



Investor Presentation

A photograph of three business professionals in an office setting. A man in a white shirt and glasses is on the left, looking towards a woman in a black blazer who is looking at a laptop. Another person is partially visible on the right. The scene is brightly lit, likely from a window.

Disclaimer

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

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



*01. Corporate
Overview*

Sponsorship
from strong
shareholders



Investment Bank,
Asset and Wealth
Manager with
dominant franchise in
LatAm

Assets: R\$ 137.6 bn
Equity: R\$ 18.8 bn
(Dec/2018)



Largest public bank in
LatAm

Total Assets: R\$ 1.3 tn
Equity: R\$ 81.2 bn
Credit Portfolio: R\$ 694.5 bn
(Dec/2018)

41.7%¹

41.7%¹

Banco
PAN

Free-float
16.6%

Shareholders agreement



States joint control
between Caixa² and BTG
Pactual

Long-Term commitment
(February 2027)

Businesses with shareholders



Credit assignment
without recourse

Interbank deposits

Brazilian regulation



Financial Institution
controlling shareholders
and administrators are fully
liable for uncovered
liabilities

Source: Caixa Econômica Federal and Banco BTG Pactual S.A.

² Investment through Caixa Participações S.A.(CAIXAPAR), a fully owned subsidiary of Caixa Economica Federal.

¹ Exercise of the acquisition (call) by CAIXAPAR still pending of regulatory approvals. Composition before the exercise:
(i) BTG Pactual: 50.6%; (ii) CAIXAPAR: 32.8%; (iii) Free-Float: 16.6%.



Team & Ratings

Executive Team

Skilled Senior Management with market experience

Luiz Francisco Monteiro – CEO

**Carlos Eduardo
Guimarães**
CFO-IRO

**Alex Sander
Moreira Gonçalves**
CCO

**André Luiz
Calabró**
Credit, Collection and Cyber
Security Officer

**José Luiz
Trevisan Ribeiro**
CRO and Compl. Officer

**Carlos Eduardo
Monteiro**
Legal Officer
and Ombudsman

Ratings (long term)

FitchRatings

B+ | A (br)
Stable Outlook

**STANDARD
& POOR'S**

B+ | brAA-
Stable Outlook

Other areas:

Operations and IT
Digital Banking and Partnerships
PR, Marketing and HR

PAN at a Glance

Target Audience: low-income individuals, public employees and INSS retirees/pensioners

Products



Payroll Loans

Loans and credit cards with payroll deductions to INSS Pensioners, retirees and public employees (mostly federal)



Credit Cards

Strategy focused on co-branded partnerships, digital channels and cross sell boosted by CRM



Vehicle Financing

Financing through multi-brand dealers

Mostly cars from 4 to 8 years of usage and new motorcycles



Insurance

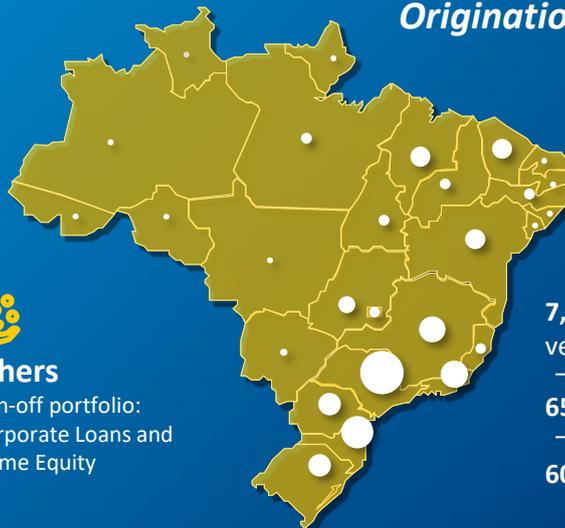
Fee business over insurance premiums originated in vehicle finance, payroll loans and credit cards



Others

Run-off portfolio:
Corporate Loans and Home Equity

Origination network



7,678 multi-brand vehicle dealers

656 brokers for payroll

60 points of service

Portfolio of 4.5 million clients and 130k new clients per month

The background of the slide is a blue-tinted photograph of a business meeting. Several people's hands are visible, some holding pens and pointing at documents on a table. A laptop keyboard is partially visible in the bottom right corner. A semi-transparent hexagonal grid pattern is overlaid on the right side of the image.

