

Earnings Results – 3rd Quarter 2013

The logo for Banco PAN is located in the bottom right corner of the slide. It features the word "Banco" in a white, sans-serif font, followed by "PAN" in a larger, bold, white, sans-serif font. The text is set against a blue background that consists of two overlapping diagonal stripes: a darker blue stripe on top and a lighter blue stripe on the bottom, both sloping upwards from left to right.

Banco PAN

Disclaimer

This presentation may include statements representing expectations about future events or results of Banco Pan. These statements are based upon projections and analyses which reflect present views and/or expectations of the Management of the Bank with regards to its performance and to the future of its business.

Risks and uncertainties related to the bank's businesses, to the competitive and market environment, to the macro-economical conditions and other factors described in "Risk Factors" in the Reference Form, filed with the Comissão de Valores Mobiliários, may cause effective results to differ materially from such plans, objectives, expectations, projections and intentions.

3Q13 Highlights

- ✓ **Monthly average Origination** of credit assets of **R\$1,129.0 millions** in the 3Q13, with a **decrease of 5.0%** over the 2Q13 and **28.5% higher** than the 3Q12;
- ✓ Total Expanded **Credit Portfolio** totaled **R\$14.9 billion**, **1.0% higher than the 2Q13** and with an **increase of 13.2%** compared to the same quarter of 2012;
- ✓ **Credit portfolio with retained result** reached **R\$14.3 billion**, **2.2% higher than the 2Q13** and **21.0% higher than the same quarter of 2012**;
- ✓ **Net Interest Margin** reached **12.9% in the 3Q13**, 1.9 p.p. lower than the 2Q13 and 1.3 p.p. lower than the 3Q12;
- ✓ **The net result of allowance for loan losses** of **R\$153.7 million** in the 3Q13 **was down 12.3% from the previous quarter** and **60.4% lower than the same quarter of 2012**;
- ✓ **Consolidated net loss** of **R\$20.5 million in 3Q13**, compared to the net profit of R\$12.7 million in the 2Q13 and the negative net result of R\$198.0 million in the 3Q12.
- ✓ **Consolidated net profit** of **R\$31.2 million in 2013**, compared to the negative net result of R\$457.6 million in the first 9 months of 2012.
- ✓ **Consolidated shareholders' equity** of **R\$2,514.8 million** and **Basel Ratio** of **12.95%** in the 3Q13.

NIM and P&L Statement

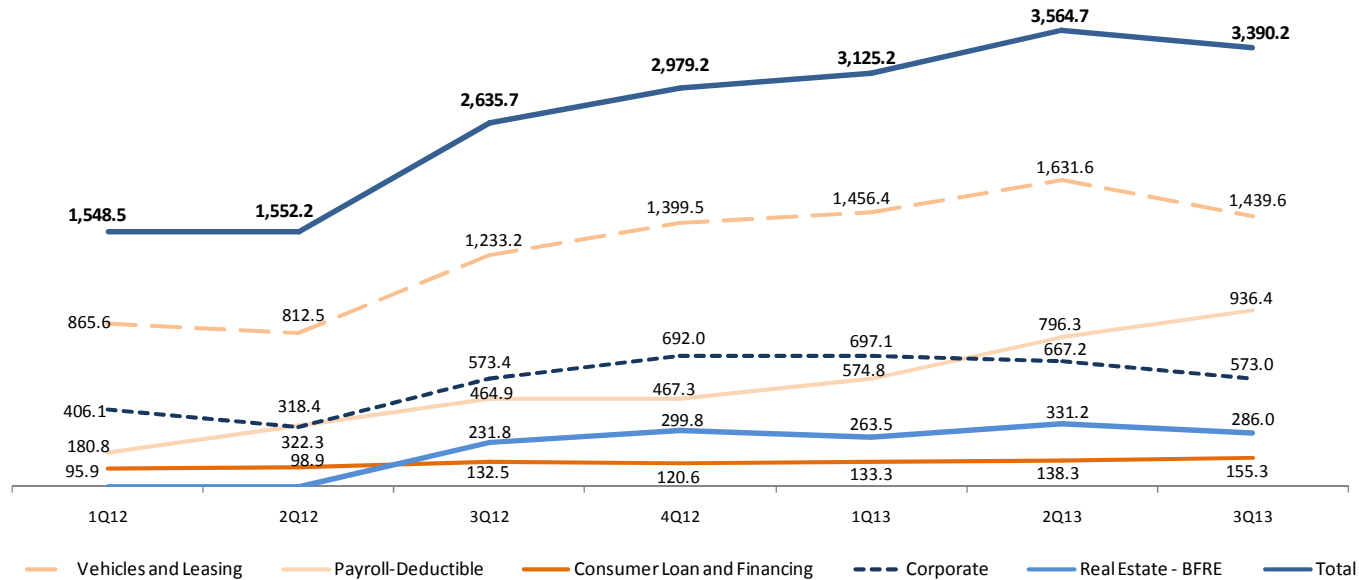
Gross Profit (BRL Million)	3Q13	2Q13	3Q12	Δ 3Q13 / 2Q13	Δ 3Q13 / 3Q12
Revenue from Financial Intermediation	930.8	1,116.8	809.4	-16.7%	15.0%
Lending Operations	1,050.7	1,025.4	671.7	2.5%	56.4%
Leasing Operations	17.1	18.6	24.0	-8.2%	-28.9%
Commissions due to credit assignments	(92.5)	(86.4)	-	7.0%	0.0%
Expenses for credit assignments	(75.2)	(61.7)	(39.2)	21.8%	91.8%
Securities transactions	66.6	77.7	75.6	-14.3%	-11.9%
Derivative transactions	(51.0)	81.9	67.8	-162.2%	-175.2%
Foreign exchange transactions	15.1	61.3	9.5	-75.4%	59.5%
Expenses on Financial Intermediation	(596.7)	(738.6)	(771.5)	-19.2%	-22.7%
Funding Operations and Derivatives Transactions	(359.2)	(471.9)	(336.2)	-23.9%	6.8%
Loan Operations	(11.9)	(41.3)	(8.3)	-71.2%	42.9%
Allowance for Loan Losses	(225.6)	(225.4)	(426.9)	0.1%	-47.2%
Gross Profit from Financial Intermediation	334.1	378.2	37.9	-11.7%	782.2%
Other Operating Revenues (Expenses)	(343.8)	(349.0)	(336.0)	-1.5%	2.3%
Income from Operations	(9.7)	29.2	(298.2)	-133.3%	-96.7%
Non Operating Expenses	(20.4)	(22.2)	(35.0)	-8.3%	-41.8%
Income and Social Contribution Taxes	9.8	(46.6)	(62.0)	-121.1%	-115.9%
Deferred tax credits and Others	(0.3)	52.4	197.3	-100.5%	-100.1%
Net Income	(20.5)	12.7	(198.0)	-261.1%	-89.6%

