

Banco Pan S.A.
and subsidiaries
Parent company and consolidated
interim financial statements
at March 31, 2020
and report on review

Management Report

1Q20

TO THE STOCKHOLDERS,

The Management of Banco Pan S.A. ("PAN", "Bank", or "Company") and its subsidiaries present herein the Management Report and related quarterly information for the quarter ended March 31, 2020, together with the independent auditor's report on review. The information meets the requirements in Law 4,595/64 (National Financial System Law) and Law 6,404/76 (Brazilian Corporate Law), and of the National Monetary Council (CMN), Brazilian Central Bank (BACEN), and the Brazilian Securities Commission (CVM), as well as of other statutory rules and regulations.

CURRENT CONTEXT – COVID-19 AND PAN'S ACTIONS

We are living through unique times globally, because of the COVID-19 pandemic, which has brought great challenges and uncertainties for the future.

From the start of the crisis we have acted quickly by adopting internal and external measures to safeguard our three areas of focus: our employees, our customers and our business. We have ensured the well-being of our employees of whom 97% are now working from their homes, by providing a medical (telemedicine) program, psychological and financial support, in addition to a vaccination campaign, among other measures. We have taken actions to support our customers and our community through our 100% digital relationship and tailored conditions during this period for several of our products and services. As to our business, we have implemented measures to increase liquidity, conservatism in the granting of credit, assured a high level of capital and increased cost containment.

Thanks to our technological development and agility, we were able to adjust our operations, following government and OMS safety guidance, and maintain our operations through direct and efficient internal and external communications. This included spontaneous support for our partners and suppliers and the provision of services to our customers, strengthening our B2B and B2C relationship bonds.

We are confident in our strategy for the sustainability of our business and comfortable with the security of our bank, the support of our stockholders and our tailored operations.

ECONOMIC ENVIRONMENT

At March quarter end, the National Financial System (SFN) credit operations balance was R\$ 3.6 trillion, an increase of 2.9% in the month and 9.6% in the comparison with the previous year, being an increase of 6.4% in corporate credit and 0.3% in personal family credit portfolio. This data shows a strong concentration of credit granted to companies in an attempt to contain the economic effects of the COVID-19 crisis. These corporate credit lines ended March with a balance of R\$ 979 billion, an increase of 9.9% in the month and 21.7% over the past 12 years. Personal credit portfolios offered to families reached R\$ 1.1 trillion, remaining stable in the month, a growth of 15.7% in twelve months, highlights of which were payroll-deducted loans and loans.

Inflation in March, measured by the Amplified Consumer Price Index (IPCA), decreased to 0.07%, in relation to an inflation of 0.25% recorded in February, showing the effects of COVID-19. Accordingly, the index grew 0.53% in the year and 3.30% in the past 12 months, in comparison with the accumulated inflation of 4.01% in February. Transport, air travel, fuel and related tourism sector prices contributed to the fall, whereas food and beverages saw the highest increases and caused the greatest impact in March.

The Ministry of Economy announced that the data of the General Register of Employed and Unemployed (CAGED) for the creation of formal jobs in January and February was suspended; due to the current scenario, it is highly probable that unemployment will increase, affecting the data on total salaries. According to the National Domicile Sampling Survey (PNAD) (Brazilian Institute of Geography and Statistics (IBGE)), the Brazilian unemployment rate was 11.6% in the quarter ended February, affecting 12.3 million people. The numbers of unemployed increased by 479 thousand in relation to the quarter ended November 2019. Formal employment (registered in the private and public sectors)

represent only 48% of all jobs. Thus, a significant portion of the population works in the informal market, and is not entitled to legal protection or unemployment compensation.

DIGITAL ACCOUNT

On February 5, 2020, we announced the launch of the Digital Account focused on classes C, D and E. Customers can now access a complete current account being 100% digital, with no maintenance fee, a multiple card without an annual fee, a monthly package of free of charge transfers, ATM withdrawals through the Rede 24 horas (a network of automatic teller machines), deposits via slips, payments of bills, in addition to several credit products and other services.

Moreover, the account offers discounts in drugstores, supermarkets and e-commerce stores through agreements with various partners. Customers will also benefit by being able to use their debit card for digital payments for services such as Netflix, Spotify and Uber.

Our strategy is based on six approaches: provide offerings to the Bank's customer base including active and former customers; present to the potential customers requesting credit on a monthly basis; digital marketing; physical distribution network; new origination partners; and a 'customer introduces customer' program.

In the first quarter, we established a strong on-line presence, tested several strategies to explore customer bases and flow, began offering the Digital Account in our 60 stores, and intensified the diversification of subscription channels through partners, highlights of these partnerships are Serasa eCred, Foregon and Decode. In the following quarters, we will maintain the diversification of channels seeking new partnerships, and also working with correspondent banks to offer the Digital Account.

Offering access to credit is our main lever to attract, engage and monetize customers. Accordingly, the Account already offers three credit products: emergency limit, credit card and personal credit line. Due to the growth of our customer basis, the transaction data will allow our credit-delivery and pricing models to more precisely customize fees and limits, delivering exactly what the customer needs.

In 2020, the Digital Account will receive new functionalities and have a platform for financial planning and organization to help our customers save money using simple investment options, through the partnership established with the fintech Grão. Moreover, new credit products will be launched, as well as insurance offers, new services, such as topping-up prepaid cell phones and the municipal transport Bilhete Único (Unified Ticket), focusing on the profitability of the Digital Account.

The digital account is a powerful instrument to optimize cross-selling and upselling opportunities, in addition to incrementing the portfolio of products and increasing customer loyalty.

BANK'S STRUCTURE

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

The Bank has 2,438 employees and 60 service branches based in Brazil's major cities and is present throughout the country via its light asset structure and digital platforms. It has over 670 correspondent banks offering payroll-deductible loans and more than 12.2 multibrand stores and concessionaires offering vehicle and motorcycle financing.

ORIGINATION OF CREDIT PORTFOLIO AND RETAIL

During 1Q20, PAN originated a monthly average of R\$ 1,791 million in new credit operations, compared with R\$ 1,846 million in the fourth quarter of 2019, and R\$ 1,589 million in the first quarter of 2019, a decrease of 3% in the quarter and a growth of 13% in the year.

The Expanded Credit Portfolio totaled R\$ 25,021 million at the end of 1Q20, an increase of 5% in relation to R\$ 23,785 million at the end of 4Q19 and 15% higher in relation to the R\$ 21,754 million in 1Q19. The core portfolio, which is comprised of payroll-deducted portfolios, vehicle financing, and credit cards, grew by 19% over the 12 months. Corporate Credit and Real Estate portfolios, both in runoff phases, decreased by 25% and 36% in the 12-month period, respectively.

As to the credits overdue for more than 90 days on the portfolio, the index improved by 0.2%, totaling 5.7% at the end of the quarter. The operational spreads continued to be robust.

In addition to holding credits in its portfolios, the Bank assigns credits without co-obligation to third parties, which totaled R\$ 851 million in 1Q20, compared with R\$ 1,680 million assigned in 4Q19, and R\$ 867 million in 1Q19.

The Originated Credit Portfolio balance, which includes both the Expanded Credit Portfolio and the balance of portfolios assigned to the controlling stockholders (off-balance portfolio), totaled R\$ 32.3 billion at the quarter-end.

PAYROLL-DEDUCTIBLES (LOAN AND CREDIT CARD)

Since the final launch of the digital formalization platform, in April 2019, digitally formalized loans totaled more than R\$ 3.0 billion. In the first quarter of 2020, the platform was responsible for the formalization of 41% of the total contracts originated. In March, the volume of contracts digitally formalized surpassed 49% of total loans generated.

The platform permits the digital contracting of payroll-deductible loans. The process is entirely paperless and operates with facial recognition signature features, providing a more efficient, cost-saving, profitable operation, with enhanced security and faster loan contracting, thus generating a more favorable experience for all parties, especially now with the quarantine restrictions.

The platform, together with market positioning and the relationship with business partners, assures the Bank remains a significant player in Federal agreements, placing it amongst the largest originators in the INSS (social security) beneficiary and pensioner loan market.

In 1Q20, loans to government employees and INSS beneficiaries totaled R\$ 2,577 million, compared to R\$ 2,508 million in 4Q19 and R\$ 2,561 million in 1Q19, equivalent to a 3% increase in relation to the previous quarter. Payroll-deductible credit card operations totaled R\$ 222 million in 1Q20, compared with R\$ 232 million in 4Q19 and R\$ 208 million in 1Q19.

The payroll-deductible loan portfolio at the end of the quarter totaled R\$ 11,380 million, compared to R\$ 10,684 million in 4Q19 and R\$ 10,178 million in 1Q19, an increase of 7% in the quarter and an increase of 12% in the year. The payroll-deductible credit card portfolio at the end of the quarter totaled R\$ 1,895 million, an increase of 4% when compared with the balance of R\$ 1,822 million of the previous quarter and an increase of 20% in relation to the balance of R\$ 1,574 million in 1Q19.

VEHICLE FINANCING

Only five months after the launch of the digital platform, the volume of credit contracted digitally and signed using facial recognition exceeds R\$ 1.2 billion. In the first quarter, the platform increased significantly, reaching 70% of digital formalization. In March 2020, 76% of vehicle financing contracts were digitally formalized, contributing positively to the operation especially during the current quarantine. In addition to the formalization platform, the Bank has developed a unique App that for financing simulations and a pre-analysis of credit with minimal data, in addition to monitoring proposals and the issuance of vehicle inspection reports, improving agility in the process and a better experience both for the commercial partner and the final customer.

The Bank also offers financing for used cars (mainly between four to eight years old) and new motorcycles, building on its expertise in credit and collection in order to optimize the risk vs. return ratio. Financing was made through multibrand stores and concessionary partners, thereby broadening the Bank's operational base.

PAN is the leading institution in the motorcycle financing segment, excluding the auto manufacturer banks. Doing business in this specialty market promotes excellent performance opportunities to work with the younger low-income customer, capitalizing on gains from the Bank's long history, experience and knowledge of credit.

In 1Q20, the Bank originated R\$ 1,450 million of new financing, including light vehicles and motorcycles, in comparison to R\$ 1,621 million in 4Q19 and R\$ 1,243 million in 1Q19.

Light vehicle originations totaled R\$ 1,109 million in 1Q20 (4Q19 - R\$ 1,272 million; 1Q19 - R\$ 988 million). In the motorcycle segment, originations totaled R\$ 340 million in 1Q20 (4Q19 - R\$ 349 million; 1Q19 - R\$ 255 million).

The vehicle financing portfolio totaled R\$ 9,302 million at the end of the quarter, an increase of 5% in relation to R\$ 8,854 million in 4Q19 and 26% against the R\$ 7,411 million in 1Q19.

PAYMENTS (CREDIT CARDS)

High among the Bank's priorities is the development of our customers' digital journey. In the quarter, we launched a service for card customers using WhatsApp, another channel in which the customer can use the self-service facility or talk to an operator, improving customers' experience, and their relationship and interaction with the Bank.

We also intensified the relationship with partners to increase distribution of credit cards in marketplaces launching of co-branded cards. To accelerate the process of innovation, we established a partnership with Innovate Finance, the biggest innovation hub in Europe.

With the launch of the Digital Bank, the debit function of our cards has improved customers' experience, by enabling purchases from Netflix, Uber, 99 and Spotify so that these services may be paid on-line, providing convenience and security to our customers.

As a result of these strategies, 258 thousand new credit cards were issued in the first quarter of 2020, a significant growth in relation to the 64 thousand cards issued in the same period of 2019, especially through the electronic channels, which were responsible for 71% of total sales (29% in 1Q19). This volume was also a result of the increase in sales actions, significant changes in cross selling and increase in the efficiency of analytics and CRM. We ended the first quarter of 2020 with more than 70% of the invoices issued digitally.

During 1Q20, credit card transactions totaled R\$ 1,125 million, virtually stable in comparison with the R\$ 1,178 million in 4Q19 and 49% higher than the R\$ 757 million in 1Q19. This amount is a result not only of the higher issue volume, but also of the increase in incentive campaigns, as well as improvements in credit card delivery and use of authorization processes.

At the end of the quarter, the card portfolio totaled R\$ 1,139 million, 5% and 37% higher

when compared to R\$ 1,087 million and R\$ 953 million in 4Q19 and 1Q19, respectively.

INSURANCE

The Bank's insurance premiums in 1Q20 totaled R\$ 89.7 million, an increase of 5% in relation to R\$ 85.1 million in 4Q19 and of 38% in relation to R\$ 64.9 million in 1Q19. The premiums which originated in the quarter included: R\$ 73.6 million in credit protection insurance, R\$ 7.6 million in card insurance; R\$ 5.2 million in other insurance (PAN Motorcycle Assistance and Mechanic Warranty); and R\$ 3.3 million in housing insurance.

CORPORATE CREDIT (IN RUN OFF)

The Corporate Credit portfolio, which includes endorsements and sureties, totaled R\$ 701 million in 1Q20 (4Q19 - R\$ 732 million; 1Q19 - R\$ 930 million). The portfolio, without sureties, is fully provided for and has a good level of guarantees.

REAL ESTATE CREDIT (IN RUN OFF)

The balance of real estate credits granted to individuals totaled R\$ 479 million at the end of 1Q20 (4Q19 - R\$ 496 million; 1Q19 - R\$ 645 million), appropriately provided for.

Credits granted to legal entities totaled R\$ 53 million at the end of 1Q20 (4Q19 - R\$ 54 million; 1Q20 - R\$ 222 million). This portfolio was already fully provided for.

FUNDING

The balance of funds raised totaled R\$ 24.8 billion at the end of 1Q20, and is broken down as follows: (i) R\$ 10.9 billion in time deposits, being 44% of the total; (ii) R\$ 9.3 billion in interbank deposits, being 37%; (iii) R\$ 2.5 billion related to issuance of securities abroad, or 10%; (iv) R\$ 1.6 billion related to issues of financial bills, or 6%; (v) real estate letters of credit - R\$ 311 million, or 1%; and (vi) other sources of financing - R\$ 201 million, equivalent to 1%.

RESULTS

MANAGEMENT NET FINANCIAL MARGIN

In the first quarter of 2020, Management Net Financial Margin was 18.3% p.a., compared to 20.0% p.a. in the fourth quarter of 2019 and 15.0% p.a. in the first quarter of 2019. This robust characteristic is a result of the credit operation spreads and credit assignment volume.

ALLOWANCES FOR LOSSES AND RECOVERY OF CREDITS

Allowances for losses expenses totaled R\$ 322 million in the quarter, compared to R\$ 301 million in 4Q19 (excluding the additional provision that the Bank realized due to the increase in the social contribution rate) and the R\$ 276 million in 1Q19.

In 1Q20, we sold a credit portfolio with losses for R\$ 33 million, contributing to the increase in the amount of recovery of credits previously written off as losses, which totaled R\$ 89 million in the quarter, compared to the R\$ 59 million recovered in 4Q19, and the R\$ 53 million recovered in 1Q19. Consequently, the net allowance for loss expenses totaled R\$ 266 million (4Q19 - R\$ 243 million; 1Q19 - R\$ 223 million).

The digital platforms have contributed to the recovery of credits overdue totaling R\$ 139 million in first quarter and R\$ 612 million in the last 12 months.

COSTS AND EXPENSES

Personnel and administrative expenses totaled R\$ 378 million in 1Q20, compared to R\$ 402 million recorded in 4Q19 and R\$ 277 million in 1Q19.

Credit origination expenses totaled R\$ 276 million at the end of the quarter, compared to R\$ 247 million in 4Q19 and R\$ 216 million in 1Q19.

NET RESULT

In the first quarter of 2020, the Bank's operating profit totaled R\$ 170.6 million, 2% higher than the R\$ 167.6 million profit in the fourth quarter of 2019 and an increase of 77% compared to the R\$ 96.1 million in the fourth quarter of 2019.

