



EARNINGS RELEASE

4Q19

DIS CLAIMER

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.



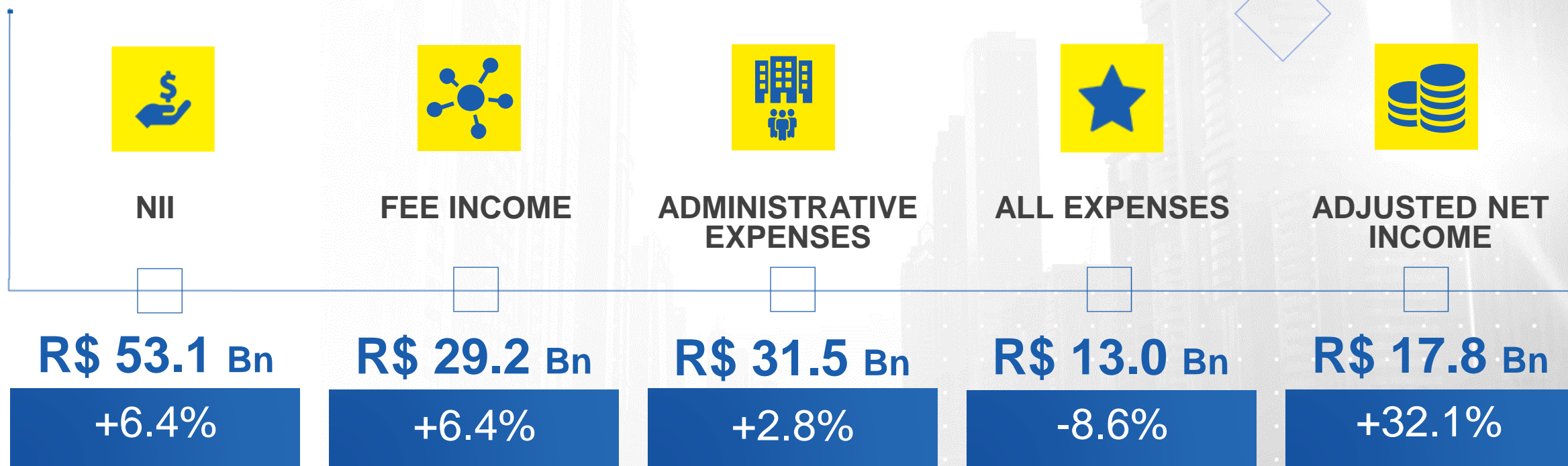
4Q19 Earnings Release

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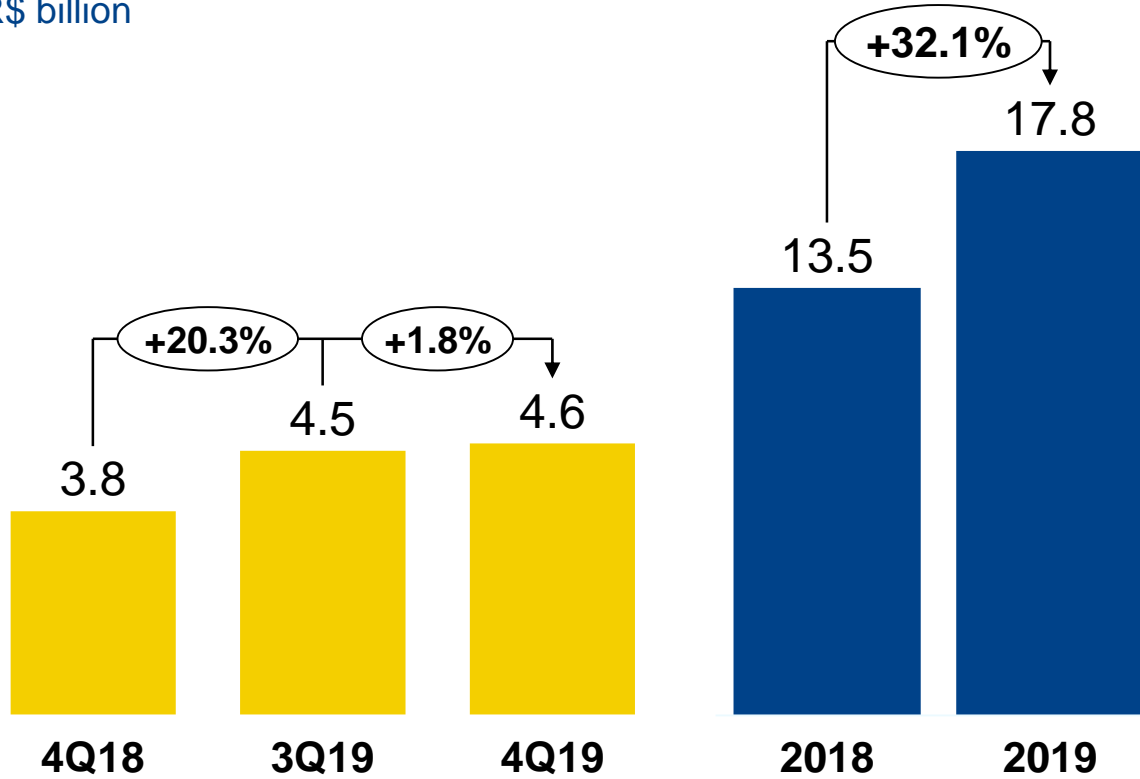
Earnings Highlights 2019/2018



BB Results

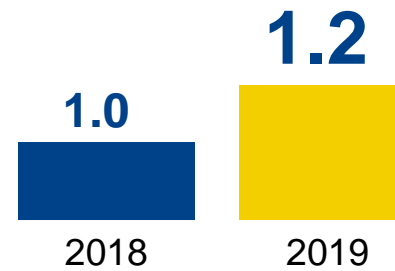
Adjusted Net Income

R\$ billion

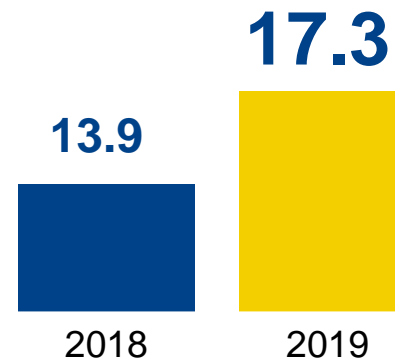


Profitability (%)

ROA



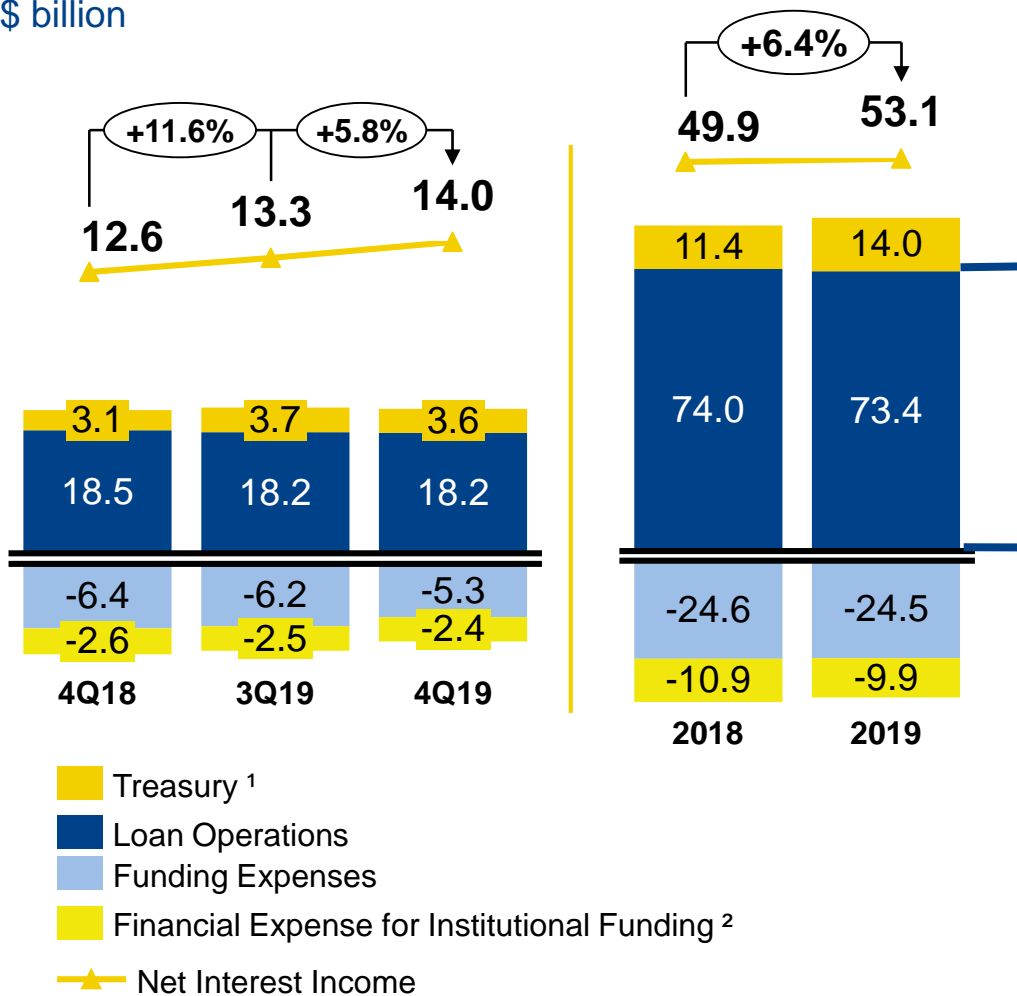
ROE¹



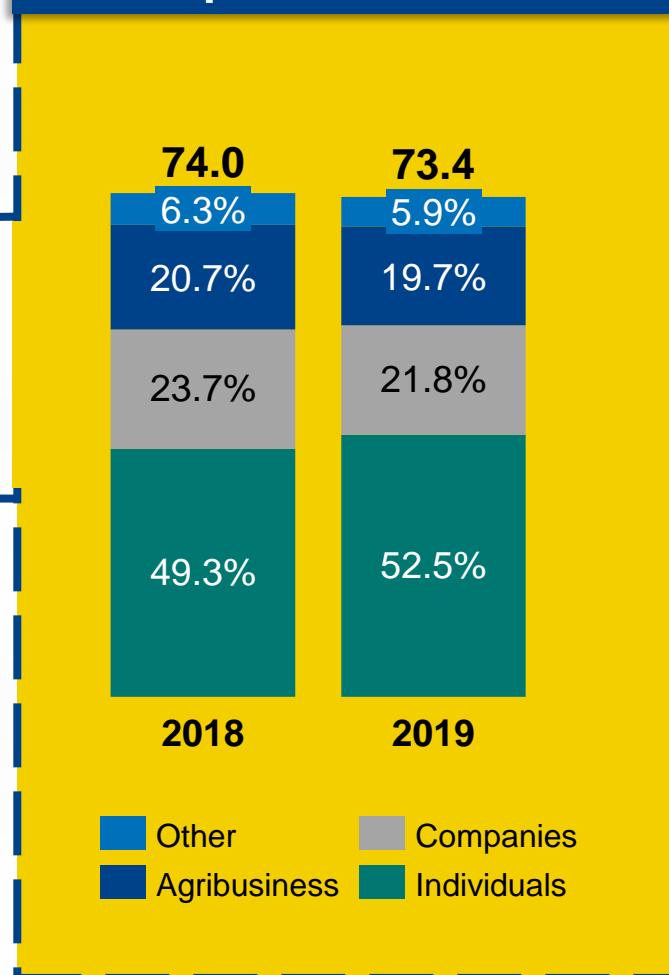
(1) It reflects the metric that the main market analysts use to project results. The index is annualized using the linear method.