Net Interest Margin (BRL Million)	3Q13	2Q13	3Q12	Δ 3Q13 / 2Q13	Δ 3Q13 / 3Q12
1. Income from Financial Intermediation Before LLP	559.7	603.6	464.8	-7.3%	20.4%
2. Average Interest-Earning Assets	18,187.7	17,246.2	13,786.3	5.5%	31.9%
- Average Loan Portfolio	14,088.5	13,468.5	10,418.3	4.6%	35.2%
- Opening Balance	13,931.4	13,005.6	9,081.7	7.1%	53.4%
- Closing Balance	14,245.6	13,931.4	11,754.8	2.3%	21.2%
- Average Securities and Derivatives	1,960.0	1,996.6	2,102.0	-1.8%	-6.8%
- Opening Balance	2,018.7	1,974.6	1,774.1	2.2%	13.8%
- Closing Balance	1,901.2	2,018.7	2,429.8	-5.8%	-21.8%
- Average Interbank Investments	2,139.3	1,781.1	1,266.0	20.1%	69.0%
- Opening Balance	2,283.4	1,278.7	1,462.7	78.6%	56.1%
- Closing Balance	1,995.2	2,283.4	1,069.4	-12.6%	86.6%
(1) / (2) Net Interest Margin - NIM (% p.y.)	12.9%	14.8%	14.2%	-1.9 p.p.	-1.3 p.p.



Loan Portfolio - Asset Origination

Quarterly Asset Origination (BRL Million)



Average Monthly Origination - By Product (BRL Million)

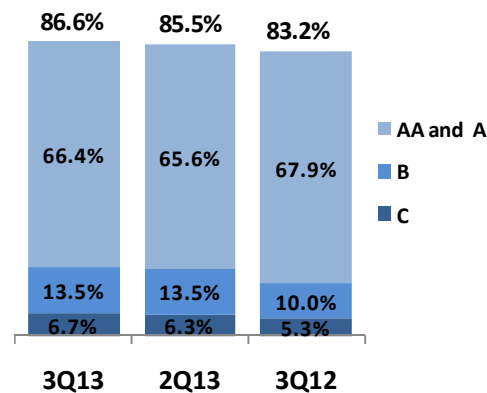
Products	3Q13		2T13		3Q12		Δ 3Q13/ 2Q13	Δ 3Q13/ 3Q12
	Production	Part.	Production	Part.	Production	Part.		
Vehicles	478.5	42.4%	543.9	52.2%	411.0	46.8%	-12.0%	16.4%
Payroll -Deductible	312.1	27.7%	265.4	25.5%	155.0	17.6%	17.6%	101.4%
Consumer Loan and Financing	51.8	4.6%	46.1	4.4%	44.2	5.0%	12.3%	17.2%
Corporate	191.0	16.9%	222.4	21.3%	191.1	21.8%	-14.1%	-0.1%
Real Estate - BFRE	95.3	8.4%	110.4	10.6%	77.3	8.8%	-13.7%	23.4%
Total	1,128.7	100%	1,188.2	100%	878.5	100.0%	-5.0%	28.5%

Credit Portfolio

Expanded Credit Portfolio “on balance sheet” (BRL Million)

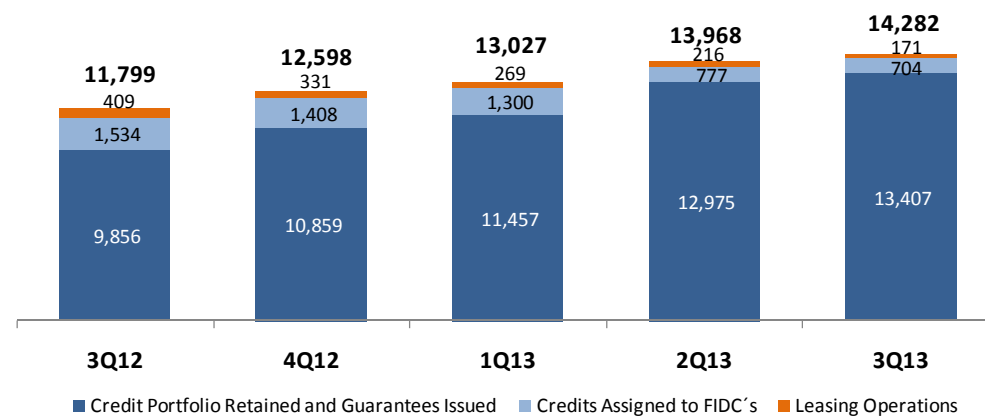
Type of Loans (R\$ MM)	3Q13	Part. %	2Q13	Part. %	3Q12	Part. %	Δ 3Q13/ 2Q13	Δ 3Q13/ 3Q12
CDC Vehicles	7,809.5	54.7%	7,532.9	53.9%	6,412.4	54.3%	3.7%	21.8%
Consumer Loans	82.2	0.6%	87.6	0.6%	107.6	0.9%	-6.2%	-23.6%
Credit Cards	599.7	4.2%	650.0	4.7%	313.6	2.7%	-7.7%	91.2%
Leasing Operations	171.4	1.2%	216.2	1.5%	409.0	3.5%	-20.7%	-58.1%
Payroll Deduction Loans	1,471.1	10.3%	1,412.2	10.1%	1,419.7	12.0%	4.2%	3.6%
Corporate	2,093.6	14.7%	2,114.3	15.1%	1,416.6	12.0%	-1.0%	47.8%
Real Estate	1,445.6	10.1%	1,363.2	9.8%	1,200.1	10.2%	6.0%	20.5%
Renegotiations	31.3	0.2%	28.2	0.2%	35.1	0.3%	11.0%	-10.9%
Amounts with Credit Characteristics Receivable	539.8	3.8%	523.8	3.7%	423.2	3.6%	3.1%	27.5%
Guarantees Issued	36.8	0.3%	36.7	0.3%	44.5	0.4%	0.2%	-17.3%
Others	1.3	0.0%	3.0	0.0%	17.5	0.1%	-56.1%	-92.5%
Portfolio of Credit	14,282.4	100.0%	13,968.1	100.0%	11,799.3	100.0%	2.2%	21.0%
Portfolio of Credit Assigned with Recourse	634.1		796.2		1,377.0		-20.4%	-53.9%
Total Portfolio of Credit	14,916.5		14,764.4		13,176.3		1.0%	13.2%

