

Banco Votorantim S.A.

Earnings Presentation

2nd Quarter, 2012

transparência solidez
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BancoVotorantim

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Executive summary (I)

Banco Votorantim's results were still impacted by the new economic-regulatory context

Since 2011, economic-regulatory shifts and the worsening of the international crisis have changed the Brazilian banking context. Simultaneously, there was a systemic increase in delinquency levels for individuals, imposing challenges mainly to those institutions focused on consumer finance – such as Banco Votorantim

In the auto finance market, in which Banco Votorantim has a strong presence via BV Financeira, delinquency doubled during 2011, and reached 6.0% in June/12

Additionally, in Jan/12 came into effect Brazilian Central Bank's (Bacen) Resolution 3,533, which changes the rules for recording credit assignments with recourse

- This Resolution impacted the securitization market and the results of banks operating in it

In this context, Banco Votorantim continued to advance in its prudential adjustment process, started in 4Q11, moving forward on the strategic initiatives from its Change Agenda

- After a period of strong growth, the current focus is on increasing the return on capital of all business lines in the medium-term

As anticipated in the last quarter, Banco Votorantim had its 2Q12 results impacted by four main factors – all related to Consumer Finance

- Delinquency: expenses with credit provisions amounted to R\$1,331M in 2Q12 (R\$1,357M in 1Q12), still impacted by delinquency rates above historical average of the auto finance portfolio originated between July/10 and Sept/11
- Bacen's Res. 3,533: in view of this regulatory change, it was decided not to perform credit assignments with recourse in 1H12, impacting Consumer Finance revenues
- Reduced origination: 55% reduction in the monthly average volume originated by Consumer Finance in 1H12 (R\$ 1.2B per month) vs. 2011 (R\$ 2.5B per month), in order to guarantee the quality of the new financings
- Elevated Coverage Ratio: the coverage ratio of Consumer Finance's managed¹ loan portfolio, was increased to 100% in June/12 (94% in Mar/12)

1. Includes credit assignments with recourse to other financial institutions and credit assignments for FIDCs (of which Banco Votorantim owns 100% of the subordinated quotas)

Executive summary (II)

In 2Q12, Banco Votorantim kept on strengthening its credit risk quality

Even when faced with these four factors, consolidated results exhibited a slight improvement when compared to the previous quarter (R\$-536M in 2Q12; R\$-597M in 1Q12), mainly because of the R\$42M reduction in expenses with credit provisions (R\$1,449M in 2Q12; R\$1,491M in 1Q12)

It is worth emphasizing two additional points related to results

- The Wholesale bank businesses (Corporate & Investment Banking, BV Empresas, Asset Management, Private Bank and Treasury) recorded a good performance once more in 2Q12, with consistent generation of revenues and delinquency under control; and
- Administrative and Personnel Expenses totaled R\$1,213M in 1H12, down 6.1% over 2H11 due to actions that resulted in the structural reduction of the organization's cost base. In 2Q12, however, there was an increase of R\$ 19M (or 3.1%) over the previous quarter (R\$ 616M in 2Q12; R\$ 597M in 1Q12), resulting from non-recurring expenses associated with the restructuring in progress and from the increase with credit collection expenses in Consumer Finance

In this context of results, Banco Votorantim kept on strengthening its credit risk quality

- Liquidity: the cash level continues prudentially high, complemented by a credit facility of approximately R\$ 7B at Banco do Brasil (BB), which has never been tapped
- Funding: after extending the average funding tenor in 2010/11, with significant reduction of the maturity mismatch between assets and liabilities, the greater focus on return on capital (vs. growth) substantially reduced the need for additional funding
- Coverage Ratio for loans: maintenance of the Wholesale coverage ratio at conservative levels and increase of the coverage ratio of Consumer Finance's managed loan portfolio to 100% in June/12 (94% in Mar/12)
- Capital: the Basel index ended June/12 at 15.5%, 250 bps higher than Mar/12, benefited by the R\$2.0B capital increase made in June/12. With this measure, BB and Votorantim Finanças (VF) maintain BV's capital structure at appropriate levels, as set out in the Shareholders' Agreement

Executive summary (III)

Banco Votorantim keeps moving forward on its prudential adjustment process, initiated in 4Q11

Change Agenda: to resume growth with profitability, in 2Q12 Banco Votorantim continued progressing in the implementation of a series of strategic initiatives, with full shareholders' support. The highlights of 2Q12 were:

- Auto finance operating model: intensification of the focus on multi-brand dealers for origination to Banco Votorantim's loan portfolio. In 2Q12, the multi-brand dealer channel represented 83% of light vehicle financing originated by BV Financeira (67% in 2Q11). It is worth emphasizing that BV Financeira closed June/12 as leader in the financing of used vehicles, with a market share of 18.3%
- Credit: new improvements of Consumer Finance policies, processes and models. After the significant progress in risk levels of credits originated in 4Q11, 1H12 productions maintained the track record of good quality
- Credit collection: review of Consumer Finance credit collection processes, targeting delinquency reduction and the recovery and/or minimization of losses
- Incentives: adjustment of the commissions paid to the distribution channels (multi-brand dealers, new car dealers and correspondent banks)
- Efficiency: adaptation of the organizational structures to the new origination levels in Consumer Finance
- Talents reinforcement: aggregation of experienced market professionals to management team (e.g.: Wholesale Credit, Audit)
- Operations: continuity of the work of the Operational Review Committee (CRO), formed by representatives of the shareholders, which has worked with teams from BV Financeira in the refinement of internal controls and implementation of operational improvements

Executive summary (IV)

Prudential adjustment process will allow BV to resume growth with profitability in the medium-term

The progress in the Change Agenda creates the conditions for Banco Votorantim to resume growth with profitability over the medium-term

However, as previously informed to the market, the short-term results will continue impacted by the same four factors related to Consumer Finance:

- Delinquency levels above historic average for auto financing vintages originated by BV Financeira between July/10-Sept/11
- Bacen's Res. 3,533 – decrease in income from credit assignments until the consolidation of the credit assignment model without recourse to BB ("BV Financeira Originadora"), which will be focused on new car dealers (new vehicles)
- Gradual increase of the Coverage Ratio for Consumer Finance loan portfolio
- Reduced origination volumes in order to assure the quality of new credit operations

In summary, the strategies and initiatives adopted, whose effects are evident both in maintaining the good performance of Wholesale, and in the generation of profitable new businesses in Consumer Finance, will allow Banco Votorantim to resume its path of sustainable growth with profitability in the medium-term

This prudential adjustment process relies on full support from the shareholders, committed to maintaining the capital structure at adequate levels, as set out in the Shareholders' Agreement. The shareholders' commitment extends to the preparation of Banco Votorantim to the new regulatory context of Basel III

The ongoing prudential adjustment process, started in 4Q11, relies on full support from the shareholders

Agenda

Banco Votorantim and the implications of the economic-regulatory context

Recent results

Change Agenda developments

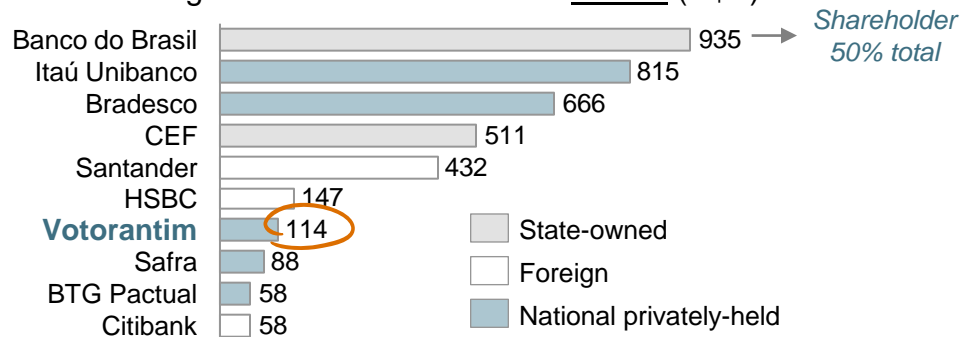
Financial highlights

Banco Votorantim is one of the leading players in Brazil...

3rd largest privately-held Brazilian bank in total assets and loan portfolio

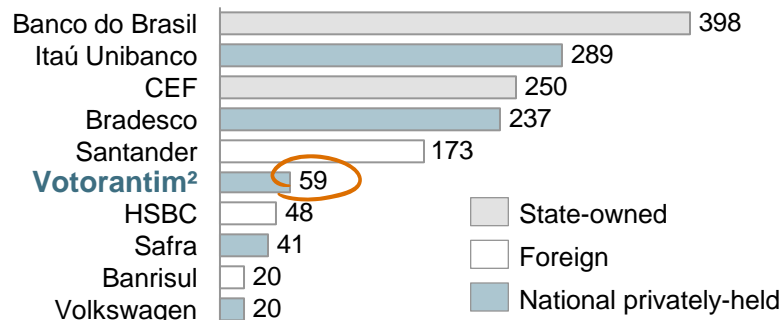
Banco Votorantim is the 3rd largest privately-held Brazilian bank in total assets...

