Earnings Release

2nd Quarter 2017

Banco PAN

São Paulo, July 31st, 2017 – Banco PAN S.A. (“PAN”, “Bank”, “Banco PAN” or “Company”) and its subsidiaries, pursuant to legal provisions, hereby releases its results for the quarter ended on June 30, 2017 accompanied by the Independent Auditor’s Report. The Bank’s operating and financial information, except when otherwise stated, is reported based on consolidated figures and in Brazilian reais, pursuant to Brazilian Corporate Law and the Accounting Practices adopted in Brazil.

2Q17 HIGHLIGHTS

- ✓ **The Total Credit Portfolio ended the 2Q17 in R$19.5 billion, growing 7% in 12 months**;
- ✓ **After the strategic repositioning of its products, PAN registered an average monthly origination of R$1,460 million in 2Q17;**
- ✓ **The Net Credit Provisions were down by 30% in the quarter, to R$ 195 million;**
- ✓ **The Managerial Net Interest Margin was of 17.0% p.y. in 2Q17;**
- ✓ **PAN presented the most significant Operational Result for the 1st semester in recent years, R$ 108 million gross profit;**
- ✓ **Net Income of R$42.8 million in 2Q17,** compared to the Net Income of R$3.7 million in 1Q17 and to the Net Loss of R$128.4 million in 2Q16; and
- ✓ **Shareholders’ Equity ended the 2Q17 in R$3,460 million and the Basel Ratio raised 0.3 p.p. to 11.6%.**

Main Indicators (R$ MM)	2Q17	1Q17	2Q16	Δ 2Q17 / 1Q17	Δ 2Q17 / 2Q16
Retail Credit Origination	**4,381**	**5,681**	**5,243**	**-23%**	**-16%**
Assignments without Recourse	**2,218**	**2,588**	**2,081**	**-14%**	**7%**
Total Credit Portfolio	**19,491**	**20,136**	**18,180**	**-3%**	**7%**
Retail Portfolio	16,639	16,950	14,821	-2%	12%
Corporate Portfolio	2,852	3,186	3,359	-10%	-15%
Total Assets	**27,240**	**27,613**	**27,035**	**-1%**	**1%**
Funding	**20,201**	**20,751**	**19,479**	**-3%**	**4%**
Shareholders’ Equity	**3,460**	**3,418**	**3,422**	**1%**	**1%**
Interest Margin	**890**	**981**	**628**	**-9%**	**42%**
Net Results	**42.8**	**3.7**	**(128)**	**1,066%**	**-**
Net Interest Margin (% p.y.)	**17.0%**	**18.7%**	**11.8%**	**-1.7 p.p.**	**5.2 p.p.**
Basel Ratio	**11.6%**	**11.3%**	**14.0%**	**0.3 p.p.**	**-2.4 p.p.**
Common Equity Tier I	8.5%	8.1%	10.0%	0.4 p.p.	-1.5 p.p.
Tier II	3.1%	3.2%	4.0%	-0.1 p.p.	-0.9 p.p.

ECONOMIC ENVIRONMENT

Regarding demand, the Monthly Retail Survey of June showed a decline of 0.7% in extended retail (which includes sales of vehicles and construction materials). Despite the index decrease, some data from the Survey indicates a gradual increase in consumer demand, motivated by the recent withdraws from FGTS (Time of Service Guarantee Fund) inactive accounts and by the slight recovery of real wages and credit for families. Looking forward, however, the end of the FGTS withdraws and the uncertainties of the political scenario may jeopardize the effective retail recovery in the short term.

As for the job market, employment indicators reported by Caged – a general registry of employed and unemployed workers – showed a net growth of 9.8 thousand jobs in June, recording an improvement in this market. A highlight of this report was the employment creation in the retail and service sectors, after a long period of job elimination in both sectors.

June IPCA inflation registered a monthly variation of -0.23%, below market consensus, bringing the 12-moth inflation down to 3.00% in comparison to the 12-month inflation of 3.60% recorded in May.

In relation to the credit market, the latest figures published by the Central Bank suggest a monthly growth of 0.4% in June, due to the increase in outstanding corporate loans. The index credit/GDP reached 48.2%, in comparison to the 51.1% registered in June 2016. Default rates maintained their downward trend for individuals, decreasing 0.2 p.p. in June, ending the month in 3.9%, and default rates for corporate clients registered a decrease of 0.4 p.p., ending the month of June.

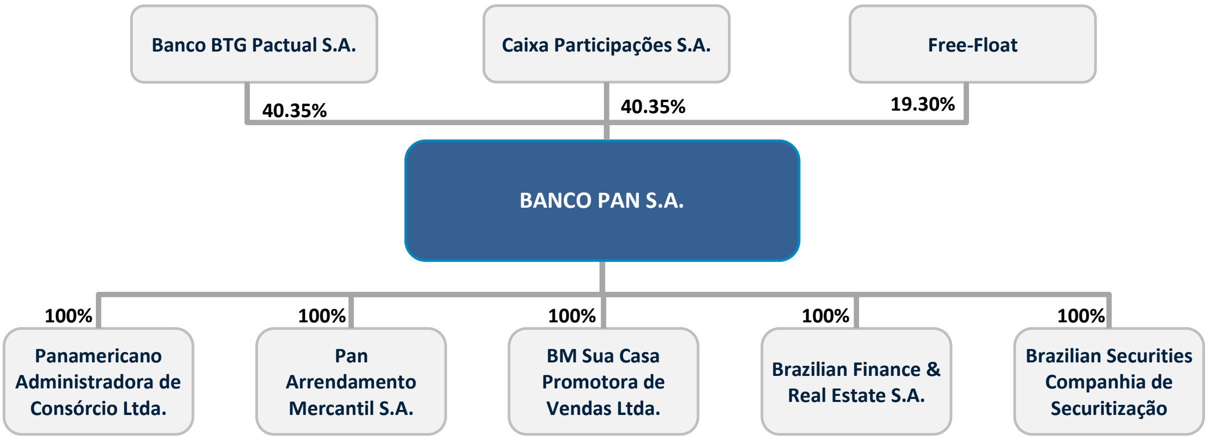
Operational and Commercial Agreements

Since 2011, after the execution of the Shareholders Agreement by Caixa Econômica Federal (“Caixa”), though its fully owned subsidiary Caixa Participações S.A., and Banco BTG Pactual S.A. (“BTG Pactual”) establishing the controlling block, Operational and Commercial Cooperation Agreements were signed between the controlling shareholders and the Company to reaffirm their commitment to a strategic partnership. Among the measures with a direct influence on PAN’s capital structure and liquidity, it is worth mentioning in particular: (i) Caixa’s commitment to acquire the Company’s loans without recourse whenever PAN plans to assign them; and (ii) the strengthening of liquidity through interbank deposits from both controlling shareholders, BTG Pactual and Caixa. These are long-term agreements, with update forecast, and provide PAN with funding alternatives at a competitive cost.

In addition, PAN has maintained a cooperation agreement with Caixa for the structuring, distribution and sale of products and services, and all of these agreements demonstrate not only these shareholders’ strong and continuing support for the Company, but also the complementarity and alignment of interests among all three institutions.

Subsidiaries

Below are the companies controlled by PAN as at June 30, 2017:



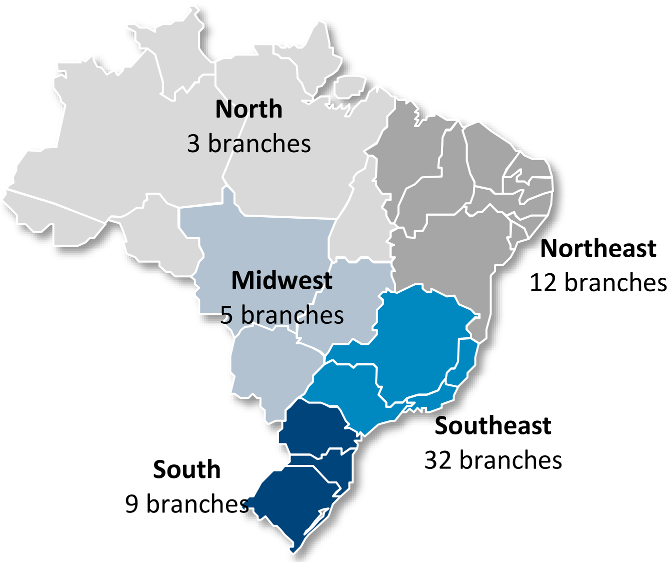
According to the Material Fact published in June 12th, 2017, Brazilian Mortgages Companhia Hipotecária ("BM") was incorporated by PAN aiming a better efficiency in the Corporate Structure.