Portfolio Quality ¹



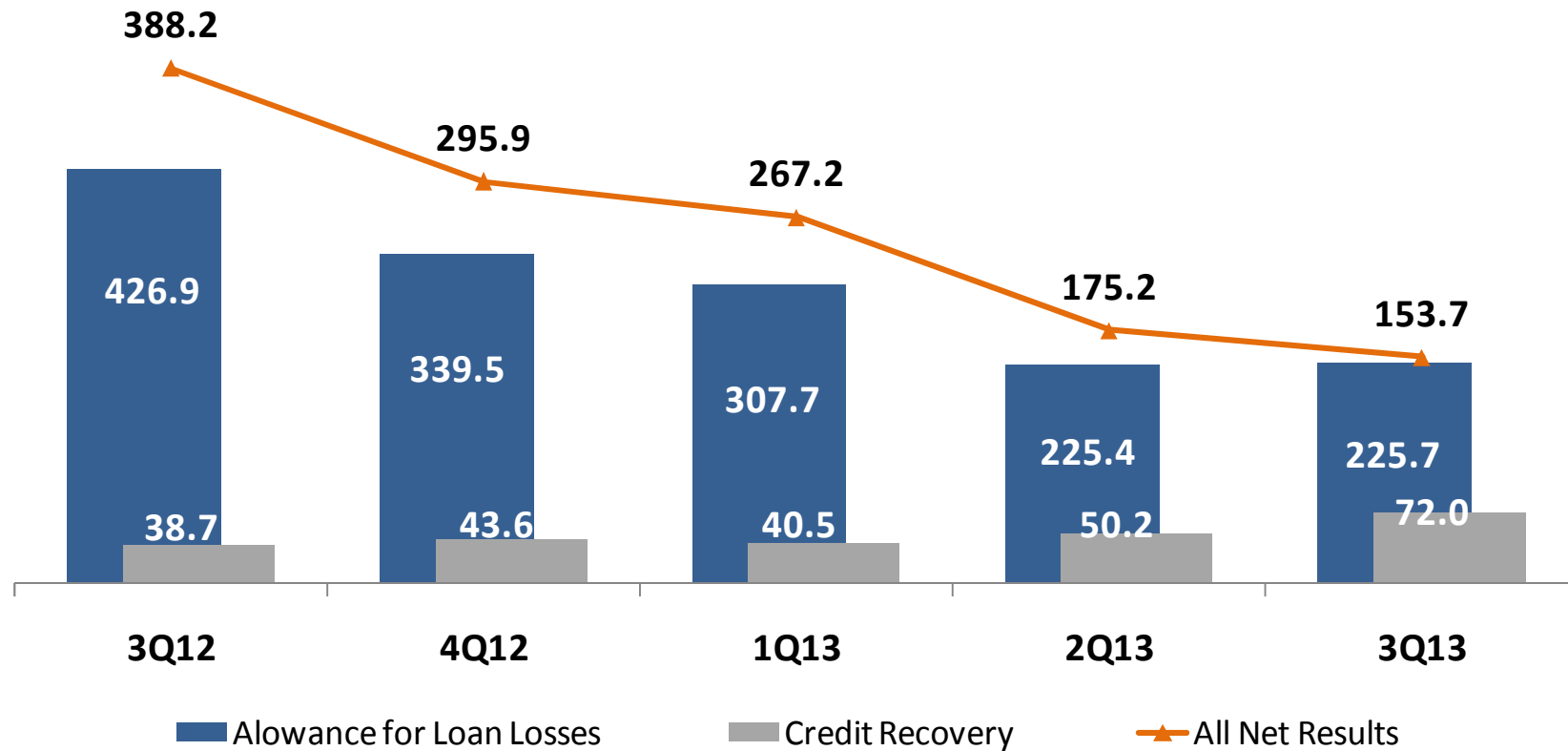
¹ % Credits classified from AA to C (Resolution 2,682 from CMN)

Credit Portfolio with Retained Result (BRL Million)



ALL Net Results

Allowance for Loan Losses and Credit Recovery (BRL Million)



Costs and Expenses

G&A (BRL thousand)	PERFORMED			Δ 3Q13 / 2Q13	Δ 3Q13 / 3Q12
	3Q13	2Q13	3Q12		
Personnel expenses	110,850	103,094	82,546	7.5%	34.3%
Other administrative expenses	237,825	244,298	275,786	-2.6%	-13.8%
Tax expenses	56,979	53,086	38,655	7.3%	47.4%
Total	405,654	400,478	396,987	1.3%	2.2%

