



401



**Institutional
Presentation**

18



This presentation may include references and statements, planned synergies, estimates, projections of results, and future strategy for Banco do Brasil, its Associated and Affiliated Companies, and Subsidiaries. Although these references and statements reflect the management's belief, they also involve estimates and unforeseen risks. Consequently, results may differ 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 do Brasil is not responsible for updating any estimate in this presentation.

DISCLAIMER



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Agenda

- 01** Company Profile
- 02** BB's Figures
- 03** Earnings Highlights
- 04** Macroeconomic Information





01

Company Profile

Profile

Founded in 1808

Businesses Diversification including:



Banking
Services



Insurance



Capital
Markets



Asset
Management



Payment
Methods



International
Franchise



Market Leaderships



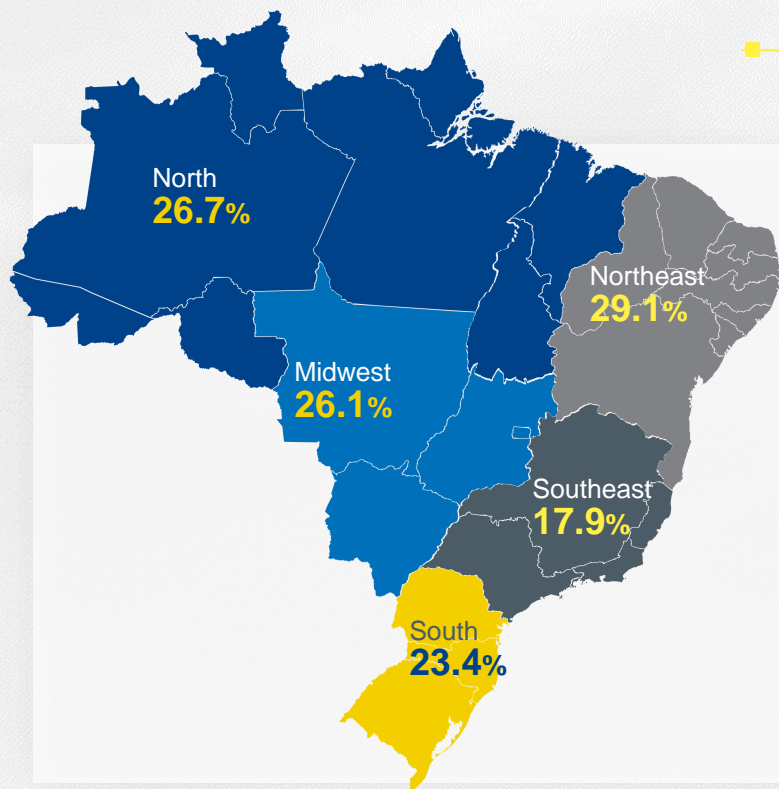
Solid **Financial
Performance**



Funding Base
Large, diversified and stable



Presence in Brazil



Present in
99.6%
of Brazilian
cities

21.9%
Market Share
(Number of branches)

Structural Data



Distribution Network

65,702



Own Service
Network

13,823



MaisBB¹
Network

13,552



Branches

4,722



Shared Service
Network²

38,327



Points of
Service

9,101



Customers **67.4 million**



Employees **96,889**

(1) Banking Agents and Postal Bank branches. (2) Shared Service Network: lotteries (CEF), Banco 24h e ATM (BRB+CEF).

Global Presence

BB operates in **17 countries** through a network of **24 units**. The Bank also maintains relationship with **875 correspondent banks** in **107 countries**.

10 Branches

02 Sub-branches

10 Subsidiaries, Affiliates
and Capital Markets
Units

02 Shared Services Units

**International Presence
since 1941**



Ratings



	Dec/14	Dec/15	Dec/16	Dec/17	Dec/18
Standard & Poor's					
Long-Term - Local Currency	BBB-	BB+	BB	BB-	BB-
Long-Term - Foreign Currency	BBB-	BB+	BB	BB-	BB-
Moody's					
Long-Term Debt - Foreign Currency	Baa2	Baa3	Ba2	Ba2	Ba2
Long-Term Deposits - Foreign Currency	Baa2	Baa3	Ba3	Ba3	Ba3
Long-Term Deposits - Local Currency	Baa2	Baa3	Ba2	Ba2	Ba2
Fitch Ratings					
Long-Term - Local Currency	BBB	BB+	BB	BB	BB-
Long-Term - Foreign Currency	BBB	BB+	BB	BB	BB-

Ownership Structure



1st company

listed in the stock
exchange in Brazil



For 2018, it will be
distributed

R\$ 5.2 Bn

in interest on own capital



In 2018 the *dividend yield* was

4.0%¹

52.2%
Federal Government

24.2%
Domestic Capital

23.6%
Foreign Capital

47.8%
Free Float

**Total
Shares**

(-) Shares Owned by the company

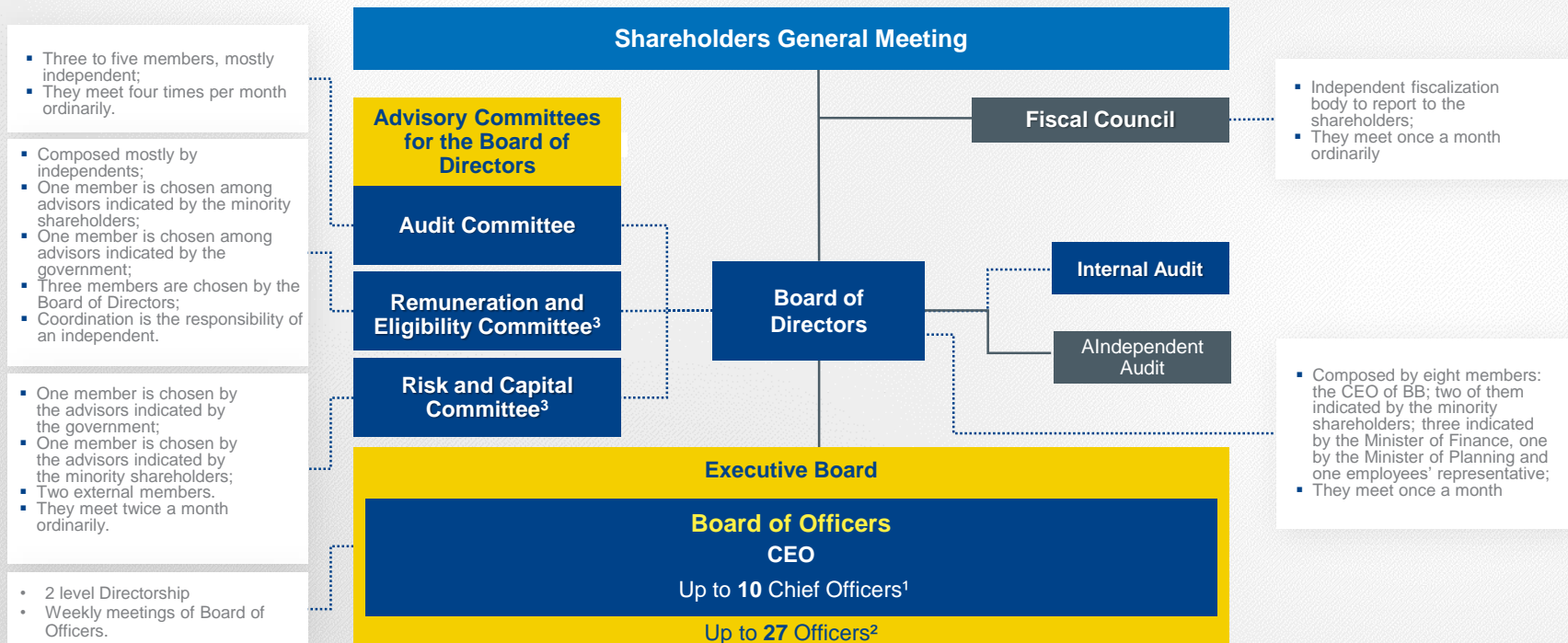
2,785,530,724

(1) Dividends and Interest on Capital - 12 months / Market Capitalization.



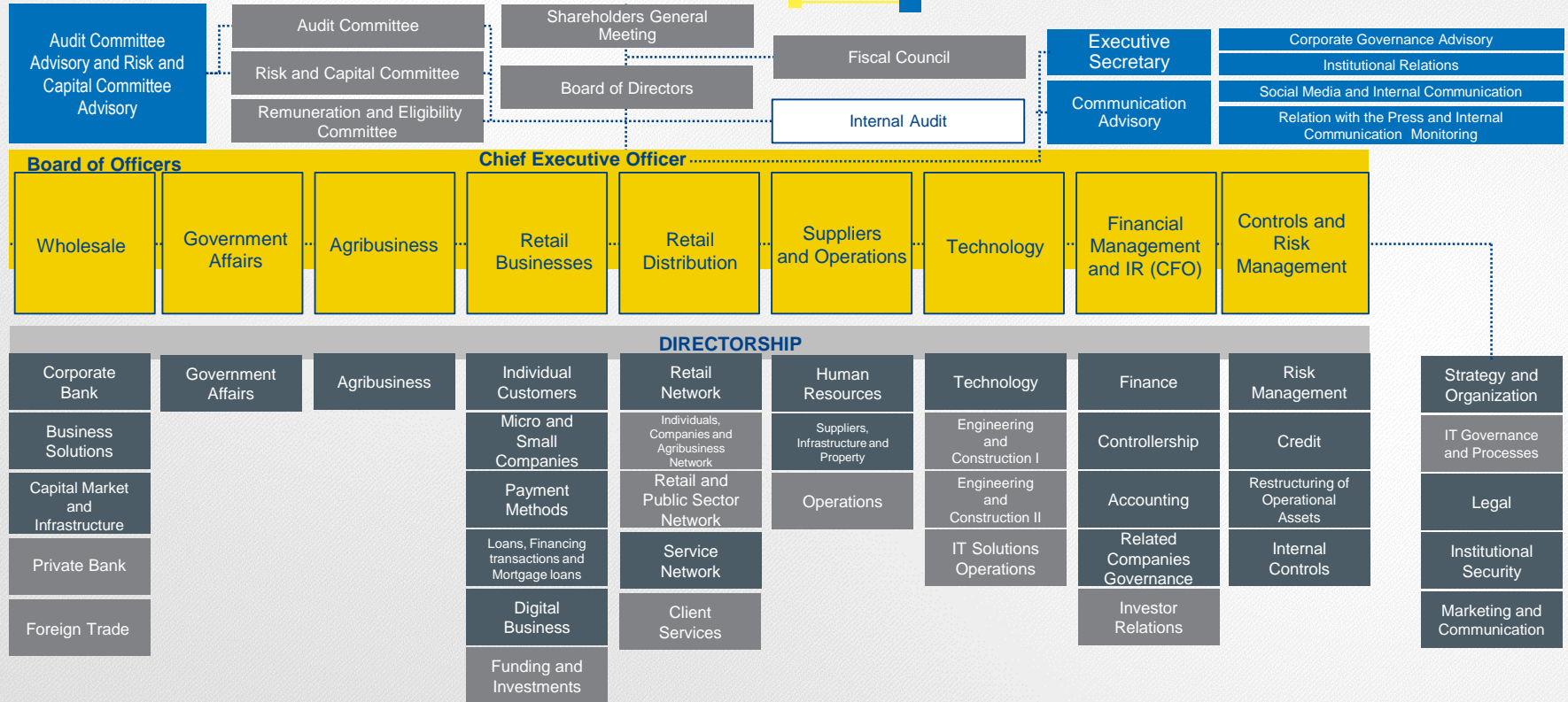


BB Corporate Governance Structure



(1) Subject to the amendment of Decree 3,905/2001. (2) The position of Officer is restricted to active employees (BB bylaws, art. 24). (3) It was constituted on March/2017

Organizational Structure



Decision Making Process



SEGREGATION OF RESPONSABILITIES

To ensure a system of appropriate controls and to mitigate conflicts of interest, BB clearly segregates roles and responsibilities



STRUCTURE OF COMMITTEES

Structure of committees that decentralize the decision-making process and increase the participation of members of the Executive Board



COLLEGIATE DECISION

Decisions at any level of the company are taken collegially, involving executives in defining strategies and proposals for BB's different businesses



RISK MANAGEMENT MODEL OF DEFENSE LINES

Risk and control management involves the entire organization and is considered essential for achieving the Organization's objectives



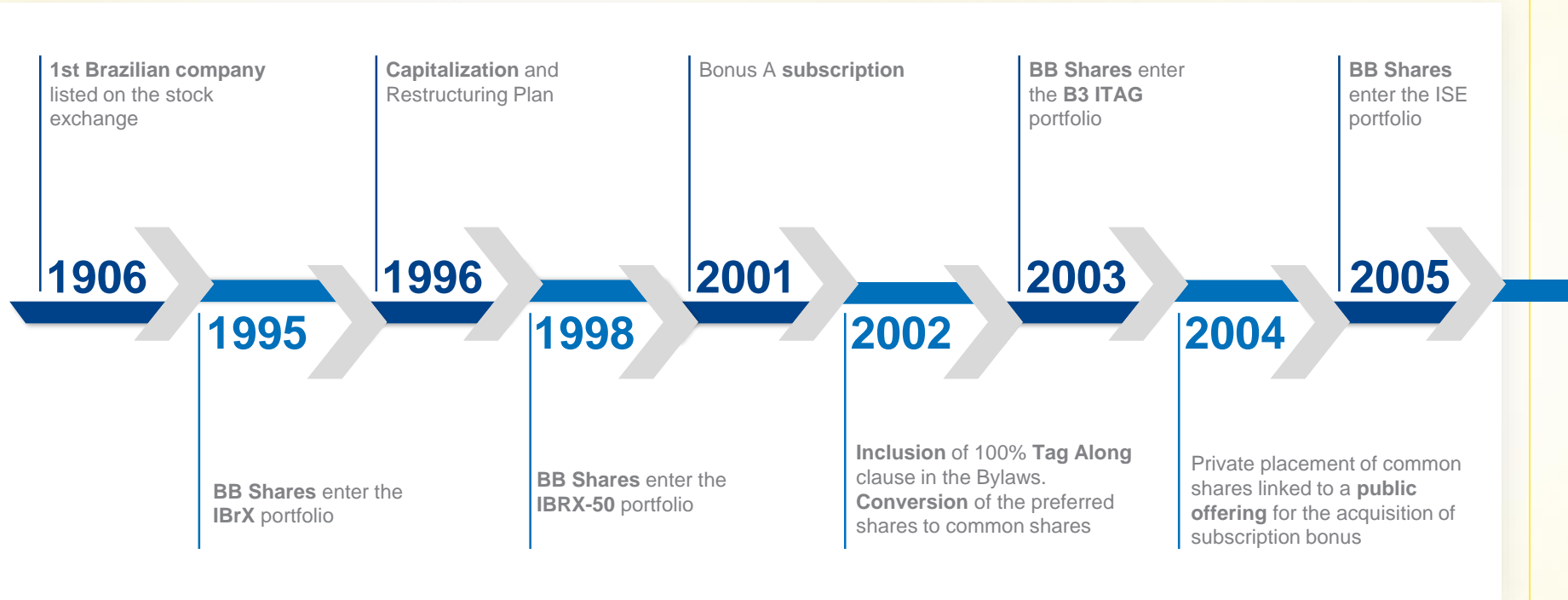
The Only Brazilian Bank listed since 2006 in the Novo Mercado segment which is comprised of companies that voluntarily adopt the best corporate governance practices



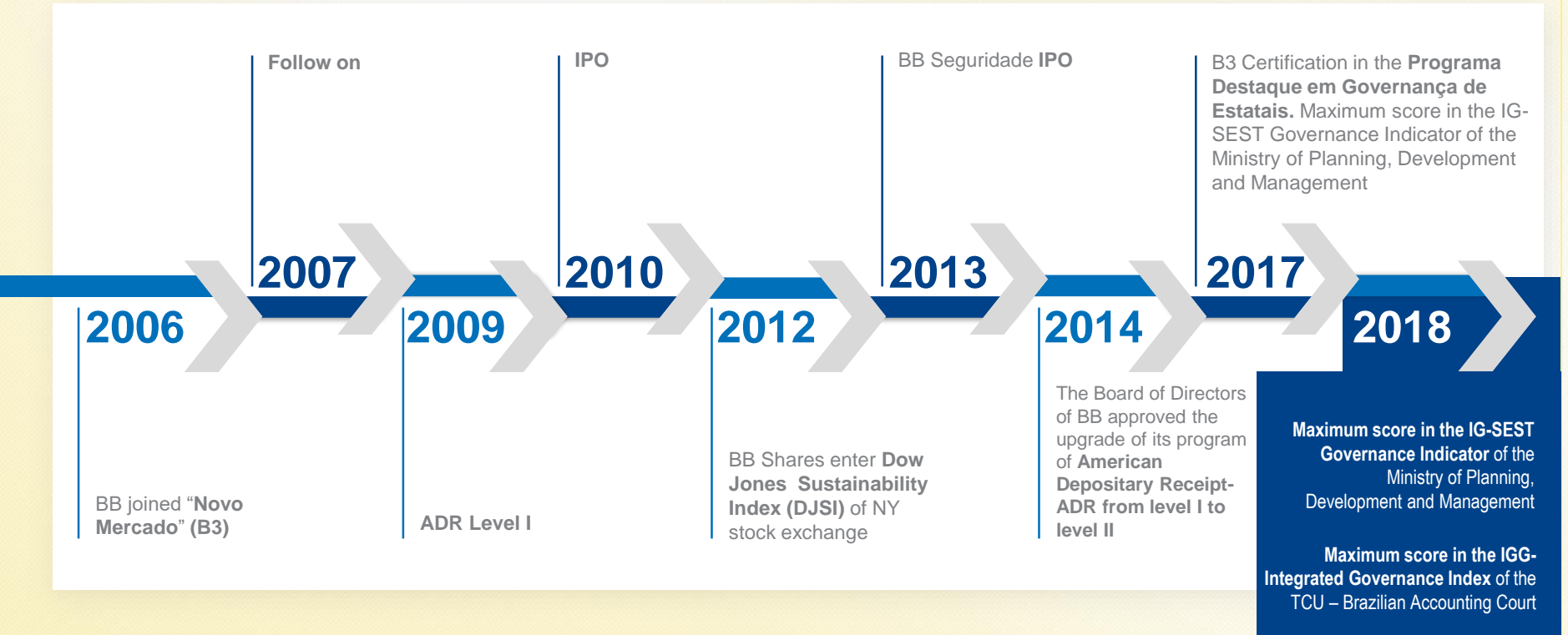
The Program for State-owned companies with distinguished corporate governance was created by B3 with the objective of encouraging state-owned companies to improve their governance practices and structures.



