

1Q17

Earnings Results

Banco
PAN

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

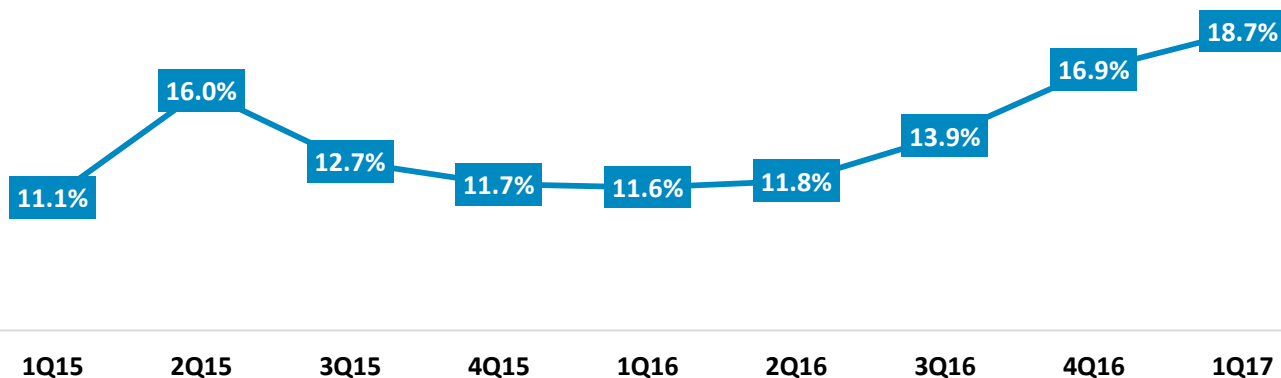
Risks and uncertainties related to the bank's businesses, to the competitive and market environment, to the macro-economical conditions and other factors described in "Risk Factors" in the Reference Form, filed with the Comissão de Valores Mobiliários, may cause effective results to differ materially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

- ✓ **Retail credit origination monthly average of R\$ 1,894 million** in 1Q17, R\$ 1,825 million in 4Q16 and R\$ 1,486 million in 1Q16;
- ✓ The **Credit Portfolio** ended 1Q17 at **R\$ 20.1 billion**;
- ✓ The credits rated between **“AA” and “C”**, according to the BACEN Resolution n. 2,682, represented 93.3% of the Retail Credit Portfolio;
- ✓ The **Managerial Net Interest Margin** was **18.7%** in 1Q17;
- ✓ **Net Income of R\$ 3.7 million** in 1Q17 compared to Net Income of R\$ 196.8 thousand in 4Q16 and Loss of R\$ 96.1 million in 1Q16; and
- ✓ **Shareholders' Equity** ended 1Q17 at **R\$ 3,418 million**.

Main Indicators (R\$ MM)	1Q17	4Q16	1Q16	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Total Retail Credit Origination	5,681	5,474	4,459	4%	27%
Assignments without Recourse	2,588	2,891	2,242	-10%	15%
Total Credit Portfolio	20,136	19,196	17,454	5%	15%
Retail Portfolio	16,950	16,007	13,713	6%	24%
Corporate Portfolio	3,186	3,190	3,741	0%	-15%
Total Assets	27,613	27,506	27,445	0%	1%
Funding	20,751	19,790	19,281	5%	8%
Shareholders' Equity	3,418	3,412	3,550	0%	-4%
Interest Margin	983	896	606	10%	62%
Net Results	3.7	0.2	(96.1)	-	-
Net Interest Margin (% - p.y.)	18.7%	16.9%	11.6%	1.8 p.p.	7.1 p.p.
Basel Ratio	11.3%	13.2%	14.5%	-1.9 p.p.	-3.2 p.p.
Common Equity Tier I	8.1%	9.4%	10.5%	-1.3 p.p.	-2.4 p.p.
Tier II	3.2%	3.8%	4.0%	-0.6 p.p.	-0.8 p.p.

Increase of the Interest Margin

Managerial Net Interest Margin (R\$ MM)	1Q17	4Q16	1Q16	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Income from Financial Intermediation Before ALL	995	912	605	9%	65%
(+) Exchange Rate Variation	(13)	(16)	1	20%	-
1. Interest Margin	983	896	606	10%	62%
2. Average Interest-Earning Assets	22,421	22,475	21,883	-	2%
- Average Loan Portfolio	19,379	18,681	17,253	4%	12%
- Average Securities and Derivatives	2,481	2,681	2,795	-7%	-11%
- Average Interbank Investments	561	1,113	1,835	-50%	-69%
(1/2) Managerial Net Interest Margin (% p.y.)	18.7%	16.9%	11.6%	1.8 p.p.	7.2 p.p.



