Earnings Release

1Q19

Banco PAN

São Paulo, May 7, 2019 – Pursuant to legal provisions, Banco PAN S.A. (“PAN”, “Bank”, “Banco PAN” or “Company”) and its subsidiaries announce their results for the quarter ended on March 31, 2019, accompanied by the Independent Auditor’s Report. The Bank’s operating and financial information, except when otherwise stated, is presented based on consolidated figures and in Brazilian reais, pursuant to Brazilian Corporate Law and Brazilian Accounting Practices.

SILENT REVOLUTION and PURSPOSE

In recent years, PAN has carried out a **silent revolution**, restructured its internal services and processes, hired outstanding professionals in their areas of activity and heavily invested in technology. **Through 2019**, it will further expand its portfolio by becoming a **full digital bank** offering **no-fees** checking account and credit card, and several other credit products and services **for low-income individuals** (C, D and E classes), backed by its **expertise in credit**.

Its purpose is to change the view of low-income individuals regarding access to credit and banking services. Thus, PAN has invested in innovation and simplification of its processes, advancing in the **strategy of omnichannel credit origination and without physical limitations,** through **digital and paperless platforms,** offering credit at **competitive rates.** This combination enables **scalability** and **efficiency gains** across multiple channels.

PAN believes to have **competitive advantages** over its direct competitors and new entrants based on three pillars: (i) **available capital and funding**, being the 2nd Brazilian private medium bank in total assets, (ii) **extensive credit experience** for low-income individuals, using non structured data combined with advanced modeling techniques, such as machine learning and (iii) **a broad base and a high organic flow of new clients**.

The Bank manages a portfolio of 4.5 million clients and has captured approximately 130.000 new clients per month during the first quarter of 2019.

FINANCIAL HIGHLIGHTS

- ✓ **Net Income of R$96.1 million in 1Q19,** versus a Net Income of R$73.6 million in 4Q18 and a Net Income of R$56.6 million in 1Q18;
- ✓ **ROE** of 9.3% p.y. in 1Q19, versus a return of 7.2% p.y. in 4Q18 and 6.0% p.y. in 1Q18;
- ✓ **Adjusted ROE** (unaudited) of 21% p.y. in 1Q19, versus a return of 17.3% p.y. in 4Q18 and 15.3% p.y. in 1Q18;
- ✓ **The Credit Portfolio ended 1Q19 at R$21.8 billion,** moving up **6%** over the R$20.6 billion recorded in 4Q18 and **14%** over the R$19.1 billion recorded in 1Q18;
- ✓ **Monthly average retail origination of R$1,590 million in 1Q19,** up **7%** over the R$1.490 million originated in the previous quarter and **3%** over the R$1.539 million recorded in 1Q18;
- ✓ **Managerial Net Interest Margin of 15.0% p.y. in 1Q19,** versus a margin of 15.5% p.y. in 4Q18 and 18.1% p.a. in 1Q18;
- ✓ **Shareholders’ Equity ended the quarter at R$4,154 million and the Basel Ratio at 13.8%.**

MAIN INDICATORS

R$MM	1Q19	4Q18	1Q18	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Retail Origination	4,769	4,468	4,618	7%	3%
Credit Assignments without Recourse	867	900	1,624	-4%	-47%
Total Credit Portfolio	21,754	20,574	19,101	6%	14%
Total Assets	28,514	27,230	25,812	5%	10%
Funding	21,541	20,256	17,924	6%	20%
Shareholders' Equity	4,154	4,096	3,990	1%	4%
Managerial Interest Margin	818	837	905	-2%	-10%
Managerial Interest Margin (% p.y.)	15.0%	15.5%	18.1%	-0.5 p.p.	-3.1 p.p.
Income before Taxes	127.2	135.9	117.4	-6%	8%
Net Income	96.1	73.6	56.6	31%	70%
Accounting ROE (%p.y.)	9.3%	7.2%	6.0%	2.1 p.p.	3.3 p.p.
Adjusted ROE (%p.y.)	21.0%	17.3%	15.3%	3.7 p.p.	5.7 p.p.
Basel Ratio	13.8%	14.1%	14.2%	-0.3 p.p.	-0.4 p.p.
Common Equity Tier I	11.9%	12.2%	11.4%	-0.3 p.p.	0.5 p.p.
Tier II	1.9%	1.9%	2.9%	-	-1.0 p.p.

ECONOMIC ENVIRONMENT

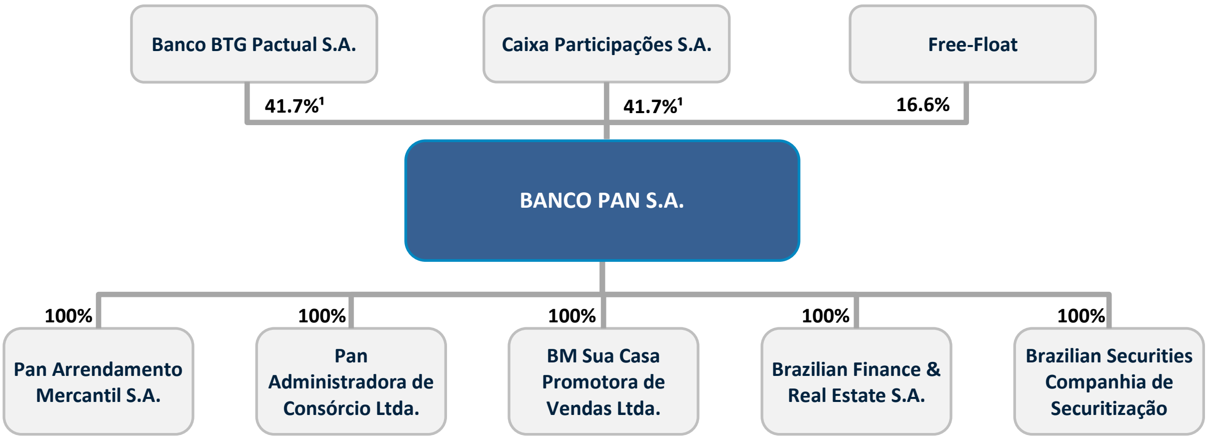
Economic activity indicators point to a weak GDP expansion in the first quarter of 2019. In February, the IBC-Br (economic activity index issued by the Brazilian Central Bank) fell 0.73% in comparison with January, after contracting 0.31% in January. The accumulated 12-month index shows an expansion of 1.21% while, in comparison with the first two months of 2018, the sector registered a growth of 1.66%. Despite the downward revisions on growth, inflation, as measured by the IPCA consumer price index, increased by 0.75% in March, showing an acceleration of 4.58% in the annual comparison.

The Brazilian Central Bank's credit operations report for March was positive, reinforcing the perception of a recovery in the credit market, mainly in the individual segment, but also in the corporate segment, although at a more moderate pace. The balance of credit operations totaled R$3.3 trillion in March, registering a 0.7% growth in the month and 5.7% growth over the last 12 months. Individuals credit loans increased 0.9% in the month and 12.6% in 12 months, reaching a total of R$ 971 billion, with highlights to vehicle financing and consumer loans (payroll-deductible and non-deductible).

As for the labor market, according to the CAGED, the unemployment rate rose to 12.4% (without seasonal adjustment) for the quarter ended in February, reaching 13.1 million individuals. This represents an increase of 892,000 unemployed individuals in the country. During the same period of 2018, the unemployment rate measured by PNAD was 12.6%.

CORPORATE STRUCTURE

Since 2011, PAN is jointly controlled by Caixa Participações S.A. ("CaixaPar"), a fully owned subsidiary of Caixa Econômica Federal (jointly "Caixa conglomerate"), and by Banco BTG Pactual S.A. ("BTG Pactual") through a Shareholders' Agreement valid until February 2027.