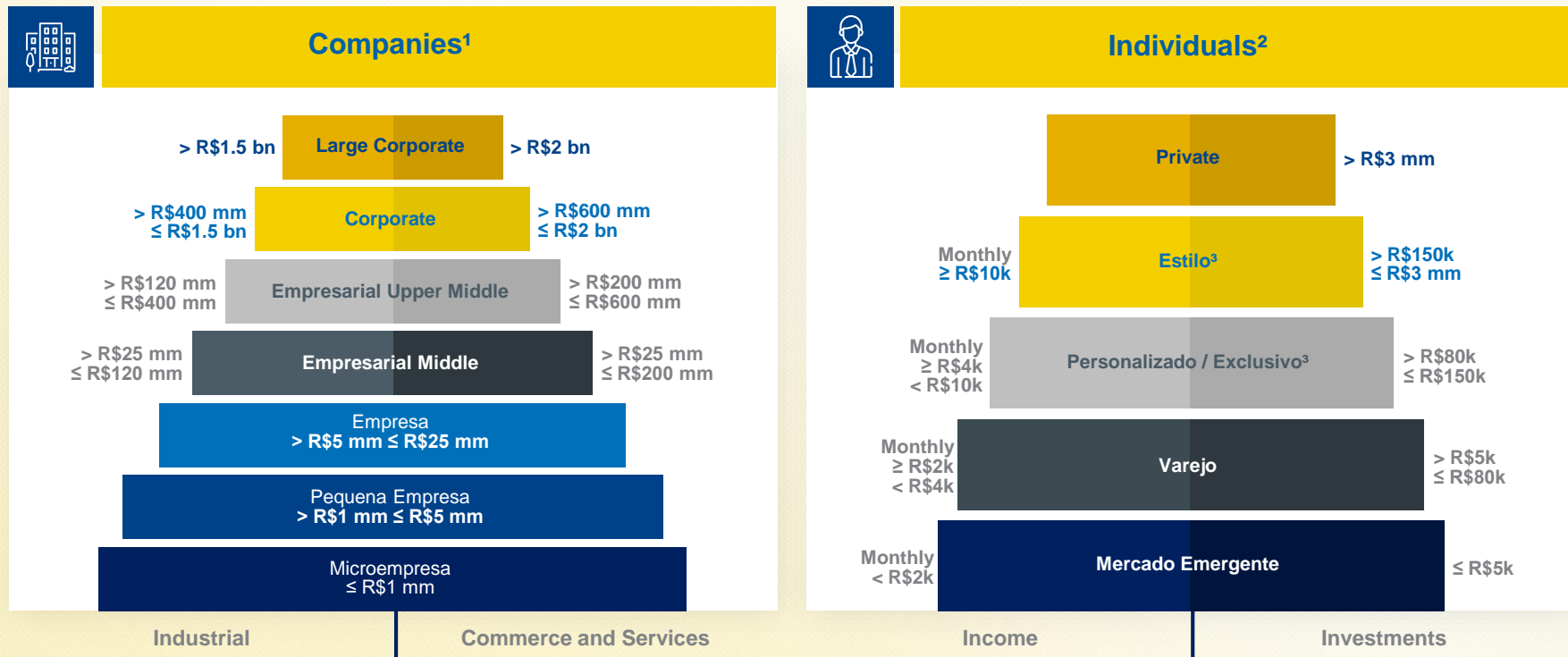
Governance Timeline



Governance Timeline



Customer Segmentation



(1) Based on Companies annual revenues. (2) It does not apply to Rural Producer. (3) Digital Service

A background image of three young women smiling and looking at a laptop screen. The woman in the center is making a heart shape with her hands over her eyes. The woman on the left is smiling broadly, and the woman on the right is also smiling.

#maisquedigital

Digital Services

Improving
customer
experience

Human Solutions



Individuals

Branch Relationship Manager

Before

From 10am
to 16pm



Now

From 8am
to 22pm



Companies

Digital Relationship Manager

Before

From 10am
to 16pm



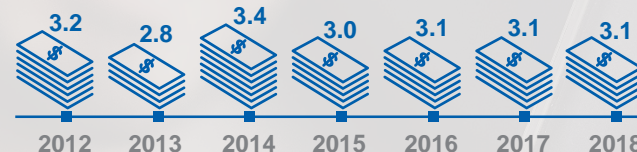
Now

From 8am
to 18pm

Specialized advisory

IT Investments

From 2012 to 2018 was invested the amount of
R\$ 21.5 billion in Technology



Digital Solutions



Telephone



E-mail



Videoconference



Chat /
messages



Documents
Electronics
exchange



Double
Confirmation

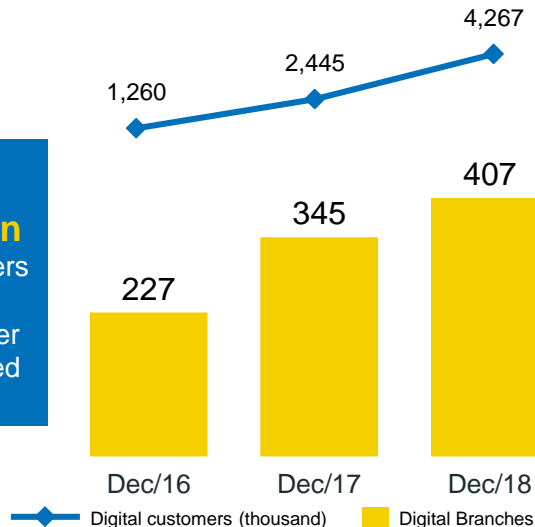


Beyond Digital

Digital Services¹

(number of individuals customers, branches and offices)

5.7 million
customers
with a
manager
assigned



Mobile Service

57% of transactions
through mobile in 2018

11.8 million
of Mobile Banking
current users³ in 4Q18

App Evaluation⁴
4.5 Google Play | 4.7 iOS



ONBOARDING
DIGITAL | Dec 2018

2.7 million

native digital customers²

400 thousand

upgrades to full account

Going to the bank?



Use the app.





New App

The New Version of the Best Banking App is even better.

**Apps
Unification**

**Faster and
customizable access**

**Minhas
Finanças**

**Simplification of transfers and
payments**

**Beyond
banking**

Digital Strategy



2.7 Million

NATIVE DIGITAL
CUSTOMERS¹

| Dec 2018

Transactions
through **Social
Media: First Bank**
to allow Withdrawal
through WhatsApp



**Access to Non
account
holders clients:**
Conta Fácil and Credit
Cards Platform

**Financial and
Investments
Advisory**
through digital
solutions

(1) Customers that started the relationship with Banco do Brasil through digital channels, from Nov/2016 to Dec/2018.

A background image showing a pair of hands cupping a small, vibrant green seedling with several leaves. The seedling is growing out of a mound of dark, rich brown soil. The hands are positioned above and below the soil, gently holding it. The overall image conveys a sense of care, growth, and environmental stewardship.

Sustainability

Socio-environmental Governance

Board of Directors

Annually: monitor BB's socio-environmental performance and the initiatives in **progress**.

>> On demand: approve, within competence, proposals to improve of BB's socio-environmental performance.

Board of Executive Officers

Biannually: approve BB's Sustainability Plan.

Semiannually: track the execution of BB's Sustainability Plan.

>> On demand: approve, within its competence, proposals to improve of BB's socio-environmental performance.

For us in Banco do Brasil, socio-environmental responsibility means: **“to have Ethics as our commitment and Respect as our attitude in our interactions with employees, stakeholders, suppliers, partners, customers, creditors, shareholders, competitors, community, government and the environment.”**



Risk and Capital Committee

Approved by the Board of Directors in 2017, with the purpose of advising this Board in the performance of its functions related to risk management, including socio-environmental risk and capital risk.



Strategy and Organization (Direo)

Strategic unit directly linked to the Presidency of BB and responsible for conducting the corporate socio-environmental responsibility theme.

Risk Management (Diris)

Strategic unit responsible for the socio-environmental risk management in BB.



Sustainability Forum

A forum that gathers executives from BB and Fundação Banco do Brasil aiming to support the process of incorporation, alignment and dissemination of the principles and practices of sustainability of BB; and to accompany the socio-environmental initiatives and the implementation of the actions set forth in Agenda 30 BB. The Sustainability Forum is quarterly and is subordinated to the Executive Business Committee.



Socio-environmental Risk Management

Socio-environmental Risk

Management

Potential Losses coming from social and/or environmental impacts generated by the institution's activities, directly or indirectly.

The procedures to manage socio-environmental risk encompass exposures on loan, investments, insurance, operational risks, strategy risk, reputation risk and administrative activities.



Businesses

BB Sustainability Guidelines for Loan

Agribusiness
Electricity
Mining
Transportation

Irrigated
Agriculture
Construction
Oil and Gas
Paper And
Cellulose



Market Indexes and Awards

ISEB3

2019

Corporate Sustainability Index
(ISE) – B3 - 2019

14 consecutive listing years

Índice Carbono Eficiente **ICO2**

Carbon Efficient Index
(ICO2) – B3 - 2018

MEMBER OF

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

Listed in the Emerging
markets segment - 2018



Global 100 – 100 world leaders in sustainability – 2019.

Listed among the 100 most sustainable companies in the world, being the 1st among banks.





BB's Figures

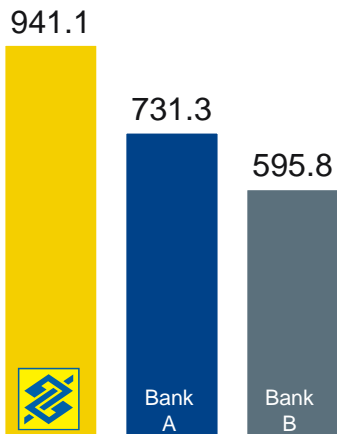
02

Industry Leadership¹



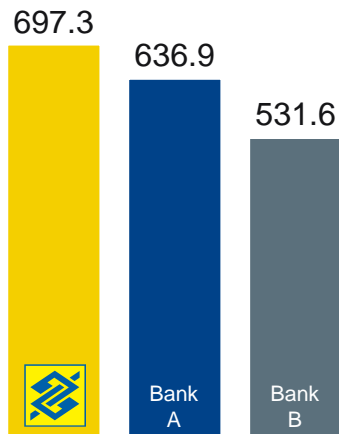
ASSETS UNDER MANAGEMENT²

22.5%
Market Share³



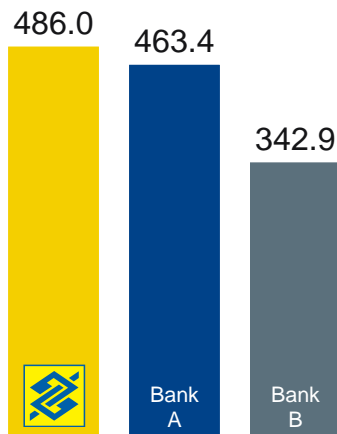
LOAN PORTFOLIO

18.5%
Market Share⁴



DEPOSITS

20.1%
Market Share⁵



BB SEGURIDADE⁶



Rural



Pension Plan



Life



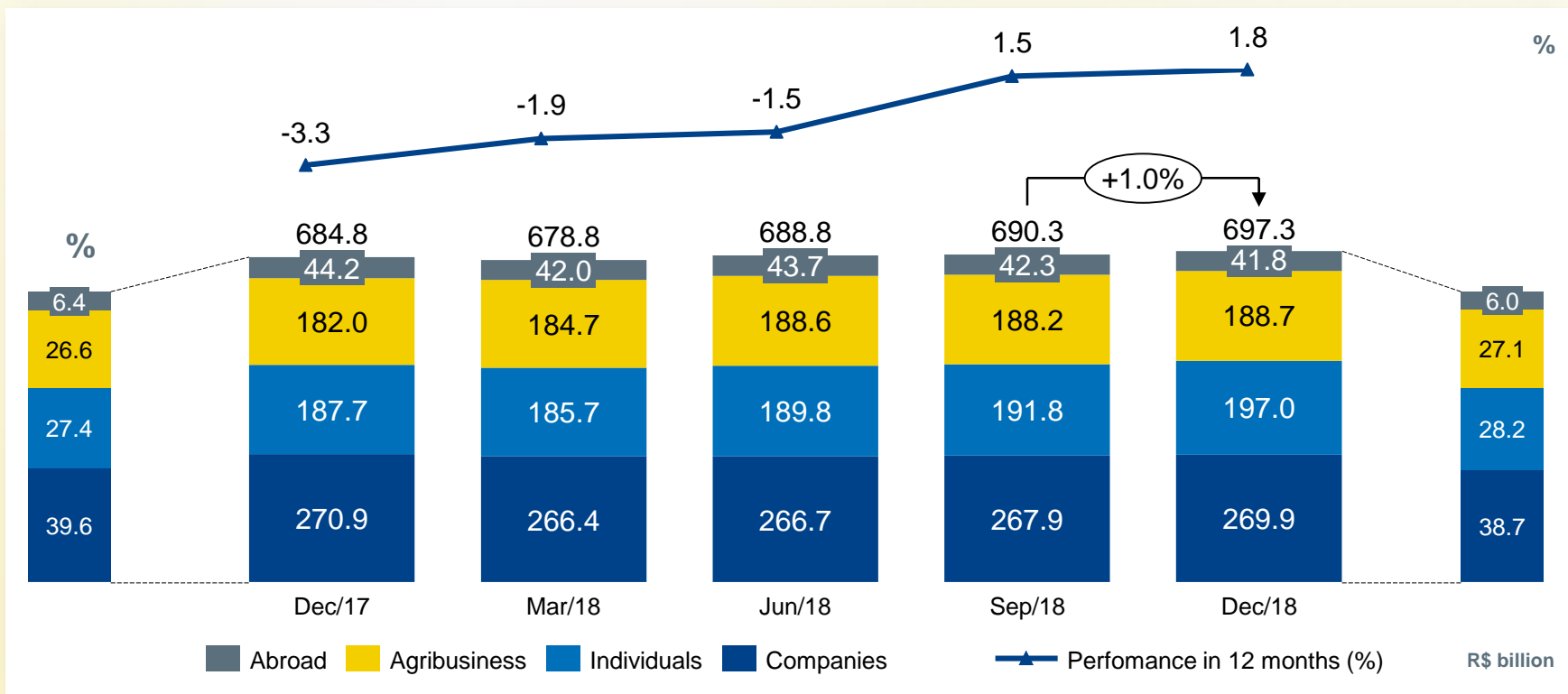
Credit Life



Premium Bonds

(1) Comparison with the two largest Brazilian private banks. (2) It does not include Banco Votorantim. (3) Source: Anbima – Dec/18. (4) Source: Banco Central do Brasil - Dec/18. (5) Source: Banco Central do Brasil - Sep/18. (6) Source: SUSEP.

Loan Portfolio – Expanded View¹



(1) It includes private securities and guarantees provided.



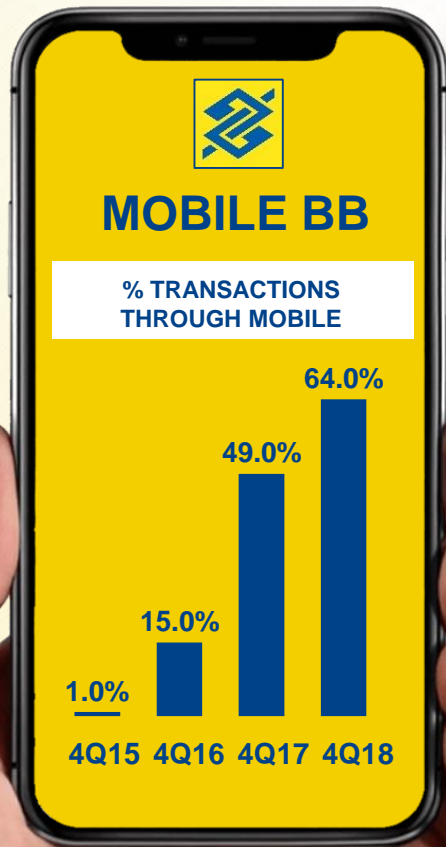
Loans to Individuals¹

	Dec/17	Sep/18	Dec/18
Payroll Loan	67,108	70,106	70,902
Salary Loan	18,793	19,257	18,611
Consumer Finance	4,720	5,911	7,327
Mortgage	44,572	47,957	48,455
Credit Card	25,655	25,511	29,180
Renegotiated Loan	8,436	8,758	9,144
Auto Loan	4,875	4,306	4,315
Overdraft Account	1,951	1,886	1,658
Microcredit	427	357	336
Other	522	560	541
Total	177,057	184,609	190,470

R\$ million

(1) It Considers the organic Loan Portfolio.