ADJUSTED FOR SEASONAL EFFECTS AND WAGE ADJUSTMENT PROVISIONS

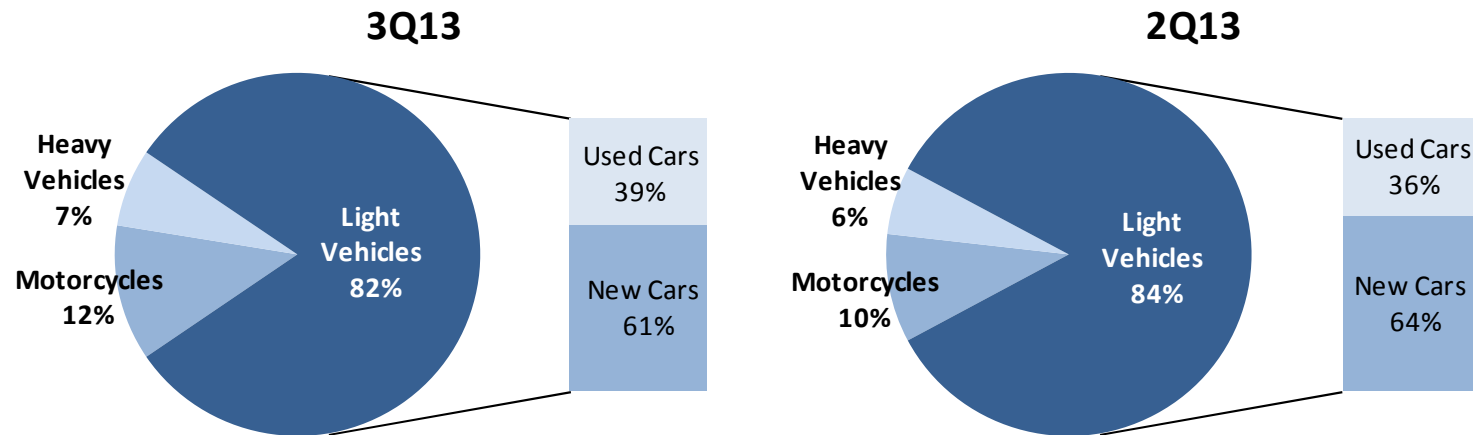
G&A (BRL thousand)	ADJUSTED FOR SEASONAL EFFECTS AND WAGE ADJUSTMENT PROVISIONS			Δ 3Q13 / 2Q13	Δ 3Q13 / 3Q12
	3Q13	2Q13	3Q12		
Personnel expenses	110,850	103,094	82,546	7.5%	34.3%
(-) Wage Adjustment Provisions	2,548	-	1,803	-	-
(-) Semiannual commission Insurances and Vehicles	2,661	-	877	-	-
(+) Reversal of INSS and FGTS*	1,100	4,400	-	-	-
Adjusted Personnel expenses	106,741	107,494	79,866	-0.7%	33.7%
Other administrative expenses	237,825	244,298	275,786	-2.6%	-13.8%
Tax expenses	56,979	53,086	38,655	7.3%	47.4%
Total	401,545	404,878	394,307	-0.8%	1.8%

* INSS (Social Security)

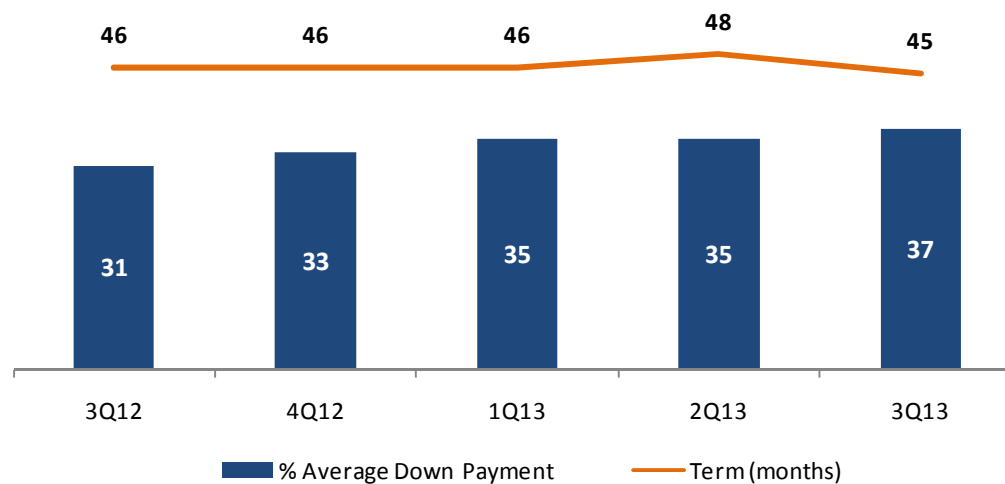
* FGTS (Unemployment Guarantee Fund)

Asset Origination - Vehicle

% Share in New Financing (Vehicles)



