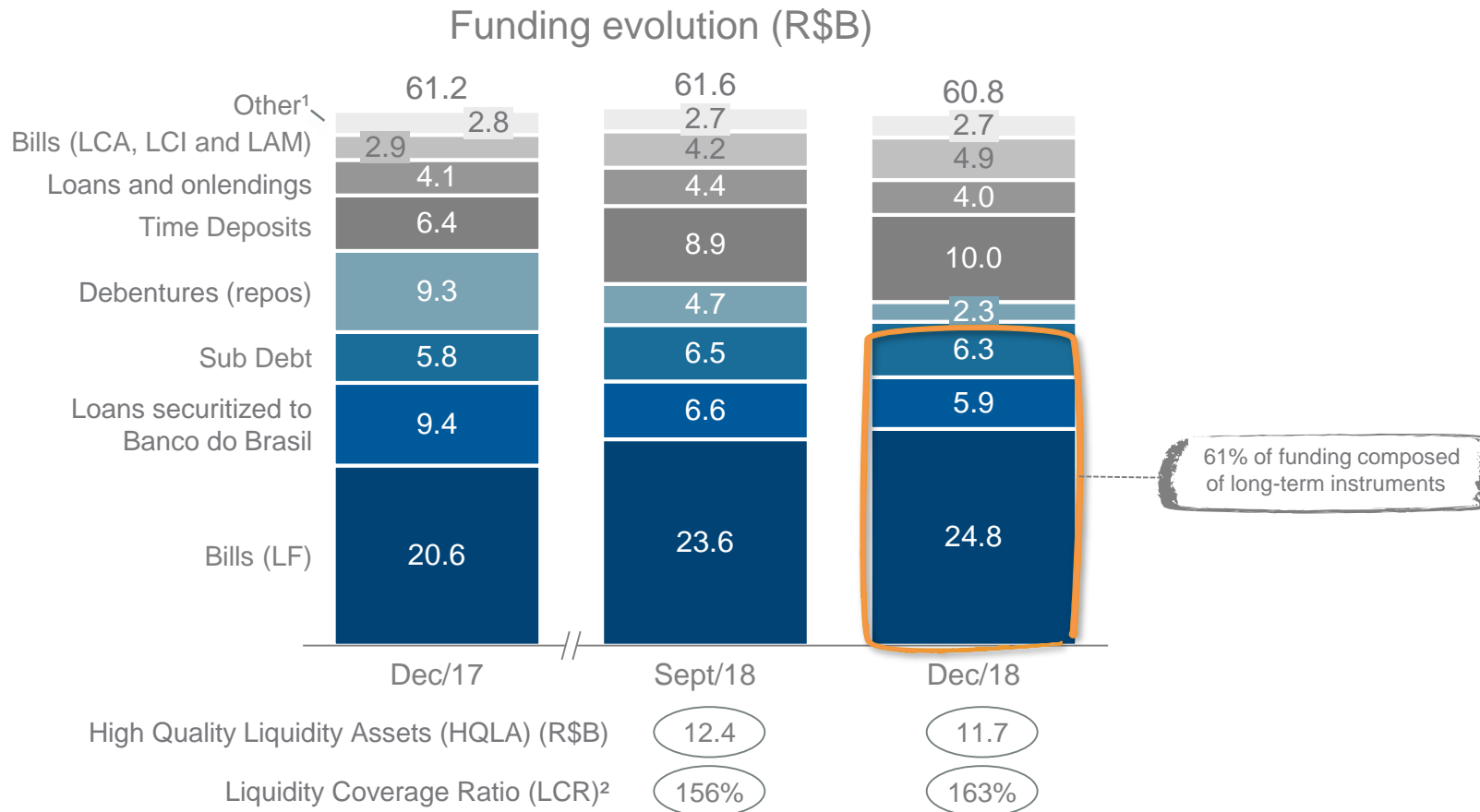
Net Income and ROE



1. Income from services and banking fees; 2. Net of revenues from recovery of written-off loans; 3. Last 12 months. Excludes expenses with labor lawsuits and profit sharing expenses; 4. Includes profit sharing expenses.