Auto Loans

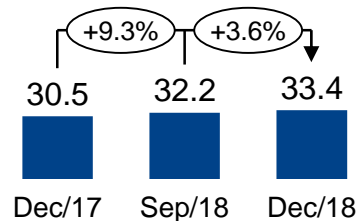


Banco Votorantim

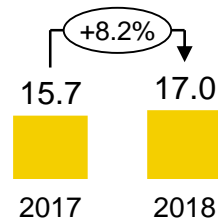
Consolidated with BB

21.9% Market Share
in Dec/18

LOAN PORTFOLIO



ORIGINATION

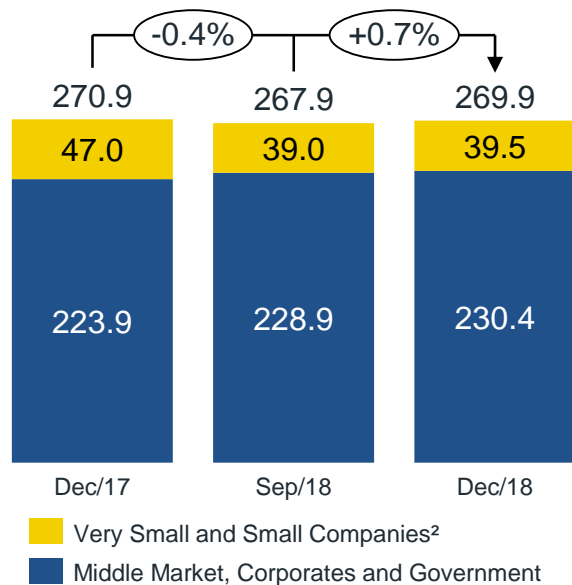


R\$ billion

Loans to Companies¹ Portfolio

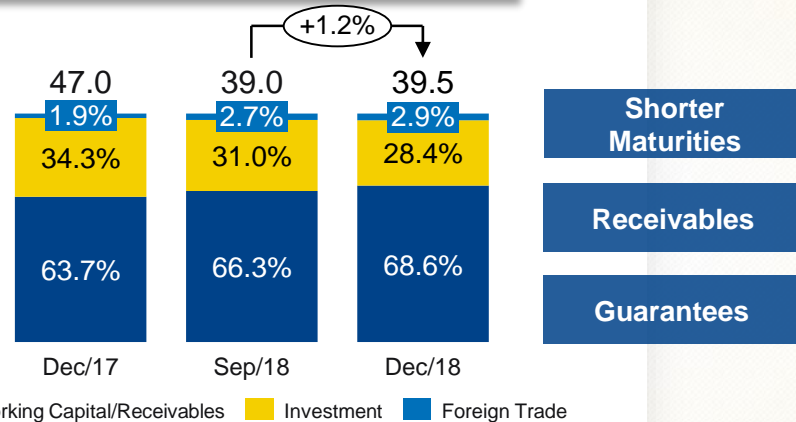


R\$ billion



Very Small and Small Companies Portfolio Increasing

R\$ billion



Shorter
Maturities

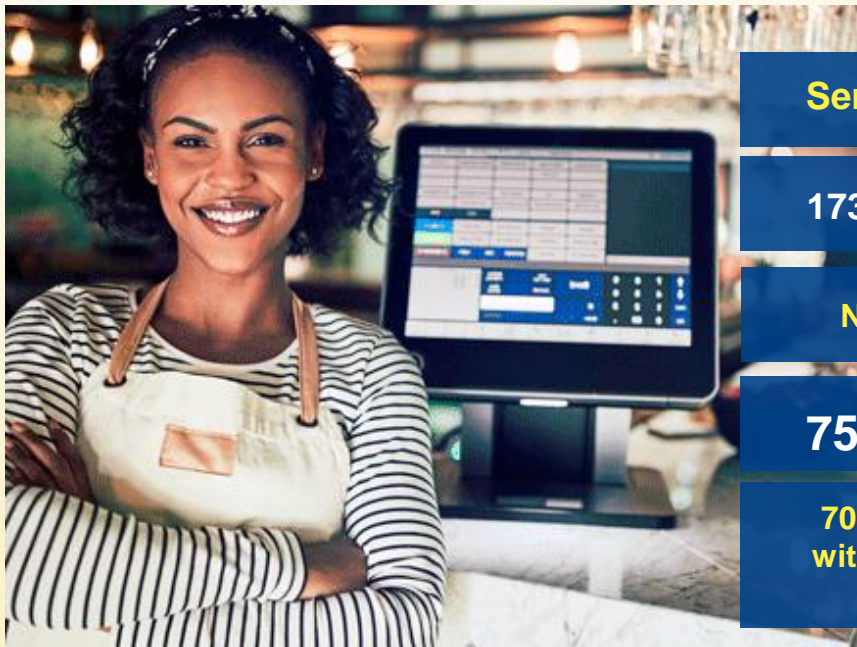
Receivables

Guarantees

2018/2017

▲ +11.5% Total Disbursements
▲ +23.6% Working Capital
▲ +5.5% Receivables

Very Small and Small Companies Specialized Service



Service Specialization

173 Empresa Branches

New Service Platform

75 new portfolios

**706,211 MPE costumers
with a manager assigned**
+13,162 in the new model

Capital Markets



Fee (RPS) **R\$ 788 million** in 2018

Ranking ANBIMA 2018

2nd

**International
Fixed Income**
Private Issues

3rd

**Domestic
Fixed Income**
Consolidated
Origination

3rd

**Domestic
Fixed Income**
Consolidated
Distribution

Relevance

Present in **27%** of the
total funding captured by
companies
(Domestic Fixed Income)

R\$ 52 bn

Foreign

12 issues

57%

Market Share

Domestic

85 issues

14.3%

Market Share

45%

BB-BI Distributed
Volume/BB-BI
Originated Volume

Companies Portfolio by Macro-Sector



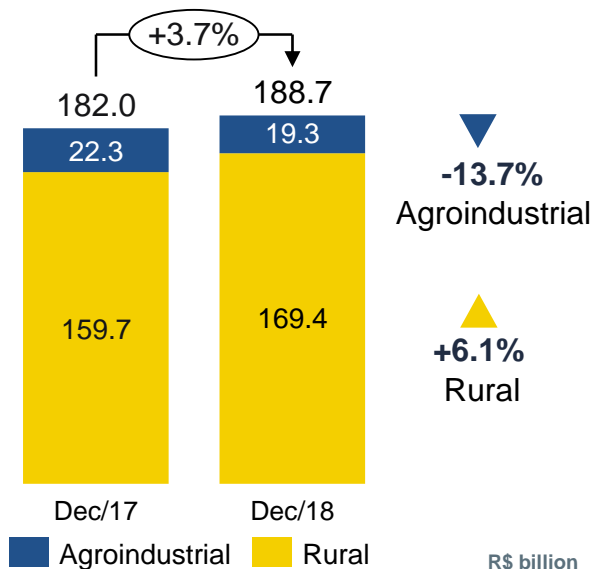
R\$ million			Balance				Chg. (%) on	
Macro-Sector ¹	Dec/17	Share %	Sep/18	Share %	Dec/18	Share %	Dec/17	Sep/18
Public Administration	41,412	12.0	46,616	13.6	45,704	13.5	10.4	(2.0)
Oil and Gas	36,041	10.5	36,156	10.5	34,956	10.3	(3.0)	(3.3)
Food products of Vegetable Origin	31,050	9.0	35,046	10.2	34,412	10.1	10.8	(1.8)
Metalworking and Steel	28,145	8.2	25,366	7.4	24,609	7.3	(12.6)	(3.0)
Electric Utilities	26,306	7.6	24,587	7.2	24,363	7.2	(7.4)	(0.9)
Transportation	23,951	7.0	24,203	7.1	24,423	7.2	2.0	0.9
Services	20,625	6.0	20,156	5.9	21,771	6.4	5.6	8.0
Automobiles and Components	16,606	4.8	17,481	5.1	15,987	4.7	(3.7)	(8.5)
Food products of Animal Origin	13,959	4.1	14,175	4.1	15,096	4.5	8.1	6.5
Housing	15,623	4.5	13,121	3.8	12,440	3.7	(20.4)	(5.2)
Retail	11,169	3.2	9,882	2.9	10,440	3.1	(6.5)	5.6
Construction Materials	10,290	3.0	8,904	2.6	9,067	2.7	(11.9)	1.8
Financials	13,579	3.9	11,046	3.2	8,790	2.6	(35.3)	(20.4)
Agricultural inputs	7,984	2.3	8,090	2.4	8,556	2.5	7.2	5.8
Telecommunication Services	6,224	1.8	7,769	2.3	6,155	1.8	(1.1)	(20.8)
Textiles	6,495	1.9	6,554	1.9	6,341	1.9	(2.4)	(3.2)
Chemicals	5,953	1.7	6,367	1.9	6,501	1.9	9.2	2.1
Pulp and Paper	5,185	1.5	5,577	1.6	5,529	1.6	6.6	(0.9)
Electrical and Electronic Goods	6,392	1.9	5,887	1.7	6,809	2.0	6.5	15.7
Wholesale and Other Industries	5,191	1.5	5,055	1.5	5,919	1.7	14.0	17.1
Heavy Construction	4,992	1.4	4,105	1.2	4,134	1.2	(17.2)	0.7
Furniture and Forest products	4,159	1.2	3,639	1.1	3,797	1.1	(8.7)	4.3
Leather and Shoes	1,741	0.5	1,662	0.5	1,788	0.5	2.7	7.6
Beverages	1,145	0.3	1,316	0.4	1,504	0.4	31.4	14.3
Other Activities	33	0.0	29	0.0	26	0.0	(21.8)	(12.7)
Total	344,251	100	342,790	100	339,115	100	(1.5)	(1.1)

(1) It includes Companies and Agro Companies Portfolio.

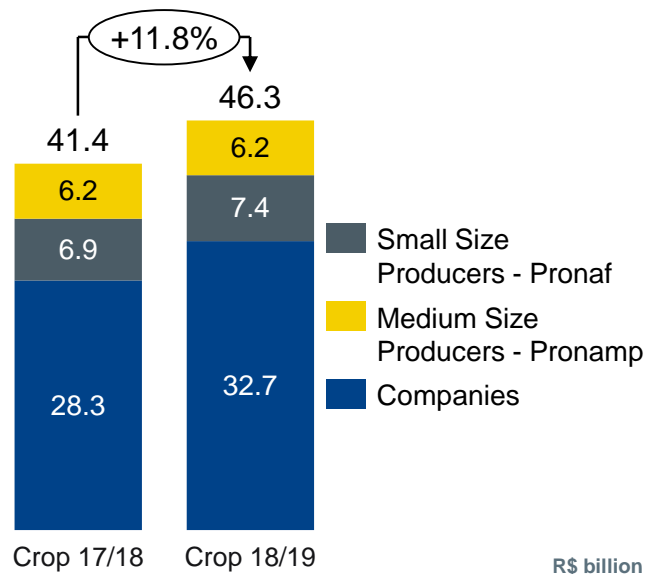
Agribusiness



Agribusiness Portfolio¹



Harvest Plan Disbursements³

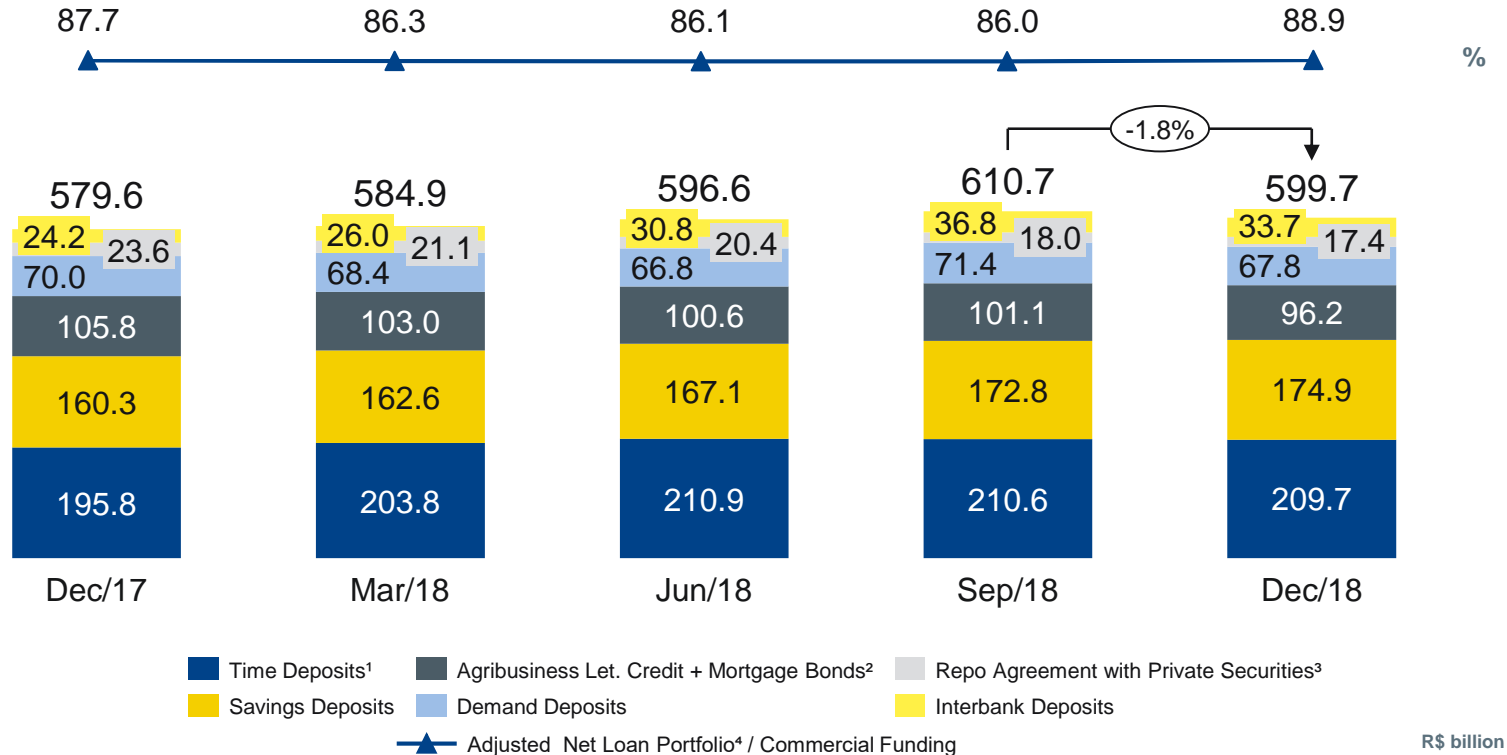


57.4%

Market Share in
Dec/18²



Commercial Funding



(1) It includes Other Deposits. (2) It includes the balance of CRI (Certificates of Real Estate Receivables). (3) It includes part of the balances of the Private Securities shown on Notes to the Consolidated Financial Statements. (4) It does not include the domestic onlending loans.

Sources

	Jun/17	Sep/17	Dec/17	Mar/18	Jun/18	Sep/18	Dec/18
Commercial Funding ¹	588,506	572,091	579,589	584,902	596,556	610,696	599,656
Domestic Onlending	79,453	82,674	80,885	79,278	77,543	68,279	66,731
Subordinated Debt	62,306	62,943	63,342	61,222	59,946	58,727	58,829
Foreign Borrowing ²	41,678	38,649	43,578	43,517	51,631	47,565	44,067
Hybrid Capital Instruments	31,753	31,253	31,819	32,340	32,963	34,506	33,235
Financial and Development Funds	14,837	14,842	16,795	16,077	15,948	15,171	15,522
Commercial Paper ³	3,088	3,899	3,977	5,344	5,457	5,473	5,537
Compulsory Deposits	(64,659)	(69,442)	(69,081)	(69,842)	(70,244)	(64,229)	(59,115)
Total	756,961	736,910	750,904	752,837	769,800	776,188	764,462

R\$ million

Uses

	Jun/17	Sep/17	Dec/17	Mar/18	Jun/18	Sep/18	Dec/18
Available Funds	110,721	108,111	117,063	123,975	133,192	138,142	119,470
Net Loan Portfolio (a)	646,241	628,798	633,841	628,862	636,609	638,046	644,992
Classified Loan Portfolio	645,998	632,646	635,911	627,693	636,783	634,420	640,226
Private Securities	38,124	33,958	34,617	36,158	35,004	38,056	39,110
Allowance for Loan Losses	(37,881)	(37,806)	(36,686)	(34,989)	(35,179)	(34,430)	(34,344)
Adjusted Net Loan Portfolio (a) - (b)	525,314	504,063	508,194	504,871	513,727	525,148	533,195
Domestic Onlending Loans (b)	120,926	124,735	125,647	123,991	122,881	112,898	111,797
Total	756,961	736,910	750,904	752,837	769,800	776,188	764,462

R\$ million

(1) It includes part of the balances of Private Securities on Notes to the Consolidated Financial Statements. (2) It includes Foreign Borrowing, Foreign Securities and Foreign Onlending. (3) It includes Financial Bonds and Debentures.

Sources breakdown



Commercial Funding

		R\$ million						
	Cost	Jun/17	Sep/17	Dec/17	Mar/18	Jun/18	Sep/18	Dec/18
Savings Deposits	TR + (0.5% if Selic > 8.5%, or 70% of Selic)	150,982	154,517	160,290	162,560	167,089	172,754	174,855
Judicial Deposits	As Savings Deposits	130,514	124,782	121,524	129,040	134,246	136,875	135,481
Agribusiness Letters of Credits	% of CDI	100,665	94,473	88,898	86,492	84,005	83,530	78,937
Time Deposits	% of CDI	79,969	76,382	74,281	74,767	76,633	73,728	74,222
Demand Deposits	-	62,385	61,793	69,981	68,406	66,780	71,357	67,811
Repo Agreement with Private Securities ¹	% of CDI	24,898	22,016	23,576	21,102	20,436	18,048	17,418
Interbank Deposits	% of CDI	18,962	19,649	24,153	25,989	30,790	36,824	33,669
Mortgage Bonds ²	% of CDI	20,132	18,480	16,886	16,546	16,577	17,580	17,265
Total		588,506	572,091	579,589	584,902	596,556	610,696	599,656

Foreing

R\$ million

	Jun/17	Sep/17	Dec/17	Mar/18	Jun/18	Sep/18	Dec/18
Foreign Securities	21,937	20,280	24,005	23,234	28,243	24,012	23,080
Foreign Borrowing ³	19,741	18,368	19,572	20,282	23,387	23,552	20,987
Subordinated Debt Abroad	9,821	9,275	9,826	9,736	11,460	11,735	11,523
Total	51,499	47,924	53,404	53,253	63,090	59,300	55,589

(1) It includes part of the balances of the Private Securities shown on Notes to the Consolidated Financial Statements. (2) It includes the balance of CRI (Certificates of Real Estate Receivables). (3) It includes Foreign Onlending.