Largest Financial Institutions - Assets (R\$B)¹



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

Largest Financial Institutions – Loan Portfolio (R\$B)¹



...and is well-positioned to consolidate itself as one of the largest banks in Brazil

Diversified business portfolio

- **Wholesale Banking**
 - “Top 5” in credit for large enterprises
- **Consumer Finance**
 - Market leader in used auto finance
 - “Top 5” in payroll loans³
 - ~ 5.6 million customers
- **Wealth Management**
 - 8th largest asset manager by Anbima’s managers’ ranking: R\$43.2B in AuM

Strategic partnership with Banco do Brasil, the largest financial institution in Latin America



Strong and committed shareholder base

- Banco do Brasil and Votorantim Group

Low fixed-cost business model

- Extensive third-party distribution network in Consumer Finance (vs. branches)

1. Excluding BNDES (state-owned development bank); figures as of Mar/12, except for Banco Votorantim (June/12); 2. Considers BV’s own portfolio (excluding securitization); 3. Includes credit assignments with recourse and FIDCs Source: Banco Votorantim; Bacen; Anbima

...and has a diversified business portfolio, internally divided into Wholesale and Consumer Finance

Expanded¹ loan portfolio **R\$80.6B**

BancoVotorantim **R\$80.6B**



Banco Votorantim is focused on increasing the return on capital of all business lines in the medium-term

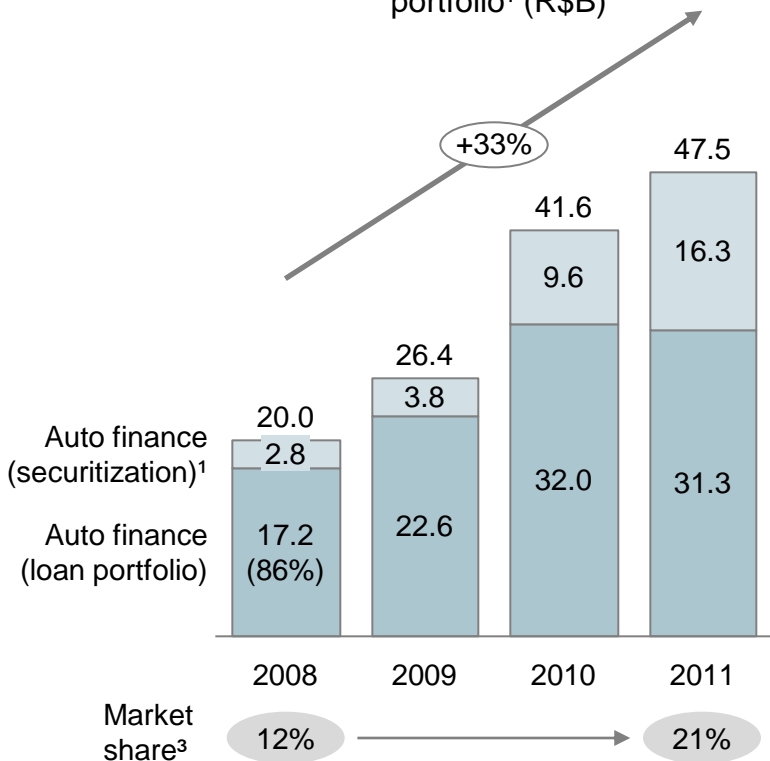
1. Includes guarantees provided and private securities; 2. Consumer Finance's own loan portfolio totaled R\$38.3B in June/12, besides R\$15.4B in credit assignments with recourse (including FIDCs' subordinated shares, which represented R\$3.3B)

Note: Middle Market segment refers to enterprises with annual sales between R\$20M and R\$400M; when annual sales are above R\$400M, the enterprise belongs to CIB segment

In the post-2008 crisis period, Banco Votorantim rapidly expanded its auto finance loan portfolio

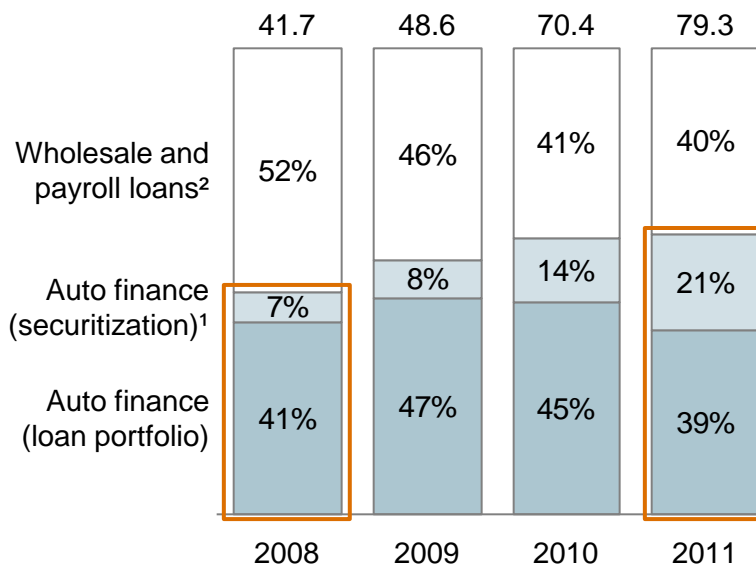
The auto finance managed loan portfolio more than doubled between 2008 and 2011...

Banco Votorantim – Auto finance managed loan portfolio¹ (R\$B)



...expanding its share in BV's consolidated managed loan portfolio

Banco Votorantim – managed loan portfolio¹ (excluding guarantees provided) (R\$B)



1. Includes credit assignments with recourse and credit assignments for FIDCs; excludes guarantees provided; 2. Considers individual loans and credit cards; 3. Estimate based on BV's managed loan portfolio (excluding FIDCs) Source: Banco Votorantim; Bacen; Abel

Since 2011, regulatory shifts and the international crisis have imposed new challenges upon Brazil's banking industry

Changes in the banking context...

Regulatory changes




International crisis



... have created significant challenges to the Brazilian financial industry

- 1 Increase in capital requirements**
 - Circ. 3,515¹: payroll loans and auto finance
 - Circ. 3,498: market risk
 - Basel III: as of 2013, deduction of tax credit from capital and additional subordinated debt decay
- 2 Changed rules for recording credit assignments with recourse**
 - Bacen's Res. 3,533: came into effect in Jan/12
- 3 Economic slowdown**
 - Deceleration in credit expansion
- 4 Higher delinquency levels for individuals**
 - Particularly in auto finance

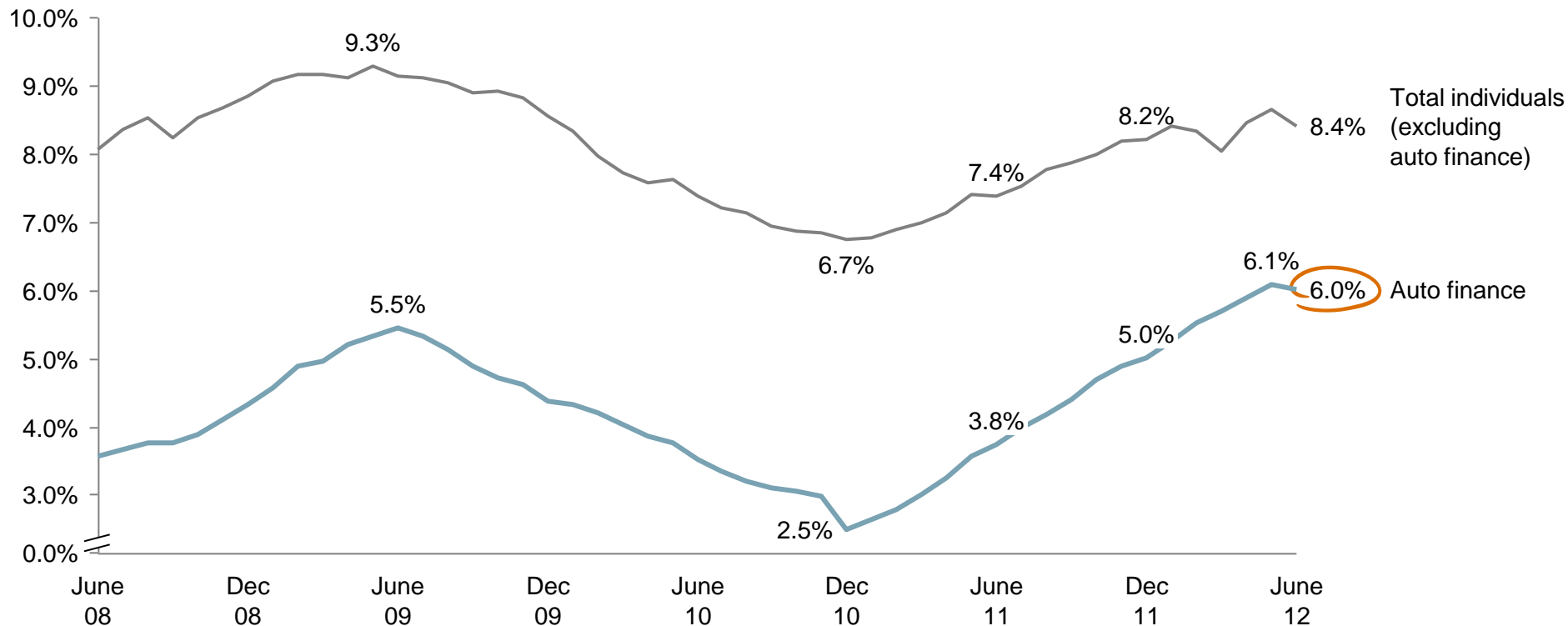
Regulatory changes have impacted especially institutions focused on consumer finance

 High impact on BV

1. Revoked by Bacen's Circ. 3,563 on 11/14/2011
Source: Banco Votorantim IR

In this context, the auto finance delinquency rate doubled during 2011, and reached 6.0% in June/12

Bacen delinquency rate series¹ – over 90 days (%)