Focus on quality in origination and cost control

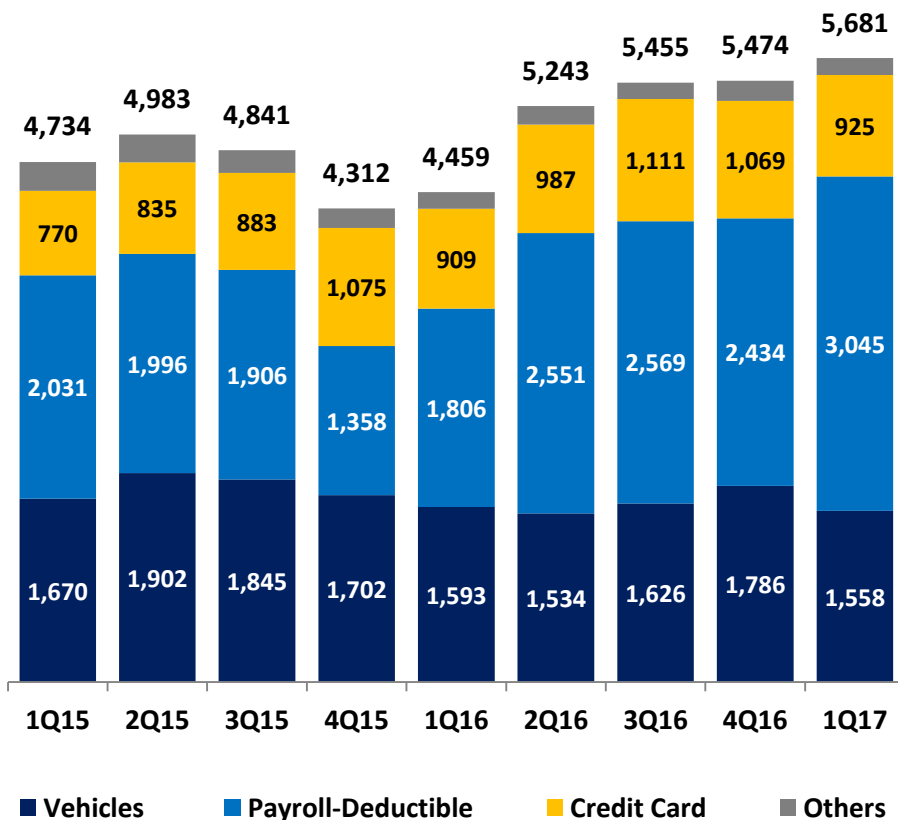
R\$ MM	1Q17	4Q16	1Q16	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Interest Margin	983	896	606	10%	62%
Credit Provisions	(328)	(306)	(296)	-7%	-11%
Gross Income from Financial Intermediation (Adjusted)	655	590	310	11%	111%
Other Operating Revenues (Expenses)	26	29	50	-9%	-48%
Administrative and Personnel Expenses	(293)	(292)	(283)	-	3%
Origination Expenses	(300)	(239)	(182)	26%	65%
Tax Expenses	(70)	(66)	(52)	-6%	-34%
Income from Operations	18	22	(157)	-18%	-
Non Operating Expenses	3.7	(21.5)	(13)	-	-
Income and Social Contribution Taxes	(18)	(0.3)	74	-	-
Net Income/ (Loss)	3.7	0.2	(96)	-	-

Retail Credit Origination

Since 2011, the monthly origination increased from R\$ 700 MM to R\$ 1.9 Bi

Quarterly Origination

(R\$ MM)



Monthly Average

(R\$ MM)

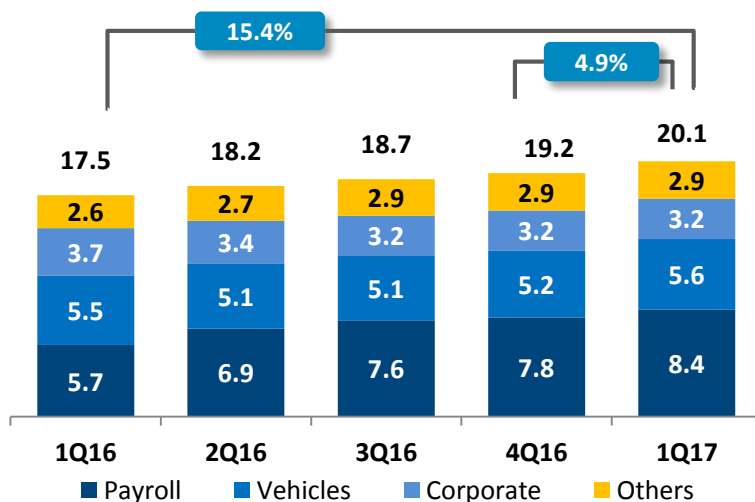
Products	1Q17	4Q16	Δ 1Q17/ 4Q16
Payroll	1,015	811	25%
Vehicles	519	595	-13%
Credit Cards	308	356	-14%
Institutional	256	294	-13%
Payroll	52	63	-17%
Others	51	61	-16%
Total	1,894	1,825	4%

Change in retained portfolio mix and expansion of the originated portfolio

R\$ MM	1Q17	Part. %	4Q16	Part. %	1Q16	Part. %	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Payroll Loans	8,435	42%	7,836	41%	5,658	32%	8%	49%
Vehicle Financing	5,572	27%	5,231	27%	5,452	32%	7%	2%
Corporate Loans	3,186	16%	3,190	17%	3,741	21%	-	-15%
Payroll Credit Cards	1,126	6%	1,072	5%	611	4%	5%	84%
Real Estate	762	4%	774	4%	897	5%	-2%	-15%
Credit Cards	340	2%	344	2%	374	2%	-1%	-9%
Others	714	3%	748	4%	720	4%	-5%	-1%
On Balance Credit Portfolio	20,136	100%	19,196	100%	17,454	100%	5%	15%