The key factors underlying the results for the most recent quarters were: (i) robust financial margin; and (ii) control over the provisions for recurring credits and expenses.

The annualized average return on equity for 1Q20 was 13.7% (4Q19 - 13.7%; 1Q19 - 9.3%), whereas the adjusted return (not in independent auditor's scope) was 23.5% in 1Q20 (4Q19 - 24.6%; 1Q19 - 21.0%).

Adjustments reflect matters arising from past 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) higher tax credit from tax losses, when compared to the banking market, arising from accounting inconsistencies in 2010.

EQUITY AND CAPITAL

The Bank's consolidated equity was R\$ 5,022 at March 31, 2020, (December 2019 - R\$ 4,926 million; March 2019 - R\$ 4,154 million).

The Prudential Conglomerate Basel Index at the end of 1Q20 was 15.7%, fully comprised of Principal Capital, in comparison with the 15.6% recorded at the end of 4Q19 (considering the capital approved in January 2020), comprising of Principal Capital, and to the 13.8%, with 11.9% for Principal Capital, recorded at 1Q19.

INDEPENDENT AUDITORS

PricewaterhouseCoopers Auditores Independentes ("PwC") has been our auditor since the first quarter of 2011. Pursuant to CVM Instruction 381, PAN contracted PwC in the first quarter of 2020 to issue a diligence report on capital market operations for a fee of R\$ 816 thousand, being the only service exceeding 5% of the total fees for the external audit services. 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 client or promote its client's interests.

ACKNOWLEDGMENTS

The Bank wishes to thank its employees for their efforts and engagement in the execution of its business strategy as also its customers, investors, and partners, who honor the Bank with their continued support and trust.

São Paulo, April 30, 2020.



BANCO PAN S.A. AND SUBSIDIARIES

BALANCE SHEET

AT MARCH 31, 2020 AND DECEMBER 31, 2019

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

ASSETS	Note	Bank		Consolidated	
		3/31/2020	31/12/2019	3/31/2020	31/12/2019
Cash and cash equivalents	5	751,872	1,231,440	753,303	1,234,219
Financial instruments		27,723,702	26,535,952	27,958,207	26,785,679
Interbank investments	6	-	12,795	-	12,795
Investments in interbank deposits		-	12,795	-	12,795
Marketable securities and derivatives	7.a	2,461,906	2,131,333	2,691,551	2,375,755
Own portfolio		1,152,521	727,913	1,382,048	972,231
Subject to repurchase agreements		249,510	297,944	249,510	297,944
Derivatives		826,640	288,103	826,640	288,103
Linked to the BACEN		-	529,436	-	529,436
Subject to guarantees		233,235	287,937	233,353	288,041
Interbank accounts		10,090	127,540	10,090	127,540
Payables and receivables to be settled		7,914	-	7,914	-
Credits - Deposits at the Brazilian Central Bank		399	101,569	399	101,569
Local correspondents		1,777	25,971	1,777	25,971
Loan operations	8	23,132,392	21,798,640	23,132,788	21,799,357
Loan operations		23,851,366	22,485,395	23,851,366	22,485,395
Securities and credits receivable		1,098,866	1,141,980	1,099,264	1,142,697
(Provisions for expected losses associated to the credit risk)	8.c	(1,817,840)	(1,828,735)	(1,817,842)	(1,828,735)
Other financial assets	10	2,119,314	2,465,644	2,123,778	2,470,232
Taxes		3,538,877	3,667,471	3,704,171	3,839,695
To be offset/recoverable		253,628	369,884	310,294	437,727
Tax credits	33.b	3,285,249	3,297,587	3,393,877	3,401,968
Other credits	11	293,316	329,560	316,029	351,504
Other assets		350,921	362,083	361,023	372,038
Other assets	12.a	356,927	364,659	365,742	373,676
(Provision for impairment)	12.a	(85,377)	(84,916)	(86,565)	(86,219)
Prepaid expenses	12.b	79,371	82,340	81,846	84,581
PERMANENT ASSETS		1,079,825	1,093,325	205,921	214,996
Investments		880,483	885,117	1,473	1,144
Investments in subsidiaries	13.a	879,010	883,973	-	-
Other investments	13.b	1,473	1,144	1,473	1,144
Property and equipment	14	28,433	28,628	28,433	28,628
Other property and equipment in use		83,015	80,456	83,015	80,456
(Accumulated depreciation)		(54,582)	(51,828)	(54,582)	(51,828)
Intangible assets	15	170,909	179,580	176,015	185,224
Intangible assets		479,030	469,035	500,950	490,955
(Accumulated amortization)		(308,121)	(289,455)	(324,935)	(305,731)
TOTAL ASSETS		33,738,513	33,219,831	33,298,654	32,798,131

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A. AND SUBSIDIARIES

BALANCE SHEET

AT MARCH 31, 2020 AND DECEMBER 31, 2019

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

LIABILITIES AND EQUITY	Note	Bank		Consolidated	
		3/31/2020	31/12/2019	3/31/2020	31/12/2019
Financial instruments		26,573,721	25,674,597	25,959,441	25,069,661
Deposits	16.a	20,902,249	20,356,864	20,294,992	19,759,979
Demand deposits		28,217	26,614	28,156	26,574
Interbank deposits		9,559,660	8,629,103	9,296,702	8,365,928
Time deposits		11,314,372	11,701,147	10,970,134	11,367,477
Funds obtained in the open market	16.b	250,416	303,856	243,393	295,805
Own portfolio		250,416	303,856	243,393	295,805
Funds from acceptance and issuance of securities	16.c	1,880,605	1,868,324	1,880,605	1,868,324
Funds from real estate securities, mortgages, letters of credit and similar securities		1,880,605	1,868,324	1,880,605	1,868,324
Interbank accounts	17	860,684	933,731	860,684	933,731
Receipts and payments pending settlement		802,014	796,912	802,014	796,912
Local correspondents		58,670	136,819	58,670	136,819
Derivatives	7.c	29,596	124,979	29,596	124,979
Other financial obligations	18	2,650,171	2,086,843	2,650,171	2,086,843
Provisions	19	522,425	521,557	592,440	591,125
Tax obligations		93,565	341,494	180,957	441,713
Current	20	93,565	328,077	95,624	343,059
Deferred	33.b	-	13,417	85,333	98,654
Other liabilities		1,526,902	1,756,015	1,543,916	1,769,464
Social and statutory		90,868	265,988	90,868	266,277
Sundry	21	1,436,034	1,490,027	1,453,048	1,503,187
EQUITY	22	5,021,900	4,926,168	5,021,900	4,926,168
Share capital:		4,175,222	3,653,410	4,175,222	3,653,410
Domiciled in the country		3,695,090	3,261,355	3,695,090	3,261,355
Domiciled abroad		480,132	392,055	480,132	392,055
Capital increase		-	521,812	-	521,812
Capital reserve		207,322	207,322	207,322	207,322
Revenue reserve		557,982	557,982	557,982	557,982
Other comprehensive income (loss)		(22,466)	(14,358)	(22,466)	(14,358)
Retained earnings		103,840	-	103,840	-
TOTAL LIABILITIES		33,738,513	33,219,831	33,298,654	32,798,131

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A. AND SUBSIDIARIES

**STATEMENT OF INCOME
FOR THE QUARTERS ENDED MARCH 31, 2020 AND 2019**

(All amounts in thousands of reais unless otherwise stated)

	Note	Bank		Consolidated	
		3/31/2020	3/31/2019	3/31/2020	3/31/2019
Income from financial intermediation		2,402,930	1,773,391	2,403,902	1,781,207
Income from credit operations	8.g	1,992,465	1,705,288	1,993,743	1,706,919
Result from leasing operations	8.g	-	-	10	74
Result from operations with marketable securities	7.d	39,936	31,656	39,620	37,767
Derivative financial instruments	7.c	369,599	35,992	369,599	35,992
Result of foreign exchange operations	9.a	769	455	769	455
Result of compulsory investments		161	-	161	-
Expenses on financial intermediation		(1,337,679)	(823,099)	(1,331,517)	(814,300)
Result from market funding operations	16.d	(1,015,819)	(547,286)	(1,009,655)	(538,512)
Provision for expected losses associated to the credit risk	8.c	(321,860)	(275,813)	(321,862)	(275,788)
Gross result on financial intermediation		1,065,251	950,292	1,072,385	966,907
Other operating income (expenses)		(855,486)	(820,617)	(861,018)	(832,331)
Revenue from services rendered	23	103,842	92,101	109,111	99,168
Equity in the results of subsidiaries	13.a	3,351	9,396	-	-
Personnel	24	(139,982)	(112,108)	(140,425)	(112,470)
Other administrative expenses	25	(608,733)	(436,123)	(614,662)	(443,511)
Tax	26	(52,310)	(43,262)	(53,651)	(45,656)
Expenses with provisions	27	(40,342)	(14,227)	(41,517)	(15,232)
Other operating income (expenses)	28	(121,312)	(316,394)	(119,874)	(314,630)
Operating result		209,765	129,675	211,367	134,576
Other non-operating income and expenses	29	(1,127)	(7,273)	(1,166)	(7,365)
Profit (loss) before taxation		208,638	122,402	210,201	127,211
Taxes on income	33.a	(38,080)	(26,295)	(39,643)	(31,104)
Income tax		(7,838)	(3,094)	(8,997)	(5,153)
Social contribution		(1,948)	(2,004)	(2,441)	(2,875)
Deferred tax assets		(28,294)	(21,197)	(28,205)	(23,076)
PROFIT		170,558	96,107	170,558	96,107
Basic and diluted earnings per share - weighted average number of outstanding shares attributable to stockholders - R\$					
Earnings per common share		0.14	0.09	-	-
Earnings per preferred share		0.14	0.09	-	-

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A. AND SUBSIDIARIES

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED MARCH 31, 2020 AND 2019**

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

	Note	Bank		Consolidated	
		3/31/2020	3/31/2019	3/31/2020	3/31/2019
Profit		170,558	96,107	170,558	96,107
Items that will be reclassified to profit or loss					
Other comprehensive loss		(8,108)	(350)	(8,108)	(350)
Unrealized losses on financial assets		(12,297)	(544)	(12,297)	(544)
Tax effect		4,189	194	4,189	194
COMPREHENSIVE INCOME FOR THE PERIOD		162,450	95,757	162,450	95,757
Attributable to:					
Controlling stockholders		162,450	95,757	162,450	95,757

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A.

**STATEMENT OF CHANGES IN PARENT COMPANY EQUITY
FOR THE QUARTERS ENDED MARCH 31, 2020 AND 2019**
(All amounts in thousands of reais - R\$)

	Share capital	Capital increase	Capital reserve	Revenue reserves		Other comprehensive income (loss)	Retained earnings	Total
				Legal	For integrity of equity			
AT DECEMBER 31, 2018	3,653,410	-	207,322	19,991	223,304	(8,108)	-	4,095,919
Other comprehensive loss	-	-	-	-	-	(350)	-	(350)
Profit	-	-	-	-	-	-	96,107	96,107
Allocations:								
Interest on capital provisioned (Note 22.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
AT December 31, 2019	3,653,410	521,812	207,322	45,788	512,194	(14,358)	-	4,926,168
Capital increase	521,812	(521,812)	-	-	-	-	-	-
Other comprehensive loss	-	-	-	-	-	(8,108)	-	(8,108)
Profit	-	-	-	-	-	-	170,558	170,558
Allocations:								
Interest on capital provisioned (Note 22.c)	-	-	-	-	-	-	(66,718)	(66,718)
AT March 31, 2020	4,175,222	-	207,322	45,788	512,194	(22,466)	103,840	5,021,900

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A. AND SUBSIDIARIES

**STATEMENT OF CASH FLOWS
FOR THE QUARTERS ENDED MARCH 31, 2020 AND 2019**

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

	Note	Bank		Consolidated	
		3/31/2020	3/31/2019	3/31/2020	3/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES:					
PROFIT		170,558	96,107	170,558	96,107
Non cash adjustments that affect profit:					
Effect of foreign exchange rate changes on cash and cash equivalents		(801)	(783)	(801)	(783)
Depreciation and amortization	25	15,760	6,356	15,772	6,367
Amortization of goodwill	28	5,983	5,983	6,263	6,263
Constitution of provision for civil, labor, and tax contingencies	19	39,344	13,211	40,364	13,961
Indexation for inflation of civil, labor, and tax provisions	19	998	1,016	1,153	1,271
Reversal/(devaluation) of other assets	29	462	(3,873)	356	(3,983)
Result on the sale of other assets	29	665	11,146	810	11,348
Perda por impairment	29	-	-	-	-
Impairment losses		21	-	21	-
Equity in the results of subsidiaries	13.a	(3,351)	(9,396)	-	-
Provisions for expected losses associated to the credit risk	8.c	321,860	275,813	321,862	275,788
Deferred income tax and social contribution		28,294	21,197	28,205	23,076
Adjusted profit		579,793	416,777	584,563	429,415
Changes in assets and liabilities:					
Decrease (increase) in interbank deposits		12,795	(62)	12,795	(62)
Decrease in marketable securities		73,788	327,344	80,497	326,497
(Increase) in derivatives		(633,920)	(93,527)	(633,920)	(93,527)
Decrease (increase) in interbank investments		44,403	(13,690)	44,403	(13,690)
(Increase) in credit operations		(1,663,165)	(1,459,513)	(1,662,846)	(1,459,488)
Decrease/(increase) in other financial assets		355,441	(423,184)	355,565	(422,670)
Decrease/(increase) in other tax assets		100,300	(61)	107,319	(283)
Decrease in other credits		34,822	111,190	34,053	119,196
(Increase) in other assets		(26,539)	(41,346)	(26,778)	(40,211)
Increase in deposits		545,385	1,355,382	535,013	1,340,836
(Decrease) in funds obtained in the open market		(53,440)	(66,687)	(52,412)	(65,135)
Increase in acceptances and issue of securities		21,746	20,022	21,746	20,022
Increase in other financial liabilities		563,328	3,797	563,328	3,797
(Decrease) in provisions		(39,474)	(34,142)	(40,202)	(35,164)
Increase (decrease) in tax liabilities		(92,069)	15,503	(101,971)	9,443
Increase (decrease) in other liabilities		(295,831)	33,060	(292,266)	32,055
Payment of income tax and social contribution		(155,860)	(1,944)	(158,785)	(3,632)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		(628,497)	148,919	(629,898)	147,399
CASH FLOWS FROM INVESTING ACTIVITIES:					
Increase in available-for-sale marketable securities		(109,990)	(91,651)	(109,990)	(91,651)
Decrease in available-for-sale marketable securities		250,416	152,723	250,416	152,723
Increase in marketable securities held to maturity		(17,010)	(103,305)	(17,010)	(103,305)
Decrease in marketable securities held to maturity		10,720	203,314	10,720	203,314
Disposal of assets not for own use		36,574	45,590	36,627	45,593
Acquisition of investments		(329)	-	(329)	-
Purchase of property and equipment	14.b	(2,590)	(1,635)	(2,590)	(1,635)
Increase in intangible assets	15.b	(10,198)	(12,527)	(10,198)	(12,527)
Dividendos recebidos					
NET CASH PROVIDED BY INVESTING ACTIVITIES		157,593	192,509	157,646	192,512
CASH FLOWS FROM FINANCING ACTIVITIES:					
Issue of funds from acceptance and issue of securities		131,757	238,234	131,757	238,234
Redemption of funds from acceptance and issue of securities		(141,222)	(316,650)	(141,222)	(316,650)
NET CASH USED IN FINANCING ACTIVITIES		(9,465)	(78,416)	(9,465)	(78,416)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(480,369)	263,012	(481,717)	261,495
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	1,231,440	16,374	1,234,219	19,714
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		801	783	801	783
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	751,872	280,169	753,303	281,992
ADDITIONAL INFORMATION ON CASH FLOWS					
Interest paid		(308,110)	(501,262)	(306,152)	(500,724)
Interest received		1,749,974	2,473,464	1,752,212	2,476,010
Transfer of assets not for own use		(1,934)	3,035	(1,934)	3,035
Unrealized gains (losses) on securities available for sale		(12,297)	(544)	(12,297)	(544)

The accompanying notes are an integral part of these financial statements.



