

Banco Pan S.A. and its subsidiaries

**Quarterly Information (ITR) at
March 31, 2019
and report on review of
quarterly information**

Report on review of quarterly information

To the Board of Directors and Stockholders
Banco Pan S.A.

Introduction

We have reviewed the accompanying interim parent company accounting information of Banco Pan S.A. ("Bank"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2019, comprising the balance sheet as at March 31, 2019 and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, as well as the accompanying interim consolidated accounting information of Banco Pan S.A. And its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at March 31, 2019 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of this interim accounting information in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN). Management is also responsible for the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission, applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by BACEN, and presented in accordance with the standards issued by the CVM applicable to the preparation of the ITR.

Banco Pan S.A.

Emphasis of matter

Deferred tax credits

Note 31 to the quarterly information discloses that Banco Pan S.A. and its subsidiaries had tax credit assets of R\$ 2.9 billion recorded at March 31, 2019 based on their expected realization. The Bank's management reviewed the current and forecast scenario study approved by the Board of Directors on February 1, 2019 and used to project realization of the tax credits. Macroeconomic and production indicators and funding costs were among the key assumptions used. The realization of these tax credits depends on the actual results achieving the business plan goals approved by management. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2019. These statements are the responsibility of the Bank's management and, are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR). These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

São Paulo, May 2, 2019

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Tatiana Fernandes Kagohara Gueorguiev
Contadora CRC 1SP245281/O-6

Management Report

1Q19

Banco
PAN

DEAR STOCKHOLDERS,

The Management of Banco Pan S.A. ("PAN", "Bank", or "Company") and its subsidiaries present its Management Report and related quarterly information for the period ended March 31, 2019, together with the independent auditor's report on review. The information presented is in conformity with Law 4,595/64 (National Financial System Law) and Law 6,404/76 (Brazilian Corporate Law), with the Standards of the National Monetary Council (CMN), Brazilian Central Bank (BACEN), and Brazilian Securities Commission (CVM), as well as with other statutory regulations.

SILENT REVOLUTION AND PURPOSE

Over recent years the Bank has been executing a **silent revolution** by restructuring its services and internal processes, hiring renowned professionals specialized in their respective business areas and making significant investments in technology. **In 2019**, the Bank is continuing to expand its portfolio to become a **full digital bank**, offering current accounts and credit cards **free of charge**, in addition to other credit products and services for the **C, D, and E classes**, supported by its **credit expertise**.

The purpose of the Bank is to transform its target customers' view of access to credit and banking services. Accordingly, the Bank has invested in process innovation and simplification and progressed its strategy of **multichannel credit origination free of physical limitations**, via **paperless digital platforms** by offering credit at **competitive interest rates**. This combination promotes **scalability** and **efficiency gains** across various channels.

The Bank has **competitive advantages** over its direct competitors and new market players based on three pillars: (i) **available capital and funding**, the Bank being the second largest private mid-sized bank in Brazil in terms of total assets, (ii) **broad experience in providing credit** to the C, D, and E classes, using unstructured data, together with advanced modeling techniques, such as Machine Learning; and (iii) **a broad base and organic flow of new customers**.

The Bank manages a portfolio of 4.5 million customers and, during 1Q19, signed up approximately 130 thousand new customers per month.

ECONOMIC ENVIRONMENT

Economic activity indices showed poor GDP growth in the first quarter of 2019 (1Q19). In February, the economic activity index published by the Brazilian Central Bank (IBC-Br) was 0.73% below January's, following a fall of 0.31% in the month of January. The accumulated index for the 12 months increased by 1.21%. When compared to the first two months of 2018, the banking industry grew 1.66%. Despite the negative growth, the inflation rate, as measured by the Amplified Customer Price Index (IPCA), increased 0.75% in March, or 4.58% on an annual basis.

BACEN issued a favorable credit operations report for March and highlighting the possible recovery in the credit market, mainly for credit offered to individuals, but also to legal entities although at a more moderate pace. Loan operations totaled R\$ 3.3 trillion in March, a growth of 0.7% in the month and 5.7% over the last 12 months. For credit offered to individuals, free-fund operations grew 0.9% in the month and 12.6% in the last 12 months, totaling R\$ 971 billion - highlights were the financing of vehicles and personal credit (payroll-deductible and conventional loans).

With respect to the labor market, according to the General List of Unemployed Persons (CAGED), in the period ended in February the unemployment rate increased to 12.4% (not seasonally adjusted), totaling 13.1 million jobless. This increase represents an additional 892 thousand unemployed nationwide. In the year-on-year comparison, the unemployment rate, as per the Continuous National Domicile Sampling Survey (PNAD) was 12.6%.

BANK'S STRUCTURE

The Bank is a key player among the Brazilian medium-sized banks. It focuses on individuals (from the C, D, and E classes as well as government employees, retirees and pensioners from the National Institute of Social Security (INSS)) and on the offering of payroll-deductible credit (loan and credit card), financing of pre-owned cars and new motorcycles, conventional credit cards and insurance.

The Bank has 2,256 employees and 60 PAN Service Branches operate in Brazil's major cities, mirroring each region's GDP contribution (Southeast region: 31 - Northeast region: 12 - South: 9 - Mid-West: 5 - North: 3).

At the end of 1Q19, PAN had 656 bank correspondents working with payroll-deductible loans and 7,678 multi-brand partner stores offering vehicle financing.

MAIN RESULTS

Origination of Credit Portfolio and Retail

During 1Q19, PAN originated a monthly average of R\$ 1,590 million new retail credits (4Q18 - R\$ 1,490 million; 1Q18 - R\$ 1,539 million). This growth was leveraged through payroll-deductible loans, which increased by 17% in the quarter. In the annual comparison, the growth resulted from the increase of 31% in the vehicle financing during the period.

The Credit Portfolio totaled R\$ 21,754 million at the end of 1Q19, an increase of 6% in relation to R\$ 20,574 million in 4Q18 and of 14% in relation to R\$ 19,101 million in 1Q18. The core portfolio, which is comprised of payroll-deductible portfolios (loan and cards), vehicle financing, and credit cards, grew by 21% in the last 12 months, leveraged by the increase in the Payroll-deductible loan and Vehicle portfolios, which grew by 24% and 21% in the period, respectively. On the other hand, the Corporate Credit and Real Estate portfolios, both in runoff, decreased by 40% and 24% in 12 months, respectively.

In addition to retaining credits in its portfolios, the Bank also grants credits without co-obligation to third parties. This practice summed R\$ 867 million at 1Q19 (4Q18 - R\$ 900 million; 1Q18 - R\$ 1,624 million).

The Originated Credit Portfolio, which included credits on PAN's balance sheet and the portfolios assigned to Caixa, totaled R\$ 32.1 billion at the end of the quarter. The decrease in the Originated Portfolio can be explained by the reduction in the credits offered to Caixa in recent quarters, to retain portfolio or offer credits to other institutions.

Payroll-deductibles (Loan and Credit Card)

The Bank's strategy for payroll-deductibles is to maintain its position as a key player focusing on federal government-based agreements, being one of the five largest market originators for beneficiaries and INSS pensioners. In line with this strategy, the Bank launched an innovative 100% paperless payroll-deductible loan platform featuring facial biometric recognition signature. This digital feature results in a more efficient, profitable operation through cost savings, with enhanced security and faster contracting, thus generating a more favorable experience for all parties.

In 1Q19, loans to public servants and INSS beneficiaries totaled R\$ 2,561 million (4Q18 - R\$ 2,160 million; 1Q18 - R\$ 2,721 million). Payroll-deductible loans offered in 1Q19 totaled R\$ 208 million (4Q18 - R\$ 197 million; 1Q18 - R\$ 174 million).

The payroll-deductible loan portfolio at March 31, 2019 was R\$ 10,178 million, an increase of 9% when compared to R\$ 9,328 million at December 31, 2018 and of 25% in comparison with the balance of R\$ 8,129 million in March 31, 2018, significantly above the national credit system growth rate. The payroll-deductible credit card portfolio ended 1Q19 with a balance of R\$ 1,574 million, an increase of 5% when compared with the balance of R\$ 1,496 million for the previous quarter and of 15% in relation to the balance of R\$ 1,370 million at the end of 1Q18.

Financing of Vehicles

The Bank also offers pre-owned car (cars with four to eight years of use) and new motorcycle financing, building on its expertise in credit and collection in order to optimize the risk vs. return ratio. Its financing is offered via multi-brand partner stores. In 1Q19, the Bank resumed its operations in the brand dealer market, thereby broadening its offering.

The Bank is the leading institution in this segment (excluding the auto manufacturer banks). Doing business in this niche market provides for an excellent opportunity to work with low-income teenagers initiating long term relationship gains as well as promoting experience and knowledge of credit offerings.

For its digital transformation, the Bank has developed a unique App that allows financing simulation and credit analysis based on minimal data, in addition to follow-up proposals and vehicle inspection issuance reports, improving agility and the experience both for our commercial partner and final customer. These investments in technology have led to a significant increase in commercial area productivity, of 42% from June 2018 to March 2019.

In 1Q19, the Bank originated R\$ 1,243 million of new financing including light vehicles and motorcycles, in comparison to R\$ 1,244 million in 4Q18 and R\$ 952 million in 1Q18. This was a result of the new credit approach, implementation of the simulator and the new hirings.

Light vehicle operations totaled R\$ 988 million in 1Q19 (4Q18 - R\$ 995 million; 1Q18 - R\$ 745 million), whereas the motorcycle segment operations totaled R\$ 255 million in 1Q19 (4Q18 - R\$ 249 million; 1Q18 - R\$ 207 million).

The vehicle financing portfolio summed R\$ 7,411 million at the end of the quarter, an increase of 6% in relation to R\$ 6,980 million in 4Q18 and 21% in relation to R\$ 6,112 million in 1Q18.

Payments (Credit Cards)

The issue of conventional credit cards grew 24% in the current quarter when compared to the same quarter a year ago, leveraged by cross selling, improved analytics and CRM efficiency, expansion in relationships with digital partners (market places) and significant improvements in contracting products directly via the Bank's website. In addition, in 1Q19, the Bank initiated an important digital co-branded card partnership with Méliuz, Brazil's largest cashback company.

The Bank's digital journey marches forward seeking to transform relationship with customers by fostering daily, loyalty-based connections. With this in mind it launched chat bots and human-friendly audio response units offering convenience and fast credit card customer service. Furthermore, the Bank continuously invests in the improvement of its unique card App by expanding self-service capabilities, financial control and tracking of expenses. Since its debut, in 3Q18, the App has been downloaded over 360 thousand times.

During 1Q19, credit card transactions totaled R\$ 757 million, a small decrease in comparison with R\$ 866 million in 4Q18 and level with the R\$ 771 million in 1Q18, reflecting the seasonal effects of the first quarter of the year. The card portfolio registered a small increase in 1Q19, totaling R\$ 834 million (4Q18 - R\$ 875 million; 1Q18 - R\$ 871 million).

Insurance

PAN's insurance premiums in 1Q19 were R\$ 65 million, virtually stable in relation to the previous quarter and with an increase of 32% in relation to 1Q18. Premiums originated in the quarter included: R\$ 54.5 million in credit protection insurance, R\$ 3.9 million in housing project insurance; R\$ 2.7 million in card insurance; and R\$ 3.7 million in other insurance.

Credit for companies (in runoff)

The Corporate Credit portfolio, which includes endorsements and sureties, totaled R\$ 930 million at 1Q19 (4Q18 - R\$ 995 million; 1Q18 - R\$ 1,545 million). This portfolio presents an adequate risk diversification across broad sectors and economic groups. It also characterized by a high level of guarantees.

Real estate credit (in runoff)

Real estate credits granted to individuals totaled R\$ 515 million in 1Q19 (4Q18 - R\$ 548 million; 1Q18 - R\$ 631 million). Credits granted to legal entities totaled R\$ 222 million in 1Q19 (4Q18 - R\$ 254 million; 1Q1 - R\$ 337 million).

Funding

Funding obtained was R\$ 21.5 billion for 1Q19, with an increase in diversification and longer funding tenures. The major funding sources were: (i) time deposits, R\$ 10.3 billion, or 48% of the total; (ii) interbank deposits, R\$ 7.6 billion, or 35% of the total; (iii) bonds issued abroad, R\$ 1.9 billion, or 9% of the total; (iv) financial bills, R\$ 844 million, or 4% of the total; (v) real estate and agribusiness letters of credit, R\$ 540 million, or 3% of the total; and (vi) other funding sources, R\$ 352 million, or 1% of the total funding.

The robust expansion of funds from time deposits contributed to broadening the funding base, in addition to providing a wider distribution of the Bank's products in the retail market through digital distribution platforms. The Bank also offers to its direct customers the PAN Investimentos App, through which it has already raised over R\$ 185 million.

In accordance with Article 8 of BACEN Circular Letter 3,068/01, PAN declares that it has the financial capacity and the intention to hold to maturity all the securities classified as "held to maturity" in its financial statements.

Results

Management Net Financial Margin (NIM)

In 1Q19, the NIM was 15.0% p.a. (4Q18 - 15.5% p.a.; 1Q18 - 18.1% p.a.). These changes reflect the different volumes and the mix of credit assignment profiles in each quarter.

Expenses with allowances for losses and recovery of credits

In 1Q19, the allowances for losses totaled R\$ 276 million, similar to the R\$ 277 million in 4Q18 and a decrease of 6% when compared to the R\$ 294 million in 1Q18. The recovery of credits previously written-off as a loss amounted to R\$ 53 million in 1Q19. Therefore, the net allowance charge for loan losses totaled R\$ 223 million (4Q18 - R\$ 218 million; 1Q18 - R\$ 248 million).

The recovery of default credits via digital platforms totaled R\$ 137 million in 1Q19 (1Q18 - R\$ 125 million), which corresponds to 21% of credit recovery in the period.

Costs and Expenses

Personnel and administrative expenses totaled R\$ 273 million in 1Q19, an increase of 3% in comparison with R\$ 265 million recorded in 4Q18 and 9% when compared to R\$ 250 million in 1Q18. Credit origination expenses totaled R\$ 219 million in 1Q19 (4Q18 - R\$ 199 million; 1Q18 - R\$ 236 million).

The Bank continuously seeks to improve efficiency by optimizing its costs structure expanding the number of officers and employees who work with technology and digital products.

Net Result

Profit for 1Q19 amounted to R\$ 96.1 million (4Q18 - R\$ 73.6 million; 1Q18 - R\$ 56.6 million).

The key factors underlying the results for the most recent quarters were: (i) maintenance of robust financial margins; (ii) monitored allowance for losses on credits; and (iii) continued cost reductions.

The annualized average return on equity for 1Q19 was 9.3% (4Q18 - 7.2%; 1Q18 - 6.0%), while the adjusted return (unaudited) was 21.0% in 1Q19 (4Q18 - 17.3%; 1Q18 - 15.3%). The adjustment reflects two remaining legacies: (i) higher financial expenses from fixed Bank Deposit Certificates (CDBs) issued between 2005 and 2008 (with average maturity in 2023), compared to the Bank's annual market rate for the same period ; and (ii) excess tax credit from tax losses, when compared to the banking market, arising from accounting inconsistencies in 2010.

Equity and capital

PAN's consolidated equity was R\$ 4,154 million at March 31, 2019, (December 31, 2018 - R\$ 4,096 million; March 31, 2018 - R\$ 3,990 million).

The Prudencial Conglomerate Basel Index at the end of 1Q19 was 13.8%, of which 11.9% for Principal Capital, in comparison with 14.1%, with 12.2% for Principal Capital, registered at the end of 4Q18, and with 14.2%, with 11.4% for Principal Capital, registered at 1Q18.

INDEPENDENT AUDITORS

PricewaterhouseCoopers Auditores Independentes ("PwC") has been our auditor since the first quarter of 2011. Pursuant to the terms of instruction 381 of the Brazilian Securities Commission (CVM), PwC has not been contracted or provided any other services to PAN during the year, other than those related to the external audit. This policy complies with principles that preserve the auditor's independence, consistent with internationally accepted standards, according to which the auditor should not audit its own work, exercise management functions for its customer or promote its customer's interests.

ACKNOWLEDGMENTS

We thank our employees for their efforts and engagement in the execution of PAN's business strategy and also our customers, investors, and partners, who honor us with their continuous support and trust.

