

São Paulo, May 18, 2020 – The Real Estate Investment Fund – FII BTG Pactual Corporate Office Fund (“BC Fund”) (B3: BRCR11), the largest corporate office real estate investment fund listed on the Brazilian stock exchange, announces today its results for the first quarter of 2020 (1Q20).

1Q20 Highlights

- Leasing revenue totaled **R\$40.5 million** in the quarter.
- FFO and adjusted FFO totaled **R\$27.3 million** (R\$1.19/share) in 1Q20.
- Net income came to **R\$9.7 million** (R\$0.42/share) in the quarter.
- Shareholders’ equity was **R\$2.5 billion** (R\$109.58/share) at the end of 1Q20.
- Total earnings paid out in 1Q20 was **R\$1.71/share** (R\$39.3 million), in accordance with the policy of monthly distribution of profits calculated on a cash basis.
- In the last 12 and 24 months (base March/2020), shareholders’ profitability, considering distributed earnings and share value, was **-1.2%** and **+2.8%**, respectively.
- The portfolio’s Gross Leasable Area (GLA) corresponded to **184,450 m²** at the end of the quarter, flat from 4Q19.
- Financial vacancy stood at **8.1%** at the end of 1Q20.
- In 1Q20, **0.8%** of the contract portfolio was revised or registered new leases, which led to a nominal increase of **20.9%** in leasing revenues and a **18.3%** increase considering inflation (leasing spread). Same tenant contracted revenue had a nominal increase of **1.6%** YoY in 1Q20.

Conference Call (Portuguese)	Conference Call (English)	Investor Relations
May 19, 2020	May 19, 2020	email: contato@bcfund.com.br
10:00 a.m. (BR)/9:00 a.m. (ET)	11:30 a.m. (BR)/10:30 a.m. (ET)	Phone: +55 11 3383 2000
Phone: +55 11 3127 4971	Phone: +1 929 378 3440	
Presentation and further information available at www.bcfund.com.br		

Recent events – 1Q20

BFC

New lease agreement

In January, one of our tenants at BFC leased an additional floor. The new contract has a 10-year term and was signed with contractual terms that are in line with the region's leasing market, which is already offering favorable conditions for property owners.

Market Intelligence

At the beginning of the year, we met with the main real estate research firms to discuss the monitoring of the real estate market with the end of 2019. In line with our expectations, 2019 marked the recovery of the market with a significant improvement of real estate performance indexes. In São Paulo, where most of our vacant properties are concentrated, we noticed an increase in lease prices. It is also worth noting that this scenario also favors properties located at less coveted regions, such as Cenesp, where the interest for more accessible lease prices has increased. In spite of having a more challenging dynamics, the Rio de Janeiro market continued to show positive signs, including an increase in the number of visits of potential tenants to the properties.

Senado building

In February, we paid an installment for the Senado building, according to the payment schedule provided in the Material Fact released on August 14, 2018. The amount of R\$152.7 million was paid in full, without monetary restatements, and corresponded to 46% of the transaction amount of this asset.

Eldorado

Partial termination of lease agreement

In March, the Fund received a notification from a tenant of the Eldorado building requesting the early termination of part of its lease agreement; the returned area corresponds to one and a half floor. As the tenant must comply with all contractual provisions, the Fund will be entitled to notice and the contractual fine. Our sales team is already engaged in pre-leasing the area to be returned, with negotiations in place with potential tenants for part of the area.

New Coronavirus

On March 11, the WHO declared the Covid-19 pandemic. The disease has spread in Brazil, mainly in São Paulo state, where most of our portfolio is located. Because of this new reality, our technical team adopted a number of measures in our properties to contain the spread of the disease and preserve the population of our buildings, including more frequent cleaning of areas with great circulation, temporary closure of certain living areas, installation of hand sanitizer containers at common areas and implementation of a rota for the building administration staff. We continue complying with all guidelines recommended by the competent authorities.

Subsequent events

BFC

New lease agreement

In April, one of our tenants at BFC leased two additional floors. The new contract has a 10-year term and was signed with contractual terms that are in line with the region's leasing market, which continues offering favorable conditions for property owners. As a result of this lease, the asset's vacancy rate moved down from 19.4% to 8.3%.

Annual and Extraordinary Shareholders' Meeting

At the beginning of April, the Fund released a Material Fact about the AESM, which was scheduled for April 7. As a result of the evolution of Covid-19, the General Shareholders' Meeting was held remotely, and the extraordinary matter related to the voting of the asset management company's monitoring committee was removed from the agenda to be called in person in the future. The subject matter of ordinary resolution aimed at approving the financial statements for 2019 is being carried out in writing. The voting instructions are listed in the material made available, and only the votes cast and received by May 7 will be counted.

Comments on the financial information

The preparation of the interim financial information is not required by the accounting practices adopted in Brazil applicable to real estate investment funds. In line with the practices of the companies listed on B3 and considering BC Fund's current shareholder base, the financial statements for the first quarter of 2020 were submitted to a limited audit review by PricewaterhouseCoopers pursuant to Brazilian and international standards for the review of interim financial information.

Financial Highlights (million R\$, unless otherwise indicated)	1Q19	1Q20	Var.
Lease Revenue	19.3	40.5	110.4%
Net Income	(101.1)	9.7	n.a.
Net Income per share (R\$ / share)	(5.26)	0.42	n.a.
Net Income (ex-fair value adj.)	(101.1)	9.7	n.a.
Net Income (ex-fair value adj.) / share (R\$ / share)	(5.26)	0.42	n.a.
FFO	23.8	27.3	15.0%
FFO / share (R\$ / share)	1.24	1.19	(3.5%)
Adjusted FFO	23.8	27.3	15.0%
Adj. FFO / share (R\$ / share)	1.24	1.19	(3.5%)
Total Distribution	225.7	39.3	(82.6%)
Total Distribution / share (R\$ / share)	11.74	1.71	(85.4%)
Shareholders Equity	2,078.3	2,511.4	20.8%
Shareholders Equity / share (R\$ / share)	108.11	109.58	1.4%
Gross Debt	120.0	120.0	0.0%
Net Debt	(206.8)	(244.0)	18.0%
Operational Highlights	1Q19	1Q20	Var.
Portfolio GLA (m2)	177,585	184,450	3.9%
Contracted leasing revenue (R\$ million)	11.7	13.5	15.1%
Financial Vacancy (EoP)	17.9%	8.1%	(9.9 p.p.)
Delinquency	(2.7%)	0.0%	n.a.
Same-Area Rent (SAR)	1.5%	1.6%	0.1 p.p.
Leasing Spread	(12.4%)	18.3%	n.a.
% of portfolio (in terms of lease revenue)	5.7%	0.8%	(4.9 p.p.)
Stock Market Highlights	1Q19	1Q20	Var.
Total Number of Shares	19,224,537	22,918,202	19.2%
Market Cap	1,855.0	2,046.8	10.3%
Share Price - End of period (R\$ / share)	96.49	89.31	(7.4%)
Share Price - Average for the period (R\$ / share)	101.48	104.81	3.3%
Average Daily Trading Volume (R\$ million)	2.93	7.37	151.5%
Number of Shareholders	54,380	92,300	69.7%
Total Individual Investors	54,158	91,924	69.7%
Total Institutional Investors	222	376	69.4%
% of shares held by Individual Investors	79.2%	69.6%	(9.5 p.p.)
% of shares held by Institutional Investors	20.8%	30.4%	9.5 p.p.

Management Comments

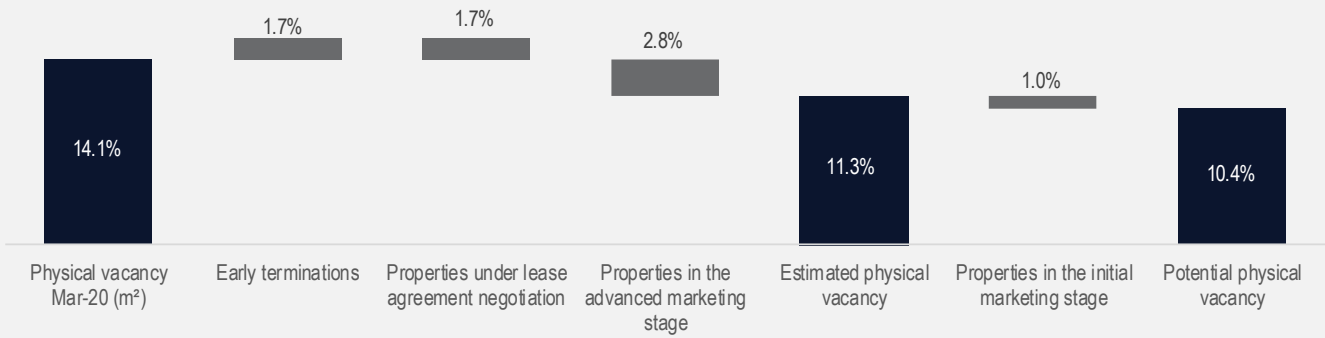
After the comprehensive recycling of assets in our portfolio in 2019, we started the year with a very competitive and high-performance portfolio. The acquisitions led to an increase in contracted leasing revenue, which added to new leases, mainly those of BFC's remaining areas and the lease of Banco do Brasil, created significant value for our shareholders. Regarding new acquisitions, the Fund continues analyzing a unique and attractive pipeline, as interest rates are on a historic downward trend and should remain in this level until the resumption of economic growth.