Net Interest Income

R\$ billion



Loan Operations Revenues



Individuals' loan operations revenues growth
+5.3% 4Q19/4Q18

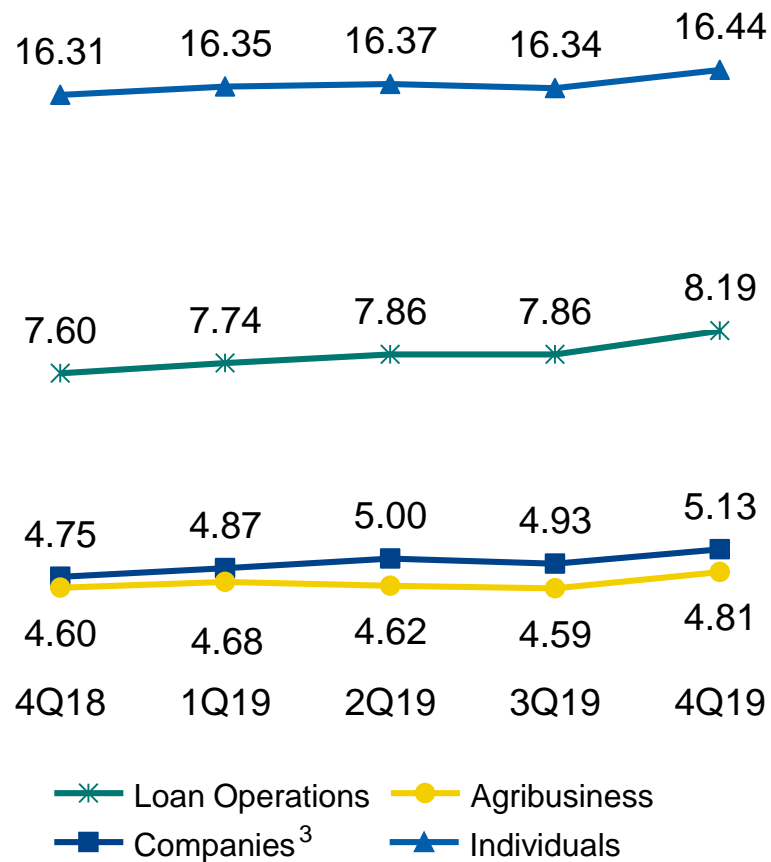
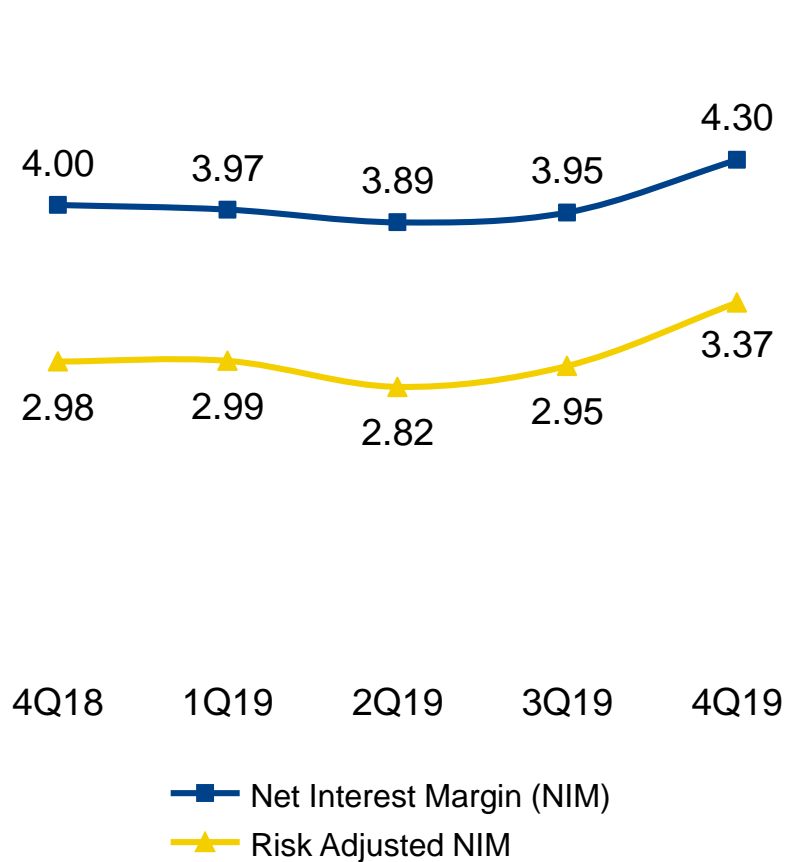
Good performance from Treasury
+18.1% 4Q19/4Q18

Funding Expenses decrease
-17.5% 4Q19/4Q18

(1) 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.

(2) It includes senior bonds, subordinated debt, and Hybrid Instruments in Brazil and abroad.

Net Interest Margin¹ and by portfolio²(%)



Loan Operations Spread
+59bps 4Q19/4Q18

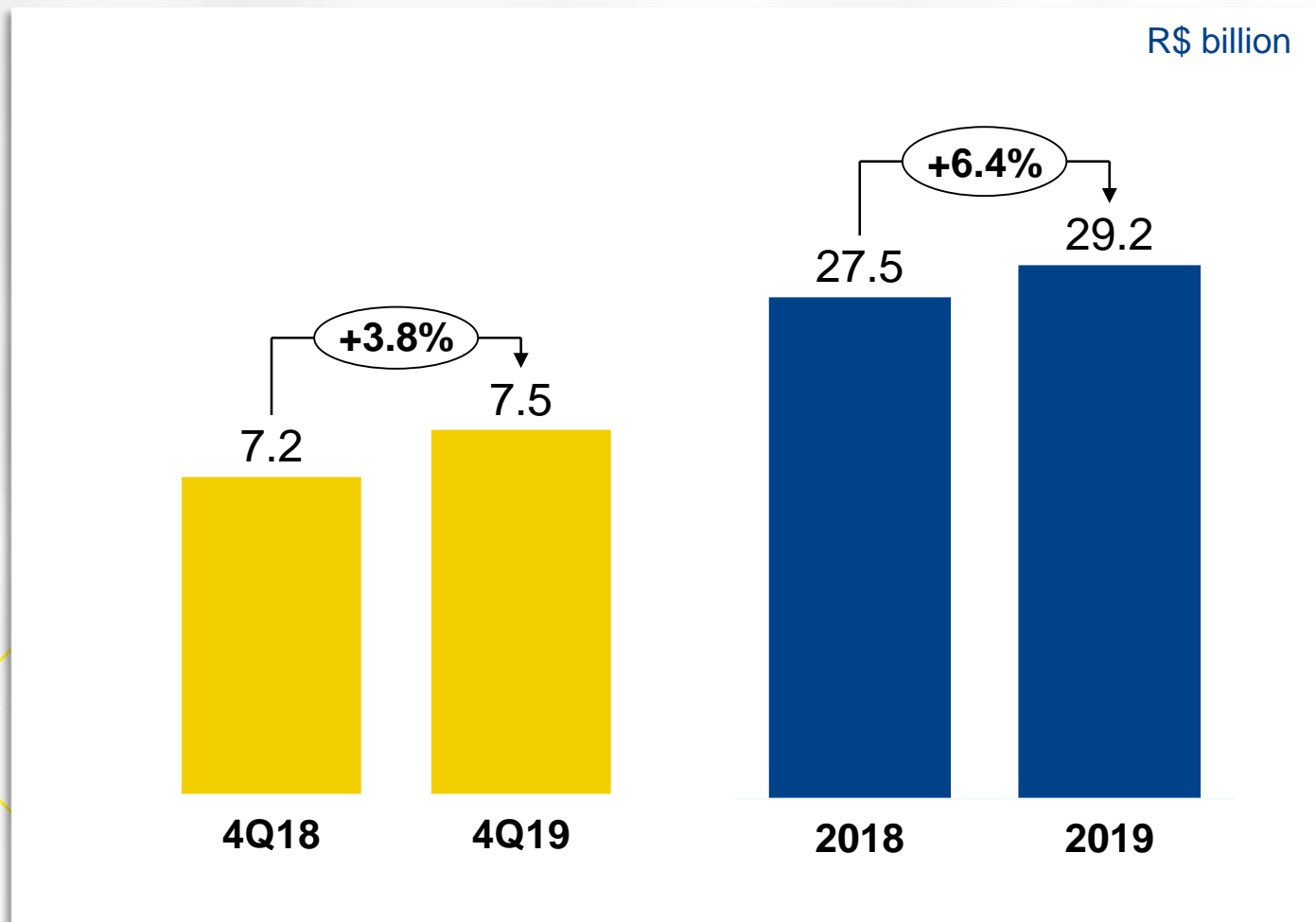
Net Interest Margin
+30bps 4Q19/4Q18

(1) Net interest income / average balance of earnings assets, annualized. It does not include recovery of write-offs.

(2) The rate results from the managerial financial margin divided by respective average balances. (3) It does not include government operations.

Fee Income

(2019 vs 2018)

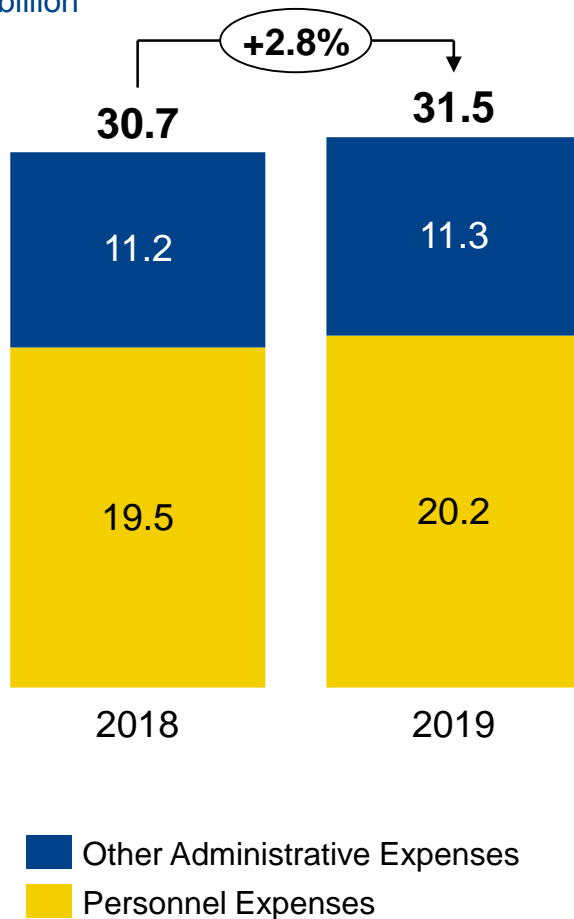


Highlights 2019 / 2018

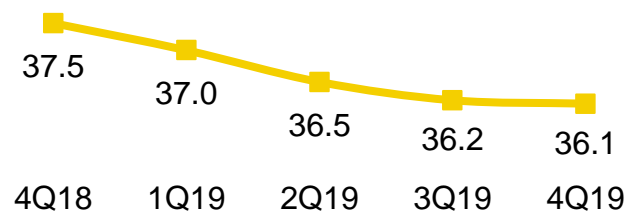
- ☐ Consortium **+29.9%**
- ☐ Capital Market **+23.7%**
- ☐ Insurance, Pension and Premium Bonds **+18.0%**
- ☐ Checking Account **+6.3%**
- ☐ Asset Mgmt. **+6.2%**