São Paulo, May 2, 2019

ASSETS	Note	Bank		Consolidated	
		3/31/2019	12/31/2018	3/31/2019	12/31/2018
CURRENT ASSETS		12.131.232	10.875.103	12.164.414	10.950.678
Cash and cash equivalents	5	5.124	16.374	6.947	19.714
Short-term interbank investments	6.a	279.004	3.897	279.004	3.897
Investments in the open market		275.045	-	275.045	-
Investments in interbank deposits		3.959	3.897	3.959	3.897
Marketable securities and derivative financial instruments	7	290.357	356.959	291.582	360.888
Own portfolio	7.a	186.590	216.196	187.740	219.350
Linked to repurchase commitments	7.a	12.357	113.400	12.357	113.400
Derivative financial instruments	7.a / 7.c	26.187	27.363	26.187	27.363
Subject to guarantees	7.a	65.223	-	65.298	775
Interbank investments		23.461	4.493	23.461	4.493
Payables and receivables to be settled		19.806	-	19.806	-
Credits - Deposits at the Brazilian Central Bank		499	549	499	549
Local correspondents		3.156	3.944	3.156	3.944
Loan operations	8	8.278.415	7.912.848	8.278.415	7.912.848
Credit operations - private sector		9.187.077	8.795.475	9.187.077	8.795.475
(Allowance for doubtful accounts)	8.c	(908.662)	(882.627)	(908.662)	(882.627)
Leasing operations	8	-	-	-	-
Leasing operations receivable		-	-	3	29
(Allowance for lease losses)	8.c	-	-	(3)	(29)
Other credits		2.894.764	2.215.249	2.915.908	2.273.380
Foreign exchange portfolio	9.a	36.152	38.858	36.152	38.858
Income receivable		4.997	1.667	1.903	1.760
Negotiation and intermediation of receivables	7.c	3.245	2.474	3.245	2.474
Real estate receivables	10	-	-	5.503	5.161
Securities and credits receivable	8 / 11	775.857	834.489	777.199	835.472
(Allowance for other doubtful accounts)	8.c	(91.851)	(106.450)	(91.851)	(106.450)
Sundry	11	2.166.364	1.444.211	2.183.757	1.496.105
Other assets		360.107	365.283	369.097	375.458
Other assets	12.a	383.583	392.529	393.573	403.834
(Provision for impairment)	12.a	(49.754)	(53.628)	(50.943)	(54.925)
Prepaid expenses	12.b	26.278	26.382	26.467	26.549
LONG-TERM RECEIVABLES		15.604.000	15.565.691	16.147.596	16.079.228
Marketable securities and derivative financial instruments	7	1.238.037	1.622.983	1.471.124	1.852.776
Own portfolio	7.a	582.919	997.016	815.985	1.225.198
Linked to repurchase agreements	7.a	190.139	155.777	190.139	155.777
Derivative financial instruments	7.a / 7.c	289.941	251.795	289.941	251.795
Subject to guarantees	7.a	175.038	218.395	175.059	220.006
Loan operations	8	11.133.254	10.344.899	11.133.254	10.344.899
Credit operations - private sector		11.465.936	10.663.658	11.465.936	10.663.658
(Allowance for doubtful accounts)	8.c	(332.682)	(318.759)	(332.682)	(318.759)
Other credits		3.161.650	3.520.409	3.471.932	3.803.881
Real estate receivables	10	-	-	950	1.806
Securities and credits receivable	8 / 11	75.862	79.216	75.862	79.216
Allowance for losses	8.c	(22.116)	(23.788)	(22.116)	(23.788)
Sundry	11	3.107.904	3.464.981	3.417.236	3.746.647
Other assets		71.059	77.400	71.286	77.672
Prepaid expenses	12.b	71.059	77.400	71.286	77.672
PERMANENT ASSETS		1.208.850	1.198.008	201.937	200.525
Investments		1.015.310	1.006.416	1.144	1.144
Participations in subsidiaries	13.a	1.014.166	1.005.272	-	-
Other investments	13.b	1.144	1.144	1.144	1.144
Property and equipment in use	14	23.713	24.093	23.713	24.093
Other property and equipment in use		72.626	70.991	72.626	70.991
(Accumulated depreciation)		(48.913)	(46.898)	(48.913)	(46.898)
Intangible assets	15	169.827	167.499	177.080	175.288
Intangible assets		432.931	420.884	454.851	442.804
(Accumulated depreciation)		(263.104)	(253.385)	(277.771)	(267.516)
TOTAL ASSETS		28.944.082	27.638.802	28.513.947	27.230.431

The accompanying notes are an integral part of this quarterly information.



BANCO PAN S.A. AND ITS SUBSIDIARIES

BALANCE SHEETS AT MARCH 31, 2019 AND DECEMBER 31, 2018

(All amounts in thousand of reais - R\$)

LIABILITIES AND EQUITY	NOTE	Bank		Consolidated	
		3/31/2019	12/31/2018	3/31/2019	12/31/2018
CURRENT LIABILITIES		15.027.121	14.317.936	14.733.829	14.048.259
Deposits	16.a	11.588.399	10.793.243	11.274.953	10.494.341
Demand deposits		15.608	17.369	15.576	17.319
Interbank deposits		7.848.309	7.685.730	7.589.909	7.429.710
Time deposits		3.724.482	3.090.144	3.669.468	3.047.312
Funds obtained in the open market	16.b	105.470	162.094	105.470	162.094
Own portfolio		105.470	162.094	105.470	162.094
Funds from acceptance and issuance of securities	16.c	493.702	621.507	493.702	621.507
Funds from real estate securities, mortgages, letters of credit and similar		493.702	621.507	493.702	621.507
Interbank investments	17	733.906	728.628	733.906	728.628
Receipts and payments pending settlement		596.697	615.912	596.697	615.912
Local correspondents		137.209	112.716	137.209	112.716
Interdependent operations		239	14	239	14
Third-party funds in transit		239	14	239	14
Derivative financial instruments	7.c	95.476	91.760	95.476	91.760
Derivative financial instruments		95.476	91.760	95.476	91.760
Other obligations		2.009.929	1.920.690	2.030.083	1.949.915
Lewying and collection of taxes and similar charges		10.969	4.921	10.969	4.921
Social and statutory		87.653	135.971	87.653	136.232
Tax and social security	20.a	54.796	44.390	60.702	58.210
Negotiation and intermediation of receivables		5.106	3.941	8.493	7.336
Subordinated debts	18	281.739	208.154	281.739	208.154
Sundry	20.b	1.569.666	1.523.313	1.580.527	1.535.062
LONG-TERM LIABILITIES		9.762.870	9.224.930	9.626.027	9.086.236
Deposits	16.a	6.938.836	6.378.610	6.677.127	6.116.903
Interbank deposits		31.369	33.728	31.369	33.728
Time deposits		6.907.467	6.344.882	6.645.758	6.083.175
Funds obtained in the open market	16.b	97.367	107.430	89.582	98.093
Own portfolio		97.367	107.430	89.582	98.093
Funds from acceptance and issuance of securities	16.c	697.865	628.454	697.865	628.454
Funds from real estate securities, mortgages, letters of credit and similar securities		697.865	628.454	697.865	628.454
Derivative financial instruments	7.c	23.088	83.361	23.088	83.361
Derivative financial instruments		23.088	83.361	23.088	83.361
Other obligations		2.005.714	2.027.075	2.138.365	2.159.425
Social and statutory		37.595	-	37.595	-
Tax and social security	20.a	5.097	-	88.221	81.270
Subordinated debts	18	1.779.981	1.769.978	1.779.981	1.769.978
Sundry	20.b	183.041	257.097	232.568	308.177
RESULTS OF FUTURE PERIODS		10	17	10	17
EQUITY		4.154.081	4.095.919	4.154.081	4.095.919
Share capital:	21	3.653.410	3.653.410	3.653.410	3.653.410
Domiciled in the country		3.344.764	3.290.152	3.344.764	3.290.152
Domiciled abroad		308.646	363.258	308.646	363.258
Capital reserve		207.322	207.322	207.322	207.322
Revenue reserves		243.295	243.295	243.295	243.295
Carrying value adjustments		(8.458)	(8.108)	(8.458)	(8.108)
Retained earnings		58.512	-	58.512	-
TOTAL LIABILITIES AND EQUITY		28.944.082	27.638.802	28.513.947	27.230.431

The accompanying notes are an integral part of this quarterly information.

STATEMENT OF INCOME

QUARTERS ENDED MARCH 31, 2019 AND 2018

(All amounts in thousands of reais unless otherwise stated)

	Note	Bank		Consolidated	
		3/31/2019	3/31/2018	3/31/2019	3/31/2018
INCOME FROM FINANCIAL INTERMEDIATION		1.773.391	1.680.923	1.781.207	1.694.957
Income from credit and leasing operations	8.g	1.705.288	1.738.725	1.706.993	1.741.059
Income from operations with marketable securities	7.h	31.656	38.987	37.767	50.687
Derivative financial instruments	7.g	35.992	(98.590)	35.992	(98.590)
Income from foreign exchange operations	9.b	455	1.801	455	1.801
EXPENSES ON FINANCIAL INTERMEDIATION		(823.099)	(711.920)	(814.300)	(704.103)
Result from market funding operations	16.d	(547.286)	(418.097)	(538.512)	(410.239)
Allowance for losses	8.c	(275.813)	(293.823)	(275.788)	(293.864)
GROSS RESULT ON FINANCIAL INTERMEDIATION		950.292	969.003	966.907	990.854
OTHER OPERATING INCOME (EXPENSES)		(820.617)	(853.232)	(832.331)	(870.573)
Revenue from services rendered	22	92.101	82.857	99.168	89.333
Equity in the results of subsidiaries	13.a	9.396	9.175	-	-
Personnel expenses	23	(112.108)	(101.015)	(112.470)	(101.446)
Other administrative expenses	24	(435.762)	(458.073)	(443.150)	(466.396)
Tax expenses	25	(43.262)	(42.157)	(45.656)	(45.363)
Other operating income	26.a	111.335	42.662	117.213	46.929
Other operating expenses	26.b	(442.317)	(386.681)	(447.436)	(393.630)
OPERATING PROFIT		129.675	115.771	134.576	120.281
NON-OPERATING Profit (Loss)	27	(7.273)	(3.139)	(7.365)	(2.920)
PROFIT BEFORE TAXATION ON THE RESULT AND PARTICIPATIONS		122.402	112.632	127.211	117.361
PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION	31.a	(26.295)	(56.081)	(31.104)	(60.810)
Income tax		(3.094)	(2.792)	(5.153)	(5.508)
Social contribution		(2.004)	(2.531)	(2.875)	(3.572)
Deferred tax asset		(21.197)	(50.758)	(23.076)	(51.730)
NET PROFIT		96.107	56.551	96.107	56.551
INTEREST ON CAPITAL	21.c	(37.595)	(22.121)	(37.595)	(22.121)
EARNINGS PER OUTSTANDING SHARE - R\$		0,08	0,05		

(Represented by 1,141,806,121 shares at 3/31/2019 and 3/31/2018)

The accompanying notes are an integral part of this quarterly information..



BANCO PAN S.A.

**STATEMENT OF CHANGES IN PARENT COMPANY EQUITY
QUARTERS ENDED MARCH 31, 2019 AND 2018**

(All amounts in thousands of reais)

	Share capital	Capital increase	Capital reserve	Revenue reserves		Carrying value adjustments	Retained earnings/accumulated deficit	Total
				Legal	For integrity of equity			
AT DECEMBER 31, 2017	3.460.732	-	-	8.915	99.580	(13.403)	-	3.555.824
Funds for capital increase	-	400.000	-	-	-	-	-	400.000
Carrying value adjustments	-	-	-	-	-	(44)	-	(44)
Profit for the period	-	-	-	-	-	-	56.551	56.551
Allocation: Interest on capital provisioned (Note 21.c)	-	-	-	-	-	-	(22.121)	(22.121)
AT MARCH 31, 2018	3.460.732	400.000	-	8.915	99.580	(13.447)	34.430	3.990.210
AT DECEMBER 31, 2018	3.653.410	-	207.322	19.991	223.304	(8.108)	-	4.095.919
Carrying value adjustments	-	-	-	-	-	(350)	-	(350)
Profit for the period	-	-	-	-	-	-	96.107	96.107
Allocation: Interest on capital provisioned (Note 21.c)	-	-	-	-	-	-	(37.595)	(37.595)
AT MARCH 31, 2019	3.653.410	-	207.322	19.991	223.304	(8.458)	58.512	4.154.081

The accompanying notes are an integral part of this quarterly information.



BANCO PAN S.A. AND ITS SUBSIDIARIES

STATEMENTS OF VALUE ADDED

QUARTERS ENDED MARCH 31, 2019 AND 2018

(All amounts in thousands of reais)

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
INCOME	1.257.407	1.128.783	1.273.263	1.147.067
Financial intermediation	1.773.391	1.680.923	1.781.207	1.694.957
Services rendered	92.101	82.857	99.168	89.333
Allowance for losses	(275.813)	(293.823)	(275.788)	(293.864)
Other operating expenses	(332.272)	(341.174)	(331.324)	(343.359)
EXPENSES ON FINANCIAL INTERMEDIATION	(547.286)	(418.097)	(538.512)	(410.239)
INPUTS ACQUIRED FROM THIRD PARTIES	(417.253)	(440.888)	(424.497)	(449.101)
Materials, energy and other	(912)	(794)	(914)	(796)
Third-party services	(59.641)	(52.506)	(64.103)	(56.890)
Commissions paid to banking correspondents	(231.782)	(263.906)	(233.432)	(265.643)
Others	(124.918)	(123.682)	(126.048)	(125.772)
Data processing	(45.167)	(43.332)	(45.199)	(43.375)
Financial system services	(31.903)	(32.623)	(32.092)	(32.859)
Communication	(11.532)	(11.091)	(11.581)	(11.200)
Asset search and seizure expenses	(6.802)	(6.075)	(6.805)	(6.094)
Advertising, promotions, and publicity	(9.795)	(6.892)	(9.904)	(7.097)
Transport	(1.244)	(1.095)	(1.247)	(1.099)
Maintenance and conservation of property	(1.176)	(1.505)	(1.179)	(1.507)
Fees and emoluments	(1.102)	(937)	(1.230)	(1.219)
Travel	(944)	(603)	(944)	(603)
Others	(15.253)	(19.529)	(15.867)	(20.719)
GROSS VALUE ADDED	292.868	269.798	310.254	287.727
DEPRECIATION AND AMORTIZATION	(12.339)	(13.253)	(12.630)	(13.546)
NET VALUE ADDED PRODUCED BY THE ENTITY	280.529	256.545	297.624	274.181
VALUE ADDED RECEIVED IN TRANSFER	9.396	9.175	-	-
Equity in the results of the subsidiaries	9.396	9.175	-	-
TOTAL VALUE ADDED TO BE DISTRIBUTED	289.925	265.720	297.624	274.181
DISTRIBUTION OF VALUE ADDED	289.925	265.720	297.624	274.181
Personnel	97.054	88.007	97.362	88.386
Direct remuneration	72.936	67.743	73.153	68.004
Benefits	17.607	14.923	17.682	15.023
FGTS - Government Severance Pay Fund	5.143	4.697	5.159	4.715
Other	1.368	644	1.368	644
Taxes, fees, and contributions	84.611	111.247	91.909	119.232
Federal	80.286	107.071	87.431	114.918
State	2	1	2	1
Municipal	4.323	4.175	4.476	4.313
Remuneration of third party capital	12.153	9.915	12.246	10.012
Rentals	12.153	9.915	12.246	10.012
Remuneration of own capital	96.107	56.551	96.107	56.551
Interest on capital provisioned	37.595	22.121	37.595	22.121
Retained earnings	58.512	34.430	58.512	34.430

The accompanying notes are an integral part of this quarterly information.

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
CASH FLOWS FROM OPERATING ACTIVITIES:				
PROFIT	96.107	56.551	96.107	56.551
Adjustments that do not affect cash flow:				
Depreciation and amortization	6.356	7.270	6.367	7.283
Amortization of goodwill	5.983	5.983	6.263	6.263
Constitution of provision for civil, labor, and tax contingencies	14.227	46.329	15.232	49.935
Reversal (devaluation) of other assets	(3.873)	(2.295)	(3.983)	(2.360)
Disposal of other assets	11.146	5.441	11.348	5.287
Equity in results of the subsidiaries	(9.396)	(9.175)	-	-
Allowance for losses	275.813	293.823	275.788	293.864
Deferred income tax and social contribution	21.197	50.758	23.076	51.730
Adjusted profit	417.560	454.685	430.198	468.553
Changes in assets and liabilities:				
Decrease (increase) in interbank investments	(62)	268.670	(62)	268.670
Decrease in marketable securities	488.425	74.613	487.578	76.537
Decrease (increase) in derivative financial instruments	(93.527)	49.604	(93.527)	49.604
Decrease (increase) in interbank investments	(13.690)	47.750	(13.690)	47.750
Increase in credit operations	(1.429.735)	(745.426)	(1.429.710)	(745.467)
Decrease in leasing operations	-	-	-	95
Increase in other credits	(341.833)	(62.819)	(333.535)	(53.816)
Increase in other assets	(41.346)	(10.461)	(40.211)	(10.621)
Increase in deposits	1.355.382	657.858	1.340.836	637.777
Decrease in funds obtained in the open market	(66.687)	(531.157)	(65.135)	(530.980)
Increase in acceptances and issue of securities	20.022	33.976	20.022	33.842
increase (decrease) in other liabilities	18.000	(183.500)	9.913	(188.377)
Increase (decrease) in interdependent accounts	225	(2.915)	225	(2.915)
Decrease in results of future years	(7)	(27)	(7)	(27)
Payment of income tax and social contribution	(1.944)	(363)	(3.632)	(2.810)
NET CASH PROVIDED BY OPERATING ACTIVITIES	310.783	50.488	309.263	47.815
CASH FLOWS FROM INVESTING ACTIVITIES:				
Disposal of assets not for own use	45.590	42.211	45.593	42.288
Purchases of property and equipment in use	(1.635)	(955)	(1.635)	(955)
Additions to intangible assets	(12.527)	(9.238)	(12.527)	(9.238)
NET CASH PROVIDED BY INVESTING ACTIVITIES	31.428	32.018	31.431	32.095
CASH FLOWS FROM FINANCING ACTIVITIES:				
Issue of funds from acceptance and issue of securities	238.234	94.336	238.234	94.336
Funds from acceptance and issue of securities	(316.650)	(667.134)	(316.650)	(667.134)
Capital increase	-	400.000	-	400.000
NET CASH USED IN FINANCING ACTIVITIES	(78.416)	(172.798)	(78.416)	(172.798)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	263.795	(90.292)	262.278	(92.888)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (Note 5)	16.374	162.248	19.714	166.460
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (Note 5)	280.169	71.956	281.992	73.572
ADDITIONAL INFORMATION ON CASH FLOWS				
Interest paid	(501.262)	(526.524)	(500.724)	(526.008)
Interest received	2.473.464	1.661.250	2.476.010	1.691.160
Transfer of assets not for own use	3.035	(816)	3.035	(816)
Unrealized losses on securities available for sale	(544)	(79)	(544)	(79)

The accompanying notes are an integral part of this quarterly information.