Regarding the pandemic crisis that has been affecting the entire world, we understand that the corporate office market remains one of the most protected segments of the FII's sector. The Fund, in turn, has another differential: a highly diversified portfolio with a large number of lease agreements and renowned tenants with low credit risk. Our team of experts is currently adapting the buildings based on each new guideline of the competent health authorities in order to preserve the building population and avoid contagion. Additionally, our team has taken a number of measures to preserve the cash of the condominiums and reduce tenant's occupancy cost. In some larger scale buildings, the condominium fee was reduced by more than 20%.

Regarding new leases, we can highlight the performance of our sales team, who given the proximity to our tenants, signed an additional lease agreement for two more floors with a tenant at the BFC building despite the quarantine. As a result, we have been more focused on Cenesp. We are confident that we will sign new lease agreements in the short-/medium-term. Some companies have been analyzing their move to the complex, but, given the current scenario, they are restricting the visits of employees and this may delay the performance of the lease agreements. Regarding renegotiations, we were able to increase lease prices by between 15% and 20% this quarter.

The Fund ended 1Q20 with physical vacancy of 14.1% of the portfolio, in line with 4Q19. However, as previously mentioned, the Fund has already signed a new lease agreement, in force as of April. We also highlight the schedule departure of a tenant of the Eldorado building, as previously disclosed, and half a floor at Cenesp, which had been under negotiation since 2019. At the Eldorado building, a lease agreement is being drafted for part of the area to be returned. As for Cenesp, we believe that, thanks to our structure for prospecting potential tenants, we have good chances to increasingly reduce the Fund's vacancy. In addition to such terminations, in March, 1.7% of the Fund's properties were in the process of exchanging advanced lease agreement drafts ("Properties at the negotiation stage of commercialization") and 2.8% of the assets in advanced commercialization stages, that is, still not ready to exchange lease agreement drafts, but already defining the commercial conditions for a potential lease ("Properties at an advanced stage of commercialization"). In this sense, considering properties at the negotiation stage of commercialization and at the advanced stage of commercialization, the Fund's vacancy rate would drop to 11.3% ("Estimated physical vacancy"). It should also be mentioned that 1.0% of the Fund's properties are in the initial stage of commercialization ("Properties in the initial stage of commercialization"). If these Properties in the initial stage of commercialization are also effectively leased, the Fund's vacancy rate would drop to 10.4% ("Potential physical vacancy"). This scenario is presented below.

Commercialization of vacant area (m² of the portfolio in %)



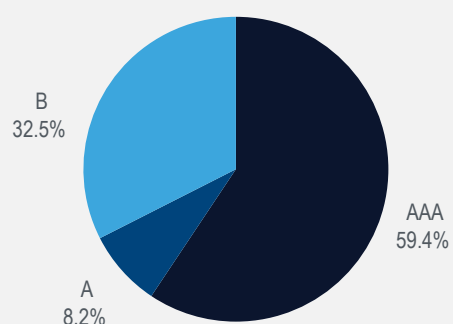
Operational performance

Breakdown of the asset portfolio

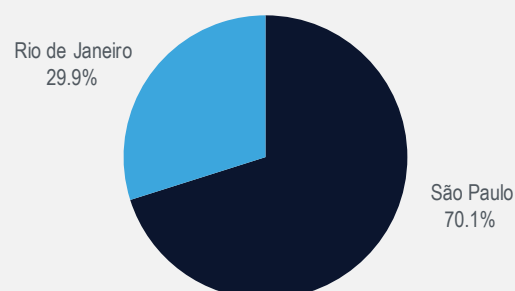
At the end of the quarter, the portfolio's GLA corresponded to 184,450 m², flat from 4Q19, but 4.3% more than in 3Q19, due to the acquisition of five floors at the Torre Sucupira building in November 2019.

Asset portfolio (based on contracted leasing revenue in Mar/2020)

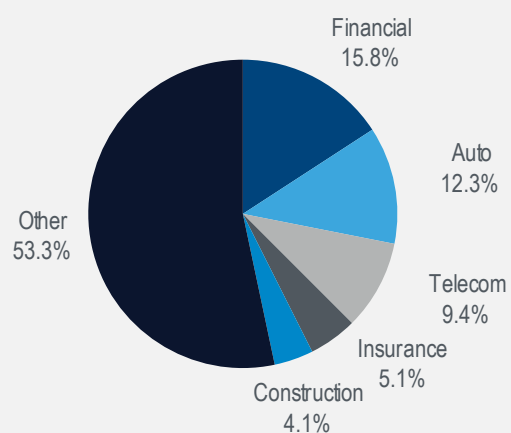
By asset type



By location



By tenant's sector of activity



By tenant concentration

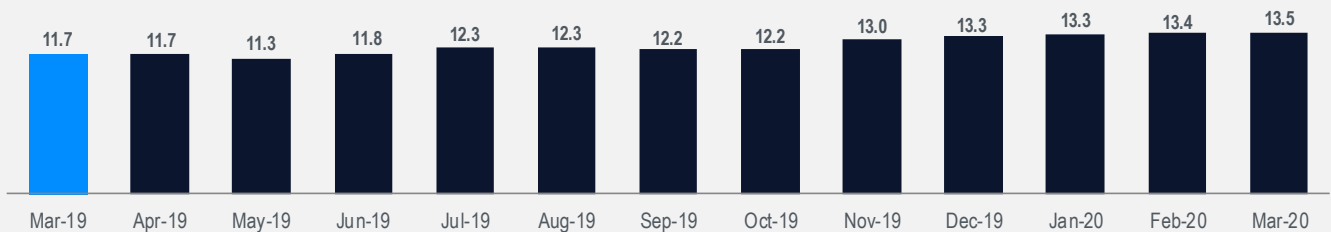
- In March 2020, the Fund's main tenant accounted for approximately 19.4% of contracted leasing revenue, with an atypical lease agreement.
- A relevant portion of GLA concentration in Rio de Janeiro is due to the exposure of an atypical lease agreement.
- In March 2020, the Fund had 61 lease agreements.

Contracted Leasing Revenue

The monthly contracted leasing revenue totaled R\$13.5 million in March 2020, up 15.1% from March 2019, mainly due to the signature of the agreement with Banco do Brasil, in June 2019, at Cenesp, the absorption of vacant areas at BFC, in July, and the acquisition of floors at the Torre Sucupira building in November.

Contracted leasing revenue is a non-accounting indicator corresponding to the total value of the lease agreements in effect in the reference month, excluding discounts, grace periods, fines and other adjustments impacting the book value of the leasing revenue.

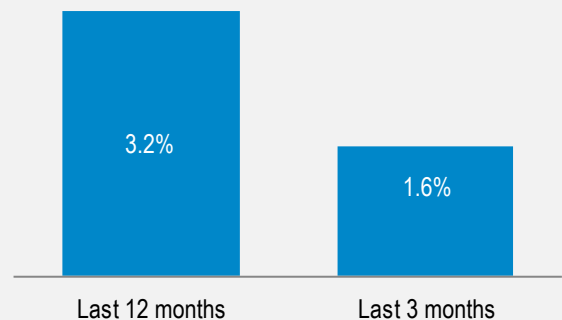
Monthly evolution of contracted leasing revenue (in R\$ million)



Same tenant contracted revenue had a nominal increase of 3.2% YoY in 1Q20. Compared to 4Q19, same tenant contracted revenue increased by 1.6%.

Same Area Rent (SAR) is a non-accounting indicator corresponding to the total amount of lease agreements in effect in the reference month in a given area that was already leased by the same tenant at the end of the same period the year before or at the end of the previous quarter, excluding discounts, grace periods, fines and other adjustments impacting the book value of the leasing revenue.