BANCO PAN S.A. AND SUBSIDIARIES

STATEMENT OF VALUE ADDED

FOR THE QUARTERS ENDED MARCH 31, 2020 AND 2019

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

	Note	Bank		Consolidated	
		3/31/2020	3/31/2019	3/31/2020	3/31/2019
INCOME		2,028,114	1,257,768	2,034,857	1,273,623
Financial intermediation		2,402,930	1,773,391	2,403,902	1,781,207
Services rendered	23	103,842	92,101	109,111	99,168
Provisions for expected losses associated to the credit risk	8.c	(321,860)	(275,813)	(321,862)	(275,788)
Other operating expenses		(156,798)	(331,911)	(156,294)	(330,964)
EXPENSES ON FINANCIAL INTERMEDIATION	16.d	(1,015,819)	(547,286)	(1,009,655)	(538,512)
INPUTS ACQUIRED FROM THIRD PARTIES		(575,135)	(417,614)	(580,955)	(424,898)
Materials, energy and other	25	(1,083)	(912)	(1,084)	(914)
Third-party services	25	(76,880)	(67,805)	(80,171)	(72,210)
Commissions payable to correspondent banks	25	(321,547)	(231,782)	(323,093)	(233,603)
Other		(175,625)	(117,115)	(176,607)	(118,171)
Data processing	25	(70,685)	(45,167)	(70,749)	(45,199)
Financial system services	25	(50,425)	(31,903)	(50,627)	(32,092)
Advertising, promotions and publicity	25	(20,557)	(10,156)	(20,566)	(10,265)
Communication	25	(13,619)	(11,532)	(13,658)	(11,581)
Asset search and seizure expenses	25	(5,846)	(6,802)	(5,846)	(6,805)
Maintenance and conservation of property	25	(1,993)	(1,176)	(1,994)	(1,179)
Transport	25	(1,387)	(1,244)	(1,390)	(1,247)
Fees and emoluments	25	(1,027)	(1,102)	(1,189)	(1,230)
Travel	25	(1,165)	(944)	(1,165)	(944)
Other	25	(8,921)	(7,089)	(9,423)	(7,629)
GROSS VALUE ADDED		437,160	292,868	444,247	310,213
DEPRECIATION AND AMORTIZATION		(21,743)	(12,339)	(22,035)	(12,630)
NET VALUE ADDED PRODUCED BY THE ENTITY		415,417	280,529	422,212	297,583
VALUE ADDED RECEIVED IN TRANSFER	13.a	3,351	9,396	-	-
Equity in the results of subsidiaries		3,351	9,396	-	-
TOTAL VALUE ADDED TO BE DISTRIBUTED		418,768	289,925	422,212	297,583
DISTRIBUTION OF VALUE ADDED		418,768	289,925	422,212	297,583
Personnel		122,346	97,054	122,732	97,362
Direct remuneration	24	92,199	72,936	92,486	73,153
Benefits	24	21,430	17,607	21,509	17,682
FGTS		6,534	5,143	6,554	5,159
Other	24	2,183	1,368	2,183	1,368
Taxes, fees and contributions		108,026	84,611	110,987	91,868
Federal		103,107	80,286	105,789	86,816
State		2	2	5	2
Municipal		4,917	4,323	5,193	5,050
Remuneration of third-party capital	25	17,838	12,153	17,935	12,246
Rentals		17,838	12,153	17,935	12,246
Remuneration of own capital		170,558	96,107	170,558	96,107
Interest on capital	22.c	66,718	37,595	66,718	37,595
Retained earnings		103,840	58,512	103,840	58,512

The accompanying notes are an integral part of these financial statements.

1) Operations

Banco PAN S.A. ("Bank", "PAN", "Parent company" or "Institution"), is a publicly traded corporation authorized to operate as a multiple bank. It operates, directly or indirectly, through its subsidiaries in the markets for payroll loans, payroll-linked credit cards, vehicle financing, conventional credit cards and loans to the vehicle and real estate consortium. In addition, the Bank has a portfolio of "run-off" financing for corporate credit, construction financing for developers and builders; real estate financing; financing for purchases of machinery and equipment, foreign exchange transactions, acquisition of real estate receivables, and vehicle and other asset leasing operations. Services rendered among the entities of the Conglomerate and the costs of operational and administrative structures are shared, jointly or individually.

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

Pursuant to a stockholders' agreement, the Bank is jointly controlled by Banco BTG Pactual S.A. ("BTG Pactual") and Caixa Participações S.A. - CAIXAPAR ("CAIXAPAR"), a wholly-owned subsidiary of Caixa Econômica Federal (Federal Savings and Loans Bank).

On March 8, 2019, the jointly-controlling stockholder CAIXAPAR exercised its right to acquire 50% of the shares subscribed and paid up by the jointly-controlling stockholder BTG Pactual, relating to the capital increase approved by the Board of Directors on November 6, 2017, amounting to R\$ 400,000,001.04, as approved by the Brazilian Central Bank (BACEN) on April 18, 2018 ("Exercise of Purchase Option"). The Purchase Option was settled on December 24, 2019 upon the effective transfer of the shares.

Furthermore, as disclosed in the relevant facts notice published on September 9 and 19, 2019, the Bank made a primary public offering of 63,250,000 new preferred shares including the additional batch ("Primary Offering"), as well as the secondary public offering of 63,250,000 preferred shares, held by CAIXAPAR, including the additional batch ("Secondary Offering" and, together with the Primary Offering, the "Offering"). On September 19, 2019, the Board of Directors of the Bank and of CAIXAPAR approved the price per share of R\$ 8.25, resulting in an Offering totaling R\$ 1,043,625,000.00, of which R\$ 521,812,500.00 related to the Primary Offering, with a resulting increase in the Bank's share capital to R\$ 521,812,500.00.

The capital increase resulting from the Primary Offering was approved by BACEN on 1/14/2020, and the Bank was informed about the decision on 1/15/2020. Accordingly, the Bank's capital currently amounts to R\$ 4,175,222,121.46, represented by 1,205,056 thousand shares distributed as follows:

At 3/31/2020, PAN's capital was distributed as follows:

Stockholders	Shareholding structure (thousands of shares)					
	Common	%	Preferred	%	Total	%
BTG Pactual	334,131	50.8	156,685	28.6	490,816	40.7
CAIXAPAR	323,430	49.2	89,600	16.4	413,030	34.3
Market	-	-	301,211	55.0	301,211	25.0
Total	657,561	100.0	547,495	100.0	1,205,056	100.0

2) Presentation of the accounting information

The parent company accounting information of Banco PAN is presented together with the accounting 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 BACEN, and the Resolutions of the National Monetary Council (CMN), and the Brazilian Securities Commission (CVM), where applicable.

a) Consolidation:

The parent company and consolidated accounting information were authorized for issue by the Board of Directors and the Executive Board on 4/30/2020.

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

Direct subsidiaries	Total equity interest %	
	3/31/2020	12/31/2019
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

b) Reclassification of financial statement items:

The institution, in compliance with BACEN standards - Resolution 4,720, of 5/30/2019, and Circular Letter 3,959, of 9/4/2019, is presenting asset and liability accounts in the balance sheet according to their liquidity and payment, therefore, the Bank presents in the explanatory notes the amount expected to be realized or settled in up to 12 months and for longer periods for each item presented in assets or liabilities.

We present below the consolidated equity and income statement reclassifications for base dates 12/31/2019 and 3/31/2019, respectively.

- Consolidated statement of income

PUBLISHED	3/31/2019	CURRENT	
		Reclassifications	3/31/2019
Other administrative expenses (a)	(443,150)	(361)	(443,511)
Expenses with provisions (b)	-	(15,232)	(15,232)
Other operating income (expenses) (c)	(330,223)	15,593	(314,630)

(a) Were in Other operating expenses, and reclassified to Other administrative expenses;

(b) Were in Other operating expenses, and reclassified to Provisions; and

(c) Considers all allocations of items (a) and (b).

The earnings per share of Banco PAN has also updated due to the adoption of the aforementioned standards. At 3/31/2019, the earnings per share disclosed was R\$ 0.08.

- Consolidated assets

PUBLISHED	12/31/2019	12/31/2019	CURRENT	
			Previous nomenclature	Current nomenclature
Available funds	4,220	4,220	Cash and cash equivalents	
Investments in the open market	1,229,999	1,229,999	Cash and cash equivalents	
(Allowance for doubtful accounts)	(1,828,735)	(1,828,735)	(Provisions for expected losses associated to the credit risk)	
Income receivable	1,874	1,874	Other assets	
Negotiation and intermediation of receivables	3,066	3,066	Other financial assets	
Real estate receivables	4,588	4,588	Other financial assets	
Sundry	2,462,578	2,462,578	Other financial assets	
Sundry	3,839,695	3,839,695	Taxes	
Sundry	349,630	349,630	Other assets	

- **Consolidated liabilities**

PUBLISHED		CURRENT	
Previous nomenclature	12/31/2019	12/31/2019	Current nomenclature
Interdependent accounts	247	247	Sundry
Collection of taxes and similar charges	7,176	7,176	Sundry
Taxes and social security	441,713	441,713	Tax obligations
Negotiation and intermediation of receivables	20,481	20,481	Sundry
Subordinated debts	1,885,320	1,885,320	Other financial obligations
Sundry	201,523	201,523	Other financial obligations
Sundry	591,125	591,125	Provisions
Results of future periods	2	2	Sundry

3) Significant Accounting Practices

a) Functional and presentation currency:

The parent company and consolidated accounting information are presented in Brazilian Real/Reais (R\$), 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. Financial income and expenses are calculated based on the exponential method, except 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) Cash and cash equivalents:

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.

d) Interbank investments:

Interbank investments are accounted for at the amount invested plus related earnings up to the balance sheet date.

e) Marketable securities:

Marketable securities are recorded at the cost of acquisition plus income earned and are presented in the balance sheet, pursuant to BACEN Circular Letter 3,068/2001. They 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 result 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, plus related earnings with a corresponding entry to results

for the period.

f) 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 whether to use them as hedging instruments or not. The appreciation or depreciation in value is 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 with the 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 result for the period.

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

The fair 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 are utilized for intermediate periods and rate extrapolations for longer periods.

Future cash flows, discounted to present value by future interest curves, obtained based on information issued by B3 S.A., are 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. (stock exchange) or at the Organized Counter for Assets and Derivatives (B3 S.A. - over-the-counter). 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 operations, and the nominal amounts of these transactions are recorded in memorandum accounts.

The balances of assets and liabilities and the results are disclosed in Note 7c.

g) Credit operations:

Operations relating to loans, leasing, advances on foreign exchange contracts, real estate receivables and other credits with credit concession characteristics are accounted for at present value and calculated on a daily pro rata basis, based on the variation of the index and in the interest rate up to the 59th day in default.

The provision for expected losses associated to the credit risk is constituted based on management's judgment as to the risk level, considering the economic scenario, past experience, and specific and global risks related to the operation, to the debtors and guarantors, in compliance with 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, the overdue periods 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 the 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 provision for expected losses associated to the credit risk 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 provision for expected losses associated to the credit risk related to loans assigned with a substantial retention of risks and benefits is calculated based on the same guidelines established by BACEN for unassigned credit operations.

h) 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:

For transactions for the sale 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 transactions are recorded in assets, with a corresponding entry in liabilities for the obligation assumed, and the income and expenses are appropriated to the result for the period over the remaining term of the transaction in a segregated manner.

For 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 period over the remaining term of the transaction.

i) Other assets:

Other assets are comprised mainly of assets not for own use and prepaid expenses. Assets not for own use 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 repossessed assets. Prepaid expenses relate to advance payments for benefits or services that 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.

j) 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.

k) Property and equipment:

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

The assets are stated at cost of acquisition less accumulated depreciation and adjustments 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.

l) Intangible assets:

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

The assets are stated at acquisition and other directly attributable costs less accumulated amortization and adjustments for impairment, where applicable. These assets are basically represented by goodwill based on the expected future profitability of the investments, licenses and expenses on the acquisition and development of software. Intangible assets with defined useful lives 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 with Resolution 4,534/16.

m) Impairment of non-financial assets:

Non-financial assets are subject to an evaluation of their recoverable values annually, 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, which is 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.

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

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

The tax rates and calculation bases are detailed in Note 33.

o) 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.

p) Specific accounting policies of the consortium segment:

The management fee is recorded 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.

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

Provisions and contingent assets and contingent liabilities and legal obligations (tax and social security) are measured and disclosed in conformity with the criteria established by CMN Resolution 3,823/09, which established, among other things:

- Contingent assets - not recorded in the accounting information, except when there is evidence that their realization is guaranteed.
- Provisions - recorded in the accounting information when, based on the opinion of the Bank's management and the 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 do not meet the recognition criteria, because they are considered as possible or remote losses and, therefore, are only disclosed in the notes to the accounting information, when significant.
- 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 accounting information.

r) 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.

s) Earnings (loss) per share:

Basic earnings (loss) per share are calculated by dividing the profit or loss attributable to the stockholders by the weighted average number of shares being traded on behalf of the stockholders on the financial statement dates.

t) Use of accounting estimates:

The preparation of accounting 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) estimated tax credit 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 processes; (iv) provision for loss on assets not for own use; (v) impairment of non-financial assets; and (vi) estimated fair value of specific financial instruments. The actual settlement amounts of these financial or non-financial assets and liabilities could differ from the estimates.

u) Events after the reporting period:

Events which have occurred between the reporting date of the accounting information and the date of its approval by management, are classified as:

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

4) Balance Sheet and Statement of Income by Business Segment

a) Consolidated Balance Sheet:

Assets	Financial (1)	Consortium (2)	Securitization (3)	Other (4)	Eliminations (5)	Total
Cash and cash equivalents	751,872	7,045	1,417	25	(7,056)	753,303
Marketable securities and derivatives	2,461,906	55,644	157,504	360,735	(344,238)	2,691,551
Interbank accounts	10,090	-	-	-	-	10,090
Credit operations (6)	23,132,392	-	396	-	-	23,132,788
Other financial assets	2,119,314	-	4,464	-	-	2,123,778
Taxes	3,601,314	6,103	49,040	47,714	-	3,704,171
Other receivables and other assets	660,354	8,053	12,123	2,594	(6,072)	677,052
Permanent assets	873,117	202	927	1,694	(670,019)	205,921
Total at 3/31/2020	33,610,359	77,047	225,871	412,762	(1,027,385)	33,298,654
Total at 12/31/2019	33,092,903	73,744	227,983	428,618	(1,025,117)	32,798,131

Liabilities	Financial (1)	Consortium (2)	Securitization (3)	Other (4)	Eliminations (5)	Total
Deposits	20,639,263	-	-	-	(344,271)	20,294,992
Funds obtained in the open market	250,416	-	-	-	(7,023)	243,393
Funds from issuance of securities	1,880,605	-	-	-	-	1,880,605
Interbank accounts	860,684	-	-	-	-	860,684
Derivatives	29,596	-	-	-	-	29,596
Other financial obligations	2,650,171	-	-	-	-	2,650,171
Provisions	578,256	6,360	2,631	5,193	-	592,440
Tax obligations	172,253	700	4,438	3,566	-	180,957
Other liabilities	1,527,215	13,455	4,508	4,810	(6,072)	1,543,916
Equity	5,021,900	56,532	214,294	399,193	(670,019)	5,021,900
Total at 3/31/2020	33,610,359	77,047	225,871	412,762	(1,027,385)	33,298,654
Total at 12/31/2019	33,092,903	73,744	227,983	428,618	(1,025,117)	32,798,131

b) Consolidated statement of income

	Financial (1)	Consortium (2)	Securitization (3)	Other (4)	Eliminations (5)	Total
Results from financial intermediation	2,402,939	619	1,868	1,985	(3,509)	2,403,902
Expenses on financial intermediation	(1,335,024)	-	(2)	-	3,509	(1,331,517)
Gross result	1,067,915	619	1,866	1,985	-	1,072,385
Other operating income (expenses)	(857,683)	306	(625)	(841)	(2,175)	(861,018)
Non-operating result	(1,136)	-	(30)	-	-	(1,166)
Provision for IRPJ and CSLL	(38,538)	(317)	(405)	(383)	-	(39,643)
Net result at 3/31/2020	170,558	608	806	761	(2,175)	170,558
Net result at 3/31/2019	96,107	2,155	1,113	6,063	(9,331)	96,107

(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) Amounts net of the provision for expected losses associated to the credit risk.