Funding volume amounted to R\$ 60.8B in Dec/18

Stable funding instruments accounted for 61% of total funding



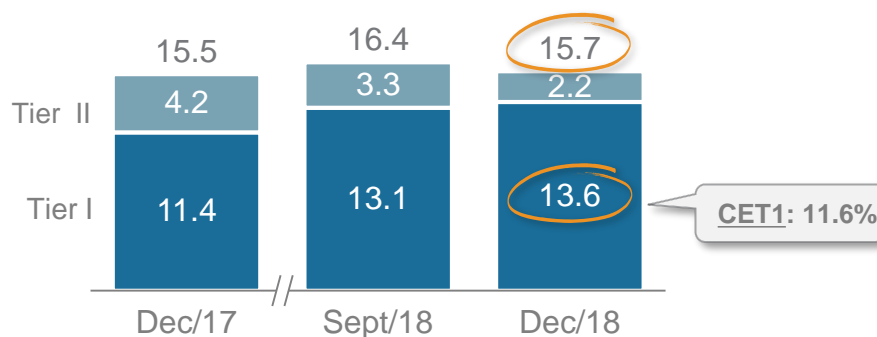
Additionally, Banco Votorantim has a standby credit facility with BB since 2009, which has never been tapped

1. Includes cash and interbank deposits, and securities abroad, whose balance was R\$ 0.5B in Dec/18; 2. Ratio of total high quality liquid assets (HQLA) and the total cash inflows for a 30 days period in a stress scenario, being the minimum regulatory of 90%. Does not consider standby credit facility with Banco do Brasil.

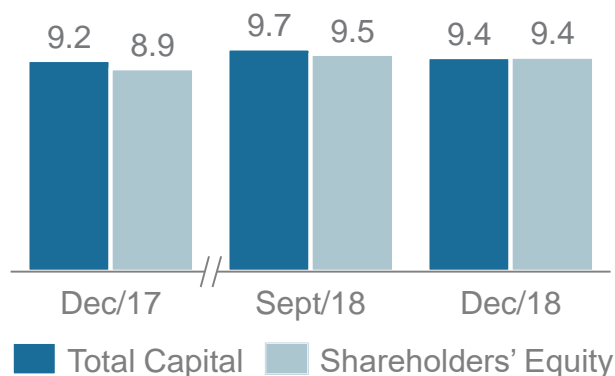
Basel Ratio of 15.7% in Dec/18

Tier I Capital ratio of 13.6%, with 11.6% of CET1

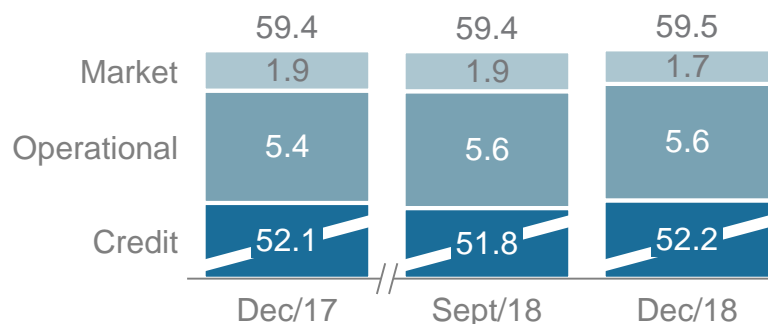
Basel Ratio¹ (%)




Total Capital and Shareholders' Equity (R\$B)



Risk-weighted assets – RWA (R\$B)



1. On Nov / 17 the Bank issued USD 300M in perpetual bonds, which were approved in Mar/18 to compose complementary CET1.
 Note: In 2018, the minimum regulatory capital requirement was 10.5% for the Basel Ratio, 7.88% for Tier I Capital Ratio and 6.38% for CET1.

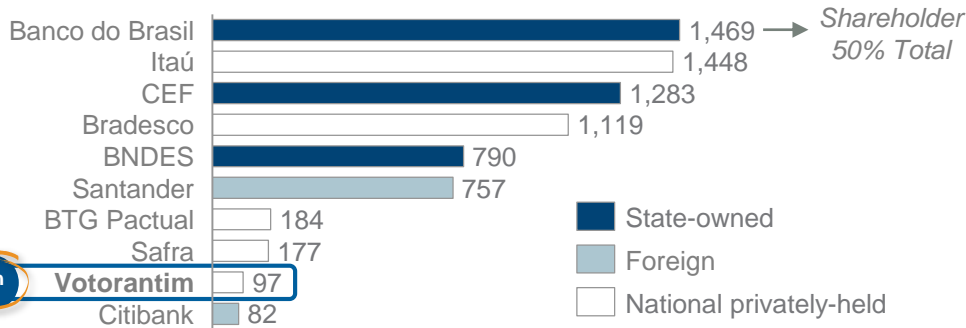
- ▲ Overview
 - ▲ Strategy
 - ▲ Key indicators
 - ▲ Ratings
- 