Loan Average Term and Down Payment



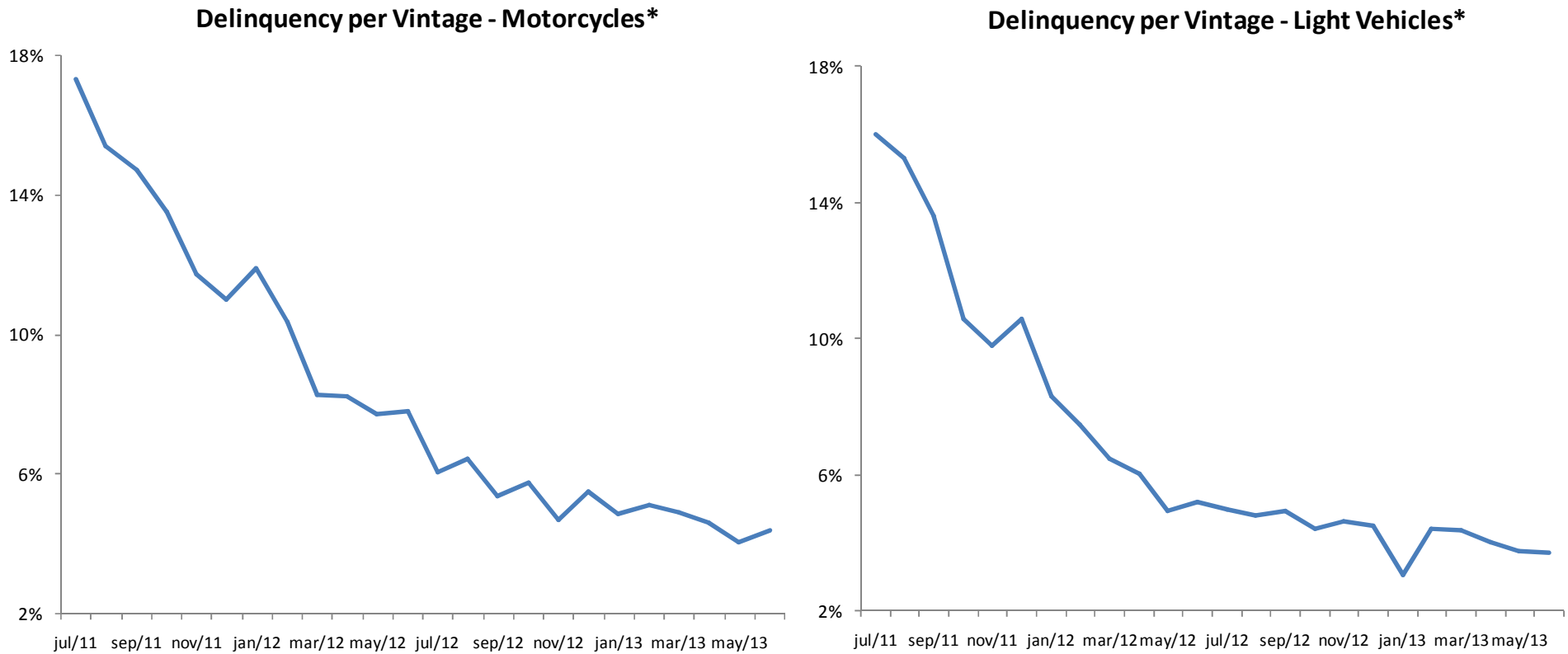
Spread Out Origination

% origination by group*	Sep/13
Largest group	2.8%
2 nd largest group	2.2%
3 rd largest group	1.3%
10 largest groups	12.4%
50 largest groups	28.3%

* % of total origination of vehicle financing by economic group (dealers network)

Asset Origination - Vehicle

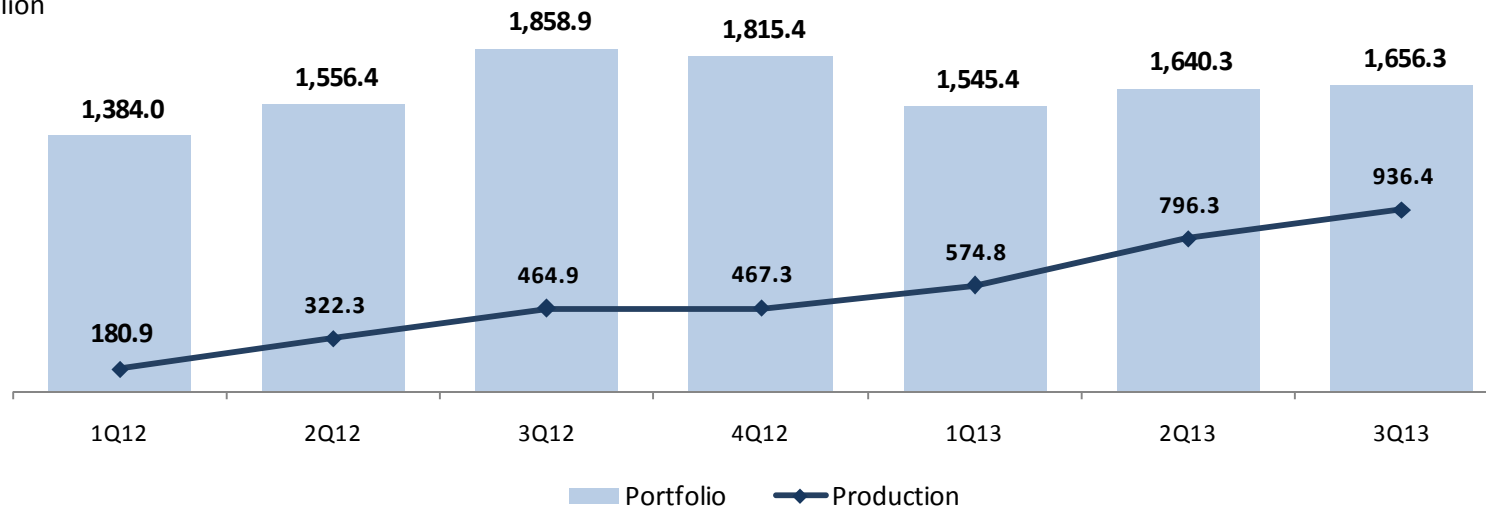
Delinquency per Vintage (Vehicles)