5) Cash and cash equivalents

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Funds in local currency	244	225	1,675	3,004
Funds in foreign currency	1,628	1,216	1,628	1,216
Subtotal (cash)	1,872	1,441	3,303	4,220
Short-term interbank investments (1)	750,000	1,229,999	750,000	1,229,999
Total	751,872	1,231,440	753,303	1,234,219

(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:

Bank and Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	3/31/2020	12/31/2019
Interbank deposits	-	-	-	-	-	12,795
Total at 3/31/2020	-	-	-	-	-	-
Total at 12/31/2019	-	-	12,795	-	-	12,795

a) Income from interbank investments:

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

Bank and Consolidated	3/31/2020	3/31/2019
Income from investments in purchase and sale transactions:	11,952	4,064
Own portfolio position	11,952	4,064
Income from interbank deposits	24	62
Total (Note 7.d)	11,976	4,126

7) Marketable securities and derivatives

a) Composition of portfolio:

The portfolio of marketable securities and derivatives at 3/31/2020 and 12/31/2019, by type of security, was comprised as follows:

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Marketable securities	1,635,266	1,843,230	1,864,911	2,087,652
Own portfolio:	1,152,521	727,913	1,382,048	972,231
Mortgage-backed securities (CRI)	-	-	229,527	244,318
Financial Treasury Bills (LFT)	531,080	177,520	531,080	177,520
National Treasury Notes (NTN)	621,101	550,051	621,101	550,051
Social Development Fund (FDS)	340	342	340	342
Linked to BACEN:	-	529,436	-	529,436
Financial Treasury Bills (LFT) (1)	-	529,436	-	529,436
Subject to repurchase agreements:	249,510	297,944	249,510	297,944
Financial Treasury Bills (LFT)	105,787	107,126	105,787	107,126
National Treasury Notes (NTN)	143,723	190,818	143,723	190,818
Subject to guarantees:	233,235	287,937	233,353	288,041
Financial Treasury Bills (LFT)	233,235	287,937	233,235	287,937
Bank Deposit Certificates (CDB)	-	-	118	104
Derivative financial instruments	826,640	288,103	826,640	288,103
Difference receivable on swaps (Note 7.c)	826,640	288,103	826,640	288,103
Total	2,461,906	2,131,333	2,691,551	2,375,755

(1) Amount linked to BACEN, resulting from the Bank's capital increase approved by its Board of Directors on September 19, 2019 and by BACEN on January 14, 2020.

b) Composition by category and term:

Bank	3/31/2020									12/31/2019	
	Current		Non-current						Mark-to-market adjustment	Net book value (1)(2)(3)	Mark-to-market adjustment
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	Over 5 years	Net book value (1)(2)(3)	Adjusted cost				
Trading securities	-	4,600	218,568	38,189	-	261,357	261,452	(95)	359,782	(39)	
Financial Treasury Bills (LFT)	-	4,600	218,568	38,189	-	261,357	261,452	(95)	359,782	(39)	
Available-for-sale securities	-	314,343	294,402	-	-	608,745	608,813	(68)	742,237	3	
Financial Treasury Bills (LFT)	-	314,343	294,402	-	-	608,745	608,813	(68)	742,237	3	
Securities held to maturity	340	-	492,807	129,851	142,166	765,164	765,164	-	741,211	-	
National Treasury Notes (NTN)	-	-	492,807	129,851	142,166	764,824	764,824	-	740,869	-	
Social Development Fund (FDS)	340	-	-	-	-	340	340	-	342	-	
Total	340	318,943	1,005,777	168,040	142,166	1,635,266	1,635,429	(163)	1,843,230	(36)	

Consolidated	3/31/2020									12/31/2019	
	Current		Non-current						Mark-to-market adjustment	Net book value (1)(2)(3)	Mark-to-market adjustment
	No stated maturity	Up to 12 months	From 1 to 3 years	From 3 to 5 years	Over 5 years	Carrying amount (1)(2)(3)	Adjusted cost				
Trading securities	-	4,600	218,568	38,189	-	261,357	261,452	(95)	359,782	(39)	
Financial Treasury Bills (LFT)	-	4,600	218,568	38,189	-	261,357	261,452	(95)	359,782	(39)	
Available-for-sale securities:	-	334,973	503,417	-	-	838,390	872,441	(34,051)	986,659	(21,754)	
Financial Treasury Bills (LFT)	-	314,343	294,402	-	-	608,745	608,813	(68)	742,237	3	
Bank Deposit Certificates (CDB)	-	118	-	-	-	118	118	-	104	-	
Mortgage-backed securities (CRI)	-	20,512	209,015	-	-	229,527	263,510	(33,983)	244,318	(21,757)	
Securities held to maturity:	340	-	492,807	129,851	142,166	765,164	765,164	-	741,211	-	
National Treasury Notes (NTN)	-	-	492,807	129,851	142,166	764,824	764,824	-	740,869	-	
Social Development Fund (FDS)	340	-	-	-	-	340	340	-	342	-	
Total	340	339,573	1,214,792	168,040	142,166	1,864,911	1,899,057	(34,146)	2,087,652	(21,793)	

(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 market 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\$ 18,413 (12/31/2019 - higher by R\$ 41,832). In order to comply with Article 8 of BACEN Circular 3,068/2001, 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) When establishing deadlines, the maturities of the securities were considered, regardless of their accounting classification.

c) 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 whether to use them as hedging instruments or not. The appreciation or depreciation in value is 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. The Bank's risk management policy established that derivative instruments should be used to hedge against exposure resulting from the Bank's credit operations as well as from foreign exchange exposure from offshore operations.

Derivative instruments are used based on two strategies: trading portfolio (negotiation) and banking portfolio (non-negotiation). The trading portfolio includes derivatives that are used to guiding strategies, to dispute resolution efforts, or to hedge other negotiation portfolio elements. The non-negotiation portfolio includes derivatives used to hedge instruments classified in the banking portfolio, including those used as hedge accounting. Risks within these portfolios are managed according to perspectives that are consolidated based on risk factors.

Derivative financial instrument transactions, as well as transactions with marketable securities classified as "held for trading" or "available for sale", are valued at market value, and the related appreciation or depreciation are recorded in the results. The market value of instruments traded in Stock exchanges corresponds to the instrument market quotations or the quotation of similar products. If there is no market quotation for any products, their market value should be defined under the discounted cash flow method or via pricing models. The gains or losses on derivative financial instruments considered as a market risk hedge, whether realized or unrealized, are also recorded in the result for the period.

The fair 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 are utilized for intermediate periods and rate extrapolations for longer periods. Future cash flows, discounted to present value by future interest yield curves, obtained from B3 S.A., as adjusted according to the counterparty credit risk (credit value adjustment (CVA)).

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. (stock exchange) or at the Organized Counter for Assets and Derivatives (B3 S.A. - over-the-counter). 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 operations, and the nominal amounts of these transactions are recorded in memorandum accounts.

i) Breakdown of derivative financial instruments (assets and liabilities) stated at cost as indexed for inflation, marked to market, and carrying amount, according to the period:

Bank and Consolidated	Adjusted cost	Mark-to-market	Carrying amount	Current				Non-current	Total at 3/31/2020	Total at 12/31/2019
				Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	More than 360 days		
Asset position:	823,517	3,123	826,640	826,640	-	-	-	-	826,640	288,103
Swap	823,517	3,123	826,640	826,640	-	-	-	-	826,640	288,103
Liability position	(28,883)	(713)	(29,596)	(25,616)	-	(3,980)	-	-	(29,596)	(124,979)
Swap	(28,883)	(713)	(29,596)	(25,616)	-	(3,980)	-	-	(29,596)	(124,979)
Subtotal	794,634	2,410	797,044	801,024	-	(3,980)	-	-	797,044	163,124
Futures (a)	(24,441)	-	(24,441)	(24,441)	-	-	-	-	(24,441)	(5,538)
Asset position	1,245	-	1,245	1,245	-	-	-	-	1,245	1,764
Liability position	(25,686)	-	(25,686)	(25,686)	-	-	-	-	(25,686)	(7,302)
Total	770,193	2,410	772,603	776,583	-	(3,980)	-	-	772,603	157,586

(a) Recorded in accounts of negotiation and intermediation of securities in the balance sheet.

ii) Derivative financial instruments by index:

Bank and Consolidated	3/31/2020				12/31/2019			
	Notional value	Adjusted cost	Mark-to-market	Carrying amount	Notional value	Adjusted cost	Mark-to-market	Carrying amount
Swap contracts								
Asset position:	1,149,264	823,517	3,123	826,640	470,910	281,679	6,424	288,103
Foreign currency	1,149,264	823,517	3,123	826,640	470,910	281,679	6,424	288,103
Liability position	356,950	(28,883)	(713)	(29,596)	2,225,560	(117,033)	(7,946)	(124,979)
Interbank market	-	-	-	-	678,355	(20,306)	(2,137)	(22,443)
Fixed rate	356,950	(28,883)	(713)	(29,596)	1,547,205	(96,727)	(5,809)	(102,536)
Futures								
Purchase Commitments:	788,841	-	-	-	1,397,077	-	-	-
Interbank market	686,597	-	-	-	1,315,611	-	-	-
Other	102,244	-	-	-	81,466	-	-	-
Sale Commitments:	20,372,108	-	-	-	13,127,996	-	-	-
Interbank market	20,267,263	-	-	-	13,042,503	-	-	-
Foreign currency	2,601	-	-	-	4,027	-	-	-
Other	102,244	-	-	-	81,466	-	-	-
Total	22,667,163	794,634	2,410	797,044	17,221,543	164,646	(1,522)	163,124

iii) Composition by maturity (notional value):

Bank and Consolidated	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	3/31/2020	12/31/2019
Swap	1,467,442	-	38,772	-	-	1,506,214	2,696,470
U.S. dollar x CDI	1,149,264	-	-	-	-	1,149,264	1,149,265
CDI x Fixed rate	318,178	-	38,772	-	-	356,950	1,547,205
Futures	5,903,660	2,601	1,931,706	3,339,031	9,983,951	21,160,949	14,525,073
DDI	-	-	-	102,861	101,627	204,488	162,932
DI	5,903,660	-	1,931,706	3,236,170	9,882,324	20,953,860	14,358,114
U.S. dollar	-	2,601	-	-	-	2,601	4,027
Total	7,371,102	2,601	1,970,478	3,339,031	9,983,951	22,667,163	17,221,543

iv) Place of negotiation and counterparties:

Bank and Consolidated	3/31/2020	12/31/2019
B3 S.A. (Over-the-counter)	1,506,214	2,696,470
B3 S.A. (Exchange)	21,160,949	14,525,073
Total	22,667,163	17,221,543

Counterparties: At 3/31/2020, they were distributed as follows in the Bank and Consolidated: B3 S.A. 93.36% and Financial Institutions 6.64%.

Margins provided as guarantee for derivative financial instruments:

Public securities	Bank and Consolidated	
	3/31/2020	12/31/2019
Financial Treasury Bills (1)	153,235	205,344
Financial Treasury Bills (2)	-	524
Total	153,235	205,868

(1) B3 S.A. securities offered as guarantee; and

(2) Securities offered as guarantee - swaps.

v) Hedge accounting- market value

Bank and Consolidated	3/31/2020	12/31/2019
Financial Instruments		
Asset position	3,456,955	2,867,671
Swap - U.S. dollar (1)	2,486,211	1,908,690
Futuros DI1 B3 S.A. - Fixed rate - Brazilian Reais (2)	970,744	958,981
Liability position	(17,080,133)	(15,216,800)
Futuros DI1 B3 S.A. - Fixed rate - Brazilian Reais (3)	(17,080,133)	(15,216,800)
Hedged item		
Asset position	12,723,634	11,787,028
Credit operations (3)	12,723,634	11,787,028
Liability position	(3,398,875)	(2,796,880)
Subordinated debt abroad (1)	(2,468,431)	(1,876,865)
Time deposit certificates (2)	(930,444)	(920,015)

(1) Used to hedge funding operation abroad;

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

(3) This hedged item includes the following retail credit operations: Payroll loans and Vehicles.

vi) Result with derivative financial instruments:

Bank and Consolidated	3/31/2020			3/31/2019		
	Revenue	Expense	Net	Revenue	Expense	Net
Swap	995,511	(435,124)	560,387	445,241	(407,535)	37,706
Options	-	-	-	1,722	(1,297)	425
Futures	850,084	(1,040,872)	(190,788)	330,801	(332,940)	(2,139)
Total	1,845,595	(1,475,996)	369,599	777,764	(741,772)	35,992

d) Results of operations with marketable securities:

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Fixed income securities	27,960	27,530	27,644	33,641
Interbank investments (Note 6.a)	11,976	4,126	11,976	4,126
Total	39,936	31,656	39,620	37,767

8) Credit operations

a) Composition of the portfolio by type of operation:

	Bank				Consolidated			
	3/31/2020		12/31/2019		3/31/2020		12/31/2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Payroll-deductible loans (1)	10,071,086	40.77	9,468,073	40.34	10,071,086	40.77	9,468,073	40.34
Vehicles (1)	9,302,176	37.65	8,853,900	37.72	9,302,176	37.65	8,853,900	37.72
Financing - credit cards (2)	2,205,951	8.93	2,045,591	8.72	2,205,951	8.93	2,045,591	8.72
Overdraft accounts	1,171,159	4.74	1,058,643	4.51	1,171,159	4.74	1,058,643	4.51
Loans with real estate guarantees	289,393	1.17	300,444	1.28	289,393	1.17	300,444	1.28
Working capital	121,873	0.49	143,760	0.61	121,873	0.49	143,760	0.61
Credits linked to assignment of loans (3)	137,554	0.56	157,729	0.67	137,554	0.56	157,729	0.67
Housing financing	133,963	0.54	136,993	0.58	133,963	0.54	136,993	0.58
Export financing	40,567	0.16	46,402	0.20	40,567	0.16	46,402	0.20
Renegotiated loans	124,444	0.50	110,403	0.47	124,444	0.50	110,403	0.47
Housing financing	6,861	0.03	7,303	0.03	6,861	0.03	7,303	0.03
Other	491	-	26	-	491	-	26	-
Total credit operations	23,605,518	95.55	22,329,267	95.13	23,605,518	95.55	22,329,267	95.13
Other receivables (4)	1,098,866	4.45	1,141,980	4.87	1,099,264	4.45	1,142,697	4.87
Subtotal	24,704,384	100.00	23,471,247	100.00	24,704,782	100.00	23,471,964	100.00
(+/-) Adjustment to market value (1)	245,848	-	156,128	-	245,848	-	156,128	-
Total	24,950,232	-	23,627,375	-	24,950,630	-	23,628,092	-
Current	11,542,827		10,935,013		11,543,225		10,935,730	
Non-current	13,407,405		13,735,372		13,407,405		12,692,362	