Banco Votorantim is one of the leading banks in Brazil

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

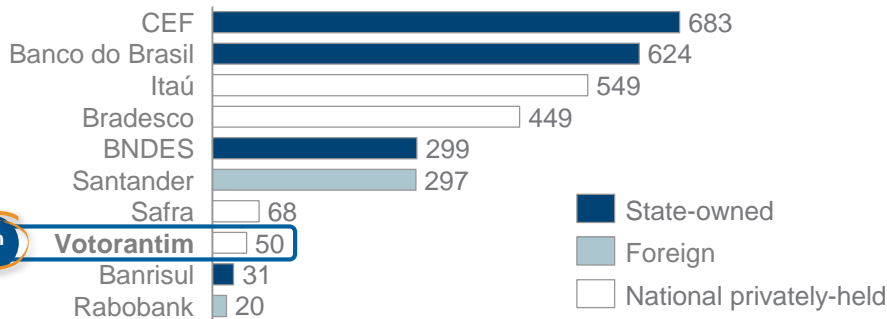
Banco Votorantim is one of the largest privately-held Brazilian banks in total assets...

10 largest Banks in Sept/18 - Total Assets (R\$B)



...and also in terms of loan portfolio

10 largest Banks in Sept/18 - Loan Portfolio¹ (R\$B)



Ownership Structure

Votorantim S.A.