02. Operational & Financial Highlights

Financial Highlights

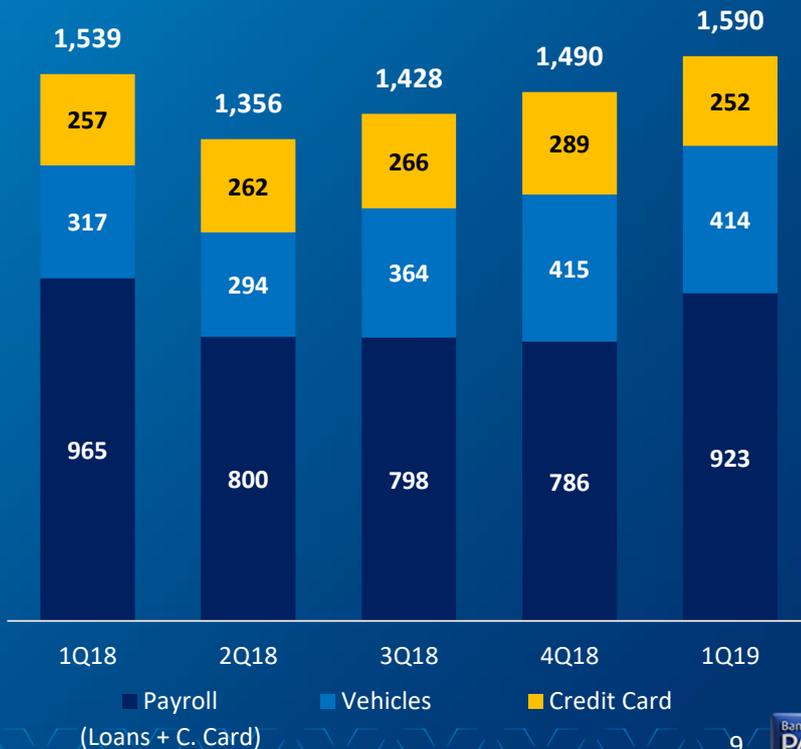
- ✓ **Net income of R\$96.1 million in 1Q19**, versus net income of R\$73.6 million in 4Q18 and R\$56.6 million in 1Q18;
- ✓ **ROE of 9.3% p.y. in 1Q19**, versus 7.2% p.y. in 4Q18 and 6.0% p.y. in 1Q18;
- ✓ **Adjusted ROE (unaudited) of 21.0% p.y. in 1Q19**, versus 17,3% p.y. in 4Q18 and 15.3% p.y. in 1Q18;
- ✓ **The Credit Portfolio ended 1Q19 at R\$21.8 billion**, moving up **6%** over the R\$ 20.6 billion in 4Q18 and **14%** over R\$ 19.1 billion in 1Q18;
- ✓ **Monthly average retail origination of R\$1,590 million in 1Q19**, up **7%** over the R\$ 1,490 million in 4Q18 and **3%** over the R\$ 1,539 million in 1Q18;
- ✓ **Managerial Net Interest Margin of 15.0% p.y. in 1Q19**, versus a margin of 15.5% p.y. in 4Q18 and 18.1% p.y. in 1Q18;
- ✓ **Shareholders' equity ended the quarter at R\$4,154 million and the Basel Ratio at 13.8%.**



**Strategic
Positioning**

Retail Credit

Monthly average origination (R\$ MM)