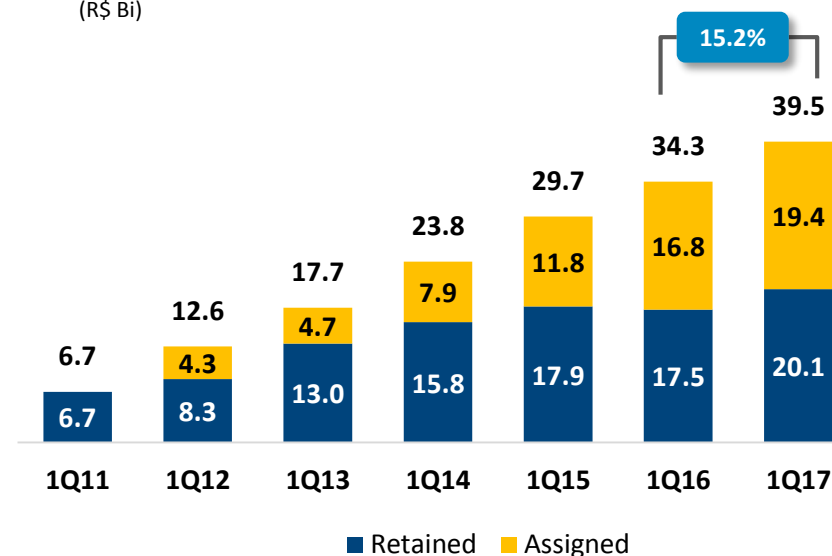
On Balance Portfolio

(R\$ Bi)



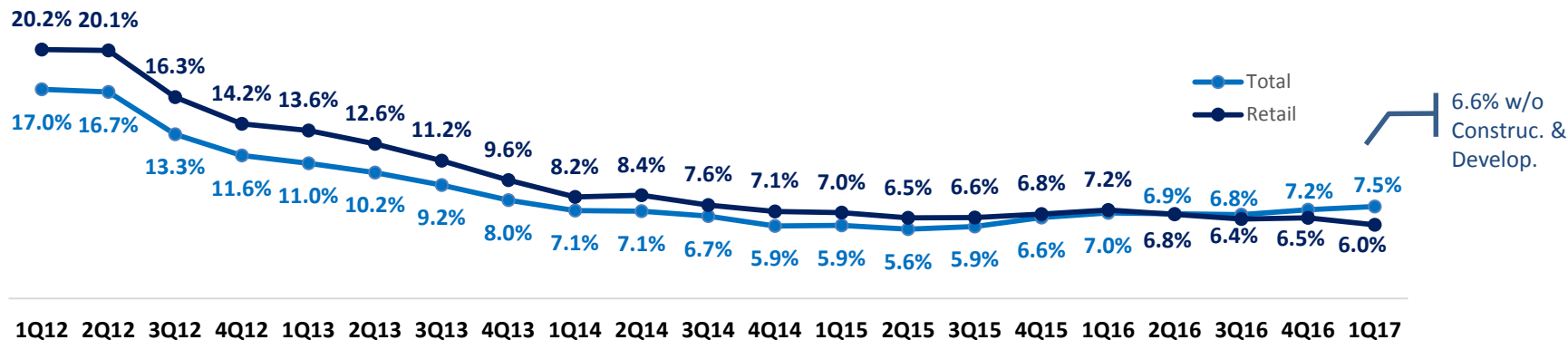
Originated Portfolio (On + Off Balance)

(R\$ Bi)



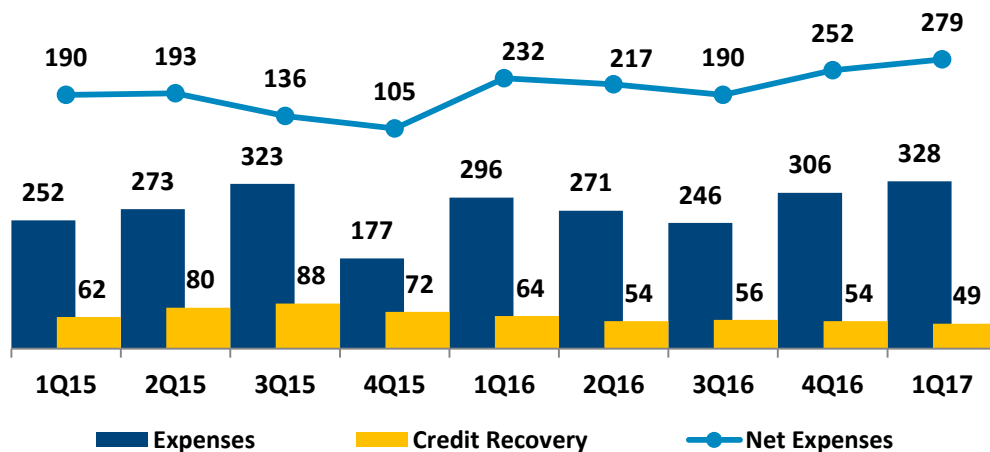
Non-performing loans over 90 days

(%)



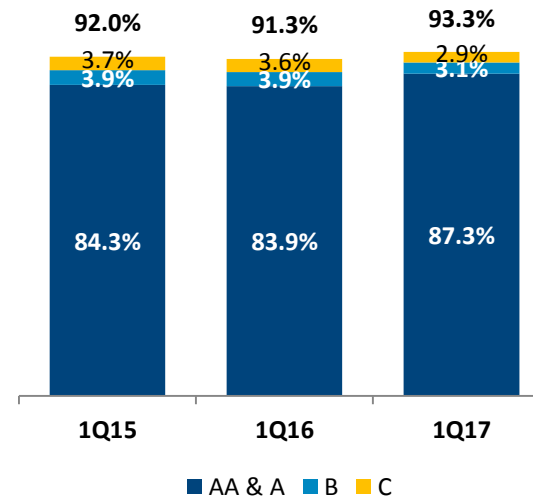
Provisioning Expenses and Credit Recovery