(1) Contracts including hedge accounting transactions (Note 7.c);

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

(3) Payroll-linked credit operations assigned with substantial retention of risks and benefits (Note 8.f.ii); and

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

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

Bank	Risk Levels									
	Abnormal course of operations									
	A	B	C	D	E	F	G	H	Total at 3/31/2020	Total at 12/31/2019
Falling due in days	1,459,020	596,621	517,987	235,731	140,517	109,685	84,005	669,850	3,813,416	3,315,320
01 to 30	59,925	28,127	26,232	11,859	7,017	5,395	4,166	35,679	178,400	142,417
31 to 60	58,403	26,854	23,889	11,384	6,538	5,039	3,899	20,930	156,936	138,655
61 to 90	53,833	26,088	23,283	10,698	6,262	4,833	3,724	44,976	173,697	136,945
91 to 180	155,070	73,788	66,177	30,435	17,857	13,803	10,630	58,992	426,752	380,609
181 to 365	282,138	128,131	115,722	53,247	31,073	23,862	18,459	108,646	761,278	646,132
Over 365	849,651	313,633	262,684	118,108	71,770	56,753	43,127	400,627	2,116,353	1,870,562
Past due in days	98,197	173,145	105,774	84,295	68,233	61,303	53,230	596,112	1,240,289	1,133,465
01 to 14	85,484	4,082	12,954	6,333	3,364	2,290	1,808	11,194	127,509	107,802
15 to 30	12,713	161,688	12,800	6,011	3,738	3,036	2,387	19,263	221,636	180,382
31 to 60	-	7,375	72,731	12,470	7,528	5,504	4,216	21,714	131,538	109,173
61 to 90	-	-	5,386	53,116	10,495	5,486	4,160	20,792	99,435	80,116
91 to 180	-	-	1,903	6,365	40,838	40,542	36,822	69,159	195,629	210,931
181 to 365	-	-	-	-	2,270	4,445	3,837	249,377	259,929	224,631
Over 365	-	-	-	-	-	-	-	204,613	204,613	220,430
Subtotal	1,557,217	769,766	623,761	320,026	208,750	170,988	137,235	1,265,962	5,053,705	4,448,785
Allowance required	7,786	7,698	18,713	32,003	62,625	85,494	96,065	1,265,962	1,576,346	1,530,907

Bank	Risk Levels									
	Normal course of operations									
	A	B	C	D	E	F	G	H	Total at 3/31/2020	Total at 12/31/2019
Falling due in days	19,399,051	56,849	28,769	12,246	8,171	8,385	6,693	130,515	19,650,679	19,022,462
01 to 30	2,560,220	12,411	5,749	1,205	645	504	381	8,352	2,589,467	2,521,108
31 to 60	675,252	3,829	2,515	983	590	505	375	7,238	691,287	669,997
61 to 90	616,961	3,346	2,169	830	529	457	342	3,635	628,269	625,755
91 to 180	1,641,379	7,090	4,443	1,830	1,226	1,109	824	8,297	1,666,198	1,667,801
181 to 365	2,748,337	8,553	5,010	2,264	1,603	1,650	1,301	15,688	2,784,406	2,716,001
Over 365	11,156,902	21,620	8,883	5,134	3,578	4,160	3,470	87,305	11,291,052	10,821,800
Subtotal	19,399,051	56,849	28,769	12,246	8,171	8,385	6,693	130,515	19,650,679	19,022,462
Allowance required	96,995	568	863	1,224	2,451	4,193	4,685	130,515	241,494	297,827
Total (1)	20,956,268	826,615	652,530	332,272	216,921	179,373	143,928	1,396,477	24,704,384	23,471,247
Total allowance	104,781	8,266	19,576	33,227	65,076	89,687	100,750	1,396,477	1,817,840	1,828,735

Risk Levels											
Consolidated	Abnormal course of operations									Total at 3/31/2020	Total at 12/31/2019
	A	B	C	D	E	F	G	H			
Falling due in days	1,459,020	596,621	517,987	235,731	140,517	109,685	84,005	669,850	3,813,416	3,315,320	
01 to 30	59,925	28,127	26,232	11,859	7,017	5,395	4,166	35,679	178,400	142,417	
31 to 60	58,403	26,854	23,889	11,384	6,538	5,039	3,899	20,930	156,936	138,655	
61 to 90	53,833	26,088	23,283	10,698	6,262	4,833	3,724	44,976	173,697	136,945	
91 to 180	155,070	73,788	66,177	30,435	17,857	13,803	10,630	58,992	426,752	380,609	
181 to 365	282,138	128,131	115,722	53,247	31,073	23,862	18,459	108,646	761,278	646,132	
Over 365	849,651	313,633	262,684	118,108	71,770	56,753	43,127	400,627	2,116,353	1,870,562	
Past due in days	98,197	173,145	105,774	84,295	68,233	61,303	53,230	596,112	1,240,289	1,133,465	
01 to 14	85,484	4,082	12,954	6,333	3,364	2,290	1,808	11,194	127,509	107,802	
15 to 30	12,713	161,688	12,800	6,011	3,738	3,036	2,387	19,263	221,636	180,382	
31 to 60	-	7,375	72,731	12,470	7,528	5,504	4,216	21,714	131,538	109,173	
61 to 90	-	-	5,386	53,116	10,495	5,486	4,160	20,792	99,435	80,116	
91 to 180	-	-	1,903	6,365	40,838	40,542	36,822	69,159	195,629	210,931	
181 to 365	-	-	-	-	2,270	4,445	3,837	249,377	259,929	224,631	
Over 365	-	-	-	-	-	-	-	204,613	204,613	220,430	
Subtotal	1,557,217	769,766	623,761	320,026	208,750	170,988	137,235	1,265,962	5,053,705	4,448,785	
Allowance required	7,786	7,698	18,713	32,003	62,625	85,494	96,065	1,265,962	1,576,346	1,530,907	

Risk Levels											
Consolidated	Normal course of operations									Total at 3/31/2020	Total at 12/31/2019
	A	B	C	D	E	F	G	H			
Falling due in days	19,399,449	56,849	28,769	12,246	8,171	8,385	6,693	130,515	19,651,077	19,023,179	
01 to 30	2,560,618	12,411	5,749	1,205	645	504	381	8,352	2,589,865	2,521,825	
31 to 60	675,252	3,829	2,515	983	590	505	375	7,238	691,287	669,997	
61 to 90	616,961	3,346	2,169	830	529	457	342	3,635	628,269	625,755	
91 to 180	1,641,379	7,090	4,443	1,830	1,226	1,109	824	8,297	1,666,198	1,667,801	
181 to 365	2,748,337	8,553	5,010	2,264	1,603	1,650	1,301	15,688	2,784,406	2,716,001	
Over 365	11,156,902	21,620	8,883	5,134	3,578	4,160	3,470	87,305	11,291,052	10,821,800	
Subtotal	19,399,449	56,849	28,769	12,246	8,171	8,385	6,693	130,515	19,651,077	19,023,179	
Allowance required	96,997	568	863	1,224	2,451	4,193	4,685	130,515	241,496	297,828	
Total (1)	20,956,666	826,615	652,530	332,272	216,921	179,373	143,928	1,396,477	24,704,782	23,471,964	
Total allowance	104,783	8,266	19,576	33,227	65,076	89,687	100,750	1,396,477	1,817,842	1,828,735	

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

c) Changes in the provision for expected losses associated to the credit risk (1):

Bank	3/31/2020			3/31/2019		
	Credit operations	Other (1)	Total	Credit operations	Other (1)	Total
Opening balance (2)	1,828,735	67,984	1,896,719	1,331,624	100,931	1,432,555
Constitution/reversal of provision	329,412	(7,552)	321,860	305,591	(29,778)	275,813
Write-off against provision	(340,307)	-	(340,307)	(281,904)	-	(281,904)
Closing balance	1,817,840	60,432	1,878,272	1,355,311	71,153	1,426,464
Current	1,160,372	60,432	1,220,804	1,000,513	71,153	1,071,666
Non-current	657,468	-	657,468	354,798	-	354,798
Credit recoveries (3)	87,975	-	87,975	50,837	-	50,837
Effect on results (4)	(241,437)	7,552	(233,885)	(254,754)	29,778	(224,976)

Consolidated	3/31/2020			3/31/2019		
	Credit operations	Other (1)	Total	Credit operations	Other (1)	Total
Opening balance (2)	1,828,735	67,984	1,896,719	1,331,653	100,931	1,432,584
Constitution/reversal of provision	329,414	(7,552)	321,862	305,566	(29,778)	275,788
Write-off against provision	(340,307)	-	(340,307)	(281,905)	-	(281,905)
Closing balance	1,817,842	60,432	1,878,274	1,355,314	71,153	1,426,467
Current	1,160,374	60,432	1,220,806	1,000,516	71,153	1,071,669
Non-current	657,468	-	657,468	354,798	-	354,798
Credit recoveries (3)	89,263	-	89,263	52,568	-	52,568
Effect on results (4)	(240,151)	7,552	(232,599)	(252,997)	29,778	(223,219)

(1) Includes other credits without credit characteristics (Notes 10 and 11);

(2) At 12/31/2019, as a result of the strategic redefinitions in progress during the last few years, and pursuant to Resolution 2,682, the Bank recorded additional R\$ 338,324 for run-off portfolios (Real Estate - Individuals and Companies).

(3) In the period ended 3/31/2020, credits previously written-off against the allowance, totaling R\$ 89,263, were recovered (recovered credits of R\$ 87,975 in the Bank, R\$ 10 referring to lease operations, recovered credits of R\$ 1,279 in Brazilian Finance & Real Estate). In the period ended 3/31/2020, there was the assignment of credits with losses without retention of risks and benefits in the amount of R\$ 1,427,219, whose sale amounted to R\$ 36,058, affecting the recovery of credits account; and

(4) Expense of allowance constituted, net of income from credits recovered.

d) Classification by area of economic activity:

	Bank				Consolidated			
	3/31/2020		12/31/2019		3/31/2020		12/31/2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Individuals	23,037,195	93.25	21,827,226	93.00	23,037,195	93.25	21,827,226	92.99
Services	1,221,145	4.94	1,204,531	5.13	1,221,543	4.94	1,205,248	5.13
Construction and real estate development	204,489	0.83	266,214	1.14	204,887	0.83	266,931	1.14
Other services	587,115	2.38	586,761	2.50	587,115	2.38	586,761	2.50
Financial	320,193	1.30	246,302	1.05	320,193	1.30	246,302	1.05
Transportation and logistics	33,953	0.14	35,974	0.15	33,953	0.14	35,974	0.15
Utilities	66,598	0.27	61,443	0.26	66,598	0.27	61,443	0.26
Media, IT and Telecom	7,625	0.03	6,690	0.03	7,625	0.03	6,690	0.03
Vehicle rental	1,161	-	1,047	-	1,161	-	1,047	-
Health, security and education	11	-	100	-	11	-	100	-
Commercial	333,866	1.35	321,226	1.37	333,866	1.35	321,226	1.37
Wholesale and retail	333,866	1.35	321,226	1.37	333,866	1.35	321,226	1.37
Basic industries	70,944	0.29	70,964	0.30	70,944	0.29	70,964	0.30
Paper and pulp	42,999	0.17	42,999	0.18	42,999	0.17	42,999	0.18
Other industries	6,018	0.03	6,038	0.03	6,018	0.03	6,038	0.03
Textiles	15,258	0.06	15,258	0.07	15,258	0.06	15,258	0.07
Chemical industry	6,669	0.03	6,669	0.03	6,669	0.03	6,669	0.03
Agribusiness	41,234	0.17	47,300	0.20	41,234	0.17	47,300	0.20
Sugar and ethanol	24,348	0.11	25,513	0.11	24,348	0.10	25,513	0.11
Agribusiness and animal protein	16,886	0.06	21,787	0.09	16,886	0.07	21,787	0.09
Total (1)	24,704,384	100.00	23,471,247	100.00	24,704,782	100.00	23,471,964	100.00

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

e) Concentration of credit operations:

Largest borrowers	Bank				Consolidated			
	3/31/2020		12/31/2019		3/31/2020		12/31/2019	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	562,915	2.28	513,400	2.19	562,915	2.28	513,400	2.19
50 next largest borrowers	649,520	2.63	618,843	2.64	649,520	2.63	618,843	2.64
100 next largest borrowers	287,675	1.16	285,450	1.22	287,675	1.16	285,450	1.22
Other borrowers	23,204,274	93.93	22,053,554	93.96	23,204,672	93.93	22,054,271	93.96
Total	24,704,384	100.00	23,471,247	100.00	24,704,782	100.00	23,471,964	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 3/31/2020 and 3/31/2019, credits were assigned to financial institutions as below:

Bank and Consolidated	3/31/2020			3/31/2019		
	Assignment amount	Present value	Result (1)	Assignment amount	Present value	Result (1)
Payroll-deductible loans	1,127,676	850,962	276,714	1,141,081	867,100	273,981
Total (Note 8.g)	1,127,676	850,962	276,714	1,141,081	867,100	273,981

(1) Recorded in income from credit operations (Note 8g).

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\$ 137,554, in Banco PAN and Consolidated (R\$ 157,729 at 12/31/2019), calculated at present value using the agreed contract rates. Obligations of R\$ 173,165 (R\$ 201,523 at 12/31/2019) were assumed for these credits.

g) Income from credit and leasing operations:

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Profit on credit assignments (Note 8.f)	276,714	273,981	276,714	273,981
Performance bonus on assignments (1)	181,901	230,356	181,901	230,356
Payroll-deductible loans	546,112	515,343	546,112	515,343
Vehicles	513,425	439,495	513,425	439,495
Credit cards	237,002	182,715	237,002	182,715
Recovery of credits written off as losses	87,975	50,837	89,263	52,568
Working capital/overdraft accounts	35,451	33,585	35,451	33,585
Income from loans with real estate guarantees	15,109	10,991	15,109	10,991
Export financing	-	6,194	-	6,194
Renegotiated loans	5,960	4,608	5,960	4,608
Housing loans	2,647	3,017	2,647	3,017
Income from real estate developments	416	149	416	149
Other	33	42	33	16
Adjustment to market value - Retail Portfolio (2)	89,720	(46,025)	89,720	(46,025)
Total	1,992,465	1,705,288	1,993,753	1,706,993

(1) Reclassified from "Profit on credit assignments"; and

(2) Mark-to-market of accounting hedges on retail credits: payroll-deductible loans and vehicle financing.

9) Foreign Exchange Portfolio

a) Result on foreign exchange transactions:

Bank and Consolidated	3/31/2020	3/31/2019
Income from export financing	819	6,651
Exchange variation	(50)	(6,196)
Total	769	455

10) Other financial assets

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Amounts receivable from credit assignments	2,106,182	2,451,147	2,106,182	2,451,147
Acknowledgment of debt (1)	11,887	11,431	11,887	11,431
Negotiation and intermediation of receivables	1,245	3,066	1,245	3,066
Real estate receivables (2)	-	-	4,464	4,588
Total	2,119,314	2,465,644	2,123,778	2,470,232
Current	1,008,297	1,391,596	1,010,602	1,395,117
Non-current	1,111,017	1,074,048	1,113,176	1,075,115

- (1) Includes provision for debt acknowledgment of R\$ 19,916 at 3/31/2020 (R\$ 29,027 at 12/31/2019) (Note 8.c); and
(2) INCC/IGPM /Savings Account /CDI with no indexation accruals, interest of 0% to 20.05% per annum, maturing on 11/15/2034.