Credit

Portfolio

R\$ MM	1Q19	Part. %	4Q18	Part. %	1Q18	Part. %	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Payroll Deductible (Loans + Credit Card)	11,751	55%	10,824	53%	9,499	50%	9%	24%
Vehicle Financing	7,411	34%	6,980	34%	6,112	32%	6%	21%
Corporate Loans	930	4%	995	5%	1,545	8%	-6%	-40%
Credit Cards	834	4%	877	4%	872	5%	-5%	-4%
Real Estate	737	3%	802	4%	968	5%	-8%	-24%
Others	91	-	97	-	106	1%	-6%	-14%
On Balance Credit Portfolio	21,754	100%	20,574	100%	19,101	100%	6%	14%

On Balance Portfolio (R\$ Bi)

Originated Portfolio (On + Off Balance) (R\$ Bi)



■ Payroll (Loans + Credit Card) ■ Vehicles ■ Corporate ■ Credit Cards ■ Real Estate

■ Retained ■ Assigned to Caixa

Retail Credit *quality*

Machine Learning models

Unstructured Data

Intensive use of analytics

Increase in the collection through digital channels (+ 20% share)



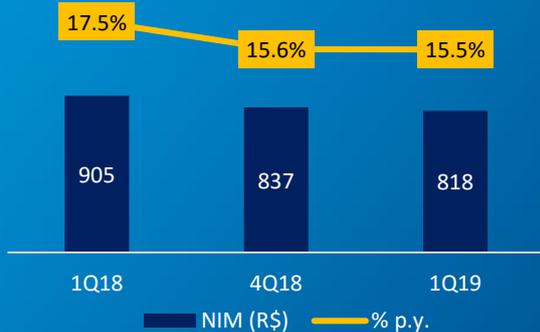
90 days NPL (%)



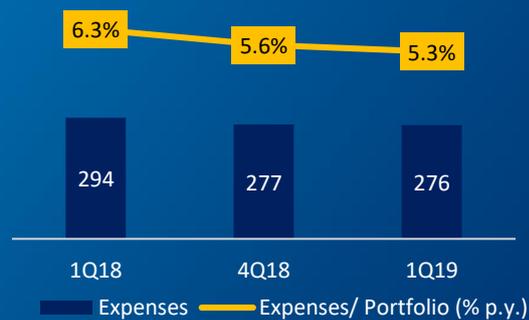
Results

Strong interest margin and increase in operations results

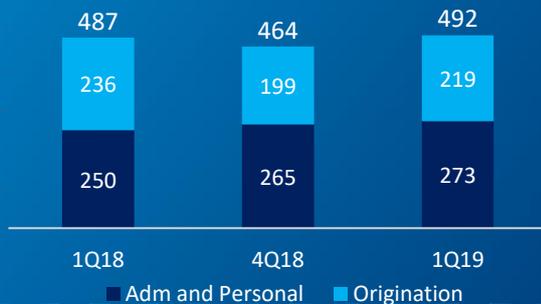
Net Interest Margin



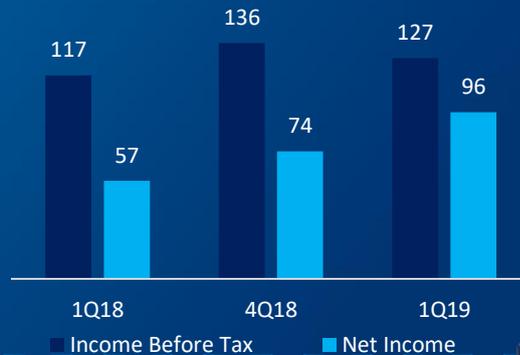
Credit Provisions



Expenses



Results



P&L Statement

Strong interest margin and increase in operations results

P&L Statement (R\$ MM)	1T19	4T18	1T18	Δ1T19/ 4T18	Δ1T19/ 4T18
Interest Margin	818	837	905	-2%	-10%
Interest Margin (% p.y.)	15.0%	15.5%	18.1%	-0.5 p.p.	-3.1 p.p.
Credit Provisions	(276)	(277)	(294)	-	-6%
Gross Income from Finan. Intermed. (Adj.)	542	560	611	-3%	-11%
Administrative & Personnel Expenses	(273)	(265)	(251)	3%	9%
Origination Expenses	(219)	(199)	(236)	10%	-7%
Tax Expenses	(46)	(45)	(45)	2%	-
Others	123	85	39	46%	220%
Income Before Tax	127	136	117	-6%	8%
Income and Social Contribution	(31)	(62)	(61)	50%	49%
Net Income	96.1	73.6	56.6	31%	70%