(R\$ MM)



Retail Credits - AA to C

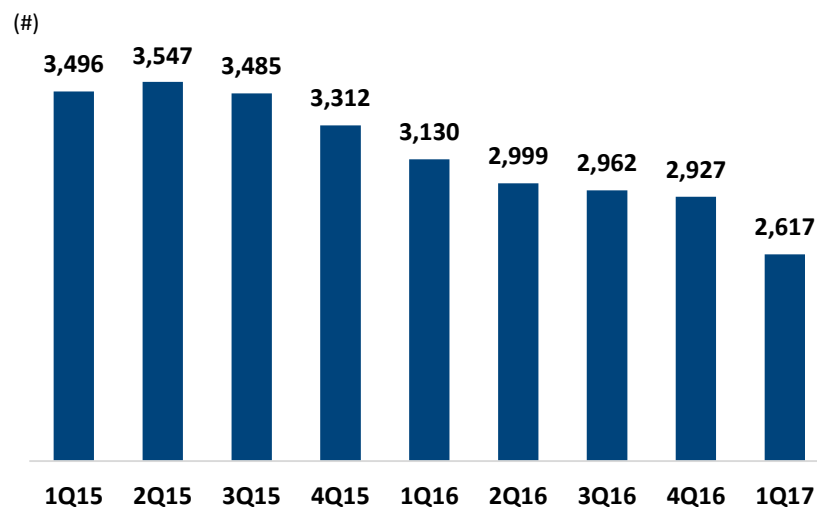
(%)



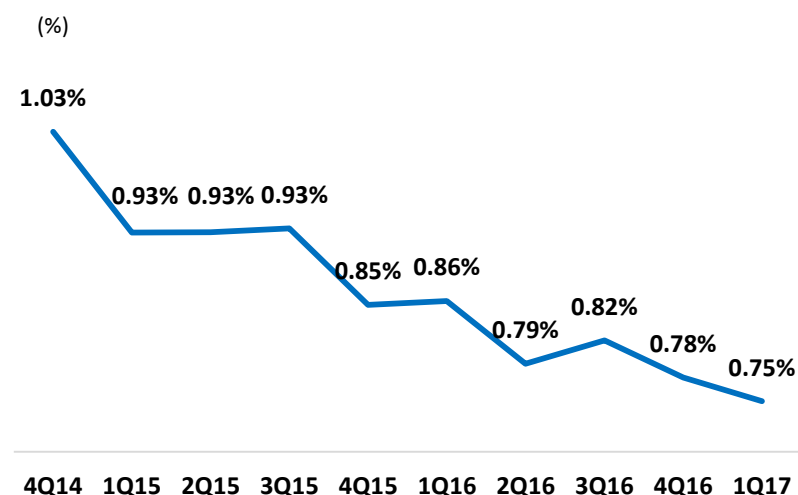
Efficiency gain and commission effects

G&A Expenses (R\$ MM)	1Q17	4Q16	1Q16	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Personnel expenses	133	130	138	2%	-4%
Administrative expenses	160	162	145	-1%	10%
1. Subtotal I	293	292	283	-	3%
Comission Expenses - BACEN Circular 3,738	152	92	54	65%	181%
Deferred Comissions and other origination expenses	148	147	128	1%	16%
2. Subtotal II - Credit Origination	300	239	182	26%	65%
3. Total (I + II)	593	531	465	12%	28%