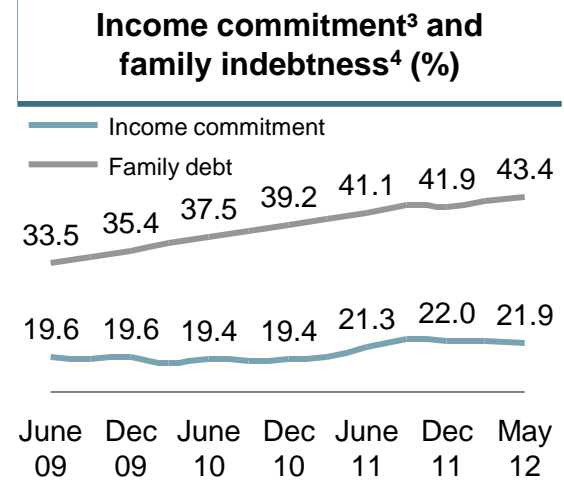
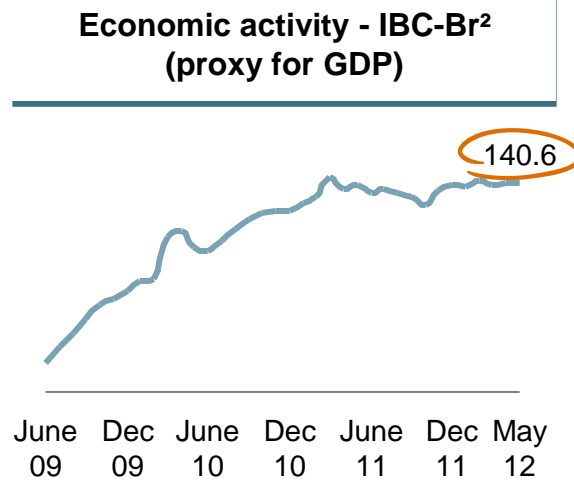
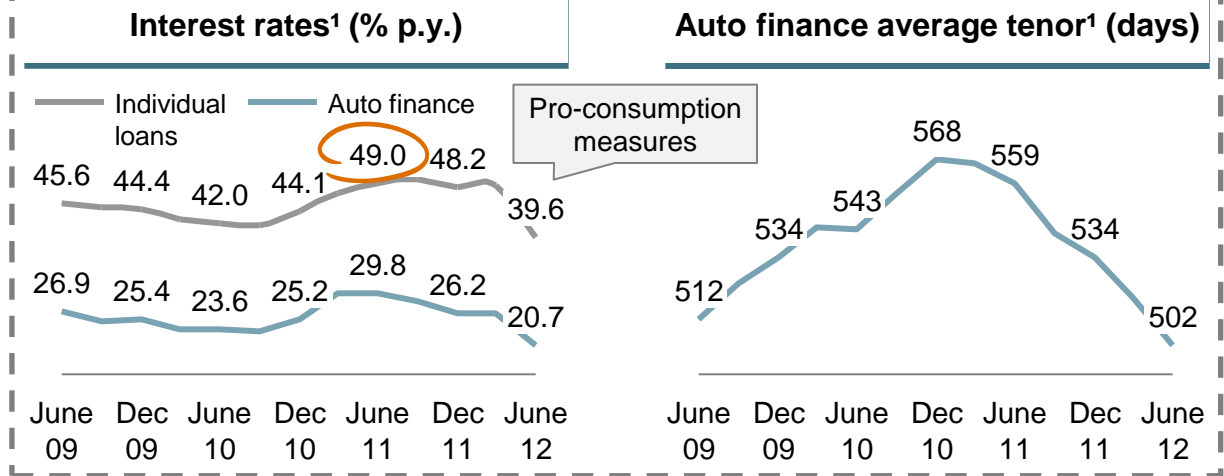
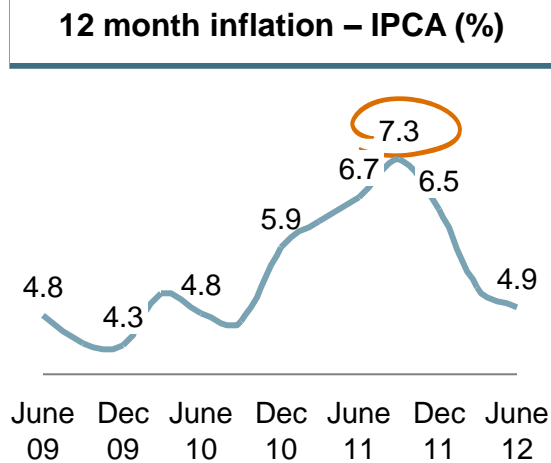
Delinquency in auto finance has risen more sharply than in other credit modalities

1. Past due by over 90 days, informed by Bacen
Source: Bacen

Rise in individuals' delinquency has several causes

Examples: higher inflation in 2011, macro-prudential measures, economic slowdown, indebtedness

Macro-prudential measures impacted market's practiced interest rates and tenors



1. Market average for individuals (Bacen); 2. Seasonally adjusted; 3. Considers what Bacen calls "Comprometimento de renda das famílias com o serviço das dívidas com o SFN, com ajuste sazonal"; 4. Considers what Bacen calls "Endividamento das famílias com o SFN em relação à renda acumulada dos últimos doze meses" Source: IBGE; Bacen

In Sept/11, Banco Votorantim initiated a process of prudential adjustment, guided by a Change Agenda

Change Agenda – Strategic initiatives that will further strengthen Banco Votorantim’s position as one of Brazil’s leading banks

Wholesale Banking

- Intensification of delivery of integrated financial solutions for
 - Credit,
 - Structured products, and
 - Investment banking services
- Focus on increasing Banco Votorantim’s relevance for its customers

Consumer Finance

- Progress in the development of BV Financeira’s new asset origination model, enhancing partnership with Banco do Brasil
- More conservative approach to credit concession, focusing on profitability
- Intensification of credit collection processes
- Gradual increase in the Coverage Ratio

Corporate Initiatives – examples

- Pursuit of greater efficiency in cost management and rationalization of capital use
- Redefinition of the organizational structure, in order to operate in a more efficient and integrated way
- Maintenance of BV’s Basel Index at adequate levels

The adjustment process, started in 4Q11, has continued in 2012 and will allow Banco Votorantim to resume growth with profitability in the medium-term

Agenda

Banco Votorantim and the implications of the economic-regulatory context

Recent results

Change Agenda developments

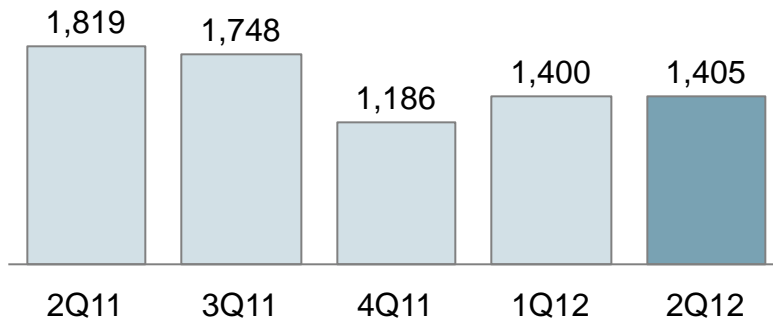
Financial highlights

As anticipated, BV's consolidated results kept impacted by credit provisions in Consumer Finance

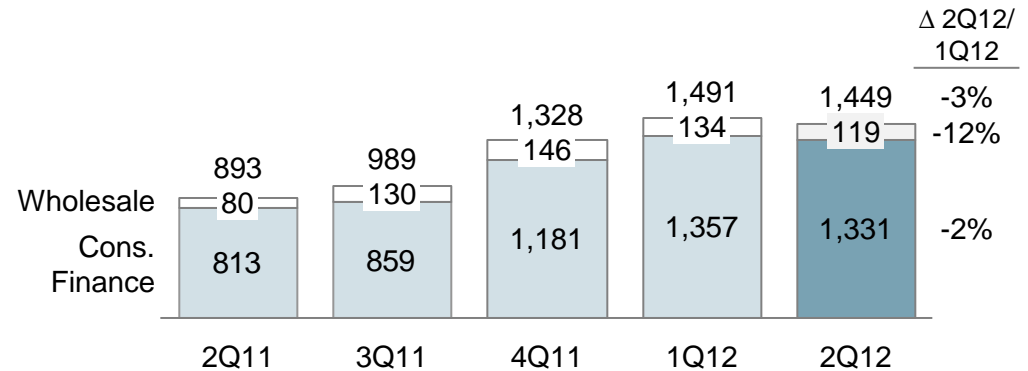
R\$ million

Total revenues

(Gross Financial Margin, Fee Income and Other Operating Income)

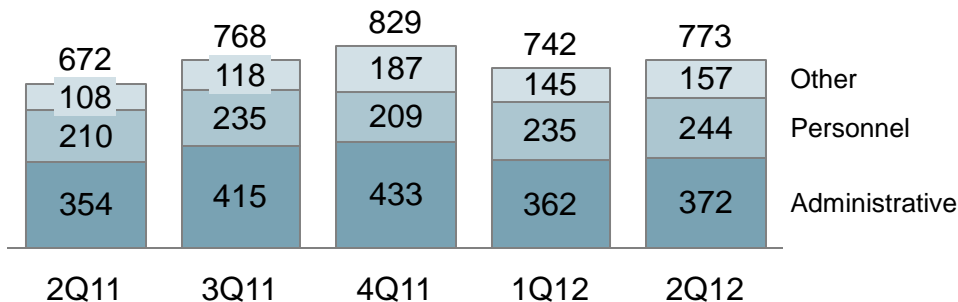


Allowance for loan losses expenses

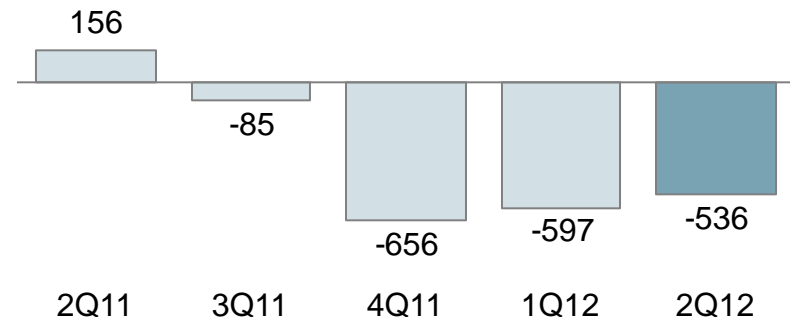


Non-interest expenses

(Personnel, Administrative, Operating and Other Tax¹)



Net income



Note: excluding the non-recurring expenses related to the restructuring process (e.g. labor provisions), 2Q12 non-interest expenses would have decreased R\$10M vs. 1Q12

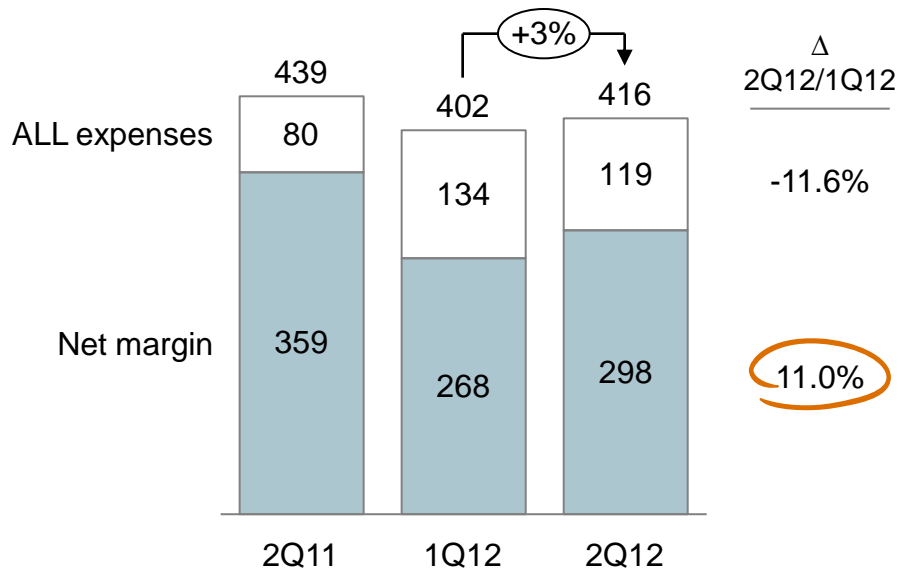
1. Federal, state and local taxes (excludes ISS, PIS and Cofins)

Wholesale businesses have once again shown a good performance in 2Q12, with expansion in the net margin

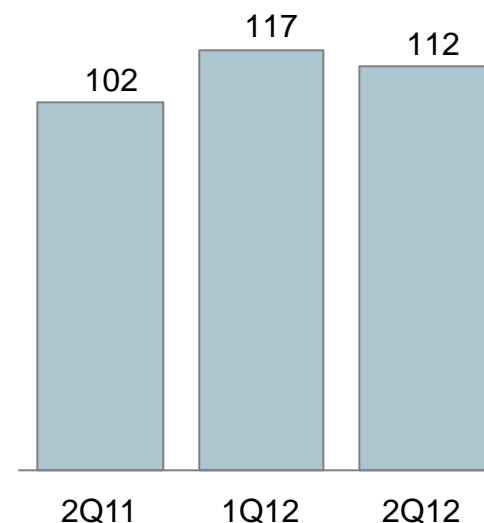
In the 2Q12, Wholesale registered a 11% expansion in the net margin vs. 1Q12...