[1] Ownership interest after the exercise of the Call Option by CAIXAPAR, related to the right to acquire 50% of the shares subscribed and paid-in by the co-controlling shareholder BTG Pactual within the scope of the Capital Increase in 2018, still pending authorization by the regulatory bodies. Ownership composition prior to the exercise of the option: (i) BTG Pactual S.A.: 50.6%; (ii) CAIXAPAR: 32.8%; (iii) Free-Float: 16.6%.

DISTRIBUTION NETWORK

One of the leading mid-sized retail banks in Brazil, PAN targets on individuals (C, D and E classes, public employees and Social Security retirees and pensioners), offering payroll-deductible loans (personal and credit card loans), used vehicle financing, new motorcycle financing, conventional credit cards and insurance.

With 2,256 employees, PAN has 60 points of service in Brazil's major cities, distributed in accordance with each region's GDP (Southeast: 31, Northeast: 12, South: 9, Midwest: 5 and North: 3).

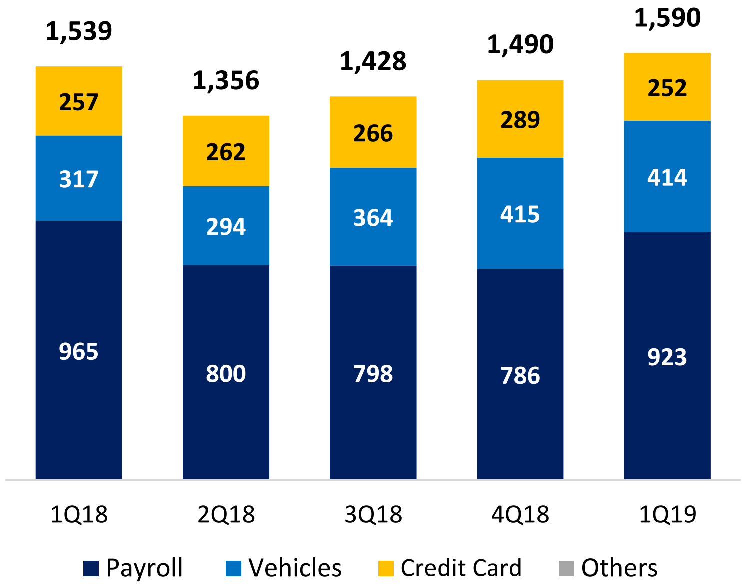
PAN ended the first quarter of 2019 with 656 brokers for payroll-deductible loans and 7,678 multi-brand vehicle dealers.

Asset Origination – Retail

During the first quarter of 2019, PAN originated a monthly average of R$1,590 million in new retail credit, against R$1,490 million in 4Q18 and R$1,539 million in 1Q18. The growth observed in the quarter was driven by payroll-deductible loans, which increased by 17% in the quarter. Over a 12-month period, the increase in origination was driven by vehicle financings, which increased by 31% in the period.

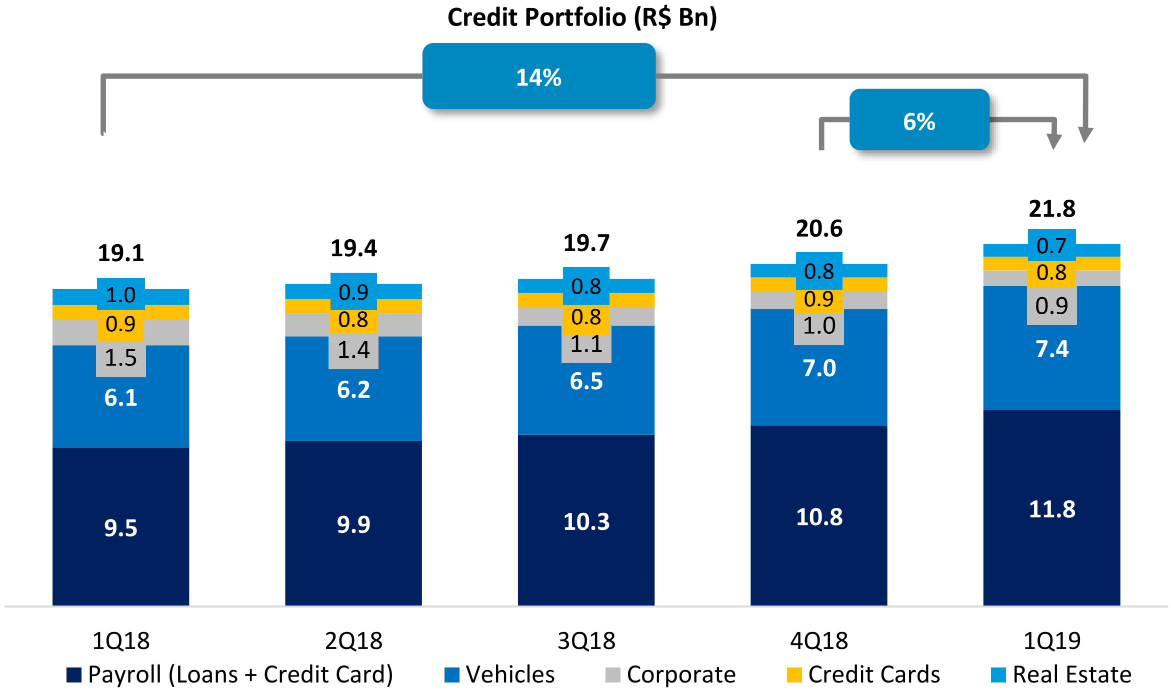
Average Monthly Origination of Retail Products (R$ MM)

Products	1Q19	4Q18	1Q18	Δ 1Q19 / 4Q18	Δ 1Q19 / 1Q18
Payroll Deductible (Loans + Credit Cards)	923	786	965	17%	-4%
Vehicles	414	415	317	-	31%
Credit Cards	252	289	257	-13%	-2%
Total	**1,590**	**1,490**	**1,539**	**7%**	**3%**



Credit Portfolio

Total Credit portfolio ended 1Q19 at R$21,754 million, 6% higher than the R$20,574 million recorded in 4Q18 and 14% higher than the balance of R$19,101 million in 1Q18. The Core portfolio, comprised by payroll-deductible (loans and credit card), vehicle financing and credit cards, increased by 21% over the last 12 months driven by increases in payroll deductible loans and vehicle financings, which grew by 24% and 21%, respectively, during the period. The Corporate and Real Estate Credit portfolios, both in run off, fell by 40% and 24%, respectively, over the last 12 months.