Administrative Expenses and Cost-to-Income Ratio

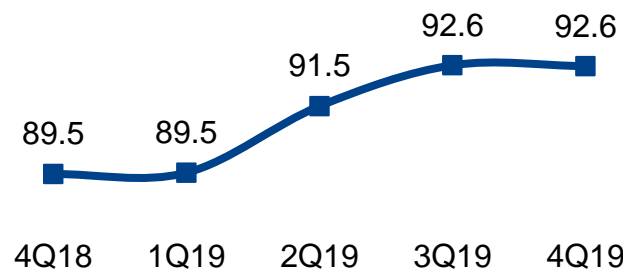
R\$ billion



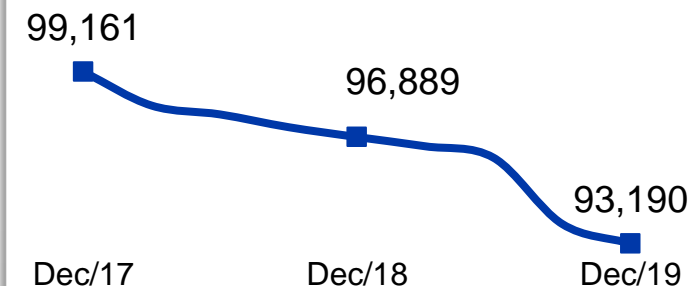
Cost-to-Income Ratio (12 months)^{1 3}



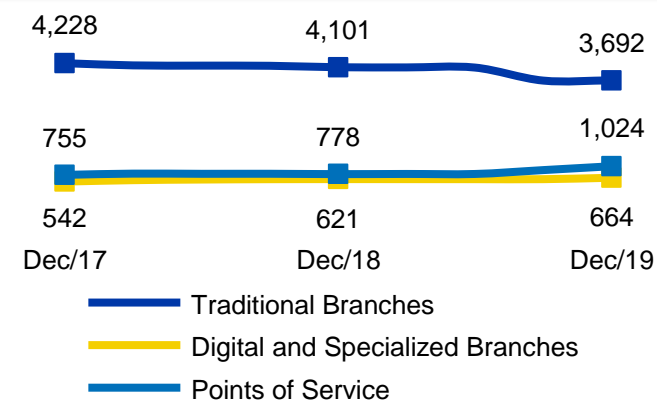
Coverage Ratio (12 months)^{2 3}



Number of Employees



Number of Branches



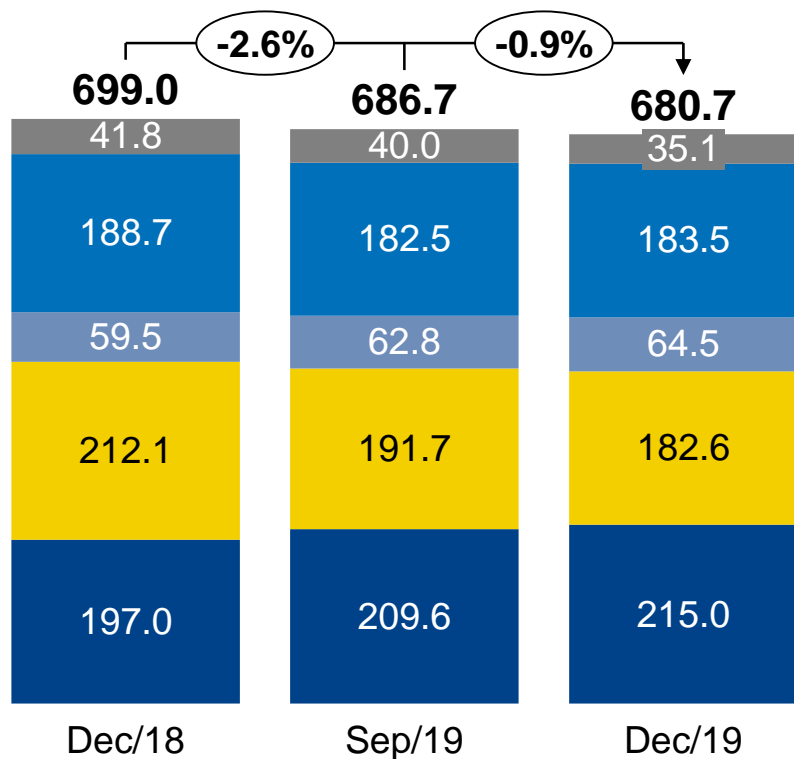
(1) Administrative Expenses / Operating Revenues, 12 months accumulated. Data refers to the income statement with reallocations.

(2) Fee Income / Administrative Expenses, 12 months accumulated. Data refers to the income statement with reallocations.

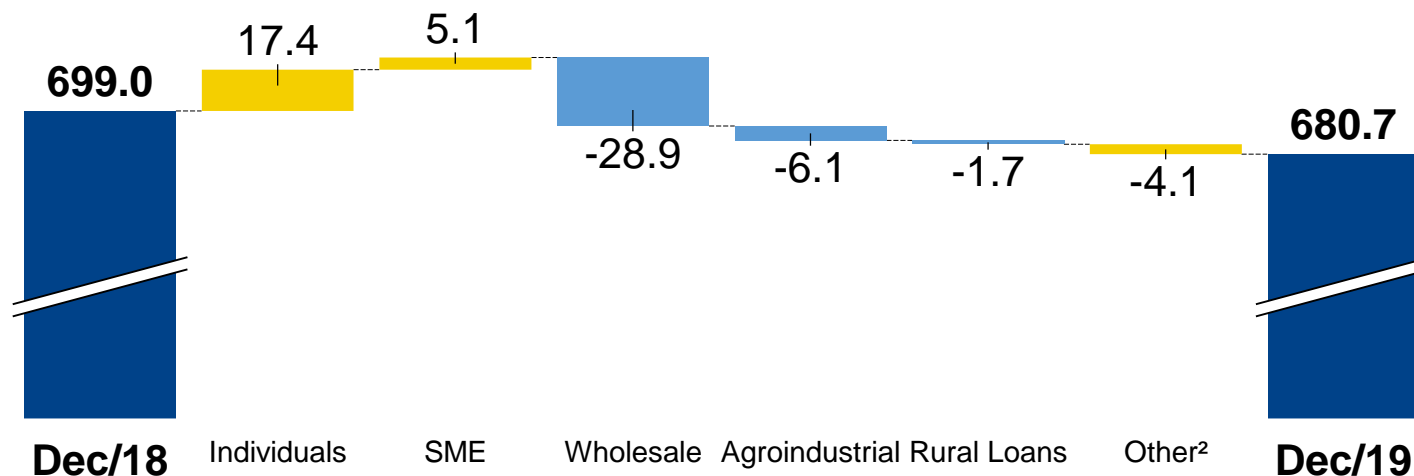
(3) Simulation where the expenses from the statutory reform of Cassi, which impacted the 4Q19, are allocated throughout the year.

Loan Portfolio¹

R\$ billion



R\$ billion



Percentage of the Loan Portfolio

Retail Operations
(Individuals + SME)

36.7%

Dec/18

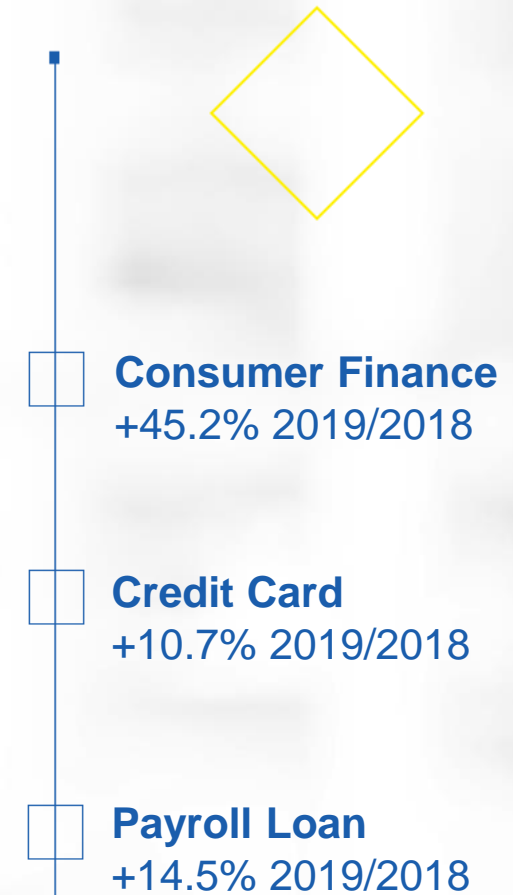
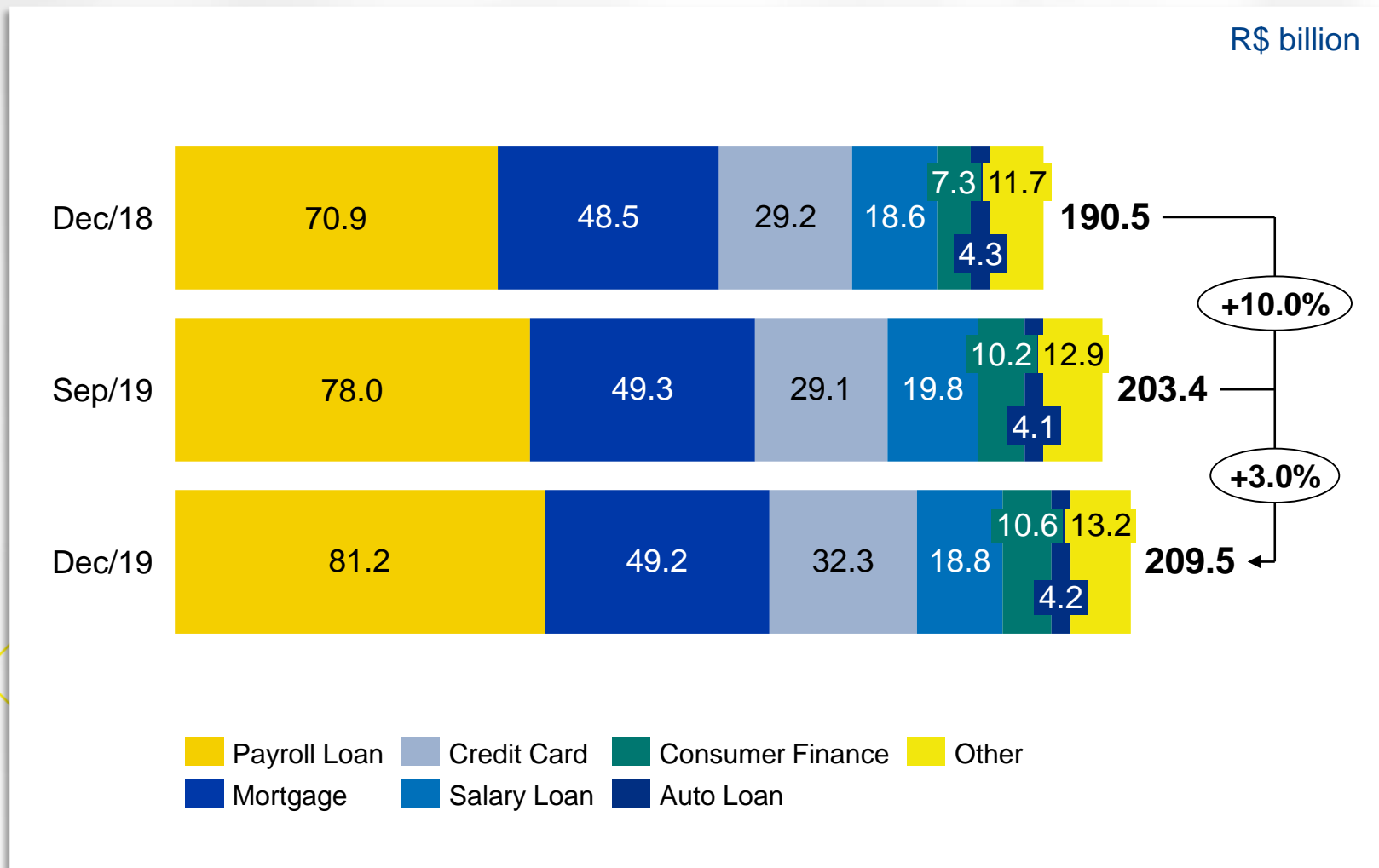
41.1%

Dec/19

(1) It includes private securities and guarantees provided.

(2) Variation in the government and abroad portfolios and guarantees.