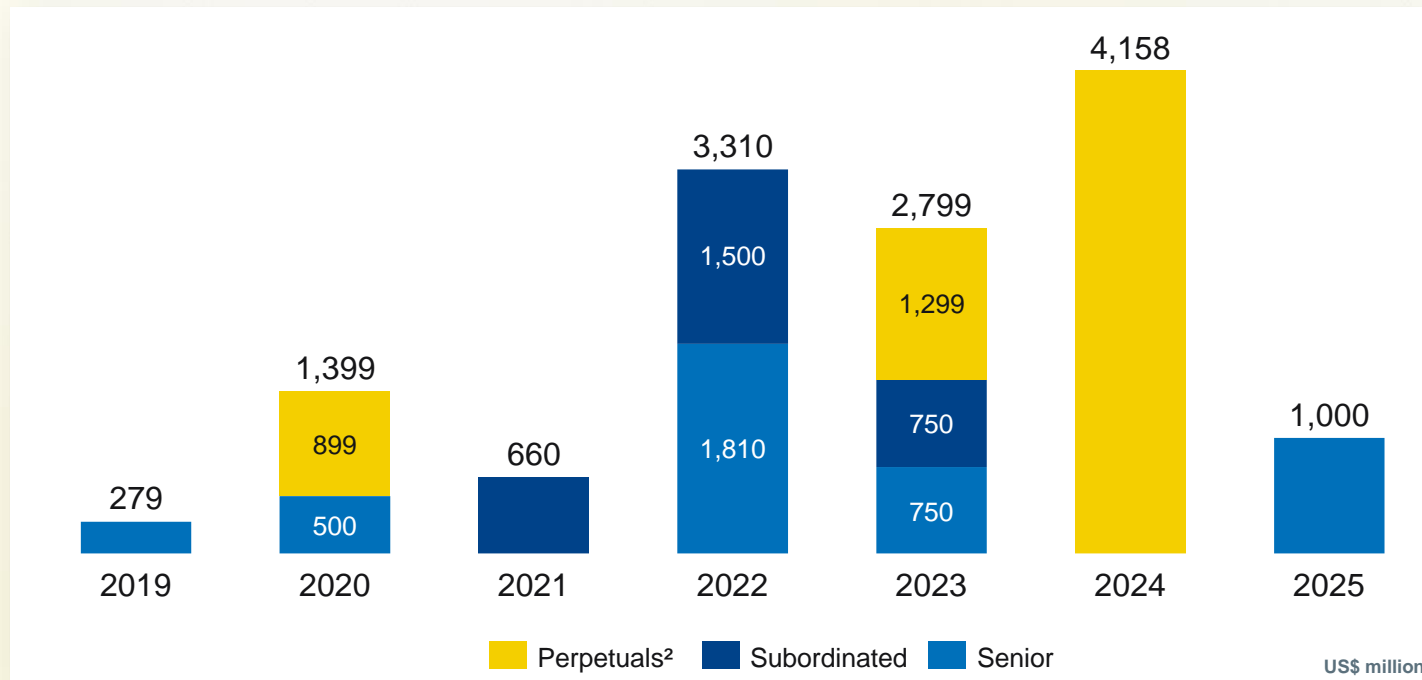
Current Debt Issues Abroad



Issue Date	Call Date	Coupon (%) ¹	Term in Years	Maturity	Amount issued (US\$ thousand)	Currency	Rating S&P/Moody's/Fitch	Program	Outstanding amount (US\$ thousands)
10/20/2009	10/20/2020	8.500 S	Perpetual	Perpetual	1,500,000	USD	SR / B2 / SR	Stand Alone	898,512
01/22/2010		6.000 S	10	01/22/2020	500,000	USD	BB- / Ba2 / BB-	GMTN	500,000
10/05/2010		5.375 S	10	01/15/2021	660,000	USD	SR / Ba3 / SR	Stand Alone	660,000
05/26/2011		5.875 S	10	01/26/2022	1,500,000	USD	SR / Ba3 / SR	Stand Alone	1,500,000
01/20/2012	04/15/2023	9.250 S	Perpetual	Perpetual	1,000,000	USD	CCC+ / SR / SR	Stand Alone	548,727
03/05/2012	04/15/2023	9.250 S	Perpetual	Perpetual	750,000	USD	CCC+ / SR / SR	Stand Alone	750,000
06/19/2012		5.875 S	10	01/19/2023	750,000	USD	B- / Ba3 / SR	Stand Alone	750,000
10/10/2012		3.875 S	10	10/10/2022	1,925,000	USD	BB- / Ba2 / BB-	Stand Alone	1,809,700
01/31/2013	04/15/2024	6.250 S	Perpetual	Perpetual	2,000,000	USD	CCC+ / SR / SR	Stand Alone	1,988,000
12/20/2013		2.500 A	5.5	06/20/2019	306,988	CHF	BB- / Ba2 / BB-	GMTN	279,472
06/18/2014	06/18/2024	9.000 S	Perpetual	Perpetual	2,500,000	USD	CCC+ / B2 / SR	Stand Alone	2,169,700
10/23/2017		4.625 S	7	01/15/2025	1,000,000	USD	BB- / Ba2 / BB-	GMTN	1,000,000
04/19/2018		4.875 S	5	04/19/2023	750,000	USD	BB- / Ba2 / BB-	GMTN	750,000

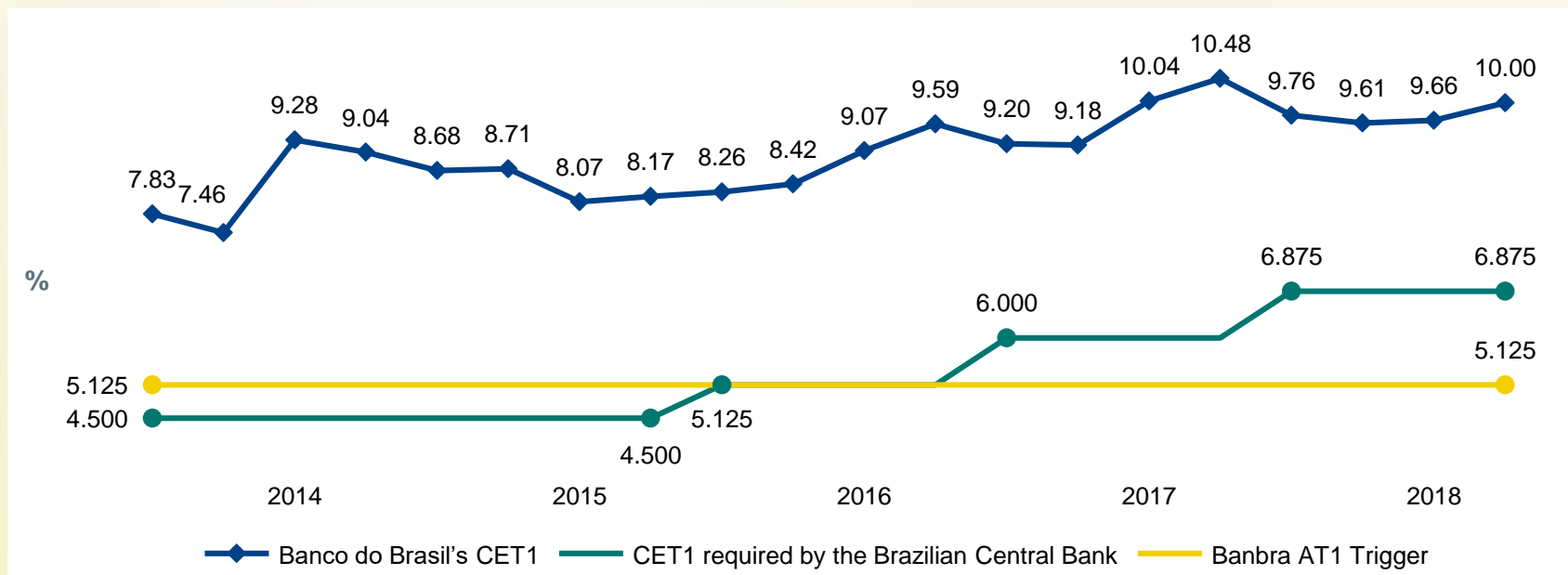
(1) A: annual; S: semiannual; Q: quarterly.

BANBRA Bonds Maturities¹



(1) Balance in US Dollar, as of December, 28, 2018. (2) The redemption on the call date of the BANBRA perpetuals will depend on Banco do Brasil's ALM strategy, regulatory approval, taking into account market conditions and Banco do Brasil's capital needs.

CET1 and Required Capital



BIS III in 2019

CET1	8.00%
Tier I	9.50%
Total BIS III Ratio	11.50%

BIS III – Current Requirements

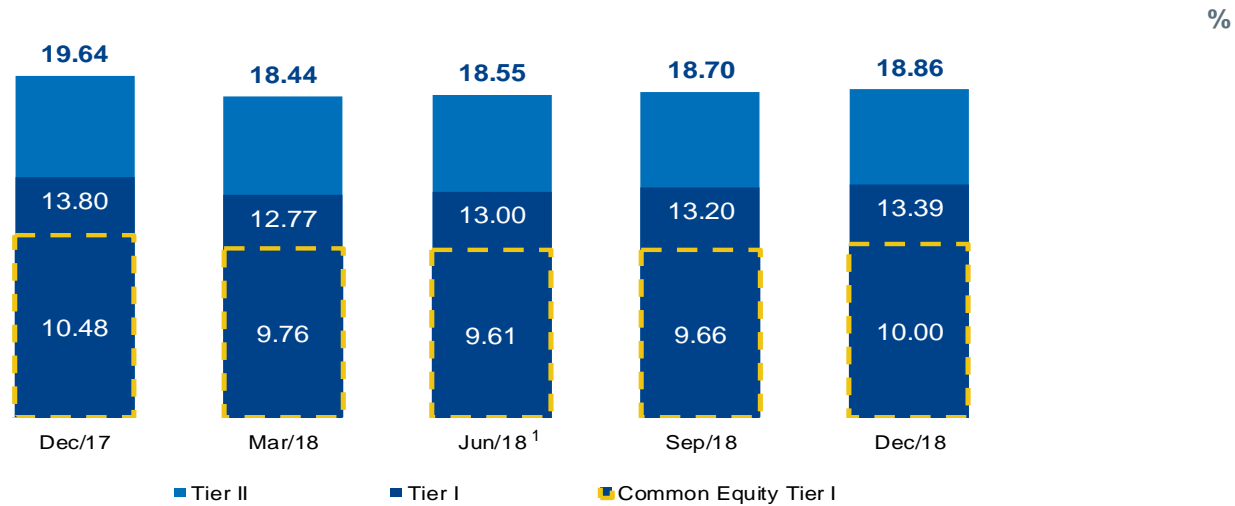


	2019
Common Equity Tier I (CET1)	4.500
Tier 1	6.000
Brazilian BIS Ratio	8.000
Capital Conservation Buffer	2.500
Additional CET1 Countercyclical Buffer (superior limit) ¹	2.500
Additional CET1 Systemic (D-SIB) Buffer	1.000
CET1 + Buffers¹	10.500
Tier 1 + Buffers¹	12.000
Brazilian BIS Ratio + Buffers¹	14.000

%

(1) The Additional CET1 Countercyclical buffer is not activated and is limited to 2.5%. Any change should be communicated 12 months in advance by Banco Central do Brasil.

BIS Ratio



CET1:
minimum of 11% in January 2022

(1) It considers the effects of the CMN Resolution 4,680/2018.





Earnings Highlights

03

Earnings Highlights

Adjusted Net Income Growth (R\$)

4Q18	3.8 B	+20.6% (on 4Q17) +13.0% (on 3Q18)	2018	13.5 B	+22.2% (on 2017)
------	-------	--------------------------------------	------	--------	------------------

Fee Income Growth

4Q18	7.2 B	+7.4% (on 4Q17) +5.3% (on 3Q18)	2018	27.5 B	+5.8% (on 2017)
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Administrative Expenses Solid Control

4Q18	8.2 B	-0.2% (on 4Q17) +3.8% (on 3Q18)	2018	32.0 B	+0.6% (on 2017)
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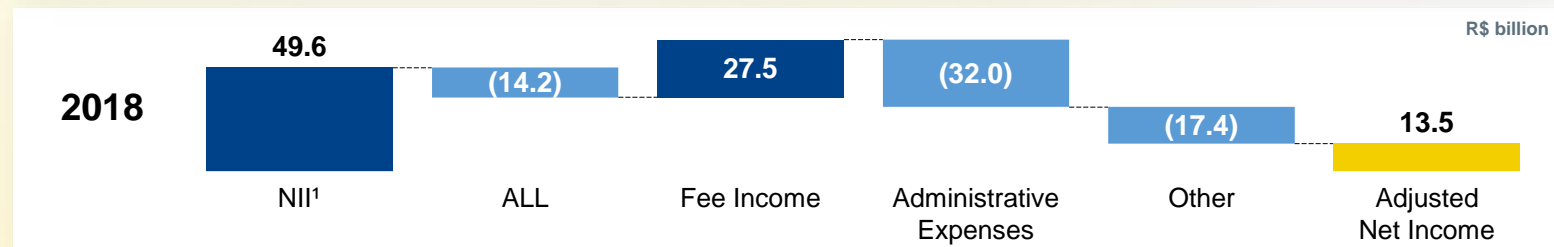
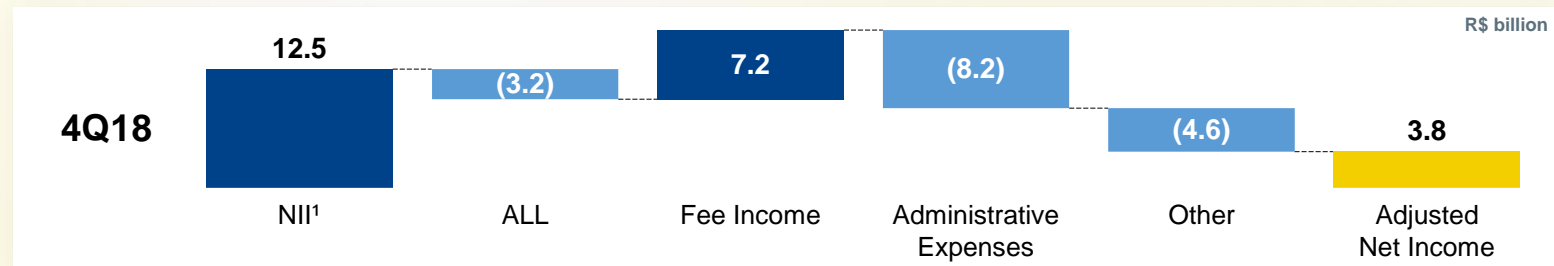
Continuous Credit Quality Improvement

4Q18	ALL ¹ 3.2 B NPL +90 2.53%	-19.0% (on 4Q17) -1.8% (on 3Q18) -119 bps (on 4Q17) -29 bps (on 3Q18)	2018	ALL ¹ 14.2 B	-29.2% (on 2017)
------	---	--	------	----------------------------	------------------

(1) Allowance for Loan and Lease Losses Expenses Net of Recovery of Write-offs.



Net Income and Profitability



		4Q17	3Q18	4Q18	2017	2018
Profitability Ratios ²	Net Income (R\$ billion)	3.1	3.2	3.8	11.0	12.9
	Adjusted Net Income (R\$ billion)	3.2	3.4	3.8	11.1	13.5
	Shareholders ROE %	16.0	15.7	17.8	13.6	15.1
	Market ROE %	14.5	14.3	16.3	12.3	13.9

(1) NII net of recovery of write-offs. (2) Shareholders ROE: it does not include the core capital eligible instrument; Market ROE: it reflects the metric that the main market analysts use to project results, including the core capital eligible instrument.

Net Interest Income



R\$ million

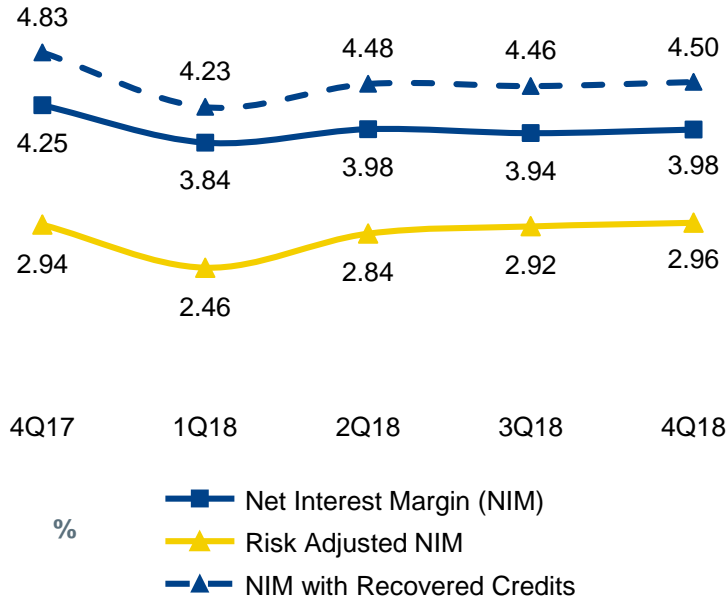
	4Q17	3Q18	4Q18	Chg. (%) on		2017	2018	Chg. (%) on
				4Q17	3Q18			2017
Net Interest Income	12,820	12,578	12,490	-2.6	-0.7	52,706	49,625	-5.8
Loan Operations	19,532	18,390	18,452	-5.5	0.3	86,342	73,683	-14.7
Funding Expenses	(6,469)	(6,190)	(6,437)	-0.5	4.0	(32,441)	(24,594)	-24.2
Financial Expense for Institutional Funding ¹	(2,823)	(2,734)	(2,576)	-8.8	-5.8	(12,426)	(10,887)	-12.4
Treasury ²	2,580	3,112	3,051	18.3	-2.0	11,232	11,422	1.7

(1) It includes senior bonds, subordinated debt, and Hybrid Instruments in Brazil and abroad. (2) It includes the result from interest, tax hedging, derivatives, and other financial instruments that offset the effects of the exchange rate variation in the result.