1) OPERATIONS

Banco Pan S.A. ("Bank" or "PAN") is a corporation authorized to operate as a multi-service bank. It operates, directly and indirectly, via its subsidiaries in offering payroll loans, payroll-linked credit cards, vehicle financing, conventional credit cards and loans to the vehicle and real estate consortium markets. In addition, the Bank has a portfolio of "runoff" financing for companies, construction financing for developers and builders; real estate financing; consumer credit, financing for purchases of machinery and equipment, foreign exchange transactions, acquisition of real estate receivables, and vehicle and other asset leasing operations. The benefits of services rendered by the Bank and its subsidiaries ("Group") and the costs of operational and administrative structures are absorbed, jointly or individually, among these companies.

As an alternative strategy to raising funds in the market and as an integral part of the business plan, the Bank executes credit assignments (both transferring and substantially retaining the risks and benefits) of its portfolio to other financial institutions. In the assignment of loans with the substantial transfer of risks and benefits, the results are immediately recognized in statement of income and the related risk assets are mitigated, thereby ensuring that capital is adequately preserved (Note 3g). These results are recorded in the parent company quarterly information under "Income from financial intermediation".

Through a stockholders' agreement, the Bank is jointly controlled by Banco BTG Pactual S.A. and Caixa Econômica Federal (Federal Savings and Loans Bank), through its wholly-owned subsidiary Caixa Participações S.A.

The Bank's shareholding structure at 3/31/2019 was as follows:

Stockholders	Common	%	Preferred	%	Total	%
Banco BTG Pactual S.A.	395,396	60.13	182,266	37.64	577,662	50.59
Caixa Participações S.A.	262,165	39.87	112,732	23.28	374,897	32.84
Market	-	-	189,247	39.08	189,247	16.57
Total	657,561	100.00	484,245	100.00	1,141,806	100.00

2) PRESENTATION OF THE QUARTERLY INFORMATION

The parent company quarterly information of Banco PAN is presented together with the quarterly information of the Bank and its subsidiaries ("Consolidated"), and has been prepared in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), observing the provisions of Law 4,595/64 (National Financial System Law) and Law 6,404/76 (Brazilian Corporation Law) and the changes introduced by Laws 11,638/07 and 11,941/09, for the recording of transactions, associated with the standards and instructions established by the Brazilian Central Bank (BACEN), and the Resolutions of the National Monetary Council (CMN), and the Brazilian Securities Commission (CVM), where applicable.

The Brazilian Accounting Pronouncements Committee (CPC) has issued pronouncements, as part of the convergence process with international accounting standards, approved by CVM, but not all of these have been ratified by BACEN. Consequently, in preparing its quarterly information, the Bank adopted, where applicable, the following pronouncements that have already been ratified by BACEN:

1. CPC 01 - Impairment of Assets - ratified by CMN Resolution 3,566/08;
2. CPC 03 - Statement of Cash Flows - ratified by CMN Resolution 3,604/08;

3. CPC 05 - Related-party Disclosures - ratified by CMN Resolution 3,750/09;
4. CPC 25 - Provisions, Contingent Liabilities and Contingent Assets - ratified by CMN Resolution 3,823/09;
5. CPC 24 - Events after the Reporting Period - ratified by CMN Resolution 3,973/11;
6. CPC 10 (R1) - Share-based Payment - ratified by CMN Resolution 3,989/11;
7. CPC 23 - Accounting Policies, Changes in Estimates and Correction of Errors - ratified by CMN Resolution 4,007/11;
8. Basic Conceptual Pronouncement (R1) - Conceptual Framework for Financial Reporting - ratified by CMN Resolution 4,144/12;
9. CPC 33 (R1) - Employee Benefits - ratified by CMN Resolution 4,424/15;
10. CPC 04 (R1) - Intangible Assets - ratified by CMN Resolution 4,534/16;
11. CPC 27 - Property and Equipment - ratified by CMN Resolution 4,535/16; and
12. CPC 02 (R2) - Effects of Changes in Foreign Exchange Rates and Conversion of Financial Statements - ratified by CMN Resolution 4,524/16.

The parent company and consolidated interim accounting information was authorized for issue by the Board of Directors and Executive Board on 5/2/2019.

The subsidiaries included in the consolidation and the corresponding equity interest of the parent company are as follows:

Direct subsidiaries	Total equity interest %	
	3/31/2019	12/31/2018
Pan Arrendamento Mercantil S.A.	100.00	100.00
Brazilian Finance & Real Estate S.A.	100.00	100.00
Brazilian Securities Companhia de Securitização.	100.00	100.00
Pan Administradora de Consórcio Ltda.	100.00	100.00
BM Sua Casa Promotora de Vendas Ltda.	100.00	100.00

3) SIGNIFICANT ACCOUNTING PRACTICES

a) Cash and cash equivalents and functional and presentation currency:

Cash and cash equivalents comprise cash in local and foreign currencies, investments in the money market, interbank deposits, bank certificates of deposit and fixed-income funds, with maturities at the original investment date equal to or less than 90 days and which present an immaterial risk of change in fair value, which are utilized by the Bank to manage its short-term commitments.

The parent company and consolidated interim accounting information are presented Brazilian Reals (Real), which is the Bank's functional currency.

b) Determination of the results of operations:

Income and expenses are recorded on the accrual basis of accounting, and are prorated when resulting from financial transactions. Financial income and expenses are calculated based on the exponential method, except when for foreign transactions or discounted notes, which are calculated on the straight-line method. Transactions with floating rates or indexed to foreign currencies are adjusted up to the balance sheet date at agreed-upon rates.

c) Interbank investments:

Interbank investments are presented at cost plus related earnings up to the balance sheet date.

d) Marketable securities:

Marketable securities are recorded at the investment amount plus income earned through the balance sheet date, based on the yield rate and maturity, adjusted to fair value, where applicable. These are classified in the following categories:

- Trading securities - securities acquired for the purpose of being actively and frequently traded are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in the result for the period;
- Available-for-sale securities - securities that cannot be classified as trading securities or held-to-maturity securities are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in a separate account in equity, net of tax effects. Unrealized gains and losses are recognized in the results for the period when effectively realized; and
- Held-to-maturity securities - securities which the Bank intends and has the ability to hold in its portfolio to maturity, are stated at cost of acquisition, plus related earnings with a corresponding entry to results for the period.

e) Derivative financial instruments:

The derivative financial instruments consist of futures, swaps and forwards. These financial instruments are classified, on the date the transaction is contracted, reflecting management's intention to use them or not as hedging instruments. Appreciation or depreciation in value are recognized in the income or expense accounts of the corresponding financial instruments, in accordance with BACEN Circular 3,082/02 and Circular Letter 3,026/02.

Derivative financial instruments are valued at market values and appreciation or depreciation recorded in the results. The gains or losses on derivative financial instruments considered as a market risk hedge, whether realized or unrealized, are also recorded in the results for the period.

The Bank uses derivative financial instruments mainly to hedge against unfavorable variations in the market value of positions held.

The market values of derivative financial instruments and their respective hedged items are determined based on available market information, mainly the prices and rates provided by B3 S.A., the Brazilian commodities, futures and stock exchange. Where applicable, mathematical models of rate interpolations for interim periods and rate extrapolations for longer periods are utilized.

Future cash flows, discounted to present value by future interest curves, obtained based on information issued by B3 S.A., were utilized to measure the market value of swaps.

The marking to market of futures contracts, such as interest contracts (1-day DI), foreign exchange contracts (DOL) and foreign exchange coupons (DDI), is determined based on the market price in a unique price (PU) format, which is released daily by B3 S.A. Based on this price, the daily adjustments are recorded in assets or liabilities and appropriated daily to the results as income or expenses.

Derivative financial instrument transactions (futures, forwards, and swaps) are registered at B3 S.A. or at the Organized Counter for Assets and Derivatives (CETIP S.A.). The differences receivable and payable are recorded in the respective derivative financial instrument balance sheet accounts, with a corresponding entry to results from derivative financial instruments in the statement of income, and the nominal amounts of these transactions are recorded in memorandum accounts.

The balances of assets and liabilities and the results are shown in Notes 7c and 7g.

f) Credit operations:

Loan and leasing operations, advances on foreign exchange contracts, real estate receivables, and other credits with credit concession characteristics are classified based on management's opinion as to their risk level, considering the economic scenario, past experience, and specific and global risks related to the operation, debtors and guarantors, in compliance with the parameters and guidelines established by CMN Resolution 2,682/99, which requires a periodic portfolio analysis and the classification of risk into nine levels. Level AA represents the minimum risk and H the maximum risk. Additionally, delinquency periods before settlement as defined in this Resolution and a doubling up for transactions with an unexpired term exceeding 36 months are also taken into consideration when rating customer risk.

Income from credit operations past due for more than 60 days, regardless of the risk level, is only recognized when realized. Operations classified in level H remain at this level for six months, after which they are written-off against the existing allowance and controlled in a memorandum account and no longer presented in the Bank's balance sheet.

Renegotiated transactions remain, at least, at the same rating at which they were classified prior to renegotiation. Renegotiated loan operations that had already been written-off against the allowance and that were recorded in memorandum accounts are classified in level H, and any gains resulting from the renegotiation are recognized as income only when effectively received. When there is a significant amortization of a credit operation or when relevant new facts justify a change in risk level, the operation can be reclassified to a lower risk category.

The allowance for losses is determined at an amount which is sufficient to cover probable losses and considers CMN and BACEN rules and instructions, as well as the assessments carried out by management in determining credit risk.

The allowance for loan losses related to loan assignments with co-obligation is calculated based on the same guidelines established by BACEN for unassigned loan operations.

g) Transactions for the sale or transfer of financial assets:

From January 1, 2012, as determined by CMN Resolution 3,533/08, transactions for the sale or transfer of financial assets are classified and recorded as described below:

- The following procedures are observed for recording the sale or transfer of financial assets classified in the category of transactions with a substantial transfer of risks and benefits:

In transactions involving the disposal of assets, the financial asset being sold or transferred is written-off from the account in which the original transaction was recorded. The gain or loss determined in the transaction is separately appropriated to the result for the period.

In transactions involving the purchase of assets, the financial asset acquired is recorded at the amount paid, based on the nature of the original transaction.

- The following procedures are observed for recording the sale or transfer of financial assets classified in the category of transactions with substantial retention of risks and benefits:

In transactions for the disposal of assets, the financial asset, which is the object of the sale or transfer, remains recorded in assets at the full amount. The amounts received as a result of the transaction are recorded in assets, with a corresponding entry in liabilities for the obligation assumed, and the income and expenses are appropriated separately to the result for the year over the remaining term of the transaction; and

In transactions for the purchase of assets, the amounts paid are recorded in assets as a right receivable and the income is appropriated to the result for the year over the remaining term of the transaction.

h) Assets not for own use:

These assets mainly comprise repossessed assets or assets received in lieu of payment, which are available for sale, and which are adjusted through a valuation allowance, where applicable, calculated based on the historical losses on the sale of the repossessed assets.

i) Prepaid expenses:

Prepaid expenses relate to funds applied in advance payments, whose related benefits or services will occur or be provided in future periods. These expenses are appropriated to the result of the period in which the future benefits are generated. This group mainly consists of commissions paid to correspondent banks and expenses on securities issued abroad.

As from January 2, 2015, PAN adopted the accounting registration criteria for the remuneration of correspondent banks, determined by BACEN Circular 3,693/13, as amended, introduced by BACEN Circular 3,738/14.

j) Other current assets and long-term receivables:

These assets are stated at cost plus related income and indexation/interest accruals and exchange gains/losses, less the corresponding provision for adjustment to realizable value, where applicable.

k) Investments:

Investments in subsidiaries are accounted for on the equity method. Other investments are stated at cost of acquisition, less the corresponding provision for loss and impairment, where applicable.

l) Property and equipment:

Property and equipment correspond to the rights acquired over physical assets for maintaining the business or which are exercised for this purpose, including those arising from transactions which transfer the risks, rewards and control over the assets to the Bank. The assets mainly consist of properties, installations and leasehold improvements, furniture and equipment in use.

The assets are stated at cost of acquisition less accumulated depreciation and adjusted for impairment, where applicable. Depreciation is calculated on the straight-line method at annual rates which consider the estimated economic useful lives of the assets.

Property and equipment acquired as from January 1, 2017 are stated in conformity with Resolution 4,535/16.

m) Intangible assets:

Intangible assets correspond to the rights acquired over non-physical assets for maintaining the business or which are exercised for this purpose.

The assets are stated at acquisition or formation cost less accumulated amortization and an adjustment for impairment, where applicable, and mainly comprise goodwill paid for the future profitability of an investment, licenses and expenses on the acquisition and development of software. Intangible assets are amortized on the straight-line method over the estimated period of their use.

The intangible assets acquired as from January 1, 2017 are stated in conformity Resolution 4,534/16.

n) Income tax and social contribution (assets and liabilities):

Provisions for income tax and social contribution due are recorded based on profit as adjusted by additions and deductions established by the applicable tax law. Deferred tax assets on temporary additions are realized on the utilization and/or reversal of the corresponding provisions in respect of which they were recorded. Deferred tax assets on tax loss carry-forwards are realized as taxable income is generated, up to the limit of 30% of taxable income for the reporting period. These deferred tax assets are recognized based on their expected realization, which is periodically reviewed, considering the technical studies and analyses prepared by management.

Tax rates and calculation bases are detailed in Note 31.

o) Impairment of non-financial assets:

Non-financial assets are subject to an annual evaluation of their recoverable values, or more frequently if conditions or circumstances indicate the possibility of loss in value. Any losses identified are recognized in the result for the period when the carrying amount of an asset exceeds its recoverable amount, determined as follows:

- i. potential sales or realization amount less corresponding expenses; or
- ii. value in use calculated based on the cash generating unit.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows from other assets or groups of assets.

p) Deposits and funds obtained in the market:

Deposits and funds obtained in the market are stated at the amounts of the liabilities and consider, where applicable, the charges payable up to the balance sheet date, recognized on a daily pro rata basis.

q) Specific accounting policies of the consortium segment:

The management fee is recognized when received from the consortium groups. Commissions on sales of quotas are recorded when the consortium quotas are sold and other income and expenses are recorded monthly on the accrual basis.

The liabilities for unclaimed funds are recorded at the amount to be returned to the members of the discontinued consortium groups, including remuneration equal to that generated by their quotas in the investment funds in which the active groups hold investments.

r) Current and long-term liabilities:

Known or estimated liabilities, charges and risks are presented with indexation/interest accruals through the balance sheet date. Liabilities in foreign currency are translated into local currency at the exchange rates in effect on the balance sheet date, as disclosed by BACEN.

s) Provisions, contingent assets and liabilities and legal obligations (taxes and social security):

Contingent assets and contingent liabilities and legal obligations (tax and social security) are recognized, measured and disclosed in conformity with CMN Resolution 3,823/09, which approved CPC Accounting Standard 25 - Provisions, Contingent Assets and Contingent Liabilities, the main criteria of which are as follows:

- Contingent assets - not recorded in the quarterly information, except when there is evidence that their realization is guaranteed.
- Provisions - recorded in the quarterly information when, based on the opinion of the Bank's management under advice of legal advisors, the risk of losing an administrative or legal action is considered to be probable, and whenever the amounts involved can be reliably measured.
- Contingent liabilities are not recognized because they are considered as possible losses and, therefore, are only to be disclosed in the notes to the quarterly information when significant. Those classified as remote losses require neither provision nor disclosure; and
- Legal obligations (tax and social security) - correspond to amounts related to lawsuits challenging the legality and constitutionality of certain taxes and contributions, which, regardless of the likelihood of success, are recognized at the full amount in the quarterly information.

t) Residual benefit in securitized transactions:

The benefit corresponds to the residual balance, net of any guarantees provided, of the separate equity of the securitized transactions which, in accordance with Law 9,514/97, will be reintegrated to the common equity of the securitization company when the lien is released and the related mortgage-backed and agribusiness securities are settled.

u) Earnings per share:

Earnings per share are calculated based on the number of outstanding shares at the quarterly information date.

v) Use of accounting estimates:

The preparation of quarterly information requires management to make estimates and assumptions, to the best of its judgment, that affect the reported amounts of certain financial or non-financial assets and liabilities, income and expenses, and other transactions, such as: (i) deferred tax assets; (ii) depreciation rates of property and equipment and amortization of intangible assets; (iii) provisions necessary to absorb the potential risks arising from civil, labor, or tax liabilities; (iv) provision for loss on assets not for own use; (v) allowance for loan and lease losses; (vi) impairment of non-financial assets; and (vii) estimated fair value of specific financial instruments. The actual settlement amounts of these financial or non-financial assets and liabilities could differ from these estimates.

w) Events after the reporting period:

Events which have occurred between the reporting date of the quarterly information and the date of its approval by management are divided into:

- i. events that require adjustment, related to conditions existing at the reporting date of the quarterly information; and
- ii. events that do not require adjustment, related to conditions which did not exist at the reporting date of the quarterly information.