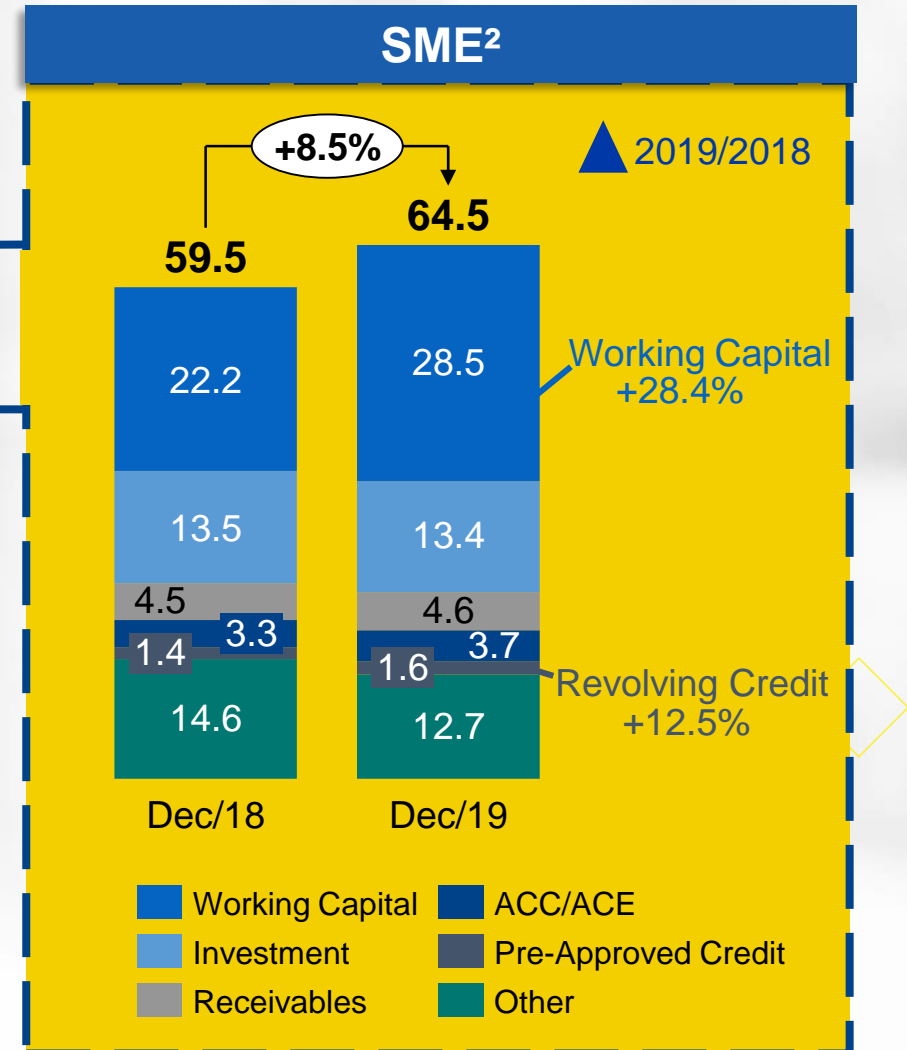
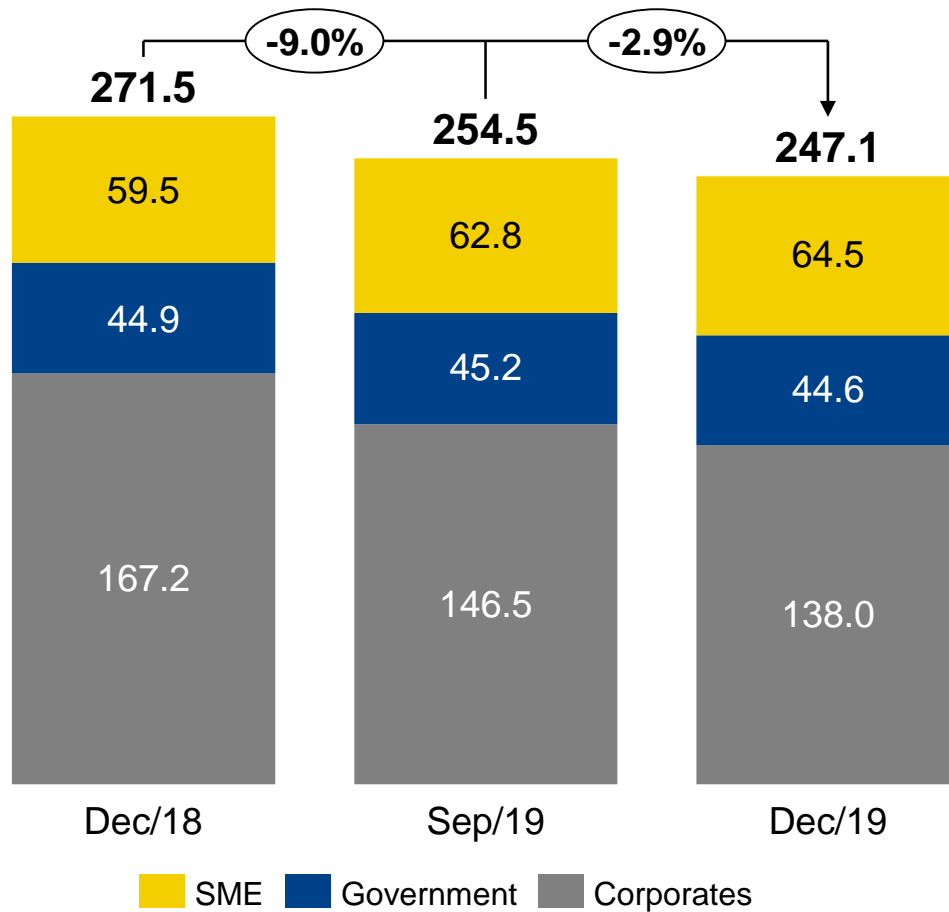
Individuals Loan Portfolio¹



(1) It considers the organic Loan Portfolio.
 (2) It includes Consumer Finance and Salary Loan.

Companies Loan Portfolio¹

R\$ billion



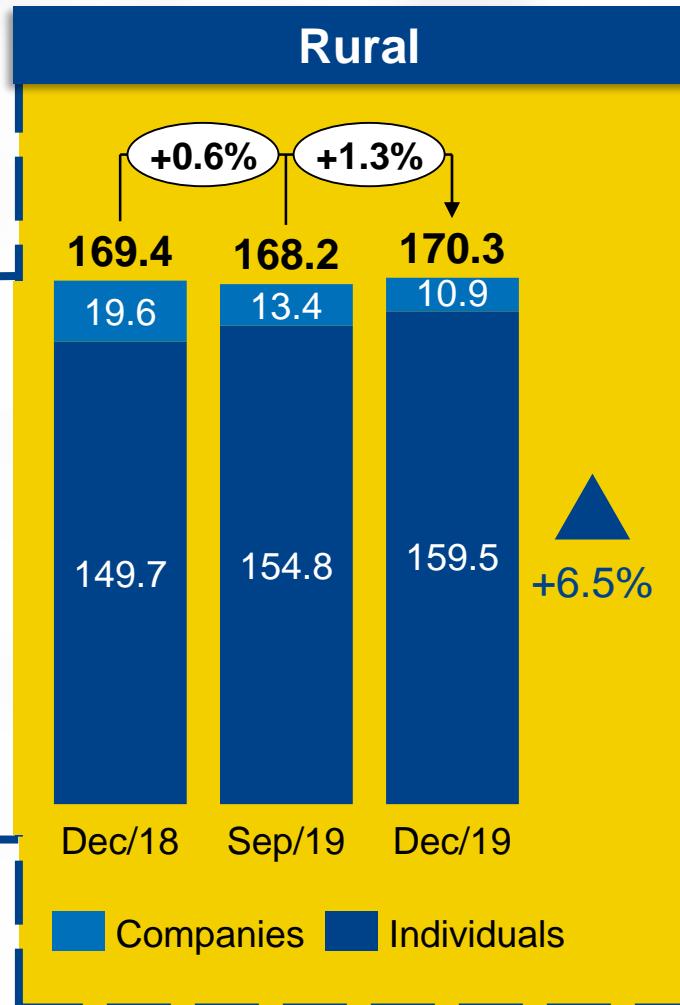
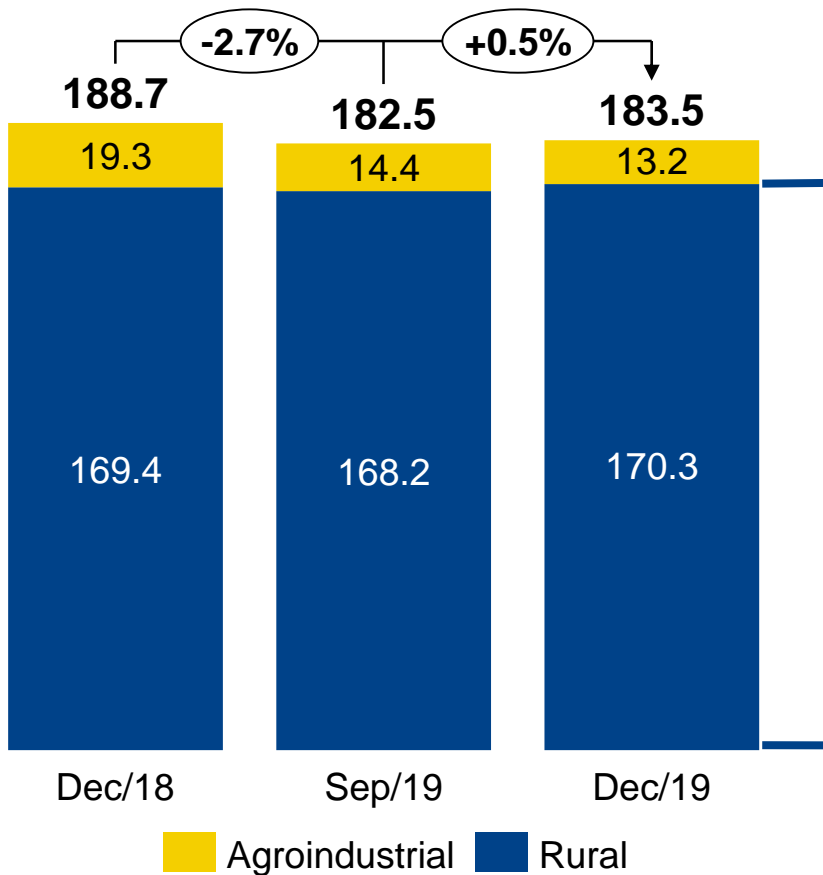
(1) Expanded view. It includes private securities and guarantees provided.

(2) Companies with gross revenue up to R\$ 200 million.



Agribusiness Loans¹

R\$ billion



64,4% Rural Credit Market Share

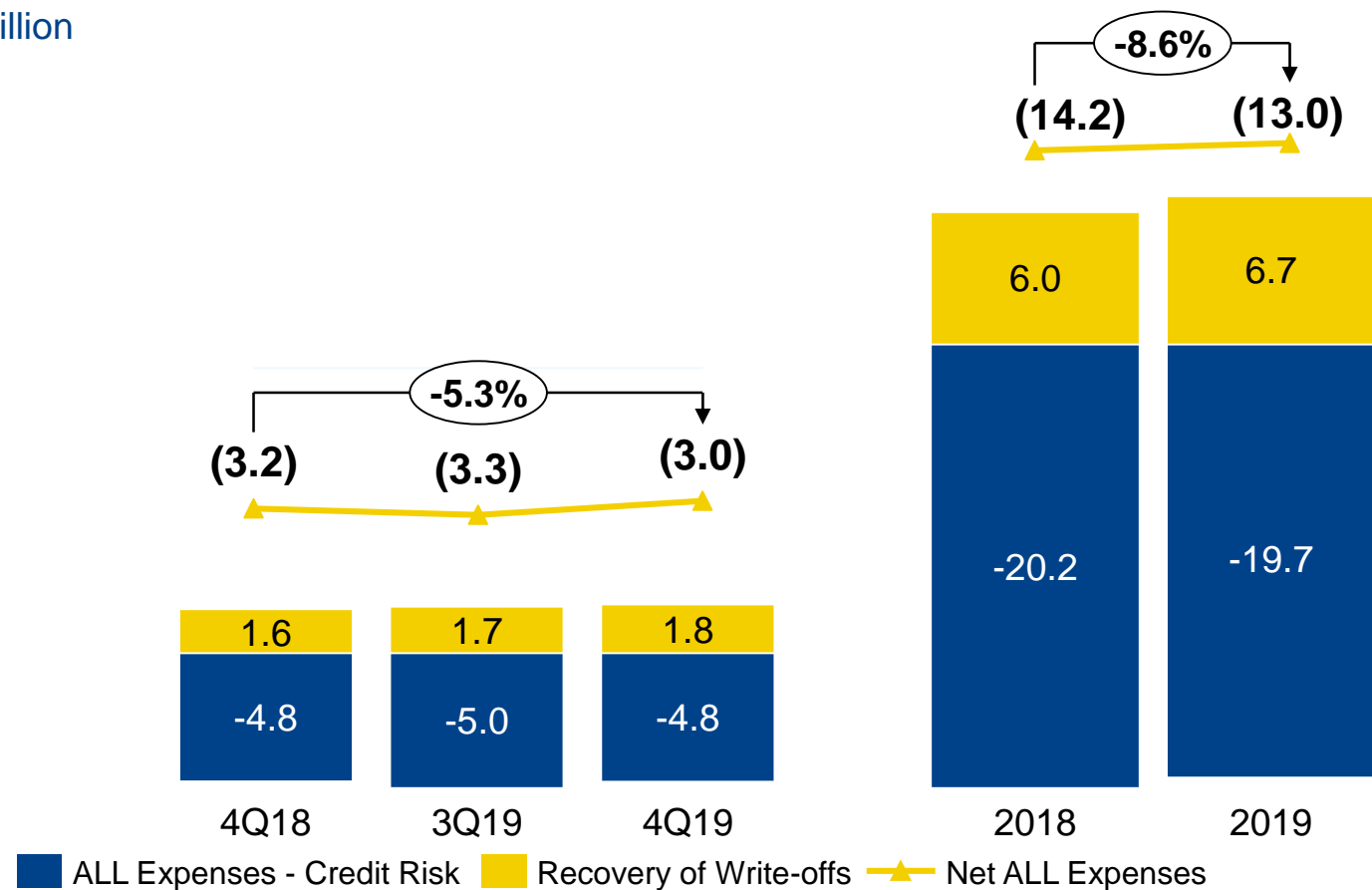
10% increase in the disbursements for individuals in 2019

(1) It includes Rural Product Bills and guarantees provided.