The table below gives a breakdown of the credit portfolio by segment:

R$ MM	1Q19	Share %	4Q18	Share %	1Q18	Share %	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Payroll Deductible (Loans + Credit Cards)	11,751	55%	10,824	53%	9,449	50%	9%	24%
Vehicle Financing	7,411	34%	6,980	34%	6,112	32%	6%	21%
Corporate Loans and Guarantees	930	4%	995	5%	1,545	8%	-6%	-40%
Credit Cards	834	4%	877	4%	872	5%	-5%	-4%
Real Estate	737	3%	802	4%	968	5%	-8%	-24%
Others	91	-	97	-	106	1%	-6%	-14%
Total	**21,754**	**100%**	**20,574**	**100%**	**19,101**	**100%**	**6%**	**14%**

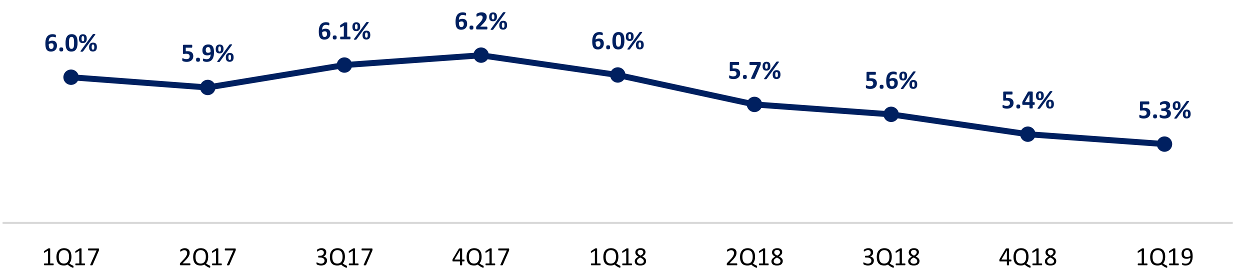
The table below shows the total loan portfolio by maturity on March 31, 2019:

R$ MM	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days	Total
Payroll Deductible Loans	357	514	730	1,311	7,267	10,178
Vehicle Financing	610	642	894	1,554	3,711	7,411
Payroll-Deductible Credit Cards	1,525	22	10	7	9	1,574
Corporate Loans and Guarantees	352	58	63	63	394	930
Credit Cards	466	171	119	71	7	834
Real Estate	180	20	28	100	409	737
Others	8	8	11	19	46	91
Total	**3,498**	**1,435**	**1,856**	**3,124**	**11,842**	**21,754**
Share (%)	**16%**	**7%**	**9%**	**14%**	**54%**	**100%**

Retail Credit Portfolio

The chart below presents the evolution of PAN's 90 days non-performing retail loans, considering the outstanding balance of contracts.

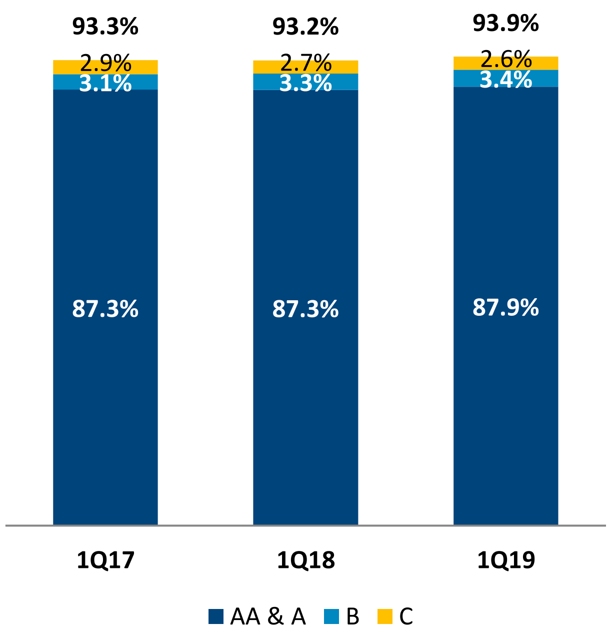
90 Days Non-Performing Retail Loans (%)



The ratings of Banco PAN's retail credit portfolio are shown below, recorded on the balance sheet by risk rating, pursuant to Resolution 2,682 of the National Monetary Council ("CMN"):

R$ MM	1Q19	Share %	4Q18	Share %	1Q18	Share %	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
"AA" to "C"	19,352	94%	18,134	94%	16,049	93%	7%	21%
"D" to "H"	1,250	6%	1,191	6%	1,170	7%	5%	7%
Total	**20,602**	**100%**	**19,325**	**100%**	**17,219**	**100%**	**7%**	**20%**

% of Credit rated between AA and C (CMN Resolution 2,682)

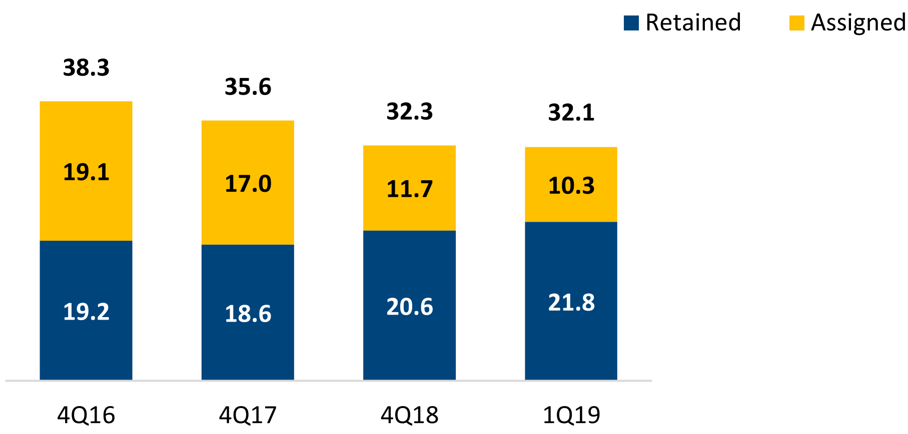


Originated Credit Portfolio

In addition to retaining credits in its portfolio, PAN's strategy also includes the assignment of credits without recourse, which amounted to R$867 million in 1Q19, against R$ 900 million in 4Q18 and R$ 1,624 million in 1Q18.

The originated credit portfolio balance, which considers both credit in PAN's balance sheet and the balance of the portfolios assigned to Caixa, ended the quarter at R$32.1 billion. The reduction in the originated credit portfolio is related to the decline in the assignments to Caixa, allowing the increase on the retained portfolio or assignments to other financial institutions.

Originated Credit Portfolio Evolution (R$ Bn)



Products

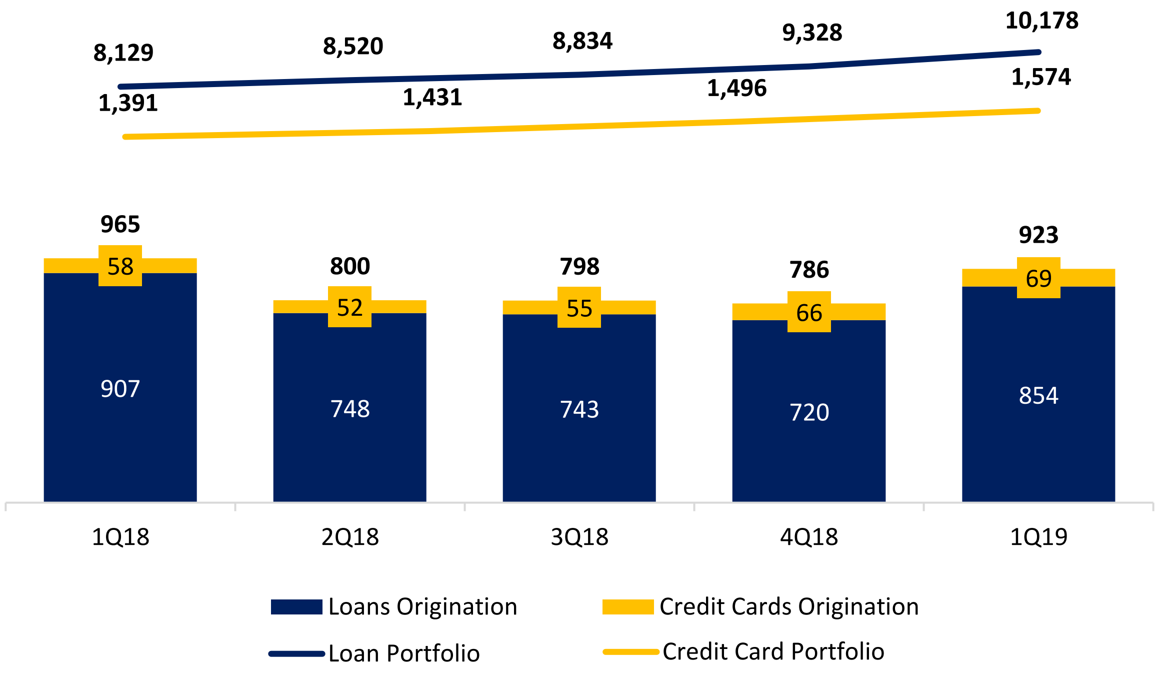
Payroll-Deductible (Loans and Credit Cards)

In the payroll-deductible segment, PAN's strategy is to remain as a major player focused on federal codes, ranking among the top 5 largest originators for Social Security (INSS) retirees and pensioners on the market. In line with this strategy, PAN offers an innovative platform that allows clients to contract payroll-deductible loans through a paperless method, confirming it with facial biometrics. This technology improves efficiency and profitability, resulting in cost savings, enhanced security and a faster process, thus creating an outstanding experience to all those involved.