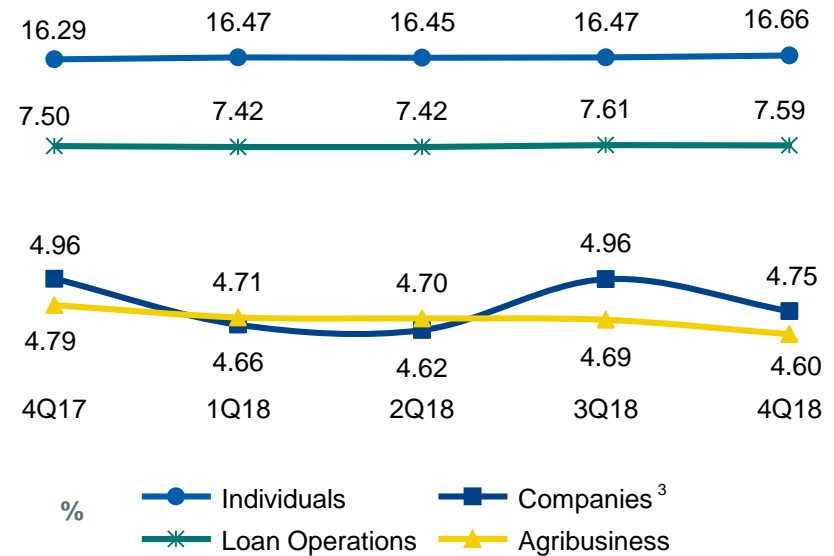
Spread



Net Interest Margin¹

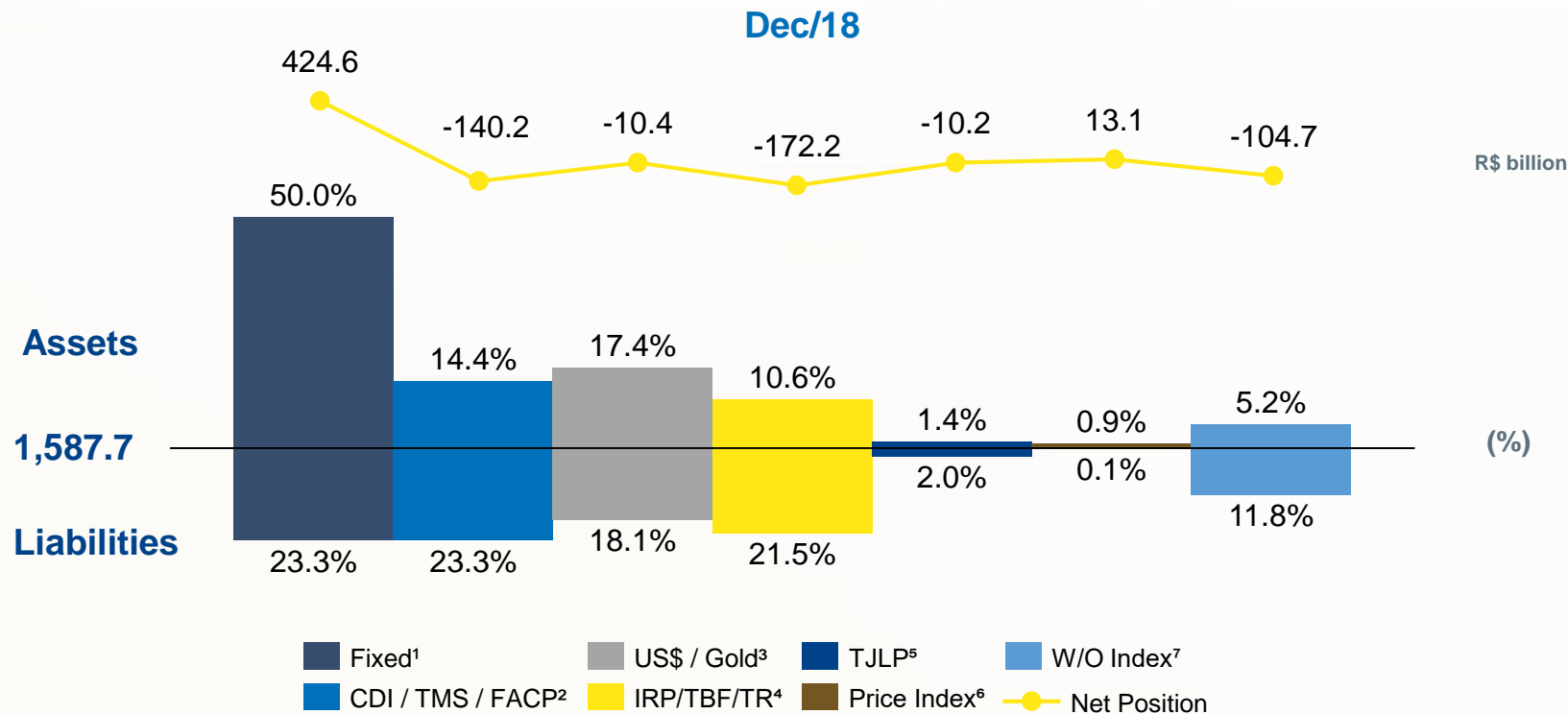


Spread by portfolio²



(1) Net interest income / average balance of earnings assets, annualized. It does not include recovery of write-offs. (2) Determining the managerial financial margin begins as follows: a) accrued interest income, classified by type of portfolio; b) opportunity costs determined for each line item of the portfolios. (3) It does not include transactions with the Government.

Assets and Liabilities Breakdown



Fee Income

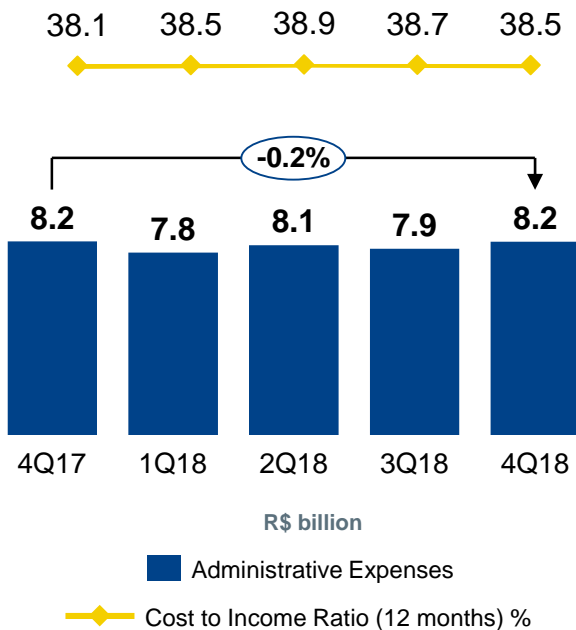


R\$ million

	4Q17	3Q18	4Q18	Chg. (%) on		2017	2018	Chg. (%) on
				4Q17	3Q18			2017
Fee Income	6,735	6,871	7,236	7.4	5.3	25,941	27,452	5.8
Checking Account Fees	1,882	1,857	1,902	1.1	2.4	6,997	7,331	4.8
Asset Management Fees	1,347	1,556	1,487	10.4	(4.5)	5,397	6,023	11.6
Insurance, Pension and Premium Bonds	810	714	1,039	28.2	45.4	3,048	3,221	5.7
Credit / Debit Cards	421	491	507	20.4	3.2	1,881	1,942	3.2
<i>Brazil¹</i>	<i>394</i>	<i>423</i>	<i>426</i>	<i>8.2</i>	<i>0.8</i>	<i>1,521</i>	<i>1,657</i>	<i>8.9</i>
Loan Fees	517	462	558	7.8	20.8	1,853	1,999	7.8
Collections	338	314	312	(7.7)	(0.5)	1,448	1,290	(10.9)
Billings	274	277	283	3.3	2.4	1,087	1,116	2.7
Consortium	198	236	275	38.9	16.8	725	942	29.9
National Treasury and Manag. of Official Funds	173	225	110	(36.6)	(51.2)	689	605	(12.1)
Capital Market	227	185	188	(17.3)	1.6	775	788	1.7
Interbank	37	35	37	1.2	7.3	154	145	(5.8)
Other	510	519	538	5.6	3.7	1,887	2,051	8.7

(1) Fee Income earned in the country.

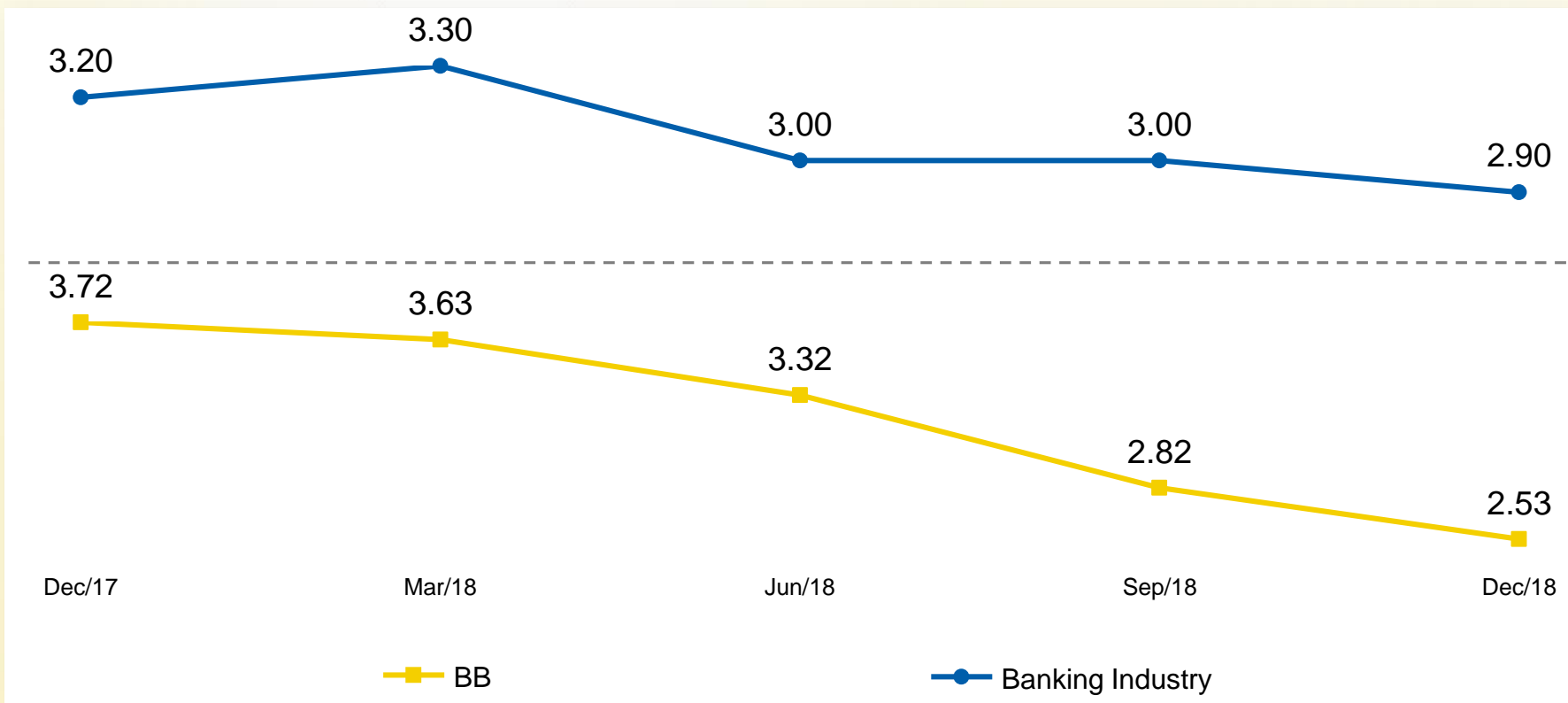
Administrative Expenses and Cost to Income Ratio¹



	Dec/17	Sep/18	Dec/18	On Dec/17	
				Abs. Chg.	Chg. %
Employees	99,161	97,232	96,889	(2,272)	(2.3)
Traditional Branches	4,228	4,147	4,101	(127)	(3.0)
Digital and Specialized Branches	542	618	621	79	14.6
Total	4,770	4,765	4,722	(48)	(1.0)

(1) Administrative Expenses / Operating Revenues 12 months accumulated. Data from the Income Statement with Reallocations.

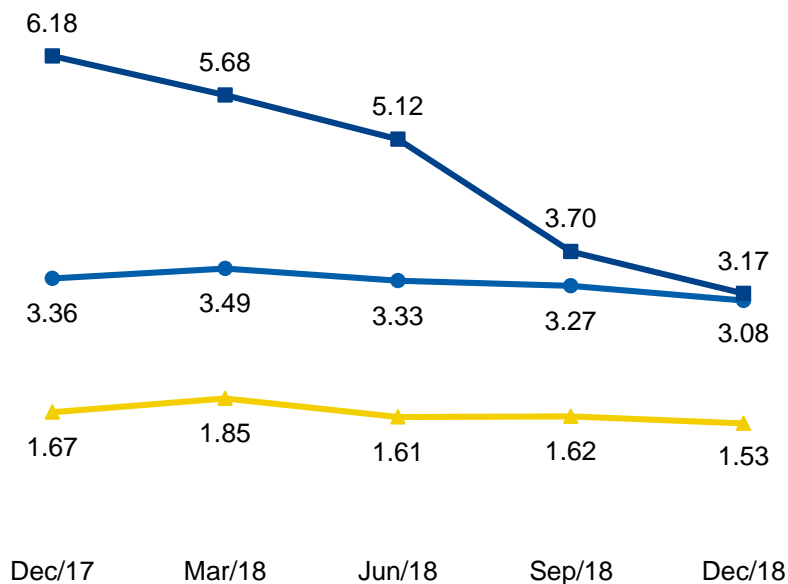
NPL (+90 days)¹



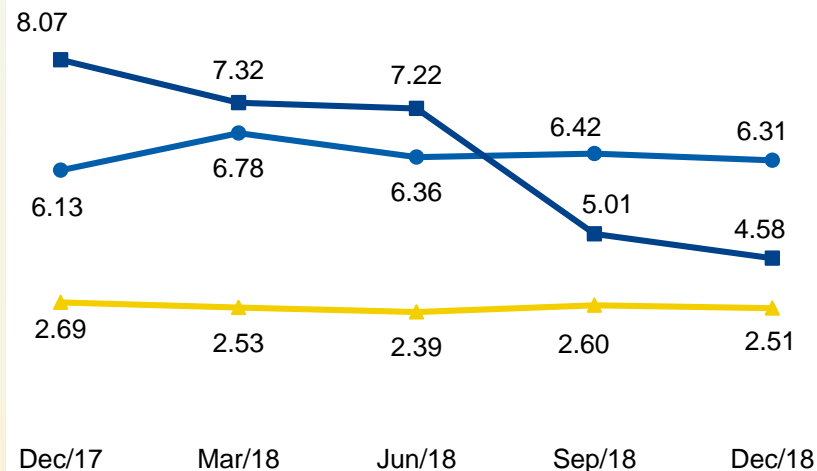
NPL by Segment



NPL +90 days (%)

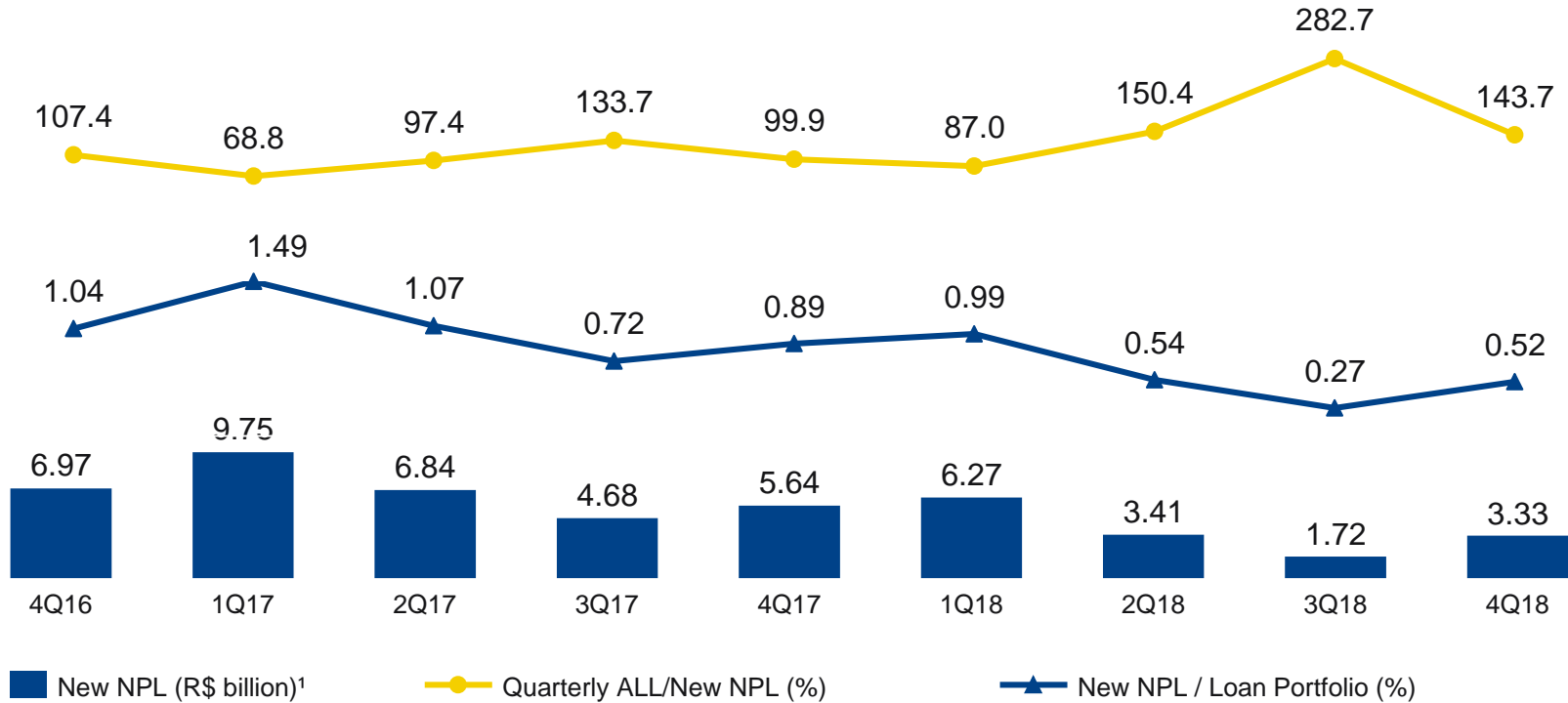


NPL +15 days (%)