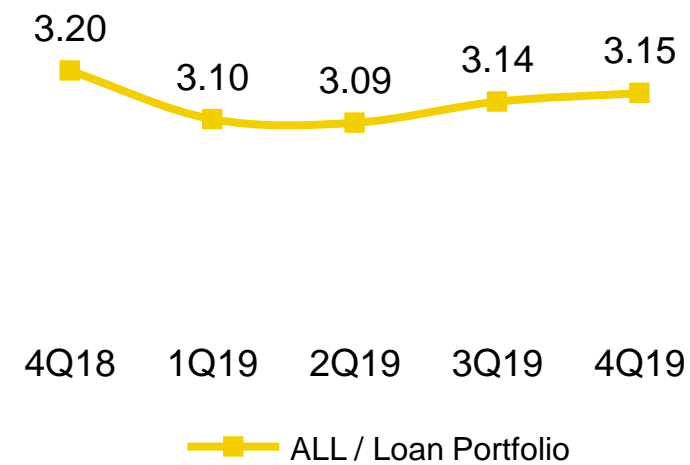
ALL Expenses

ALL Expenses¹

R\$ billion



Cost of Risk² (%)

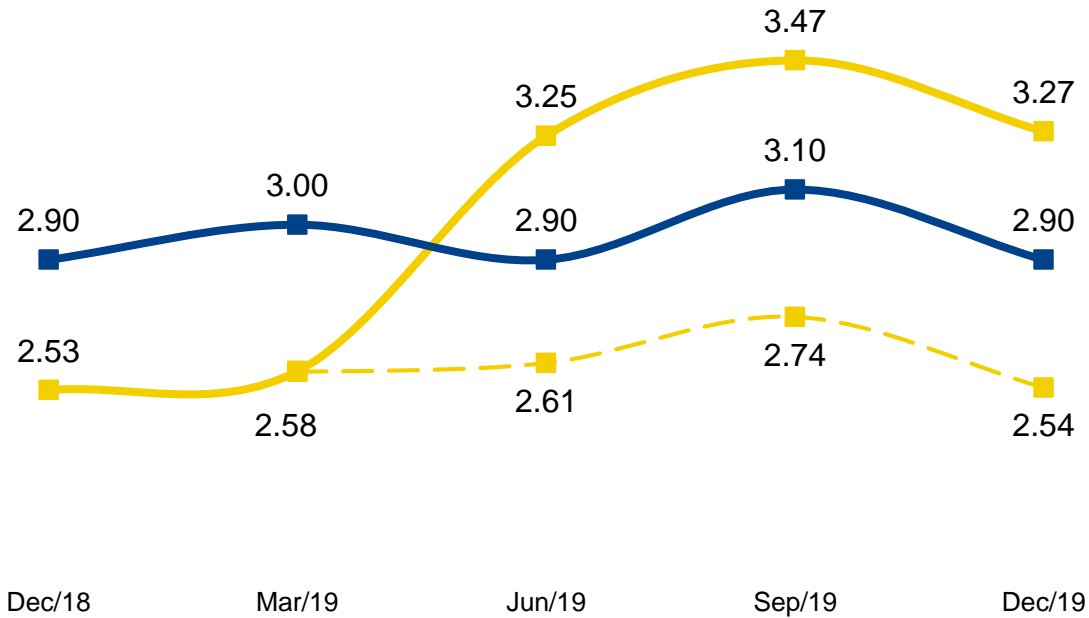


(1) Allowance for Loan and Lease Losses Expenses Net of Recovery of Write-offs. (2) ALL expenses accumulated in 12 months / 12 months Average Loan Portfolio.

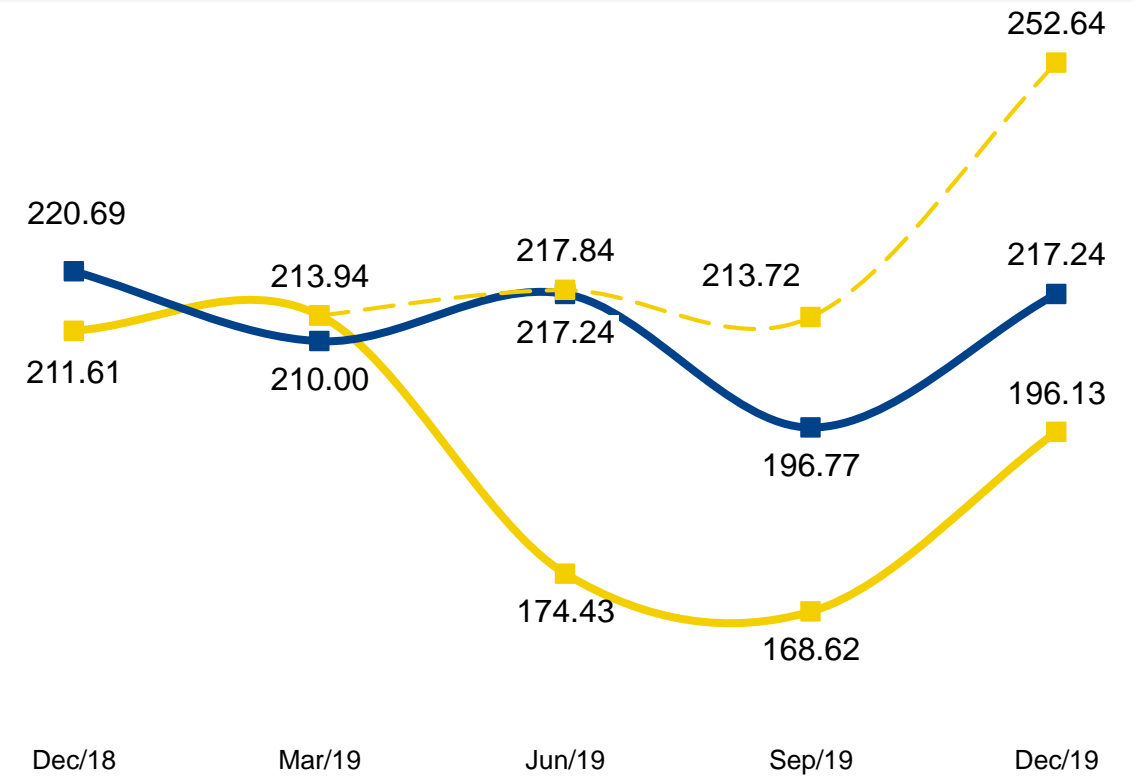
Credit Quality

Total Portfolio

NPL +90 days (%)



Coverage Ratio (%)



—■— BB —■— Banking Industry —■— BB ex-specific case

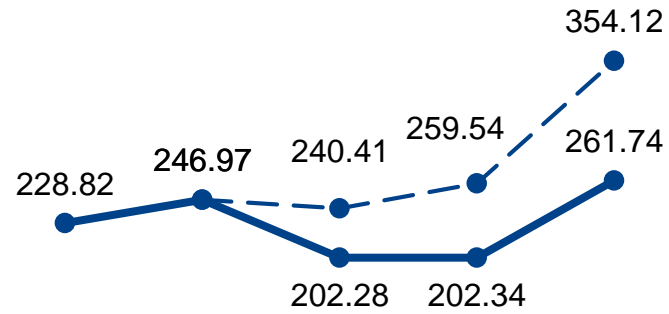
Credit Quality by Segment

Coverage (%)

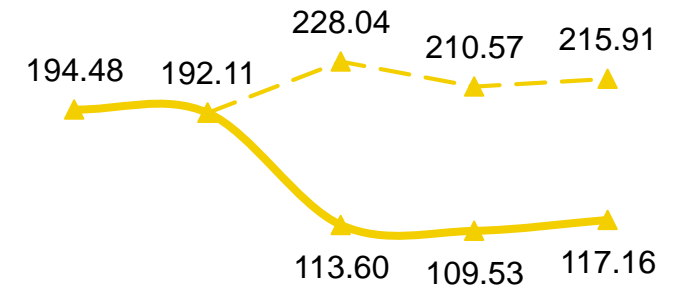
Individuals



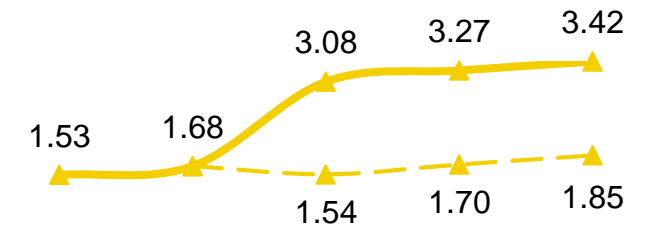
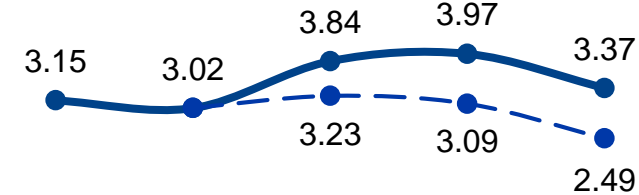
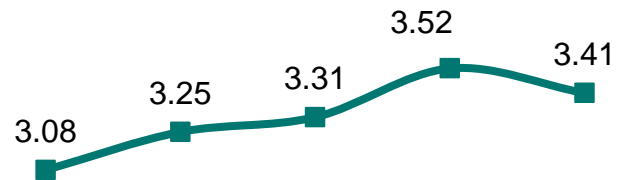
Companies