Distribution Network

With 2,267 employees, PAN and its subsidiaries have 61 exclusive Branches in the major cities of Brazil, geographically distributed according to each region's GDP.

In the second quarter, PAN had 1,093 correspondent banks originating payroll-deductible loans and 5,257 authorized vehicle dealers.

The Bank had 4.4 million of clients and 2.1 credit cards issued by the end of 2Q17.



Retail Origination

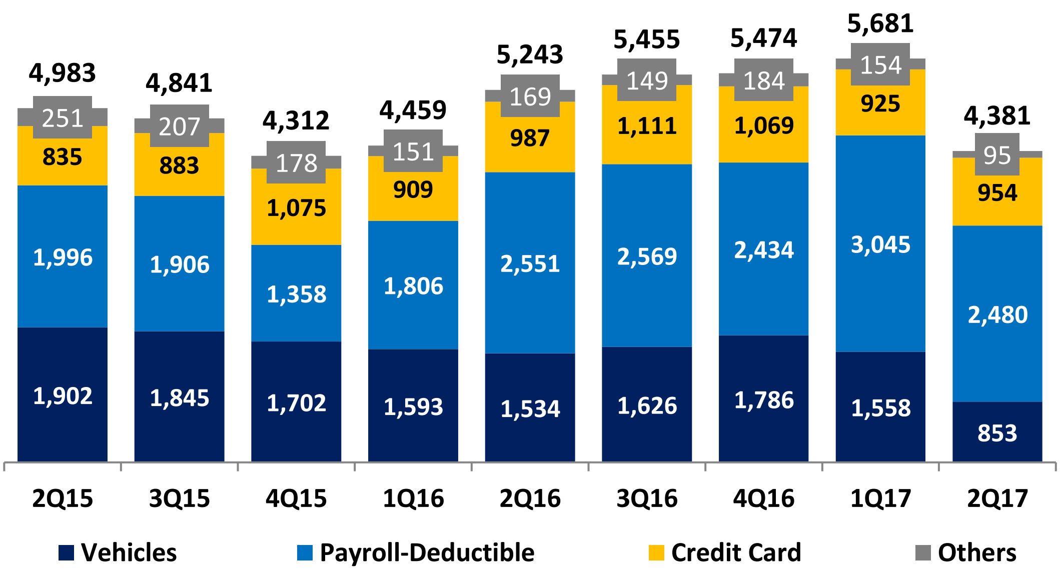
The second quarter of 2017 reflects the strategic repositioning adopted by PAN, for example discontinuing the vehicle financing through vehicle dealers.

As a result of this repositioning, PAN presented a strong monthly average credit origination, which totaled R$1,460 million in the 2Q17, though lower than the monthly average of R$1,894 million in 1Q17, when payroll loans were impacted by the adjustment of margins driven by the readjustments of public servants wages, and below the monthly average of R$1,748 million in 2Q16.

Retail Asset Origination Monthly Average (R$ MM)

Products	2Q17	1Q17	2Q16	Δ 2Q17/ 1Q17	Δ 2Q17/ 2Q16
Payroll-Deductible	**827**	**1,015**	**850**	**-19%**	**-3%**
Vehicles	**284**	**519**	**511**	**-45%**	**-44%**
Credit Cards	**318**	**308**	**329**	**3%**	**-3%**
Conventional	263	256	258	3%	1%
Payroll-Deductible	55	52	71	6%	-21%
Others	**32**	**51**	**56**	**-38%**	**-44%**
Total	**1,460**	**1,894**	**1,748**	**-23%**	**-16%**

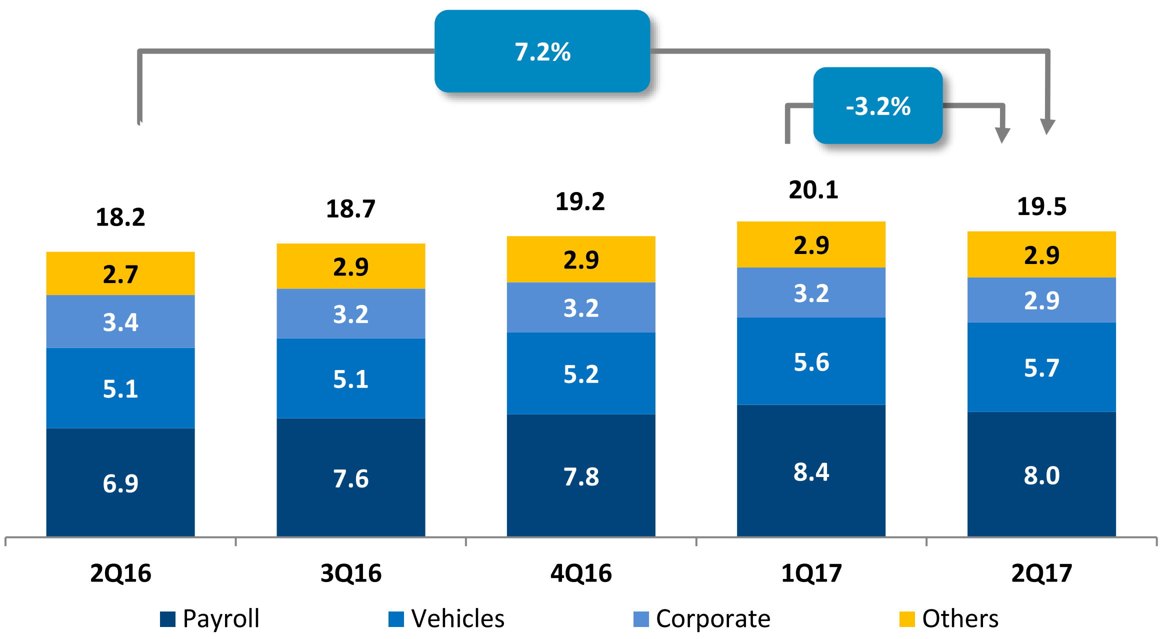
Accumulated Quarterly Retail Asset Origination (R$ MM)



Credit Portfolio

The Credit Portfolio, which includes retail and corporate loans, ended 2Q17 at R$19,491 million, reporting a 7.2% increase in 12 months. In the 2Q17, the portfolio decreased 3.2% due to the credit assignments and the contraction on the Corporate Portfolio.

