



Earnings
Conference Call

2nd Quarter of 2019

August 6th, 2019

- **Recurring Net Income reached BRL 125.2 million in 2Q19**, up 3.3% quarter-over-quarter and 12.2% year-over-year.
- **Recurring Return on Average Equity (ROAE) was 13.0% in 2Q19**, flat quarter-over-quarter and year-over-year.
- **The Expanded Credit Portfolio reached BRL 27.1 billion** at the end of June 2019, up 2.1% quarter-over-quarter and 6.9% year-over-year.
- **The Bank launched ABC LAB**, which is a work space apart of the headoffice. The spot is focused in building, analyzing and deploying high-added technology projects which shall bear innovation and digital transformation initiatives of Banco ABC Brasil.



Expanded Credit Portfolio

(BRL million)	Jun/19	Mar/19	Chg 3M	Jun/18	Var 12M	Dec/18	Chg 6M
Loans	13,633.3	13,064.9	4.4%	12,352.4	10.4%	12,978.9	5.0%
Large Corporate	4,339.2	3,992.4	8.7%	3,987.2	8.8%	4,216.1	2.9%
Corporate	8,904.6	8,725.0	2.1%	7,983.6	11.5%	8,403.4	6.0%
Middle	389.5	347.5	12.1%	381.6	2.1%	359.5	8.3%
Guarantees Issued	10,164.5	10,540.6	-3.6%	10,753.6	-5.5%	10,650.9	-4.6%
Large Corporate	8,865.9	9,171.9	-3.3%	9,352.8	-5.2%	9,336.5	-5.0%
Corporate	1,280.8	1,350.3	-5.2%	1,383.7	-7.4%	1,296.4	-1.2%
Middle	17.8	18.4	-2.9%	17.1	4.5%	17.9	-0.4%
Corporate Securities	3,266.8	2,897.7	12.7%	2,221.1	47.1%	2,610.5	25.1%
Large Corporate	1,467.1	1,310.0	12.0%	1,288.2	13.9%	1,198.0	22.5%
Corporate	1,799.7	1,587.6	13.4%	932.9	92.9%	1,412.5	27.4%
Middle	-	-	-	-	-	-	-
Expanded Credit Portfolio	27,064.7	26,503.1	2.1%	25,327.0	6.9%	26,240.3	3.1%
Large Corporate	14,672.2	14,474.3	1.4%	14,628.2	0.3%	14,750.6	-0.5%
Corporate	11,985.1	11,663.0	2.8%	10,300.2	16.4%	11,112.3	7.9%
Middle	407.3	365.8	11.3%	398.7	2.2%	377.4	7.9%



Segments Highlights

Large Corporate

Jun/18 Mar/19 Jun/19

Total Number of Clients

412 408 399

Clients with Credit Exposure

260 241 255

Average Ticket (BRL million)

51.3 54.6 51.8

Average Tenor (days)