Costs and Expenses

Efficiency gain

G&A Expenses (R\$ MM)	1Q19	4Q18	1Q18	Δ 1Q19/ 4Q18	Δ 1Q19/ 1Q18
Personnel expenses	112	108	101	4%	1%
Administrative expenses	161	157	149	2%	8%
1. Subtotal I	273	265	250	3%	9%
Comission Expenses (upfront)	98	83	117	18%	-16%
Deferred Comissions and other exp.	121	116	119	4%	1%
2. Subtotal II – Credit Origination	219	199	236	10%	-7%
3. Total (I + II)	492	464	487	6%	1%

Number of Employees

(#)



ROAE

ROAE and Adjusted ROAE (unaudited)

RS MM	1Q18	4Q18	1Q19
Net Income	56.6	73.6	96.1
Excess of Financial expenses (net of taxes)	35.9	45.0	50.8
Adjusted Net Income	92.5	118.7	146.9
Average Shareholder's Equity	3,773.0	4,071.6	4,125.0
Excess of DTA related to losses	1,351.6	1,328.4	1,325.1
Adjusted Average Shareholder's Equity	2,421.5	2,743.2	2,799.9
ROAE (p.y.)	6.0%	7.2%	9.3%
ROAE Adjusted (p.y.)	15.3%	17.3%	21.0%

ROAE (unaudited) adjusted by two remaining legacies:

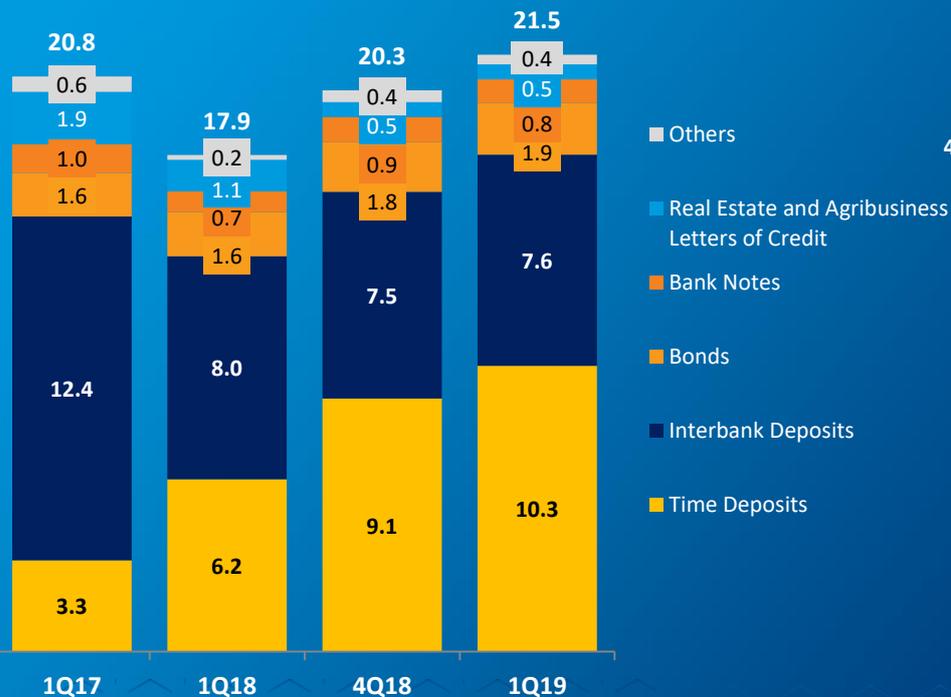
(i) withdraw the excess of financial expenses from fixed rate time deposits issued between 2005 and 2008 (average maturity in 2023), compared to what PAN pays for the same term in the market; and

(ii) exclusion of the excess of deferred tax assets related to losses arising from the accounting inconsistencies found in 2010.