Credit Portfolio (R$ Bi)



The table below gives a breakdown of the Credit Portfolio by operational segment:

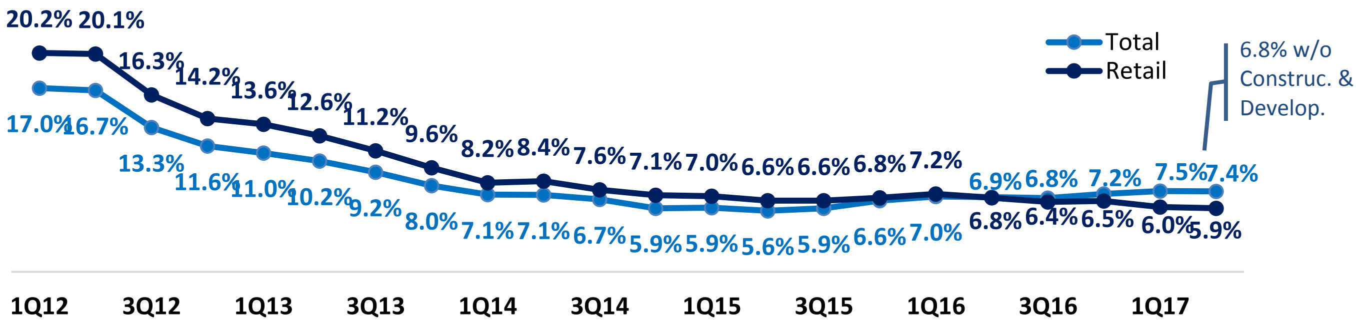
Type of Loan (R$ MM)	2Q17	Part. %	1Q17	Part. %	2Q16	Part. %	Δ 2Q17/ 1Q17	Δ 2Q17/ 2Q16
Payroll Deductible Loans	7,989	41%	8,435	42%	6,950	32%	-5%	15%
Vehicle Financing	5,720	29%	5,572	28%	1,534	31%	3%	12%
Corporate and Guarantees	2,852	15%	3,186	16%	3,359	21%	-10%	-15%
Payroll Deductible Credit Cards	1,177	6%	1,126	6%	611	4%	5%	57%
Credit Cards	952	5%	973	5%	975	5%	-2%	-2%
Real Estate	716	4%	762	4%	905	5%	-6%	-21%
Others	85	-	82	0%	117	1%	3%	-28%
Credit Portfolio	**19,491**	**100%**	**20,136**	**100%**	**17,454**	**100%**	**-3%**	**7%**

The table below presents the total loan portfolio by maturity on June 30, 2017:

R$ MM	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days	Total
Payroll-Deductible Loans	294	427	610	1,099	5,558	7,989
Vehicle Financing	514	521	735	1,221	2,730	5,720
Corporate and Guarantees	809	401	356	363	923	2,852
Payroll-Deductible Credit Cards	1,152	7	2	5	11	1,177
Credit Cards	663	133	15	92	56	952
Real Estate	23	27	36	66	565	716
Others	9	8	11	18	39	690
Total	**3,466**	**1,524**	**1,842**	**2,827**	**9,832**	**19,491**
Part (%)	**18%**	**8%**	**9%**	**15%**	**50%**	**100%**

The chart below presents the evolution of non-performing loans over 90 days of PAN, considering the outstanding balance of contracts. Excluding the Construction & Development loans, the indicator would be 6.8% in 2Q17.

Non-performing loans over 90 days (%)

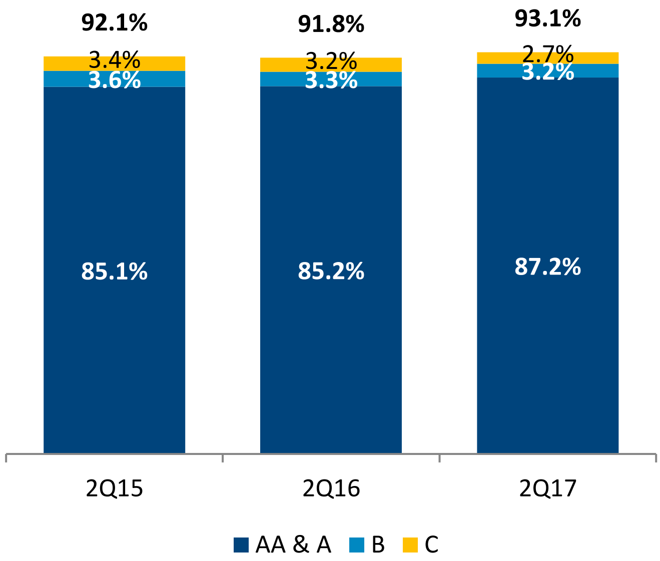


Retail Credit Portfolio

The ratings of Banco PAN's Retail Credit Portfolio are shown below, recorded on the balance sheet by risk category, pursuant to Resolution nº 2,682 of the National Monetary Council ("CMN"):

Category of Risk (R$ MM)	2Q17	Part. %	1Q17	Part. %	2Q16	Part. %	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
"AA" to "C"	15,473	93%	15,808	93%	13,600	92%	-2%	14%
"D" to "H"	1,166	7%	1,142	7%	1,221	8%	2%	-4%
Total	**16,639**	**100%**	**16,950**	**100%**	**14,821**	**100%**	**-2%**	**12%**

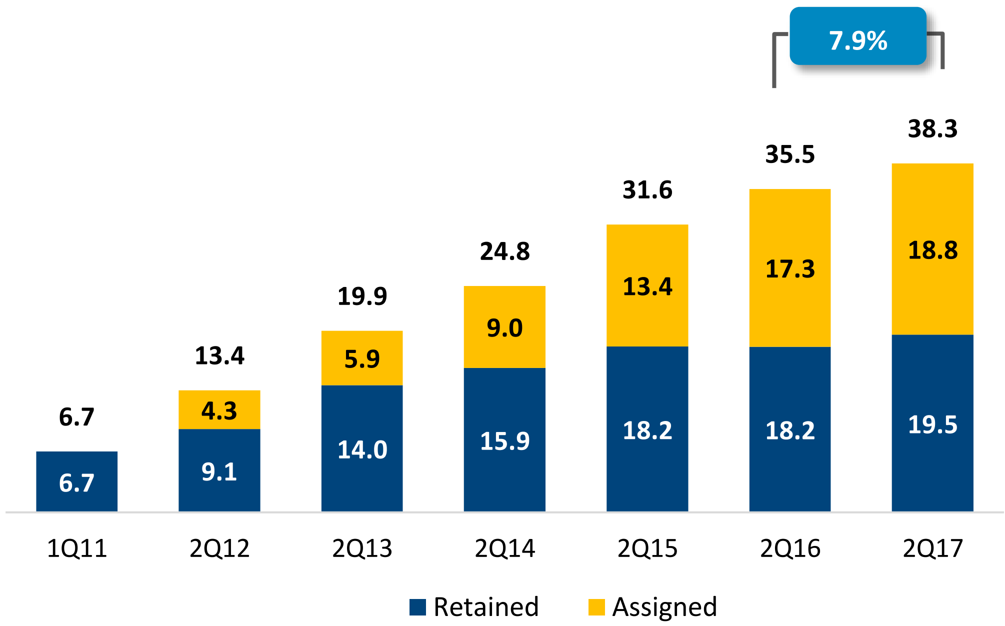
% of Retail Credits rated from AA to C (CMN Res. 2,682)



Originated Credit Portfolio

In addition to retained credits in its own portfolio, PAN’s strategy also includes the assignment of credits without recourse, which amounted to R$2,218 million in 2Q17. The originated Credit Portfolio, which considers the on-balance portfolio and the assigned portfolio to Caixa, ended the 2Q17 in R$ 38.3 billion.

Evolution of the Originated Credit Portfolio (R$ Bi)



Products

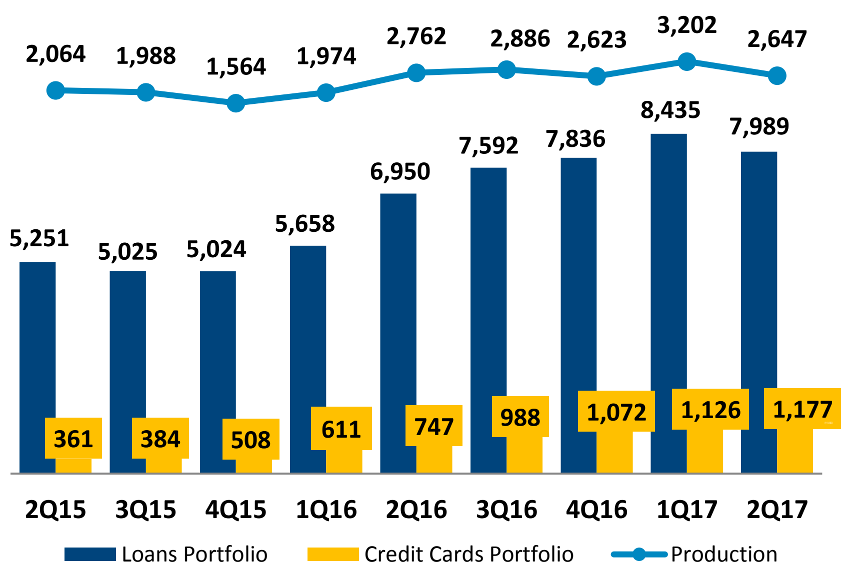
Payroll-Deductible Loans

During the 2Q17, the Bank disbursed R$2,647 million in Payroll. In Payroll Loans, PAN disbursed R$2,480 million for public servants and social security beneficiaries, below the R$3,045 million registered in the previous quarter (when there was a high origination volume driven by minimum wage readjustment) and in line with the R$2,551 million originated in 2Q16.