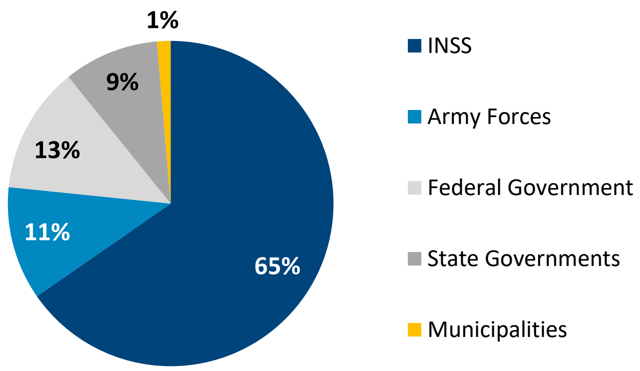
During the first quarter of 2019, PAN granted a total of R$2,561 million in loans to public employees and Social Security (INSS) retirees and beneficiaries, versus R$2,160 million in 4Q18 and R$2,721 million in 1Q18. Payroll-deductible credit card originations reached R$208 million in 1Q19, versus R$197 million in 4Q18 and R$174 million in 1Q18.

The payroll-deductible loan portfolio ended the quarter at R$10,178 million, up by 9% compared to the R$9,328 million recorded in 4Q18 and increasing by 25% versus R$8,129 million in 1Q18, significantly higher than the national credit system. The payroll-deductible credit card portfolio ended the quarter at R$1,574 million, a 5% growth versus the R$1,496 million recorded in the previous quarter and up by 15% versus the balance of R$1,370 million at the end of 1Q18.

Portfolio Evolution and Monthly Origination Average (R$ MM)



Quarterly Origination by Codes (%)



Vehicle Financing

The Bank operation focuses on used vehicle (from 4 to 8 years of usage) and new motorcycle financing, capturing the benefits from the Bank's expertise in credit and collection to optimize the risk/return ratio of these operations. PAN operates in the vehicle financing segment through multi-brand and, in this first quarter, reestablished the origination through single-brand vehicle dealers, increasing the fragmentation on this operation.

PAN is the market leader in motorcycle financings, excluding a captive financing company. Benefiting from its credit knowledge and long-term experience, PAN´s strategy of concentrating its operation in a specific niche has resulted in an excellent performance among low-income young adults.

As part of its digital transformation agenda, PAN uses a simulator that allows credit pre-analysis based on just a few information, as well as automatic payment in case of approval, increasing agility and providing a better experience for its commercial partners and end customers. These and other investments in technology have allowed a significant increase in the sales team productivity, which has already advanced 42% between June 2018 and December 2018.

In 1Q19, PAN originated R$1,243 million in new financings, including light vehicles and motorcycles, compared to R$1,244 million in 4Q18 and R$952 million in 1Q18, reflecting the new credit approach, the credit simulator and the new credit concession journey.

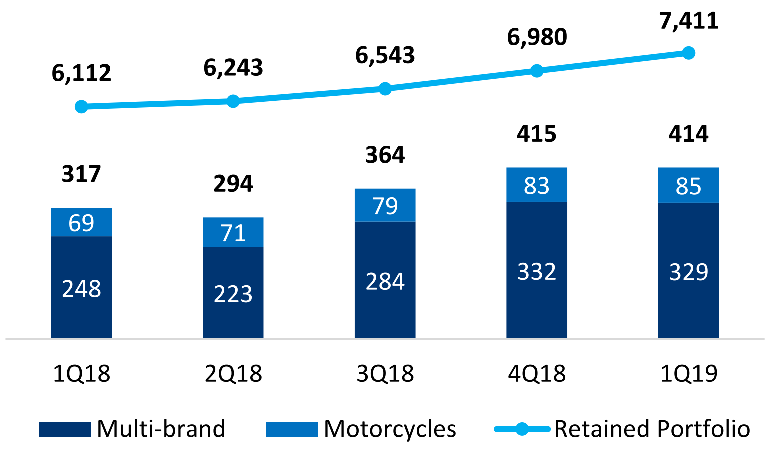
Light vehicle financing origination amounted to R$988 million in 1Q19, versus R$995 million in 4Q18 and R$745 million in 1Q18, while motorcycle financing origination reached R$255 million in 1Q19, versus R$249 million in 4Q18 and R$207 million in 1Q18.

The chart below shows more details on origination in these segments:

1Q19	Light Vehicles	Motorcycles
Origination (R$ MM)	988	255
Market Share	5.1%	19.6%
Ranking	6	2
Avg. Maturity (months)	46	40
% Down Payment	40%	25%

The vehicle financing portfolio ended the quarter at R$7,411 million, up 6% from R$6,980 million in 4Q18 and 21% from R$6,112 million at the end of 1Q18.

Portfolio Evolution and Average Monthly Origination (R$ MM)

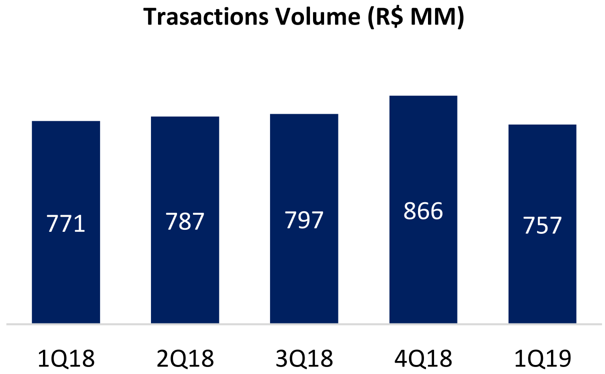


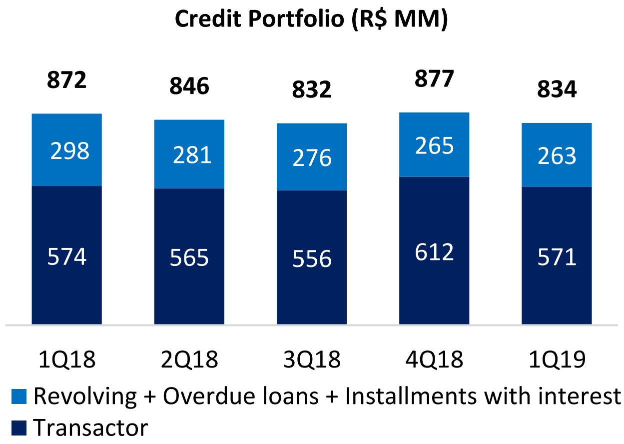
Payment Methods (Conventional Credit Cards)

Credit card issuances increased by 24% in the quarter when compared to the same period of the previous year, leveraged by a more efficient cross sell, through analytics and CRM, the expansion of the relationship with digital partners (market places) and relevant improvements in PAN’s website to facilitate the self-contracting process. Additionally, during the first quarter of 2019, PAN launched an important co-branded digital card partnership with Méliuz, cashback market leader.