Total: 50.00%
ON: 50.01%
PN: 49.99%

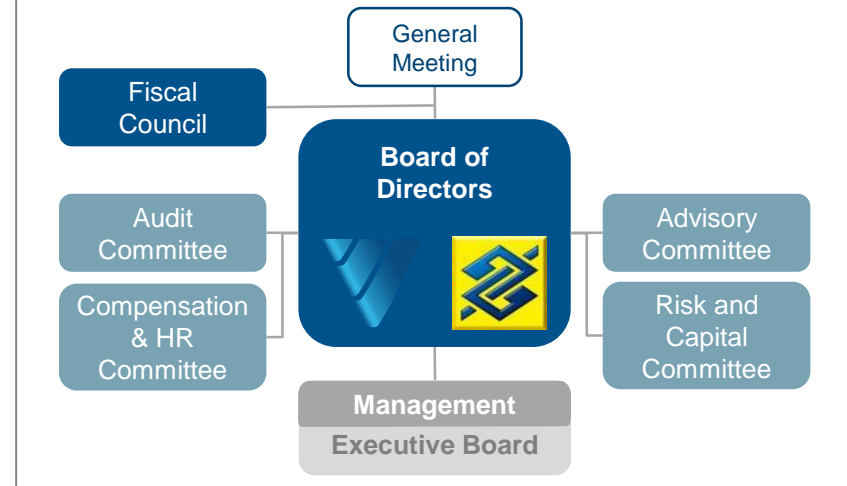


Banco do Brasil

Total: 50.00%
ON: 49.99%
PN: 50.01%



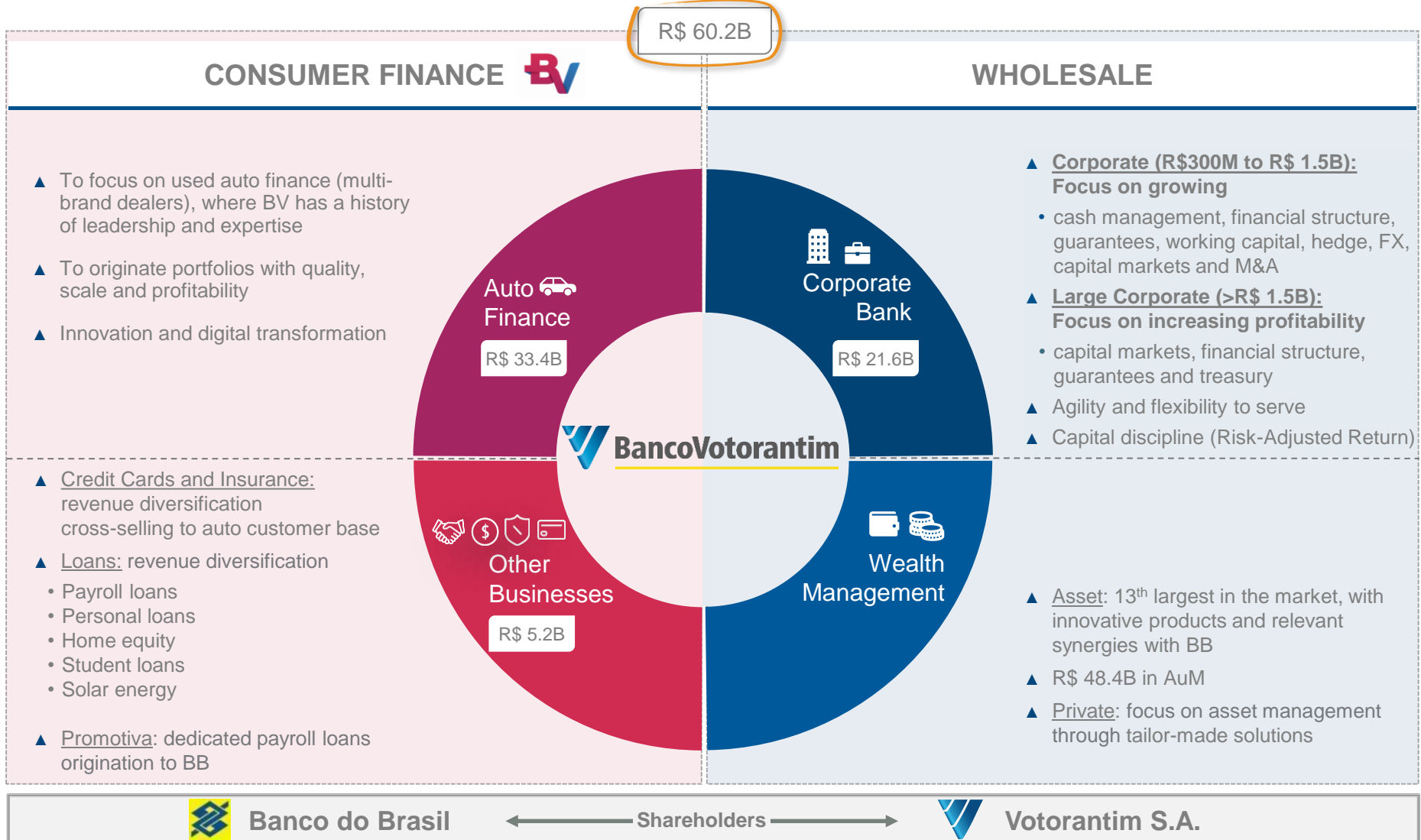
Corporate Governance Structure



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

Diversified business portfolio

Focus on increasing profitability, operational efficiency and diversifying revenues



- ▲ To focus on used auto finance (multi-brand dealers), where BV has a history of leadership and expertise
- ▲ To originate portfolios with quality, scale and profitability
- ▲ Innovation and digital transformation

- ▲ Credit Cards and Insurance: revenue diversification cross-selling to auto customer base
- ▲ Loans: revenue diversification
 - Payroll loans
 - Personal loans
 - Home equity
 - Student loans
 - Solar energy
- ▲ Promotiva: dedicated payroll loans origination to BB

- ▲ Corporate (R\$300M to R\$ 1.5B): Focus on growing
 - cash management, financial structure, guarantees, working capital, hedge, FX, capital markets and M&A
- ▲ Large Corporate (>R\$ 1.5B): Focus on increasing profitability
 - capital markets, financial structure, guarantees and treasury
- ▲ Agility and flexibility to serve
- ▲ Capital discipline (Risk-Adjusted Return)

- ▲ Asset: 13th largest in the market, with innovative products and relevant synergies with BB
- ▲ R\$ 48.4B in AuM
- ▲ Private: focus on asset management through tailor-made solutions

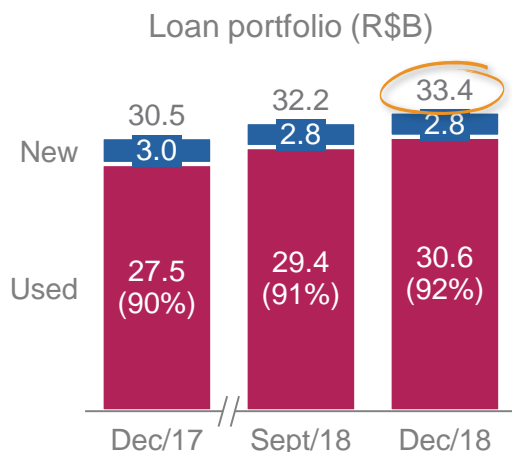
R\$ B Expanded credit portfolio in Dec/18 (includes guarantees provided by the Bank and private securities)

Consumer Finance: increased focus on used auto finance and selective operation in loans agreements