357 290 303

Corporate

Jun/18 Mar/19 Jun/19

1,292 1,326 1,313

883 874 866

10.6 11.5 11.8

381 425 439

Middle

Jun/18 Mar/19 Jun/19

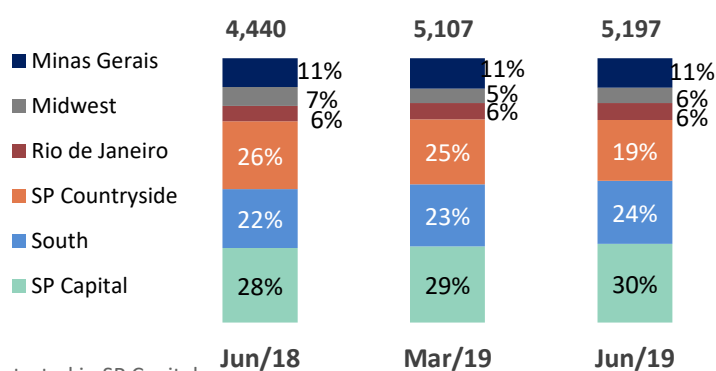
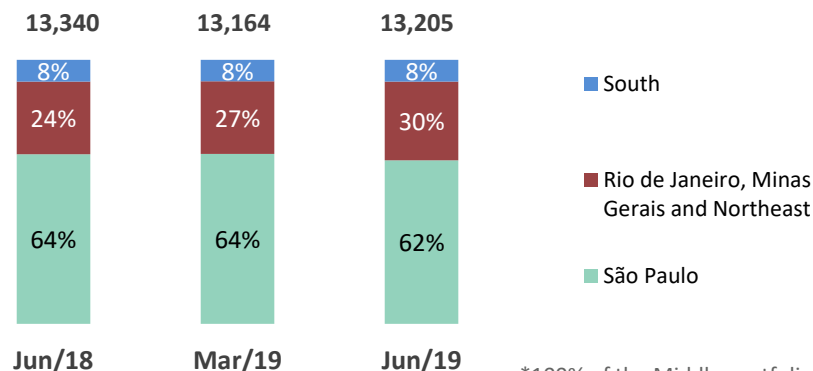
135 132 142

105 90 100

3.8 4.1 4.1

294 295 384

Expanded Credit Portfolio* (BRL million)



*100% of the Middle portfolio is concentrated in SP Capital.

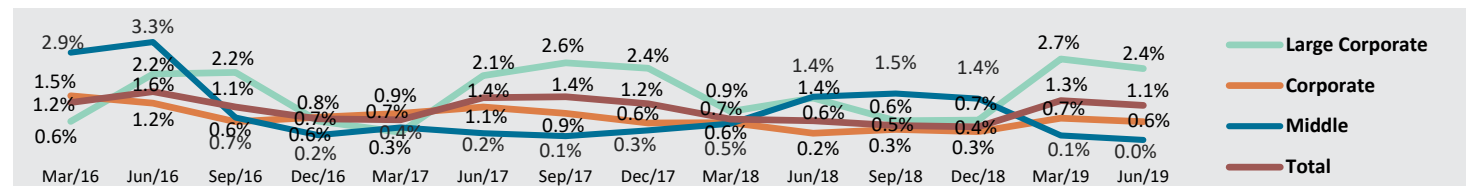
Large Corporate: Clients with annual revenues above BRL 2 billion. | **Corporate:** Clients with annual revenues between BRL 250 million and 2 billion.

Middle: Clients with annual revenues between BRL 100 to BRL 250 million.

Credit Portfolio Quality

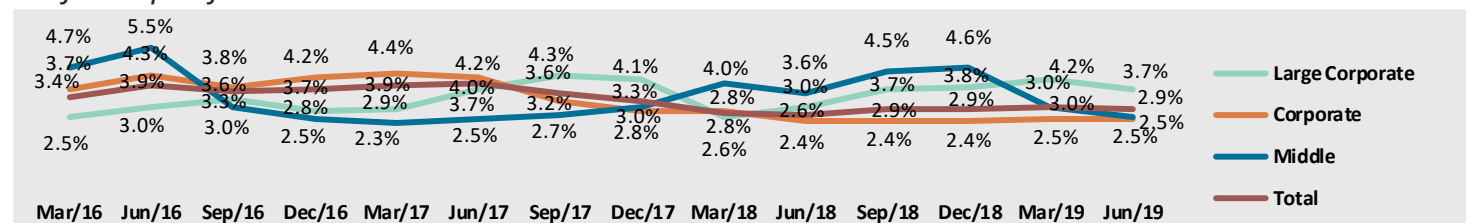
Loans overdue for more than 90 days (includes falling due and overdue installments)