Agribusiness

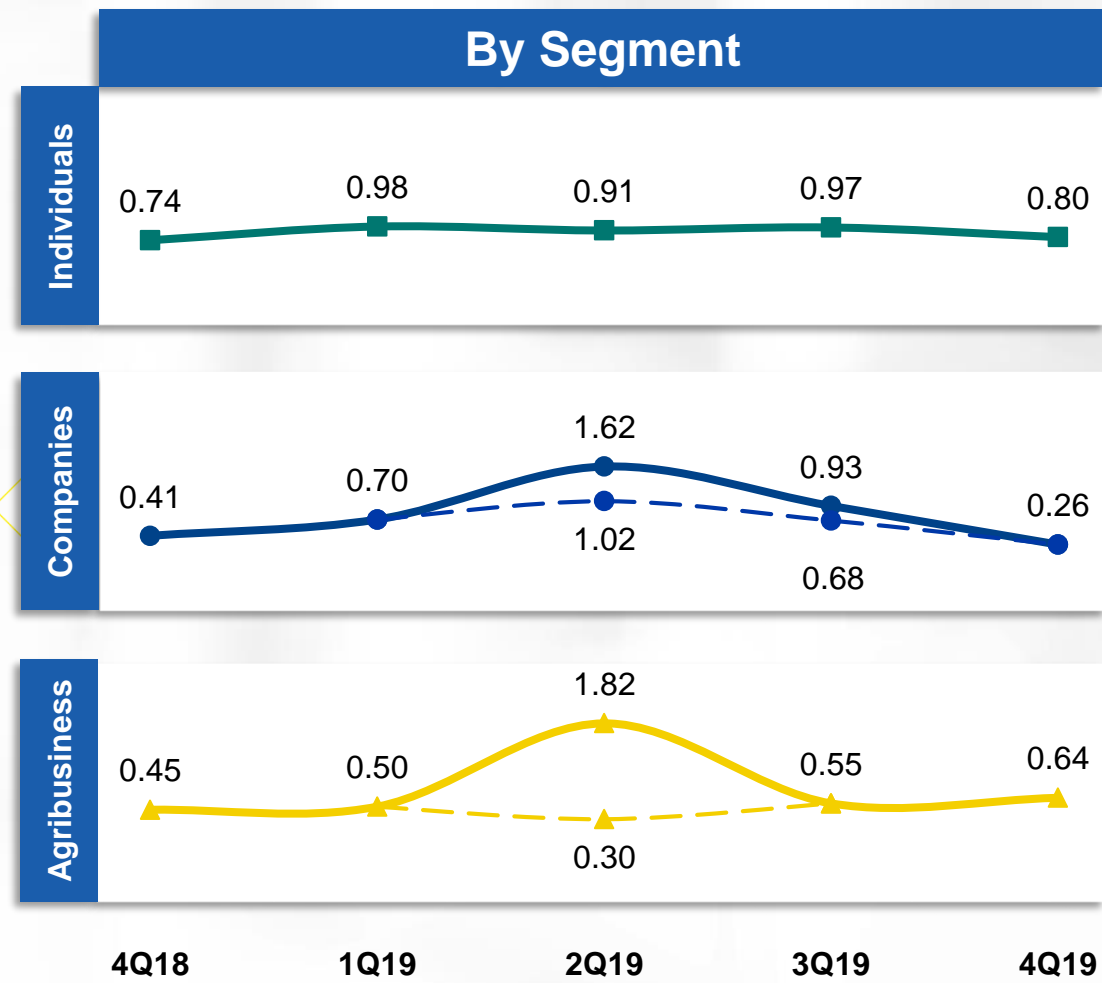
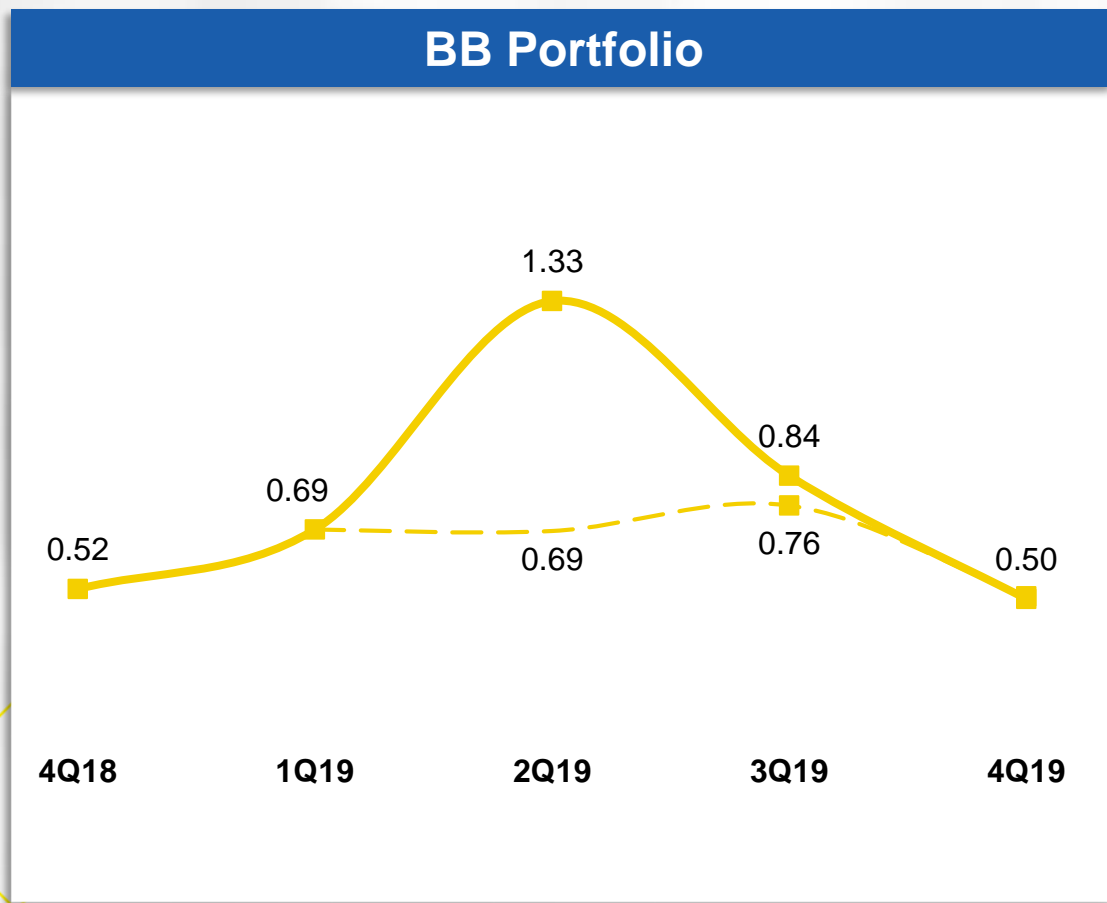


NPL +90 days (%)



--- Ex-specific case

New NPL¹

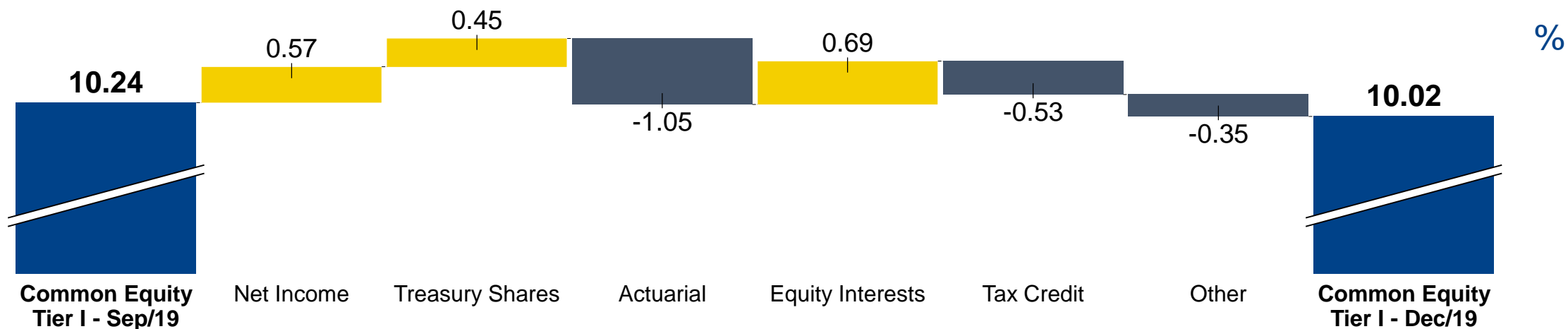
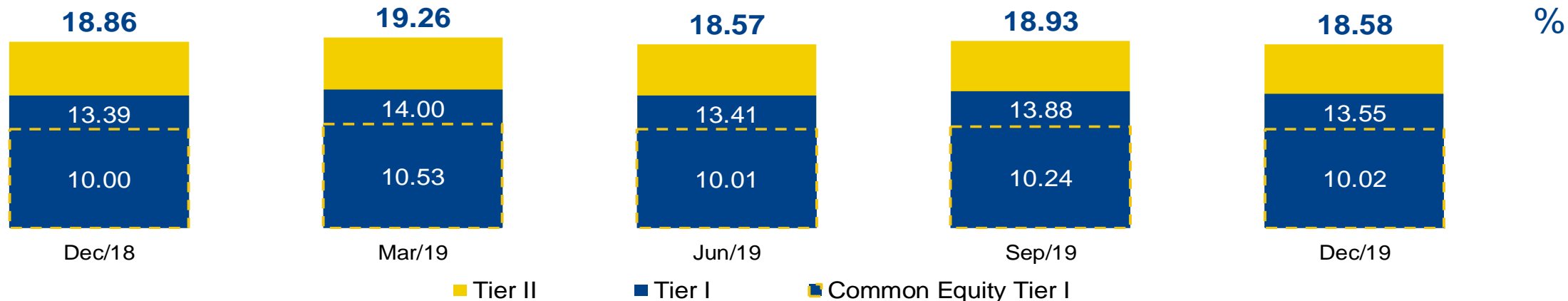


--- Ex-specific case

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

Capital

Minimum CET1 of 11% in January/2022



ESG

Classified Loan
portfolio
R\$ 621.3 bn

Green portfolio
R\$ 188.5 bn
30.3% of the
portfolio

Market Indexes

MEMBER OF
**Dow Jones
Sustainability Indices**

In collaboration with 
a RobecoSAM brand



FTSE4Good

ISEB3



DESTAQUE
EM GOVERNANÇA
DE ESTATAIS

[B]³
BRASIL
BOLSA
BALCÃO

Índice
Carbono
Eficiente **IC02**

IG SEST
NÍVEL 1

Reward and Recognition 2019/2020

 **SAM** | Sustainability Award
Gold Class 2020

Global 100

GUIDANCE 2019



Guidance	2019	2019 Performance
Adjusted Net Income – R\$ billion	16.5 to 18.5	17.8 ✓
NII - %	3.0 to 7.0	6.4 ✓
Loan Portfolio ^{1 2} - %	-2.0 to 1.0	-1.6 ✓
Individuals - %	8.0 to 11.0	10.3 ✓
Companies ² - %	-13.0 to -10.0	-12.3 ✓
Rural loans - %	0.5 to 3.0	0.6 ✓
ALL Expenses ³ – R\$ billion	-14.5 to -11.5	-13.0 ✓
Fee Income - %	5.0 to 8.0	6.4 ✓
Administrative Expenses - %	2.0 to 5.0	2.8 ✓

(1) Organic Domestic Loan Portfolio with private securities and guarantees.
 (2) Government operations are not included. (3) Net of Recovery of Write-Off.

GUIDANCE 2020



Guidance	2020
Adjusted Net Income – R\$ billion	18.5 to 20.5
NII - %	2.0 to 5.0
Loan Portfolio ^{1 2} - %	5.5 to 8.5
Retail ³ - %	10.0 to 13.0
Wholesale ⁴ - %	2.0 to 5.0
Rural Loans - %	1.0 to 4.0
ALLL Expanded View - R\$ billion	10.0 to 13.0
Fee Income - %	1.0 to 4.0
Administrative Expenses - %	2.5 to 4.5

(1) Organic Domestic Loan Portfolio with private securities and guarantees. (2) Government operations not included. (3) It considers Individuals and SME, with annual revenues of up to R\$200 million. (4) It considers Corporates with annual revenues greater than R\$200 million and Agribusiness Loans to Companies.

Appendix

4Q19 Earnings Release

23 Net Income Breakdown

24 Income Statement with
Reallocations

25 One-off Items

26 Net Interest Income

27 Commercial Funding

28 ALL Provision

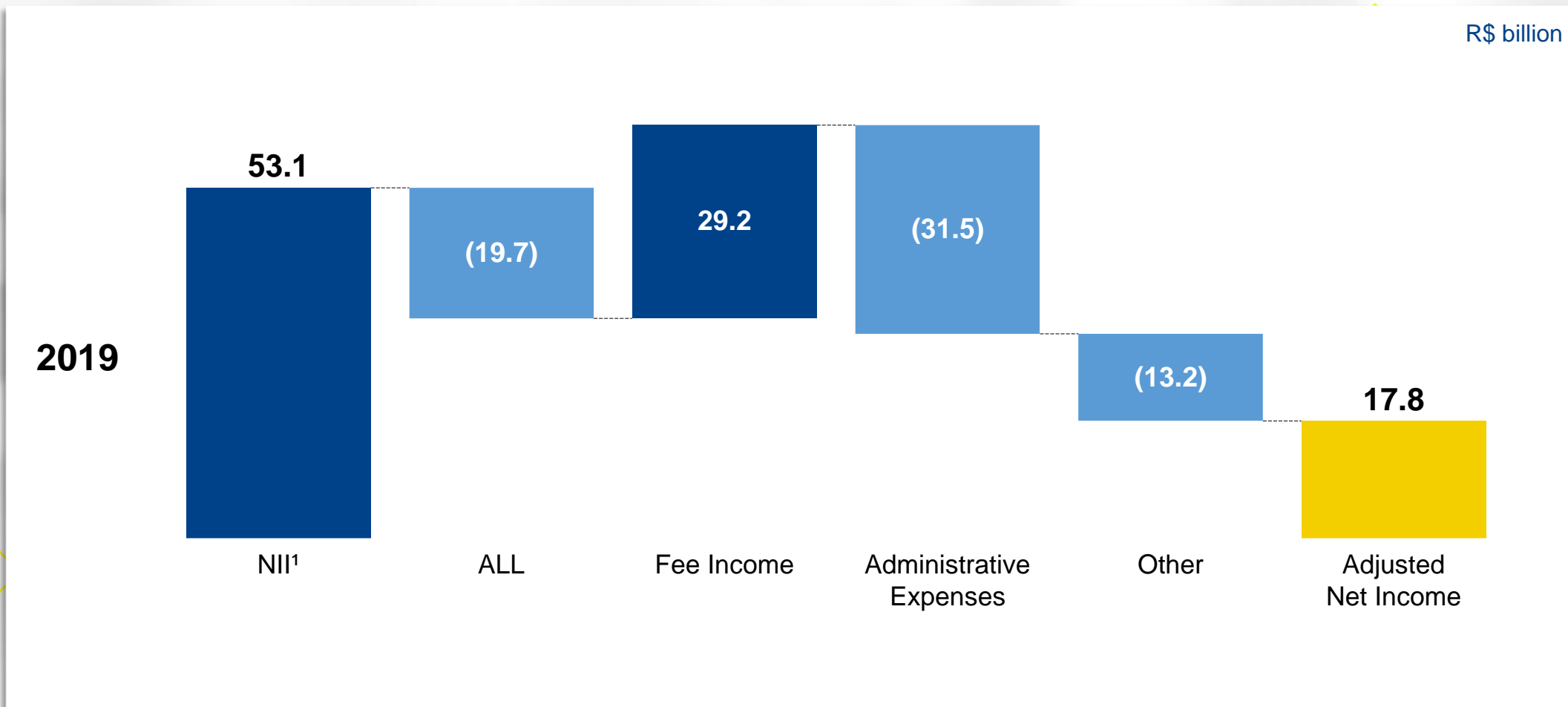
29 Loan Portfolio by Risk Level

30 Renegotiated Overdue Loan
Portfolio

31 Portfolio Delinquency by Lines

32 Vintages

Net Income Breakdown



(1) NII net of recovery or White-offs.