...and consistent fee income generation

Wholesale – Gross financial margin (R\$M)



Wholesale – Fee income¹ (R\$M)



Wholesale shall keep reporting good results in all its businesses (CIB, Middle Market, AM e PB) in 2012

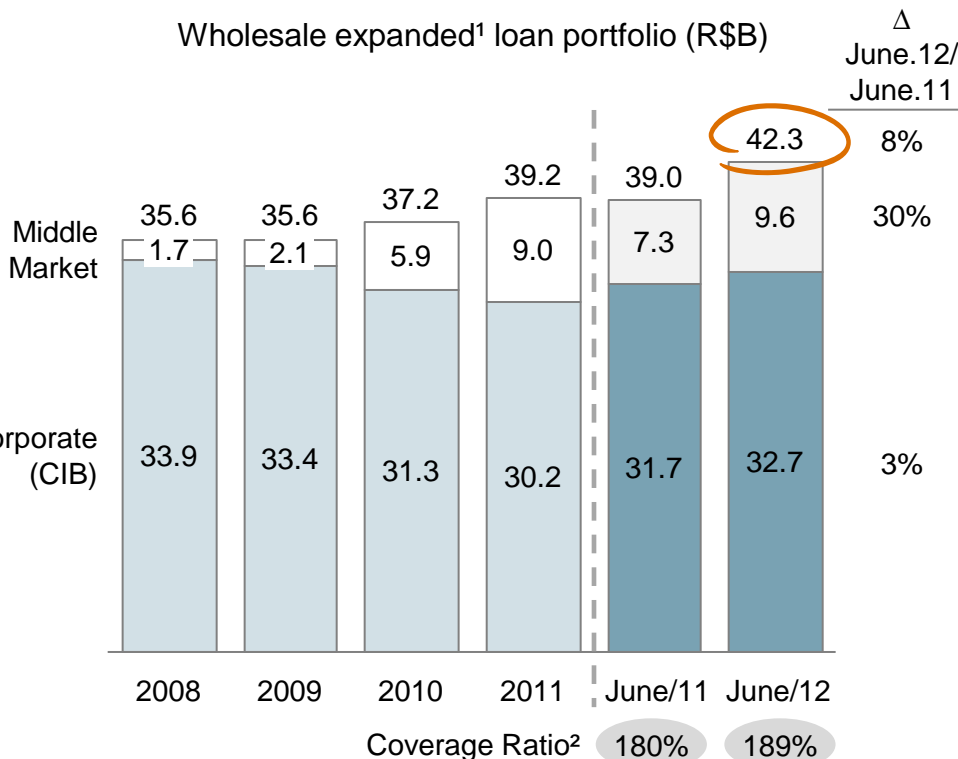
1. Includes banking fee income

CIB and Middle Market have increased their focus on profitability, and kept the conservatism in credit provisions

Wholesale: expanded¹ loan portfolio reached R\$42.3B in June/12

Corporate & IB (CIB) recent developments

Wholesale expanded¹ loan portfolio (R\$B)



More disciplined capital allocation (focus on profitability)

- Assessment of operations via Business Committee (weekly)
- Specific business plans for each client

Improved relevance to customers, through strengthening of the product platform. 1H12 highlights:

- Derivatives (hedge): ranked 8th in CETIP's ranking
- Investment Bank: 25 Fixed Income and 2 Equities operations, besides the announcement of 4 Mergers & Acquisitions
- Project Finance: R\$1.1B in concluded operations

“One-stop-shop Project Structuring factory”

- Financing and advisory throughout the project cycle

Middle Market recent developments

Focus on profitability (vs. growth)

- Cautious loan portfolio expansion
- Delinquency levels below market average (2.3%³ in June/12)

Scale and efficiency gains

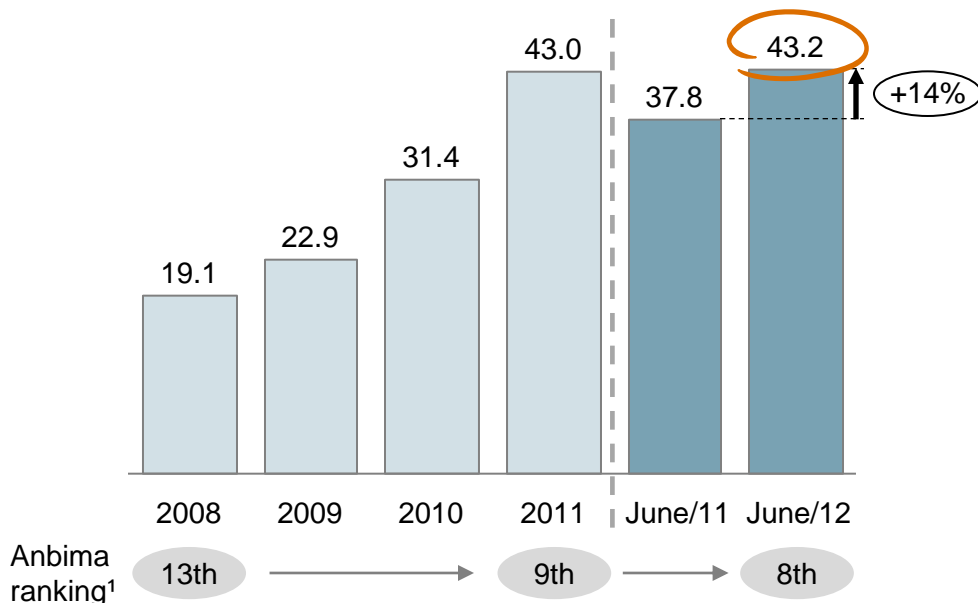
Focus on exploring opportunities related to infrastructure investments and the expected growth of capital market

1. Includes guarantees provided and private securities; 2. Ratio between ALL balance and balance of operations past due by over 90 days (Bacen's Res. 2,682 criteria); 3. Past due by over 90 days (Bacen's Res. 2,682 criteria)

VWM&S reached R\$43.2B in assets under management

Wealth Management (VWM&S) expands 14% in 12 months and VAM is now the 8th largest Asset¹

VWM&S assets under management²(R\$B)



Asset Management highlights

Continuous **market share expansion** in the last months, reaching **1.9%** in June/12

Structured Products (FIDC, FII and FIP³) ends June/12 with R\$11.4B in assets under management

Enhanced **synergies with BB**: assets from funds structured in partnership reach **R\$2.2B⁴**

Private Bank highlights

12% growth in assets under management (AuM) and **17% growth in the customer base**, in the last 12 months

ISO 9001:2008 Certificate for the scope of Relationship, Wealth Management and Advisory regarding Brazilian clients, by Bureau Veritas

Focus on estate planning via customized solutions, with an open architecture concept

VWM&S aims at being one of the best in structuring and managing high value-added products

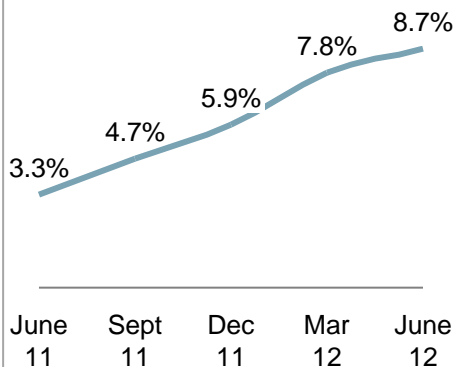
1. Includes Treasury, Brokerage and offshore products; 2. Votorantim Asset Management 's(VAM) position in Anbima's managers' ranking; 3. Investment funds in credit receivables, real estate, and equity shares; 4. Total assets by the end of June/12 Source: Banco Votorantim; Anbima

Consumer Finance results were impacted by four factors

Auto finance delinquency, higher coverage ratio, Res. 3,533 and lower origination volumes

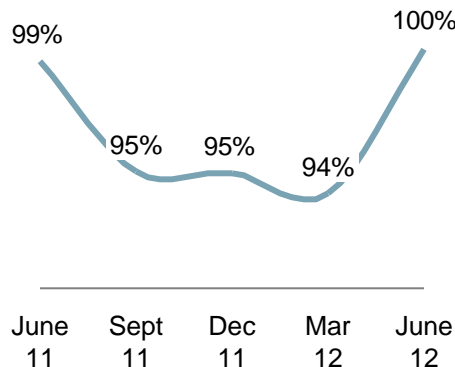
1

Delinquency - Auto finance¹



2

Cov. Ratio² - Cons. Finance



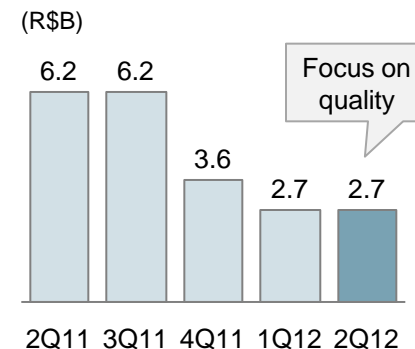
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Bacen's 3,533 Resolution

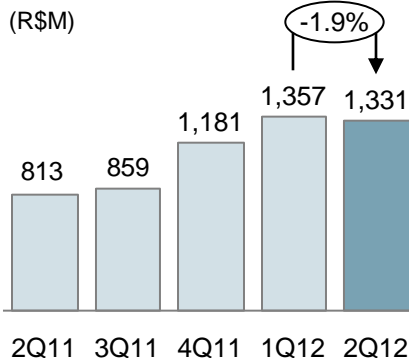
- Effective since Jan/12
- Changed the rules for recording credit assignments with recourse
 - Sale revenues cannot be recognized by the time of the assignment
- In 1H12, BV decided not to execute any credit assignment with recourse
- Progress in the new credit assignment model without recourse
 - Pilot securitization in June/12