% of loan portfolio

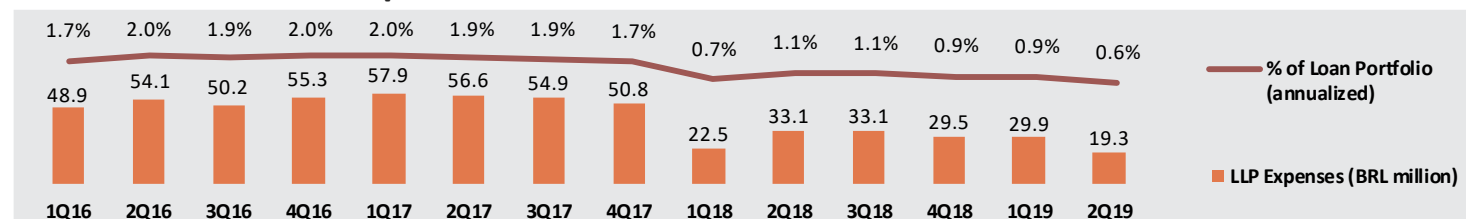


Loans Loss Reserve

% of loan portfolio

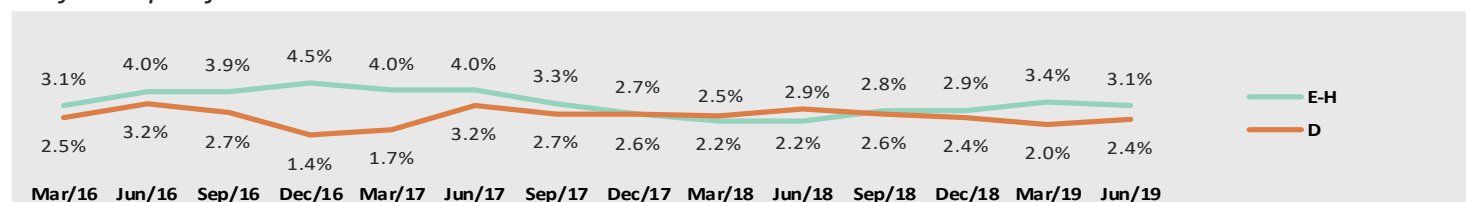


Loan Loss Provision Expenses (Loan Portfolio)