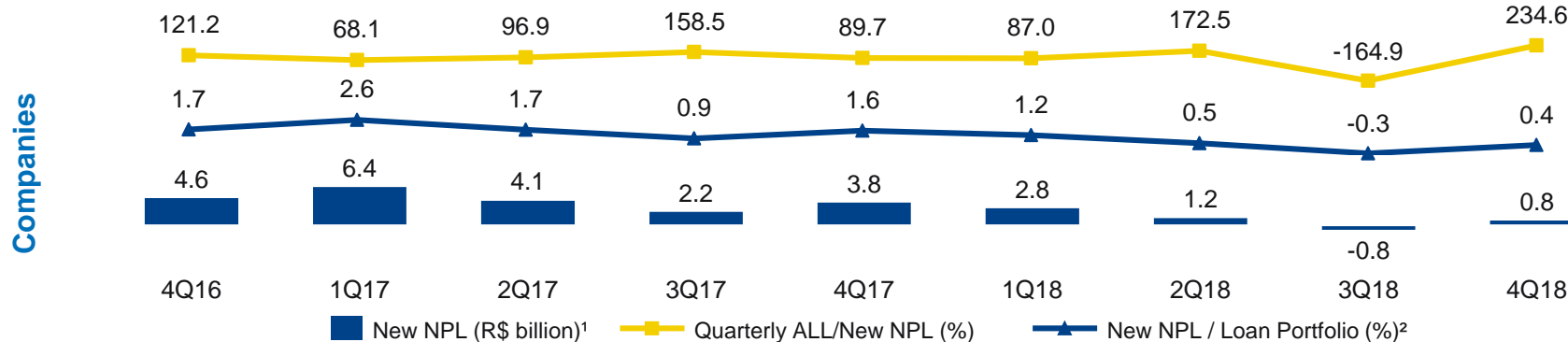
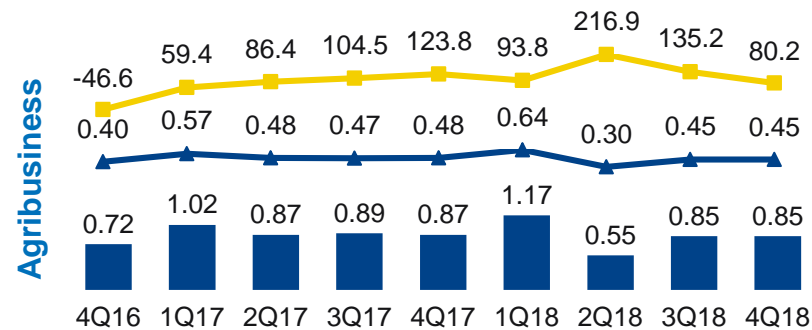
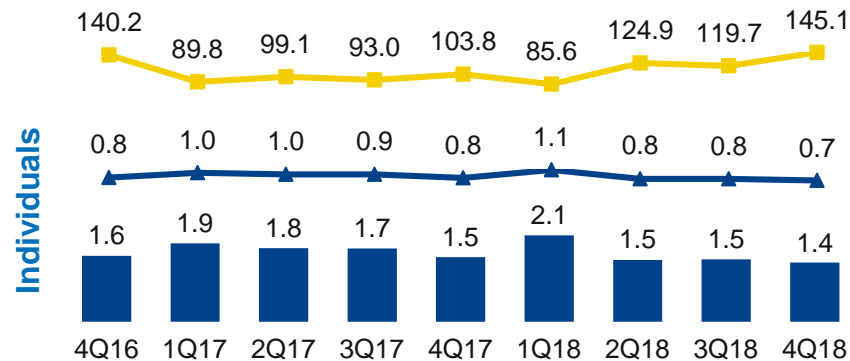
—●— Individuals —■— Companies —▲— Agribusiness

NPL Formation



(1) Quarterly change in the balance of more than 90 days past due transactions + current quarter write-off. (2) It considers the Classified Loan Portfolio of the previous quarter.

NPL Formation by Segment

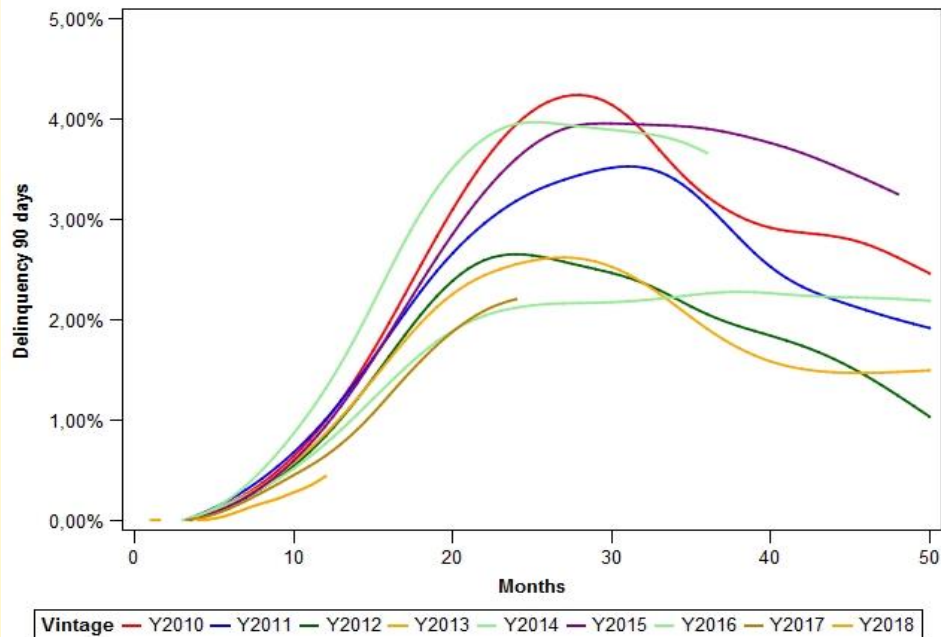


(1) Quarterly change in the balance of transactions over 90 days past due + current quarter write-off. (2) It considers the Classified Loan Portfolio of the previous quarter.

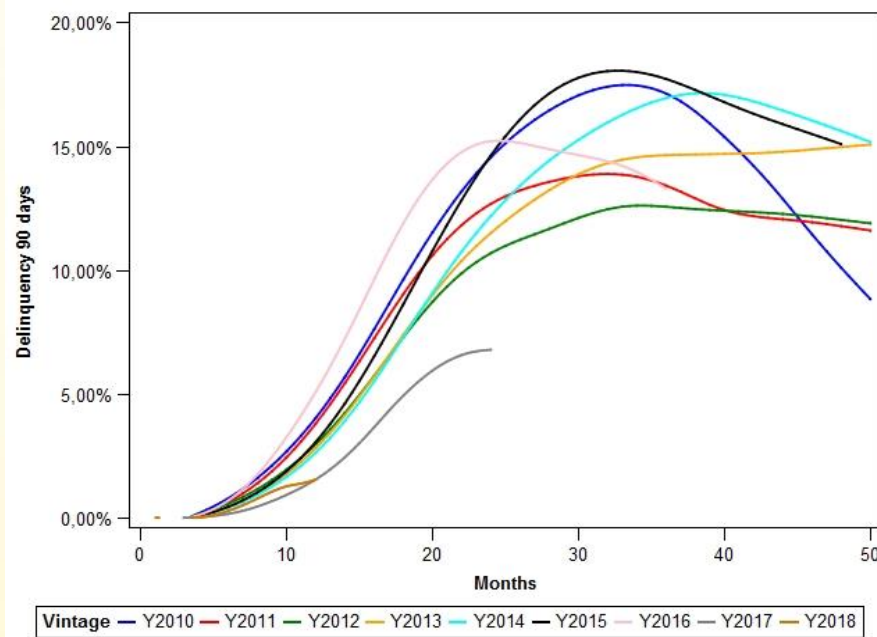
Vintages



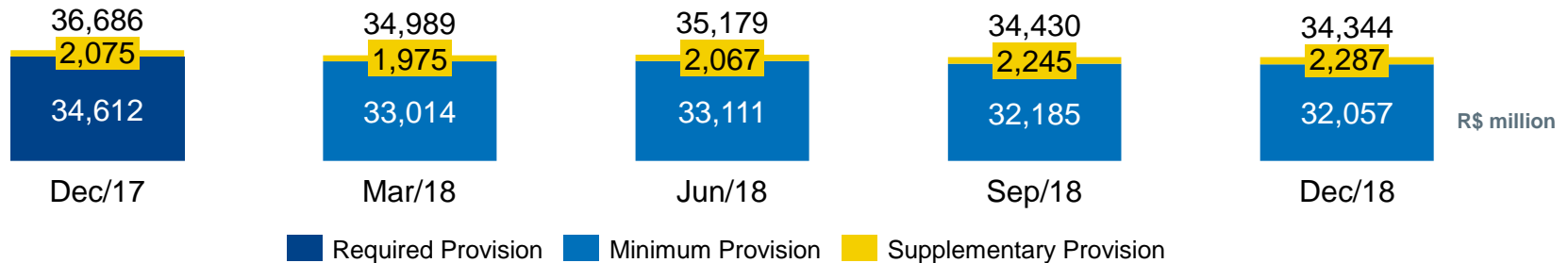
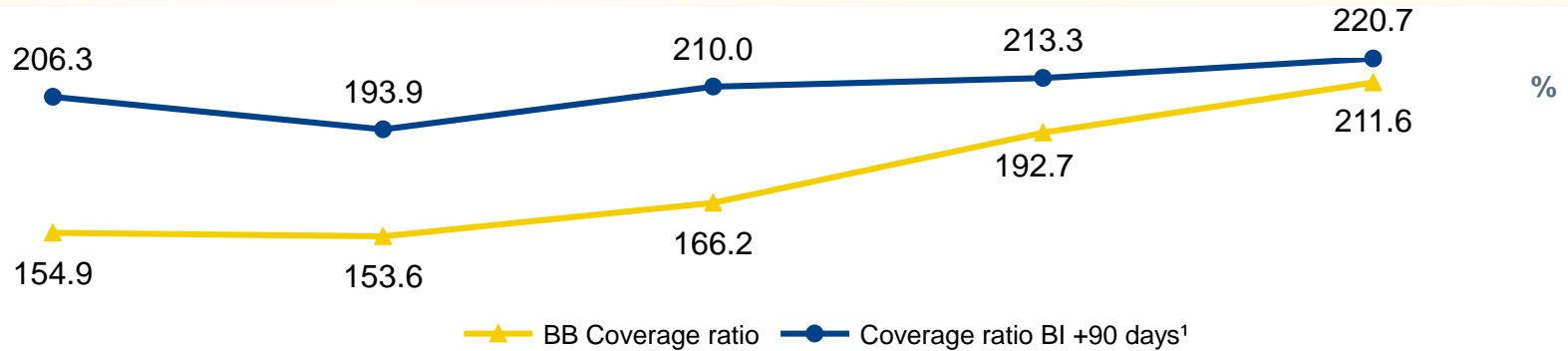
Annual Vintage Individuals Loan Portfolio



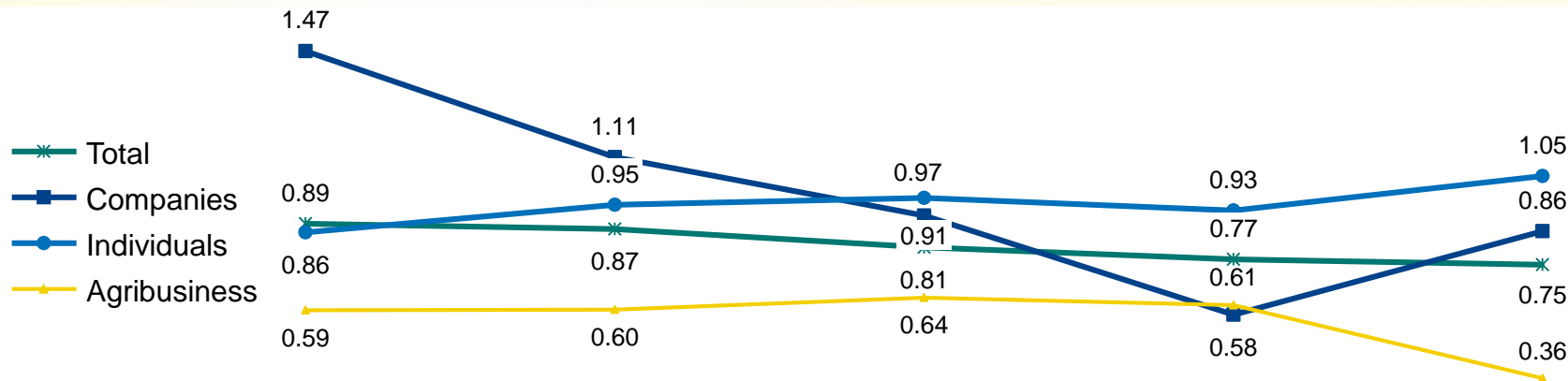
Annual Vintage Very Small and Small Companies Loan Portfolio



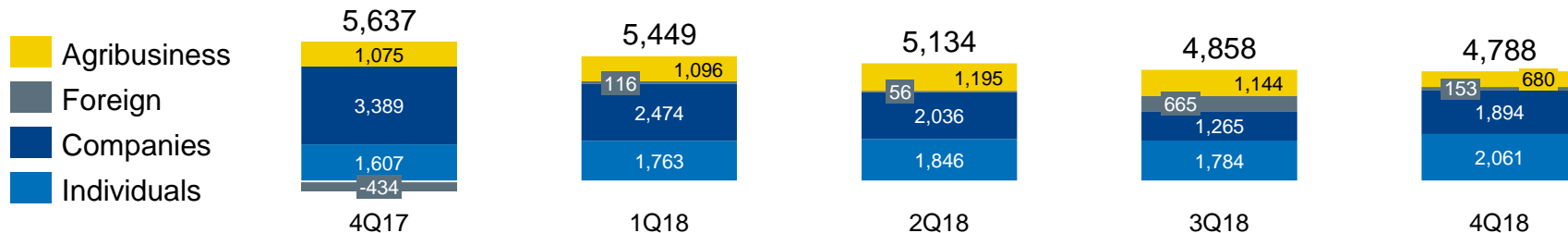
ALL Balance and Coverage Ratio



ALL Expenses Flow / Loan Portfolio (%)