11) Other credits

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Judicial and tax deposits	194,229	197,786	216,219	219,413
Amounts receivable from payroll-linked loans (1)	8,697	17,920	8,697	17,920
Amounts receivable from related parties	7,371	15,918	5,779	13,227
Income receivable	5,698	5,708	1,840	1,874
Residual benefit in securitized transactions	-	-	2,946	3,588
Other (1)	77,321	92,228	80,548	95,482
Total	293,316	329,560	316,029	351,504
Current	257,349	293,698	255,367	290,991
Non-current	35,967	35,862	60,662	60,513

- (1) Refer mainly to: (i) amounts received and not yet transferred to the Bank by State and Municipal governments, which transfers are being negotiated by the Bank (allowance for losses constituted), and to transfers in arrears for more than 180 days, the balance of which at March 31, 2020 amounted to R\$ 33,233 (R\$ 31,779 at 12/31/2019) (Note 8.c); and
(2) Includes allowance for other receivables without credit characteristics of R\$ 7,283 (12/31/2019 - R\$ 7,178) (Note 8.c).

12) Other assets

a) Assets not for own use and other:

Residual value	Bank				Consolidated			
	Cost	Provision for losses	3/31/2020	12/31/2019	Cost	Provision for losses	3/31/2020	12/31/2019
Assets not for own use	356,409	(85,377)	271,033	279,298	365,225	(86,565)	278,660	287,012
Properties	331,183	(77,003)	254,180	258,826	339,411	(77,640)	261,771	266,494
Vehicles	25,226	(8,374)	16,853	20,472	25,814	(8,925)	16,889	20,518
Other	517	-	517	445	517	-	517	445
Total	356,927	(85,377)	271,550	279,743	365,742	(86,565)	279,177	287,457
Current			271,550	279,743			279,177	287,457

b) Prepaid expenses

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Financial system services	56,539	60,783	58,642	63,021
Software maintenance	4,642	5,564	4,642	5,564
Data processing	4,340	4,211	4,340	4,211
Expenses for issuance of securities abroad	-	379	-	379
Other	13,850	11,403	14,222	11,406
Total	79,371	82,340	81,846	84,581
Current	26,824	26,840	27,979	27,728
Non-current	52,547	55,500	53,867	56,853

13) Investments

a) Investments in subsidiaries

Companies	Share capital	Adjusted equity	Number of shares/ quotas held (in thousands)			Participation in share capital	Adjusted result	Balance of Investments		Equity accounting adjustment (1) Quarter ended	
			Common	Preferred	Quotas	%		3/31/2020	3/31/2020	12/31/2019	3/31/2020
Pan Arrendamento Mercantil S.A. (2)	356,735	206,709	11	-	-	100.00	1,176	206,709	205,532	1,176	65
Pan Administradora de Consórcio Ltda. (2)	42,388	56,532	-	-	48,168	100.00	608	56,532	55,924	608	2,155
Brazilian Securities Companhia de Securitização (2)(3)	174,201	214,294	77,865	-	-	100.00	806	215,109	214,580	806	1,113
Brazilian Finance & Real Estate S.A. (4)	107,662	179,673	0.2	0.5	-	100.00	1,835	179,673	177,894	1,835	3,521
BM Sua Casa Promotora de Vendas Ltda. (2)(3)	179,864	219,520	-	-	179,864	100.00	(1,074)	220,987	230,043	(1,074)	2,542
								879,010	883,973	3,351	9,396

(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 accounting information for the period ended 3/31/2020 were 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\$ 2,282, of which R\$ 1,467 is related to BM Sua Casa Promotora de Vendas Ltda and R\$ 815 to Brazilian Securities Companhia de Securitização; and

(4) A company whose financial statements for the period ended 3/31/2020 were reviewed by another independent auditor.

b) Other investments:

Bank and Consolidated	3/31/2020	12/31/2019
Asset and Security Registration Center (Certa)	1,094	765
Interbank Payment Chamber (CIP)	379	379
Total	1,473	1,144

14) Property and equipment

a) Property and equipment comprise the following:

Bank and Consolidated	Annual depreciation	Cost	rate	Residual value	
				3/31/2020	12/31/2019
Facilities, furniture and equipment in use	10%	46,810	(31,439)	15,371	17,038
Security and communications systems	10%	2,731	(1,308)	1,423	633
Data processing systems	20%	33,474	(21,836)	11,639	10,957
Total at 3/31/2020		83,015	(54,582)	28,433	-
Total at 12/31/2019		80,456	(51,828)	-	28,628

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 12/31/2019	17,038	633	10,957	28,628
Purchases	115	939	1,536	2,590
Disposals	-	-	(21)	(21)
Depreciation	(1,782)	(149)	(833)	(2,764)
At March 31, 2020	15,371	1,423	11,639	28,433

15) Intangible assets

a) Intangible assets comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				3/31/2020	12/31/2019
Expenses with software development	20% to 50%	249,516	(132,161)	117,355	120,289
Goodwill	10%	229,514	(175,960)	53,554	59,291
Total at 3/31/2020		479,030	(308,121)	170,909	-
Total at 12/31/2019		469,035	(289,455)	-	179,580

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				3/31/2020	12/31/2019
Expenses with software development	20% to 50%	250,418	(132,861)	117,557	120,503
Goodwill	10%	250,532	(192,074)	58,458	64,721
Total at 3/31/2020		500,950	(324,935)	176,015	-
Total at 12/31/2019		490,955	(305,731)	-	185,224

b) Changes in intangible assets by category:

Bank	Expenses with software development	Goodwill	Total
At 12/31/2019	120,289	59,291	179,580
Additions	10,198	-	10,198
Write-offs	(136)	-	(136)
Amortization	(12,996)	(5,737)	(18,733)
At March 31, 2020	117,355	53,554	170,909

Consolidated	Expenses with software development	Goodwill	Total
At 12/31/2019	120,503	64,721	185,224
Additions	10,198	-	10,198
Write-offs	(136)	-	(136)
Amortization	(13,008)	(6,263)	(19,271)
At March 31, 2020	117,557	58,458	176,015

16) Deposits, funds obtained in the open market and funds from acceptance and issuance of securities

a) Deposits:

Bank	Current				Non-current More than 360 days	3/31/2020	12/31/2019
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days			
Demand deposits (1)	28,217	-	-	-	-	28,217	26,614
Interbank deposits	6,873,004	2,424,360	235,595	1,473	25,228	9,559,660	8,629,103
Time deposits (2)	251,087	773,020	1,341,146	2,318,682	6,630,437	11,314,372	11,701,147
Total at 3/31/2020	7,152,308	3,197,380	1,576,741	2,320,155	6,655,665	20,902,249	-
Total at 12/31/2019	8,667,798	701,951	824,116	2,818,821	7,344,178	-	20,356,864

Consolidated	Current				Non-current More than 360 days	3/31/2020	12/31/2019
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days			
Demand deposits (1)	28,156	-	-	-	-	28,156	26,574
Interbank deposits	6,872,358	2,424,344	-	-	-	9,296,702	8,365,928
Time deposits (2)	249,167	766,609	1,325,642	2,204,493	6,424,223	10,970,134	11,367,477
Total at 3/31/2020	7,149,681	3,190,953	1,325,642	2,204,493	6,424,223	20,294,992	-
Total at 12/31/2019	8,639,222	695,433	813,812	2,464,562	7,146,950	-	19,759,979

(1) Does not consider average historical turnover.

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

b) Funds obtained in the open market:

Bank	Current				Non-current More than 360 days	3/31/2020	12/31/2019
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days			
Own portfolio	144,599	-	1,512	4,611	99,694	250,416	303,856
Financial Treasury Bills (LFT)	-	-	1,512	4,611	99,694	105,817	107,140
National Treasury Notes (NTN)	144,599	-	-	-	-	144,599	196,716
Total at 3/31/2020	144,599	-	1,512	4,611	99,694	250,416	-
Total at 12/31/2019	196,716	2,157	-	1,497	103,486	-	303,856

Consolidated	Current				Non-current		12/31/2019
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	3/31/2020	
Own portfolio	144,599	-	1,132	4,611	93,051	243,393	295,805
Financial Treasury Bills (LFT)	-	-	1,132	4,611	93,051	98,794	99,089
National Treasury Notes (NTN)	144,599	-	-	-	-	144,599	196,716
Total at 3/31/2020	144,599	-	1,132	4,611	93,051	243,393	-
Total at 12/31/2019	196,716	2,157	-	1,120	95,812	-	295,805

c) Funds from acceptance and issuance of securities:

Bank and Consolidated	Current				Non-current		12/31/2019
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	3/31/2020	
Financial bills	496	33,260	241,790	146,708	1,147,707	1,569,961	1,532,113
Real estate letters of credit (LCI)	45,837	44,676	68,288	94,717	57,127	310,644	336,211
Total at 3/31/2020	46,333	77,936	310,078	241,425	1,204,834	1,880,605	-
Total at 12/31/2019	41,131	94,560	118,566	396,668	1,217,399	-	1,868,324

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

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Foreign exchange variations	533,533	10,004	533,533	10,004
Time deposits	284,494	292,268	281,060	287,533
Interbank deposits	98,835	129,135	96,182	125,226
Marketable securities issued abroad and subordinated debt	67,318	42,929	67,318	42,929
Financial bills	18,830	15,930	18,830	15,930
Credits assigned with retention of risk	4,771	9,255	4,771	9,255
Housing loan bills	3,037	7,957	3,037	7,957
Purchase and sale commitments	2,296	4,561	2,219	4,431
Contributions to the deposit guarantee fund	3,576	3,089	3,576	3,089
Agribusiness letters of credit	-	84	-	84
Funds raised abroad - subordinated debt (Note 18.b)	(871)	32,074	(871)	32,074
Total	1,015,819	547,286	1,009,655	538,512

17) Interbank accounts

Bank and Consolidated	3/31/2020	12/31/2019
Receipts and payments pending settlement	802,014	796,912
Local correspondents (1)	58,670	136,819
Total	860,684	933,731
Current	860,684	933,731
Non-current	-	-

(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: vehicle financing, payroll-linked loans, and real-estate financing.

18) Other financial liabilities

a) Breakdown:

Bank and Consolidated	3/31/2020	12/31/2019
Subordinated debts (b)	2,477,006	1,885,320
Assignments with co-obligation	173,165	201,523
Total	2,650,171	2,086,843
Current	2,547,122	1,965,351
Non-current	103,049	121,492

b) Subordinated debts:

The composition of tranches and balances updated to the base dates is as follows:

Bank and Consolidated	3/31/2020	12/31/2019
Amount of the operation		
Foreign:		
(1) US\$ 456,792	2,468,431	1,876,865
Local:		
(2) R\$ 8,000	8,575	8,455
Total	2,477,006	1,885,320
Current	2,468,431	1,876,865
Non-current	8,575	8,455

(1) The mark-to-market adjustment of the subordinated debt was accounted for in the result of operations of funds obtained in the market, which represented income of R\$ 871 in the quarter ended 3/31/2020 (expense of R\$ 32,074 in the quarter ended 3/31/2019). They were issued on 4/23/2010 with maturity on 4/23/2020 and this transaction had a market risk hedge (Note 7.c.)

(2) Subordinated Financial Bills issued on 4/18/2019, maturing on 4/16/2027.

19) Provisions, contingent assets and 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, tax and labor processes whenever losses are considered probable, supported by the history of losses, advice of its legal counsel, the type and complexity of the lawsuits, and recent court sentences. The provision recorded is sufficient to cover the probable risk of loss arising from these lawsuits.

Labor claims

The claims have been brought by former employees and service providers to claim payment of labor rights, arising, in general, arising from their classification as bank employees, and, in particular, overtime, based on Article 224 of the Consolidation of Labor Laws (CLT), in respect of or ancillary responsibility in lawsuits involving service providers.

Labor claims are monitored by external legal counsel and managed individually through a computerized system.

Labor claims are provisioned to reflect the history of loss in similar lawsuits that were concluded in the last 12 or 24 months, depending on the type of plaintiff.

Civil

These processes are of a condemnatory nature to pay or indemnify, referring to indemnity, tariff revisions and tariff claims.

Civil lawsuits that are managed via a computerized system are divided into two groups, as follows:

1) lawsuits with common characteristics

A statistical model is applied to constitute the provision for civil lawsuits with common characteristics, before a court decision is issued, which is calculated based on the average loss in all the lawsuits which terminated over the last 12 months, by cluster.

2) strategic civil lawsuits

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

There are no other significant administrative actions in progress for non-compliance with National Financial System rules 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	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Civil	306,399	307,231	317,872	318,882
Labor	213,545	211,859	223,506	221,694
Tax	2,481	2,467	51,062	50,549
Total	522,425	521,557	592,440	591,125

II. Change in provisions:

Bank	Civil	Labor	Tax	Total
At 12/31/2019	307,231	211,859	2,467	521,557
Constitution, net of reversals	27,628	11,722	(6)	39,344
Indexation and interest accruals	978	-	20	998
Write-off due to payment	(29,438)	(10,036)	-	(39,474)
At March 31, 2020	306,399	213,545	2,481	522,425

Consolidated	Civil	Labor	Tax	Total
At 12/31/2019	318,882	221,694	50,549	591,125
Constitution, net of reversals	28,050	11,920	394	40,364
Indexation and interest accruals	1,034	-	119	1,153
Write-off due to payment	(30,093)	(10,108)	-	(40,200)
At March 31, 2020	317,872	223,506	51,062	592,440

I. Contingent liabilities classified as possible losses:

The main discussions related to fiscal and tax litigation with likelihood of risk of loss considered as possible are described below.

In the third quarter of 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 (R\$ 21,601, adjusted up to March 2020), including fines and arrears interest. A decision was issued in favor of the Voluntary Appeal, and PAN filed requests for clarification, which are awaiting 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 (R\$ 198,909, adjusted up to March 2020), including fines and arrears interest. Two tax assessment notices are suspended as requested by the Administrative Board of Tax Appeals. The third notice is waiting the result of the diligence in order for the decision on the Company's Voluntary Appeal to be issued.

In the final quarter of 2013, tax assessment notices were issued against Pan Arrendamento Mercantil S.A. by the São Paulo municipal tax authority for Services Tax (ISS) payable on the guaranteed residual value (VRG) charged on lease transactions realized from 2008 to 2012, totaling R\$ 43,657 (R\$ 128,271, adjusted up to March 2020), including fines and interest on arrears. The objection and appeals filed by the company with the Municipal Board of Taxes of São Paulo were in the last resort and irrevocably considered as being without merit. The Municipality filed a tax foreclosure and the Company 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 on the requests for clarification. In the third quarter of 2018, the Bank received another assessment notice regarding the same matter for the 2013-2015 period, whose principal, plus fine and interest, totaled R\$ 4,227 (R\$ 6,167, adjusted up to March 2019).

During 4Q13, Banco PAN S.A. received a tax assessment notice for IRPJ and CSLL for 2008 and 2009, referring to taxes levied on alleged capital gains obtained on the demutualization of the stock exchange (over-the-counter), which, with fines and interest on arrears, totaled R\$ 480 (R\$ 715, adjusted up to March 2020), in addition to the disallowance of income tax and social contribution losses from those periods. The Bank is waiting the result of the diligence requested by the Administrative Board of Tax Appeals in order for the decision on the Bank's Voluntary Appeal to be issued. 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, with fines, amounts to R\$ 6,077 (R\$ 8,883, adjusted up to March 2020). Another assessment notice was issued disallowing certain swap-related expenses deducted from the Social Integration Program (PIS) and Social Contribution on Revenues (COFINS), the adjusted principal of which, with fines, amounts to R\$ 3,320 (R\$ 4,604, adjusted up to March 2019). Both processes 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 has been postponed as requested by the Administrative Board of Tax Appeals.

During the last quarter of 2016, Banco PAN S.A. received a tax assessment notice for alleged non-payment of social security contributions on profit sharing paid to its employees from January to October 2012, amounting to R\$ 3,099 (R\$ 3,655, adjusted up to March 2020), including fines and interest on arrears. The matter is awaiting judgment on the administrative challenge by the Regional Branch of the Brazilian Federal Revenue Service (RFB).