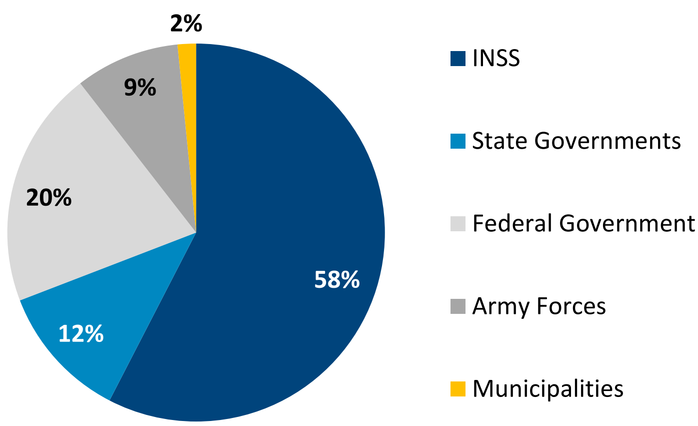
In Payroll Credit Cards, PAN disbursed R$ 167 million during the 2Q17, growing 6% in the quarterly comparison.

Due to the volume of credits assigned without recourse, the credit portfolio presented a decline, ending the quarter at R$7,989 million, while the Payroll Credit Cards Portfolio reached R$ 1,177 million.

Evolution of Portfolio and Origination (R$ MM)



Origination By Segment (%)

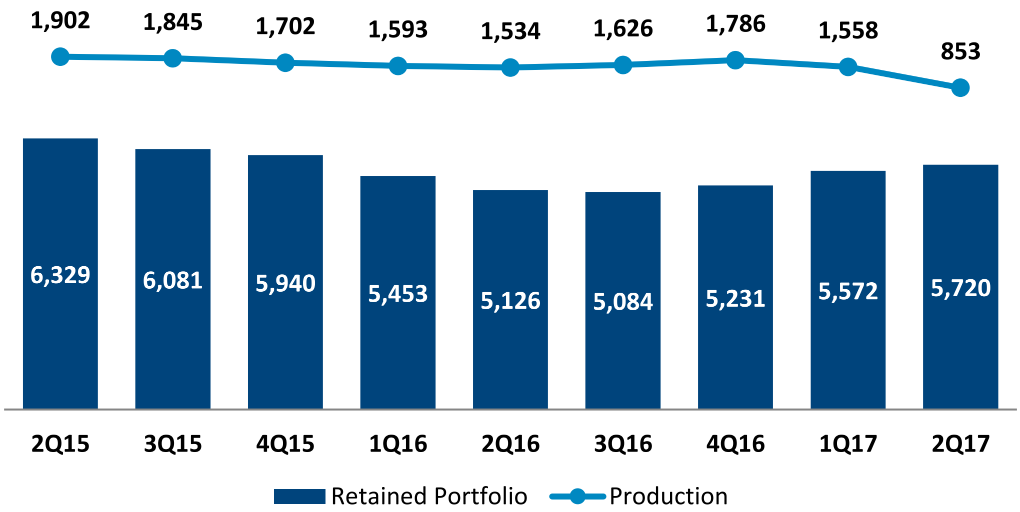


Vehicle Financing

Due to the strategic repositioning of the Bank in this segment, a total of R$853 million was disbursed in vehicle financing during the 2Q17, compared to the R$1,558 million originated in 1Q17, and R$1,534 million registered in 2Q16.

The credit portfolio ended the quarter at R$5,720 million, increasing 3% when compared to the R$5,572 million registered at the end of 1Q17, due to the change in the mix of credits assigned without recourse in this quarter, with higher volume of payroll-deductible loans.

Evolution of Vehicle Portfolio and Origination Breakdown (R$ MM)



Light vehicle financing totaled R$704 million in 2Q17, compared to the R$850 million originated in 1Q17. In the motorcycle segment, a total of R$149 million were originated in 2Q17, stable in relation to the volume originated 1Q17.

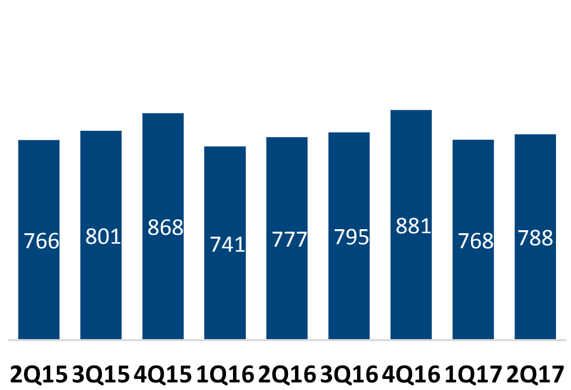
Below are more details on the origination activity in this segment:

2Q17	Light Vehicles	Motorcycles
Origination (R$MM)	704	149
Market Share	5.5%	16.5%
Ranking	5th	2nd
Avg. Maturity (months)	45	39
% down payment	41%	25%

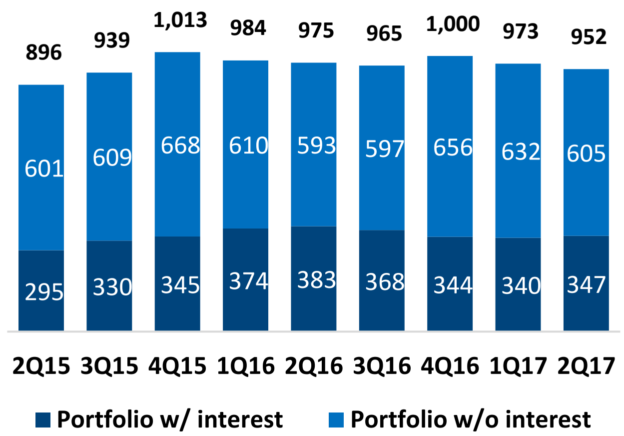
Institutional Credit Cards

The transaction volume of the credit card segment totaled R$788 million in the quarter. The volume of the credit card portfolio evolved to R$952 million at the end of the quarter.