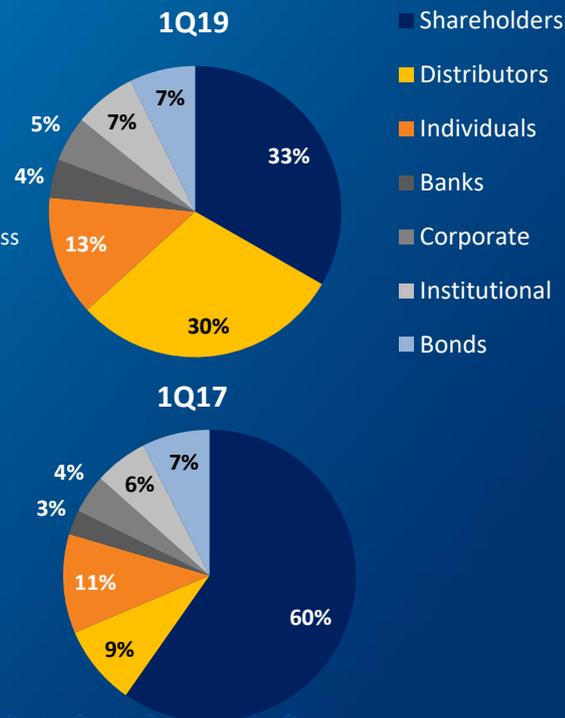
Funding

✓ Time Deposits balance reached R\$ 10.3 billion, 66% up in 12 months

Funding Evolution by product (R\$ bn)



Funding by investor (%)



Capital Ratio

R\$ 0.4 Bi
Capital Increase



R\$ MM	1Q18	4Q18	1Q19
Reference Shareholders' Equity	2,545	2,632	2,655
CET I	2,033	2,274	2,296
Tier II	513	358	358
Required Reference Shareholders' Equity	1,880	1,963	2,021
RWA	17,903	18,695	19,244



03. Digital Transformation

Strategy – Digital

Payroll and Vehicles

Form of sales	Past	Present/Future
Contract	Paper	x Digital
Assignature	Physical	x Facial Biometrics
Presence	Physical	x Physical or Digital
Origination Process	Multichannel	x Omnichannel
Conectivity	Legacies System	x Open API

Canal de Venda	Past	Present/Future
Payroll	Brokers and PAN's points of service	x Brokers, PAN's points of service, Digital Brokers and self-contracting
Vehicles	Multi-brand dealers	x Multi-brand and Single-brand dealers

General Benefits:

- Increased Productivity
- Cost Reduction
- **Loyalty of partners and clients**
- Reduction of **fraud**
- **Reduction of default rate (NPL)**

Strategy – Full Digital Bank

✓ Opportunity

- Concentrated market
- Connected population
- Unsatisfied customers: high fees and low credit limit
- Unbanked population with low penetration of financial services
- Favorable regulation, agenda BC+

✓ Value proposition

- No-fees checking account and credit card
- Full digital platform with several credit products and services
- Assertiveness in credit limits with competitive rates

✓ Life cycle of clients





04. Business Lines

Payroll-Deductible: Loans and Credit Cards

Origination with focus on federal risk

Overview

Exclusively for public sector employees, INSS (social security) retirees and pensioners (top 5 in the market)