4) BALANCE SHEET AND STATEMENT OF INCOME BY BUSINESS SEGMENT

a) Consolidated Balance Sheet:

Assets	Financial (1)	Consortium (2)	Securitization (3)	Others (4)	Eliminations (5)	Total
Current assets and long-term receivables						
Cash and cash equivalents	5,128	27	1,796	18	(22)	6,947
Short-term interbank investments	279,004	7,785	-	-	(7,785)	279,004
Marketable securities and derivative financial instruments	1,528,394	46,111	149,480	355,445	(316,724)	1,762,706
Interbank investments	23,461	-	-	-	-	23,461
Loan and leasing operations (6)	19,411,669	-	-	-	-	19,411,669
Other receivables and other assets	6,699,851	14,350	71,935	48,442	(6,355)	6,828,223
Permanent assets	854,005	246	1,324	2,421	(656,059)	201,937
Total at 3/31/2019	28,801,512	68,519	224,535	406,326	(986,945)	28,513,947
Total at 12/31/2018	27,494,548	69,861	225,253	404,791	(964,022)	27,230,431

Liabilities	Financial (1)	Consortium (2)	Securitization (3)	Other (4)	Eliminations (5)	Total
Current and long-term payables						
Deposits	18,268,826	-	-	-	(316,746)	17,952,080
Funds obtained in the open market	202,837	-	-	-	(7,785)	195,052
Funds from issuance of securities	1,191,567	-	-	-	-	1,191,567
Interbank and interbranch accounts	734,145	-	-	-	-	734,145
Derivative financial instruments	118,564	-	-	-	-	118,564
Other obligations	4,131,482	16,412	12,020	14,889	(6,355)	4,168,448
Deferred income	10	-	-	-	-	10
Equity	4,154,081	52,107	212,515	391,437	(656,059)	4,154,081
Total at 3/31/2019	28,801,512	68,519	224,535	406,326	(986,945)	28,513,947
Total at 12/31/2018	27,494,548	69,861	225,253	404,791	(964,022)	27,230,431

b) Consolidated statement of income:

	Financial (1)	Consortium (2)	Securitization (3)	Others (4)	Eliminations (5)	Total
Income from financial intermediation	1,773,466	822	4,225	7,558	(4,864)	1,781,207
Expenses on financial intermediation	(819,164)	-	-	-	4,864	(814,300)
Gross result	954,302	822	4,225	7,558	-	966,907
Other operating income (expenses)	(824,605)	2,443	(2,447)	1,609	(9,331)	(832,331)
Non-operating results	(7,262)	-	(103)	-	-	(7,365)
Provision for IRPJ and CSLL	(26,328)	(1,110)	(562)	(3,104)	-	(31,104)
Net result at 3/31/2019	96,107	2,155	1,113	6,063	(9,331)	96,107
Net result at 3/31/2018	56,551	463	(606)	9,254	(9,111)	56,551

(1) Represented by Banco PAN S.A. and Pan Arrendamento Mercantil S.A.

(2) Represented by Pan Administradora de Consórcio Ltda.

(3) Represented by Brazilian Securities Companhia de Securitização.

(4) Represented by BM Sua Casa Promotora de Vendas Ltda. and Brazilian Finance & Real Estate S.A.

(5) Eliminations between companies in different segments.

(6) Net allowance for losses.

5) CASH AND CASH EQUIVALENTS

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Funds in local currency	380	313	2,203	3,653
Funds in foreign currency	4,744	16,061	4,744	16,061
Subtotal (cash)	5,124	16,374	6,947	19,714
Short-term interbank investments (1)	275,045	-	275,045	-
Total	280,169	16,374	281,992	19,714

(1) Includes transactions with maturities at the original investment date equal to or less than 90 days and which present an immaterial risk of change in fair value.

6) INTERBANK INVESTMENTS

a) Composition and maturities:

Bank and Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	3/31/2019	12/31/2018
Money market investments:	275,045	-	-	275,045	-
Own portfolio position	275,045	-	-	275,045	-
National Treasury Bills (LTN)	275,045	-	-	275,045	-
Interbank deposits	-	3,959	-	3,959	3,897
Total at 3/31/2019	275,045	3,959	-	279,004	-
Total at 12/31/2018	-	-	3,897	-	3,897

b) Income from interbank investments:

This income is classified in the statement of income as results from operations with securities:

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Income from investments in purchase and sale agreements:	4,064	12,505	4,064	12,505
Own portfolio position	4,064	7,718	4,064	7,718
Third-party portfolio position	-	4,707	-	4,707
Short position	-	80	-	80
Income from interbank deposits	62	244	62	244
Total (Note 7h)	4,126	12,749	4,126	12,749

7) MARKETABLE SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

a) Composition of portfolio:

The portfolio of marketable securities and derivative financial instruments at 3/31/2019 and 12/31/2018, by security, was comprised as follows:

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Marketable securities	1,212,266	1,700,784	1,446,578	1,934,506
Own portfolio:	769,509	1,213,212	1,003,725	1,444,548
Bank Deposit Certificates (CDB)	-	-	-	428
Mortgage-backed securities (CRI)	-	-	234,216	230,908
Financial Treasury Bills (LFT)	308,414	621,156	308,414	621,156
National Treasury Bills (LTN)	595	200,450	595	200,450
National Treasury Notes (NTN)	460,158	391,264	460,158	391,264
Social Development Fund (FDS)	342	342	342	342
Subject to repurchase agreements:	202,496	269,177	202,496	269,177
Financial Treasury Bills (LFT)	109,686	112,407	109,686	112,407
National Treasury Notes (NTN)	92,810	156,770	92,810	156,770
Subject to guarantees:	240,261	218,395	240,357	220,781
Financial Treasury Bills (LFT)	240,261	218,395	240,261	218,395
Bank Deposit Certificates (CDB)	-	-	96	2,386
Derivative financial instruments:	316,128	279,158	316,128	279,158
Difference receivable on swaps	316,128	275,298	316,128	275,298
Options	-	3,860	-	3,860
Total	1,528,394	1,979,942	1,762,706	2,213,664

b) Analysis by category and term:

Bank	3/31/2019						12/31/2018		Book value (1)(2)(3)	Mark-to-market adjustment
	No stated maturity	Up to 12 months	From 1 to 3 years	3 to 5 years	Over 5 years	Book value (1)(2)(3)	Adjusted cost	Mark-to-market adjustment		
Trading securities	-	595	15,204	762	36,053	52,614	52,605	9	401,225	1,091
Financial Treasury Bills (LFT)	-	-	15,204	762	36,053	52,019	52,015	4	293,848	11
National Treasury Bills (LTN)	-	595	-	-	-	595	590	5	585	7
National Treasury Notes (NTN)	-	-	-	-	-	-	-	-	106,792	1,073
Available-for-sale securities	-	132,584	399,226	74,532	-	606,342	606,411	(69)	658,114	93
Financial Treasury Bills (LFT)	-	132,584	399,226	74,532	-	606,342	606,411	(69)	658,110	93
National Treasury Notes (NTN)	-	-	-	-	-	-	-	-	4	-
Securities held to maturity	342	130,650	267,838	154,480	-	553,310	553,310	-	641,445	-
National Treasury Bills (LTN)	-	-	-	-	-	-	-	-	199,865	-
National Treasury Notes (NTN)	-	130,650	267,838	154,480	-	552,968	552,968	-	441,238	-
Social Development Fund (FDS)	342	-	-	-	-	342	342	-	342	-
Total	342	263,829	682,268	229,774	36,053	1,212,266	1,212,326	(60)	1,700,784	1,184

Consolidated	3/31/2019								12/31/2018	
	No stated maturity	Up to 12 months	From 1 to 3 years	3 to 5 years	Over 5 years	Book value (1)(2)(3)	Adjusted cost	Mark-to-market adjustment	Book value (1)(2)(3)	Mark-to-market adjustment
Trading securities:	-	595	15,204	762	36,053	52,614	52,605	9	401,225	1,091
Financial Treasury Bills (LFT)	-	-	15,204	762	36,053	52,019	52,015	4	293,848	11
National Treasury Bills (LTN)	-	595	-	-	-	595	590	5	585	7
National Treasury Notes (NTN)	-	-	-	-	-	-	-	-	106,792	1,073
Available-for-sale securities:	-	133,808	632,314	74,532	-	840,654	853,554	(12,821)	891,836	(12,270)
Financial Treasury Bills (LFT)	-	132,584	399,226	74,532	-	606,342	606,411	(69)	658,110	93
National Treasury Notes (NTN)	-	-	-	-	-	-	-	-	4	-
Bank Deposit Certificates (CDB)	-	74	22	-	-	96	96	-	2,813	-
Mortgage-backed securities (CRI)	-	1,150	233,066	-	-	234,216	247,047	(12,752)	230,909	(12,363)
Securities held to maturity:	342	130,650	267,838	154,480	-	553,310	553,310	-	641,445	-
National Treasury Bills (LTN)	-	-	-	-	-	-	-	-	199,865	-
National Treasury Notes (NTN)	-	130,650	267,838	154,480	-	552,968	552,968	-	441,238	-
Social Development Fund (FDS)	342	-	-	-	-	342	342	-	342	-
Total	342	265,053	915,356	229,774	36,053	1,446,578	1,459,469	(12,812)	1,934,506	(11,179)

(1) Brazilian Association of Financial and Capital Market Institutions (ANBIMA) and the Commodities, Futures and Stock Exchange ("B3 S.A."). In the case of the mortgage-backed securities, the fair value was determined using internal models and data based on observable market parameters.

(2) This column presents the carrying amount subsequent to the mark-to-market adjustment, in accordance with item (2), except for the securities classified as held to maturity, whose market value was higher than the adjusted cost by R\$ 10,061 (12/31/2018 - higher by R\$ 8,502). In order to comply with Article 8 of BACEN Circular 3,068/01, Banco PAN declares that it has both the financial ability and the intention to hold to maturity the securities classified in the 'securities held to maturity' category; and

(3) The maturities of the securities were considered, regardless of their accounting classification.

c) Derivative financial instruments:

Bank and Consolidated	3/31/2019				12/31/2018			
	Notional value	Carrying amount	Adjusted cost	Mark-to-market	Notional value	Carrying amount	Adjusted cost	Mark-to-market
Asset position:		316,128	323,472	(7,344)		279,158	281,148	(1,990)
Swap	3,767,866	316,128	323,472	(7,344)	4,096,404	275,298	279,127	(3,829)
Options to be exercised	-	-	-	-	1,919,163	3,860	2,021	1,839
Liability position:		(118,564)	(84,681)	(33,883)		(175,121)	(126,221)	(48,900)
Swap	3,767,866	(118,564)	(84,681)	(33,883)	4,096,404	(172,218)	(124,963)	(47,255)
Options issued	-	-	-	-	1,916,550	(2,903)	(1,258)	(1,645)
Subtotal		197,564	238,791	(41,227)		104,037	154,927	(50,890)
Futures:		2,734	2,734	-		967	967	-
Asset position	11,943,946	3,245	3,245	-	12,498,311	2,474	2,474	-
Liability position	11,943,946	(511)	(511)	-	12,498,311	(1,507)	(1,507)	-
Total		200,298	241,525	(41,227)		105,004	155,894	(50,890)

d) Composition by maturity (notional value):

Bank and Consolidated	Up to 30 days	From 31 to 90 days	From 91 to 180 days -	From 181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Swap	565,377	-	576,858	1,239,721	1,385,910	3,767,866	4,096,404
U.S. dollar x CDI	51,373	-	-	49,466	1,027,823	1,128,662	1,128,662
CDI x U.S. dollar	-	-	-	-	1,137	1,137	1,137
CDI x Fixed rate	514,004	-	576,858	1,190,255	356,950	2,638,067	2,942,174
Fixed rate x U.S. dollar	-	-	-	-	-	-	24,431
Options	-	-	-	-	-	-	3,835,713
Shares purchased	-	-	-	-	-	-	1,919,163
Shares sold	-	-	-	-	-	-	1,916,550
Futures	168,804	42,967	2,443,079	2,709,271	6,579,825	11,943,946	12,498,311
DDI	5,844	13,593	1,937	7,614	144,691	173,679	177,838
DI	162,960	-	2,441,142	2,701,657	6,435,134	11,740,893	12,291,388
U.S. dollar	-	29,374	-	-	-	29,374	29,085
Total	734,181	42,967	3,019,937	3,948,992	7,965,735	15,711,812	20,430,428

e) Place of negotiation and counterparties:

Bank and Consolidated	3/31/2019	12/31/2018
Central System for Custody and Financial Settlement of Securities (CETIP) (over the counter)	3,767,866	4,096,404
B3 S.A. (Exchange)	11,943,946	16,334,024
Total	15,711,812	20,430,428

Counterparties: At 3/31/2019, distributed as follows in the Bank and Consolidated: B3 S.A. 76.02% (85.14%), Financial Institutions 23.97% (14.70%), and other 0.01% (0.16%).

f) Hedge accounting- market value

Bank and Consolidated	3/31/2019	12/31/2018
Financial Instruments		
Asset position	2,809,675	2,717,544
Swaps - U.S. dollar (1)	1,974,711	1,909,407
Futures DI1 B3 S.A. Fixed rate - Brazilian reais (2)	834,964	808,137
Liability position	(7,232,675)	(6,199,812)
Swaps - fixed rate - Brazilian reais (3)	-	(399,926)
Futures DI1 B3 S.A. - fixed rate - Brazilian reais (3)	(7,232,675)	(5,799,886)
Hedged item		
Asset position	7,060,246	5,988,784
Credit operations (3)	7,060,246	5,988,784
Liability position	(2,694,657)	(2,588,584)
Subordinated debt abroad (1)	(1,870,204)	(1,790,563)
Time deposit certificates (2)	(824,453)	(798,021)

(1) Used as protection of the funding operation abroad;

(2) Used as protection against the fixed interest risk of long-term deposit certificates; and

(3) This hedged item includes retail credit operations for Payroll and Vehicles loans.

g) Result with derivative financial instruments:

	Bank			Consolidated		
	3/31/2019			3/31/2019		
	Income	Expense	Net	Income	Expense	Net
Swap	445,241	(407,535)	37,706	445,241	(407,535)	37,706
Options	1,722	(1,297)	425	1,722	(1,297)	425
Futures	330,801	(332,940)	(2,139)	330,801	(332,940)	(2,139)
Total at 3/31/2019	777,764	(741,772)	35,992	777,764	(741,772)	35,992
Total at 3/31/2018	582,888	(681,478)	(98,590)	582,888	(681,478)	(98,590)

h) Results from operations with marketable securities:

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Fixed income securities	27,530	26,238	33,641	37,938
Short-term interbank investments (Note 6.b)	4,126	12,749	4,126	12,749
Total	31,656	38,987	37,767	50,687

8) CREDIT OPERATIONS

a) Composition of the portfolio by type of operation:

	Bank				Consolidated			
	3/31/2019		12/31/2018		3/31/2019		12/31/2018	
	Amount	%	Amount	%	Amount	%	Amount	%
Payroll-deductible loan (1)	9,096,111	42.40	8,276,322	40.82	9,096,111	42.40	8,276,322	40.81
Vehicles (1)	7,410,971	34.55	6,979,927	34.42	7,410,971	34.54	6,979,927	34.42
Financing - credit cards (2)	1,775,503	8.28	1,702,804	8.40	1,775,503	8.28	1,702,804	8.40
Bank overdrafts	827,743	3.86	747,020	3.68	827,743	3.86	747,020	3.68
Loans with real estate guarantees	402,817	1.88	429,784	2.12	402,817	1.88	429,784	2.12
Working capital	286,374	1.33	320,166	1.58	286,374	1.33	320,166	1.58
Credits linked to the assignment of loans (3)	253,834	1.17	305,115	1.50	253,834	1.18	305,115	1.50
Housing financing	263,147	1.23	269,740	1.33	263,147	1.23	269,740	1.33
Export financing	145,091	0.68	156,619	0.77	145,091	0.68	156,619	0.77
Renegotiated loans	91,168	0.42	96,722	0.48	91,168	0.42	96,722	0.48
Real estate development financing	17,064	0.08	45,643	0.23	17,064	0.08	45,643	0.23
Personal credit (1)	12	-	68	-	12	-	68	-
Leasing operations (4)	-	-	-	-	3	-	29	-
Total credit operations	20,569,835	95.88	19,329,930	95.33	20,569,838	95.88	19,329,959	95.32
Other receivables (5)	851,719	3.97	913,705	4.51	853,061	3.97	914,688	4.51
Advances against Exchange Contracts (ACC) and income receivable (6)	31,536	0.15	33,966	0.16	31,536	0.15	33,966	0.17
Subtotal	21,453,090	100.00	20,277,601	100.00	21,454,435	100.00	20,278,613	100.00
(+/-) Adjustment to market value (1)	83,178	-	129,203	-	83,178	-	129,203	-
Total	21,536,268	-	20,406,804	-	21,537,613	-	20,407,816	-

(1) Contracts including hedge accounting transactions (Note 7f);

(2) Financing provided to Visa and MasterCard credit card holders.

(3) Payroll-linked loan operations assigned with substantial retention of risks and benefits (Note 8fii);

(4) Recorded at present value.

(5) Credit card receivables and credit instruments receivable with loan characteristics.