Transaction Volume (R$ MM)



Credit Portfolio (R$ MM)

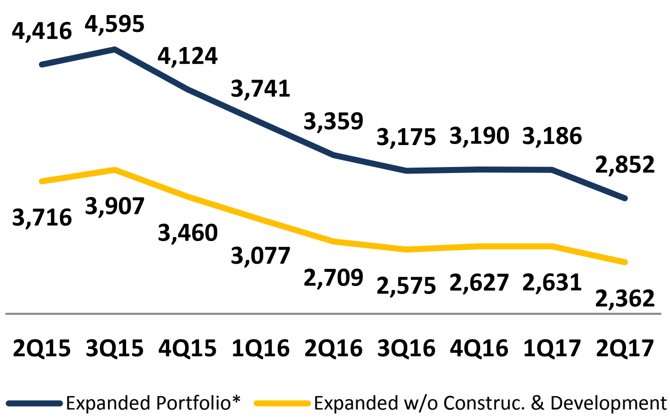


Corporate Loans

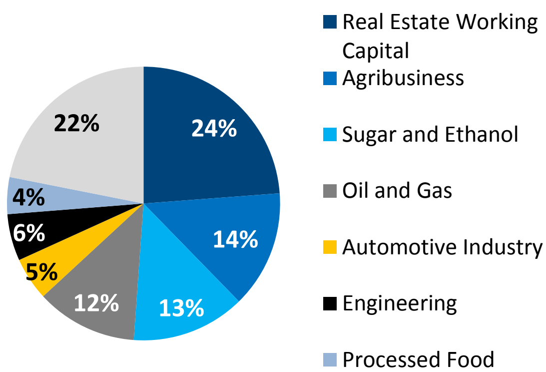
Reflecting the current economic environment, PAN's Expanded Corporate Loan Portfolio, which includes the R$282 million in outstanding Guarantees Issued, totaled R$2,852 million in 2Q17, against the R$3,186 million registered in 1Q17 and the R$3,359 million registered in 2Q16.

The Bank maintains its diversified risk policy and has a diversified loan portfolio by industries and by economic groups, in addition of maintaining a good level of guarantees. The 10 largest clients jointly account for only 4% of PAN's total portfolio in 2Q17.

Corporate Loan Portfolio Evolution (R$ MM)



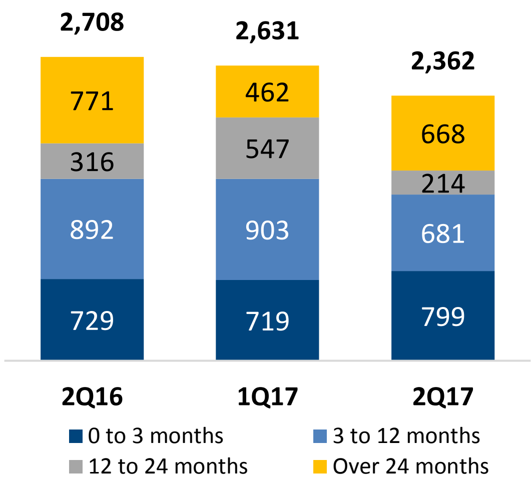
Corporate Loan Portfolio[1] (%)



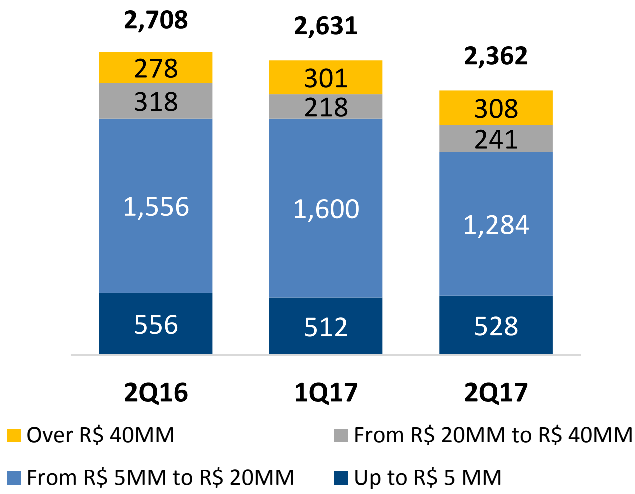
* Including Guarantees Issued

[1] Does not include loans for Construction & Development

Maturity of the Portfolio[1] (R$ MM)



Portfolio by ticket[1] (R$ MM)



Consumer Loans

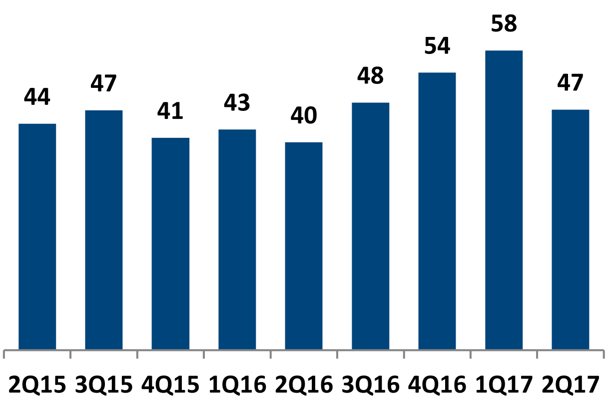
In the consumer loan segment, PAN originated R$95 million in new loans in 2Q17, compared to the R$132 million registered in 1Q17 and the R$100 million registered in 2Q16.

Insurance

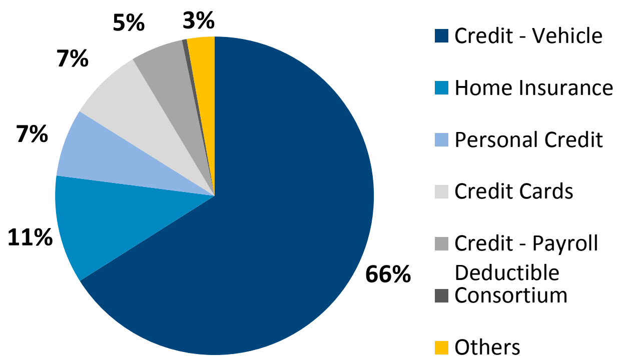
PAN originated R$47 million in insurance premiums during 2Q17, 20% lower than the R$58 million originated in 1Q17, influenced by the expected reduction in the volume of vehicle financing operations, but 16% higher than the R$40 million in 2Q16.

Among the premiums originated in the quarter, R$36.8 million were for credit insurance, R$5.1 million were for home insurance, R$3.5 million were for credit card insurance and R$1.3 million were for other insurance products.

Insurance Premiums originated by PAN (R$ MM)



Insurance Premium by Product (%)



Consortium

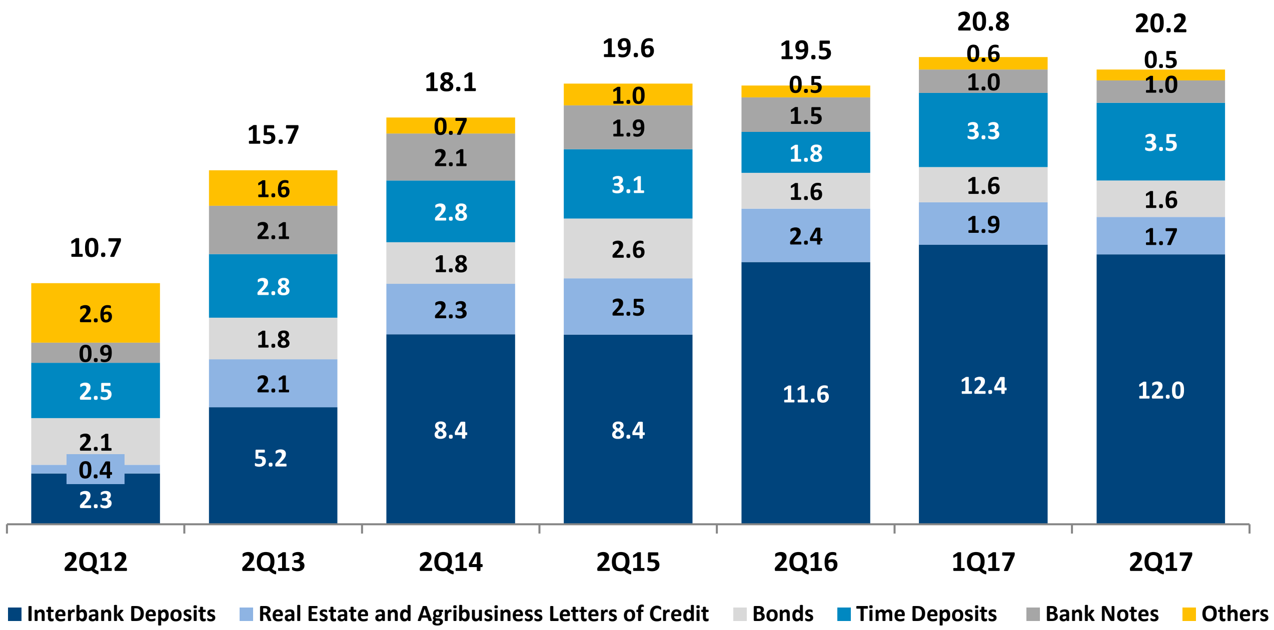
Consortium sales registered a total of R$67 million in 2Q17, compared to the R$37 million registered in the previous quarter.