The Bank continues to invest in the construction of the digital journey, aiming to change client relationships by establishing daily connections and fidelity. To achieve this, PAN launched a chatbot and a URA contact center, bringing convenience and agility to assist its credit card clients. PAN has also invested in the improvement of its credit card APP, expanding self-service, financial control and expense monitoring. Since its launch, in 3Q18, the APP obtained more than 360 thousand downloads.

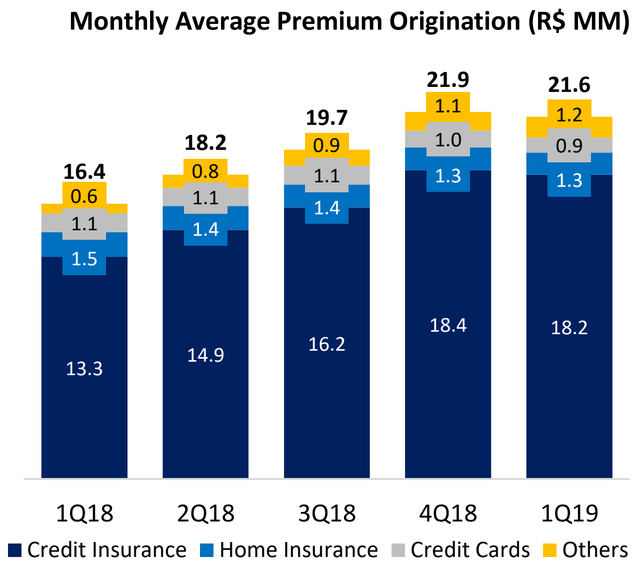
During the first quarter of 2019, credit card transactions totaled R$757 million, a slight reduction from the R$866 million in transactions registered in 4Q18, but in line with the R$771 million recorded in 1Q18, mainly due to seasonality during the first quarter of the year. The credit card portfolio presented a slight reduction, ending the quarter at R$834 million, versus a balance of R$875 million and R$871 million, in 4Q18 and 1Q18, respectively.

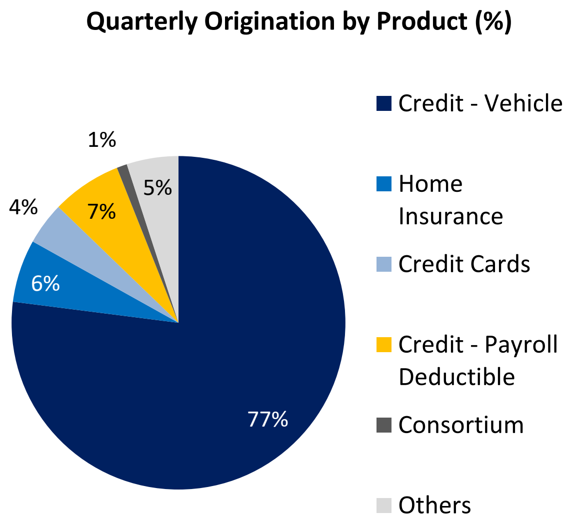




Insurance

PAN originated R$65 million in insurance premiums during 1Q19, stable when compared to the origination in the previous quarter, but with a 32% increase when compared to the 1Q18. Premiums originated in the 1Q19 include: R$54.5 million in credit insurance, R$3.9 million in home insurance, R$2.7 million in credit card insurance and R$3.7 million in other insurance products.

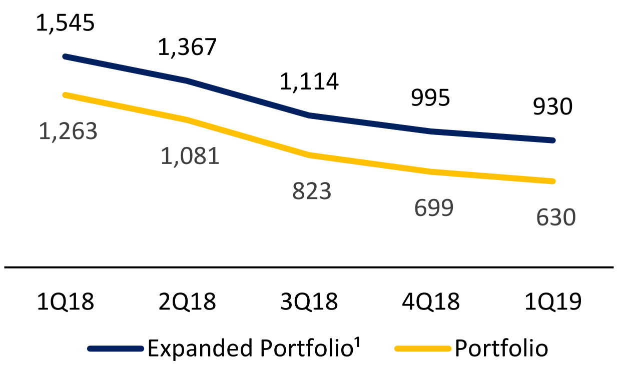




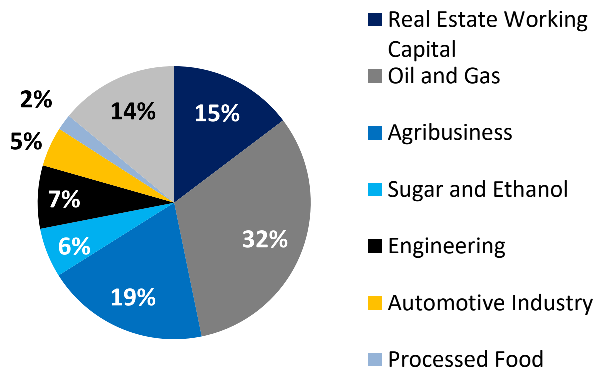
Corporate Credit (run off)

The Corporate Credit portfolio, including guarantees, ended the quarter at R$930 million, versus R$995 million in 4Q18 and R$1,545 million in 1Q18. This portfolio has appropriate risk diversification and high segmentation across industries and economic groups, as well as substantial guarantees.

Portfolio Evolution (R$ MM)

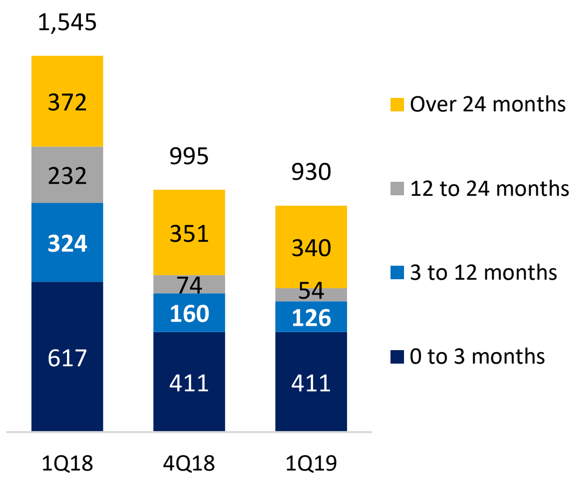


Portfolio by Industry (%)

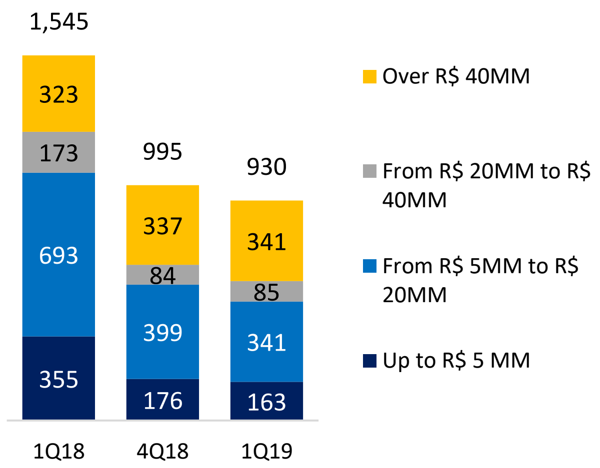


[1]Includes issuance of guarantees.