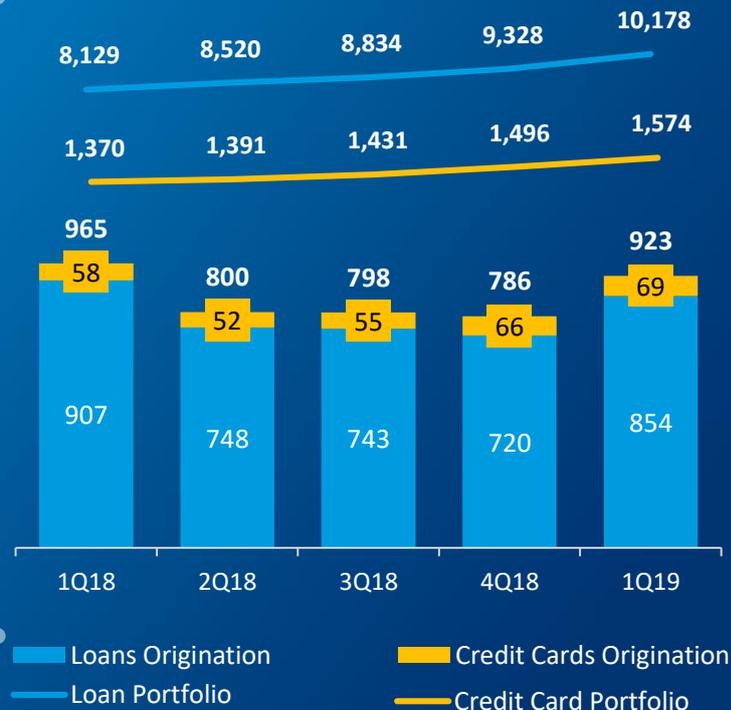
Average ticket of R\$ 6.0k

Duration of 36 months

Origination by segment (Loans and Credit Cards)

	1Q19	4Q18	1Q18
Federal	89%	86%	87%
INSS – Social Security	65%	63%	64%
SIAPE	13%	16%	11%
Armed Forces	11%	7%	12%
States	10%	12%	13%
Municipalities	1%	2%	1%
Total	2,769	2,358	2,895

Evolution of portfolio and monthly avg. origination (R\$ MM)



Vehicle Financing



Overview

Credit and collection expertise

Actively present in **7,678** multi brand vehicle dealers

Average ticket of R\$ **20.1k**

Duration of **18 months**

Average LTV of **62%**



Information on Origination

	Light		Motorcycles	
	1Q19	1Q18	1Q19	1Q18
Origination (R\$ MM)	998	745	255	207
Avg. tenor (month)	46	46	40	40
Downpayment	39%	40%	25%	25%



Evolution of portfolio and monthly avg. origination (R\$ MM)

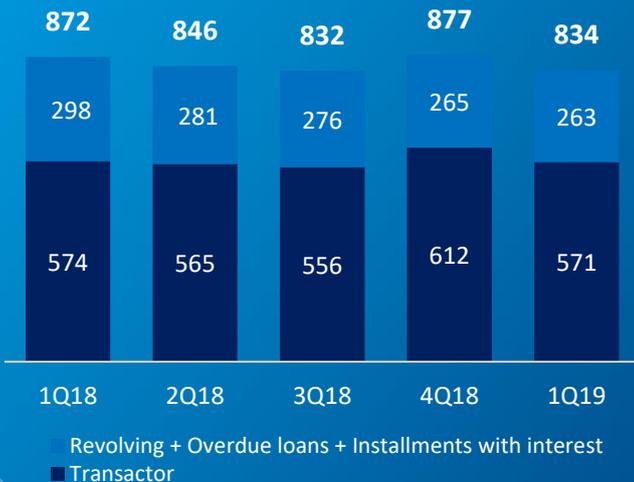


1st in motorcycling financing excluding Captive Finance companies

Means of Payment



Credit Card Portfolio (R\$ MM)