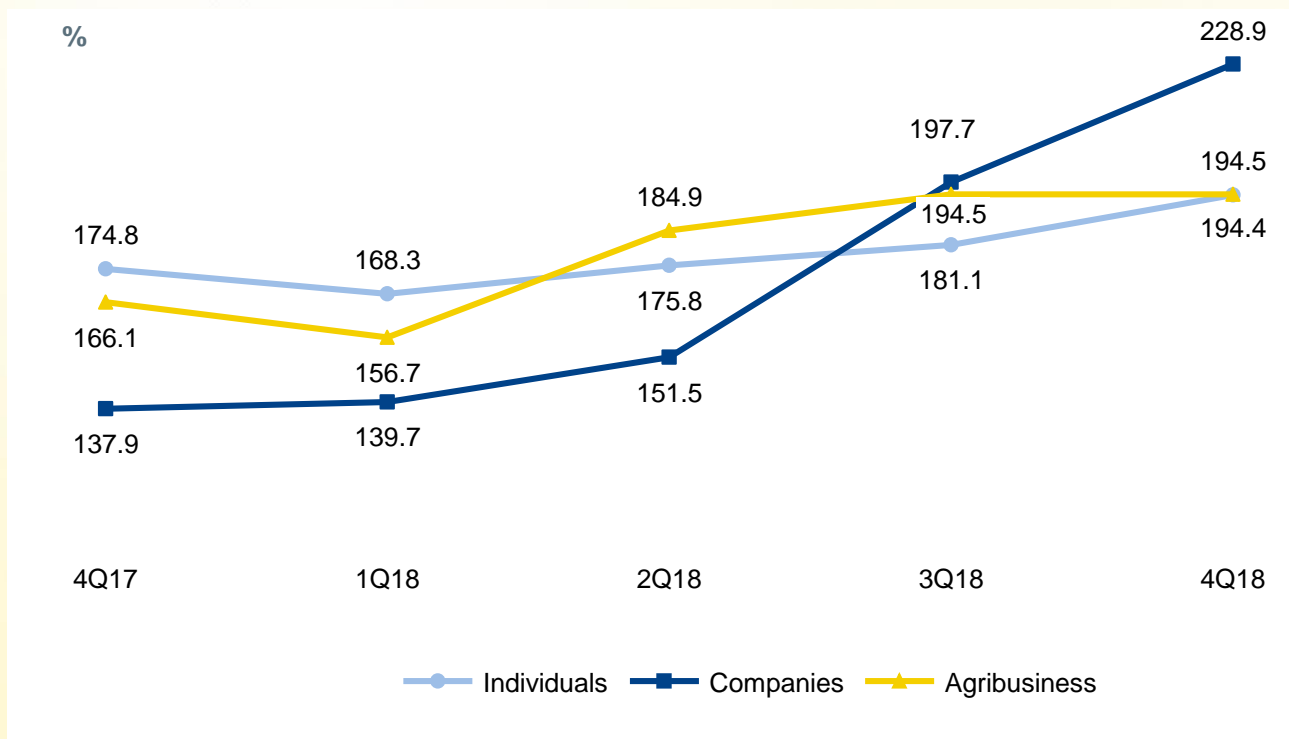


ALL Expenses by Segment (R\$ million)¹

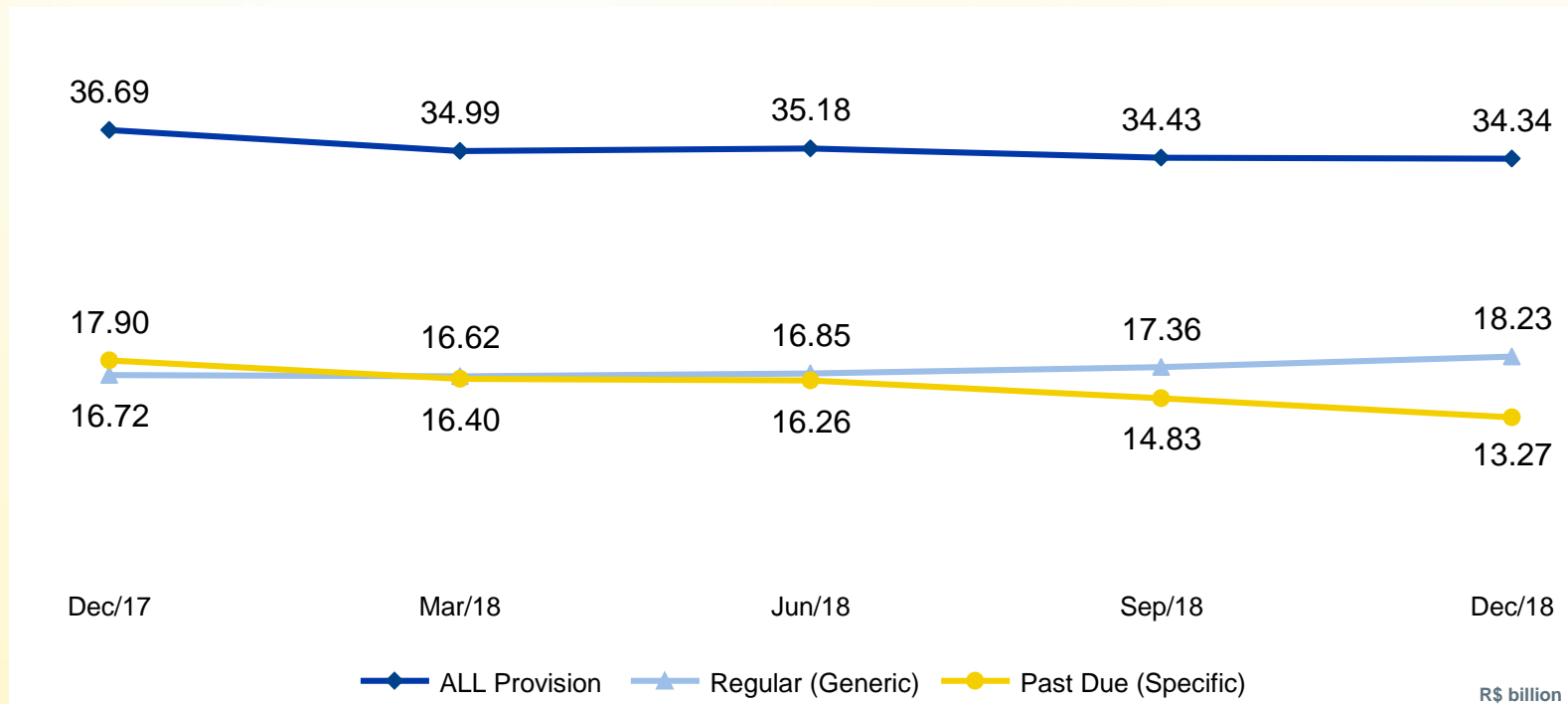


(1) Quarterly ALL expenses, including write-off recovery.

Coverage Ratios by Segment



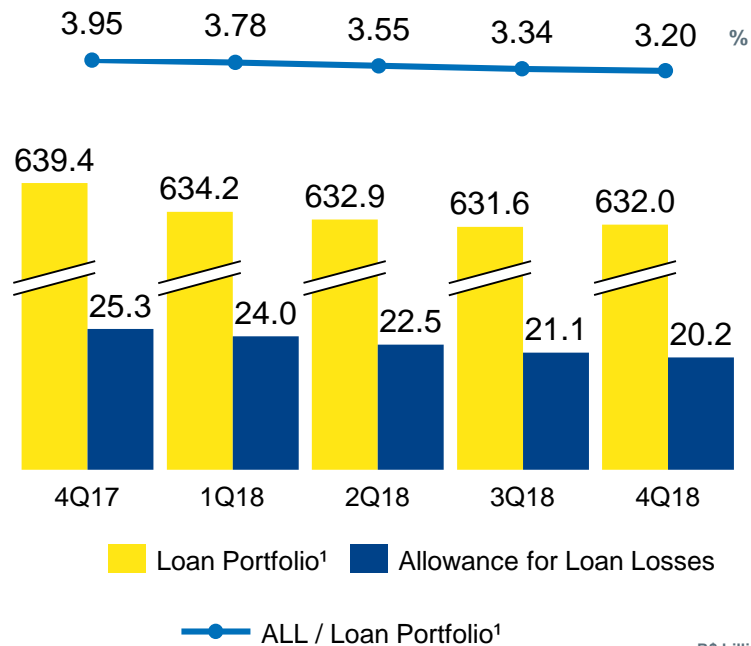
ALL Expenses – Regular and Past Due Transactions



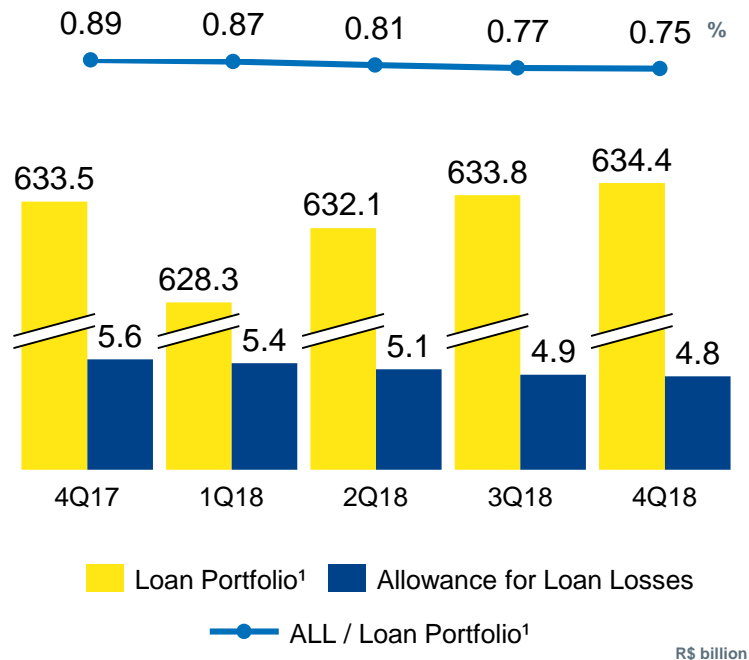
Cost of Risk



12 months

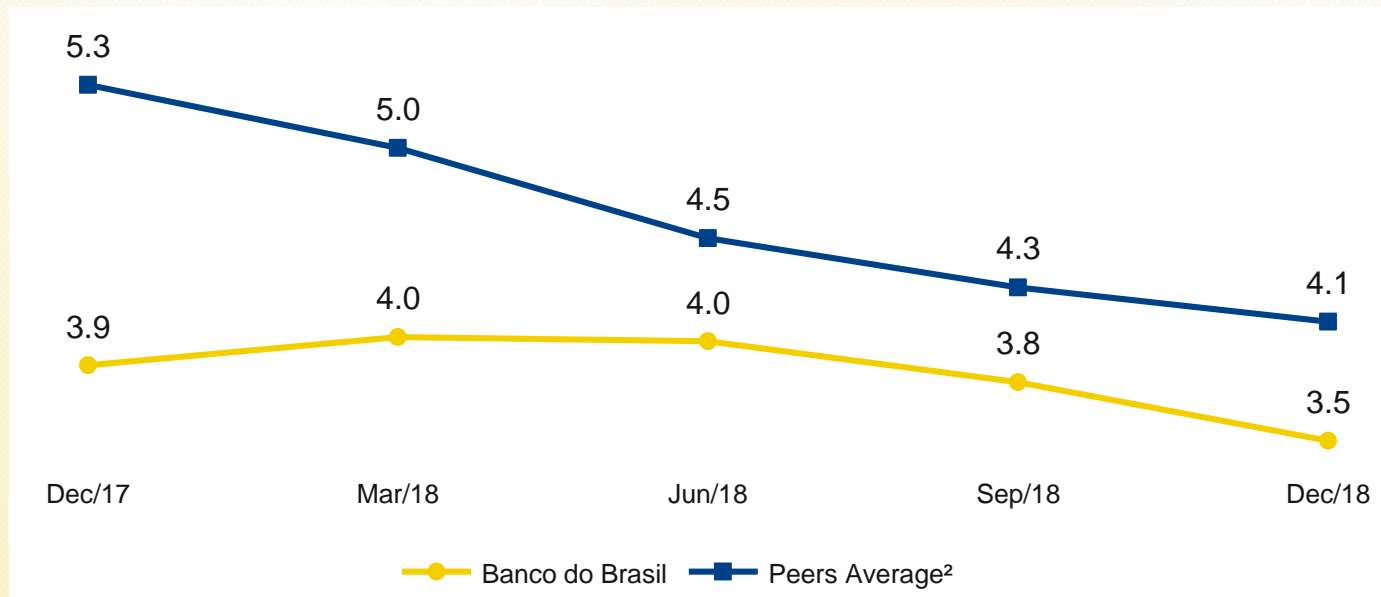


Quarterly



(1) Average loan portfolio in the period.

Write-off - % of the Classified Loan Portfolio¹



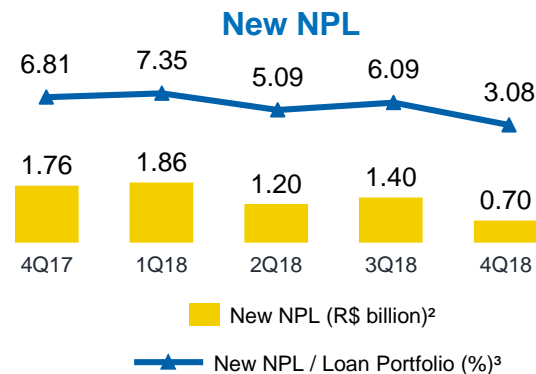
(1) Write-offs accumulated in 12 months / Average classified loan portfolio in 12 months (2) It corresponds to the three largest Brazilian private banks.

Renegotiated Overdue Loan Portfolio



	4Q17	3Q18	4Q18
Credits Renegotiated When Past Due - Changes			
Initial Balance	25,867	22,914	22,911
Contracts	3,101	2,403	2,576
Amortization Net of Interest ¹	(1,467)	(996)	(1,290)
Write-Off	(2,204)	(1,410)	(1,323)
Past due Renegotiated Loan Portfolio (A)	25,297	22,911	22,874
ALL Balance (B)	12,440	12,072	12,234
NPL + 90 days (C)	5,918	4,476	3,857
Indicators - %			
ALL / Loan Portfolio (B/A)	49.2	52.7	53.5
NPL + 90 days / Loan Portfolio (C/A)	23.4	19.5	16.9
ALL Balance/NPL + 90 days (B/C)	210.2	269.7	317.2
Credits Renegotiated/Classified Loan Portfolio	4.0	3.6	3.6

4Q18		
Credits Renegotiated	Contracts	%
0 to 14 days Past due	807	31.33
15 to 90 days Past due	756	29.33
Over 90 days Past due	663	25.74
Written-Off Recovery	350	13.60
Total	2,576	100



(1) Principal and interest payments net of interest accrued in the period. (2) Quarterly change in the balance of over 90 days past due transactions + current quarter write-off. (3) It considers the Classified Loan Portfolio of the previous quarter.

Guidance 2018



Adjusted Net Income - R\$ billion

NII (Net of Recovery of Write-offs) - %

Organic Domestic Loan Portfolio - Expanded View - %

Individuals - %

Companies - %

Rural Loans - %

ALL Expenses net of Recovery of Write-off - R\$ billion

Fee Income - %

Administrative Expenses - %

Guidance 2018	2018 Performance
11.5 to 14	13.5
-6.5 to -5	-5.8
1 to 4	3.0
4 to 7	7.5
-3 to 0	-1.4
4 to 7	6.1
-16 to -14	-14.2
4 to 7	5.8
1 to 4	0.6

Guidance 2019



Adjusted Net Income - R\$ billion

NII (Net of Recovery of Write-offs) - %

Loan Portfolio¹ - %

Individuals - %

Companies² - %

Rural Loans - %

ALL Expenses net of Recovery of Write-off - R\$ billion

Fee Income - %

Administrative Expenses - %

Guidance 2019

14.5 to 17.5

3 to 7

3 to 6

7 to 10

0 to 3

3 to 6

-14.5 to -11.5

5 to 8

2 to 5



Macroeconomic Information

04

Sustainable Growth

Main Pillars of Brazilian Growth



Agriculture



Infrastructure



Foreign Trade

Brazil has the ideal conditions for sustainable growth.

Only a few countries have the same potential.