Variation of Same Area Rent (SAR)

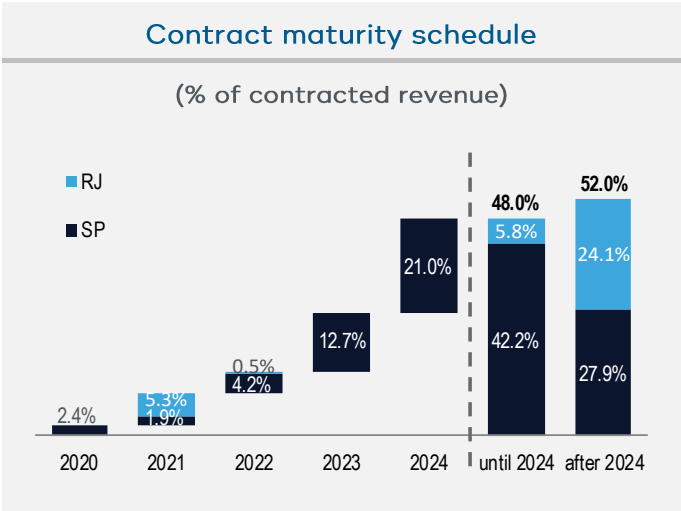
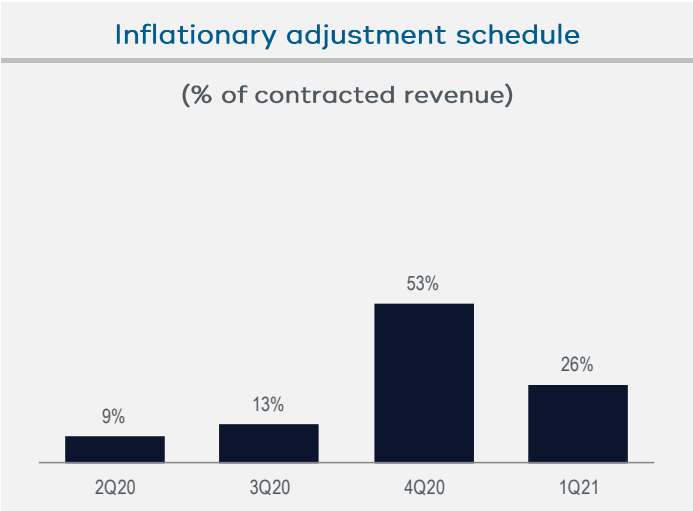
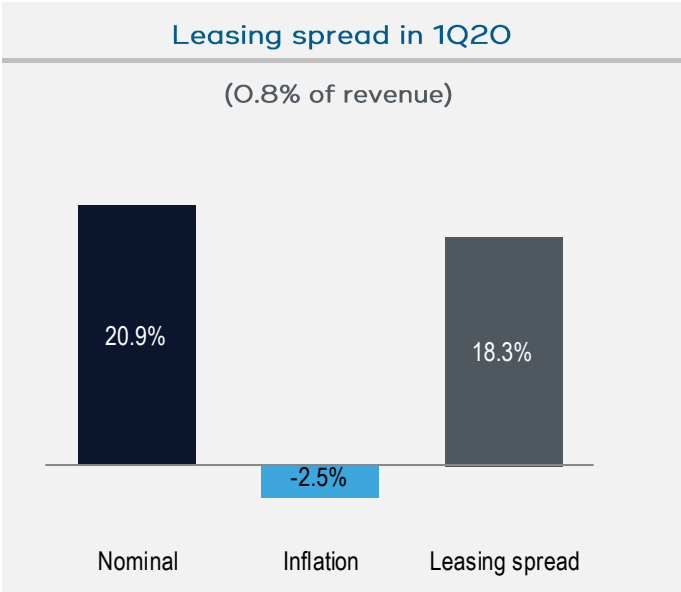
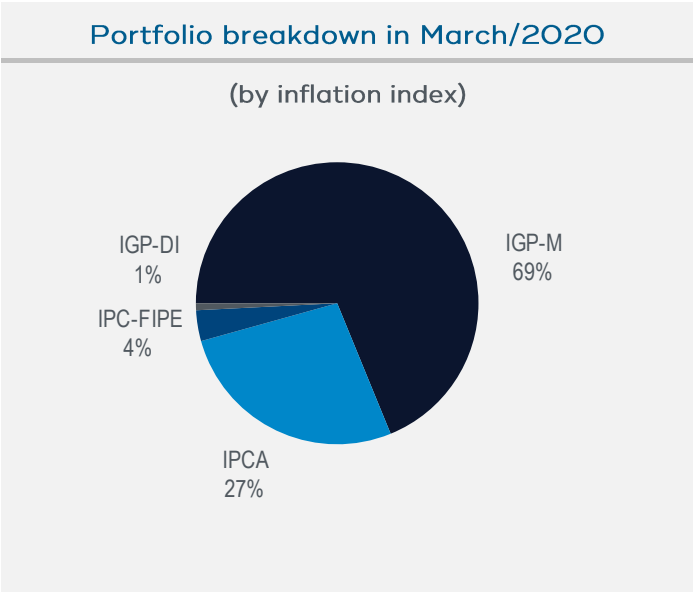


Renewals and Reviews

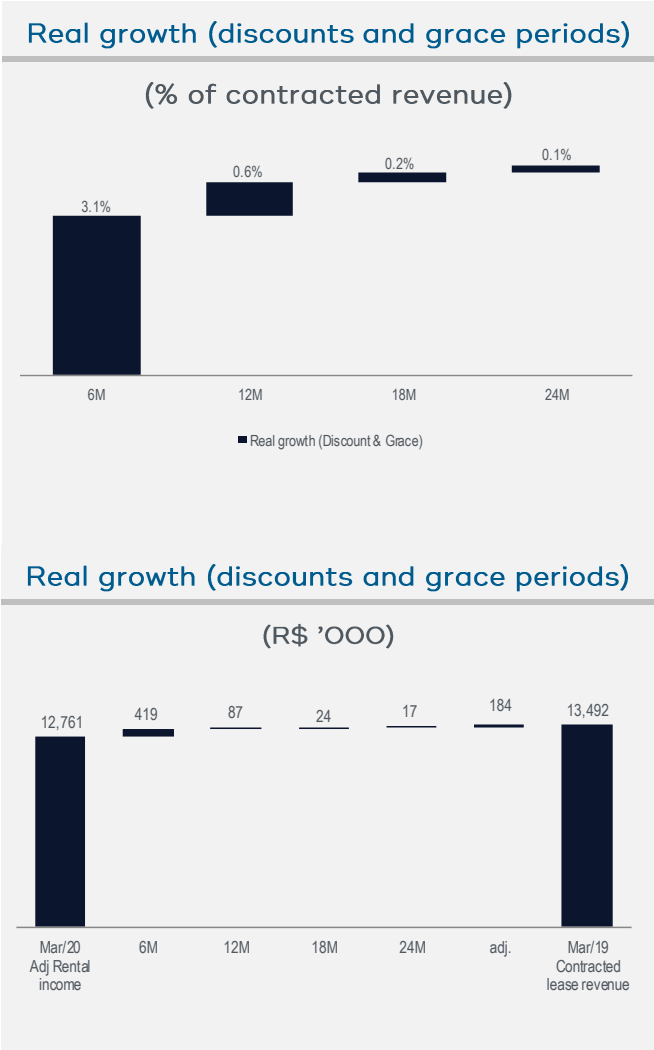
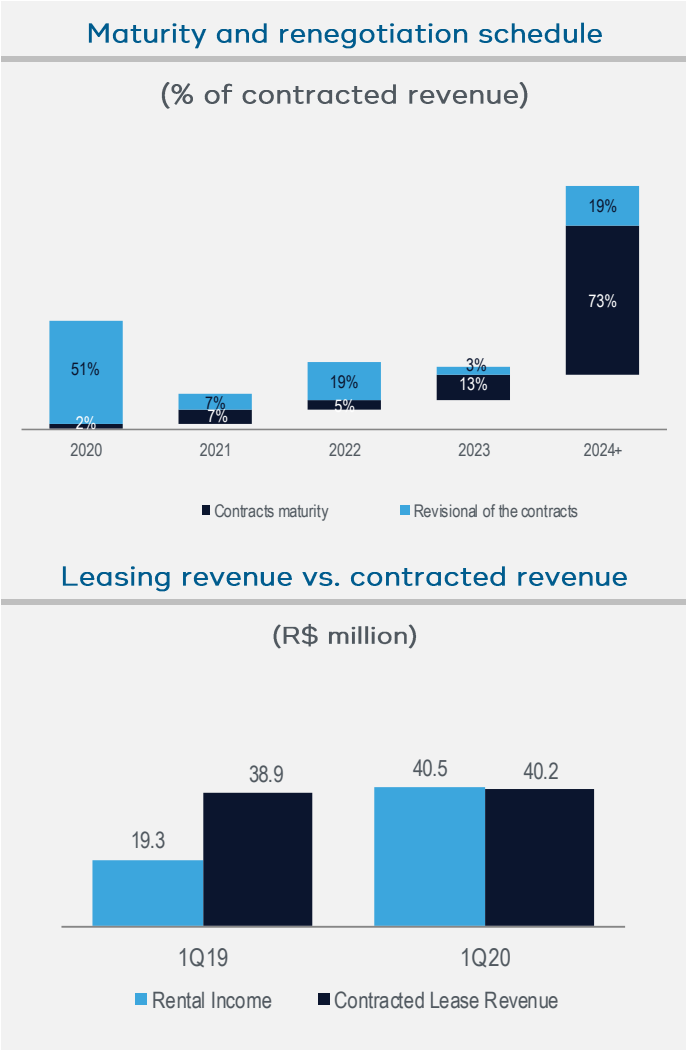
The equivalent of 0.8% of contracted leasing revenues was renewed, reviewed or came from new leases in 1Q20, resulting in a nominal increase of 20.9%. Adding inflation, leasing spread was 18.3%.