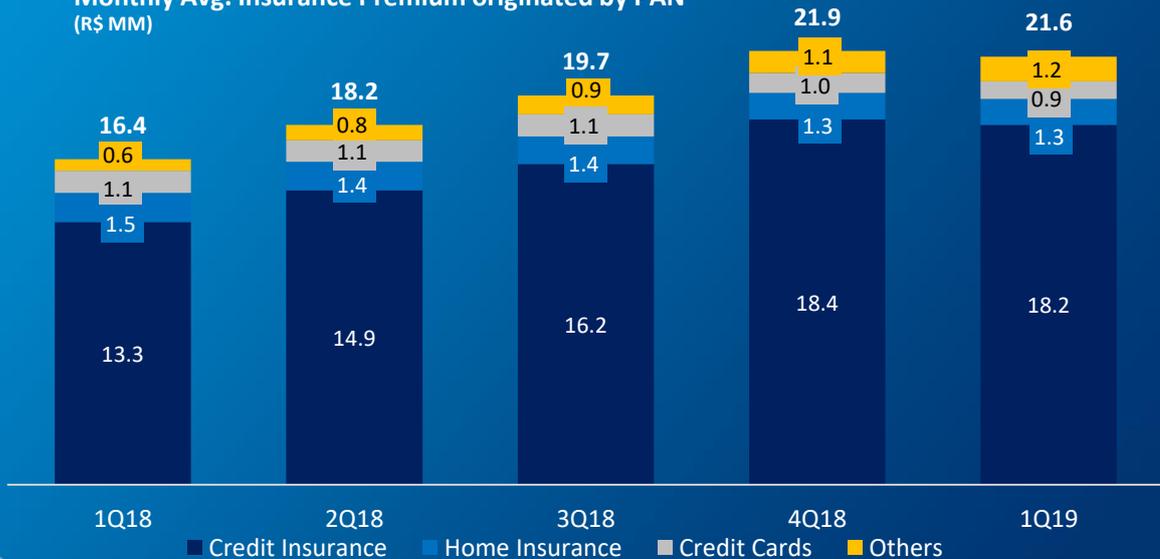
Highlights

- ✓ Launch of the co-branded credit card with Méliuz, cashback market leader;
- ✓ Credit card issuance increased by 24% in 1Q19 over 1Q18;
- ✓ More efficient cross sell, through analytics and CRM;
- ✓ Expansion of the relationship with digital partners (market places);
- ✓ improvements in PAN's website to facilitate the self- service.

Insurance



Monthly Avg. Insurance Premium originated by PAN
(R\$ MM)





Appendix



PAN History

1994 – 1999
Started its operations with credit cards, vehicle financing, insurance and payroll loans

1991
Started operating as a commercial bank



2010
New BoD and Executive Officers appointed by Caixa and FGC with a special "Opening Balance Sheet" on November, 30

2009
Signing of the Agreement for the entrance of Caixa in the controlling block of the Bank through CAIXAPAR



2011
Caixa & BTG Pactual took control of PAN and a new shareholders' agreement was signed. Renewal of the entire management team



2012
Capital Increase of R\$1.8 bi

2013
Launch of "Banco PAN" as the new Corporate Brand

2014
Capital Increase of R\$1.3 bi and the sale of Pan Seguros S.A. for R\$580 mm

2017
Sale of Stone Pagamentos S.A. for R\$229 mm

2018
Capital Increase of R\$ 400 mm and launch of the Digital Project

From **2011** to **2017** PAN went through a turnaround process...

More than **90%** of the employees was hired after Jan/2011

Training and qualification of the new team

Revision of all credit **concession process**

Implementation of new controls, origination platforms and systems

Creation of new Committees and policies to strengthen the Corporate Governance



Strong Corporate Governance

Board of *Directors*

CAIXA



**Independent
Members**

Pedro Guimarães
(Chairman)

Sérgio Cutolo
(Vice-Chairman)

Marcelo Torresi

André Laloni

Roberto Sallouti

Marcos Cintra

João Eduardo Dacache

Alexandre Camara

Fabio Carvalho

Luiza Damasio

Eduardo Domeque

Fábio Pinheiro

Since 2011, our
Chairman has been
the CEO of CAIXA



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