(6) Advances on foreign exchange contracts are recorded as a reduction of "Other Liabilities" (Note 9).

b) Analysis of the portfolio by risk levels and maturity:

Bank	Risk Levels										
	Abnormal course of operations										
	AA	A	B	C	D	E	F	G	H	Total at 3/31/2019	Total at 12/31/2018
Falling due	-	1,226,959	533,541	448,678	180,503	120,040	91,086	67,765	337,175	3,005,747	2,752,974
01 to 30	-	53,695	23,508	22,228	9,303	6,074	4,619	4,061	14,652	138,140	127,800
31 to 60	-	48,544	22,546	20,043	8,814	5,903	3,845	2,942	13,655	126,292	121,440
61 to 90	-	42,093	21,756	18,697	8,572	5,453	6,066	3,211	14,538	120,386	112,182
91 to 180	-	128,188	61,667	53,985	22,634	16,038	10,442	8,517	37,869	339,340	316,735
181 to 365	-	228,115	106,725	92,501	37,522	26,774	21,776	14,284	65,313	593,010	539,025
Up to 365	-	726,324	297,339	241,224	93,658	59,798	44,338	34,750	191,148	1,688,579	1,535,792
Past due	-	66,652	121,845	70,133	59,616	79,732	161,252	135,681	473,103	1,168,014	1,245,872
01 to 14	-	56,540	4,059	10,878	5,105	3,455	4,533	1,513	5,284	91,367	94,452
15 to 30	-	10,112	110,933	10,012	4,443	2,704	2,052	1,614	11,099	152,969	142,267
31 to 60	-	-	6,853	43,647	9,749	8,071	5,480	3,168	16,607	93,575	171,481
61 to 90	-	-	-	4,048	31,641	6,137	38,195	3,505	15,908	99,434	134,710
91 to 180	-	-	-	1,548	4,595	45,919	74,885	44,206	52,360	223,513	173,881
181 to 365	-	-	-	-	-	1,636	2,730	3,138	265,522	273,026	307,489
Up to 365	-	-	-	-	4,083	11,810	33,377	78,537	106,323	234,130	221,592
Subtotal	-	1,293,611	655,386	518,811	240,119	199,772	252,338	203,446	810,278	4,173,761	3,998,846
Allowance required	-	6,468	6,554	15,564	24,012	59,932	126,169	142,412	810,278	1,191,389	1,153,353

Bank	Risk Levels										
	Normal course of operations										
	AA	A	B	C	D	E	F	G	H	Total at 3/31/2019	Total at 12/31/2018
Falling due	-	16,850,550	137,274	49,697	125,045	51,509	21,719	18,486	25,049	17,279,329	16,278,755
01 to 30	-	2,118,211	11,013	8,524	46,596	1,785	340	400	3,489	2,190,358	2,107,232
31 to 60	-	585,468	7,094	1,853	1,195	284	13,405	257	1,121	610,677	599,696
61 to 90	-	544,151	25,852	1,651	1,413	2,987	367	215	945	577,581	538,319
91 to 180	-	1,451,061	28,356	4,812	5,861	9,835	607	9,282	6,848	1,516,662	1,442,319
181 to 365	-	2,422,441	24,561	7,228	58,442	13,470	993	1,027	2,670	2,530,832	2,384,107
Up to 365	-	9,729,218	40,398	25,629	11,538	23,148	6,007	7,305	9,976	9,853,219	9,207,082
Subtotal	-	16,850,550	137,274	49,697	125,045	51,509	21,719	18,486	25,049	17,279,329	16,278,755
Allowance required	-	84,253	1,373	1,491	12,505	15,452	10,859	12,940	25,049	163,922	178,271
Total (1)	-	18,144,161	792,660	568,508	365,164	251,281	274,057	221,932	835,327	21,453,090	20,277,601
Total allowance	-	90,721	7,927	17,055	36,517	75,384	137,028	155,352	835,327	1,355,311	1,331,624

Consolidated	Risk Levels										
	Abnormal course of operations										
	AA	A	B	C	D	E	F	G	H	Total at 3/31/2019	Total at 12/31/2018
Falling due	-	1,226,959	533,541	448,678	180,503	120,040	91,086	67,765	337,175	3,005,747	2,752,974
01 to 30	-	53,695	23,508	22,228	9,303	6,074	4,619	4,061	14,652	138,140	127,800
31 to 60	-	48,544	22,546	20,043	8,814	5,903	3,845	2,942	13,655	126,292	121,440
61 to 90	-	42,093	21,756	18,697	8,572	5,453	6,066	3,211	14,538	120,386	112,182
91 to 180	-	128,188	61,667	53,985	22,634	16,038	10,442	8,517	37,869	339,340	316,735
181 to 365	-	228,115	106,725	92,501	37,522	26,774	21,776	14,284	65,313	593,010	539,025
Up to 365	-	726,324	297,339	241,224	93,658	59,798	44,338	34,750	191,148	1,688,579	1,535,792
Past due	-	66,652	121,845	70,133	59,616	79,732	161,252	135,681	473,106	1,168,017	1,245,901
01 to 14	-	56,540	4,059	10,878	5,105	3,455	4,533	1,513	5,284	91,367	94,461
15 to 30	-	10,112	110,933	10,012	4,443	2,704	2,052	1,614	11,099	152,969	142,267
31 to 60	-	-	6,853	43,647	9,749	8,071	5,480	3,168	16,607	93,575	171,486
61 to 90	-	-	-	4,048	31,641	6,137	38,195	3,505	15,908	99,434	134,715
91 to 180	-	-	-	1,548	4,595	45,919	74,885	44,206	52,363	223,516	173,891
181 to 365	-	-	-	-	-	1,636	2,730	3,138	265,522	273,026	307,489
Over 365	-	-	-	-	4,083	11,810	33,377	78,537	106,323	234,130	221,592
Subtotal	-	1,293,611	655,386	518,811	240,119	199,772	252,338	203,446	810,281	4,173,764	3,998,875
Allowance required	-	6,468	6,554	15,564	24,012	59,932	126,169	142,412	810,281	1,191,392	1,153,382

Consolidated	Risk Levels										
	Normal course of operations										
	AA	A	B	C	D	E	F	G	H	Total at 3/31/2019	Total at 12/31/2018
Falling due	1,343	16,850,549	137,274	49,697	125,045	51,509	21,719	18,486	25,049	17,280,671	16,279,738
01 to 30	1,343	2,118,210	11,013	8,524	46,596	1,785	340	400	3,489	2,191,700	2,108,215
31 to 60	-	585,468	7,094	1,853	1,195	284	13,405	257	1,121	610,677	599,696
61 to 90	-	544,151	25,852	1,651	1,413	2,987	367	215	945	577,581	538,319
91 to 180	-	1,451,061	28,356	4,812	5,861	9,835	607	9,282	6,848	1,516,662	1,442,319
181 to 365	-	2,422,441	24,561	7,228	58,442	13,470	993	1,027	2,670	2,530,832	2,384,107
Up to 365	-	9,729,218	40,398	25,629	11,538	23,148	6,007	7,305	9,976	9,853,219	9,207,082
Subtotal	1,343	16,850,549	137,274	49,697	125,045	51,509	21,719	18,486	25,049	17,280,671	16,279,738
Allowance required	-	84,253	1,373	1,491	12,505	15,452	10,859	12,940	25,049	163,922	178,271
Total (1)	1,343	18,144,160	792,660	568,508	365,164	251,281	274,057	221,932	835,330	21,454,435	20,278,613
Total allowance	-	90,721	7,927	17,055	36,517	75,384	137,028	155,352	835,330	1,355,314	1,331,653

(1) Not including the market value adjustment (Note 8.a).

c) Change in the allowance for losses(1):

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Opening balance	1,432,555	1,266,038	1,432,584	1,266,084
Allowance constituted	275,813	293,823	275,788	293,864
Write off against allowance	(281,904)	(213,110)	(281,905)	(213,112)
Closing balance	1,426,464	1,346,751	1,426,467	1,346,836

Credit recoveries (2)	50,837	46,798	52,568	49,127
Effect on results (3)	(224,976)	(247,025)	(223,219)	(244,737)

- (1) Includes: (i) other receivables with characteristics of credit operations; (ii) foreign exchange transactions; (iii) other receivables without characteristics of credit operations (Note 11);
- (2) In the quarter ended 3/31/2019, credits previously written-off against the allowance, totaling R\$ 52,568, were recovered (recovered credits of R\$ 50,837 in the Bank, R\$ 100 referring to lease operations, recovered credits of R\$ 1,631 in Brazilian Finance & Real State); and
- (3) Expense of allowance constituted less income from credits recovered.

d) Classification by area of economic activity:

	Bank				Consolidated			
	3/31/2019		12/31/2018		3/31/2019		12/31/2018	
	Amount	%	Amount	%	Amount	%	Amount	%
Individuals	19,764,945	92.13	18,558,064	91.52	19,764,945	92.13	18,558,064	91.52
Services	1,241,289	5.79	1,264,689	6.24	1,242,634	5.79	1,265,701	6.24
Construction and real-estate development	472,528	2.20	536,051	2.64	473,871	2.21	537,034	2.65
Other services	458,539	2.14	434,776	2.14	458,541	2.14	434,805	2.14
Financial	212,626	0.99	195,852	0.97	212,626	0.99	195,852	0.97
Transportation and logistics	42,220	0.20	46,537	0.23	42,220	0.20	46,537	0.23
Utilities	47,870	0.22	44,225	0.22	47,870	0.22	44,225	0.22
Media, IT and Telecom	5,481	0.03	4,777	0.02	5,481	0.03	4,777	0.02
Vehicle rental	1,909	0.01	2,323	0.01	1,909	-	2,323	0.01
Health, security and education	116	-	148	0.01	116	-	148	-
Commercial	299,574	1.40	289,530	1.42	299,574	1.40	289,530	1.42
Wholesale and retail	299,574	1.40	289,530	1.42	299,574	1.40	289,530	1.42
Basic industries	75,209	0.34	90,873	0.45	75,209	0.34	90,873	0.45
Paper and pulp	32,867	0.15	32,384	0.16	32,867	0.15	32,384	0.16
Other industries	20,214	0.09	23,798	0.12	20,214	0.09	23,798	0.12
Textiles	15,334	0.07	15,366	0.08	15,334	0.07	15,366	0.08
Auto parts	-	-	12,072	0.05	-	-	12,072	0.05
Chemical industry	6,794	0.03	7,253	0.04	6,794	0.03	7,253	0.04
Agribusiness	72,073	0.34	74,445	0.37	72,073	0.34	74,445	0.37
Sugar and ethanol	42,981	0.20	42,846	0.21	42,981	0.20	42,846	0.21
Agribusiness and animal protein	29,092	0.14	31,599	0.16	29,092	0.14	31,599	0.16
Total (1)	21,453,090	100.00	20,277,601	100.00	21,454,435	100.00	20,278,613	100.00

(1) Not including the market value adjustment (Note 8.a).

e) Concentration of credit operations:

Largest borrowers	Bank				Consolidated			
	3/31/2019		12/31/2018		3/31/2019		12/31/2018	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	453,114	2.11	431,785	2.13	453,114	2.11	431,785	2.13
50 next largest borrowers	715,322	3.33	723,978	3.57	715,322	3.33	723,978	3.57
100 next largest borrowers	363,632	1.70	389,057	1.92	363,632	1.69	389,057	1.92
Other borrowers	19,921,022	92.86	18,732,781	92.38	19,922,367	92.86	18,733,793	92.38
Total	21,453,090	100.00	20,277,601	100.00	21,454,435	100.00	20,278,613	100.00

f) Transactions for the sale or transfer of financial assets:

I. Transactions with substantial transfer of risks and benefits:

In the quarters ended 3/31/2019 and 3/31/2018, credits were assigned to financial institutions as presented below:

Bank and Consolidated	3/31/2019			3/31/2018		
	Assignment amount	Present value	Result (1)	Assignment amount	Present value	Result (1)
Payroll-deductible loan	1,371,437	867,100	504,337	2,236,136	1,623,650	612,486
Total (Note 8.g)	1,371,437	867,100	504,337	2,236,136	1,623,650	612,486

(1) Recorded in income from loan operations.

II. Transactions with substantial retention of risks and benefits:

Assignment after CMN Resolution 3,533/08

The responsibilities for loans assigned with substantial retention of risks and benefits amounted to R\$ 253,834, in Banco PAN and Consolidated (R\$ 305,115 at 12/31/2018), calculated at present value using the agreed contract rates. Obligations in the amount of R\$ 336,610 (R\$ 416,401 at 12/31/2018) were assumed for these credits (Note 20.b).

g) Income from credit and leasing operations:

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Profit on credit assignments (Note 8.f)	504,337	612,486	504,337	612,486
Payroll-deductible loan	515,343	416,748	515,343	416,748
Vehicles	439,495	381,052	439,495	381,052
Credit cards	182,715	176,695	182,715	176,695
Recovery of credits written off as losses	50,837	46,798	52,568	49,127
Working capital/overdraft accounts	33,585	45,500	33,585	45,500
Income from loans with real estate guarantees	10,991	22,530	10,991	22,530
Export financing	6,194	16,376	6,194	16,376
Renegotiated loans	4,608	5,190	4,608	5,190
Housing loans	3,017	4,208	3,017	4,208
Income from real estate developments	149	1,430	149	1,430
Personal credit	4	81	4	81
Leasing, net of expenses	-	-	(26)	5
Others	38	59	38	59
Adjustment to market value - Retail Portfolio (1)	(46,025)	9,572	(46,025)	9,572
Total	1,705,288	1,738,725	1,706,993	1,741,059

(1) Marked-to-market of accounting hedge on the retail credits: payroll-deductible loans, vehicles, and personal credit.

9) FOREIGN EXCHANGE PORTFOLIO

a) Balance sheet accounts:

Bank and Consolidated	3/31/2019	12/31/2018
Assets - Other receivables		
Exchange purchases pending settlement	24,616	27,802
Income receivable	11,536	11,056
Total assets	36,152	38,858
Liabilities - Other liabilities		
Liabilities for exchange purchases	20,000	22,910
Advances on foreign exchange contracts	(20,000)	(22,910)
Total liabilities	-	-

b) Result on foreign exchange transactions:

Bank and Consolidated	3/31/2019	3/31/2018
Income from export financing	6,651	9,863
Foreign exchange variations	(6,196)	(8,062)
Total	455	1,801

10) REAL ESTATE RECEIVABLES

Consolidated	Final maturity	Charges	% interest p.a.	3/31/2019	12/31/2018
Real estate credit note (CCI)	11/15/2034	INCC/ IGPM /Savings Account/ CDI and with no indexation accruals	0 to 20.05	6,453	6,967
Total				6,453	6,967

11) OTHER CREDITS

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Tax credits (Note 31.b)	2,669,367	2,690,503	2,910,211	2,933,004
Amounts receivable from credit assignments	2,035,268	1,652,816	2,035,268	1,652,816
Securities and credits receivable (1)	851,719	913,705	853,061	914,688
Judicial and tax deposits	201,896	204,335	224,675	228,062
Taxes and contributions to be offset	216,488	222,792	272,450	285,564
Amounts receivable from payroll-linked loans (2)	54,079	43,125	54,079	43,125
Amounts receivable from affiliates	19,719	12,527	17,678	10,352
Advances for payments	7,095	7,958	7,787	8,650
Residual benefit of securitized transactions (3)	-	-	6,719	7,495
Salary and other advances	598	1,119	673	1,171
Other (4)	69,758	74,017	71,453	72,513
Total	6,125,987	5,822,897	6,454,054	6,157,440

(1) Includes: (i) amounts receivable related to payment transactions made with credit cards amounting to R\$ 631,744 (R\$ 669,608 at 12/31/2018). The accounting for this asset was modified by BACEN Circular Letter 3,828/17; and (ii) securities receivable with credit concession characteristics amounting to R\$ 219,975 in the Bank and R\$ 221,312 in the Consolidated (12/31/2018 - R\$ 244,097 in the Bank and R\$ 245,080 in Consolidated).

(2) Refer mainly to: (i) amounts received and not yet transferred to the Bank by State and Municipal governments, whose transfers are being negotiated by the Bank, which constitutes a full allowance for losses, and for transfers in arrears for more than 180 days, the balance of which at March 31, 2019 amounted to R\$ 59,868 (R\$ 89,756 at 12/31/2018) (Note 8.c).

(3) Refers to operations originating from Brazilian Securities Companhia de Securitização.

(4) Includes allowance for other receivables without credit characteristics of R\$ 11,285 (12/31/2018 - R\$ 11,175) (Note 8.c).

12) OTHER ASSETS

a) Assets not for own use and other:

Residual value	Bank				Consolidated			
	Cost	Provision for losses	3/31/2019	12/31/2018	Cost	Provision for losses	3/31/2019	12/31/2018
Assets not for own use	383,273	(49,754)	333,519	338,619	393,263	(50,943)	342,320	348,627
Property	348,863	(40,639)	308,224	311,343	358,163	(41,211)	316,952	321,287
Vehicles	34,410	(9,115)	25,295	27,276	35,100	(9,732)	25,368	27,340
Other items	310	-	310	282	310	-	310	282
Total	383,583	(49,754)	333,829	338,901	393,573	(50,943)	342,630	348,909

b) Prepaid expenses:

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Commissions paid to banking correspondents	87,824	93,958	88,198	94,393
Expenses for issuance of securities abroad	1,518	1,897	1,518	1,897
Other	7,995	7,927	8,037	7,931
Total	97,337	103,782	97,753	104,221

13) INVESTMENTS

a) Subsidiaries:

Corporate loans	Share capital	Adjusted equity	Number of shares/ quotas held (in thousands)			Participation in capital	Adjusted results	Balance of Investments		Equity accounting adjustment (1)			
			Common	Preferred	Units			%	3/31/2019	3/31/2019	12/31/2018	Quarter ended	
												3/31/2019	3/31/2018
Pan Arrendamento Mercantil S.A. (2)	356,736	354,846	11	-	-	100.00	65	354,846	354,781	65	64		
Pan Administradora de Consórcio (2)	42,388	52,107	-	-	48,168	100.00	2,155	52,107	49,952	2,155	463		
Brazilian Securities Companhia de Securitização (2)(3)(4)	174,201	212,825	77,865	-	-	100.00	1,113	213,680	213,968	1,113	(606)		
Brazilian Finance & Real Estate S.A. (2)	107,662	174,685	0.2	0.5	-	100.00	3,521	174,685	170,993	3,521	3,785		
BM Sua Casa Promotora de Vendas Ltda. (2)(3)	179,864	216,752	-	-	179,864	100.00	2,542	218,848	215,578	2,542	5,469		
Total								1,014,166	1,005,272	9,396	9,175		

(1) Considers results determined by the companies subsequent to acquisition and includes equity variations in the investees not derived from results, as well as adjustments arising from the equalization of accounting principles, where applicable.