Income Statement with Reallocations

Main Lines

R\$ million	4Q18	3Q19	4Q19	Chg. (%) on 4Q18	Chg. (%) on 3Q19	2018	2019	Chg. (%) on 2018
Net Interest Income	12,570	13,260	14,024	11.6	5.8	49,911	53,086	6.4
Allowance for Loan Losses	(3,168)	(3,316)	(2,999)	-5.3	-9.6	(14,221)	(13,003)	-8.6
ALL Expenses - Credit Risk	(4,788)	(5,037)	(4,804)	0.3	-4.6	(20,229)	(19,748)	-2.4
Credit Recovery	1,620	1,721	1,805	11.4	4.9	6,008	6,745	12.3
Net Financial Margin	9,402	9,944	11,025	17.3	10.9	35,689	40,084	12.3
Fee income	7,236	7,466	7,508	3.8	0.6	27,452	29,209	6.4
Contribution Margin	15,480	16,456	17,278	11.6	5.0	58,552	64,834	10.7
Administrative Expenses	(7,923)	(7,710)	(8,611)	8.7	11.7	(30,679)	(31,537)	2.8
Commercial Income	7,430	8,629	8,543	15.0	-1.0	27,332	32,799	20.0
Other Operating Income	395	(340)	(661)	-	94.2	(90)	(728)	-
Income Before Taxes	6,604	6,398	6,570	-0.5	2.7	23,319	25,038	7.4
Income and Social Contribution Taxes	(1,989)	(850)	(868)	-56.4	2.1	(6,696)	(3,140)	-53.1
Statutory Profit Sharing	(488)	(584)	(614)	25.8	5.1	(1,715)	(2,347)	36.8
Adjusted Net Income	3,845	4,543	4,625	20.3	1.8	13,513	17,848	32.1
One-Off Items	(42)	(287)	1,069	-	-	(651)	315	-
Net Income	3,803	4,256	5,694	49.7	33.8	12,862	18,162	41.2

One-off Items

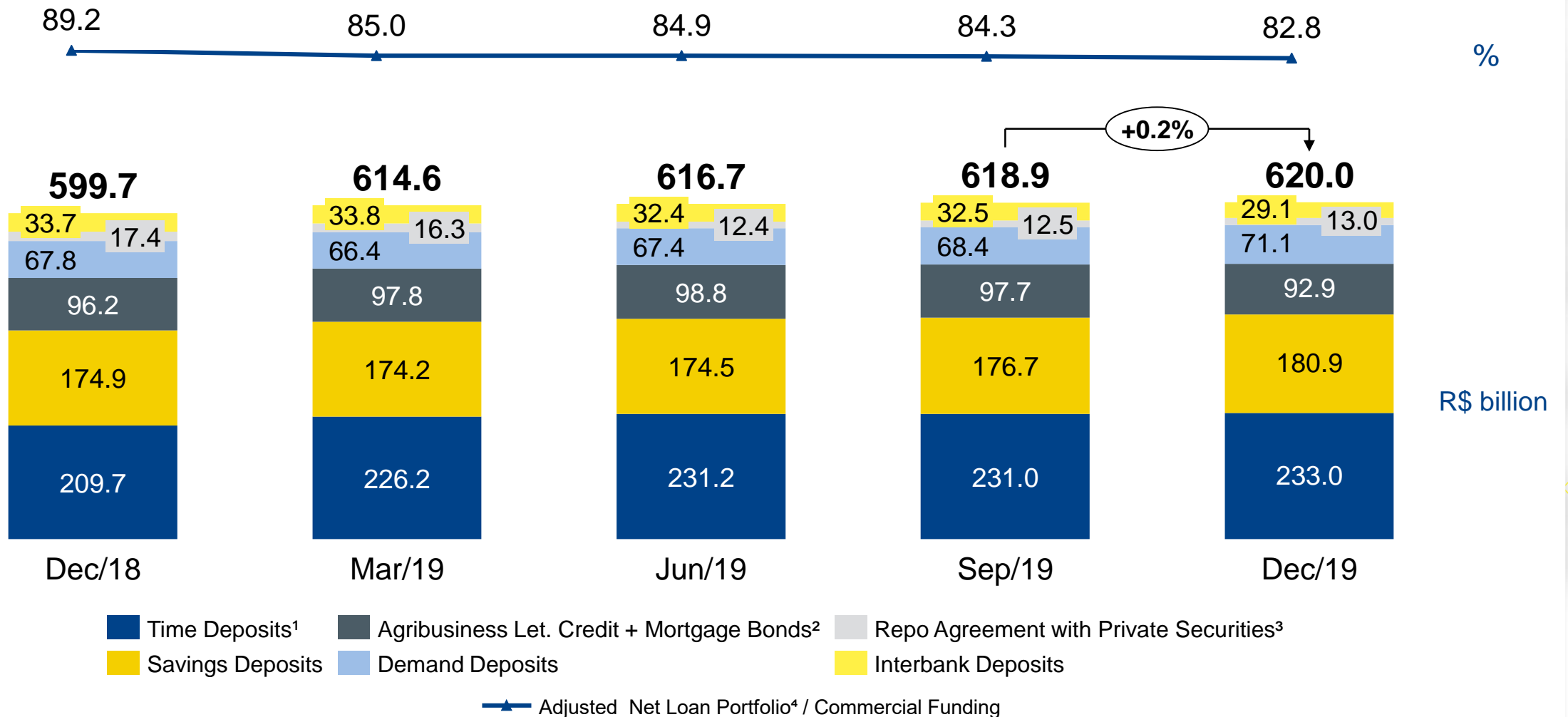
R\$ million	4Q18	3Q19	4Q19	Chg. (%) on		2018	2019	Chg. (%) on
	4Q18	3Q19	4Q19	4Q18	3Q19	2018	2019	2018
Adjusted Net Income	3,845	4,543	4,625	20.3	1.8	13,513	17,848	32.1
One-Off Items	(42)	(287)	1,069	-	-	(651)	315	-
Economic Plans	(547)	(993)	(1,270)	132.4	28.0	(2,033)	(3,274)	61.1
Extraordinary Provision for Lawsuits	(633)	11	(2,195)	-	-	(621)	(2,161)	-
Provision Legal Law suits – Adjustment of Parameters	-	-	-	-	-	-	(1,579)	-
Tax Credit	-	-	-	-	-	-	1,034	-
Tax Credit on CSLL	-	-	4,973	-	-	-	4,973	-
BB Seguridade - Premium and Brokerage Adjustments	-	-	-	-	-	75	-	-
Real Estate exchange with the Federal Government	-	-	-	-	-	162	-	-
Sales of Investment - Mapf re BB SH2	776	-	-	-	-	776	-	-
Program conciliation with Government.	411	-	-	-	-	411	-	-
One-Of f Items - BB Seguridade	(82)	-	-	-	-	(82)	-	-
Sales of Investment - IRB-Brasil Resseguros S.A.	-	2,733	-	-	-	-	2,733	-
Staff Adequacy Program - PAQ	-	(250)	-	-	-	-	(250)	-
Intangible Assest Impairment - VRN	-	(983)	-	-	-	-	(983)	-
Securities Impairment	-	(853)	-	-	-	-	(853)	-
Prudential ALL	-	-	(2,934)	-	-	-	(2,934)	-
Tax Eff. and Stat. Prof. on One-Off Items	32	49	2,495	-	-	660	3,609	-
Net Income	3,803	4,256	5,694	49.7	33.8	12,862	18,162	41.2

Net Interest Income

R\$ million	4Q18	3Q19	4Q19	Chg. (%) on		2018	2019	Chg. (%) on
	4Q18	3Q19	4Q19	4Q18	3Q19	2018	2019	2018
Net Interest Income	12,570	13,260	14,024	11.6	5.8	49,911	53,086	6.4
Loan Operations	18,533	18,222	18,157	-2.0	-0.4	73,969	73,411	-0.8
Funding Expenses	(6,437)	(6,213)	(5,308)	-17.5	-14.6	(24,594)	(24,481)	-0.5
Financial Expense for Institutional Funding ¹	(2,576)	(2,458)	(2,429)	-5.7	-1.2	(10,887)	(9,863)	-9.4
Treasury ²	3,051	3,710	3,604	18.1	-2.9	11,422	14,020	22.7

(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.

Commercial Funding

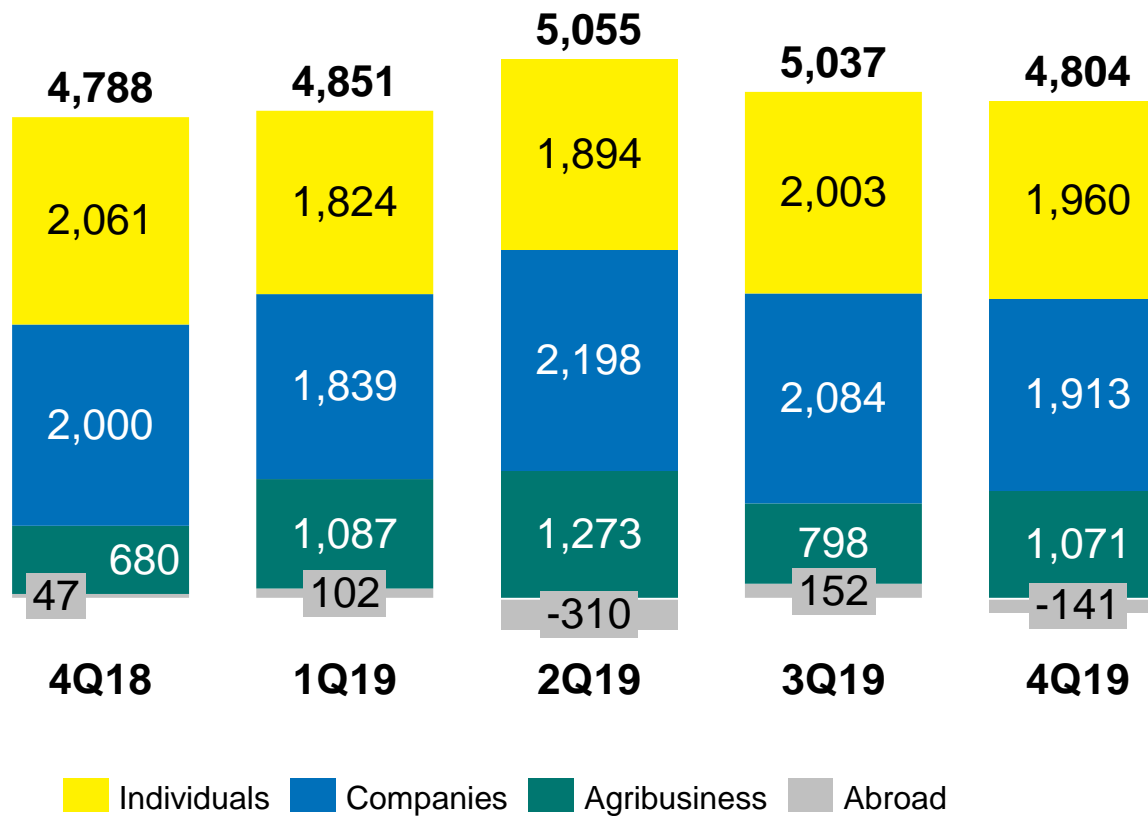


(1) It includes Other Deposits. (2) It includes the balance of CRI (Certificates of Real Estate Receivables). (3) It includes part of the balances of the Private Securities shown on Notes to the Consolidated Financial Statements. (4) It does not include the domestic onlending loans.