Number of Employees

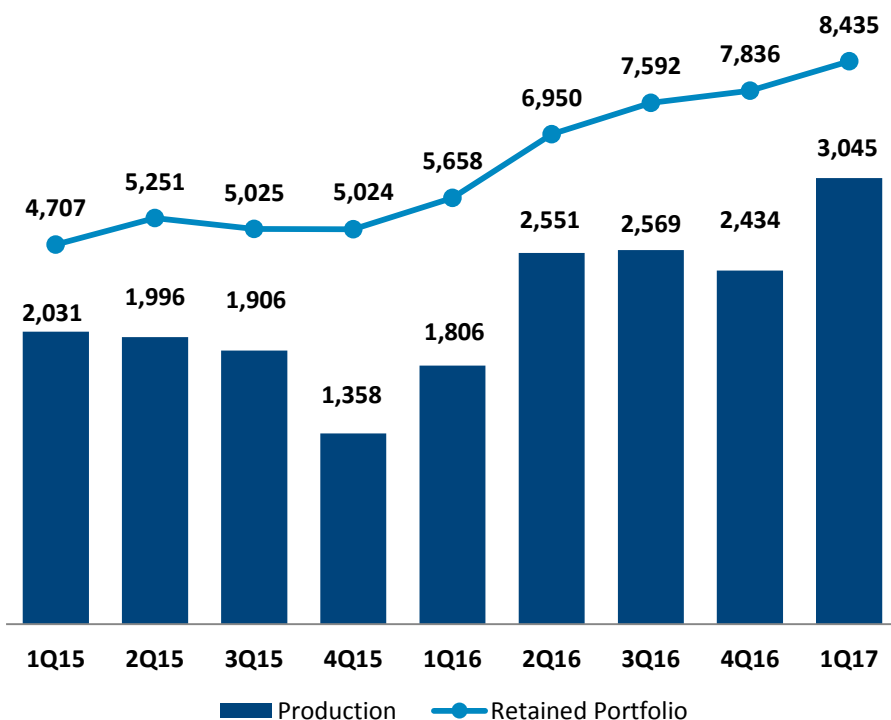


Subtotal I / Originated Portfolio



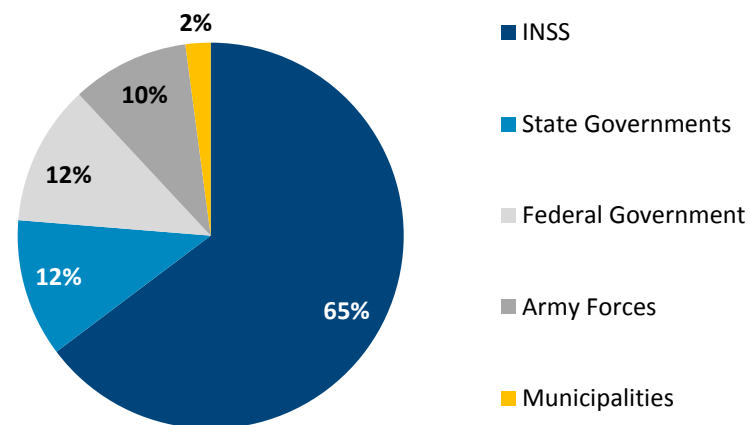
Evolution of Portfolio and Origination

(R\$ MM)



Origination by Segment (1Q17)

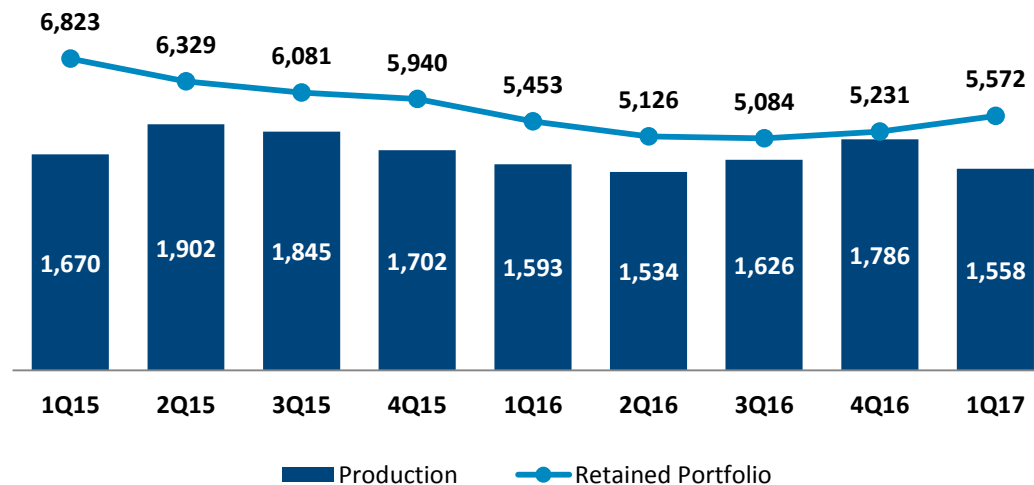
(%)



87% in federal agreements

Portfolio and Origination

(R\$ MM)



Origination Information (1Q17)

1Q17	Light-New	Light-Used	Motorcycles	Heavy
Origination (R\$ MM)	302	1.079	149	27
Market Share	4.8%*	7.2%	17.0%	4.0%
Ranking	13 ^o	5 ^o	2 ^o	4 ^o
Average Rate (p.m)	1.58%	1.93%	2.50%	2.22%
Average Tenor (month)	42	45	39	44
Downpayment	42.1%	41.9%	23.5%	45.5%

* Without automakers banks

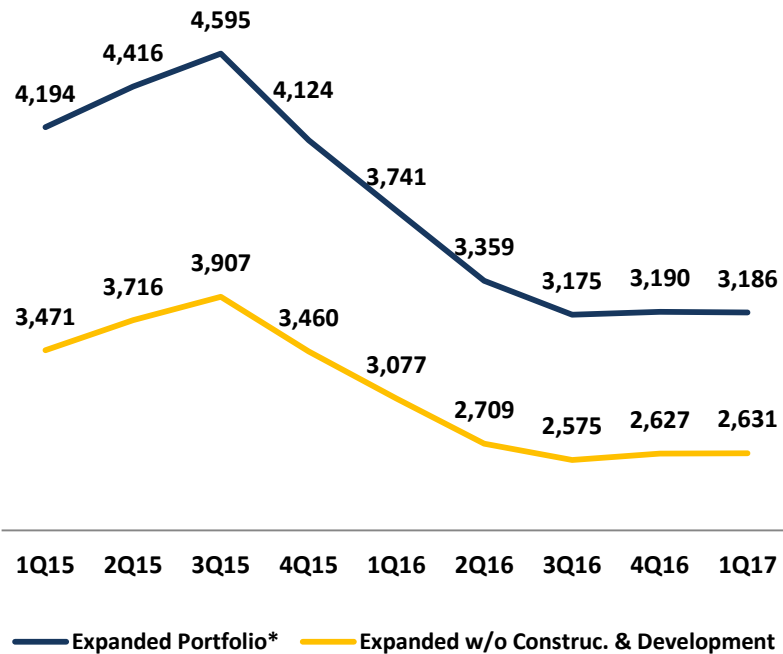
Origination by group

(%)