Leasing spread was mainly impacted by the renegotiation of a lease agreement at the Cidade Jardim building.

Only 2.4% of the Fund’s agreements mature by the end of 2020 and 7.1% by the end of 2021.



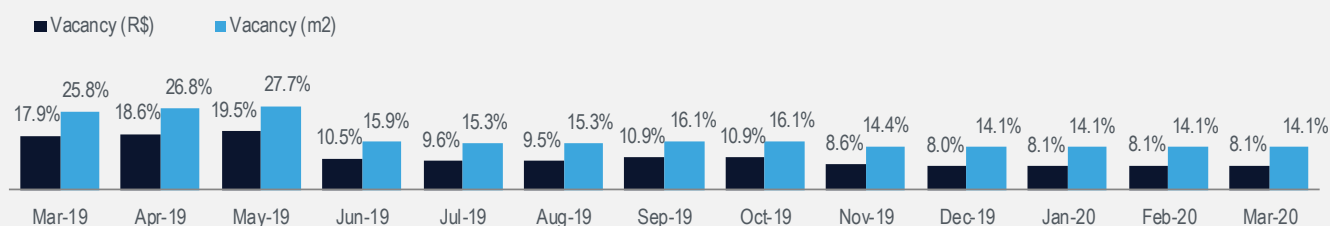
As a result of the new leases and in line with market practices, discounts or grace periods were granted to new tenants. The Fund should be impacted in the coming quarters by the conversion of contracted revenue into leasing revenue from newly closed agreements and it is estimated that, in the next 6 months, 4.3% of the current contracted revenue will be converted into leasing revenue due to the expiration of such discounts and grace periods.



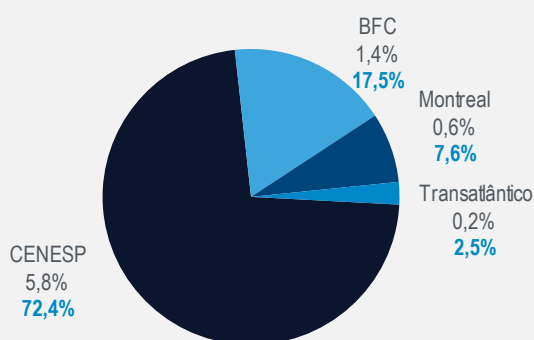
Vacancy

Financial vacancy was 8.1% in 1Q20, in line with the previous quarter. At the end of the quarter, the vacant areas corresponded to 21,874m² at CENESP, 1,938 m² at BFC, 1,753 m² at Montreal and 525 m² at Transatlântico.

Portfolio's physical and financial vacancy

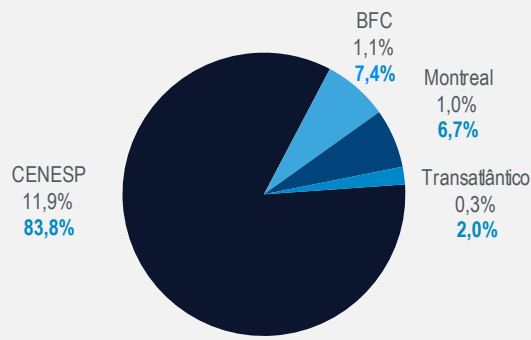


Breakdown of financial vacancy



% of total potential revenue
% of potential revenue of vacant areas

Breakdown of physical vacancy



% of total GLA
% of vacant GLA

Delinquency

Given the high quality of our portfolio and tenants, the delinquency rate has always been historically low. However, at the end of 1Q20, the allowance for doubtful accounts stood at R\$5.7 million, most of which refers to a tenant who disagrees with the amounts for the contract renewal, with this difference in rent amount as default, not incurring in credit risk. We reiterate that the Fund has been taking the necessary measures to refund this amount in the contract renewal and that the deadline for the parties to respond to the expert report has not yet expired.

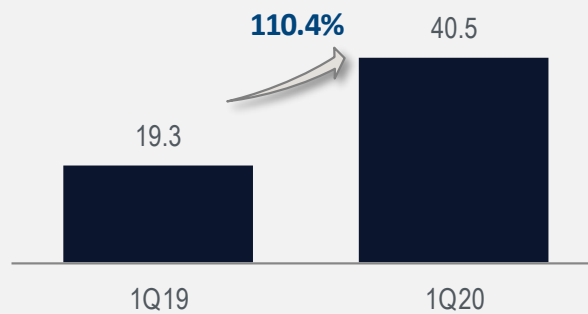
Financial Performance

Revenue

Revenue from investment properties, which includes leasing revenues, in addition to fines and interest received in the period, totaled R\$40.5 million in 1Q20. The main events that impacted the difference from 1Q19 were:

- With the sale of some assets to Brookfield in February 2019, we had a reversal accounting adjustment of approximately R\$15 million in revenues appropriated using linearization;
- Change of portfolio with the three acquisition and sale transactions of assets performed throughout 2019.

Leasing revenue (R\$ million) ⁽¹⁾



(in R\$ '000)	1Q19	1Q20	Var.
Revenue from properties	1,348,080	39,970	(97.0%)
Rental income	19,258	40,516	110.4%
(-) Provision - receivables	666	-	n.a.
Fines and interest received	51	678	1229.4%
Adjustment to fair value	-	-	n.a.
Sale of property	1,328,510	-	n.a.
Discounts granted	(405)	(1,224)	202.2%

Notes:

(1) No distinction is made between gross and net revenue since there is no taxation on leasing revenue nor on capital gains on the sale and/or reappraisal of assets.

Costs and Expenses

(in R\$ '000)	1Q19	1Q20	Var.
Cost of Investment properties	(1,443,188)	-	n.a.
Cost of sold investment properties	(971,622)	-	n.a.
Reversal of adjustment at fair value of sold investment properties	(471,566)	-	n.a.
Expenses over Properties	(3,703)	(2,108)	(43.1%)
Comissions	(122)	(115)	(5.7%)
Management of properties expenses	(20)	(47)	135.0%
Condominium expenses	(3,332)	(1,309)	(60.7%)
Maintenance	(229)	(637)	178.2%
G&A	(2,358)	(8,708)	269.3%
Consulting/Management fee	(5,428)	(7,256)	33.7%
Administration fee - Fund	(1,874)	(1,945)	3.8%
Property tax expenses	(960)	(468)	(51.3%)
Other operating expenses	5,904	961	(83.7%)

- Commission expenses are related to: (i) intermediation services for the renewal and/or review of lease agreements, (ii) brokerage services for the commercialization of vacant areas and (iii) brokerage services for the acquisition and sale of assets.

- Property management expenses are related to property management services and correspond to a percentage of the revenue generated by each property.

- Condominium, repair, maintenance and conservation expenses are incurred by the Fund to cover such expenses generated by the vacant areas of its portfolio.

- Management expenses refer to BTG Pactual's management services and correspond to 1.5% p.a. of the Fund's market value (currently at a discount, being 1.1% p.a.), in line with the trading price of its shares on B3, to be calculated and provisioned on a daily basis and paid monthly.

- The Fund's administration fee refers to BTG Pactual's management services and corresponds to 0.25% p.a. of the Fund's market value, based on the trading price of its shares on B3, to be calculated and provisioned on a daily basis and added to the amounts paid to the Fund's bookkeeping agent.

- Tax expenses refer to the municipal, state and federal taxes incurred by the Fund, most of which corresponding to the payment of IPTU (municipal property tax) on the portfolio's vacant areas.

- Other operating expenses/revenues refer to sundry expenses, such as utility bills related to the vacant areas, CVM inspection fees, custody expenses, B3, auditing, revaluation of assets, various taxes, legal advice services, notary fees and others.