4

Auto finance origination

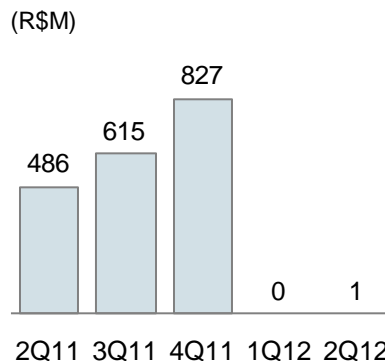


Allowance for Loan Losses expenses - Consumer Finance

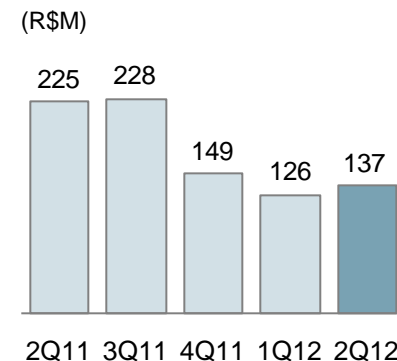


- Reduced ALL expenses in the 2Q12 because of:
- Lower impact of vintages originated between July/10 and Sept/11
 - Improved quality of the vintages originated since Sept/11
 - Intensified credit collection processes

Gross results from credit assignments³



Fee income⁴- Cons. Finance



1. Considers managed loan portfolio (with credit assignments); past due by over 90 days (Bacen's Res. 2,682 criteria); 2. Ratio between ALL balance and balance of operations past due by over 90 days (Bacen's Res. 2,682 criteria); 3. Gross financial margin impact, before early settlements expenses and credit provisions; 4. Includes banking fees

Even in this economic-regulatory context, 2Q12 Results registered slight improvement vs. 1Q12

INCOME STATEMENT SUMMARY (R\$ Million)	4Q11	1Q12	2Q12	Var. (R\$M) 2Q12/1Q12
Gross Financial Margin	935	1,171	1,150	(21)
Allowance for Loan Losses	(1,328)	(1,491)	(1,449)	42
Net Income from Financial Intermediation	(392)	(320)	(299)	21
Other Operating Income/Expenses	(690)	(580)	(584)	(4)
Fee Income	288	243	249	6
Personnel Expenses	(209)	(235)	(244)	(8)
Other Administrative Expenses	(433)	(362)	(372)	(10)
Tax Expenses	(149)	(114)	(111)	4
Equity in income of associated companies and subsidiaries	(0)	14	16	2
Other Operating Income/Expenses	(187)	(126)	(123)	2
Operating Income	(1,083)	(901)	(883)	17
Provision for Income Tax and Social Contribution	493	447	484	37
Net Income (Loss)	(656)	(597)	(536)	61

As anticipated in the last quarter, short-term results will remain impacted by Consumer Finance

In 2Q12, Banco Votorantim kept on strengthening its credit risk quality

Strengthening of Banco Votorantim's credit risk quality – examples

Liquidity	<p>Cash level continues prudentially high Additionally, BV has a stand-by credit facility of ~R\$7B from Banco do Brasil, which has never been tapped</p>
Funding	<p>After extending the average funding tenor in 2010/11, with significant reduction of the maturity mismatch between assets and liabilities, the greater focus on return on capital (vs. growth) substantially reduced the need for additional funding</p> <ul style="list-style-type: none">• Consolidated loan portfolio remained stable in 1H12 (~R\$58.8B)
Coverage Ratio¹	<p>Wholesale: Coverage Ratio raised to 189% in 2Q12 (180% in 1Q12) Consumer Finance: Coverage Ratio raised to 100% in 2Q12 (94% in 1Q12)</p>
Capital	<p>Basel Index of 15.5% in June/12 (13.0% in Mar/12), with a 10.2% Tier I ratio In June/12, Shareholders increased BV's capital by the amount of R\$2B (R\$1B each)</p> <ul style="list-style-type: none">• Maintenance of Banco Votorantim's capital structure at adequate levels, as set out in the Shareholders' Agreement

1. Ratio between ALL balance and balance of operations past due by over 90 days (Bacen's Res. 2,682 criteria)

Agenda

Banco Votorantim and the implications of the economic-regulatory context

Recent results

Change Agenda developments

Financial highlights

In 2Q12, BV continued to move forward in its Change Agenda

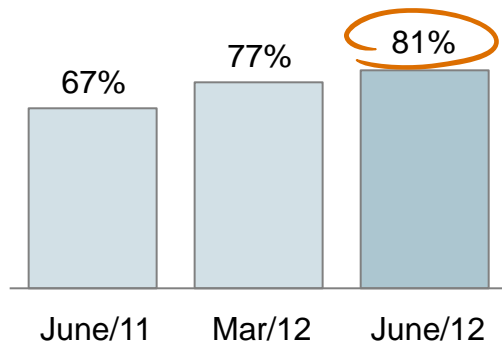
The adjustment process will allow BV to resume growth with profitability in the medium-term

Change Agenda – Progress in 2Q12 (examples)

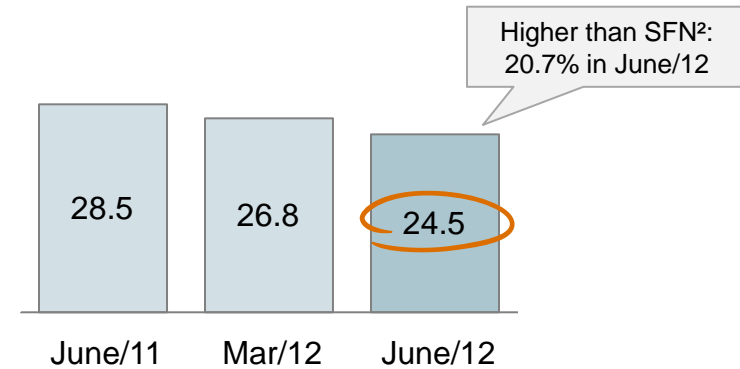
Auto finance operating model	<p>Origination to BV: intensified focus on multi-brand dealers (used vehicles)</p> <ul style="list-style-type: none"> Multi-brand dealers represented 81% of light vehicle origination in June/12 (67% in June/11) BV Financeira was the market leader in used vehicles in June/12, with a market share of 18.3% <p>Origination to BB: progress in the structuring of the credit assignment model without recourse (“BV Financeira Originadora”), focused on new car dealers (new vehicles). A pilot without recourse was run in June/12</p>
Credit	<p>New improvements on Consumer Finance policies, processes and credit models, e.g.:</p> <ul style="list-style-type: none"> Revision of credit approval models, with the addition of new variables (e.g.: BB internal rating) Review of the prioritization of proposal queues to increase conversion rates among clients with better scores Reduction in the average origination tenor and increase in the average down payment percentage (~43%)
Credit collection	<p>Review of Consumer Finance processes, targeting delinquency reduction and the recovery and/or minimization of losses, e.g.:</p> <ul style="list-style-type: none"> Implementation of new policy for the settlement of overdue auto loans based on the restated value of the asset vs. amount of debt; Negotiation of new “challenge goals” for the collection advisories
Incentives	<p>Adjustment of commissions paid to the distribution channels (car dealers and banking correspondents)</p>
Efficiency	<p>Adaptation of organizational structures to the new origination levels in Consumer Finance</p>
Talents	<p>Aggregation of experienced market professionals to management team (e.g.: Wholesale Credit, Audit)</p>
Operations	<p>Continuity of the work of the Operational Review Committee (CRO), that acts along with BV Financeira’s teams in the refinement of internal controls and implementation of operational improvements</p>

BV Financeira reinforced focus on multi-brand dealers, reduced average tenor and required greater down payment

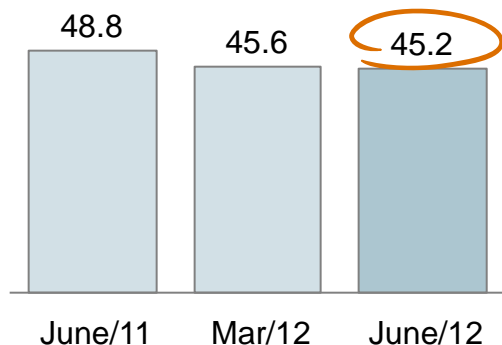
Production via multi-brand¹ dealers/Total (%)



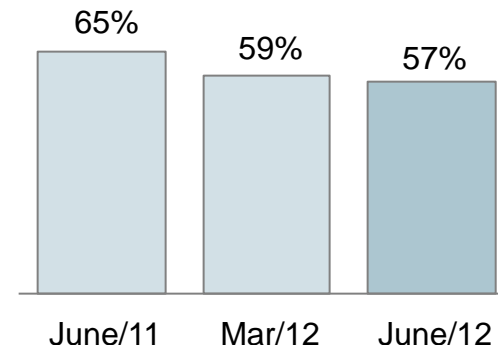
Auto production average interest rate (%p.y.)



Auto production average tenor (months)