Groups	1Q17
Largest Group	2%
10 largest groups	8%
50 largest groups	17%

Evolution of Portfolio

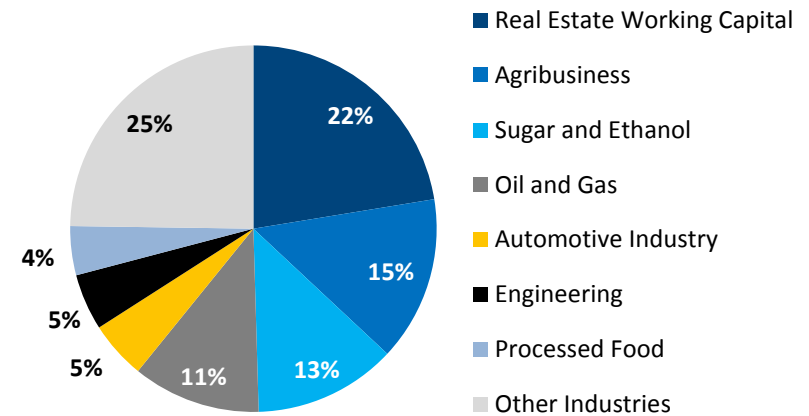
(R\$ MM)



* Including Guarantees

Corporate Loan Portfolio¹ by Industry (1Q17)

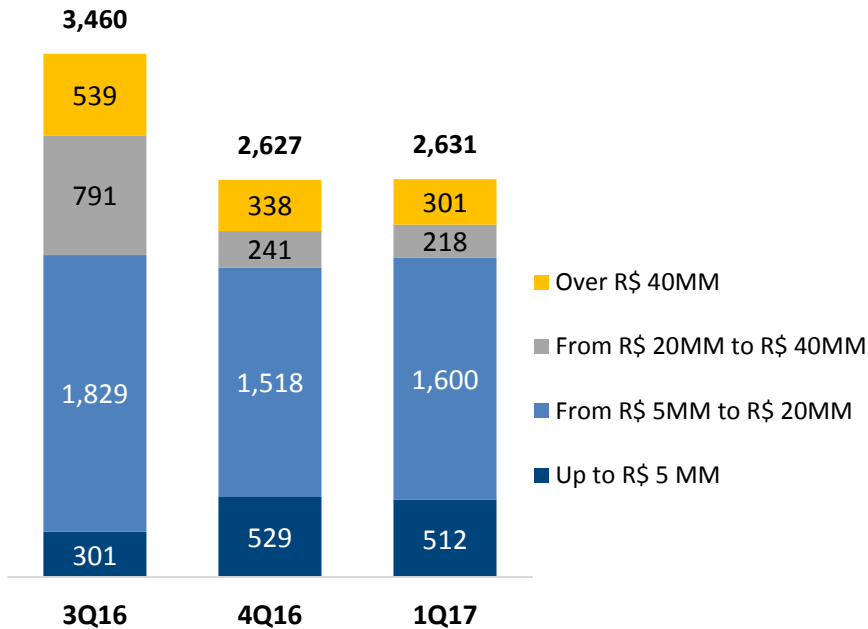
(%)



1 – without Construc. & Development

Portfolio by Ticket¹

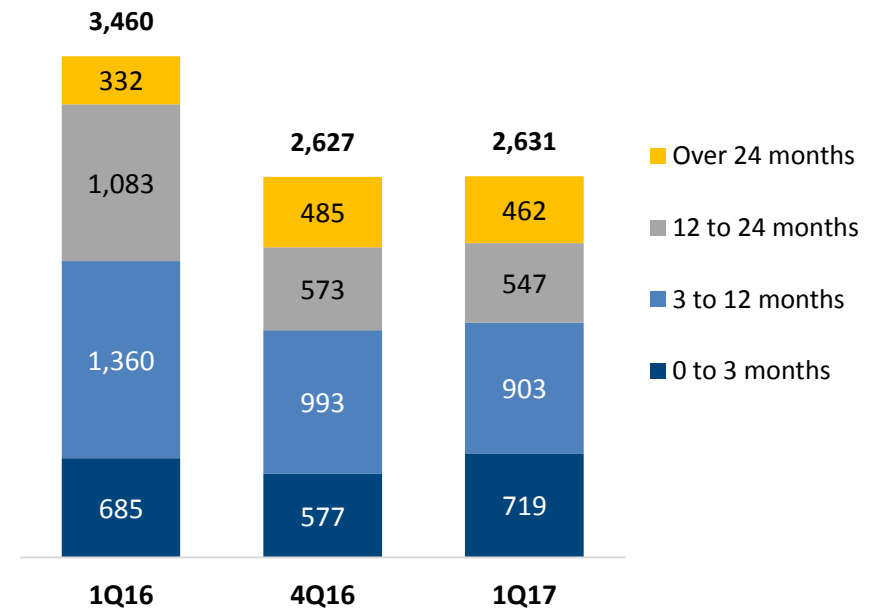
(R\$ MM)



80% below R\$ 20MM

Maturity of the Portfolio¹

(R\$ MM)