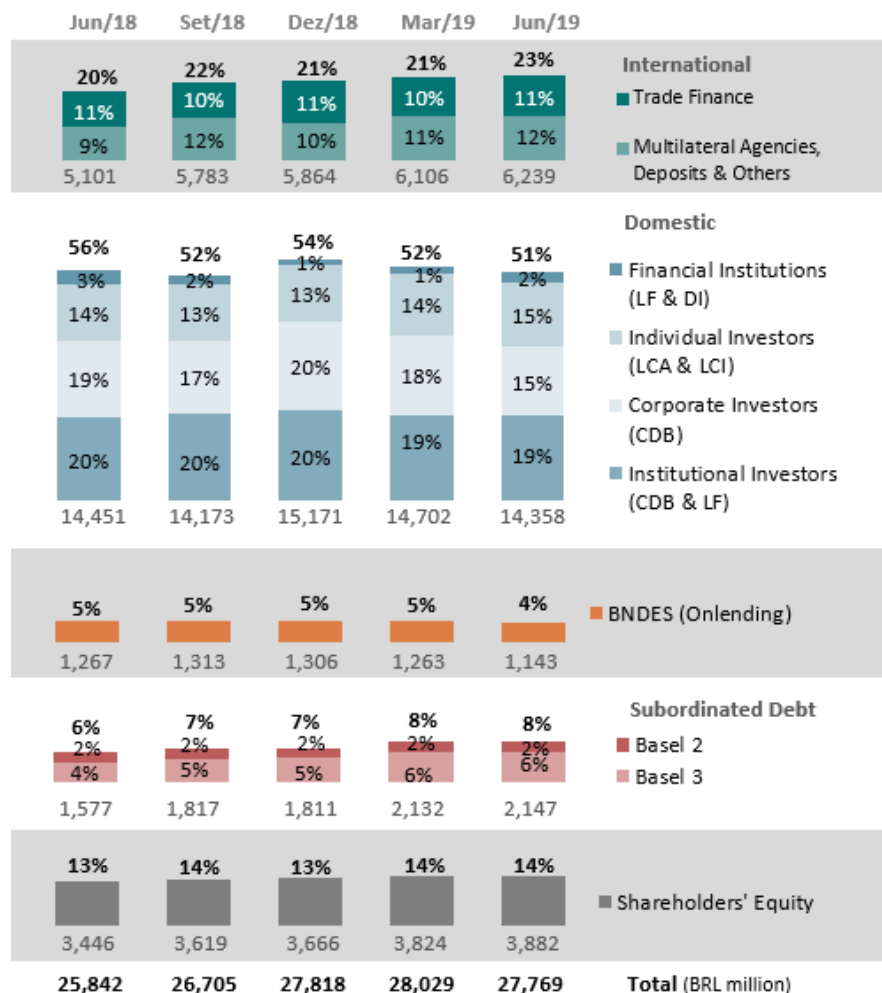


Loans rated D and E-H (Brazilian Central Bank Resolution No. 2682)

% of loan portfolio



Diversified funding with access to local and international sources



Ratings

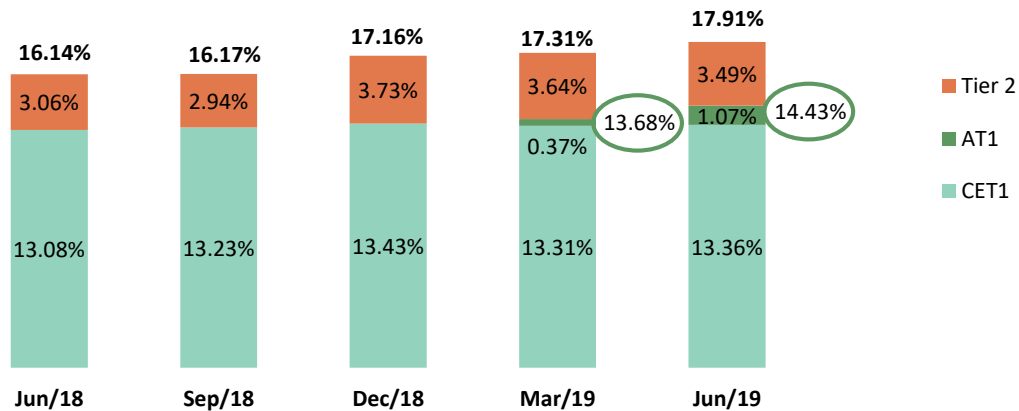
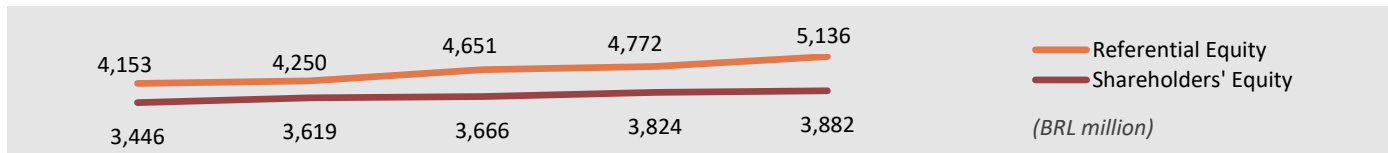
	ABC Brasil		Brazil
	Local	Global	Sovereign
Standard & Poor's	BrAAA	BB-	BB-
Fitch Ratings	AAA	BB	BB-
Moody's	Aa2.Br	Ba2	Ba2