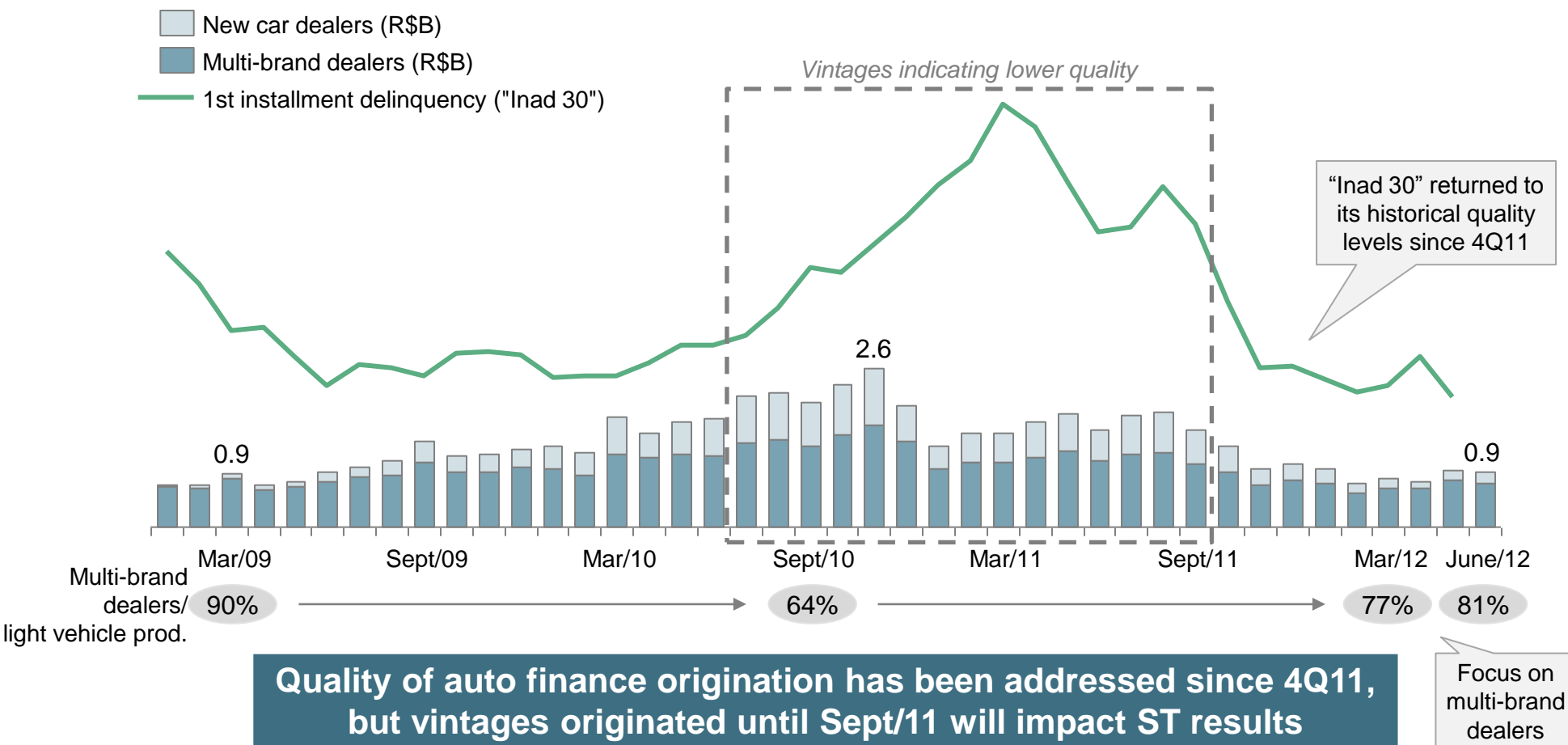
Auto production loan-to-value³ (%)



1. Considers light vehicles; 2. National Financial System ("Sistema Financeiro Nacional"); 3. Financed % of the asset's value (the lower the %, the higher the required down payment)
Source: Banco Votorantim

Initiatives resulted in consistent improvement of the risk level of auto finance operations originated since Sept/11

Light vehicles¹ – Origination by channel (R\$B) and first installment delinquency² (%)



1. Includes CDC – vehicles and vans (excludes leasing); 2. % of each month's production with first installments past due by over 30 days
Source: Banco Votorantim

Despite the progress on the Change Agenda, short-term results will still be impacted by Consumer Finance

The progress in the Change Agenda creates the conditions for Banco Votorantim to resume growth with profitability over the medium-term. However, as previously informed to the market, the short-term results will continue impacted by four factors related to Consumer Finance:

- Auto finance delinquency: the evolution of the portfolio originated until Sept/11, which registered delinquency levels above the historical average, will keep on pressuring credit provisions expenses
- Reduced results from credit assignments: Bacen's Res. 3,533 impacted the model for credit assignments with recourse. Therefore, there will be a decrease in income from credit assignments until the full implementation of the credit assignment model without recourse to BB ("BV Financeira Originadora"), which will be focused on new car dealers (new vehicles)
- Reduced production: focus on more profitable businesses, such as financing used vehicles via multi-brand dealers, with reduced origination volumes when compared to 2010/11 average
- Coverage Ratio: gradual increase of the Coverage Ratio for Consumer Finance loan portfolio

In summary, the strategies and initiatives adopted, whose effects are evident both in maintaining the good performance of Wholesale, and in the generation of profitable new businesses in Consumer Finance, will allow Banco Votorantim to resume its path of sustainable growth with profitability in the medium-term

Adjustments have full support of shareholders, and will allow BV to resume growth and profitability in the medium-term

Agenda

Banco Votorantim and the implications of the economic-regulatory context

Recent results

Change Agenda developments

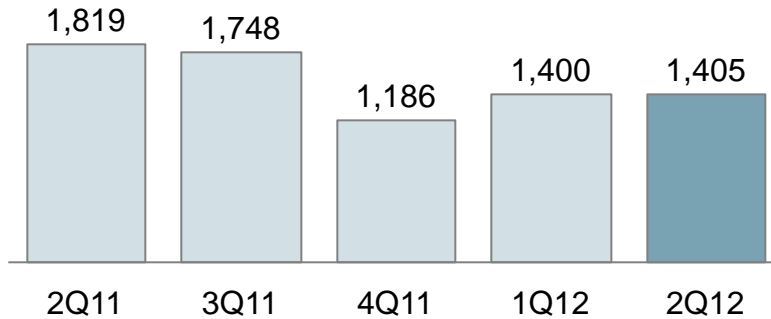
Financial highlights

Financial highlights

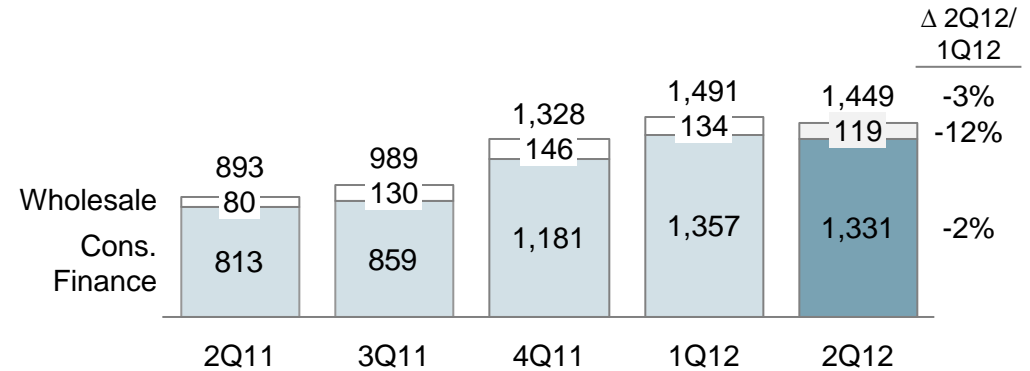
R\$ million

Total revenues

(Gross Financial Margin, Fee Income and Other Operating Income)

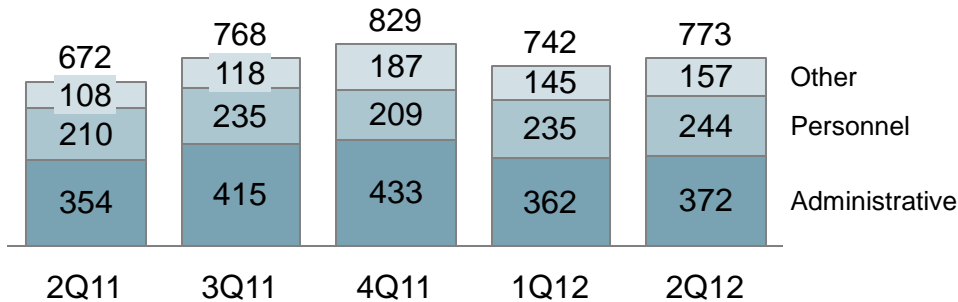


Allowance for loan losses expenses

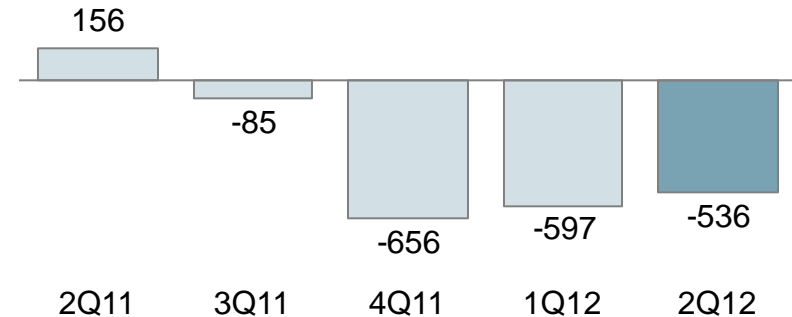


Non-interest expenses

(Personnel, Administrative, Operating and Other Tax¹)



Net income

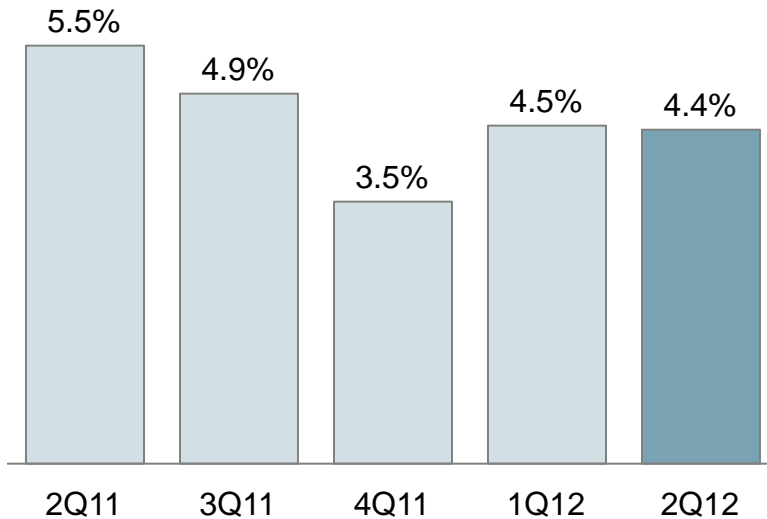


Note: excluding the timely expenses related to the restructuring process (e.g. labor provisions), 2Q12 non-interest expenses would have decreased R\$10M vs. 1Q12

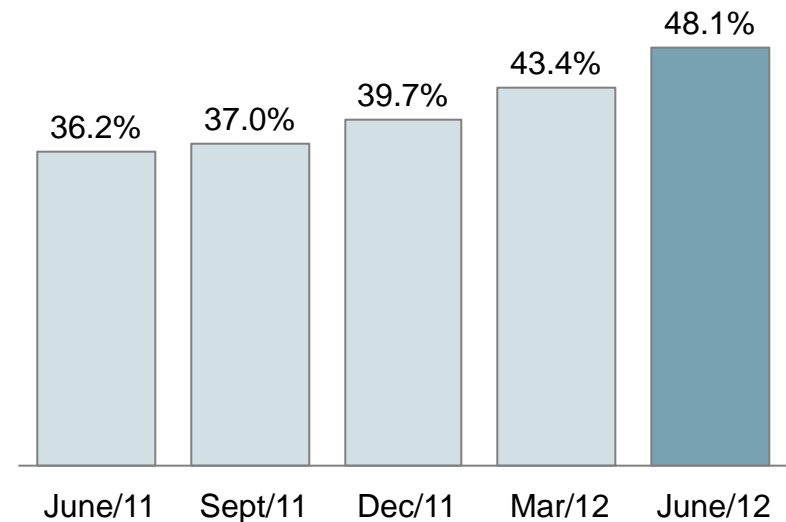
1. Federal, state and local taxes (excludes ISS, PIS and Cofins)

Financial highlights

Net Interest Margin – NIM (% p.y.)