62% matures in less than 12 months

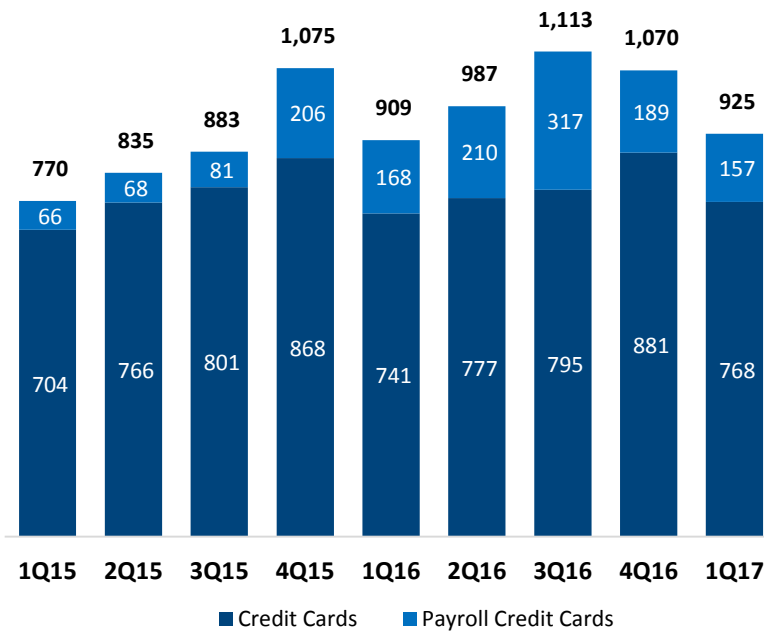
1 – without Construc. & Development

Overview

- At the end of 1Q17, Banco Pan had 2.1 million credit cards issued, which recorded R\$ 925 million in transactions during the quarter.

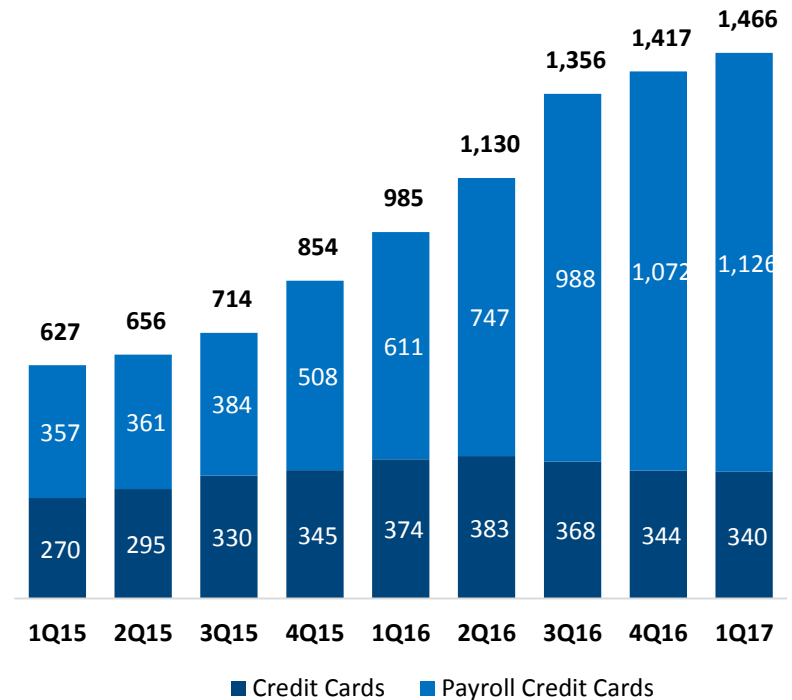
Transactions Volume

(R\$ MM)



Credit Portfolio

(R\$ MM)

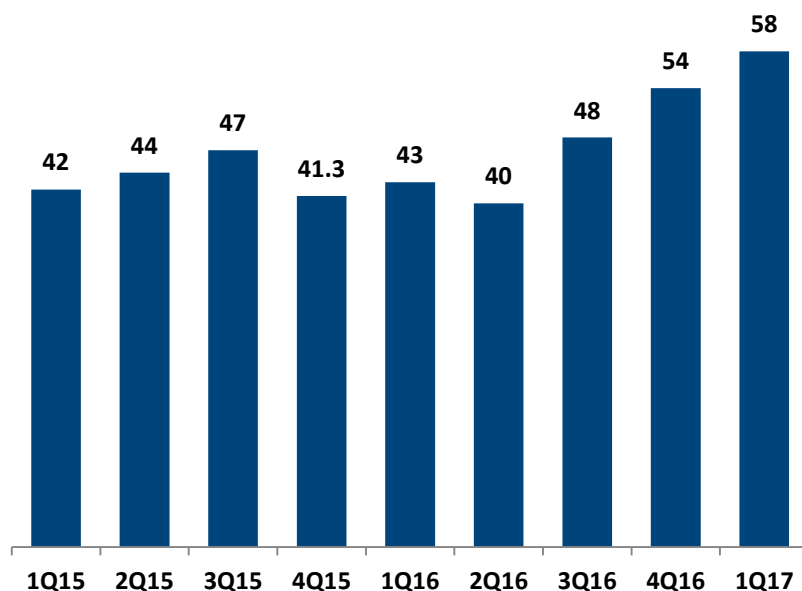


Overview

- Upon completion of the sale of Pan Seguros in Dec / 2014, Banco Pan will continue to originate premiums until 2034, receiving a service fee