Funding

The funding volume reached R$20.2 billion at the end of June 2017, 3% lower than the R$20.8 billion registered at the end of March 2017 and 4% higher than the R$19.5 billion recorded in June 2016. Among the main sources of funding, we highlight: (i) interbank deposits, which amounted to R$12.0 billion, 59% of the total; (ii) time deposits which amounted to R$3.5 billion, 17% of the total; (iii) real estate and agribusiness letters of credit (LCI and LCA) totaling R$1.7 billion, 8% of the total; (iv) bonds issued abroad, totaling R$1.6 billion, 8% of the total; (v) bank notes totaling R$991 million, 5% of the total; and (vi) other funding sources, corresponding to R$491 million, 2% of the total.

Funding Sources (R$ MM)	2Q17	Part. %	1Q17	Part. %	2Q16	Part. %	Δ 2Q17 / 1Q17	Δ 2Q17 / 2Q16
Interbank Deposits	11,981	59%	12,406	60%	11,642	60%	-3%	3%
Time Deposits	3,454	17%	3,297	16%	1,814	9%	5%	90%
LCI and LCA	1,661	8%	1,891	9%	2,382	12%	-12%	-30%
Bonds	1,623	8%	1,566	8%	1,582	8%	4%	3%
Bank Notes	991	5%	1,038	5%	1,533	8%	-5%	-35%
Others	491	2%	554	3%	526	3%	-11%	-7%
Total	**20,201**	**100%**	**20,751**	**100%**	**19,479**	**100%**	**-3%**	**4%**

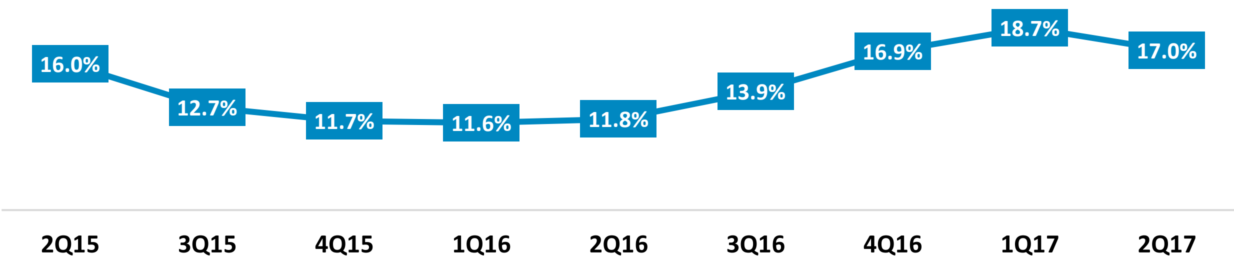
Evolution of Funding Sources (R$ Bi)



Results

Managerial Net Interest Margin – NIM

In 2Q17, managerial net interest margin stood at 17.0% p.y. compared to 18.7% p.y. registered in 1Q17 and 11.8% p.y. registered in 2Q16.

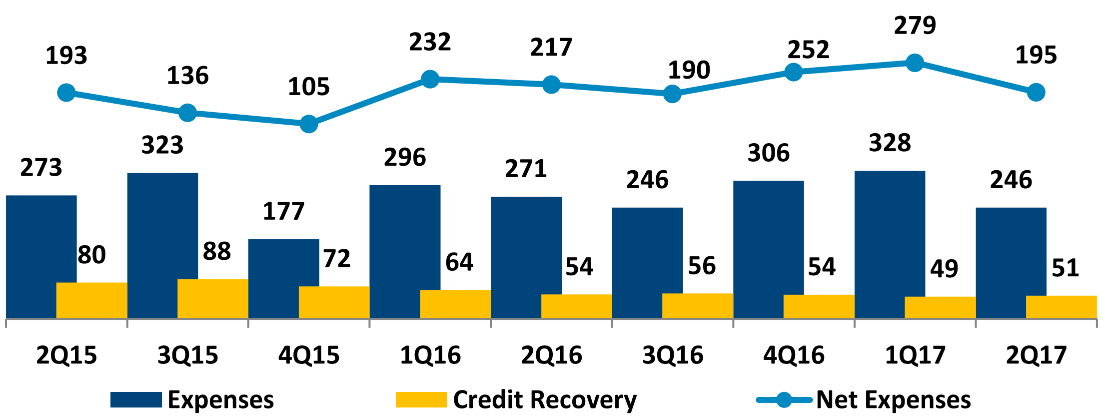


Managerial Net Interest Margin (R$ MM)	2Q17	1Q17	2Q16	Δ 2Q17/ 1Q17	Δ 2Q17/ 2Q16
Income from Financial Intermediation Before ALL	**903**	**993**	**675**	**-9%**	**34%**
(+) Exchange Rate Variation	(13)	(13)	(48)	-1%	73%
1. Managerial Net Interest Margin	**890**	**981**	**628**	**-9%**	**42%**
2. Average Interest-Earning Assets	**22,239**	**22,421**	**22,131**	**-1%**	**-**
- Average Loan Portfolio	19,525	19,379	17,543	1%	11%
- Average Securities and Derivatives	2,530	2,481	2,653	2%	-5%
- Average Interbank Investments	184	561	1,935	-67%	-91%
(1/2) Manag. Net Interest Margin (% p.y.)	**17.0%**	**18.7%**	**11.8%**	**-1.7 p.p.**	**5.2 p.p.**

Credit Provisions and Recovery

In 2Q17, credit provisions totaled R$246 million, while the recovery of credit previously written-off was R$51 million. Thus, the net credit provisions in the quarter totaled R$195 million, a decrease of 30% compared to 1Q17 and 10% compared to 2Q16.

Credit Provisions and Recovery (R$ MM)



Costs and Expenses

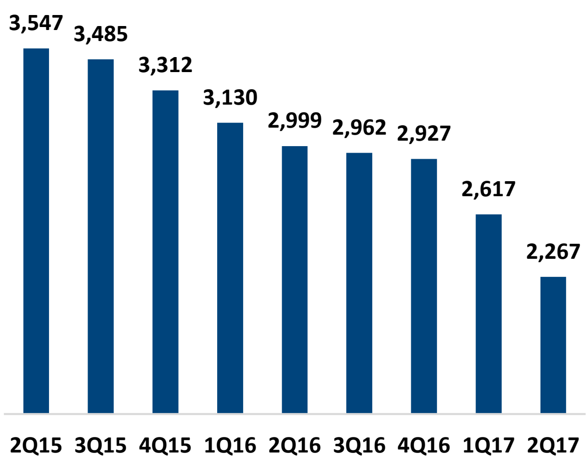
Personnel and administrative expenses (Subtotal I) totaled R$278 million in 2Q17, a decrease of 5% compared to R$293 million registered in the previous quarter and practically stable to the R$276 million registered in 2Q16.

Credit origination expenses (Subtotal II) totaled R$244 million in 2Q17, compared to R$300 million registered in the 1Q17 and R$225 million in 2Q16. This reduction in the quarterly comparison relates to the lower percentage cost on the comissions.