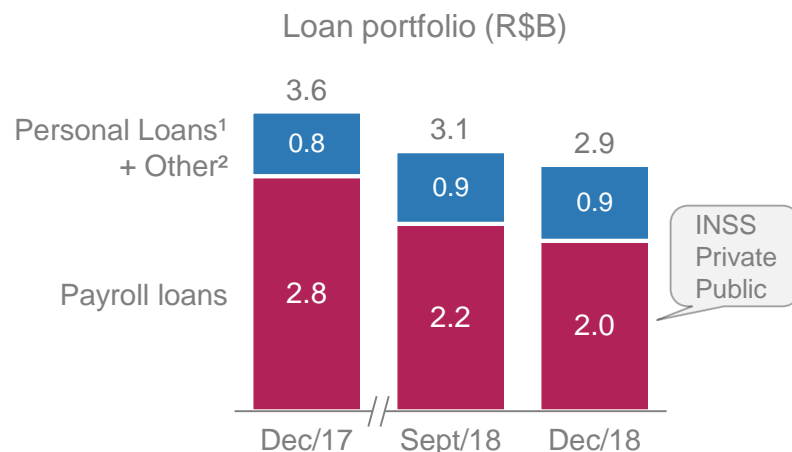


Consumer Finance Businesses

Auto finance



Loans and financing



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

- ▲ Capillarity: presence in ~18,000 car dealerships nationwide; 65 own stores; ~ 1,200 banking correspondents; mobile app
- ▲ Agility: 91% of proposals with automatic credit decision
- ▲ Expertise: continuous improvement of management tools
- ▲ Long-term relationship: access to the 1st customer proposal
- ▲ Digital transformation: creation of data science and innovation lab (BV Lab)

Payroll loans

- ▲ refinancing of the INSS (retirees and pensioners) portfolio; increasing the Private portfolio; selective operation in Public payroll agreements

Personal loans and other businesses

- ▲ Personal loans
- ▲ Student loans
- ▲ Home equity
- ▲ Solar energy

Partnerships focused on diversification

- ▲ Neon, GuiaBolso, Yalo, CVC, Quero Quitar! among others

1. With and without guarantees; 2. Includes home equity, student credit and solar energy.

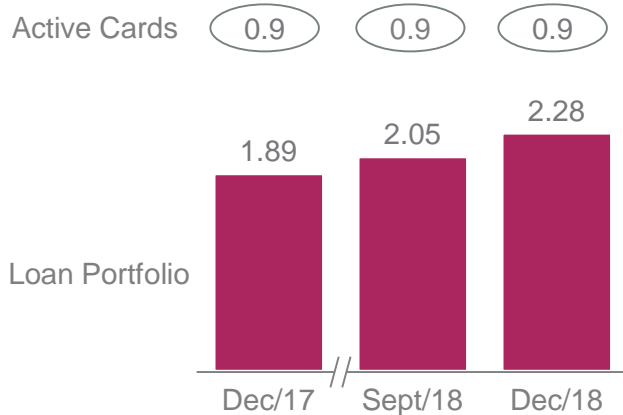
Credit Cards and Insurance: revenue diversification through cross-selling to auto finance customers



Consumer Finance Businesses

Credit Cards

Active cards (million) and Loan Portfolio (R\$B)



Issuance of Elo, Visa and Mastercard credit cards

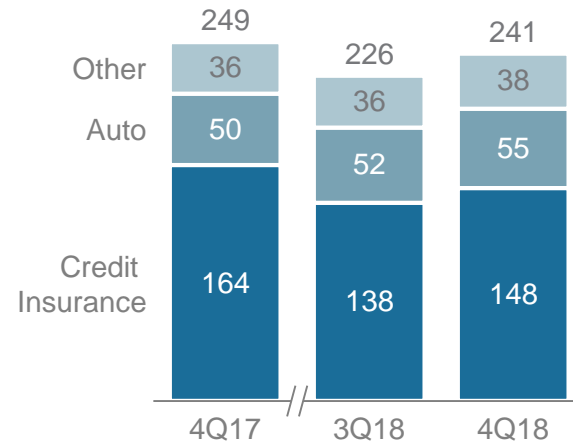
Focus on exploring the current customer base of auto finance...

... and growing organically through new business partnerships (ex.: Netpoints), and investment in new technologies (digital wallet, artificial intelligence, virtual credit card etc)



Insurance brokerage

Insurance premiums (R\$M)



Focus on increase brokerage revenues, leveraging the Consumer Finance customer base

Wide portfolio of insurance and assistance, with more than 15 products:

- ▲ Life
- ▲ Dental
- ▲ Residential
- ▲ Personal accidents, etc.

Wholesale: focus on growing in the Corporate segment to improve return on capital and diversify credit risk



Wholesale Business

Corporate Bank

Wide range of products

Local currency & Cash Management

Foreign currency & FX

Corporate Finance

Derivatives

Capital market & M&A

Funding

Highlights and strategy

Large Corporate (> R\$ 1,500M): increase profitability

- ▲ Focus on capital market operations, financial structuring, guarantees and treasury

Corporate bank (R\$ 300M to R\$ 1,500M): portfolio growth

- ▲ Focus on cash management operations, financial structuring, guarantees, working capital, hedge, FX, capital markets and M&A

Discipline in capital allocation and risk management (RAR¹)

Leverage competitive capabilities

- ▲ Agility and flexibility to serve clients
- ▲ Sectoral expertise (infrastructure and agribusiness)
- ▲ DCM distribution