Financial Result

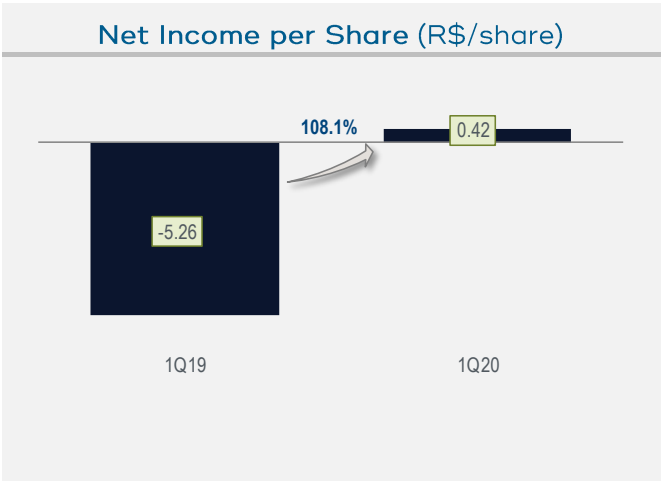
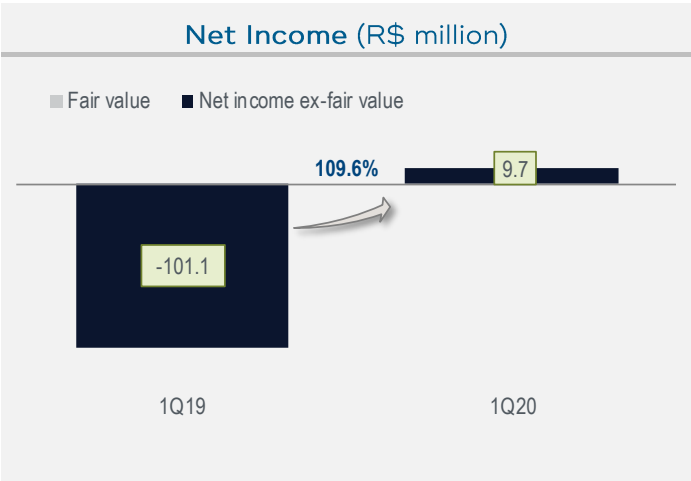
(in R\$ '000)	1Q19	1Q20	Var.
Interest and inflation indexation on liabilities	(12,879)	(4,239)	(67.1%)
Interest	(12,879)	(4,239)	(67.1%)
Profit from real-estate financial assets	11,666	(16,262)	n.a.
Income from Mortgage Backed Securities (CRIs)	2,455	1,821	(25.8%)
Income from Mortgage Notes (LCIs)	869	-	n.a.
Income from FII shares	1,088	862	(20.8%)
Gains on sale / MTM - CRI and other FII shares	7,254	(18,945)	n.a.
Other financial assets	1,598	1,732	8.4%
Income from fixed-income fund shares	2,028	2,108	3.9%
Expenses from income tax on financial investments	(430)	(376)	(12.6%)
Financial income	385	(18,769)	n.a.

Interest expenses related to funding and acquisitions totaled R\$4.2 million in 1Q20, down 67.1% from 1Q19, due to the pre-payment of debts from the Eldorado and BFC buildings.

In 1Q20, financial revenues were negatively impacted because of the adjustment to market value of FII shares held by the Fund.

Net Income

Net income totaled R\$9.7 million in 1Q20 (R\$0.42/share). Compared to 1Q19, net income increased significantly because the Company did not have to record the reversal of adjustment to present value of properties sold in 1Q20, as it did in 2019.



FFO and Adjusted FFO

The Fund's FFO totaled R\$27.3 million in 1Q20, up 15.0% from 1T19. FFO is not a measure recognized by accounting practices adopted in Brazil and its methodology may vary in comparison with other companies. The main items that influenced FFO this quarter, based on net income, were:

- The result of the adjustment to fair value of FII shares.

The Fund's Management believes that the accounting effect of the monetary restatement of liabilities has no cash effect. Therefore, for the analysis of cash flow of operations, managers use adjusted FFO (FFO minus non-cash effects on indebtedness). In 1Q20, non-cash financial expenses were not relevant and adjusted FFO totaled R\$27.3 million, or R\$1.19/share, up 15.0% from 1Q19.

<i>(in R\$ '000, unless otherwise indicated)</i>	1Q19	1Q20	Var.
Net income	(101,053)	9,726	n.a.
(-) Gains in the sale of properties	114,678	-	n.a.
(-) Gains on sale / MTM - CRI and other FII shares	(7,244)	18,930	n.a.
(+) Non-recurring expenses	17,372	(1,330)	n.a.
(=) FFO	23,753	27,326	15.0%
<i>FFO / share (R\$ / share)</i>	1.24	1.19	(3.5%)
(+) Non-cash financial expenses	-	-	n.a.
(=) Adjusted FFO	23,753	27,326	15.0%
<i>Adjusted FFO / share (R\$ / share)</i>	1.24	1.19	(3.5%)

Debt and Cash

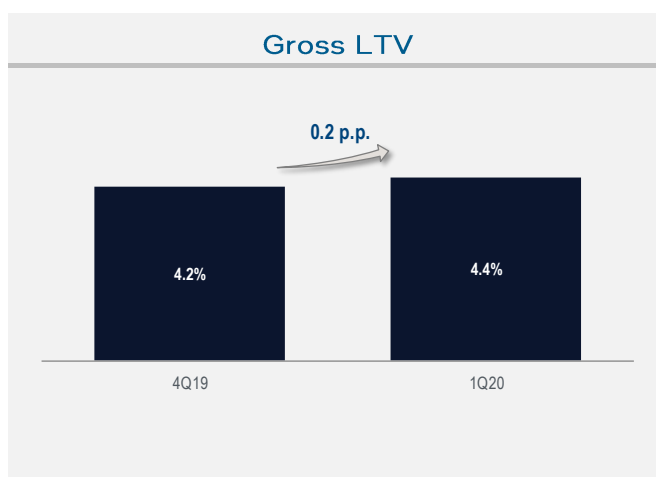
Liabilities from acquisition of properties and fundraising totaled R\$120.0 million at the end of 1Q20, while cash and cash equivalents totaled R\$363.9 million.

(in R\$ '000)	Cost	Orig. Term	Maturity	4Q19	1Q20
Liabilities from acquisition of properties					
Cidade Jardim	IPCA + 6,55% p.a.	6 years	Jul/2023	120,000	120,000
Liabilities from funding					
				-	-
Gross Debt				120,000	120,000
(-) Cash and Financial investments				(461,242)	(313,565)
(-) Shares of Other FIs (Market)				(69,337)	(50,394)
Net Debt				(410,579)	(243,959)

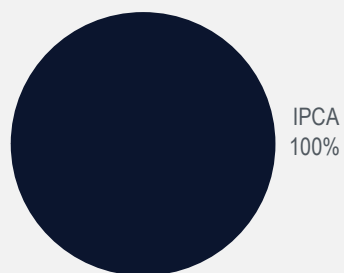
Leverage remained at a comfortable level in March 2020, with gross LTV of 4.4% and net LTV of -9.0% (the Fund must maintain its net LTV below 30.0%).

All the Fund's liabilities are adjusted by fixed rates tied to the IPCA index.

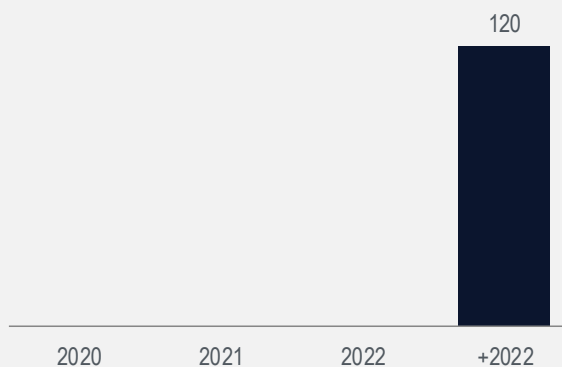
It is worth noting that with the conclusion of the asset purchase and sale transaction with Brookfield in February 2019, the Fund prepaid BFC and EBT obligations. The Fund also hired a new debt instrument for the acquisition of the Cidade Jardim building, with payment of principal only upon maturity, in July 2023.



Adjustment Index



Amortization schedule (R\$ million)

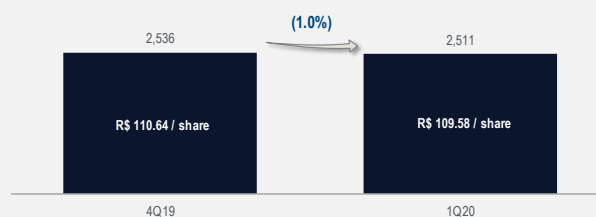


Shareholders' Equity

Shareholders' equity totaled R\$2.5 billion in 1Q20, down 1.0% from 3Q19.

The book value per share fell from R\$110.64/share in December 2019 to R\$109.58/share at the end of March 2020.