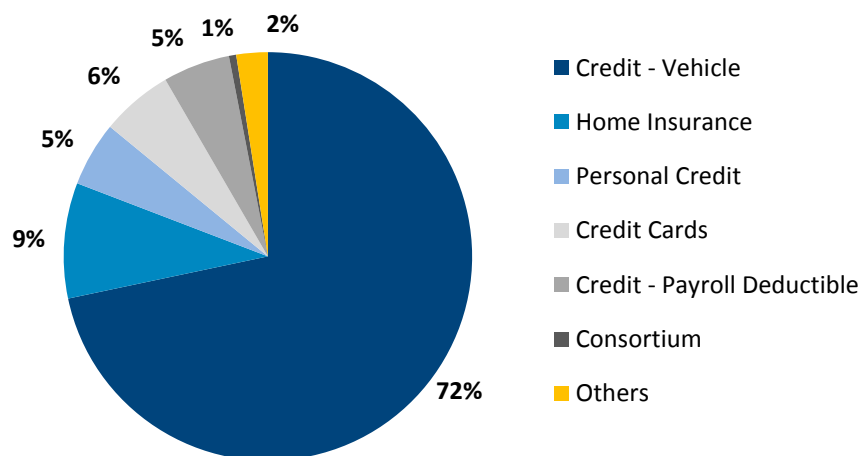
Insurance Premium – Pan’s Origination

(R\$ MM)



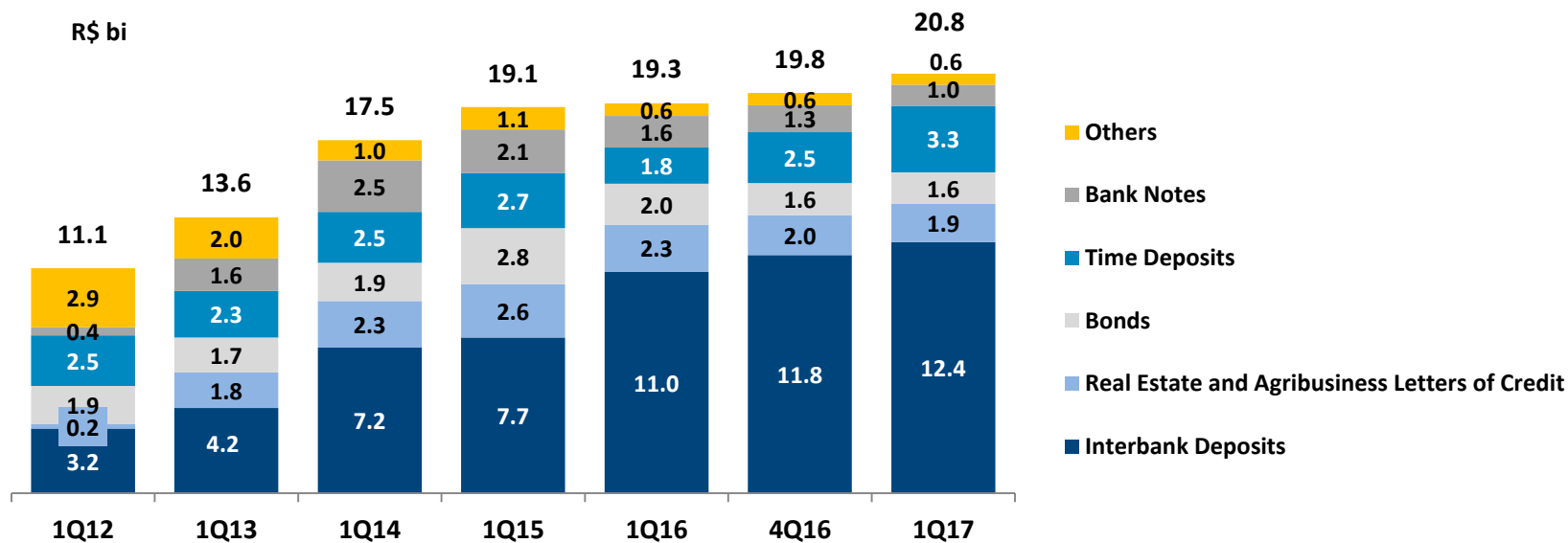
Insurance Premium – Origination by Product

(%)



Launch of new App “PAN Inwertimentos” to open an investment account

Funding Sources (R\$ MM)	1Q17	Part. %	4Q16	Part. %	1Q16	Part. %	Δ 1Q17/ 4Q16	Δ 1Q17/ 1Q16
Interbank Deposits	12,406	60%	11,766	59%	10,958	57%	5%	13%
Time Deposits	3,297	16%	2,514	13%	1,787	9%	31%	85%
Real Estate and Agribusiness Letters of Credit	1,891	9%	1,977	10%	2,314	12%	-4%	-18%
Bonds	1,566	8%	1,594	8%	2,027	11%	-2%	-23%
Bank Notes	1,038	5%	1,328	7%	1,565	8%	-22%	-34%
Others	554	3%	611	3%	630	3%	-9%	-12%
Total	20,751	100%	19,790	100%	19,281	100%	5%	8%



R\$ MM	1Q17	4Q16	1Q16
1. Reference Shareholders' Equity (PR)	2,340	2,687	2,920
Common Equity Tier I	1,678	1,908	2,116
Tier II	661	779	804
2. Required Reference Shareholders' Equity	2,172	2,133	2,118
Risk Weighted Assets	1,933	1,963	1,892
Exchange Variation Risk	1	17	4
Interest (Fixed)	52	17	99
Operational Risk	186	135	123
Basel Ratio	11.3%	13.2%	14.5%
Common Equity Tier I	8.1%	9.4%	10.5%
Tier II	3.2%	3.8%	4.0%

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1st Quarter 2017