Efficiency Ratio¹ (%) – last 12 months

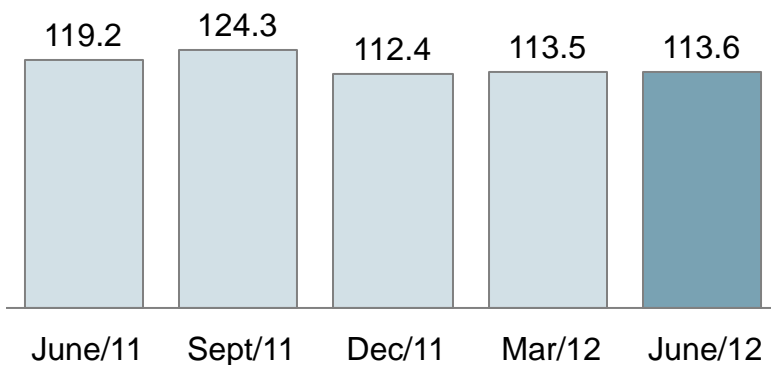


1. Ratio between (a) the sum of Personnel and Other administrative expenses and (b) the sum of Gross income from financial intermediation before Allowance for Loan Losses (ALL), Fee income, Other operating income/expenses, and Fiscal hedge adjustment

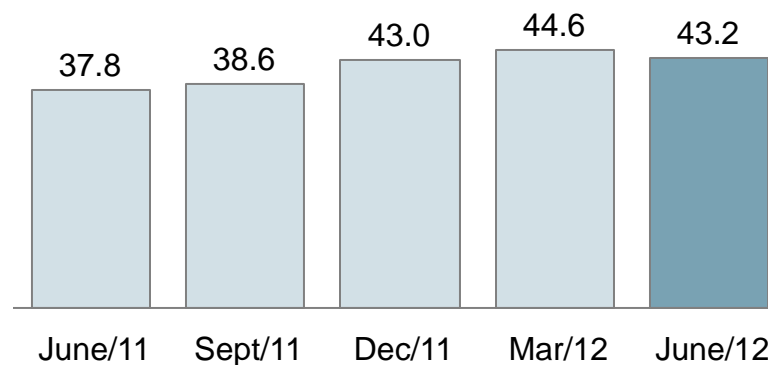
Financial highlights

R\$ Billion

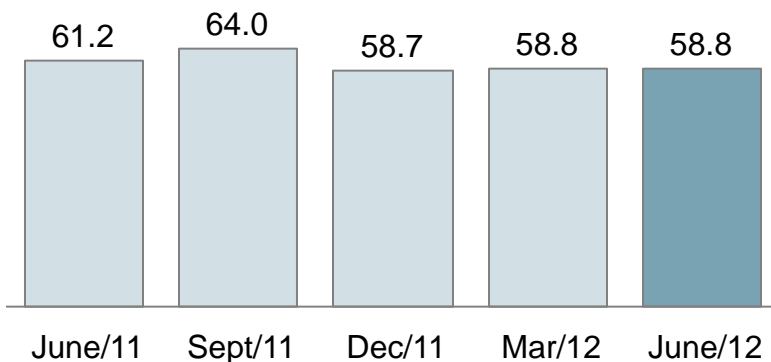
Total assets



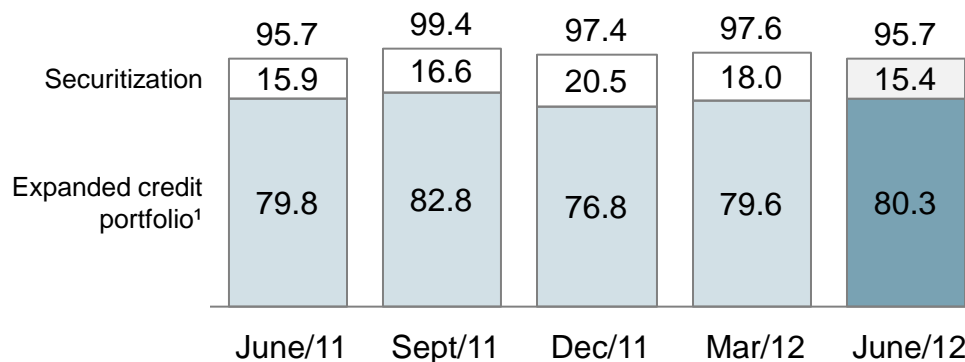
Assets under management



Loan portfolio



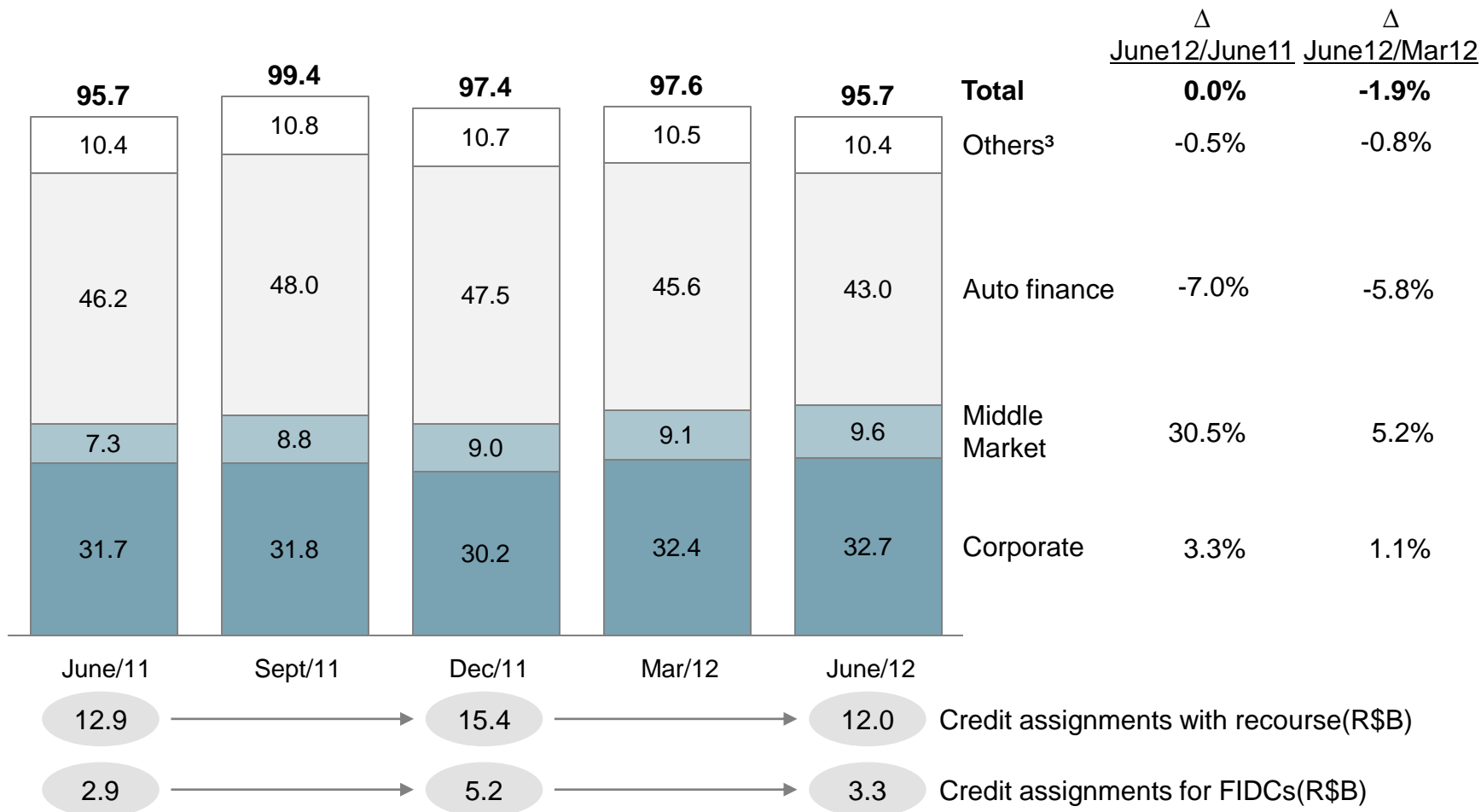
Expanded¹ managed² loan portfolio



1. Includes guarantees provided and private securities, 2. Includes credit assignments with recourse and credit assignments for FIDCs (of which Banco Votorantim owns 100% of the subordinated quotas)

Expanded managed loan portfolio

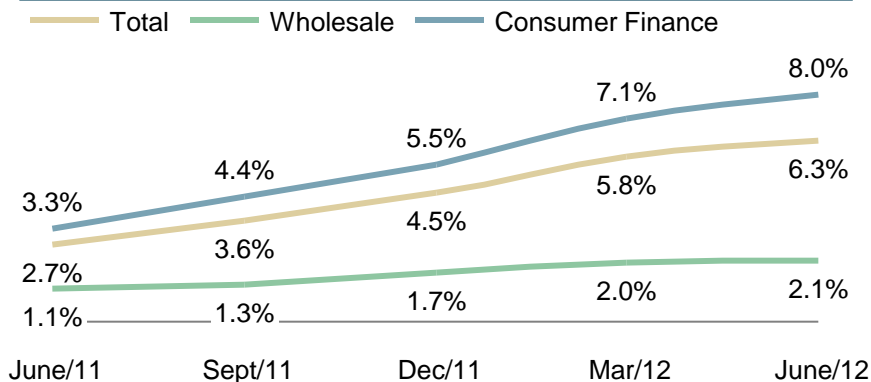
Expanded¹ managed² loan portfolio (R\$B)