BIS Ratio & Shareholders' Equity

Capital Adequacy (BRL million)	Jun/19	Mar/19	Chg 3M	Jun/18	Chg 12M
Reference Equity	5,136.5	4,772.2	7.6%	4,153.2	23.7%
Required Capital Base	2,294.0	2,204.9	4.0%	2,220.0	3.3%
Excess of equity in relation to limit	2,842.5	2,567.3	10.7%	1,933.3	47.0%

Basel Ratio	17.91%	17.31%	0.60	16.14%	1.77
Tier 1	14.43%	13.68%	0.75	13.08%	1.34
CET1	13.36%	13.31%	0.05	13.08%	0.27
AT1	1.07%	0.37%	0.70	0.00%	1.07
Tier 2	3.49%	3.64%	-0.15	3.06%	0.43

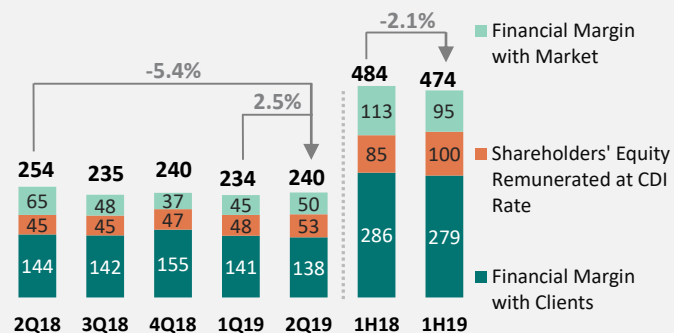


Net Interest Income

(BRL million)	2Q19	1Q19	2Q19x1Q19	2Q18	2Q19x2Q18	1H19	1H18	1H19x1H18
Net Interest Income	239.8	233.9	2.5%	253.6	-5.4%	473.8	483.8	-2.1%
Shareholders' Equity Remunerated at CDI Rate	52.7	47.8	10.2%	44.6	18.0%	100.4	85.3	17.8%
Financial Margin with Clients	137.6	141.1	-2.5%	144.3	-4.6%	278.8	285.8	-2.5%
Financial Margin with Market	49.6	45.0	10.0%	64.6	-23.3%	94.6	112.7	-16.1%
Loan Loss Provision (LLP)	(19.3)	(29.9)	-35.3%	(33.1)	-41.6%	(49.2)	(55.6)	-11.5%
Net Interest Income after LLP	220.5	204.1	8.1%	220.4	0.0%	424.6	428.2	-0.9%

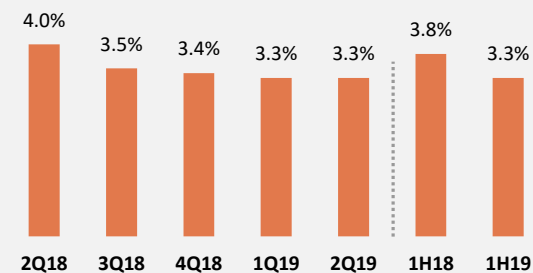
Net Interest Income

(BRL million)



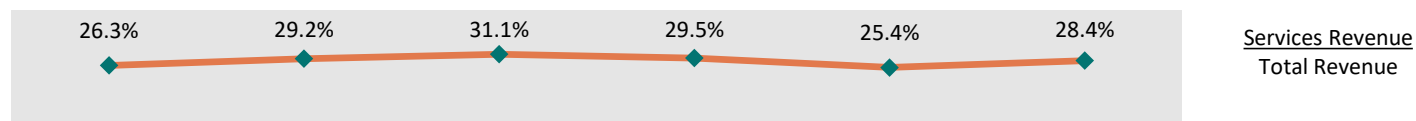
NIM

(% p.a.)