(2) Companies whose financial information for the quarter ended 3/31/2019 was reviewed by the same independent auditor as that of Banco PAN.

(3) The carrying amounts of the related investments include goodwill on acquisition, net of amortization, amounting to R\$ 3,260 - BM Sua Casa Promotora de Vendas Ltda. R\$ 2,096 and Brazilian Securities Companhia de Securitização R\$ 1,164.

(4) Company audited by other independent auditors at 3/31/2018 and 12/31/2018.

b) Other Investments:

Bank and Consolidated	3/31/2019	12/31/2018
Asset and Security Registration Center (Certa)	765	765
Interbank Payment Chamber (CIP)	379	379
Total	1,144	1,144

14) PROPERTY AND EQUIPMENT

a) Property and equipment comprise the following:

Bank and Consolidated	Annual depreciation rate	Cost	Depreciation	Residual value	
				3/31/2019	12/31/2018
Facilities, furniture and equipment in use	10%	41,646	(27,970)	13,676	14,405
Security and communications systems	10%	1,790	(958)	832	891
Data processing systems	20%	29,190	(19,985)	9,205	8,797
Total at 3/31/2019		72,626	(48,913)	23,713	-
Total at 12/31/2018		70,991	(46,898)	-	24,093

b) Changes in property and equipment by category:

Bank and Consolidated	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Total
At 12/31/2018	14,405	891	8,797	24,093
Purchases	343	8	1,284	1,635
Depreciation	(1,072)	(67)	(876)	(2,015)
At 3/31/2019	13,676	832	9,205	23,713

15) INTANGIBLE ASSETS

The amortization of goodwill for the quarter ended 3/31/2019 totaled R\$ 5,983 in the Bank and R\$ 6,263 in the Consolidated (Note 26.b).

a) Intangible assets comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				3/31/2019	12/31/2018
Expenses with software development	20% to 50%	203,417	(110,094)	93,323	85,257
Goodwill	10%	229,514	(153,010)	76,504	82,242
Total at 3/31/2019		432,931	(263,104)	169,827	-
Total at 12/31/2018		420,884	(253,385)	-	167,499

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				3/31/2019	12/31/2018
Expenses with software development	20% to 50%	204,319	(110,750)	93,569	85,514
Goodwill	10%	250,532	(167,021)	83,511	89,774
Total at 3/31/2019		454,851	(277,771)	177,080	-
Total at 12/31/2018		442,804	(267,516)	-	175,288

b) Changes in intangible assets by category:

Bank	Expenses with software development	Goodwill	Total
At 12/31/2018	85,257	82,242	167,499
Additions	12,527	-	12,527
Reductions	(120)	-	(120)
Amortization	(4,341)	(5,738)	(10,079)
At 3/31/2019	93,323	76,504	169,827

Consolidated	Expenses with software development	Goodwill	Total
At 12/31/2018	85,514	89,774	175,288
Additions	12,527	-	12,527
Reductions	(120)	-	(120)
Amortization	(4,352)	(6,263)	(10,615)
At 3/31/2019	93,569	83,511	177,080

16) DEPOSITS, FUNDS OBTAINED IN THE OPEN MARKET AND FUNDS FROM ACCEPTANCE AND ISSUANCE OF SECURITIES

a) Deposits

Bank	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Demand deposits (1)	15,608	-	-	-	-	15,608	17,369
Interbank deposits	7,223,676	325,019	266,623	32,991	31,369	7,879,678	7,719,458
Term deposits (2)	346,127	515,238	982,664	1,880,453	6,907,467	10,631,949	9,435,026
Total at 3/31/2019	7,585,411	840,257	1,249,287	1,913,444	6,938,836	18,527,235	-
Total at 12/31/2018	7,378,922	733,004	683,649	1,997,668	6,378,610	-	17,171,853

Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Demand deposits (1)	15,576	-	-	-	-	15,576	17,319
Interbank deposits	7,219,556	322,781	43,528	4,044	31,369	7,621,278	7,463,438
Term deposits (2)	346,127	515,238	982,048	1,826,055	6,645,758	10,315,226	9,130,487
Total at 3/31/2019	7,581,259	838,019	1,025,576	1,830,099	6,677,127	17,952,080	-
Total at 12/31/2018	7,378,872	709,460	675,909	1,730,100	6,116,903	-	16,611,244

(1) Classified as from 1 to 30 days, without considering average historical turnover.

(2) Hedge accounting transactions (Note 7.f).

b) Funds obtained in the open market

Bank	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Own portfolio							
Financial Treasury Bills (LFT)	-	-	-	12,359	97,367	109,726	112,426
National Treasury Notes (NTN)	93,111	-	-	-	-	93,111	157,098
Total at 3/31/2019	93,111	-	-	12,359	97,367	202,837	-
Total at 12/31/2018	162,094	-	-	-	107,430	-	269,524

Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Own portfolio							
Financial Treasury Bills (LFT)	-	-	-	12,359	89,582	101,941	103,089
National Treasury Notes (NTN)	93,111	-	-	-	-	93,111	157,098
Total at 3/31/2019	93,111	-	-	12,359	89,582	195,052	-
Total at 12/31/2018	162,094	-	-	-	98,093	-	260,187

c) Funds from acceptance and issuance of securities

Bank and Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days	3/31/2019	12/31/2018
Financial Bills	1,171	-	7,401	814	642,600	651,986	727,806
Agribusiness letters of credit (LCA)	-	-	3,105	2,032	616	5,753	6,323
Real estate letters of credit (LCI)	22,457	34,480	288,409	133,833	54,649	533,828	515,832
Total at 3/31/2019	23,628	34,480	298,915	136,679	697,865	1,191,567	-
Total at 12/31/2018	177,065	51,131	50,953	342,358	628,454	-	1,249,961

d) Expenses on deposits, funds obtained in the open market, funds from the issuance of securities and subordinated debt

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Time deposits	292,268	215,216	287,533	211,295
Interbank deposits	129,135	142,284	125,226	138,475
Marketable securities issued abroad and subordinated debts	42,929	37,003	42,929	37,003
Funds raised abroad - subordinated debt (Note 18)	32,074	(44,815)	32,074	(44,815)
Financial bills (LF)	15,930	18,813	15,930	18,813
Foreign exchange variations	10,004	7,217	10,004	7,217
Credits assigned with retention of risk	9,255	5,318	9,255	5,318
Housing loan bills	7,957	18,271	7,957	18,271
Purchase and sale commitments	4,561	14,866	4,431	14,738
Contributions to the deposit guarantee fund	3,089	2,585	3,089	2,585
Agribusiness letters of credit	84	1,339	84	1,339
Total	547,286	418,097	538,512	410,239

17) INTERBANK ACCOUNTS

Bank and Consolidated	3/31/2019	12/31/2018
Receipts and payments pending settlement	596,697	615,912
Local correspondents (1)	137,209	112,716
Total	733,906	728,628

(1) Refer to the receipt of installments related to contracts assigned to be transferred to the assignees, updated at the agreed contractual rates. The accounts are represented by consumer financing, payroll-linked loans, and real-estate financing.

18) SUBORDINATED DEBTS

Tranches and balances updated to the balance sheet dates are as follows:

Maturity	Original term in years	Amount of the operation	Currency	Remuneration	Bank and Consolidated	
					3/31/2019	12/31/2018
Foreign (1):						
2020	10	US\$ 456,792	US\$	8.50% p.a.	1,870,204	1,790,563
Local:						
2019 (2)	06	R\$ 100,000	R\$	100% of IPCA rate + 5.60% p.a.	190,691	186,757
2019 (3)	05	R\$ 500	R\$	111% of CDI	825	812
Total					2,061,720	1,978,132

(1) The mark-to-market adjustment of the subordinated debts was accounted for in the result of operations of funds obtained in the market, which represented an expense of R\$ 32,074 in the quarter ended 3/31/2019 (income of R\$ 44,815 in the quarter ended 3/31/2018). This operation has a market risk hedge (Note 7.f).

(2) Subordinated Financial Bills issued on June 5, 2013, maturing on April 5, 2019.

(3) Subordinated Financial Bills issued on October 13, 2014, maturing on October 14, 2019.

19) PROVISIONS, CONTINGENT LIABILITIES AND LEGAL OBLIGATIONS (TAX AND SOCIAL SECURITY)

Provisions

The Bank is a party to labor, civil and tax lawsuits arising in the normal course of its business. The corresponding provisions are constituted for all civil and labor processes and for tax processes whenever losses are deemed probable, supported by the history of losses, position of the legal advisors, the type and complexity of the lawsuits, and recent court sentences. The provision recorded is sufficient to cover the risk of loss arising from these lawsuits.

Labor claims

The claims have been brought by former employees and service providers, to obtain the rights as bank payroll employees, and, in particular, overtime, based on Article 224 of the Consolidation of Labor Laws (CLT), or ancillary responsibility in lawsuits involving service providers.

Labor claims are under the responsibility of external legal counsel and managed individually through a computerized system.

The provisions are recorded to reflect the history of loss in similar lawsuits that were concluded in the last 12 or 24 months, depending on the plaintiff.

Civil

These are condemnatory lawsuits to pay, indemnify or review claims and tariffs.

Civil lawsuits that are managed via a computerized system are as follows:

1) lawsuits with common characteristics

In the methodology used to calculate civil provisions for lawsuits with common characteristics, a statistical model is applied before the decisions is handed down to calculate the average loss over the last 12 months by cluster.

2) unique civil lawsuits

The provision is recorded individually when the likelihood of loss is assessed as probable, based on the advice of internal legal counsel, legal firms, nature and complexity of the related lawsuits, and the applicable case law.

There are no significant administrative actions for non-compliance with National Financial System rules and regulations or that could require the payment of fines, which could have a material effect on the financial position of the Bank or its subsidiaries.

I. Provisions segregated by nature:

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Civil	295,800	276,363	309,551	290,599
Labor claims	225,314	279,008	236,850	290,927
Tax	1,117	1,002	27,302	27,341
Total (Note 20.b)	522,231	556,373	573,703	608,867

II. Change in provisions:

Bank	Civil	Labor	Tax	Total
At 12/31/2018	276,363	279,008	1,002	556,373
Reductions/adjustment	(23,537)	(24,833)	1	(48,369)
Constituted, net of amounts reversed	42,974	(28,861)	114	14,227
At 3/31/2019	295,800	225,314	1,117	522,231

Consolidated	Civil	Labor	Tax	Total
At 12/31/2018	290,599	290,927	27,341	608,867
Reductions/adjustment	(25,388)	(25,007)	(1)	(50,396)
Constituted, net of amounts reversed	44,340	(29,070)	(38)	15,232
At 3/31/2019	309,551	236,850	27,302	573,703

I. Contingent liabilities classified as possible losses:

In the third quarter 2012, a tax assessment notice was issued against Pan Arrendamento Mercantil S.A. by the Brazilian Federal Revenue Service (RFB), through which the tax authority assessed income tax and social contribution on net income allegedly owed for the tax years 2007 and 2008, totaling R\$ 19,167, including fines and interest arrears. A decision was issued for the Voluntary Appeal, Pan filed requests for clarification, which are now waiting the related decision.

In the final quarter of 2012, three tax assessment notices were issued against Banco PAN S.A. by the Brazilian Federal Revenue Service, through which the tax authority assessed income tax and social contribution on net income allegedly owed for the tax years 2007 and 2008, totaling R\$ 170,477, including fines and interest arrears. Two tax assessment notices are suspended as requested by the Administrative Board of Tax Appeals. The third notice is waiting the result of diligence in order for the decision on the Company's Voluntary Appeal to be issued.

In final quarter of 2018, tax assessment notices were issued against Pan Arrendamento Mercantil S.A. by the São Paulo municipal tax authority for Services Tax (ISS) payable on guaranteed residual value (VRG) charged on lease transactions from 2008 to 2012, totaling R\$ 43,656, including fines and interest arrears. The objection and appeals filed with the Municipal Board of Taxes of São Paulo were irrevocably considered as having being without merit in the final instance. The municipality filed a tax foreclosure and the entity filed an action for annulment against the municipality of São Paulo, which obtained a partially favorable outcome in the court of appeals. This proceeding is currently awaiting a decision to be issued on the requests for clarification.

In the first quarter of 2015, two tax assessment notices were issued against Banco Pan S.A., relating to 2010, for income tax and social contribution payable claiming disallowance of unsupported operating expenses, adjustments of net income for the period, and unauthorized eliminations, the principal of which, plus fines, amounts to R\$ 6,077. A further assessment notice disallowing certain swap-related expenses deducted from the Social Integration Program (PIS) and Social Contribution on Revenues (COFINS), the non-updated principal of which, plus fines, amounts to R\$ 3,320. Both proceedings are at the Administrative Board of Tax Appeals. The first process was partially accepted, and this led to the filing of a motion for resettlement by the General Counsel to the National Treasury (PGFN). Once a decision on this matter is issued, the Bank will challenge the motion for resettlement with the Superior Branch of the Administrative Board of Tax Appeals. The second process is suspended as requested by the Administrative Board of Tax Appeals.

During the last quarter of 2016, Banco PAN S.A. received a tax assessment notice regarding an alleged lack of payment of social security contributions on profit sharing paid to Banco PAN's employees from January to October 2012, amounting to R\$ 3,099, including fines and interest arrears. The matter is awaiting judgment on the administrative challenge by the Brazilian Federal Revenue Service (RFB) Trial Panel.

During the last quarter of 2017, the RFB issued three tax assessment notices against Banco PAN S.A. through which tax credits were constituted for: (i) social security, mainly profit sharing to employees in 2013; (ii) Withholding Income Tax (IRRF), for an alleged capital gain on the acquisition of an ownership interest abroad in 2013; and (iii) income tax and social contribution related to 2012. The total claims plus fines and interest on arrears, amount to R\$ 111,411. The first two proceedings are awaiting final judgment of the Voluntary Appeal of the Bank at the Administrative Board of Tax Appeals. An administrative appeal was filed for the third proceeding, which is now awaiting the decision of the RFB Trial Panel.

Management, based on the advice of its legal advisors, classified the likelihood of loss on these proceedings as possible.

20) OTHER LIABILITIES

a) Tax and social security:

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Social Contribution on Revenues (COFINS)	15,149	12,225	15,637	12,605
Taxes and contributions on salaries	10,645	12,108	10,681	12,578
Taxes and contributions on income	5,097	9,052	7,986	17,846
Withholding tax at source on payments to third parties	25,054	7,085	25,127	7,140
Government Social Integration Program (PIS)	2,462	1,987	2,553	2,060
Service tax (ISS)	1,288	1,474	1,339	1,520
Withholding tax on fixed-income securities	198	459	198	460
Provision for deferred income tax (Note 31.b)	-	-	85,402	85,271
Total	59,893	44,390	148,923	139,480

b) Sundry obligations:

	Bank		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Provision for payments to be effected	666,147	599,977	666,986	600,657
Civil, labor, and tax provisions (Note 19)	522,231	556,373	573,703	608,867
Assignment with co-obligation - Payroll (1)	336,610	416,401	336,610	416,401
Collections	132,899	131,114	133,140	131,355
Credit card transactions	34,180	27,682	34,180	27,682
Amounts payable to affiliates	8,250	6,283	7,267	5,345
Specific consortium amounts	-	-	7,861	9,186
Others	52,390	42,580	53,348	43,746
Total	1,752,707	1,780,410	1,813,095	1,843,239

(1) Refer to the obligations assumed by credit assignment operations, with substantial retention of risks and benefits (Note 8.f - II).

21) EQUITY

a) Composition of share capital

At 3/31/2019 and 12/31/2018, fully subscribed and paid-up capital totaled R\$ 3,653,410 and comprised nominative registered shares, with no par value, as below:

	3/31/2019	12/31/2018
Common	657,560,635	657,560,635
Preferred	484,245,486	484,245,486
Total	1,141,806,121	1,141,806,121

b) Revenue reserves

Legal reserve - pursuant to its Bylaws, the Bank appropriates 5% of net income, after the deduction of accumulated losses and the income tax provision, to the legal reserve, the balance of which should not exceed 20% of the Bank's paid-up capital. However, in accordance with Article 193, paragraph 1, of Corporation Law 6,404/76, the Bank may opt not to appropriate a portion of its net income to the legal reserve in the year in which the balance of this reserve plus the capital reserves exceeds 30% of capital.

Reserve for integrity of equity - the purpose of the reserve is to ensure that there are sufficient funds to meet the Bank's regulatory and operational capital requirements. The reserve can be converted into capital by a decision of the Board of Directors. Observing the limit of authorized capital, the reserve could be formed, in accordance with the Board of Directors' proposal, with up to 100% of the net income remaining after the annual appropriations, but may not exceed the amount of the Bank's capital.

c) Interest on capital

Stockholders are entitled to a minimum dividend calculated based on 35% of annual net income, adjusted pursuant to the Bylaws and Article 202 of Law 6,404/76.

The calculation of the provision for interest on capital is as follows:

	3/31/2019	% (1)	3/31/2018	% (1)
Profit before legal reserve	96,107		56,551	
(-) Legal reserve	(4,805)		(2,828)	
Calculation basis	91,302		53,723	
Interest on capital (gross) provisioned	37,595	41.2%	22,121	41.2%
Withholding income tax on interest on capital	(5,639)		(3,318)	
Interest on capital (net) provisioned	31,956	35.0%	18,803	35.0%

(1) Percentage of interest on capital on the calculation basis.