Evolution of shareholders' equity (R\$ million)

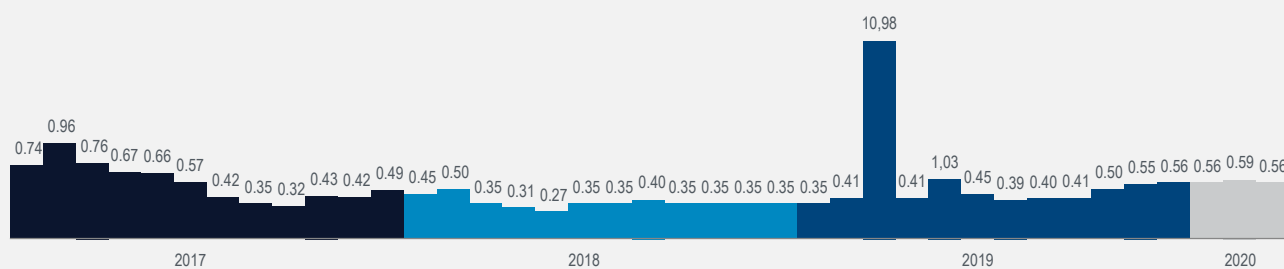


Payout

In 1Q20, the average amount distributed per share was R\$0.57/share/month, representing a payout ratio of R\$1.71/share in the quarter. The total amount distributed in 1Q20 was R\$37.3 million.

It is also worth noting that in May 2016 the Fund distributed earnings and amortized shares in the total amount of R\$400 million. After this payout, the Fund, pursuant to its regulations, began to pay out at least 95% of its earnings calculated on a cash basis. In order to mitigate the volatility inherent to this regime, which may suffer significant impacts from late payments, fines and non-recurring expenses, vis-a-vis the distribution previously conducted by the Fund corresponding to R\$1.01/share, we are distributing monthly income based on the weighted moving average of the Fund's Adjusted FFO for the six-month period and adjusting the cash effect in the last month of the current six-month period.

Evolution of monthly payout and amortization (R\$/share/month)

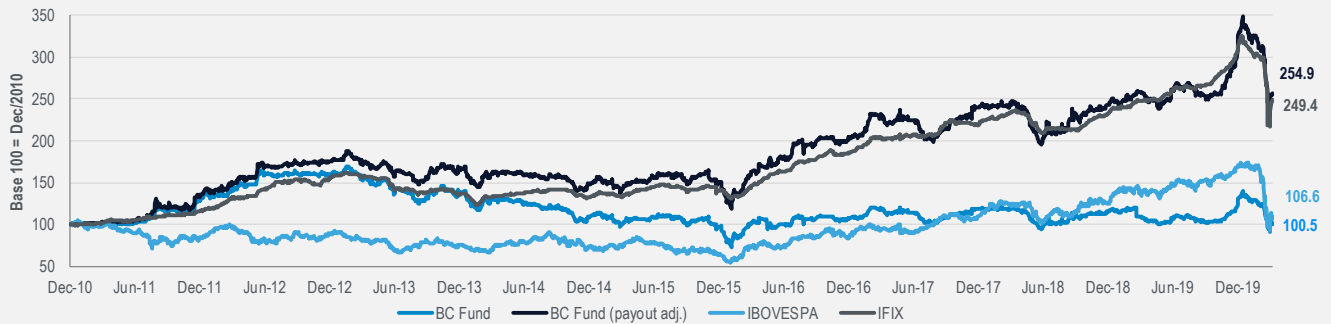


Capital Markets

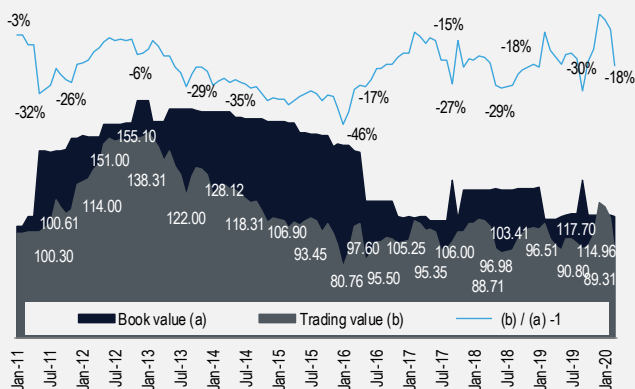
In the last 12 and 24 months (base March/2020), BC Fund's shares (BRCR11), considering distributed earnings and the share value, was -1.2% and 2.8%, respectively. In the same periods, the IBOVESPA varied by 0.4% and 5.8%, respectively.

In the quarter, share profitability was negative by 23.0%, while Ibovespa and IFIX varied by -36.9% and -22.0%, respectively.

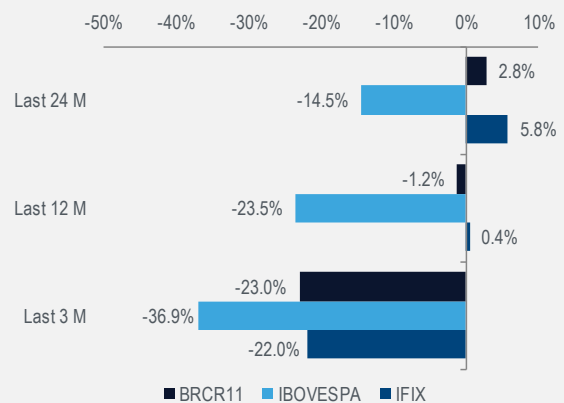
Share performance (Base 100 – December/2010)



Book value vs. Market value



Returns in the last 3, 12 and 24 months (Mar/20)



The share closing price of R\$89.31 on March 31, 2020 represented:

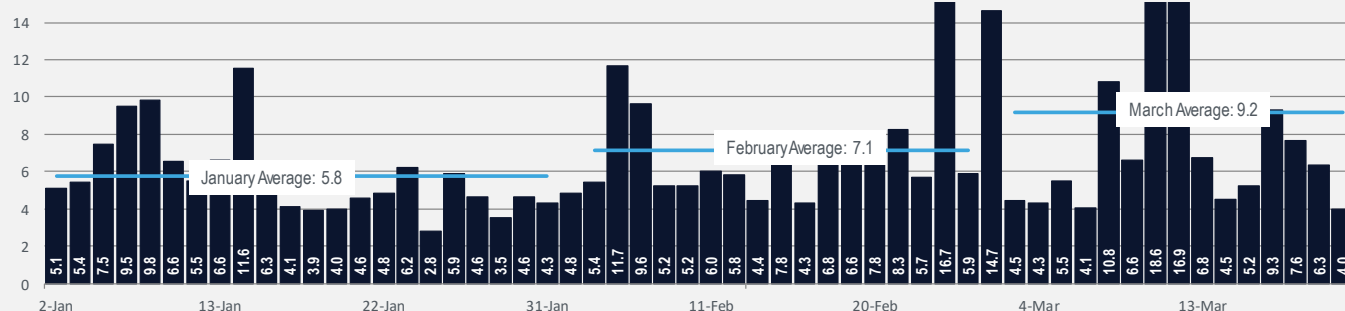
- A 18.5% decrease over the book value per share.
- Distribution of annualized earnings of 7.8% p.a.
- Implied portfolio cap rate of 8.7% (considering contracted revenue in March/2020). Considering potential revenue from vacant areas, the implied cap rate is 9.4%.
- Average GLA of R\$10,110/m².

Valuation at market prices

		Mar-20	Mar-19
NAV / share	[R\$ / share]	109.58	108.11
Share price	[R\$ / share]	89.31	96.49
Discount to NAV	[%]	(18.5%)	(10.7%)
Monthly payout	[R\$ / share]	0.56	0.41
Monthly profitability	[% p.m.]	0.63%	0.42%
Annual profitability (linear)	[% p.a.]	7.5%	5.1%
Annualized profitability	[% p.a.]	7.8%	5.2%
Shares outstanding	[#]	22,918,202	19,224,537
Market cap	[R\$ mn]	2,046.8	1,855.0
Net debt (Cash)	[R\$ mn]	(244.0)	(206.8)
Minorities stake	[R\$ mn]	61.9	60.7
Enterprise Value	[R\$ mn]	1,864.8	1,708.9
Contracted lease	[R\$ mn]	13.5	11.7
Implied Cap rate	[%]	8.7%	8.2%
Cap rate with vacant areas	[%]	9.4%	10.0%
Portfolio GLA	[m ²]	184,450	177,585
Average per m ²	[R\$ / m ²]	10,110	9,623

In 1Q20, BRCR11's average daily traded volume was R\$7.4 million.