Service Revenues

Service Revenues (BRL million)	2Q19	1Q19	2Q19x1Q19	2Q18	2Q19x2Q18	1H19	1H18	1H19x1H18
Guarantees Issued	50.8	50.3	0.9%	56.9	-10.7%	101.1	112.0	-9.8%
Capital Markets and M&A Fees	29.4	16.0	83.8%	20.0	46.8%	45.4	33.5	35.6%
Commercial Banking Tariffs	7.2	8.2	-13.1%	11.0	-34.7%	15.4	18.3	-15.8%
Total	87.3	74.5	17.2%	87.9	-0.6%	161.9	163.8	-1.2%



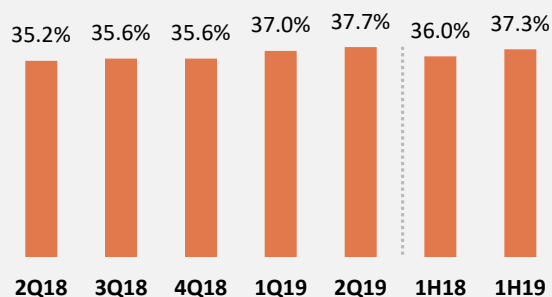
(BRL million)



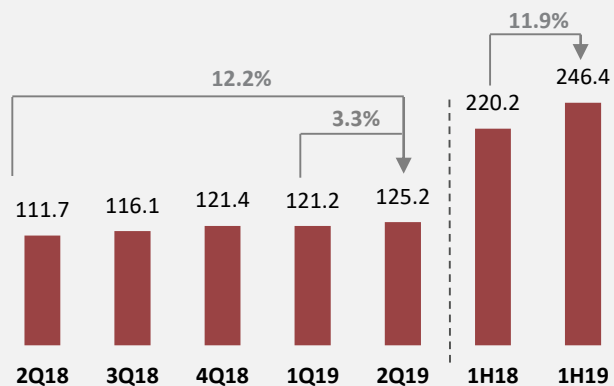
Expenses and Efficiency Ratio

Expenses (BRL million)	2Q19	1Q19	2Q19x1Q19	2Q18	2Q19x2Q18	1H19	1H18	1H19x1H18
Personnel Expenses	(49.9)	(49.2)	1.5%	(47.7)	4.6%	(99.1)	(95.5)	3.8%
Other Administrative Expenses	(25.9)	(24.6)	5.5%	(23.3)	11.4%	(50.5)	(44.3)	14.1%
Subtotal	(75.9)	(73.8)	2.9%	(71.0)	6.8%	(149.6)	(139.8)	7.0%
Profit Sharing	(40.3)	(39.2)	2.8%	(39.2)	2.7%	(79.5)	(79.3)	0.2%
Total	(116.2)	(113.0)	2.8%	(110.3)	5.3%	(229.1)	(219.1)	4.6%

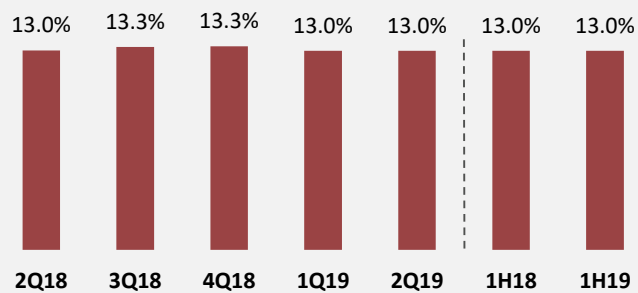
Recurring Efficiency Ratio (Expenses/Revenues)



Recurring Net Income (BRL million)



Recurring ROAE (% p.a.)



2019

Previous

Reviewed

Expanded Credit Portfolio*

11% to 15%

6% to 10%

Personnel & Other Administrative Expenses

4% to 6%

4% to 6%

*Includes Loans, Guarantees Issued and Corporate Securities.



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Índice
BM&FBOVESPA
Financeiro **IFNC**

Índice
Small Cap **SMLL**

Índice de
Ações com Tag Along
Diferenciado **ITAG**

Índice de
Ações com Governança
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