22) INCOME FROM SERVICES RENDERED

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Loan operations	47,702	39,025	47,709	39,034
Credit cards	27,927	31,527	27,927	31,527
Business intermediation	13,808	9,921	13,808	9,921
Consortium plan management	-	-	6,927	6,518
Others	2,664	2,384	2,797	2,333
Total	92,101	82,857	99,168	89,333

23) PERSONNEL EXPENSES

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Payroll	66,597	65,677	66,814	65,938
Social charges	20,197	17,705	20,267	17,775
Benefits (Note 30)	17,607	14,923	17,682	15,023
Fees (Note 28.b)	6,339	2,066	6,339	2,066
Others	1,368	644	1,368	644
Total	112,108	101,015	112,470	101,446

24) OTHER ADMINISTRATIVE EXPENSES

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Commissions paid to banking correspondents	231,782	263,906	233,432	265,643
Third-party services	59,641	52,506	64,103	56,890
Data processing	45,167	43,332	45,199	43,375
Financial system services	31,903	32,623	32,092	32,859
Rentals	12,153	9,915	12,246	10,012
Communication	11,532	11,091	11,581	11,200
Depreciation and amortization	6,356	7,270	6,367	7,283
Advertising, promotions and publicity	9,795	6,892	9,904	7,097
Expenses for search and seizure of assets	6,802	6,075	6,805	6,094
Transportation	1,244	1,095	1,247	1,099
Maintenance and conservation of property	1,176	1,505	1,179	1,507
Fees and charges	1,102	937	1,230	1,219
Travel	944	603	944	603
Water, power and gas	695	544	697	546
Consumption materials	217	250	217	250
Others	15,253	19,529	15,907	20,719
Total	435,762	458,073	443,150	466,396

25) TAX EXPENSES

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Social contribution on revenues (COFINS)	32,641	31,911	33,994	33,493
Social Integration Program (PIS)	5,304	5,185	5,560	5,480
Services Tax (ISS)	4,228	4,116	4,374	4,253
Taxes and charges	1,089	945	1,728	2,137
Total	43,262	42,157	45,656	45,363

26) OTHER OPERATING INCOME AND EXPENSES

a) Other operating income

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Recovery of charges and expenses (1)	65,124	32,420	65,839	32,647
Reversal of provisions	33,153	93	36,469	1,819
Indexation/ interest accruals and foreign exchange gains	12,692	8,624	13,167	8,839
Residual benefit in securitized transactions	-	-	141	6
Others	366	1,525	1,597	3,618
Total	111,335	42,662	117,213	46,929

(1) Includes the recovery of PIS and COFINS credits that are calculated based on commissions and expenses.

b) Other operating expenses

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Assignment of loans	358,554	290,790	358,554	290,790
Provisions	43,367	46,729	47,925	52,229
Loss on loan/financing operations and frauds	11,941	9,959	11,941	9,959
Discounts granted	7,372	8,306	7,372	8,306
Amortization of goodwill (Note 15)	5,983	5,983	6,263	6,263
Liens	5,857	4,542	5,880	4,556
Indexation accrual/foreign exchange losses	5,055	10,190	5,055	10,190
Others	4,188	10,182	4,446	11,337
Total	442,317	386,681	447,436	393,630

27) NON-OPERATING INCOME

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Result on sale of other assets	(11,146)	(5,441)	(11,348)	(5,287)
Reversal/(devaluation) of provision for other assets	3,873	2,295	3,983	2,360
Others	-	7	-	7
Total	(7,273)	(3,139)	(7,365)	(2,920)

28) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties (direct and indirect) are carried out under conditions and rates which are compatible with the average terms practiced with third parties effective on the contract dates.

a) Balances and transactions with related parties

Bank	Maturity	3/31/2019	12/31/2018	3/31/2019	3/31/2018
		Assets	Assets	Income	Income
		(liabilities)	(liabilities)	(expenses)	(expenses)
Short-term interbank investments (a)		275,045	-	3,962	3,132
Banco BTG Pactual S.A.	4/1/2019	275,045	-	3,749	2,809
Caixa Econômica Federal	No term	-	-	213	323
Loan assignment (b)		1,883,172	1,652,816	-	-
Caixa Econômica Federal	No term	1,883,172	1,652,816	-	-
Other credits		23,049	15,858	-	-
Caixa Econômica Federal	No term	12,662	5,858	-	-
Pan Seguros S.A.	No term	4,995	4,470	-	-
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	20	24	-	-
Brazilian Securities Companhia de Securitização (c)	No term	1,123	1,256	-	-
Pan Administradora de Consórcio Ltda.(c)	No term	250	251	-	-
Brazilian Finance & Real Estate S.A. (c)(d)	No term	3,999	3,999	-	-
Demand deposits (e)		(478)	(480)	-	-
Pan Seguros S.A.	No term	(343)	(343)	-	-
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	(5)	(35)	-	-
Pan Administradora de Consórcio Ltda.	No term	(11)	(16)	-	-
Pan Arrendamento Mercantil S.A.	No term	(9)	(20)	-	-
BM Sua Casa Promotora de Vendas Ltda.	No term	(4)	(4)	-	-
Brazilian Finance & Real Estate S.A.	No term	(3)	(6)	-	-
Brazilian Securities Companhia de Securitização	No term	(5)	(3)	-	-
Key management personnel	No term	(98)	(53)	-	-
Interbank deposits (f)		(7,423,588)	(7,367,646)	(123,384)	(139,057)
Banco BTG Pactual S.A.	4/1/2019	(150,025)	(95,000)	(1,629)	(1,046)
Caixa Econômica Federal	4/24/2019	(7,015,163)	(7,016,627)	(117,845)	(134,203)
Pan Arrendamento Mercantil S.A.	2/27/2020	(258,400)	(256,019)	(3,910)	(3,808)
Time deposits (g)		(370,141)	(352,222)	(5,639)	(4,889)
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	2/21/2022	(9,957)	(7,176)	(146)	(400)
Pan Administradora de Consórcio Ltda.	3/14/2022	(46,111)	(43,640)	(693)	(599)
Brazilian Securities Companhia de Securitização	3/14/2022	(149,384)	(143,918)	(2,234)	(1,822)
Brazilian Finance & Real Estate S.A.	3/14/2022	(93,709)	(90,600)	(1,403)	(1,376)
BM Sua Casa Promotora de Vendas Ltda.	3/4/2022	(27,520)	(26,381)	(405)	(124)
Banco BTG Pactual S.A.	11/7/2022	(40,730)	(37,843)	(716)	(540)
Key management personnel	3/14/2022	(2,730)	(2,664)	(42)	(28)
Liabilities for purchase and sale commitments		(7,785)	(89,336)	(2,199)	(894)
Banco BTG Pactual S.A.	-	-	(79,999)	(2,013)	(558)
Caixa Econômica Federal	-	-	-	(56)	(207)
Pan Administradora de Consórcio Ltda.	3/1/2023	(7,785)	(9,337)	(130)	(129)
Funds from real estate and agribusiness letters of credit and financial bills (h)		(14,736)	(8,434)	(151)	(715)
Banco BTG Pactual S.A.	3/2/2020	(11,119)	(3,758)	(101)	(630)
Key management personnel	7/31/2020	(3,617)	(4,676)	(50)	(85)

Notes to the quarterly information

Bank	Maturity	3/31/2019	12/31/2018	3/31/2019	3/31/2018
		Assets	Assets	Income	Income
		(liabilities)	(liabilities)	(expenses)	(expenses)
Derivative financial instruments (i)		159,690	77,959	24,631	(67,012)
Banco BTG Pactual S.A.	4/22/2020	159,690	77,959	24,631	(67,012)
Other obligations		(8,250)	(6,283)	-	-
Pan Seguros S.A.	No term	(7,267)	(5,345)	-	-
Brazilian Finance & Real Estate S.A.	No term	(519)	(730)	-	-
Brazilian Securities Companhia de Securitização	No term	(290)	(192)	-	-
Pan Administradora de Consórcio Ltda.	No term	(174)	(16)	-	-
Income from services rendered (j)		-	-	14,124	10,015
Pan Seguros S.A.	-	-	-	13,780	9,865
Pan Administradora de Consórcio Ltda.	-	-	-	3	150
Caixa Econômica Federal	-	-	-	341	-
Personnel expenses		-	-	(63)	(75)
Pan Seguros S.A.	-	-	-	(63)	(75)
Other administrative expenses		-	-	(5,780)	(6,680)
Pan Seguros S.A.	-	-	-	(1,410)	(1,470)
Banco BTG Pactual S.A.	-	-	-	(862)	(585)
BTG Pactual Corretora	-	-	-	(26)	(53)
Tecban S.A.	-	-	-	(187)	(379)
Interbank Payment Chamber	-	-	-	(3,295)	(4,193)
Income from loan assignments		-	-	466,826	457,087
Caixa Econômica Federal	-	-	-	466,826	457,087

(a) Refers to the Bank's investments with rates equivalent to those of the CDI.

(b) Refers to the performance bonus on the assignment of credits without recourse.

(c) Balance accrued related to dividends to be paid up to 12/31/2019, of which: R\$ 2,656 relates to Brazilian Finance & Real Estate S.A., R\$ 432 to Brazilian Securities Companhia de Securitização, and R\$ 244 to Pan Administradora de Consórcio Ltda.

(d) Balance provisioned of R\$ 1,343, related to the remaining balance of the capital decrease of Brazilian Finance & Real Estate S.A., according to the Extraordinary General Meeting held on 9/18/2013.

(e) Refer to the outstanding balances of current accounts of affiliates held at the Bank.

(f) Refer to the funding through interbank deposits with rates equivalent to those of the CDI.

(g) Refer to the funding through time deposits effected at the Bank.

(h) Refer to the capture of funds through agribusiness and real estate letters of credit and financial bills with rates at an average of 104.04% of the CDI.

(i) Refer to swaps.

(j) Refer to the commissions paid to the Bank for insurance intermediation and the commissions paid to the correspondent for business intermediation.

Consolidated	Maturity	3/31/2019	12/31/2018	3/31/2019	3/31/2018
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Available funds (a)		613	769	-	-
Caixa Econômica Federal	1/1/2019	613	769	-	-
Interbank investments (b)		275,045	-	3,962	3,132
Banco BTG Pactual S.A.	4/1/2019	275,045	-	3,749	2,809
Caixa Econômica Federal	No term	-	-	213	323
Loan assignment (c)		1,883,172	1,652,816	-	-
Caixa Econômica Federal	No term	1,883,172	1,652,816	-	-
Other credits		17,677	10,352	-	-
Caixa Econômica Federal	No term	12,662	5,858	-	-
Pan Seguros S.A.	No term	4,995	4,470	-	-
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	20	24	-	-
Demand deposits (d)		(446)	(431)	-	-
Pan Seguros S.A.	No term	(343)	(343)	-	-
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	(5)	(35)	-	-
Key management personnel	No term	(98)	(53)	-	-
Interbank deposits (e)		(7,165,188)	(7,111,627)	(119,474)	(135,249)
Banco BTG Pactual S.A.	4/1/2019	(150,025)	(95,000)	(1,629)	(1,046)
Caixa Econômica Federal	4/24/2019	(7,015,163)	(7,016,627)	(117,845)	(134,203)
Time deposits (f)		(53,417)	(47,683)	(904)	(968)
Panamericana Adm. e Corret. de Seg.de Prev. Privada Ltda.	2/21/2022	(9,957)	(7,176)	(146)	(400)
Banco BTG Pactual S.A.	11/7/2022	(40,730)	(37,843)	(716)	(540)
Key management personnel	3/14/2022	(2,730)	(2,664)	(42)	(28)
Liabilities for purchase and sale commitments		-	(79,999)	(2,069)	(765)
Banco BTG Pactual S.A.	-	-	(79,999)	(2,013)	(558)
Caixa Econômica Federal	-	-	-	(56)	(207)
Funds from real estate and agribusiness letters of credit and financial bills (g)		(14,736)	(8,434)	(151)	(715)
Banco BTG Pactual S.A.	3/2/2020	(11,119)	(3,758)	(101)	(630)
Key management personnel	7/31/2020	(3,617)	(4,676)	(50)	(85)
Derivative financial instruments (h)		159,690	77,959	24,631	(67,012)
Banco BTG Pactual S.A.	4/22/2020	159,690	77,959	24,631	(67,012)
Other obligations		(7,267)	(5,345)	-	-
Pan Seguros S.A.	No term	(7,267)	(5,345)	-	-
Income from services rendered (i)		-	-	14,121	9,865
Pan Seguros S.A.	-	-	-	13,780	9,865
Caixa Econômica Federal	-	-	-	341	-
Personnel expenses		-	-	(63)	(75)
Pan Seguros S.A.	-	-	-	(63)	(75)
Other administrative expenses		-	-	(5,780)	(6,680)
Pan Seguros S.A.	-	-	-	(1,410)	(1,470)
Banco BTG Pactual S.A.	-	-	-	(862)	(585)
BTG Pactual Corretora	-	-	-	(26)	(53)
Tecban S.A.	-	-	-	(187)	(379)
Interbank Payment Chamber	-	-	-	(3,295)	(4,193)
Income from loan assignments		-	-	466,826	457,087
Caixa Econômica Federal	-	-	-	466,826	457,087

- (a) Refer to current accounts with Brazilian Securities Companhia de Securitização, BM Sua Casa Promotora de Vendas Ltda., and Brazilian Mortgages Companhia Hipotecária.
- (b) Refer to the Bank's applications with rates equivalent to those of the CDI.
- (c) Refers to the performance bonus on the assignment of credits without recourse.
- (d) Refer to the outstanding balances of current accounts of affiliates held at the Bank.
- (e) Refer to the funding through interbank deposits with rates equivalent to those of the CDI.
- (f) Refer to the funding through time deposits effected at the Bank.
- (g) Refer to the capture of funds through agribusiness and real estate letters of credit and financial bills with rates at an average of 104.04% of the CDI.
- (h) Refer to swaps.
- (i) Refer to the commission paid to the Bank for insurance intermediation.

b) Key management remuneration:

The Extraordinary General Meeting of Stockholders held on 4/26/2019 deferred the decision for remuneration of the Pan Conglomerate officers for 2019 to the Extraordinary General Meeting of Stockholders to be held on May 13, 2019 (R\$ 22,423 in 2018).

Short-term benefits provided to management (1)

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Expenses with Fees (Note 23)	6,339	2,066	6,339	2,066
Social security contributions (INSS)	1,426	465	1,426	465
Total	7,765	2,531	7,765	2,531

(1) Recorded in the "Personnel expenses" account.

PAN does not provide long-term benefits or share-based remuneration to its key management personnel.

• **Other information**

Pursuant to legislation, the Bank carries out loan operations with parties considered as related parties. These operations are made only in market conditions, including within related limits, interest rates, grant periods, maturities and required guarantees. Criteria are in place to classify these operations according to their risks when recording the allowance for losses without additional or differentiated benefits in relation to the operations carried out with other similar customers.

29) FINANCIAL INSTRUMENTS

- **Risk management**

The Bank operates with derivative financial instruments which are recorded in its balance sheet, income and expenses and memorandum accounts.

The Bank's management establishes a risk policy and exposure limits. The control and compliance management area, which is independent of the business and operational areas, is responsible for identifying, assessing, monitoring and reporting compliance with the risk guidelines established by management.

- **Capital management**

The Bank considers that capital management to be a strategic process designed to optimize the utilization of available capital, contribute to the achievement of its strategic objectives and comply with the minimum capital limits established by the regulatory authority.

The Bank's capital management framework is compatible with the nature of its operations, the complexity of its products and services and its risk exposure and covers all the companies of the Group's financial conglomerate.

Capital management is a continuous process for (i) monitoring and controlling capital; (ii) assessing the need for capital to meet potential risks; and (iii) planning the capital targets and requirements. Capital management is based on the Bank's strategic objectives, business opportunities and the regulatory environment.

The Bank manages its capital based on a timely and prospective approach, in line with best practices and in compliance with the recommendations issued by the Basel Committee, through policies and strategies that anticipate the capital that could be required as a result of possible changes in market conditions, and which are reviewed periodically by the Executive Board and Board of Directors.

OPERATING LIMITS - BASEL ACCORD

Banco PAN complies with the minimum capital requirements established by CMN Resolutions 4,192/13 and 4,193/13. Required capital amounts are calculated in accordance with BACEN Circular 3,644/13 for credit risk, BACEN Circulars 3,634/13 to 3,639/13, 3,641/13 and 3,645/13 for market risk, and BACEN Circular 3,640/13 for operating risk.

The calculation of the indicators of Prudential Capital of the Conglomerate were as follows:

Calculation basis - Basel index	3/31/2019	12/31/2018
Tier I reference equity	2,296,315	2,273,783
Core capital	2,296,315	2,273,783
Tier II reference equity	358,388	358,112
Reference equity for comparison with risk-weighted assets (RWA)	2,654,703	2,631,895
Reference equity	2,654,703	2,631,895
- Credit risk	16,866,396	16,104,846
- Market risk	79,439	311,627
- Operating risk	2,298,576	2,278,424
Risk-weighted assets (RWA)	19,244,411	18,694,897
Basel index	13.79%	14.08%
Tier I	11.93%	12.16%
Tier II	1.86%	1.92%

- **Credit risk**

Credit risk can arise from losses from the non-fulfillment by customers or counterparties of their corresponding financial obligations under the agreed terms, the devaluation of a loan agreement as a result of a deterioration in the borrower's risk rating, decreased gains or remuneration, advantages granted in renegotiations and recovery costs.

Management of credit risks involves policies and strategies, operating limits, risk mitigation techniques and procedures for maintaining the credit risk exposure at levels which are considered to be acceptable by the Institution.

- **Market risk**

This risk arises from the possibility of loss from rate fluctuations and the mismatching of the terms and currencies of the consolidated asset and liability portfolios. These risks are managed daily through methodologies established by best practice guidelines.

The transactions are exposed to the following risk factors: fixed interest rates, interest rates linked to foreign exchange variations and their corresponding spot rates, interest rates linked to price indices (National Consumer Price Index (INPC), National Civil Construction Index (INCC), Amplified Consumer Price Index (IPCA) and the General Market Price Index (IGPM)), as well as other interest rates (TR), foreign exchange variations (US\$) and share price variations.