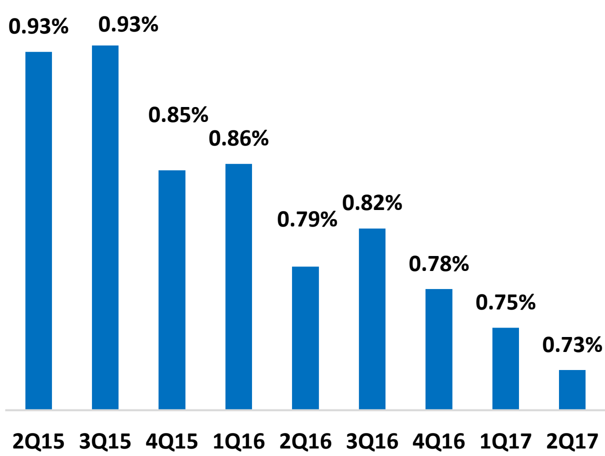
G&A Expenses (R$ MM)	2Q17	1Q17	2Q16	Δ 2Q17/ 1Q17	Δ 2Q17/ 2Q16
Personnel expenses	113	133	115	-15%	-1%
Administrative expenses	164	160	162	3%	2%
1. Subtotal I	**278**	**293**	**276**	**-5%**	**-**
Commission Expenses – BACEN Circular 3,738/14	101	152	90	-34%	12%
Deferred Commissions and other origination expenses	143	148	136	-3%	5%
2. Subtotal II - Credit Origination	**244**	**300**	**225**	**-19%**	**8%**
3. Total (I + II)	**521**	**593**	**502**	**-12%**	**4%**

Given the constant search for efficiency improvements, PAN is optimizing its cost structure, as evidenced by the evolution of the number of employees and by the ratio that considers Subtotal I expenses over the originated credit portfolio.

Evolution of the Number of Employees



Subtotal I / Originated Credit Portfolio



Income Statement

In 2Q17, PAN reported a robust improvement in Income from Operations, leading to a net income of R$42.8 million, versus a net income of R$3.7 million in 1Q17 and net loss of R$128 million in 2Q16.

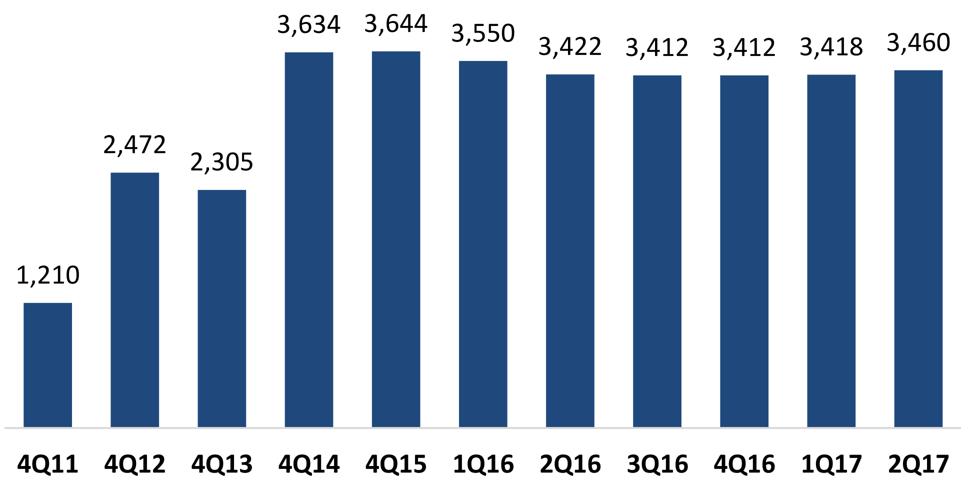
Along with the influences mentioned before, the results were impacted by the volume and mix of credits assigned without recourse in each period. Credit assignments without recourse totaled R$2,218 million in 2Q17 compared to R$2,588 million in 1Q17 and R$2,081 million in 2Q16.

P&L Statement (R$ MM)	2Q17	1Q17	2Q16	Δ 2Q17/ 1Q17	Δ 2Q17/ 2Q16
Net Interest Margin	**903**	**993**	**675**	**-9%**	**34%**
Credit Provisions	(246)	(328)	(271)	25%	9%
Gross Profit from Financial Intermediation (Adjusted)	**657**	**665**	**405**	**-1%**	**62%**
Other Operating Revenues (Expenses)	31	28	-11	-9%	-
Administrative and Personnel Expenses	(278)	(293)	(276)	5%	-
Origination Expenses	(244)	(300)	(225)	-19%	8%
Tax Expenses	(64)	(70)	(50)	8%	-27%
Income from Operations	**90**	**18**	**(206)**	**-**	**-**
Non-Operating Expenses	(9)	4	(17)	-	49%
Income and Social Contribution Taxes	(38)	(18)	95	-108%	-
Net Income/ (Loss)	**42.8**	**3.7**	**(128)**	**-**	**-**

Shareholders' Equity and Capital

Shareholders' Equity

PAN's Consolidated Shareholders' Equity totaled R$3,460 million in June 2017, compared to R$3,418 million in March 2017 and R$3,422 million in June 2016.



Basel Ratio and Operating Margin

The Prudential Conglomerate's Basel Ratio stood at 11.6% at the end of 2Q17 (with 8.5% in Tier I Common Equity) against 11.3% registered in 1Q17 (with 8.1% in Tier I Common Equity). The Prudential Conglomerate's Operating Margin totaled R$199 million in 2Q17.

R$ MM	2Q17	1Q17	2Q16
1. Reference Shareholder's Equity (PR)	**2,323**	**2,340**	**2,709**
Common Equity Tier I	1,693	1,678	1,982
Tier II	630	661	777
2. Required Reference Shareholders' Equity	**2,101**	**2,172**	**2,075**
Risk Weighted Assets	1,886	1,933	1,890
Exchange Variation Risk	1	1	2
Interest (Pre-fixed)	27	52	59
Operational Risk	186	186	123
Basel Ratio	**11.6%**	**11.3%**	**14.0%**
Common Equity Tier I	**8.5%**	**8.1%**	**10.0%**
Tier II	**3.1%**	**3.2%**	**4.0%**

Ratings

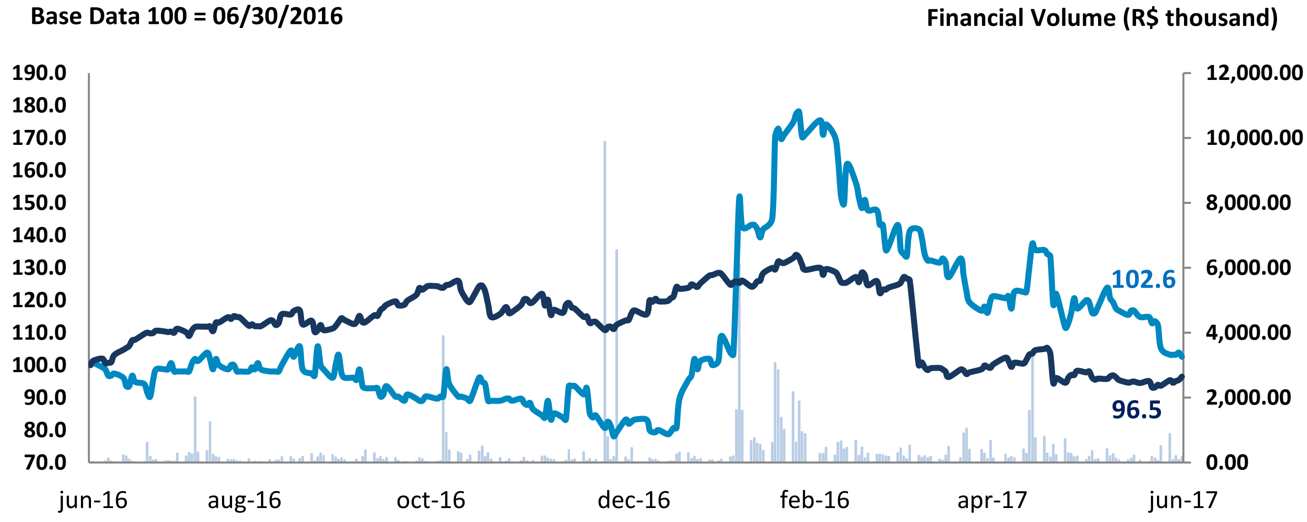
PAN's long-term ratings are presented below:

Rating Agency	Global Scale (LT)	National Scale (LT)	Outlook
Fitch Ratings	**BB-**	**A+ (bra)**	**Negative/Stable**
Standard & Poor's	**B+**	**brBBB-**	**Negative**
Moody's	**B1**	**Baa2.br**	**Stable**
Riskbank	**Low Risk for Medium Term 2 (-) | 9.67**		

Stock Performance

PAN's shares (BPAN4) ended June at R$1.59 compared to R$2.19 recorded at the end of 1Q17. The maximum price in the period was R$2.25 per share, and minimum was R$1.57 per share.