Portfolio Maturity (R$ MM)



Portfolio by Ticket (R$ MM)



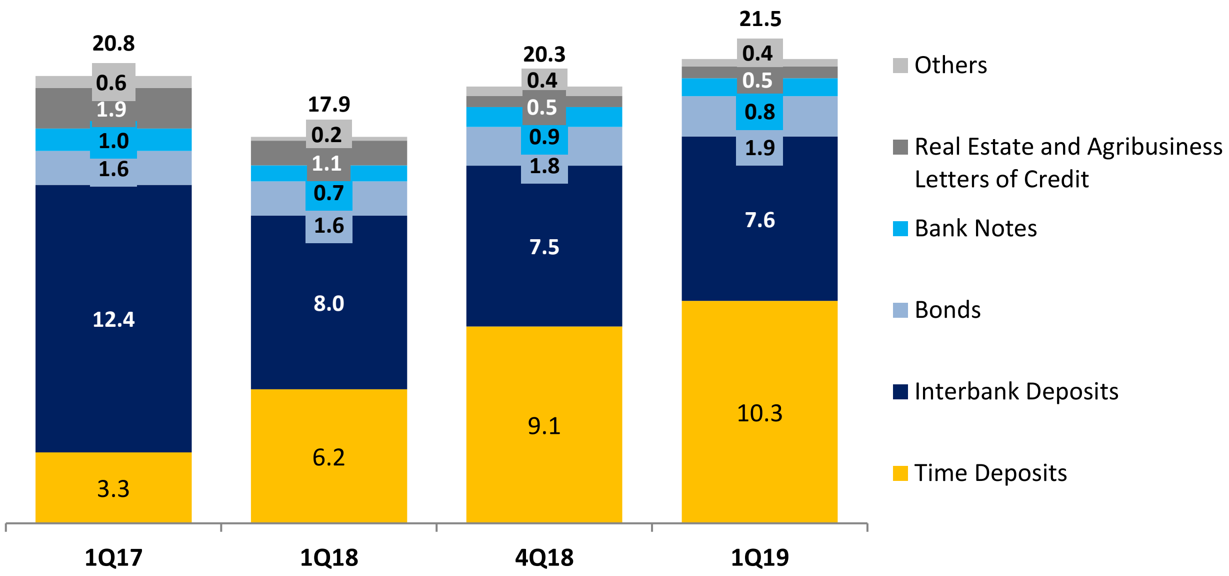
Real Estate Credit (run off)

Real estate credit granted to individuals totaled R$515 million at the end of 1Q19, versus R$548 million in 4Q18 and R$631 million in 1Q18. Real estate credit granted to companies stood at R$222 million at the end of the first quarter of 2019, versus R$254 million in 4Q18 and R$337 million in 1Q18.

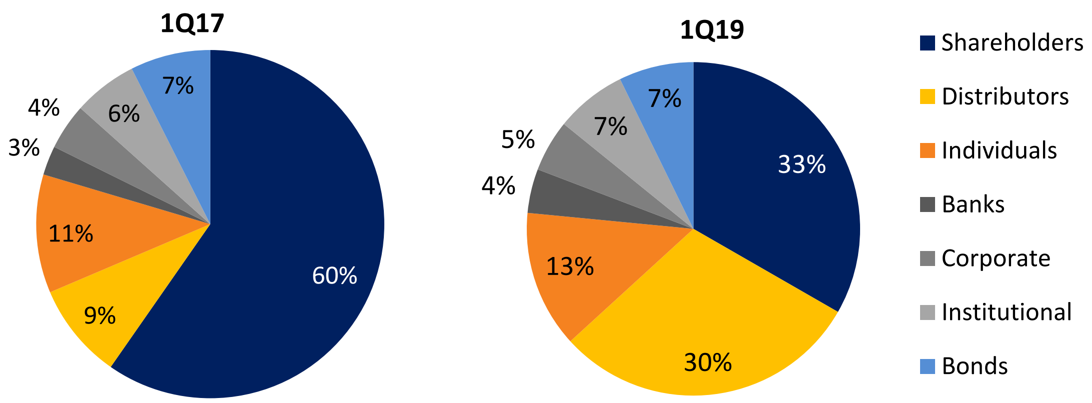
Funding

Funding ended the first quarter of 2019 at R$21.5 billion, with greater diversity and extension in funding maturities. Among the main funding sources we highlight: (i) time deposits, totaling R$10.3 billion, or 48% of the total amount; (ii) interbank deposits, totaling R$7.6 billion, or 35% of the total amount; (iii) bonds issued abroad, totaling R$1.9 billion, or 9% of the total amount; (iv) bank notes in the amount of R$844 million, or 4% of the total amount; (v) real estate and agribusiness letters of credit, totaling R$540 million, or 3% of the total amount; and (vi) other funding sources totaling R$352 million, or 1% of the total funding amount.

Funding by Product (R$ Bn)



Funding by Investor (%)



The strong expansion of funding through time deposits improves the funding base and reflects the significant distribution of PAN products on the retail market through digital distribution platforms. PAN also offers an exclusive app ("PAN Investimentos") to its direct clients and has captured more than R$ 185 million through this digital platform.

Funding Sources R$ MM	1Q19	Share %	4Q18	Share %	1Q18	Share %	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Time Deposits	10,315	48%	9,130	45%	6,216	35%	13%	66%
Interbank Deposits	7,621	35%	7,463	37%	8,049	45%	2%	-5%
Bonds	1,870	9%	1,791	9%	1,599	9%	4%	17%
Bank Notes	844	4%	915	5%	744	4%	-8%	13%
LCI and LCA	540	3%	522	3%	1,138	6%	3%	-53%
Others	352	2%	434	2%	178	1%	-19%	98%
Total	**21,541**	**100%**	**20,256**	**100%**	**17,924**	**100%**	**6%**	**20%**

In accordance with Article 8 of Central Bank Circular 3,068/01, PAN declares that it has the financial capacity and the intention of holding to maturity those securities classified as "held-to-maturity securities" in its financial statements.

The flow of fixed rate legacy deposits (issued between 2005 and 2008), which is the subject of the adjustment in ROE and shows relevant maturities in 2020, is as follows:

(R$ MM)	2019	2020	2021	2022	2023	2024	2025	2026	2027
Balance (FV)	4,634	3,274	2,706	2,004	1,417	775	27	15	-
Amortization (FV)	182	1,359	568	702	587	642	748	12	15
Amortization (PV)	154	894	319	315	210	191	184	2	2

Results

Managerial Net Interest Margin – NIM

In 1Q19, NIM came in at 15.0% p.y. versus 15.5% p.y. in 4Q18 and 18.1% p.y. in 1Q18. These variations are mainly related to the different mix and volume of credits assigned.

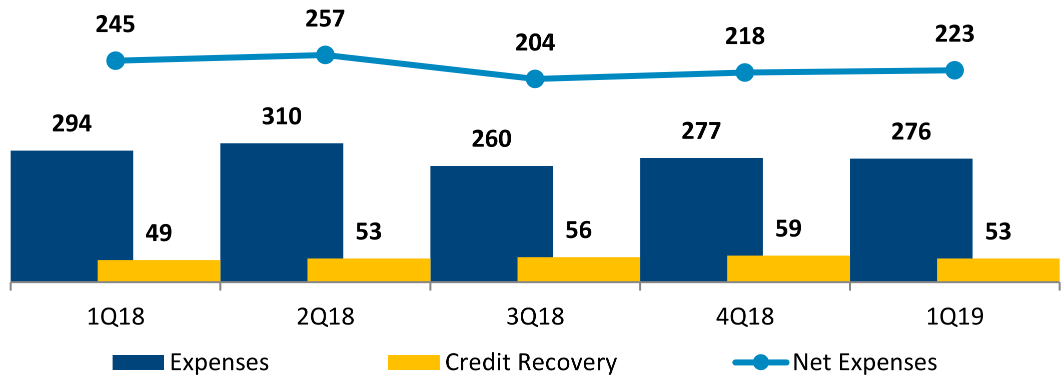
R$ MM	1Q19	4Q18	1Q18	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Income from Financial Intermediation before ALL	**821**	**840**	**913**	**-2%**	**-10%**
(+) Exchange Rate Variation	(3)	(3)	(8)	-7%	-61%
1. Managerial Net Interest Margin	**818**	**837**	**905**	**-2%**	**-10%**
2. Average Interest-Earning Assets	**22,996**	**22,744**	**21,288**	**1%**	**8%**
- Average Loan Portfolio	20,867	19,846	18,593	5%	12%
- Average Securities and Derivatives	1,988	2,056	1,840	-3%	8%
- Average Interbank Investments	141	843	855	-83%	-83%
(1/2) Net Interest Margin - NIM (% p.y.)	**15.0%**	**15.5%**	**18.1%**	**-0.5 p.p.**	**-3.1p.p.**