- ▲ Officers held accountable for credit

Improvement of cost-to-income ratio

1. Risk-adjusted return.



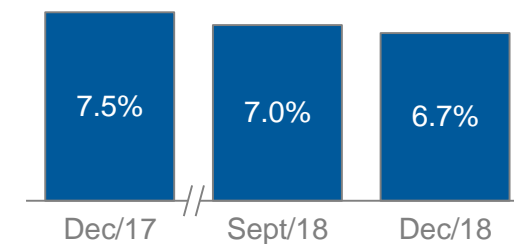
Wholesale: credit portfolio

Sectoral concentration¹

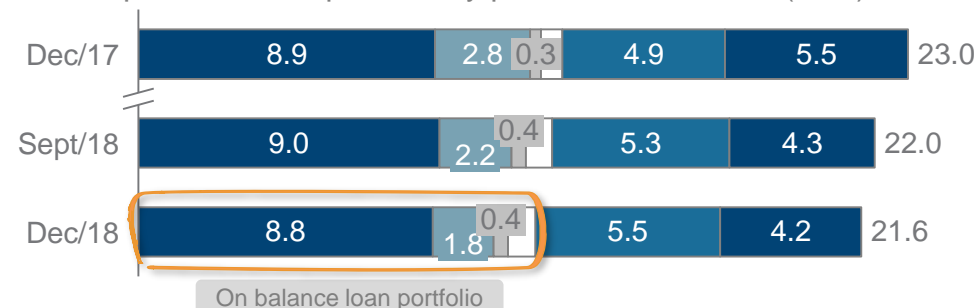
Wholesale Sectorial concentration	Dec.17		Dec.18	
	R\$M	Part.(%)	R\$M	Part.(%)
Financial Institutions	1,777	11.3%	1,979	12.4%
Telecom	1,329	8.5%	1,571	9.9%
Sugar and Ethanol	1,736	11.1%	1,452	9.1%
Retail	1,267	8.1%	1,360	8.6%
Automotive/Auto parts/Car Dealers	349	2.2%	788	5.0%
Mining	1,049	6.7%	620	3.9%
Oil & Gas	450	2.9%	604	3.8%
Railways	596	3.8%	514	3.2%
Food and beverages industry	519	3.3%	497	3.1%
Industry	297	1.9%	475	3.0%
Trading Agro	171	1.1%	451	2.8%
Slaughterhouses	234	1.5%	449	2.8%
Government	459	2.9%	445	2.8%
Services	305	1.9%	417	2.6%
Car Rental	146	0.9%	336	2.1%
Steel industry	317	2.0%	330	2.1%
Residencial Construction	295	1.9%	291	1.8%
Petrochemical	750	4.8%	285	1.8%
Agribusiness	53	0.3%	274	1.7%
Cooperatives	94	0.6%	259	1.6%
Other	3,503	22.3%	2,504	15.7%
Total¹	15,696	100.0%	15,901	100.0%

Loan portfolio

10 major debtors / Total loan portfolio



Expanded credit portfolio by product - Wholesale (R\$B)



■ Loans ■ Financ Export/Import ■ Guarantees provided
■ Onlending (BNDES) ■ Other ■ Private Securities

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.

Financial highlights

Balance sheet

BALANCE SHEET Assets (R\$ Million)	Dec.17	Sept.18	Dec.18
CURRENT AND LONG-TERM ASSETS	92,503	95,729	99,570
Cash and cash equivalents	296	405	202
Interbank funds applied	15,110	13,815	12,997
Securities and derivative financial instruments	21,083	20,341	26,078
Derivative financial instruments	2,036	4,536	4,309
Interbank accounts or relations	14	646	522
Loan Operations, Leases and Others receivables	47,200	48,065	48,463
Allowance for loan losses	(3,674)	(3,635)	(3,631)
Tax credit	7,215	6,997	6,837
Others	3,224	4,559	3,792
NON-CURRENTS	1,016	1,527	2,251
TOTAL ASSETS	93,519	97,256	101,821
BALANCE SHEET Liabilities (R\$ Million)	Dec.17	Sept.18	Dec.18
CURRENT AND LONG-TERM LIABILITIES	84,619	87,717	92,414
Deposits	8,503	10,971	12,085
Demand and Interbank deposits	2,143	2,069	2,121
Time deposits	6,360	8,902	9,964
Money market borrowings	25,737	20,767	24,840
Acceptances and endorsements	24,085	28,452	30,211
Interbank accounts	1,213	1,281	1,455
Borrowings and onlendings	4,062	4,394	3,974
Derivative financial instruments	1,701	4,110	4,064
Others obligations	19,318	17,741	15,784
Subordinated debts	5,818	6,461	6,334
Credit transactions subject to assignment	9,445	6,635	5,914
Others obligations	4,055	4,645	3,537
DEFERRED INCOME	32	41	33
SHAREHOLDERS' EQUITY	8,868	9,498	9,374
TOTAL LIABILITIES	93,519	97,256	101,821