The total traded volume reached R$21.0 million in 2Q17, with a daily average of R$343 thousand. On June 30, 2017, PAN's market cap was R$1.5 billion.



Source: Reuters

Appendix

BALANCE SHEET AS OF JUNE 30, 2017 AND MARCH 31, 2017				
(In thousands of Brazilian reais - R$)	BANK		CONSOLIDATED	
ASSETS	Jun/17	Mar/17	Jun/17	Mar/17
CURRENT ASSETS	**11,613,123**	**12,302,056**	**11,745,996**	**12,472,469**
Cash	13,685	17,321	15,503	24,378
Interbank investments	218,727	776,400	217,265	123,374
Securities and derivatives financial instruments	823,194	794,352	859,957	824,052
Interbank accounts	41,397	46,445	41,397	46,445
Lending operations	7,916,971	7,734,977	7,916,971	8,205,353
Lending operations - private sector	8,848,999	8,488,225	8,848,999	9,151,328
(Allowance for loan losses)	(932,028)	(753,248)	(932,028)	(945,975)
Leasing operations	-	-	382	670
Leasing operations	-	-	585	923
(Allowance for doubtful lease receivables)	-	-	(203)	(253)
Other receivables	2,220,105	2,785,086	2,299,641	2,890,852
(Allowance for loan losses)	(41,187)	(58,180)	(41,187)	(58,813)
Other assets	420,231	205,655	436,067	416,158
LONG-TERM RECEIVABLES	**14,518,480**	**13,468,273**	**15,246,739**	**14,880,338**
Interbank investments	-	26,667	-	26,667
Securities and derivatives financial instruments	1,236,359	1,351,299	1,677,947	1,698,350
Lending operations	9,236,175	8,990,613	9,236,175	9,552,809
Lending operations - Private Sector	9,510,430	9,245,283	9,510,430	9,842,499
(Allowance for loan losses)	(274,255)	(254,670)	(274,255)	(289,690)
Leasing operations	-	-	22	82
Leasing operations	-	-	50	103
(Allowance for doubtful lease receivables)	-	-	(28)	(21)
Other receivables	3,908,796	2,912,136	4,191,907	3,412,309
(Allowance for loan losses)	(5,423)	(7,811)	(5,423)	(9,067)
Other assets	142,573	195,369	146,111	199,188
PERMANENT ASSETS	**1,107,259**	**1,017,486**	**247,257**	**260,006**
TOTAL ASSETS	**27,238,862**	**26,787,815**	**27,239,992**	**27,612,813**
LIABILITIES	**Jun/17**	**Mar/17**	**Jun/17**	**Mar/17**
CURRENT LIABILITIES	**17,521,780**	**17,409,773**	**17,450,163**	**17,841,668**
Deposits	12,298,079	12,906,350	12,260,728	12,866,189
Demand deposits	43,975	59,070	43,939	55,297
Interbank deposits	11,975,823	12,416,006	11,938,540	12,379,650
Time deposits	278,281	431,274	278,249	431,242
Money market funding	1,011,497	1,055,595	1,011,497	1,055,595
Funds from acceptance and issuance of securities	1,730,979	1,192,705	1,677,565	1,635,935
Interbank accounts	235,732	103,036	235,732	103,036
Interbranch accounts	10,212	13,998	10,212	13,998
Loan Liabilities	-	-	2,147	653
Derivatives Financial Instruments	64,514	66,355	64,514	66,355
Other liabilities	2,170,767	2,071,734	2,187,768	2,099,907
LONG-TERM LIABILITIES	**6,256,484**	**5,959,045**	**6,329,231**	**6,352,148**
Deposits	3,415,816	3,088,232	3,218,150	2,891,692
Interbank deposits	42,741	25,862	42,741	25,862
Time deposits	3,373,075	3,062,370	3,175,409	2,865,830
Money market funding	99,482	101,696	92,355	98,825
Funds from acceptance and issuance of securities	810,932	808,972	817,433	1,139,176
Loan Liabilities	-	-	135,898	128,775
Derivatives financial instruments	104,440	141,094	104,309	141,094
Other Liabilities	1,825,814	1,819,051	1,961,086	1,952,586
Deferred Income	388	1,101	388	1,101
SHAREHOLDERS' EQUITY	**3,460,210**	**3,417,896**	**3,460,210**	**3,417,896**
Capital	3,460,732	3,460,732	3,460,732	3,460,732
Adjustments to equity valuation	(12,674)	(12,194)	(12,674)	(12,194)
Retained earnings (loss)	12,152	(30,642)	12,152	(30,642)
TOTAL LIABILITIES	**27,238,862**	**26,787,815**	**27,239,992**	**27,612,813**

INCOME STATEMENT FOR THE QUARTERS ENDED ON JUNE 30, 2017 AND MARCH 31, 2017				
(In thousands of Brazilian reais - R$)	BANK		CONSOLIDATED	
	2Q17	1Q17	2Q17	1Q17
REVENUE FROM FINANCIAL INTERMEDIATION	**1,589,852**	**1,659,179**	**1,613,655**	**1,675,949**
Lending operations	1,142,040	1,209,311	1,169,996	1,250,983
Results from Credit Assignments	315,247	490,437	315,247	485,780
Securities transactions	77,939	106,489	69,178	93,353
Derivative transactions	40,182	(148,391)	44,790	(155,500)
Foreign exchange transactions	14,444	1,333	14,444	1,333
EXPENSES ON FINANCIAL INTERMEDIATION	**(927,456)**	**(942,257)**	**(956,766)**	**(1,010,604)**
Funding operations	(690,059)	(668,601)	(701,899)	(684,661)
Borrowings and onlendings	-	-	(8,661)	2,043
Allowance for loan losses	(237,397)	(273,656)	(246,206)	(327,986)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION	**662,396**	**716,922**	**656,889**	**665,345**
OTHER OPERATING INCOME (EXPENSES)	**(563,592)**	**(673,828)**	**(567,217)**	**(647,230)**
Income from services rendered	89,392	112,285	95,022	118,200
Equity in subsidiaries	(19,071)	(51,104)	(406)	(2,851)
Personnel Expenses	(112,199)	(129,754)	(113,341)	(132,763)
Other Administrative Expenses	(394,923)	(446,915)	(408,044)	(460,438)
Tax Expenses	(58,397)	(63,767)	(63,905)	(69,722)
Other Operating Income	60,164	36,972	69,728	49,106
Other Operating Expenses	(128,558)	(131,545)	(146,271)	(148,762)
INCOME FROM OPERATIONS	**98,804**	**43,094**	**89,672**	**18,115**
NON OPERATING EXPENSES	**(8,147)**	**3,841**	**(8,961)**	**3,757**
INCOME BEFORE TAXES	**90,657**	**46,935**	**80,711**	**21,872**
INCOME AND SOCIAL CONTRIBUTION TAXES	**(47,863)**	**(43,266)**	**(37,917)**	**(18,203)**
Provision for Income tax	(492)	(277)	(18,451)	13,234
Provision for Social Contribution tax	(611)	(421)	(871)	(2,005)
Deferred tax credits	(46,760)	(42,568)	(18,595)	(29,432)
NET INCOME/ (LOSS)	**42,794**	**3,669**	**42,794**	**3,669**