The financial instruments are segregated into the following portfolios:

Trading portfolio: all transactions conducted with financial instruments, including derivatives, realized with the intention of trading or for hedging other trading portfolio instruments. Transactions held for trading are those intended for resale, for obtaining benefits from effective or expected changes in prices or arbitrage.

Banking portfolio: all transactions not classified in the trading portfolio. These consist of structural operations arising from the business lines of the organization and any related hedges.

Sensitivity analysis at 3/31/2019

Risk factors	Trading and Banking Portfolio exposures subject to variation:	SCENARIOS(*)		
		(1) Probable	(2) Possible	(3) Remote
Interest rates	Fixed interest rates	(67)	(11,547)	(21,409)
Coupon - other interest rates	Coupon rates of interest rates	(173)	(10,104)	(18,879)
Coupon - price index	Coupon rates of price indexes	(18)	(1,166)	(1,914)
Foreign currency	Foreign exchange rates	(61)	(1,513)	(3,025)
Foreign exchange coupon	Foreign exchange coupon rates	(0)	(38)	(76)
Total at 3/31/2019		(319)	(24,368)	(45,303)
Total at 12/31/2018		(1,323)	(220,780)	(424,981)

(*) Amounts gross of taxes.

The sensitivity analysis was effected based on the market data for the last day in March 2019, considering the adverse impact on the positions for each scenario. The effects do not consider the correlation between the scenario and the risk factors and tax effects.

Scenario 1: a one basis point (0.01%) stress factor (upward or downward) was applied to the forward interest rate structure in all vertices/terms. For example: a 10% p.a. rate becomes 10.01% p.a. or 9.99% p.a. For foreign currencies and shares, a 1% shock was applied to the effective price.

Scenario 2: A stress factor (increase or decrease) of 25% was applied to the rates (application of the multiplier of 1.25). For example: a 10% p.a. rate becomes 12.50% p.a. or 7.50% p.a. For foreign currencies and shares, a 25% shock was applied to the effective price.

Scenario 3: A stress factor (increase or decrease) of 50% was applied to the rates (application of the multiplier of 1.50). For example: a 10% p.a. rate becomes 15.00% p.a. or 5.00% p.a. For foreign currencies and shares, a 50% stress factor was applied to the effective price.

The results of scenarios (2) and (3) refer to simulations which involve significant stress situations, without considering correlated factors among the indices. They do not reflect possible variations arising from market dynamics, the probability of the occurrence of which is considered to be low, and also, from measures which could be taken by the Institution itself to mitigate any potential risks.

The Bank uses derivative financial instruments for hedging purposes to meet its needs for managing market risks arising from the mismatching of currencies, indices, portfolio terms and arbitrage.

FOREIGN EXCHANGE EXPOSURE

The assets and liabilities linked to foreign currencies at 3/31/2019 and 12/31/2018 are presented below:

Assets - U.S. dollar	3/31/2019	12/31/2018
Credit operations (ACC/CCE)	58,600	61,150
Total assets	58,600	61,150

Liabilities - U.S. dollar	3/31/2019	12/31/2018
Subordinated debts	1,870,204	1,790,563
Total liabilities	1,870,204	1,790,563

The Bank uses derivative financial instruments for hedging purposes to meet its needs for managing market risks arising from the mismatching of currencies, indices, portfolio terms and arbitrage.

At 3/31/2019 and 12/31/2018, the position of the derivative financial instruments, in foreign currency, was as follows:

	Notional value		Market value	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Purchased position - U.S. Dollar				
Swap	1,128,662	1,128,662	1,974,711	1,909,407
DDI	76,155	74,556	76,155	74,556
Options	-	222	-	222
Total	1,204,817	1,203,440	2,050,866	1,984,185
Sold position - U.S. Dollar				
Swap	1,137	25,568	1,555	25,735
DDI	91,685	95,563	91,685	95,563
DOL	29,374	24,240	29,374	24,240
Options	-	67	-	67
Total	122,196	145,438	122,614	145,605

- **Liquidity risk**

Liquidity risk is defined as the possibility of the Bank not being able to efficiently honor its expected and unexpected, current and future obligations, including those arising from related guarantees, without affecting its daily transactions and without incurring significant losses; as also, the possibility of the Bank not being able to negotiate a specific position at market price, due to the amount being significant in relation to the financial volume usually transacted or because of some market discontinuity.

The liquidity position, mismatching of primary risk factors and the rates and terms of assets and liabilities in the portfolio are constantly monitored.

The Bank maintains adequate liquidity levels, resulting from the quality of its assets and risk controls, in accordance with the Liquidity Risk Management Policy established and the regulatory requirements of the National Monetary Council (CMN Resolutions 2,804/00 and 4,090/12). The results of the gap analyses designed to assess liquidity risk are reported every two weeks to the Treasury Committee.

- **Operating risk**

This risk refers to the possibility of losses occurring as a result of the failure, deficiency or inadequacy of internal processes, people and systems, or external events. This definition includes legal risk, which is the risk related to the inadequacy or deficiencies in contracts entered into by the Bank, as well as any sanctions imposed as a result of non-compliance with legal provisions and indemnities for damages to third parties arising from the activities carried out by the Institution.

The operating risk management structure is comprised of the Group's different areas and committees that participate in the operating and legal risk management process, with their respective roles and responsibilities, and comply with the segregation of duties. These areas and committees seek synergy, efficiency, process efficacy and effectiveness, besides respecting risk limits and appetite defined by the Group's management.

In compliance with the requirements established by BACEN Circular 3,678/13, the information on the risk management process is available for consultation on the: www.bancopan.com.br/ri "Risk Management Report".

- **Market value**

The net book and market values of the main financial instruments are as below:

Consolidated	3/31/2019			12/31/2018		
	Book value	Market value	Unrealized profit (loss)	Book value	Market value	Unrealized profit (loss)
Marketable securities	1,446,578	1,456,639	10,061	1,934,506	1,943,008	8,502
- Trading securities	52,614	52,614	-	401,225	401,225	-
- Available-for-sale securities	840,654	840,654	-	891,836	891,836	-
- Securities held to maturity	553,310	563,371	10,061	641,445	649,947	8,502
Loan operations	21,537,613	19,615,696	(1,921,917)	20,407,816	19,335,393	(1,072,423)
Interbank deposits	7,621,278	7,667,077	(45,799)	7,463,438	7,411,443	51,995
Time deposits	10,315,226	11,860,973	(1,545,747)	9,130,487	10,762,081	(1,631,594)
Funds from issuance of securities	1,191,567	1,199,791	(8,224)	1,249,961	1,266,549	(16,588)
Subordinated debts	2,061,720	2,061,563	157	1,978,132	1,977,240	892
Unrealized profit (loss) pre tax			(3,511,469)			(2,659,216)

Determination of the market value of financial instruments:

- The market values of marketable securities, subordinated debts, and derivative financial instruments are based on market price quotations at the balance sheet date. When market quotations are not available, the market values are based on pricing models or equivalent instruments.

- The market values of the loan and leasing operations are determined by discounting future flows at the rates practiced in the market for equivalent transactions at the balance sheet date.

- The market values of time and interbank deposits and borrowings and onlendings are calculated by applying the rates practiced for equivalent instruments to the existing assets and liabilities at the balance sheet date.

30) EMPLOYEE BENEFITS

PAN offers a number of social benefits to its employees, including: (a) healthcare assistance; (b) dental care assistance; (c) life insurance; (d) meal vouchers; (e) food vouchers. In the quarter ended 3/31/2019, the benefit expenses amounted to R\$ 17,607 and R\$ 17,682 in the Bank and in the Consolidated, respectively (R\$ 14,923 and R\$ 15,023 in the Bank and in the Consolidated, respectively, in the quarter ended 12/31/2018).

31) INCOME TAX AND SOCIAL CONTRIBUTION

a) Calculation of income tax and social contribution in the results:

	Bank		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Profit (loss) before income tax and social contribution	122,402	112,632	127,211	117,361
Nominal rate (1) / (2)	40%	45%	-	-
Total income tax and social contribution (charge) credit at the nominal rate	(48,961)	(50,684)	(50,039)	(51,305)
Effect on tax calculation:				
Equity in the results of investees	3,758	4,129	-	-
Other amounts	18,908	(9,526)	18,935	(9,505)
Income tax and social contribution expense	(26,295)	(56,081)	(31,104)	(60,810)

- (1) Standard rate: (i) the provision for income tax is recorded based on the rate of 15% of taxable profit, plus a 10% surcharge; (ii) the social contribution on net income for financial companies is calculated at the rate of 15% and at the rate of 9% for other companies.
- (2) Law 13,169/15 was published on October 7, 2015, originating from Provisional Measure 675/15, which increased from 15% to 20% the Social Contribution on Net Income (CSLL) rate charged to financial institutions as from September 1, 2015. The collection was effective up to December 31, 2018, returning to 15% as from 2019.

b) Origin and change in deferred income tax and social contribution assets:

Bank	At 12/31/2018	Constitution	Amount realized	At 3/31/2019
Allowance for losses	914,183	118,499	(178,978)	853,704
Provision for civil contingencies	110,545	17,184	(9,409)	118,320
Provision for labor contingencies	111,603	5,899	(27,376)	90,126
Provision for tax contingencies	401	46	-	447
Provision for loss on assets not for own use	21,451	75	(1,624)	19,902
Mark-to-market adjustment of derivatives	29,873	22,569	-	52,442
Other provisions	236,522	54,424	(20,155)	270,791
Total deferred tax assets on temporary differences	1,424,578	218,696	(237,542)	1,405,732
Income tax and social contribution losses	1,265,925	-	(2,290)	1,263,635
Total deferred tax assets (Note 11)	2,690,503	218,696	(239,832)	2,669,367

Consolidated	At 12/31/2018	Constitution	Amount realized	At 3/31/2019
Allowance for losses	927,066	118,561	(178,988)	866,639
Provision for civil contingencies	115,667	17,663	(10,049)	123,281
Provision for labor contingencies	115,709	7,449	(28,893)	94,265
Provision for tax contingencies	10,936	478	(493)	10,921
Provision for loss on assets not for own use	21,704	75	(1,630)	20,149
Mark-to-market adjustment of derivatives	39,710	22,570	(341)	61,939
Other provisions	235,389	54,545	(20,237)	269,697
Total deferred tax assets on temporary differences	1,466,181	221,341	(240,631)	1,446,891
Income tax and social contribution losses	1,466,823	41	(3,544)	1,463,320
Total deferred tax assets (Note 11)	2,933,004	221,382	(244,175)	2,910,211
Deferred tax liabilities (Note 31.e)	(85,271)	(199)	68	(85,402)
Deferred tax assets, net of deferred tax liabilities	2,847,733	221,183	(244,107)	2,824,809

c) Expected realization of deferred tax assets from temporary differences and income tax and social contribution carry-forward losses:

The projected realization of deferred tax assets was based on the study of the current and future scenarios, effected at 12/31/2018. The key assumptions used for the projections were macroeconomic indicators, production indicators and cost of funding. This projected realization of deferred tax assets, and of the assumptions adopted, was approved by the Bank's Board of Directors on 2/7/2019.

Deferred income tax and social contribution assets will be realized as the temporary differences are reversed or when they qualify for tax deductibility, or upon the offset of the tax losses, a portion of which offset is being challenged at the administrative level. Management is confident its position will prevail.

The estimated realization of these assets is as follows:

Bank	Temporary differences		Income tax and social contribution losses		Total	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
2019	764,474	749,253	11,752	11,823	776,226	761,076
2020	411,026	437,430	67,478	67,569	478,504	504,999
2021	71,550	75,246	118,655	118,822	190,205	194,068
2022	50,576	52,004	98,564	98,689	149,140	150,693
2023	36,472	37,894	139,505	139,755	175,977	177,649
2024	31,174	31,874	147,340	147,571	178,514	179,445
2025	25,093	25,510	160,987	161,316	186,080	186,826
2026	8,407	8,407	166,294	166,654	174,701	175,061
2027	4,914	4,914	191,441	191,843	196,355	196,757
2028	2,046	2,046	161,619	161,883	163,665	163,929
Total	1,405,732	1,424,578	1,263,635	1,265,925	2,669,367	2,690,503

Consolidated	Temporary differences		Income tax and social contribution losses		Total	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
2019	768,774	753,850	13,024	13,146	781,798	766,996
2020	418,475	441,682	70,423	70,582	488,898	512,264
2021	76,605	80,382	126,770	127,041	203,375	207,423
2022	54,134	57,363	112,997	113,256	167,131	170,619
2023	39,903	39,751	156,606	157,013	196,509	196,764
2024	32,513	33,309	167,289	167,696	199,802	201,005
2025	26,269	26,790	183,636	184,167	209,905	210,957
2026	8,407	8,407	189,936	190,438	198,343	198,845
2027	4,914	4,914	215,512	215,995	220,426	220,909
2028	16,897	19,733	188,167	188,513	205,064	208,246
Total	1,446,891	1,466,181	1,424,360	1,427,847	2,871,251	2,894,028

At 3/31/2019, the present value of deferred tax assets, calculated based on the Bank's average funding rate, totaled R\$ 1,841,311 in the Bank and R\$ 1,941,484 in Consolidated (R\$ 1,788,995 in the Bank and R\$ 1,894,365 in Consolidated at 12/31/2018).

In accordance with Article 5, paragraph 2 of CVM Resolution 3,059/02, the deferred tax assets from tax losses excluding the nondeductible depreciation surplus credit from leasing operations, of R\$ 38,960 (R\$ 38,976 at 12/31/2018), are not restricted to the generation of profits based on a technical study.

d) Unrecorded deferred tax assets:

At 3/31/2019, there were tax losses of approximately R\$ 230,396 in Bank and Consolidated, in relation to which tax credits were not recorded amounting to R\$ 92,158 in Bank and in Consolidated at 12/31/2018 and 12/31/2017, since they did not meet all of the conditions established by BACEN.

e) Deferred tax liabilities:

Consolidated	At 12/31/2018	Constitution	Amount realized	At 3/31/2019
Adjustment to market value of marketable and other securities	(6,982)	(199)	15	(7,166)
Surplus depreciation	(78,289)	-	53	(78,236)
Total (Note 20.a – 31.b)	(85,271)	(199)	68	(85,402)

32) OTHER INFORMATION

- a) Guarantees and sureties granted totaled R\$ 299,974 at 3/31/2019 (R\$ 295,430 at 12/31/2018).
- b) The policy of the Bank and its subsidiaries is to contract insurance covering cash, checks received as collateral and assets at amounts which are considered sufficient to cover potential losses.
- c) At 3/31/2019 and 12/31/2018, the Bank and its subsidiaries had no lease agreements for own acquisitions.
- d) CMN Resolution 4,036/11 became effective on January 1, 2012 and permits the deferral of the net loss generated by the renegotiation of previously assigned credit operations. The maximum term for deferral was December 31, 2015, or the date of maturity of the renegotiated operations, whichever is earlier, based on the straight-line method. The Resolution has been in effect since January 1, 2012. The Bank did not utilize the option permitted by this Resolution.
- e) Agreements for the Clearing and Settlement of Liabilities - CMN Resolution 3,263/05: the Bank entered into an agreement for the clearing and settlement of liabilities in the ambit of the National Financial System (SFN), in respect of transactions with corporate entities whether or not they were SFN members. This resolution is designed to permit the compensation of credits and debits maintained with the same counterparty, whereby the maturity of the related rights and obligations can be accelerated to the date on which an event of default by either party occurs or in the case of the bankruptcy of the debtor.
- f) On January 20, 2015, Law 13,097 was enacted, converting Provisional Measure 656/14, which, among other matters, amends the rules on the deduction of losses on receivables for defaults on contracts as from October 8, 2014 (art. 9,430/96). For defaults on contracts prior to this date, the previously existing rules continue to be applicable.
- g) Despite the new composition of the Bank's capital, the shared control of Banco Pan has not changed, which means that Caixa Participações S.A. - CAIXAPAR ("CaixaPar" and Banco BTG Pactual S.A. ("BTG Pactual") remain as the Bank's joint controlling parties. This reinforces the commitment of supporting Banco Pan in the execution of its business plan.

In addition, as notified to the market, the controlling stockholders agreed that (i) CaixaPar will have the right to acquire from BTG Pactual 50% of the Bank's shares subscribed and paid up by BTG Pactual in relation to the Capital Increase; and (ii) BTG Pactual will have the right to sell to CaixaPar 50% of the Bank's shares that were subscribed and paid up in relation to the Capital Increase (Note 27.b).

On 3/13/2019, CAIXAPAR exercised its right to acquire 50% of the shares subscribed and paid up by the co-controlling stockholder BTG Pactual in relation to the Capital Increase; therefore, once all approvals are obtained, the Company's total capital will be as follows: (i) 41.7% held by CAIXAPAR; (ii) 41.7% held by BTG Pactual, and (iii) 16.6% held by non-controlling stockholders.

* * *



Declaration of the Board of Directors

In compliance with the determinations of Instruction 480/09, of the Brazilian Securities Commission, the Executive Board of Banco PAN S.A. declares that it has discussed, reviewed and agrees with the parent company and consolidated quarterly information as at and for the period ended 3/31/2019.



Declaration of the Board of Directors

In compliance with the determinations of Instruction 480/09, of the Brazilian Securities Commission, the Executive Board of Banco PAN S.A. declares that it has discussed, reviewed and agrees with the conclusion included in the Report on review of quarterly information of the independent auditors on the parent company and consolidated quarterly information as at and for the period ended 3/31/2019.

São Paulo, May 2, 2019

BOARD OF DIRECTORS

Gregório Moreira Franco
CRC 1SP219426/O-2
ACCOUNTANT