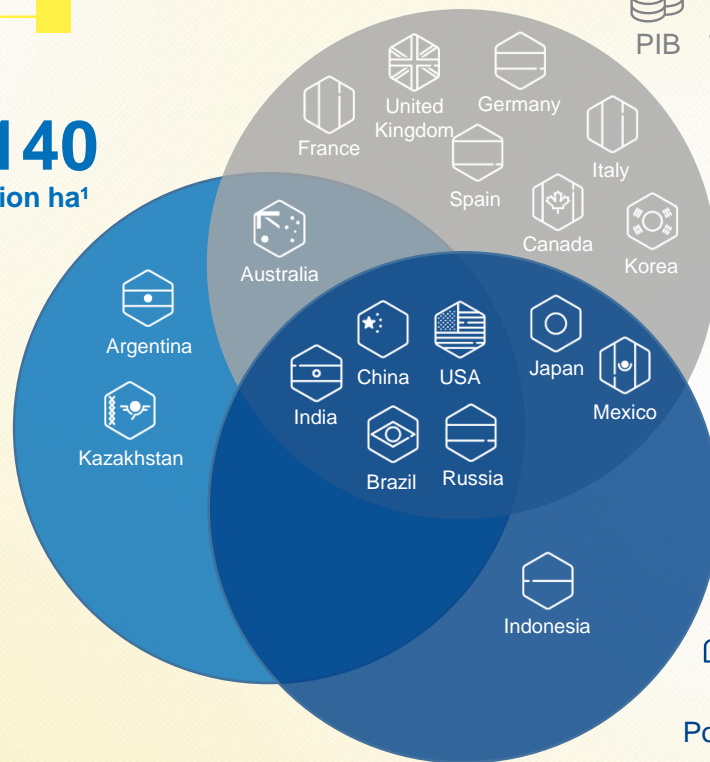


Planting Area

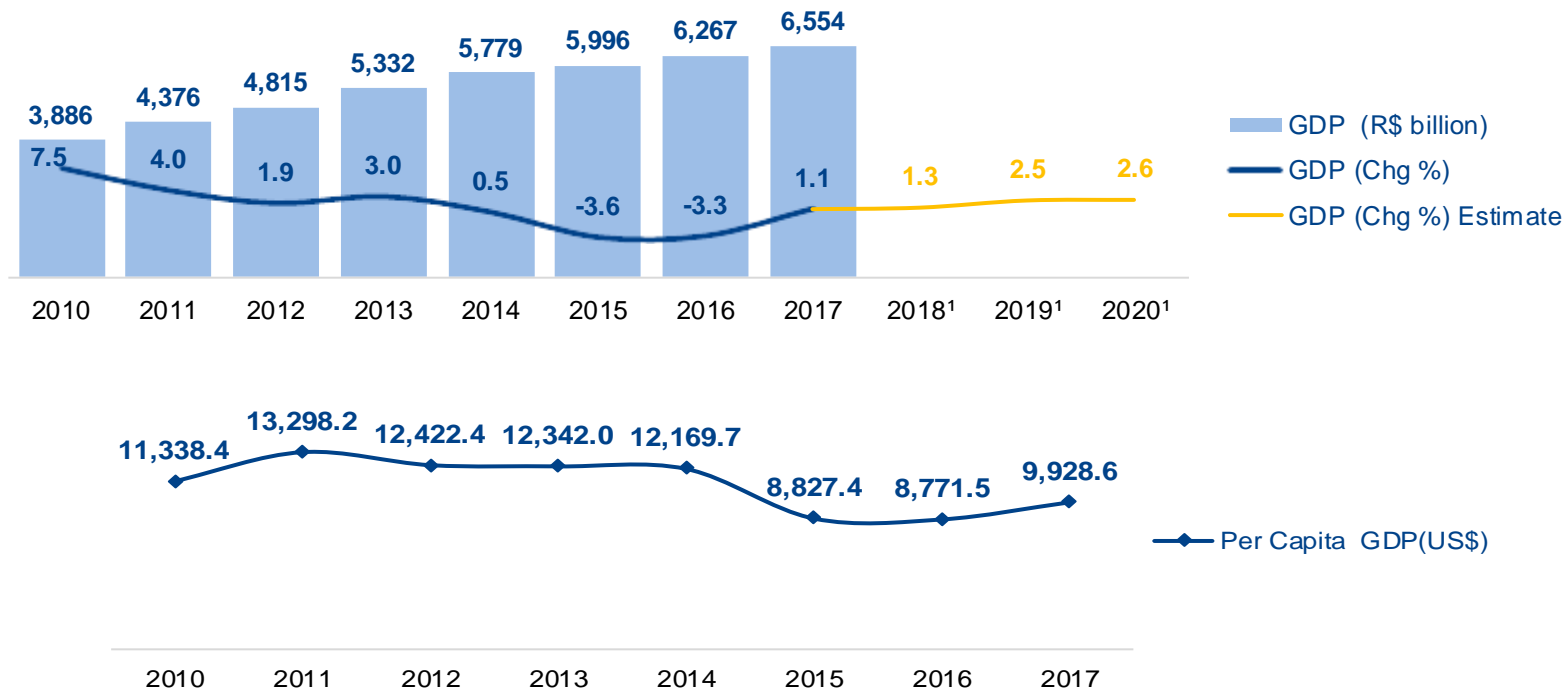
>140
million ha¹



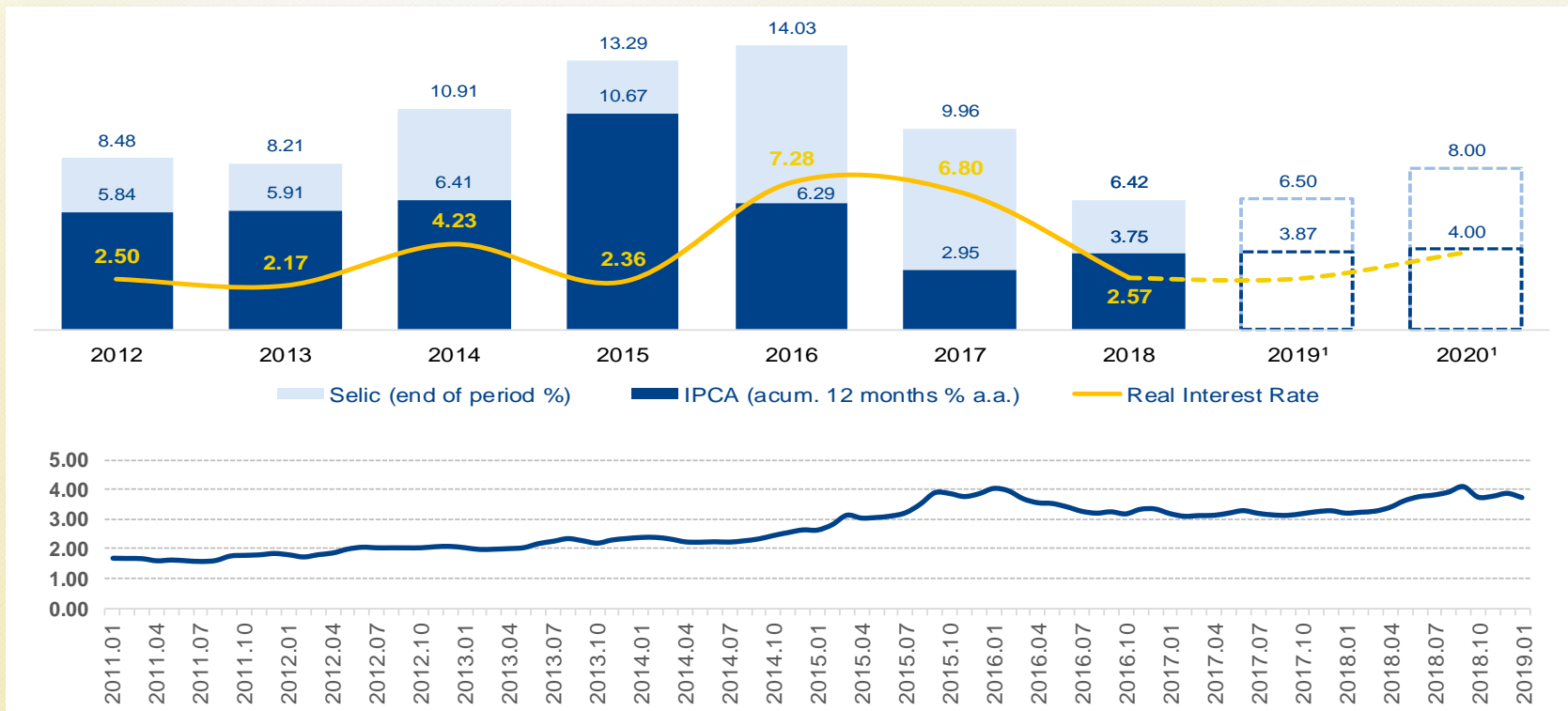
>US\$ 1
trillion¹



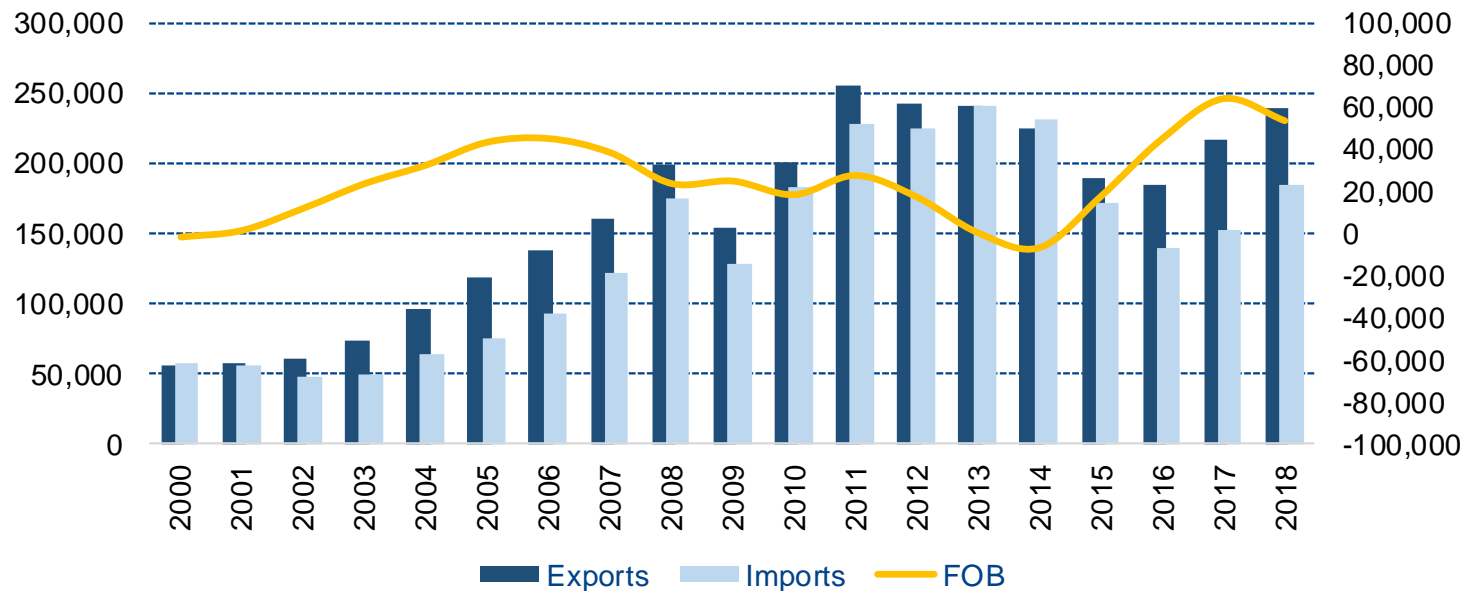
GDP



Interest rate, Inflation and Exchange Rate



Brazilian FOB Evolution



Brazilian Agribusiness: Overview

Overview



Area
8.5 million km²



Population (2017)
208.3 million



GDP (2017)
+1.0%

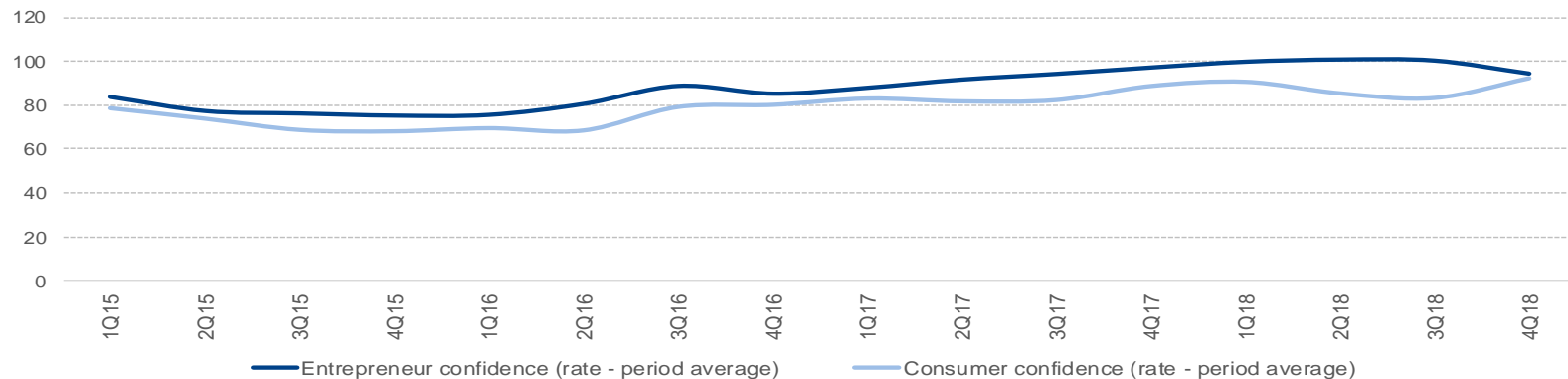


Agricultural GDP (2017)
+13.0%

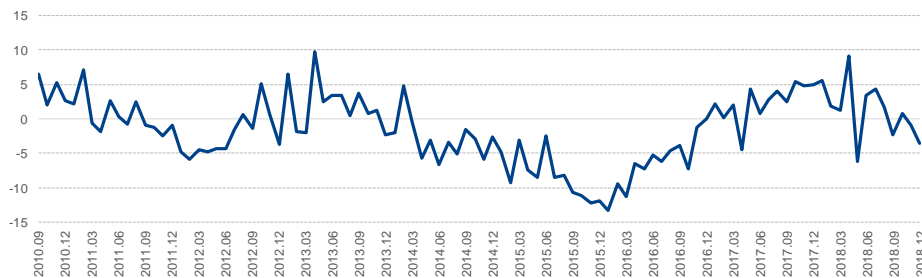
Brazil: World Commodities Ranking (Dec/18)

	Production	Exports
Coffee		
Orange Juice		
Sugar		
Soybean		
Poultry		
Beef		
Corn		4th

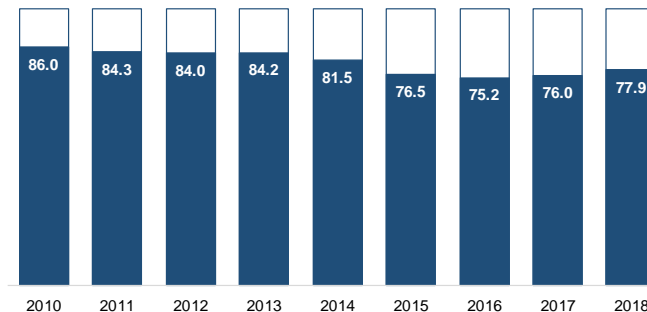
Industrial Production



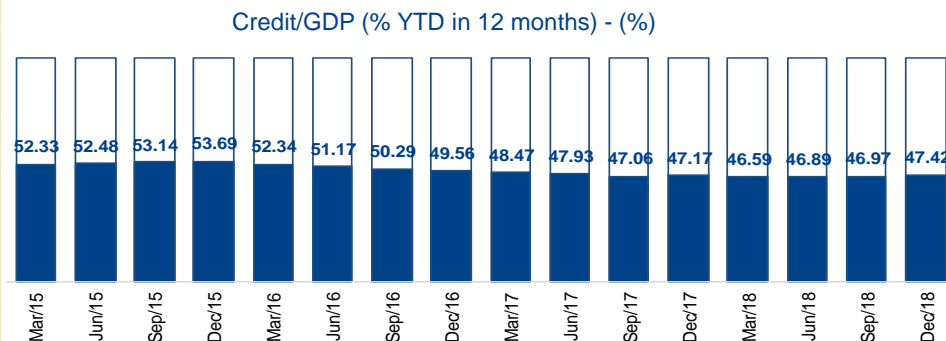
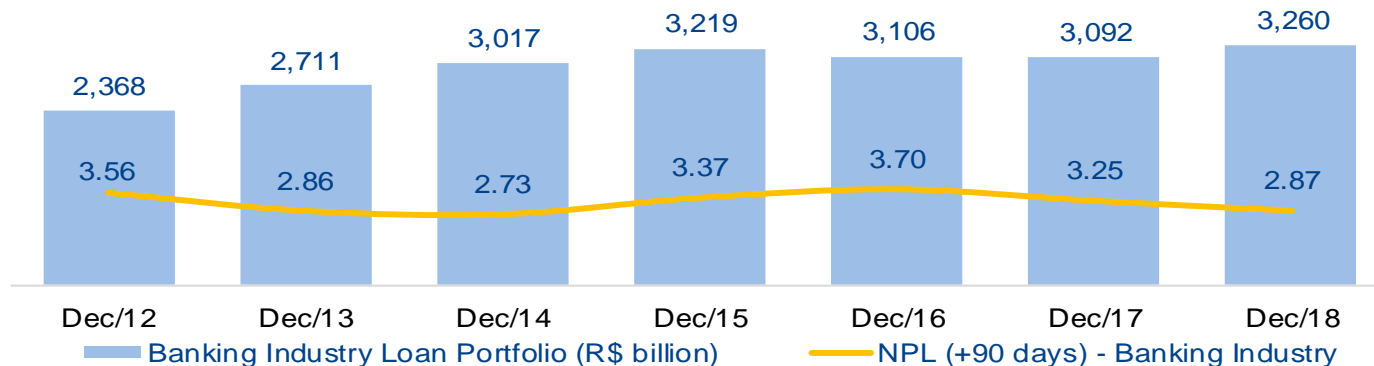
Industrial Production (Chg. % a.a.) monthly



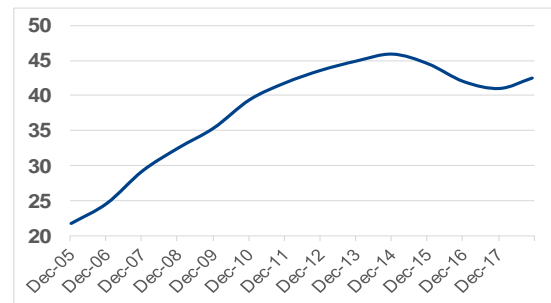
Utilization of installed capacity (%)



Banking Industry Loan Portfolio



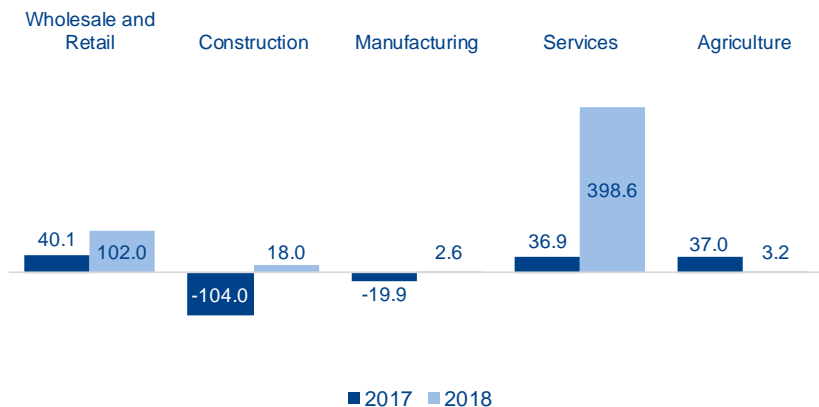
Indebtedness of Families to the Banking Industry (%) in relation to the accumulated income in 12 months



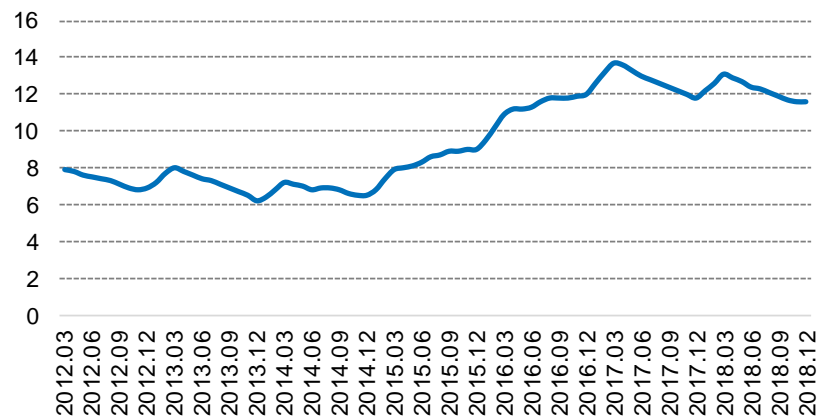
Employment



Net Creation of Formal Jobs (thousand)



Unemployment Rate (%)




PPP in Brasil can reach R\$ 1.5 trillion in Capex over the next years

R\$ 384.2 billion in Logistics and Urban Mobility

Logistics: R\$ 129 billion

 Toll Roads
R\$ 57.1
billion

 Railroads
R\$ 55.4
billion

 Ports
R\$ 6.1
billion

 Airports
R\$ 10.4
billion

Estadual (SP, MG and GO): R\$ 39.2 billion

 Toll Roads
R\$ 18.1
billion

 Bus Service
R\$ 2.6
billion

 Metro Lines
R\$ 18.4
billion


 Regional Airports
R\$ 0.1 billion

BNDES – Expectation of Investments in Urban Mobility: R\$ 216 billion (except SP)

R\$ 247 billion in Water and Waste, Urbanization & Street Lighting


Plansab – Plano Nacional de Saneamento: R\$ 219.2 billion*

 Water
R\$ 52.7
billion

 Sewage
R\$ 78.4
billion

 Waste
R\$ 10.1
billion

 Drainage
R\$ 29.6
billion

 Management**
R\$ 48.4
billion

* Actions related to increase efficiency in the management and provision of services, to technical qualification of employees and to implementation of educational campaigns, among others actions.

Street Lighting: R\$ 27.8 billion

R\$ 197 billion in Electric Sector



Generation R\$ 143 billion



**Transmission Lines
R\$ 54 billion**

Source: Plano Decenal de Expansão de Energia – PDE 2027***

R\$ 691 billion in Oil & Gas



Oil & Gas R\$ 691 billion

Sources: MPDG, ANP, MCidades, MMA, World Bank and state governments. Produced by: BB

*** Investments Estimate for 2018-2027, respected the proportionality for the next 5 years.





BC+ Agenda of Brazilian Central Bank

**+ Financial
Citizenship**

**+ Modern
Legislation**

**Banking
Industry
+ efficient**

**+ Cheaper
Credit**

Achieved Goals

Long-Term Rate (TLP)

Economic Plans agreement

Simplified reserve
requirements rules

Incentive to
use debit card

Centralized Settlement
of payments

In Progress

Paper money
reduction

Cyber security

Electronic trade
note

Consumers' positive rating
information

IFRS 9



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