Average daily trading volume on B3 (R\$ million)



Consolidated Financial

Consolidated Income Statement

(R\$ '000)	1Q19	1Q20	Var.
Investment properties	1,348,080	39,970	(97.0%)
Rental income	19,258	40,516	110.4%
(-) Provision for impairment of trade receivables	666	-	n.a.
Income from fines and interest received	51	678	1229.4%
Revenue from the sale of investment property	1,328,510	-	n.a.
Discounts granted	(405)	(1,224)	202.2%
Cost of Investment properties	(1,443,188)	-	n.a.
Cost of sold investment properties	(971,622)	-	n.a.
Reversal of adjustment at fair value of sold investment properties	(471,566)	-	n.a.
Interest and inflation indexation on liabilities	(12,879)	(4,239)	(67.1%)
Interest on liabilities from acquisition of properties	(12,879)	(4,239)	(67.1%)
Expenses over Properties	(3,703)	(2,108)	(43.1%)
Comissions	(122)	(115)	(5.7%)
Administration fee - property	(20)	(47)	135.0%
Condominium expenses	(3,332)	(1,309)	(60.7%)
Maintenance	(229)	(637)	178.2%
Profit from investment properties	(111,690)	33,623	n.a.
Income from Mortgage Backed Securities (CRIs)	2,455	1,821	n.a.
Income from Mortgage Notes (LCI)	869	-	n.a.
Income from FII shares	1,088	862	(20.8%)
Adjustment to market value of other FII shares	7,254	(18,945)	n.a.
Adjustment to fair value (CRI)	(10)	15	n.a.
Profit from real-estate financial assets	11,656	(16,247)	n.a.
Profit from real-estate activities	(100,034)	17,376	n.a.
Income from fixed-income fund shares	2,028	2,108	3.9%
Expenses from income tax on financial investments	(430)	(376)	(12.6%)
Other financial assets	1,598	1,732	8.4%
Management expenses	(5,428)	(7,256)	33.7%
Administration fee - Fund	(1,874)	(1,945)	3.8%
Property tax expenses	(960)	(468)	(51.3%)
Other operating expenses	5,904	961	(83.7%)
Operating income (expenses)	(2,358)	(8,708)	269.3%
Profit for the period (before minorities)	(100,794)	10,400	n.a.
Minorities' stake	(259)	(674)	160.2%
Net income	(101,053)	9,726	n.a.
Number of shares	19,224,537	22,918,202	19.2%
Earnings per share - R\$	(5.26)	0.42	n.a.

Consolidated Balance Sheet

ASSETS (R\$ '000)	4Q19	% over Total Assets	1Q20	% over Total Assets	Var.
Current assets	702,137	24.1%	568,316	20.5%	(19.1%)
Financial investments	462,204	15.8%	299,281	10.8%	(35.2%)
Rentals receivables	23,049	0.8%	35,306	1.3%	53.2%
Other assets	2,534	0.1%	17,783	0.6%	601.8%
Receivable on sale of real estate	214,350	7.3%	215,946	7.8%	0.7%
Non-current assets	69,337	2.4%	50,394	1.8%	(27.3%)
Financial investments	69,337	2.4%	50,394	1.8%	(27.3%)
Investment properties	2,145,371	73.6%	2,152,702	77.7%	0.3%
Buildings	2,145,371	73.6%	2,152,702	77.7%	0.3%
TOTAL ASSETS	2,916,845	100.0%	2,771,412	100.0%	(5.0%)
LIABILITIES AND EQUITY (R\$ '000)	4Q19	% over liabilities and	1Q20	% over liabilities and	Var.
Current liabilities	202,842	7.0%	81,677	2.9%	(59.7%)
Income to be distributed	27,004	0.9%	21,967	0.8%	(18.7%)
Taxes and contributions payable	10	0.0%	13	0.0%	30.0%
Provisions and trade payable	15,430	0.5%	22,323	0.8%	44.7%
Liabilities from acquisition of properties	160,398	5.5%	37,374	1.3%	(76.7%)
Non-current liabilities	116,553	4.0%	116,447	4.2%	(0.1%)
Provisions and trade payable	81	0.0%	81	0.0%	0.0%
Liabilities from funds in guarantee	3,496	0.1%	3,499	0.1%	0.1%
Liabilities from acquisition of properties	112,976	3.9%	112,867	4.1%	(0.1%)
TOTAL LIABILITIES	319,395	11.0%	198,124	7.1%	(38.0%)
Equity	2,535,613	86.9%	2,511,368	90.6%	(1.0%)
Paid-up shares	1,999,486	68.5%	1,999,486	72.1%	0.0%
Shares placement expenses	(48,058)	(1.6%)	(48,058)	(1.7%)	0.0%
Reserve for contingencies	9,154	0.3%	9,154	0.3%	0.0%
Carrying value adjustment to fair value	508,371	17.4%	508,372	18.3%	0.0%
Accumulated profit	66,660	2.3%	42,414	1.5%	(36.4%)
Minority Stake	61,837	2.1%	61,920	2.2%	0.1%
TOTAL LIABILITIES AND EQUITY	2,916,845	100.0%	2,771,412	100.0%	(5.0%)

Consolidated Cash Flow

(R\$ '000)	2019	2020	Var %
Receipt of net rental revenues	23,536	17,163	(27.1%)
Receipt of fines and interest	51	40	(21.6%)
Payment of commissions	(190)	-	n.a.
Payment/Reimbursement of IPTU	3,437	(40)	n.a.
Payments of management fee	(5,446)	(7,064)	29.7%
Payment of legal advice	(48)	(68)	41.7%
Payments of administration expenses - Fund	(1,072)	(1,697)	58.3%
Payments of administration expenses - Property	(20)	(47)	135.0%
Payment of condominium expenses	(30)	(106)	253.3%
Payment of maintenance and repair expenses	(214)	(522)	143.9%
Payment of tax expenses (IR on financial revenues)	(313)	(306)	(2.2%)
General payments	(1,229)	(13,581)	1005.0%
Cash flows from operating activities	18,462	(6,228)	n.a.
Income from fixed-income fund shares	1,404	1,762	25.5%
Amortization of unconsolidated controlled entity	282,303	-	n.a.
Acquisition of rental properties (improvements and registration costs)	(238,300)	(1,731)	(99.3%)
Acquisition of rental properties (installment payment)	-	(152,700)	n.a.
Sale of rental properties	537,200	-	n.a.
Advance money for real estate purchase	(18)	-	n.a.
Acquisition of LCI	80,001	-	n.a.
Acquisition of CRI	700	-	n.a.
Acquisition of unconsolidated controlled entity	(253,920)	(350)	(99.9%)
Receipt of income from real estate funds invested	999	858	(14.1%)
Income from unconsolidated controlled entity	64,391	10,221	(84.1%)
Property improvements	(21,243)	(923)	(95.7%)
Amortization of mortgage backed securities	2,446	1,829	(25.2%)
Cash flows from investing activities	455,963	(141,034)	n.a.
Payment of interest and monetary restatement over term acquisition	(9,349)	-	n.a.
Payment of principal for liabilities from acquisition of properties	(189,140)	-	n.a.
Profits distributed	(225,657)	(39,288)	(82.6%)
Income Tax Withheld at Source (IRRF) paid	127	3	(97.6%)
Income from CCI	-	29,856	n.a.
Payment for CCI	-	(244)	n.a.
Net cash used in financing activities	(424,019)	(9,673)	(97.7%)
Changes in cash and cash equivalents	50,406	(156,935)	

Annex A – Asset Portfolio



Eldorado
São Paulo - SP
Area: 22.246 m²



BFC
São Paulo - SP
Area: 10.657 m²



Senado
Rio de Janeiro - RJ
Area: 19.262 m²



Cidade Jardim
São Paulo - SP
Area: 7.458 m²



Cenesp
São Paulo - SP
Area: 64.480 m²



Volkswagen
São Paulo - SP
Area: 12.560 m²



Burity
São Paulo - SP
Area: 10.550 m²



Transatlântico
São Paulo - SP
Area: 4.208 m²



Montreal
Rio de Janeiro - RJ
Area: 6.439 m²



MV9
Rio de Janeiro - RJ
Area: 15.174 m²



CEO Office
Rio de Janeiro - RJ
Area: 4.782 m²



Sucupira
São Paulo - SP
Area: 7.534 m²

Annex B – About the Fund

BC Fund (Fund) the largest corporate office real estate investment fund listed on the Brazilian stock exchange and its shares have been traded on the organized market of B3 since its IPO, in December 2010, under the ticker BRCR11. BC Fund was created in June 2007 and, since then, has excelled for actively managing a portfolio with the purpose of investing in commercial income properties strategically located in the most important cities in Brazil. The target investment assets include commercial properties or real estate rights in completed properties or those in the final stages of construction.