* % of non performing loans over 30 days 3 months after concession

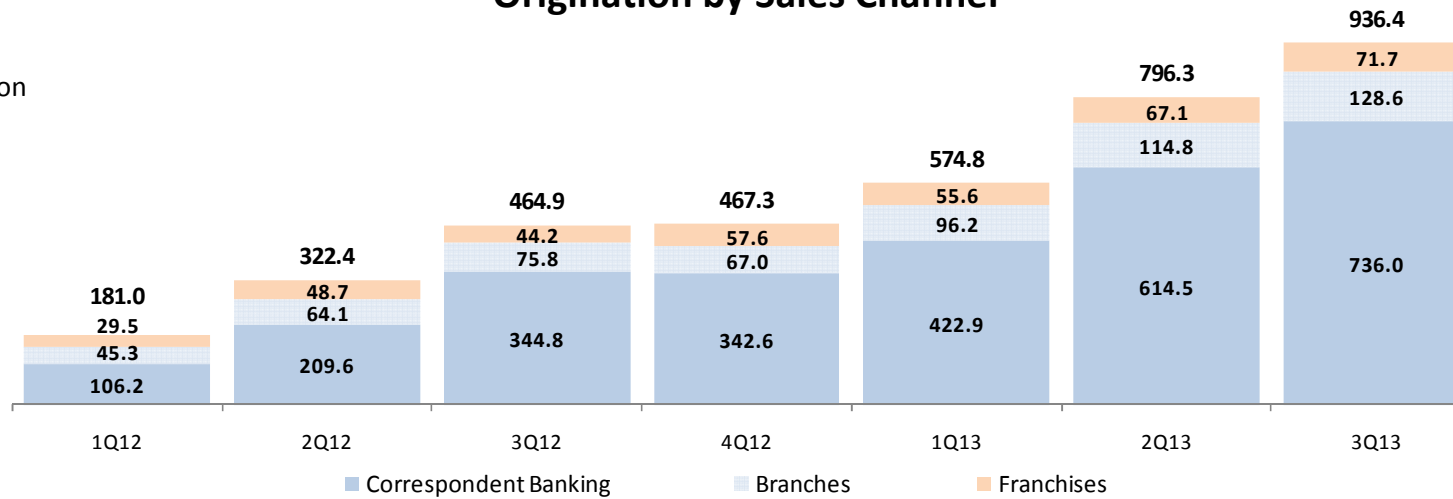
Payroll Deduction Loans

BRL Million



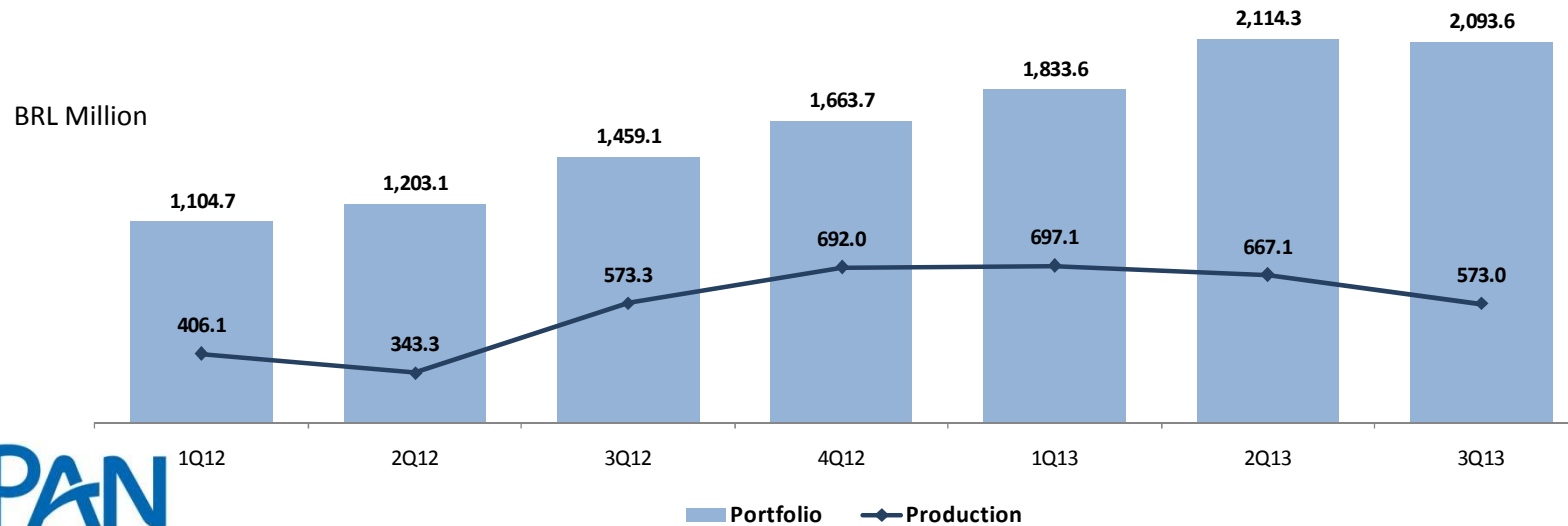
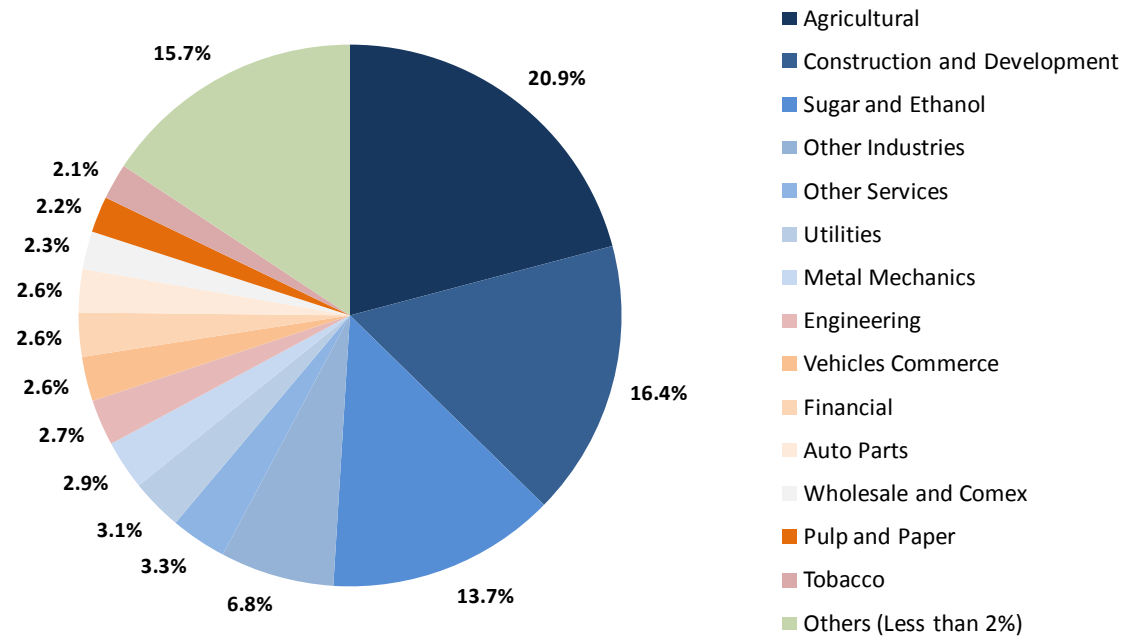
Origination by Sales Channel