Managerial Income Statement

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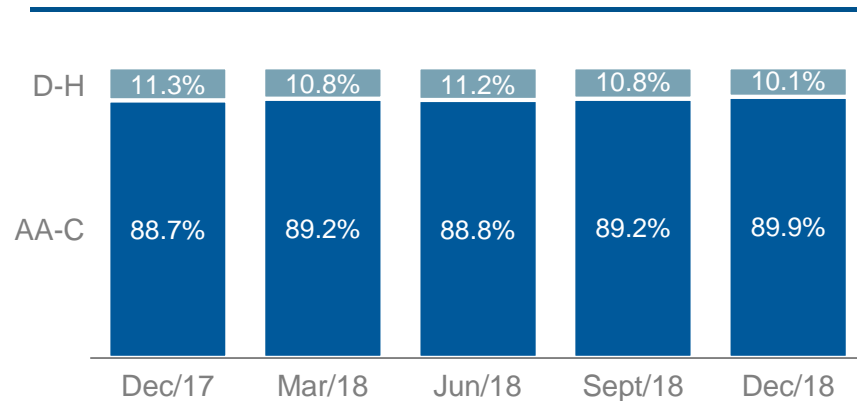
Key indicators

(%)	4Q17	3Q18	4Q18	2017	2018
Return on Average Equity (ROAE)	7.3	11.9	12.5	6.8	11.5
Return on Average Assets (ROAA)	0.6	1.1	1.1	0.6	1.1
Net Interest Margin³ (NIM)	6.3	6.4	6.7	5.6	6.2
Efficiency Ratio - LTM⁴	34.4	33.4	33.1	34.4	33.1

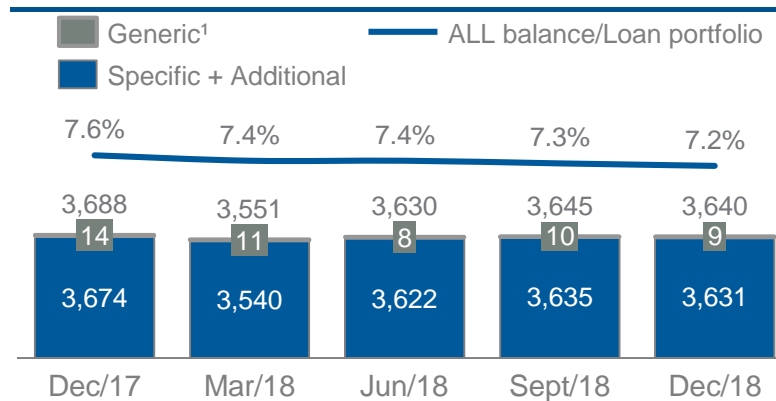
1. Net of revenues from recovery of written-off loans and impairments; 2. Includes profit sharing expenses; 3. Ratio between net interest income and average interest-earning assets of the period. This ratio is annualized; 4. ER = administrative and personnel expenses / (net interest income+ fee income/ banking fees income + equity in income from subsidiaries + other operational income and expenses);

Credit quality indicators

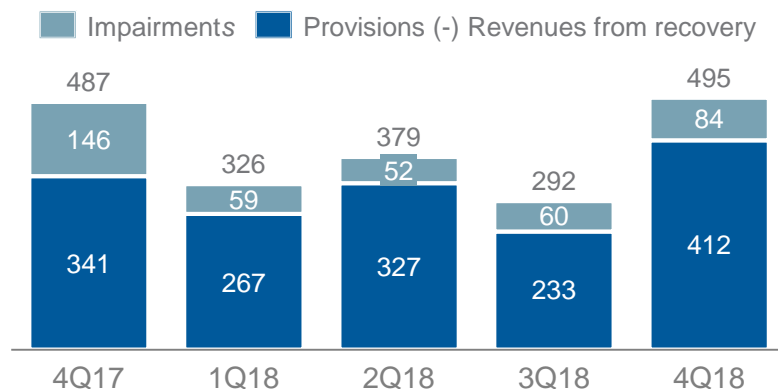
Loan portfolio rated by risk level (%)