Allowance for Loan Losses and Credit Collection

In 1Q19, allowance for loan losses totaled R$276 million, stable with the R$277 million recorded in 4Q18, but 6% lower than the R$294 million in 1Q18. Collection of credit previously written-off came to R$53 million in 1Q19. Thus, the allowance for loan losses less credit collection totaled R$223 million in 1Q19, versus R$218 million in 4Q18 and R$248 million in 1Q18.

Overdue credit collection through digital platforms totaled R$137 million in 1Q19, representing 21% of the overdue credit collection in the period, versus R$125 million in 1Q18.

Allowance for Loan Losses and Credit Collection (R$ MM)



Costs and Expenses

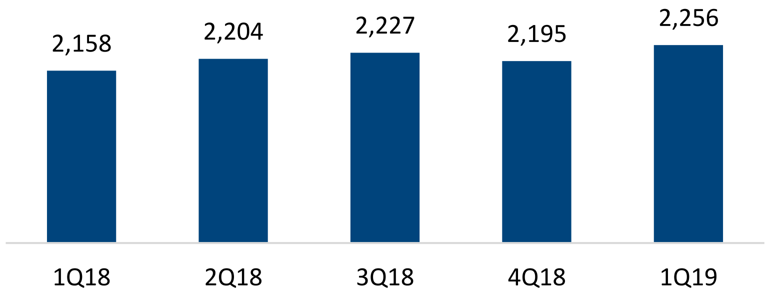
Personnel and administrative expenses totaled R$273 million in 1Q19, with an increase of 3% over the R$265 million recorded in 4Q18 and a decrease of 9% over the R$250 million in 1Q18.

Credit origination expenses totaled R$219 million at the end of the quarter, compared to R$199 million in 4Q18 and R$236 million in 1Q18.

Expenses (R$ MM)	1Q19	4Q18	1Q18	Δ 1Q19 / 4Q18	Δ 1Q19 / 1Q18
Personnel Expenses	112	108	101	4%	11%
Administrative Expenses	161	157	149	2%	8%
1. Subtotal I	**273**	**265**	**250**	**3%**	**9%**
Upfront Commission Expenses	98	83	117	18%	-16%
Deferred Commissions and Origination Expenses	121	116	119	4%	1%
2. Subtotal II - Origination	**219**	**199**	**236**	**10%**	**-7%**
3. Total (I + II)	**492**	**464**	**487**	**6%**	**1%**

Aiminig the constant pursuit of efficiency gains, PAN has been optimizing its cost structure, increasing the percentage of executives and employees related to technology and digital products.

Number of Employees



Income Statement

Net income totaled R$96.1 million in 1Q19, versus R$73.6 million in 4Q18 and R$56.6 million in 1Q18.

The main factors supporting the last quarter's results are: (i) the maintenance of a robust financial margin; (ii) loan provisions under control; and (iii) ongoing cost reductions.

Income Statement (R$ MM)	1Q19	4Q18	1Q18	Δ1Q19/ 4Q18	Δ1Q19/ 4Q18
Managerial Net Interest Margin	**818**	**837**	**905**	**-2%**	**-10%**
Allowance for Loan Losses	(276)	(277)	(294)	-	6%
Gross Profit from Financial Intermediation	**542**	**560**	**611**	**-3%**	**-11%**
Personnel and Administrative Expenses	(273)	(265)	(251)	-3%	-9%
Origination Expenses	(219)	(199)	(236)	-10%	7%
Tax Expenses	(46)	(45)	(45)	-2%	-
Other	126	85	39	46%	220%
Income before Taxes	**127**	**136**	**117**	**-6%**	**8%**
Provision for Income Tax and Social Contribution	(31)	(62)	(61)	50%	49%
Net Income	**96.1**	**73.6**	**56.6**	**31%**	**70%**

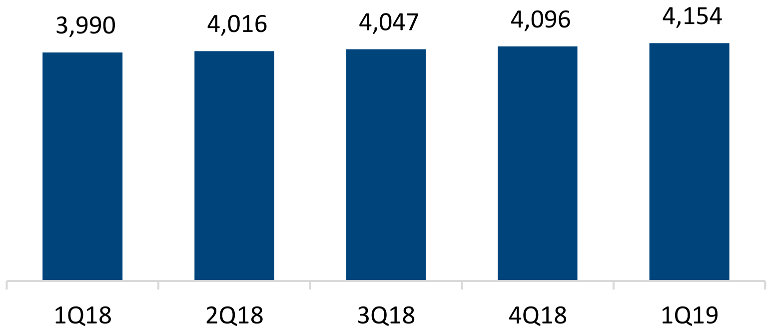
The annualized average ROE stood at 9.3% p.y. in 1Q19, compared to a return of 7.2% p.y. in 4Q18 and 6.0% p.y. in 1Q18, while the adjusted ROE (unaudited) was 21.0% p.y. in 1Q19, versus 17.3% p.y. in 4Q18 and 15.3% p.y. in 1Q18, respectively. As mentioned in the last quarter, the adjustment consists in the adequacy of two remaining legacies: (i) excess of financial expenses from fixed rate time deposits issued between 2005 and 2008 (with average maturity in 2023), compared to what PAN pays for the same term in the market and (ii) excess of deferred tax assets related to losses, compared to the banking sector average, arising from the accounting inconsistencies found in 2010.

R$ MM – Unaudited	1Q19	4Q18	1Q18
Net Income	**96.1**	**73.6**	**56.6**
Excess Fin. Exp. (net of taxes)	50.8	45.0	35.9
Adjusted Net Income	**146.9**	**118.7**	**92.5**
Average Shareholders' Equity	**4,125.0**	**4,071.6**	**3,773.0**
Excess Tax Assets - Tax Losses	1,325.1	1,328.4	1,351.6
Adjusted Average Shareholders' Equity	**2,799.9**	**2,743.2**	**2,421.5**
ROAE (p.y.)	**9.3%**	**7.2%**	**6.0%**
Adjusted ROAE (p.y.)	**21.0%**	**17.3%**	**15.3%**

Shareholders' Equity and Capital

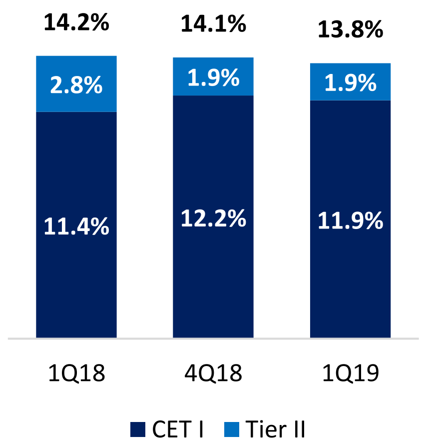
Shareholders' Equity

PAN's consolidated shareholders' equity amounted to R$4,154 million at the end of March 2019, versus R$4,096 million in December 2018 and R$3,990 million in March 2018.