ALL Provision¹

By segment

R\$ million



2,934

1,248

1,116

570

4Q19
Extraordinary
Prudential ALL
Provision

(1) It does not include Recovery of Write-offs.

Loan Portfolio by Risk Level¹

R\$ million

	Dec/18						Sep/19						Dec/19				
	Balance	Provision			Share %		Balance	Provision			Share %		Balance	Provision			Share %
		Minimum	Supplementary	Required				Minimum	Supplementary	Required				Minimum	Supplementary	Required	
AA	332,130	0	0	0	51.7		306,385	0	0	0	48.9		294,239	0	0	0	47.4
A	66,603	333	38	371	10.4		64,831	324	38	363	10.4		66,828	334	42	376	10.8
B	138,889	1,389	485	1,874	21.6		145,473	1,455	512	1,967	23.2		150,152	1,502	543	2,045	24.2
C	54,055	1,622	1,104	2,726	8.4		57,771	1,733	1,337	3,070	9.2		58,086	1,743	1,383	3,125	9.3
D	13,106	1,311	596	1,907	2.0		10,591	1,059	186	1,245	1.7		9,997	1,000	196	1,196	1.6
E	8,995	2,699	16	2,715	1.4		8,469	2,541	25	2,565	1.4		6,820	2,046	9	2,055	1.1
F	4,399	2,199	45	2,244	0.7		7,663	3,832	32	3,864	1.2		3,781	1,890	6	1,896	0.6
G	3,944	2,761	3	2,763	0.6		4,552	3,186	5	3,191	0.7		7,785	5,449	1	5,451	1.3
H	19,750	19,750	0	19,750	3.1		20,356	20,356	0	20,356	3.3		23,656	23,656	0	23,656	3.8
Total	641,871	32,063	2,288	34,351	100.0		626,090	34,485	2,136	36,621	100.0		621,345	37,620	2,180	39,800	100.0
AA-C	591,677	3,344	1,627	4,971	92.2		574,460	3,512	1,887	5,399	91.8		569,306	3,578	1,968	5,546	91.6
D-H	50,194	28,719	660	29,379	7.8		51,630	30,973	248	31,222	8.2		52,039	34,042	212	34,254	8.4

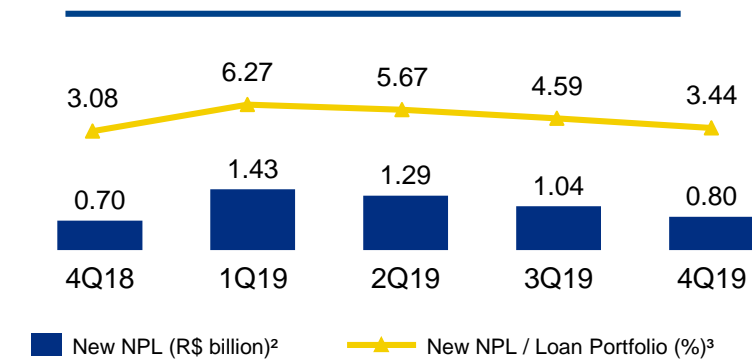
(1) BB Classified Loan Portfolio.

Renegotiated Overdue Loan Portfolio

R\$ million

	4Q18	3Q19	4Q19
Credits Renegotiated When Past Due - Changes			
Initial Balance	22,911	22,669	23,141
Contracts	2,576	2,756	3,242
Amortization Net of Interest ¹	(1,290)	(1,213)	(1,531)
Write-Off	(1,323)	(1,071)	(1,194)
Past due Renegotiated Loan Portfolio (A)	22,874	23,141	23,657
ALL Balance (B)	12,234	12,249	12,804
NPL + 90 days (C)	3,857	3,554	3,156
Indicators - %			
ALL / Loan Portfolio (B/A)	53.5	52.9	54.1
NPL + 90 days / Loan Portfolio (C/A)	16.9	15.4	13.3
ALL Balance/NPL + 90 days (B/C)	317.2	344.7	405.6
Credits Renegotiated/Classified Loan Portfolio	3.6	3.7	3.8

4Q19		
Credits Renegotiated	Contracts	%
0 to 14 days Past due	808	24.93
15 to 90 days Past due	968	29.85
Over 90 days Past due	930	28.68
Written-Off Recovery	536	16.54
Total	3,242	100



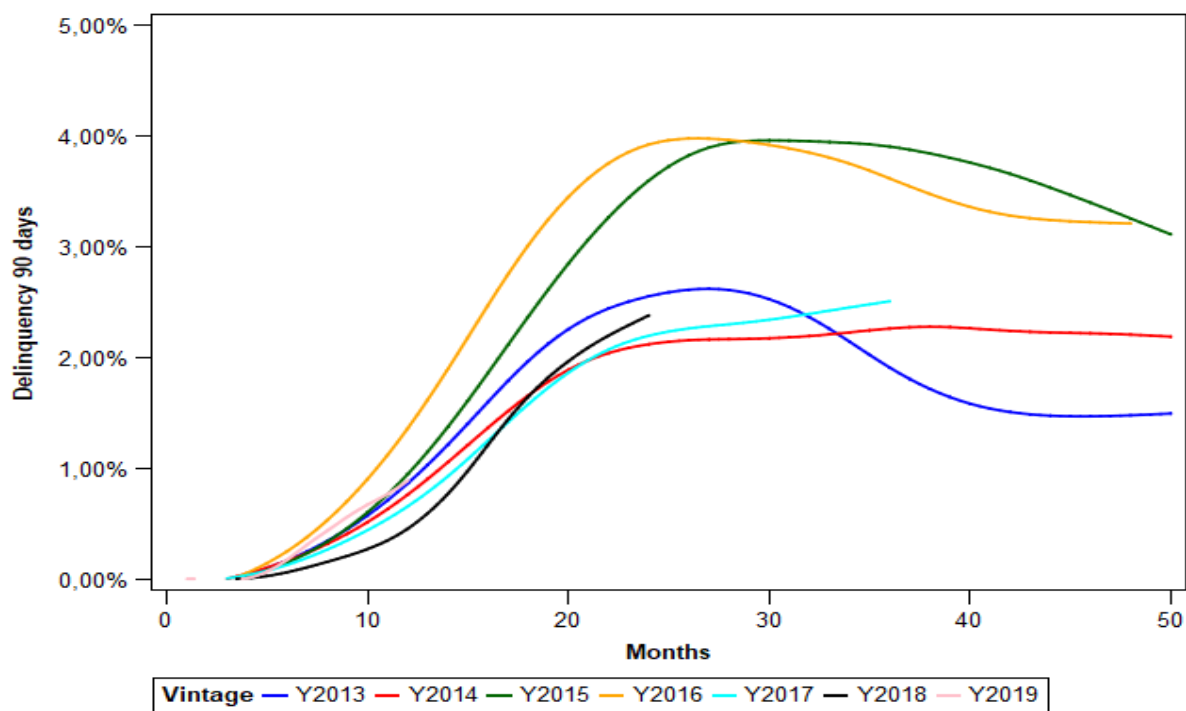
(1) Principal and interest payments net of interest accrued in the period. (2) Quarterly change in the balance of over 90 days past due transactions + current quarter write-off. (3) It considers the Classified Loan Portfolio of the previous quarter.

Portfolio Delinquency by Lines

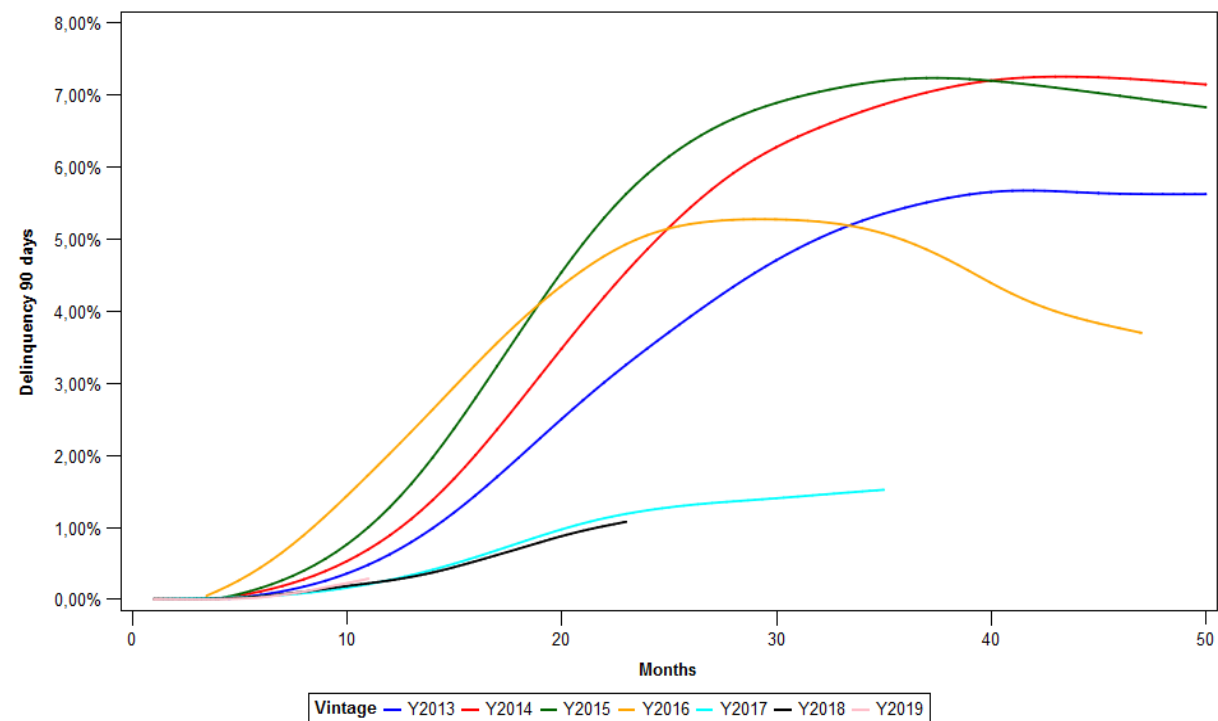
	Dec/18		Sep/19		Dec/19	
	NPL	Share %	NPL	Share %	NPL	Share %
Individuals	3.08	100.00	3.52	100.00	3.41	100.00
Payroll Loan	1.9	36.1	1.7	37.4	1.5	37.9
Mortgage	2.5	24.6	3.1	23.6	2.8	23.0
Credit Card	2.4	14.8	3.3	13.9	3.1	15.1
Salary Loan	4.6	9.5	4.2	9.5	4.5	8.8
Auto Loans	0.9	5.3	1.2	4.6	1.4	4.1
Companies	3.15	100.00	3.97	100.00	3.37	100.00
Working Capital	1.0	49.8	1.9	50.0	1.7	50.1
Investments	0.9	23.2	2.4	24.3	2.4	25.3
FEC/ACE	1.4	8.6	0.2	7.9	0.4	6.2
Receivables	1.0	6.2	1.1	5.7	0.7	6.6
Agribusiness	1.53	100.00	3.27	100.00	3.42	100.00
Pronaf	3.0	23.5	3.4	24.0	3.6	24.7
Working Capital for Input Purchase	0.9	20.2	1.1	20.2	1.2	20.9
Pronamp	2.4	12.5	2.4	12.8	2.7	13.0
BNDES/Finame Rural	1.9	3.4	1.3	3.6	1.8	3.7

Vintages

Annual Vintage – Individuals Loan Portfolio



Annual Vintage – SME Loan Portfolio





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