During the last quarter of 2017, the RFB issued three tax assessment notices against Banco PAN S.A. through which tax claims were constituted for: (i) social security, mainly on profit sharing distributed 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 (R\$ 116,954, adjusted up to March 2020). In the first case, the Voluntary Appeal of the Bank at the Administrative Board of Tax Appeals was determined to be without merit. As a result, the Bank filed a Special

Appeal, which is currently pending judgment. The other proceedings are at the Administrative Board of Tax Appeals, awaiting the final judgment of the Voluntary Appeals of the Bank.

During the third quarter of 2019, Banco PAN S.A. received a tax assessment notice regarding the collection of IRPJ and CSLL for 2014, referring to an alleged over deduction of expenses in the payment of PIS and COFINS in the period, of R\$ 21,697 (R\$ 21,969, adjusted up to March 2020), including fines and interest on arrears. The proceeding is at the Administrative Board of Tax Appeals, awaiting the final judgment of the Voluntary Appeal of the Bank.

In the fourth quarter of 2019, the Brazilian Federal Revenue service issued a Tax Assessment Notice against Banco Pan S.A., with respect to the tax credit arising from goodwill that allegedly incorrectly amortized and, consequently, not added back to the IRPJ and CSLL calculation base. The Notice relates to 2015-2016 and amounts to R\$ 8,046, plus fines and interest on arrears, as adjusted up to December 2019 (R\$ 8,128 adjusted up to March 2020). The matter is awaiting judgment on the administrative challenge by the Regional Branch of the Brazilian Federal Revenue Service (RFB).

In addition to the administrative proceedings above, the Bank and its investees are also parties to legal and administrative proceedings regarding incorrect tax offsetting using tax credits. In March 2020, the adjusted balance was approximately R\$ 174,851.

20) Current tax obligations

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Taxes and contributions on income	43,600	278,193	45,156	292,562
Social Contribution on Revenues (COFINS)	10,938	19,645	11,221	20,039
Taxes and contributions on salaries	17,358	15,164	17,451	15,216
Withholding tax at source on payments to third parties	18,066	9,052	18,102	9,107
Social Integration Program (PIS)	1,777	3,192	1,832	3,265
Service Tax (ISS)	1,432	1,824	1,468	1,863
Withholding tax on fixed-income securities	394	1,007	394	1,007
Total	93,565	328,077	95,624	343,059
Current	93,565	328,077	95,624	343,059

21) Other sundry liabilities

	Bank		Consolidated	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Provisions and payments due	1,205,116	1,230,174	1,206,163	1,230,736
Collections	82,236	118,017	82,477	118,258
Credit card operations	34,220	30,570	34,220	30,570
Negotiation and intermediation of receivables	28,473	16,238	32,312	20,481
Collection of taxes and similar charges	6,005	7,176	6,005	7,176
Amounts payable to related parties	8,187	14,669	7,604	13,268
Third-party funds in transit	18	247	18	247
Specific consortium amounts	-	-	10,757	7,757
Other	71,779	72,936	73,493	74,694
Total	1,436,034	1,490,027	1,453,048	1,503,187
Current	1,424,817	1,477,806	1,440,962	1,490,073
Non-current	11,217	12,221	12,086	13,114

22) Equity

a) Composition of capital - number of shares:

Total subscribed and fully paid-up capital at 3/31/2020 amounted to R\$ 4,175,222 (12/31/2019 - R\$ 3,653,410).

The nominative registered shares with no par value are shown below (in thousands of shares).

	3/31/2020	12/31/2019
Common	657,561	657,561
Preferred	547,495	547,495
Total	1,205,056	1,205,056

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 can be formed, in accordance with a proposal of the Board of Directors, 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:

	3/31/2020	% (1)	3/31/2019	% (1)
Profit	170,558		96,107	
(-) Legal reserve	(8,528)		(4,805)	
Calculation basis	162,030		91,302	
Interest on capital (gross) provisioned	66,718		37,595	
Withholding Income Tax related to interest on capital	(10,008)		(5,639)	
Interest on capital (net) provisioned	56,710	35.0%	31,956	35.0%

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

23) Income from services rendered

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Credit operations	52,088	47,702	52,094	47,709
Credit cards	29,621	27,927	29,621	27,927
Business intermediation	19,614	13,808	19,614	13,808
Consortium plan management	-	-	5,192	6,927
Other	2,520	2,664	2,591	2,797
Total	103,842	92,101	109,111	99,168

24) Personnel expenses

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Payroll	90,113	66,597	90,400	66,814
Social charges	24,170	20,197	24,247	20,267
Benefits (Note 32)	21,430	17,607	21,509	17,682
Fees (Note 30.b)	2,086	6,339	2,086	6,339
Other	2,183	1,368	2,183	1,368
Total	139,982	112,108	140,425	112,470

25) Other administrative expenses

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Commissions payable to correspondent banks	321,547	231,782	323,093	233,603
Third-party services	76,880	67,805	80,171	72,210
Data processing	70,685	45,167	70,749	45,199
Financial system services	50,425	31,903	50,627	32,092
Rentals	17,838	12,153	17,935	12,246
Communication	13,619	11,532	13,658	11,581
Depreciation and amortization	15,760	6,356	15,772	6,367
Advertising, promotions and publicity	20,557	10,156	20,566	10,265
Asset search and seizure expenses	5,846	6,802	5,846	6,805
Transportation	1,387	1,244	1,390	1,247
Maintenance and conservation of property	1,993	1,176	1,994	1,179
Fees and emoluments	1,027	1,102	1,189	1,230
Travel	1,165	944	1,165	944
Water, power and gas	649	695	650	697
Consumption materials	434	217	434	217
Other	8,921	7,089	9,423	7,629
Total	608,733	436,123	614,662	443,511

26) Tax expenses

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Social Contribution on Revenues (COFINS)	39,732	32,641	40,597	33,994
Social Integration Program (PIS)	6,456	5,304	6,623	5,560
Services Tax (ISS)	4,813	4,228	4,921	4,374
Taxes and charges	1,309	1,089	1,510	1,728
Total	52,310	43,262	53,651	45,656

27) Expenses with provisions

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Constitution/reversal of provision for civil proceedings	(28,606)	(42,974)	(29,084)	(44,340)
Constitution/reversal of provision for labor proceedings	(11,722)	28,861	(11,920)	29,070
Constitution/reversal of provision for tax proceedings	(14)	(114)	(513)	38
Total	(40,342)	(14,227)	(41,517)	(15,232)

28) Other operating income and expenses

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Recovery of charges and expenses (1)	32,210	65,124	32,367	65,839
Indexation/foreign exchange variations	8,421	7,637	8,771	8,111
Residual benefit in securitized transactions	-	-	327	141
Assignment of loans	(111,514)	(358,554)	(111,514)	(358,554)
Discounts granted	(24,108)	(7,372)	(24,108)	(7,372)
Losses on loan/financing operations and frauds	(11,103)	(11,941)	(11,103)	(11,941)
Liens	(7,482)	(5,857)	(7,496)	(5,880)
Amortization of goodwill (Note 15.b)	(5,983)	(5,983)	(6,263)	(6,263)
Other	(1,753)	552	(855)	1,289
Total	(121,312)	(316,394)	(119,874)	(314,630)

(1) Includes the recovery of PIS and COFINS credits calculated on commission expenses.

29) Other non-operating income and expenses

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Disposal of other assets	(665)	(11,146)	(810)	(11,348)
Reversal/devaluation of provision of other assets	(462)	3,873	(356)	3,983
Total	(1,127)	(7,273)	(1,166)	(7,365)

30) 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	Maximum term	3/31/2020	12/31/2019	3/31/2020	3/31/2019
		Assets (liabilities)	Assets (liabilities)	Revenue (expenses)	Revenue (expenses)
Short-term interbank investments (a)					
Banco BTG Pactual S.A.	4/1/2020	750,000	1,160,000	11,869	3,962
Caixa Econômica Federal	-	-	450,000	216	213
Loan assignments (b)					
Caixa Econômica Federal	No term	2,106,183	2,036,099	181,901	230,355
Other credits					
Caixa Econômica Federal	No term	11,267	19,814	-	-
,Too Seguros S.A.	No term	281	6,755	-	-
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	5,476	6,453	-	-
Brazilian Securities Companhia de Securitização (c) (d)	No term	21	19	-	-
Pan Administradora de Consórcio Ltda.(c) (d)	No term	496	1,596	-	-
Brazilian Finance & Real Estate S.A. (c) (d)	No term	303	301	-	-
Brazilian Finance & Real Estate S.A. (c) (d)	No term	4,690	4,690	-	-
Demand deposits (e)					
,Too Seguros S.A.	No term	(406)	(382)	-	-
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	(341)	(341)	-	-
Pan Administradora de Consórcio Ltda.	No term	(3)	(1)	-	-
Pan Arrendamento Mercantil S.A.	No term	(23)	(16)	-	-
BM sua Casa Promotora de Vendas Ltda.	No term	(28)	(5)	-	-
Brazilian Finance & Real Estate S.A.	No term	(1)	(2)	-	-
Brazilian Securities Companhia de Securitização	No term	(3)	(8)	-	-
Brazilian Securities Companhia de Securitização	No term	(7)	(9)	-	-
Interbank deposits (f)					
Banco BTG Pactual S.A.	4/17/2020	(9,177,445)	(8,215,331)	(95,170)	(123,384)
Caixa Econômica Federal	6/29/2020	(1,063,626)	(190,000)	(7,032)	(1,629)
Pan Arrendamento Mercantil S.A.	1/23/2023	(7,850,861)	(7,762,156)	(85,485)	(117,845)
Pan Arrendamento Mercantil S.A.	1/23/2023	(262,958)	(263,175)	(2,653)	(3,910)
Time deposits (g)					
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	3/2/2023	(377,794)	(352,509)	(3,773)	(4,924)
Pan Administradora de Consórcio Ltda.	12/14/2022	(32,729)	(17,145)	(325)	(146)
Brazilian Securities Companhia de Securitização	12/14/2022	(55,644)	(50,300)	(542)	(693)
Brazilian Finance & Real Estate S.A.	3/13/2023	(157,387)	(155,452)	(1,581)	(2,235)
BM sua Casa Promotora de Vendas Ltda.	3/13/2023	(101,258)	(98,910)	(1,015)	(1,403)
Key management	3/6/2023	(29,950)	(29,007)	(296)	(405)
Key management	12/19/2022	(826)	(1,695)	(14)	(42)
Liabilities for purchase and sale commitments					
Banco BTG Pactual S.A.	-	(14,525)	(8,951)	(131)	(2,199)
Caixa Econômica Federal	-	(7,502)	-	(37)	(2,013)
Pan Administradora de Consórcio Ltda.	2/28/2023	-	(900)	(18)	(56)
Pan Administradora de Consórcio Ltda.	2/28/2023	(7,023)	(8,051)	(76)	(130)
Funds from real estate and agribusiness letters of credit and financial bills (h)					
Key management	8/7/2020	(276)	(377)	(3)	(50)
Key management	8/7/2020	(276)	(377)	(3)	(50)
Derivative financial instruments (i)					
Banco BTG Pactual S.A.	7/1/2020	624,538	185,694	365,312	24,631
Banco BTG Pactual S.A.	7/1/2020	624,538	185,694	365,312	24,631

Other obligations		(8,186)	(14,668)	-	-
,Too Seguros S.A.	No term	(7,604)	(13,268)	-	-
Brazilian Finance & Real Estate S.A.	No term	(404)	(494)	-	-
Brazilian Securities Companhia de Securitização	No term	(174)	(904)	-	-
Pan Arrendamento Mercantil S.A.	No term	(4)	(2)	-	-
Income from services rendered (j)		-	-	19,683	14,124
,Too Seguros S.A.	-	-	-	19,587	13,780
Pan Administradora de Consórcio Ltda.	-	-	-	-	3
Caixa Econômica Federal	-	-	-	96	341
Personnel expenses		-	-	(75)	(63)
,Too Seguros S.A.	-	-	-	(75)	(63)
Other administrative expenses		-	-	(11,117)	(5,780)
,Too Seguros S.A.	-	-	-	(1,381)	(1,410)
Banco BTG Pactual S.A.	-	-	-	(1,436)	(862)
BTG Pactual Corretora	-	-	-	(26)	(26)
Tecban S.A.	-	-	-	(222)	(187)
Interbank Payment Chamber	-	-	-	(8,052)	(3,295)
Income from loan assignments		-	-	-	151,650
Caixa Econômica Federal	-	-	-	-	151,650

(a) Refer 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 12/31/2020, of which: R\$ 3,347 relates to Brazilian Finance & Real Estate S.A., R\$ 251 to Brazilian Securities Companhia de Securitização, and R\$ 298 to Pan Administradora de Consórcio Ltda.

(d) Balance 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. Balance accrued of R\$ 245, substantially related to the amounts received from several borrowers referring to credit operations acquired from Brazilian Securities Companhia de Securitização;

(e) Refer to the outstanding balances of current accounts of related parties 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 made at the Bank.

(h) Refer to funds raised through agribusiness and real estate letters of credit and financial bills with average rates of 104.55% 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	Maximum term	3/31/2020	12/31/2019	3/31/2020	3/31/2019
		Assets (liabilities)	Assets (liabilities)	Revenue (expenses)	Revenue (expenses)
Available funds (a)		146	1,260	-	-
Caixa Econômica Federal	4/1/2020	146	1,260	-	-
Interbank investments (b)		750,000	1,160,000	11,869	3,962
Banco BTG Pactual S.A.	4/1/2020	750,000	710,000	11,653	3,749
Caixa Econômica Federal	-	-	450,000	216	213
Loan assignments (c)		2,106,183	2,036,099	181,901	230,355
Caixa Econômica Federal	No term	2,106,183	2,036,099	181,901	230,355
Other credits		5,778	13,227	-	-
Caixa Econômica Federal	No term	281	6,755	-	-
,Too Seguros S.A.	No term	5,476	6,453	-	-
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	21	19	-	-
Demand deposits (d)		(344)	(342)	-	-
,Too Seguros S.A.	No term	(341)	(341)	-	-
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	No term	(3)	(1)	-	-

Interbank deposits (e)		(8,914,487)	(7,952,156)	(92,517)	(119,474)
Banco BTG Pactual S.A.	4/17/2020	(1,063,626)	(190,000)	(7,032)	(1,629)
Caixa Econômica Federal	6/29/2020	(7,850,861)	(7,762,156)	(85,485)	(117,845)
Time deposits (f)		(33,555)	(18,840)	(339)	(188)
Pan Adm. e Corret. de Seg.de Prev. Privada Ltda.	3/2/2023	(32,729)	(17,145)	(325)	(146)
Key management	12/19/2022	(826)	(1,695)	(14)	(42)
Liabilities for purchase and sale commitments		(7,502)	(900)	(55)	(2,069)
Banco BTG Pactual S.A.	4/1/2020	(7,502)	-	(37)	(2,013)
Caixa Econômica Federal	-	-	(900)	(18)	(56)
Funds from real estate and agribusiness letters of credit and financial bills (g)		(276)	(377)	(3)	(50)
Key management	8/7/2020	(276)	(377)	(3)	(50)
Derivative financial instruments (h)		624,538	185,694	365,312	24,631
Banco BTG Pactual S.A.	7/1/2020	624,538	185,694	365,312	24,631
Other obligations		(7,604)	(13,268)	-	-
,Too Seguros S.A.	No term	(7,604)	(13,268)	-	-
Income from services rendered (i)		-	-	19,683	14,121
,Too Seguros S.A.	-	-	-	19,587	13,780
Caixa Econômica Federal	-	-	-	96	341
Personnel expenses		-	-	(75)	(63)
,Too Seguros S.A.	-	-	-	(75)	(63)
Other administrative expenses		-	-	(11,117)	(5,780)
,Too Seguros S.A.	-	-	-	(1,381)	(1,410)
Banco BTG Pactual S.A.	-	-	-	(1,436)	(862)
BTG Pactual Corretora	-	-	-	(26)	(26)
Tecban S.A.	-	-	-	(222)	(187)
Interbank Payment Chamber	-	-	-	(8,052)	(3,295)
Income from loan assignments		-	-	-	151,650
Caixa Econômica Federal	-	-	-	-	151,650

(a) Refer to current accounts of Brazilian Securities Companhia de Securitização, BM sua Casa Promotora de Vendas Ltda., and Brazilian Mortgages Companhia Hipotecária.