Basel Ratio

The Basel Ratio ended the 1Q19 at 13.8% (with 11.9% in Tier I Common Equity), versus 14.1% (with 12.2% in Tier I Common Equity) in December 31, 2018, and 14.2% (with 11.4% in Tier I Common Equity) on March 31, 2018.



R$ MM	1Q19	4Q18	1Q18
Reference Shareholders' Equity	**2,655**	**2,632**	**2,545**
Tier I	2,296	2,274	2,033
Tier II	358	358	513
Required Reference Shareholders' Equity	2,021	1,963	1,880
RWA	**19,244**	**18,695**	**17,903**

Ratings

PAN’s long-term corporate ratings are presented below:

Rating Agency	Global Scale (LT)	National Scale (LT)	Outlook
Fitch Ratings	**B+**	**A (br)**	**Stable**
Standard & Poor’s	**B+**	**brAA-**	**Stable**
Riskbank		**Low Risk for Medium Term 2 + | 9.63**	

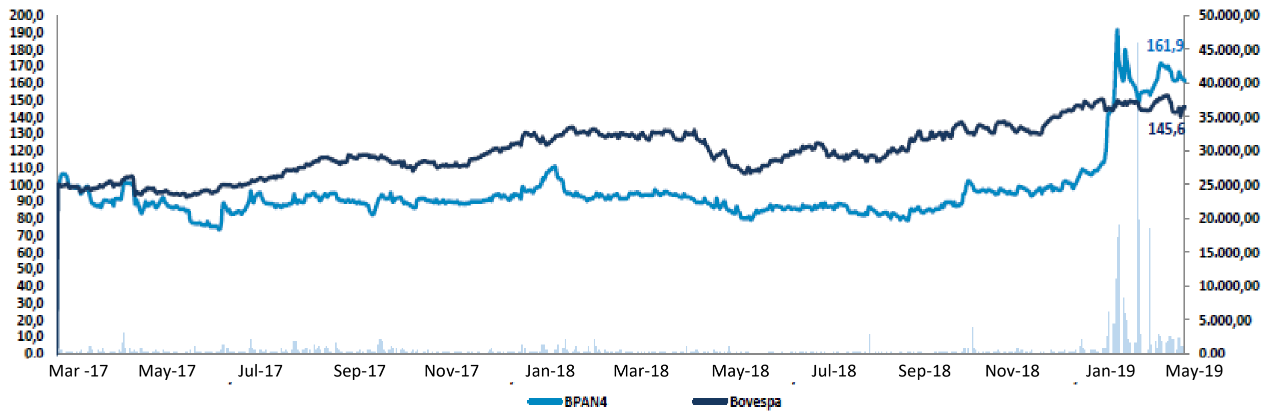
Stock Performance

PAN’s shares ended the month of March 2018 priced at R$3.26 compared to R$1.95 at the end of 4Q18. The maximum price in the period was R$3.85 per share and the minimum price was R$1.94 per share.

Traded volume totaled R$67.9 million in 1Q19, with an average trading volume of R$1.13 million, versus the R$ 9.0 million traded in 4Q18. On March 29, 2019, PAN’s market cap was R$3.7 billion, equivalent to 90% of its book value, versus the R$ 2.2 billion market cap on December 31, 2018, equivalent to 45% of its book value.

Base Date 100 = September 28, 2016

Financial Volume (R$ thousand)



Source: Reuters

Exhibits

BALANCE SHEET AS OF MARCH 31, 2019 AND DECEMBER 31, 2018		
(In thousands of Brazilian reais - R$)	CONSOLIDATED	
ASSETS	**Mar/19**	**Dec/18**
CURRENT ASSETS	**12,164,414**	**10,950,678**
Cash	6,947	19,714
Interbank investments	279,004	3,897
Securities and derivatives financial instruments	291,582	360,888
Interbank accounts	23,461	4,493
Lending operations	8,278,415	7,912,848
Leasing operations	-	-
Other receivables	3,007,759	2,379,830
(Allowance for loan losses)	(91,851)	(106,450)
Other assets	369,097	375,458
LONG-TERM RECEIVABLES	**16,147,596**	**16,079,228**
Securities and derivatives financial instruments	1,471,124	1,852,776
Lending operations	11,133,254	10,344,899
Leasing operations	-	-
Other receivables	3,494,048	3,827,669
(Allowance for loan losses)	(22,116)	(23,788)
Other assets	71,286	77,672
PERMANENT ASSETS	**201,937**	**200,525**
TOTAL ASSETS	**28,513,947**	**27,230,431**

LIABILITIES	**Mar/19**	**Dec/18**
CURRENT LIABILITIES	**14,733,829**	**14,048,259**
Deposits	11,274,953	10,494,341
Demand deposits	15,576	17,319
Interbank deposits	7,589,909	7,429,710
Time deposits	3,669,468	3,047,312
Money market funding	105,470	162,094
Funds from acceptance and issuance of securities	493,702	621,507
Interbank accounts	733,906	728,628
Interbranch accounts	239	14
Derivatives Financial Instruments	95,476	91,760
Other liabilities	2,030,083	1,949,915
LONG-TERM LIABILITIES	**9,626,037**	**9,086,253**
Deposits	6,677,127	6,116,903
Interbank deposits	31,369	33,728
Time deposits	6,645,758	6,083,175
Money market funding	89,582	98,093
Funds from acceptance and issuance of securities	697,865	628,454
Derivatives financial instruments	23,088	83,361
Other Liabilities	2,138,365	2,159,425
Deferred Income	10	17
SHAREHOLDERS' EQUITY	**4,154,081**	**4,095,919**
Capital	3,653,410	3,653,410
Capital Reserve	207,322	207,322
Income Reserve	243,295	243,295
Adjustments to equity valuation	(8,458)	(8,108)
Retained earnings (loss)	58,512	-
TOTAL LIABILITIES	**28,513,947**	**27,230,431**

INCOME STATEMENT AS OF MARCH 31, 2019 AND DECEMBER 31, 2018		
(In thousands of Brazilian reais - R$)	CONSOLIDATED	
	1Q19	4Q18
REVENUE FROM FINANCIAL INTERMEDIATION	**1,359,342**	**1,281,011**
Lending operations	1,285,128	1,461,647
Securities transactions	37,767	20,689
Derivative transactions	35,992	(198,701)
Foreign exchange transactions	455	(2,624)
EXPENSES ON FINANCIAL INTERMEDIATION	**(814,300)**	**(718,416)**
Funding operations	(538,512)	(441,280)
Allowance for loan losses	(275,788)	(277,136)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION	**545,042**	**562,595**
OTHER OPERATING INCOME (EXPENSES)	**(410,466)**	**(416,490)**
Income from services rendered	99,168	103,374
Personnel Expenses	(112,470)	(108,006)
Other Administrative Expenses	(379,839)	(355,737)
Tax Expenses	(45,656)	(44,683)
Other Operating Income	117,213	125,164
Other Operating Expenses	(88,882)	(136,602)
INCOME FROM OPERATIONS	**134,576**	**146,105**
NON OPERATING EXPENSES	**(7,365)**	**(10,165)**
INCOME BEFORE TAXES	**127,211**	**135,940**
INCOME AND SOCIAL CONTRIBUTION TAXES	**(31,104)**	**(62,315)**
Provision for Income tax	(5,153)	3,133
Provision for Social Contribution tax	(2,875)	1,109
Deferred tax credits	(23,076)	(66,557)
NET INCOME	**96,107**	**73,625**