BC Fund's current portfolio comprises of 12 Grade AAA and A-class office buildings located in São Paulo and Rio de Janeiro, leased to a variety of renowned national and multinational companies such as WeWork, Volkswagen, LinkedIn, Petrobras, among others. BC Fund seeks, through its equity stake in each asset, to actively participate in the management of its properties, in order to make them more attractive for occupancy by current and future tenants, as well as ensure they are updated and modern. In addition, BC Fund has investments in other assets, such

as shares of other Real Estate Investment Funds (FII), Mortgage Notes (LCI) and Mortgage-Backed Securities (CRI), whose earnings are tax-exempt.

BC Fund's active management policy is based on four pillars: (i) the efficient renegotiation of lease agreements to market value in the minimum intervals permitted by law; (ii) investments in property expansions, improvements and retrofits in order to obtain higher leasing revenue and lower vacancy rates; (iii) the efficient recycling of the portfolio in order to increase revenue and generate capital gains; and (iv) positive leverage in the acquisition of new properties and/or shares of other real estate investment funds, ensuring greater flexibility in regard to managing cash reserves and maximizing shareholder returns.

FIIs are structured investment vehicles whose primary purpose is to invest in the real estate sector in order to foment and develop the sector. One of the main advantages of investing in an FII is 100% exemption from revenue and income taxes on real estate backed assets, ensuring potentially higher revenue than companies operating in the same sector, which are generally subject to revenue tax of 9.25% and a real income tax rate of 34%. Furthermore, FII payouts to individual investors are also tax exempt, provided certain legal requirements are met.

Other potential advantages of investing in FII shares rather than in companies operating in the real estate sector or directly investing in properties include: (i) savings from the non-payment of taxes, labor charges and/or executive bonus payments, since FIIs are prohibited from directly hiring employees, (ii) more predictable and constant cash flows since FII revenues are mainly derived from the leasing of their properties, (iii) the predictability of and the ability to pay expenses with service providers, whose compensation is normally established as a percentage of the FII's financial performance, (iv) protected assets, in the sense that the Funds are prohibited from using their portfolio properties as collateral or acting as a co-obligor in any transaction, (v) potentially higher liquidity on stock exchange transactions and a substantially lower and widespread investment through the acquisition of shares, and (vi) greater transparency in addition to a simple information collection process.

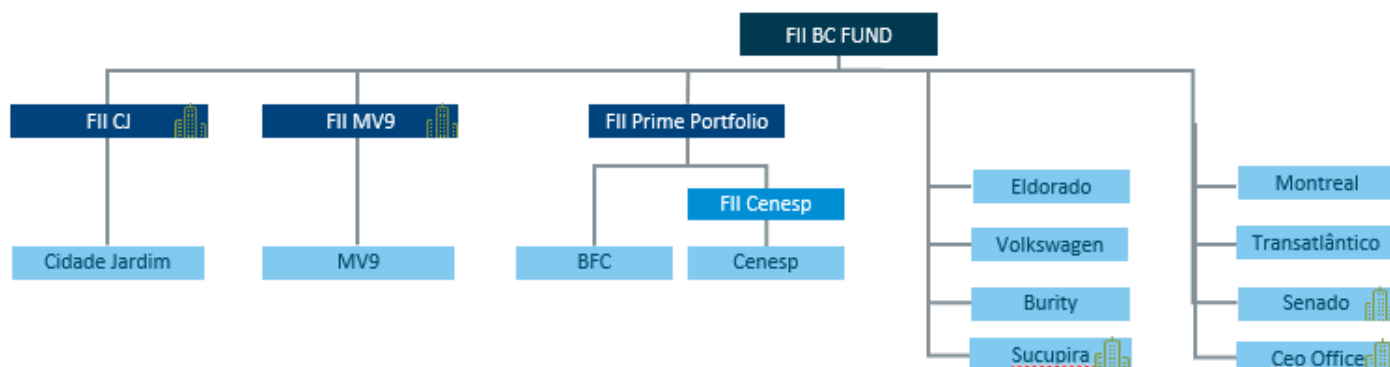
The Fund's monthly payout policy reflects management's strategic decisions, based on the macroeconomic scenario in Brazil and the prospects for the real estate sector. In 2016, when the market signaled falling interest rates, the Fund reduced its cash through capital amortization and changed its monthly distribution policy, previously based on fixed earnings. BC Fund currently pays earnings based on the legal minimum limit, currently at 95% of its six-month result, calculated on a cash basis, in accordance with the Fund's regulations and legislation in force.

Although FIIs are prohibited from taking on debt, they can still leverage their assets by buying real estate in installments or assigning future credit receivables. The guarantees offered in these transactions are not binding in relation to the shareholders nor do they result in the creation of any obligation against the Fund, which is not jointly liable for the solvency of the assigned credit.

BC Fund selects its acquisitions based on the constant monitoring of the corporate office real estate market mainly in Rio de Janeiro and São Paulo, rigorous due diligence of the properties and the ability of the fund administrator and manager (both controlled by Banco BTG Pactual) to prospect and recommend the best investment opportunities. Frequent investments in the mapping of commercial office space supply and demand allow the Fund to identify real estate acquisition opportunities with substantial appreciation potential. BC Fund's portfolio turnover demonstrates that even in periods of economic uncertainty in the real estate market, as in 2009 and 2010, BC Fund was able to identify and take advantage of good investments, and, as in 2015 and 2016, periods with a lower volume of real estate transactions, the Fund made divestments with significant capital gains to its shareholders. In 2018, with the resumption of the real estate market, the Fund also made divestitures and positive acquisitions for its portfolio.

BC Fund stands out in the FII market for its pioneering and innovative characteristics, always maintaining a close relationship with investors and mitigating asymmetries. Among the measures taken in this regard, the most important are the Fundamentals Spreadsheet, updated and made available to the market on its website on a monthly basis, and the creation of the Monitoring Committee, composed of a group of shareholders aligned for the benefit of the Fund and its close relationship with investors, who meet periodically to discuss paths and strategies for the Fund's portfolio.

BC Fund's Organizational Structure



Annex C – Glossary

GLA – Gross Leasable Area: Corresponds to the area effectively leased and, therefore, generating revenue. It is used as a basis for calculating the metrics related to the portfolio area.

BOMA Area: The main method for measuring area adopted for the sale of space in corporate office buildings. It allows a better comparison between properties' areas, taking into account space that is for the exclusive use of the standalone units as well as that which provides general support for the condominium.

Cap rate: Corresponds to the monthly revenue from a property on an annualized basis (12 months) divided by the value of the property.

CDB: *Certificado de Depósito Bancário* (Certificate of Deposits).

CRI: *Certificado de Recebíveis Imobiliários* (Mortgage-Backed Securities).

FFO – Funds From Operations: A non-accounting measure corresponding to net income, minus (plus) the effects of gains (losses) from the sale of investment properties, gains from the fair value of investment properties, and nonrecurring revenues and expenses. FFO is calculated by the Fund's administrators and has no standard definition and thus may not correspond to those of other funds or companies in the same industry.

Adjusted FFO: Corresponds to FFO plus non-cash financial expenses from the monetary restatement of debt.

LCI: *Letra de Crédito Imobiliário* (Mortgage Notes).

Leasing Spread: The real increase (above inflation) of the lease amount at the close of the period over the lease amount for the same area at the beginning of the period due to contract reviews or new leases.

LTV – Loan to Value (gross): Gross debt over total assets minus minority interests.

LTV – Loan to Value (net): Gross debt minus cash and cash equivalents over total assets minus cash and cash equivalents.

IGP-M: *Índice Geral de Preços de Mercado*: General Market Price Index, calculated and published by Fundação Getulio Vargas on a monthly basis.

IPCA: *Índice Nacional de Preços ao Consumidor Amplo*: Broad Consumer Price Index, announced by the IBGE (Brazilian Institute of Geography and Statistics) on a monthly basis.

IPO – Initial Public Offering: The Fund's IPO took place in December 2010.

Market Cap: Corresponds to the Fund's value in the secondary market, equivalent to the number of shares multiplied by the closing price of the share on the last business day of the corresponding period.

Contracted Leasing Revenue: A non-accounting indicator corresponding to the total amount of lease agreements in force in the reference month, excluding discounts, grace periods, fines and other adjustments impacting the book value of leasing revenue.

Same Tenant Rent – STR: A non-accounting measure that corresponds to the total amount of lease agreements in force in the reference month in a given area that was already leased by the same tenant at the end of the same period the year before or at the end of the previous quarter, excluding discounts, grace periods, fines and other adjustments that affect the accounting leasing revenue.

Financial Vacancy: The estimated percentage representing the potential monthly leasing revenue from vacant areas over the portfolio's total monthly leasing revenue plus the potential monthly leasing revenue from vacant areas.

Book Value of the Share: Corresponds to the book value of the Fund's equity divided by the number of outstanding shares.