BRL Million



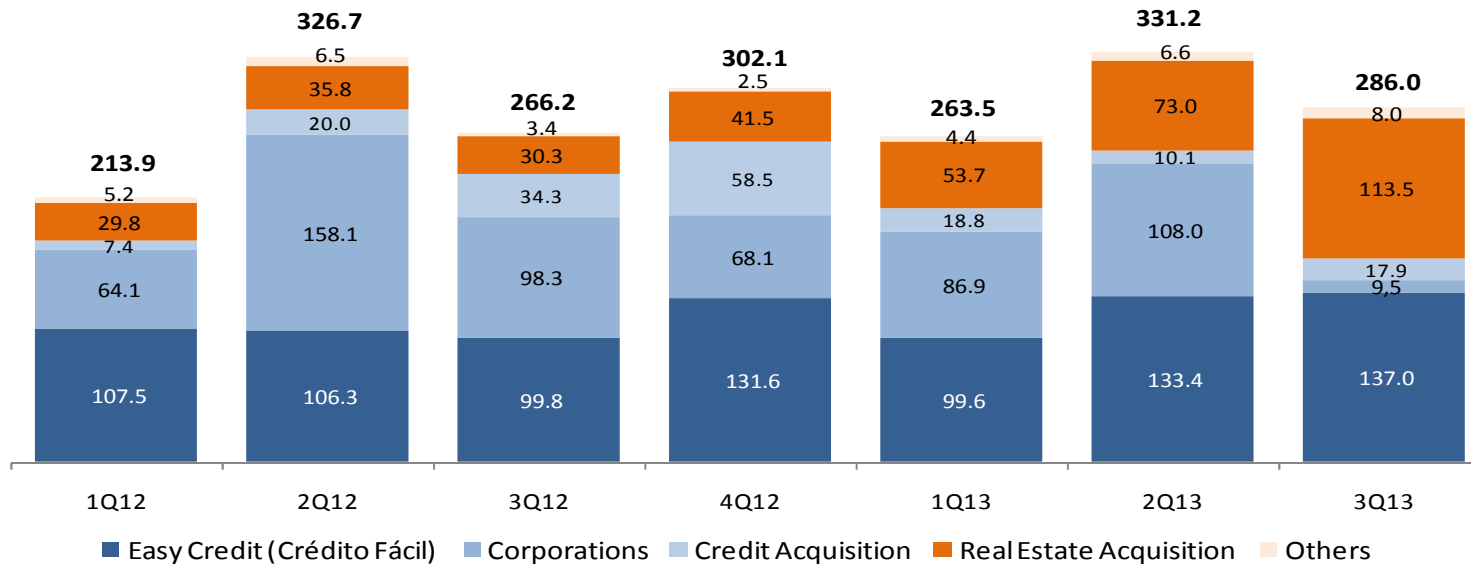
Corporate Loans

Corporate Loan Portfolio by Industry

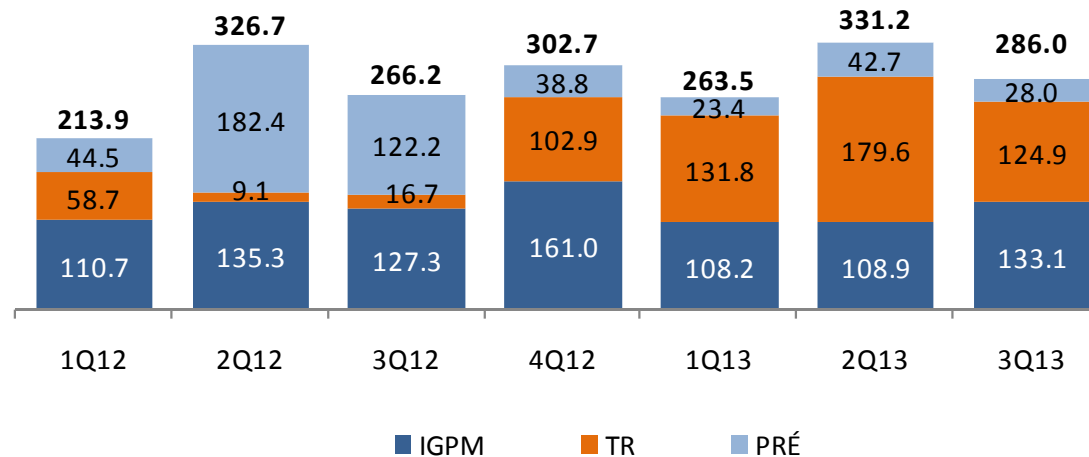


Origination – Real Estate

Origination by Product (BRL Million)



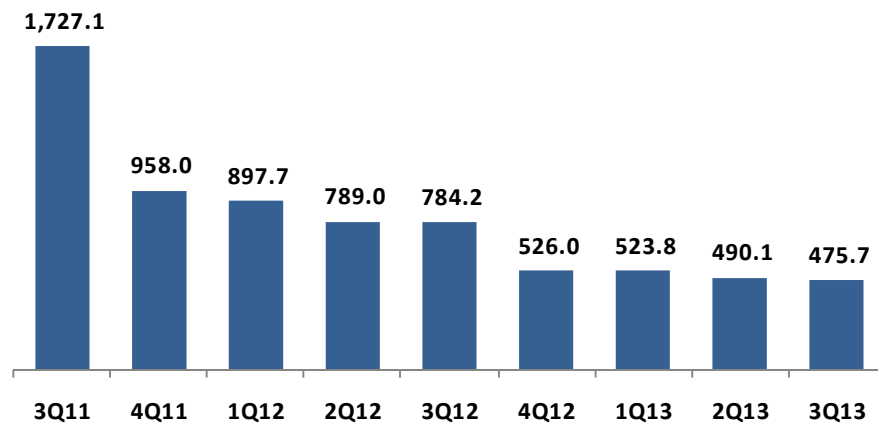
Origination by Index (BRL Million)