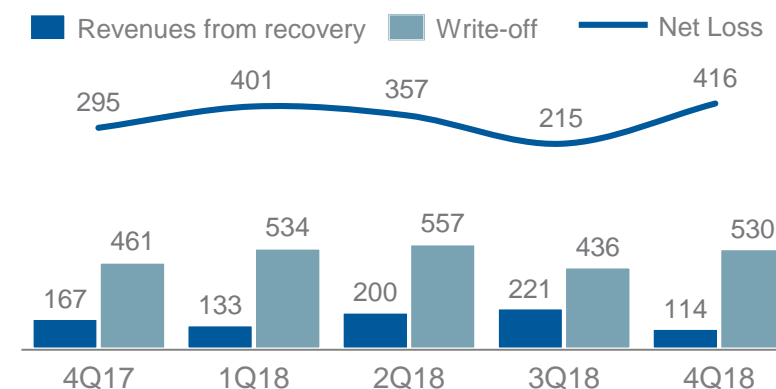
Allowance for loan losses balance (R\$M)



Result of loan losses and impairments (R\$M)



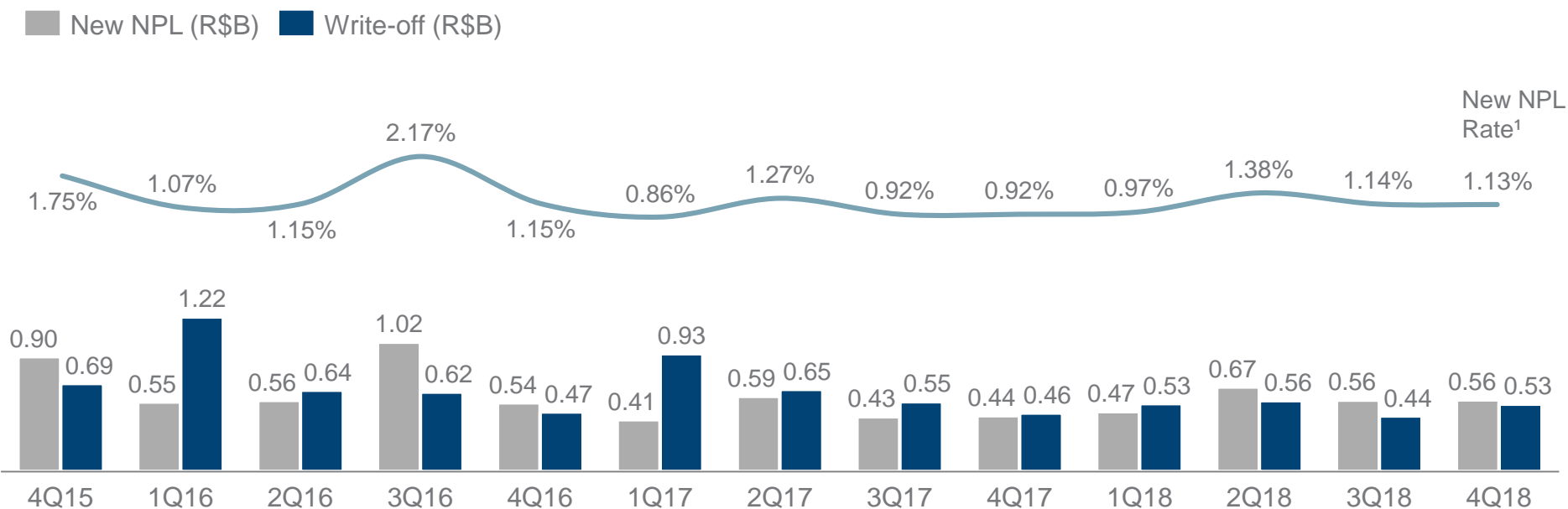
Net Loss² (R\$M)



1. Considers credit provisions recognized as Liabilities in the "Other" line (see Note #18d of Financial Statements); 2. Net loss = loans written-off to losses in the quarter + revenues from credit recovery.

New NPL rate

NEW NPL (R\$ Million)	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Managed Loan Portfolio (A)	51,250	48,799	46,925	47,031	47,620	46,931	46,828	47,608	48,679	48,185	49,170	49,771	50,478
90-day NPL Balance	2,923	2,254	2,174	2,567	2,638	2,120	2,068	1,947	1,925	1,861	1,969	2,095	2,128
90-day NPL Quarterly Variation (B)	211	(669)	(80)	393	71	(518)	(53)	(120)	(22)	(64)	108	126	34
Write-off (C)	693	1,215	639	624	469	926	646	549	461	534	557	436	530
New NPL (D=B+C)	903	546	560	1,017	540	408	594	429	439	470	665	562	564
New NPL Rate ¹ (D/A)	1.75%	1.07%	1.15%	2.17%	1.15%	0.86%	1.27%	0.92%	0.92%	0.97%	1.38%	1.14%	1.13%



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.

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-		brAAA	BB-
	Short-term	B		brA-1+	