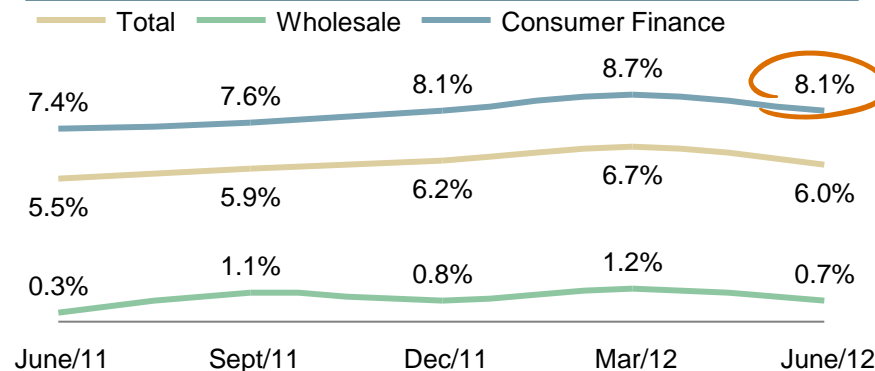
1. Includes guarantees provided and private securities, 2. Includes credit assignments with recourse and credit assignments for FIDCs (of which Banco Votorantim owns 100% of the subordinated quotas); 3. Payroll loans, CDC, credit cards and individual loans

Credit indicators

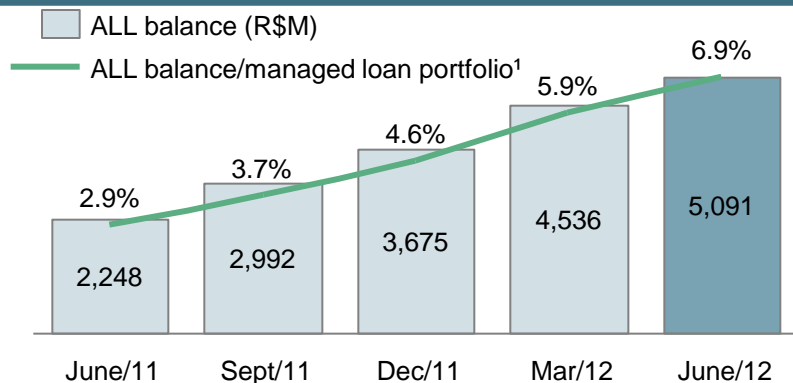
Non-performing loans - 90 days¹ (%)



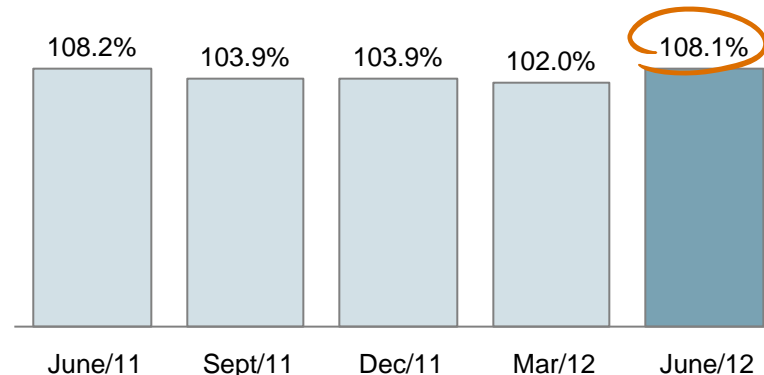
Non-performing loans - 15 to 90 days¹ (%)



Allowance for loan losses balance



Coverage Ratio¹ (%)



1. Considers credit assignments with recourse and credit assignments for FIDCs ; past due loans according to Bacen's Res. 2,682 criteria

Funding sources

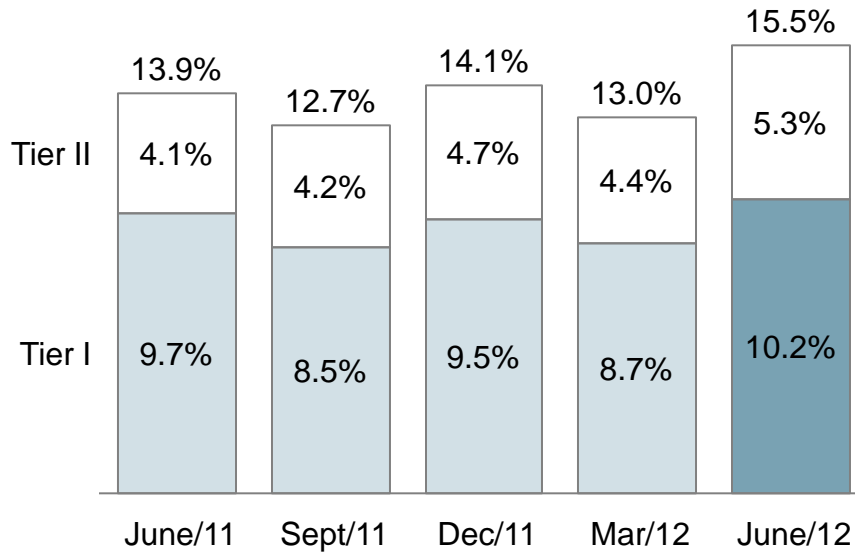
FUNDING SOURCES (R\$ Billion)	June.11	Mar.12	June.12	Variation (%)	
				June12/Mar12	June12/June12
Deposits	23.6	25.6	23.0	(10.2)	(2.8)
Repos ¹	19.4	20.7	16.2	(21.6)	(16.5)
Issuance of Securities ²	15.7	19.1	21.4	11.9	36.7
Financing Bills	5.7	8.4	10.1	19.7	77.3
Subordinated Debt	5.7	7.5	7.8	4.1	37.8
Subordinated Financing Bills	1.1	2.2	2.1	(3.6)	95.4
Loans and Others ³	9.6	7.7	7.0	(10.0)	(27.8)
Onlendings	7.1	6.0	5.6	(6.4)	(21.2)
Total Funding	81.1	86.6	81.0	(6.5)	(0.2)
Securitization (credit assignments + FIDCs)	15.9	18.0	15.4	(14.5)	(3.2)
Credit assignments - with recourse	12.9	13.6	12.0	(11.8)	(7.0)
Credit assignments - for FIDCs ⁴	2.9	4.3	3.3	(23.0)	14.0
Total Funding and Securitization	97.0	104.6	96.4	(7.9)	(0.7)
International Funding⁵/Total Funding and Securitization (%)	13.0	12.4	14.8		
Loan Portfolio/Total Funding (%)	75.4	67.9	72.6		

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

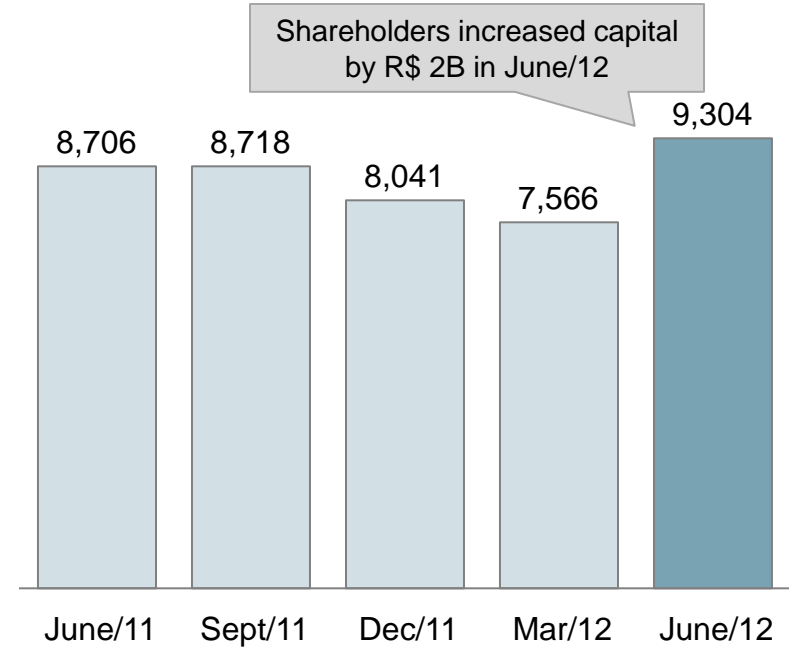
1. Private securities (excludes government securities); 2. Includes Eurobonds, Debentures, Financial bills and LCA; 3. Includes Option Box and NCE repo; 4. FIDCs of which Banco Votorantim owns 100% of the subordinated quotas; 5. Includes foreign securities, foreign borrowings and subordinated bills

Basel Index and Shareholders' Equity

Basel Index



Shareholders' Equity (R\$M)



Banco Votorantim's main ratings

RATING AGENCIES	International				National	
	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term
Fitch Ratings	Local Currency		Foreign Currency		Nacional	
	BBB-	F3	BBB-	F3	AA+(bra)	F1+(bra)
Moody's	Local Currency Deposits		Foreign Currency Deposits		Nacional	
	Baa2	P-2	Baa2	P-2	Aaa.Br	BR-1
Standard & Poor's	Local Currency		Foreign Currency		Nacional	
	BBB-	A-3	BBB-	A-3	brAAA	brA-1

Banco Votorantim is an Investment Grade bank by Fitch, Moody's and S&P

Conciliation between Managerial and Accounting Results

From 2Q12, result explanations started to be based on BV's Managerial Results

INCOME STATEMENT SUMMARY (R\$ Million)	Accounting 2Q12	Hedge ¹	ALL Credit Assignmen	Managerial 2Q12
Income from Financial Intermediation	3,872	114	11	3,997
Loans	2,522	-	11	2,533
Derivative Financial Instruments	(129)	114	-	(15)
Expenses from Financial Intermediation	(2,847)	-	-	(2,847)
Gross Financial Margin	1,025	114	11	1,150
Allowance for Loan Losses	(1,438)	-	(11)	(1,449)
Net Income from Financial Intermediation	(413)	114	-	(299)
Other Operating Income/Expenses	(511)	(73)	-	(584)
Tax Expenses	(106)	(5)	-	(111)
Other Operating Income	75	(69)	-	6
Other Operating Expenses	(130)	0	-	(130)
Operating Income	(924)	41	-	(883)
Non-operating Income	(44)	-	-	(44)
Income before Taxation and Profit Sharing	(968)	41	-	(927)
Provision for Income Tax and Social Contribution	525	(41)	-	484
Net Income (Loss)	(536)	-	-	(536)

1. Foreign exchange variation of foreign investments, accounted in Other Operating Income (Expenses), as well as fiscal and tax effects from the foreign investments hedge strategy, accounted in Tax Expenses (PIS/Cofins) and IT/SC, were relocated to Income from Derivative Financial Instruments;

2. Expenses with credit provisions related to credit assignments with recourse, and Income from the recovery of write-offs to loss, both accounted in Income from Loans and relocated to Allowance for Loan Losses.