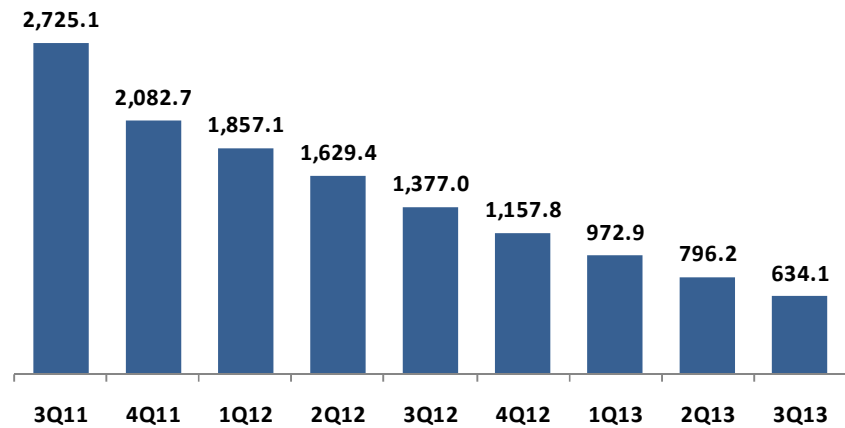
Funding

Funding Sources (BRL Million)	3Q13	2Q13	3Q12	Δ 3Q13 / 2Q13	Δ 3Q13 / 3Q12
Time Deposits and Interbank Deposits	8,137.2	8,070.0	5,891.0	0.8%	38.1%
Real estate and agribusiness letters of credit and CRIs	2,054.6	2,149.5	1,588.6	-4.4%	29.3%
Securities and subordinated debt issues	1,964.5	1,957.9	2,164.6	0.3%	-9.2%
Treasury Bills	2,061.1	2,034.3	905.3	1.3%	127.7%
Money Market funding	1,535.6	1,432.5	1,362.9	7.2%	12.7%
Credit Assignments to other Financial Institutions	634.1	796.2	1,377.0	-20.4%	-53.9%
International Loans	289.6	379.7	328.4	-23.7%	-11.8%
FIDCs	140.4	170.7	755.4	-17.8%	-81.4%
Demand Deposits	122.5	124.4	70.7	-1.6%	73.3%
Debentures	0.0	40.7	61.1	-100.0%	-100.0%
Total	16,939.5	17,155.9	14,504.8	-1.3%	16.8%

DPGE (BRL Million)



Credit Portfolio Assigned with Recourse (BRL Million)



Basel Ratio and Operating Margin

Basel Ratio and Operating Margin (BRL Million)

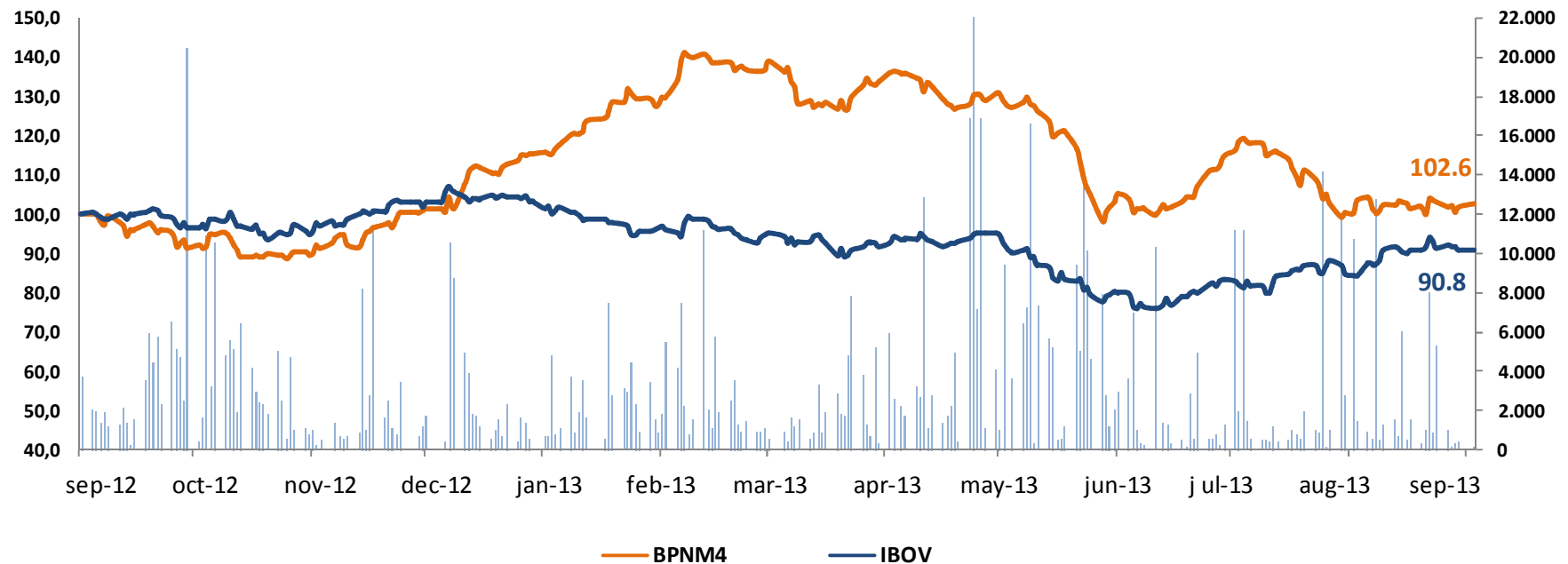
Capital Adequacy (BRL Million)	3Q13		2Q13	
	Financial	Economic - Financial	Financial	Economic - Financial
1.1 Reference Shareholders' Equity (PR)	2,624.0	2,193.0	2,676.6	2,214.5
Tier I	1,742.2	1,454.9	1,785.3	1,477.3
Tier II	881.8	738.2	891.3	737.3
2. Required Reference Shareholders' Equity	1,903.0	1,862.5	1,901.3	1,918.6
Risk Weighted Assets - PEPR	1,694.8	1,643.0	1,662.9	1,617.6
Interest (pre-fixed) - PJUR1	40.1	39.8	17.7	17.2
Interest (inflation) - PJUR3	0.3	0.3	6.14	53.6
Interest (interest) - PJUR4	-	-	-	5.5
Operational Risk - POPR	167.8	175.7	214.5	221.1
Shares Price Fluctuation - PACS	-	3.7	-	3.7
Basel Ratio (1 / (2 / 0,11))	15.17%	12.95%	15.49%	12.70%
3. Banking Positioning Risk - RBAN	186.7	231.3	70.1	77.0
Operating Margin (1 - 2 - 3)	534.4	99.2	705.2	218.9

Stock Performance

- Total volume traded in 3Q13 was BRL 161.6 million, for a daily average of R\$2.6 million, 44.7% lower than the daily average in the previous quarter.
- Banco Pan Stocks depreciated 1.7% in 3Q13, in the same period, the Bovespa Index (IBOV) rose by 10.8%.

Data Base 100 = 09/28/2012

Financial Volume (BRL Thousand)



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