(b) Refer to the Bank's investments 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 related parties 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 made 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 104.55% of the CDI.

(h) Refer to swaps.

(i) Refer to the commission paid to the Bank for insurance intermediation.

b) Key management remuneration:

At the Extraordinary General Meeting held on 5/22/2019, a remuneration ceiling for the PAN Conglomerate Officers for the year 2019 was approved (irrespective of the year in which the amounts are paid), of R\$ 25,385 (R\$ 22,423 in 2018).

Short-term benefits provided to management (1)

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Fee expenses (Note 24)	2,086	6,339	2,086	6,339
Social security contributions (INSS)	469	1,426	469	1,426
Total	2,555	7,765	2,555	7,765

(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 provides credit operations with related parties, only at comparable market conditions, including related limits, interest rates, grace periods, maturities and required guarantees. Criteria are approved to classify these operations according to their risks for purposes of constituting the allowance for probable losses, without additional or differentiated benefits in relation to the operations carried out with other customers with the same profile.

31) Financial Instruments

• Risk management

The Bank has exposure in assets and liabilities involving 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 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 of (i) monitoring and controlling capital; (ii) assessing the need for capital to cover the potential risks to the Bank; 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 is presented below:

Calculation basis - Basel index	3/31/2020	12/31/2019
Tier I reference equity	3,203,673	2,499,049
Core capital	3,203,673	2,499,049
Tier II reference equity	8,575	8,455
Reference equity for comparison with risk-weighted assets (RWA)	3,212,248	2,507,504
Reference equity	3,203,673	2,507,504
- Credit risk	18,105,381	17,299,562
- Market risk	5,417	4,742
- Operating risk	2,396,522	2,309,501
Risk-weighted assets (RWA)	20,507,320	19,613,805
Basel index	15.66%	12.78%
Tier I	15.62%	12.74%
Tier II	0.04%	0.04%

- **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 Bank.

- **Market risk**

This risk related to the possibility of losses arising from rate volatility 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 realized 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 structured operations arising from the business lines of the organization and any related hedges.

Sensitivity analysis:

Risk factors	Trading and Banking Portfolio exposures subject to variation:	SCENARIOS (*)		
		(1) Probable	(2) Possible	(3) Remote
Interest rates	Fixed interest rates	(35)	(3,834)	(7,863)
Coupon - other interest rates	Coupon rates of interest rates	(37)	(5,974)	(10,879)
Coupon - price index	Coupon rates of price indices	(13)	(3,347)	(6,062)
Foreign currency	Foreign exchange rates	(11)	(271)	(542)
Foreign exchange coupon	Foreign exchange coupon rates	(1)	(88)	(176)
Total at 3/31/2020		(97)	(13,514)	(25,522)
Total at 12/31/2019		(200)	(37,117)	(74,675)

(*) Amounts gross of taxes.

The sensitivity analysis was effected based on the market data for the last day in March 2020, always 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% scenarios stress factor (upward or downward) was applied to the forward interest rate structure in all scenarios/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% stress factor was applied to the effective price.

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

Scenario 3: a 50% stress factor (increase or decrease) was applied to the rates (application of the 1.50 multiplier). 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) are for 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 3/31/2020 and 12/31/2019 are presented below:

Liabilities - U.S. dollar	3/31/2020	12/31/2019
Subordinated debts	2,468,431	1,876,865
Total	2,468,431	1,876,865

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 3/31/2020 and 12/31/2019, the position of derivative financial instruments, in foreign currency, was as follows:

	Notional value		Market value	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Purchased position - U.S. Dollar				
Swap	1,149,264	1,149,264	2,486,211	1,908,691
Total	1,149,264	1,149,264	2,486,211	1,908,691
Sold position - U.S. dollar				
DOL	2,601	2,011	2,601	2,011
Total	2,601	2,011	2,601	2,011

- **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 operations and without incurring significant losses; and 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 normally transacted or some market interruptions.

The liquidity position, mismatching of primary risk factors, and of 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 analyses of liquidity gaps 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 the legal provisions and indemnities for damages to third parties arising from the activities carried out by the Bank.

The operating risk management structure is comprised of the Conglomerate'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 Conglomerate'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 website: www.bancopan.com.br/ri "Risk Management Report".

- **Market value**

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

Consolidated	3/31/2020			12/31/2019		
	Net book value	Market value	Unrealized profit (loss)	Net book value	Market value	Unrealized profit (loss)
Marketable securities	1,864,911	1,883,324	18,413	2,087,652	2,129,484	41,832
- Trading securities	261,357	261,357	-	359,782	359,782	-
- Available-for-sale securities	838,390	838,390	-	986,659	986,659	-
- Securities held to maturity	765,164	783,577	18,413	741,211	783,043	41,832
Credit operations	24,950,630	28,834,305	4,083,715	23,628,092	26,962,845	3,334,753
Interbank deposits	9,296,702	9,293,532	3,170	8,365,928	8,395,004	(29,076)
Time deposits	10,970,134	12,539,917	(1,569,783)	11,367,477	13,042,521	(1,675,044)
Funds from issuance of securities	1,880,605	1,894,741	(14,136)	1,868,324	1,888,784	(20,460)
Subordinated debts	2,477,006	2,478,951	(1,945)	1,885,320	1,887,098	(1,778)
Unrealized profit (loss) with no tax effects			2,519,435			1,650,227

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 at the balance sheet date for equivalent instruments to the existing assets and liabilities.

32) Employee Benefits

In line with best market practices, 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 period ended 3/31/2020, the benefit expenses amounted to R\$ 21,430 and R\$ 21,509 in the Bank and in the Consolidated, respectively (R\$ 17,607 and R\$ 17,682 in the Bank and in the Consolidated, respectively, in the year ended 3/31/2019).

33) Income tax and social contribution

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

	Bank		Consolidated	
	3/31/2020	3/31/2019	3/31/2020	3/31/2019
Profit before income tax and social contribution	208,638	122,402	210,201	127,211
Total income tax and social contribution charge at the nominal rate	(82,566)	(48,961)	(94,148)	(50,039)
Effect on tax calculation:				
Equity in the results of investees	1,394	3,758	-	-
Interest on capital benefit	30,023	15,038	30,023	15,038
Other amounts (2)	13,069	3,870	17,935	3,897
Income tax and social contribution expense	(38,080)	(26,295)	(39,643)	(31,104)

(1) Standard rates: (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 institutions is calculated at the rate of 15% up to February 2020, and 20% as from 3/1/2020, pursuant to Constitutional Amendment 103/2019; and (iii) at the rate of 9% for other companies.

(2) Includes, basically, (i) the equalization of the effective social contribution rate in relation to the rate (40% in January/2020 and February/2020, and 45% as from March/2020); and (ii) the deductions of tax incentives.

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

Bank	At December 31, 2019	Constituted	Realized	At March 31, 2020
Allowance for doubtful accounts	1,258,340	144,837	(130,046)	1,273,131
Provision for civil contingencies	138,254	13,170	(13,544)	137,880
Provision for labor contingencies	94,210	8,974	(6,970)	96,214
Provision for tax contingencies	1,110	43	(37)	1,116
Provision for loss on assets not for own use	38,212	612	(404)	38,420
Mark-to-market adjustment of derivatives	-	96,598	(80,641)	15,957
Other provisions	485,083	72,887	(102,195)	455,775
Total deferred tax assets on temporary differences	2,015,209	337,121	(333,837)	2,018,493
Income tax and social contribution losses	1,282,378	5,783	(21,405)	1,266,756
Total deferred tax assets	3,297,587	342,904	(355,242)	3,285,249
Deferred tax liabilities (Note 33.e)	(13,417)	-	13,417	-
Deferred tax assets, net of deferred tax liabilities	3,284,170	392,904	(341,825)	3,285,249

Consolidated	At 12/31/2019	Constituted	Realized	At March 31, 2020
Allowance for doubtful accounts	1,271,124	144,777	(130,047)	1,285,854
Provision for civil contingencies	142,391	13,293	(13,725)	141,959
Provision for labor contingencies	97,728	9,200	(7,182)	99,746
Provision for tax contingencies	20,343	242	(37)	20,548
Provision for loss on assets not for own use	38,451	612	(421)	38,642
Mark-to-market adjustment of derivatives	10,588	101,087	(81,008)	30,667
Other provisions	485,137	73,231	(102,371)	455,997
Total deferred tax assets on temporary differences	2,065,762	342,442	(334,791)	2,073,413
Income tax and social contribution losses	1,336,206	6,351	(22,093)	1,320,464
Total deferred tax assets	3,401,968	348,793	(356,884)	3,393,877
Deferred tax liabilities (Note 33.e)	(98,654)	(96)	13,417	(85,333)
Deferred tax assets, net of deferred tax liabilities	3,303,314	348,697	(343,467)	3,308,544

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 12/31/2019. The key assumptions used for 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 1/29/2020.

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

The estimated realization of these assets is as follows:

Bank	Temporary differences		Income tax and social contribution losses		Total	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019
2020	810,036	810,036	40,885	56,507	850,921	866,543
2021	731,169	731,169	129,235	129,235	860,404	860,404
2022	324,970	324,970	257,805	257,805	582,775	582,775
2023	51,716	51,716	348,498	348,498	400,214	400,214
2024	17,569	17,569	490,333	490,333	507,902	507,902
2025	31,849	31,849	-	-	31,849	31,849
2026	5,687	5,687	-	-	5,687	5,687
2027	45,497	42,213	-	-	45,497	42,213
Total	2,018,493	2,015,209	1,266,756	1,282,378	3,285,249	3,297,587

Consolidated	Temporary differences		Income tax and social contribution losses		Total	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019
2020	818,379	816,747	42,803	58,383	861,182	875,130
2021	733,672	733,530	132,035	131,962	865,707	865,492
2022	330,174	329,911	261,020	260,933	591,194	590,844
2023	54,075	53,896	350,250	350,278	404,325	404,174
2024	27,371	27,261	491,718	491,786	519,089	519,047
2025	36,739	36,644	1,325	1,388	38,064	38,032
2026	6,097	6,096	1,475	1,555	7,572	7,651
2027	55,695	61,677	438	479	56,133	62,156
2028	-	-	450	492	450	492
2029	11,211	-	-	-	11,211	-
Total	2,073,413	2,065,762	1,281,514	1,297,256	3,354,927	3,363,018

At 3/31/2020, the present value of deferred tax assets, calculated based on the Bank's average funding rate, totaled R\$ 2,663,790 in the Bank and R\$ 2,706,124 in Consolidated (R\$ 2,605,824 in the Bank and R\$ 2,647,017 in Consolidated at 12/31/2019).

In accordance with Article 5, paragraph 2 of CVM Resolution 3,059/02, the deferred tax assets which originated from tax losses incurred by excluding the credit from excess depreciation, in the amount of R\$ 38,950 (R\$ 38,950 at 12/31/2019), are not subject to the generation of profits based on a technical study.

d) Unrecorded deferred tax assets:

At 3/31/2020, there were tax losses of approximately R\$ 230,396 and R\$ 582,737 in the Bank and Consolidated, respectively (12/31/2019 - R\$ 230,396 in the Bank and R\$ 583,211 in the Consolidated), in respect of which tax credits had not been recorded, amounting to R\$ 103,678 in the Bank and R\$ 244,614 in the Consolidated (12/31/2019 - R\$ 92,158 in the Bank and R\$ 244,805 in the Consolidated).

e) Deferred tax liabilities:

Bank	At December 31, 2019	Constituted	Realized	At March 31, 2020
Mark-to-market adjustment of derivatives	(13,417)	-	13,417	-
Total (Note 33.b)	(13,417)	-	13,417	-

Consolidated	At December 31, 2019	Constituted	Amount realized	At March 31, 2020
Adjustment to market value of marketable and other securities	(20,452)	(96)	13,417	(7,131)
Excess depreciation	(78,202)	-	-	(78,202)
Total (Note 33.b)	(98,654)	(96)	13,417	(85,333)

34) Other Information

- a) Guarantees and sureties granted totaled R\$ 316,239 at 3/31/2020 (R\$ 313,061 at 12/31/2019).
- 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 3/31/2020 and 12/31/2019, the Bank and its subsidiaries had no lease agreements for acquisitions.
- d) Agreements for the Clearance and Settlement of Liabilities - CMN Resolution 3,263/05: the Bank entered into an agreement for the clearance and settlement of liabilities in the ambit of the National Financial System (SFN), in respect of transactions with corporate entities whether or not SFN members. The objective of this resolution is to permit the compensation of credits and debits with the same counterparty, where 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.
- e) On January 20, 2015, Law 13,097 was enacted, converting Provisional Measure 656/14, which, among others, amends the rules for the tax deduction of losses on receivables for defaults on contracts as from October 8, 2014 (Art. 9, Law 9,430/96). For defaulted contracts prior to this date, the prior regulations continue to be applicable.
- f) Due to the coronavirus (COVID-19) pandemic, the bank has been adopting measures to minimize the possible impacts to its employees, customers, suppliers and, consequently, its operation. The actions considered the recommendations of the applicable authorities. Management has been constantly monitoring the developments arising from this pandemic, acting, on a timely basis, to mitigate its effects.

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 approved the parent company and consolidated financial statements for the quarter ended 3/31/2020.

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 agreed with the conclusion expressed by the auditors on the parent company and consolidated financial statements for the quarter ended 3/31/2020.

São Paulo, April 30, 2020.

BOARD OF DIRECTORS

Gregório Moreira Franco
CRC 1SP219426/O-2
ACCOUNTANT

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Report on review

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

Introduction

We have reviewed the accompanying balance sheet of Banco Pan S.A. ("Bank") as at March 31, 2020, and the related statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, as well as the consolidated balance sheet of Banco Pan S.A. and its subsidiaries ("Consolidated") as at March 31, 2020, and the related 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 and fair presentation of these parent company and consolidated interim financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN). Our responsibility is to express a conclusion on these interim financial statements 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 interim financial statements referred to above do not present fairly, in all material respects, the financial position of Banco Pan S.A. and of Banco Pan S.A. and its subsidiaries as at March 31, 2020, and the parent company financial performance and cash flows for the quarter then ended, as well as the consolidated financial performance and cash flows for the quarter then ended, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

Banco Pan S.A.

Emphasis of matter

Deferred tax assets

At March 31, 2020, Banco Pan S.A. and its subsidiaries' assets included tax credit of R\$ 3.4 billion (Note 33(b)). Management based its estimates of the recoverability of the tax credits on the forecast scenario studies approved by the Board of Directors on January 29, 2020. Macroeconomic projections and indicators of business volumes and funding costs were among the key assumptions used. The realization of the tax credits depend on the management-approved business plan goals being met. 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 interim statements of value added for the quarter ended March 31, 2020. These statements are the responsibility of the Bank's management, and are presented as supplementary information. These statements were submitted to the review procedures performed in respect of the interim accounting information for the purpose of concluding whether they were reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria defined in this accounting standard, and in a consistent manner in relation to the parent company and consolidated interim accounting information taken as a whole.

São Paulo, April 30, 2020

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

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

