



Earnings Presentation

1st Quarter | 2020



Highlights

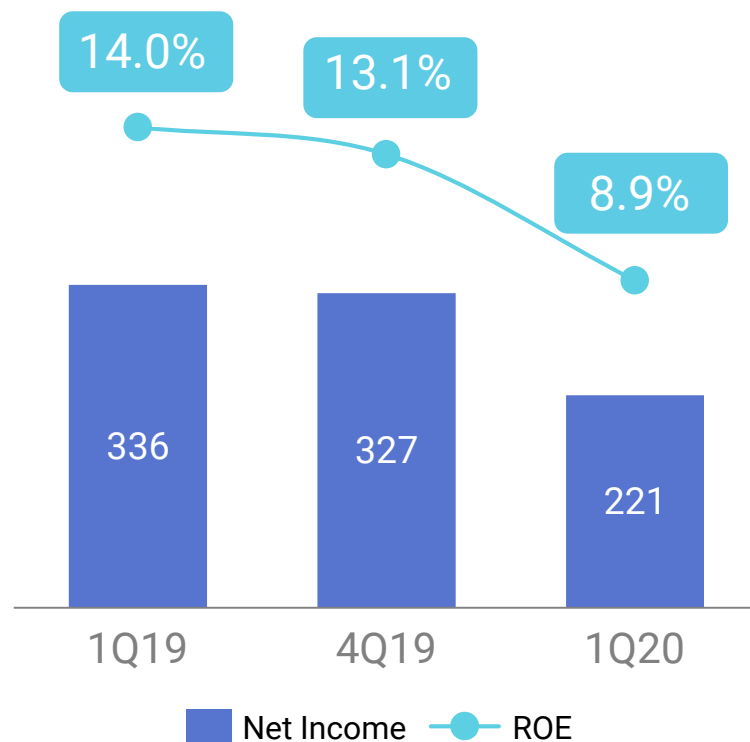
1st Quarter 2020



Net Income

R\$ 221M

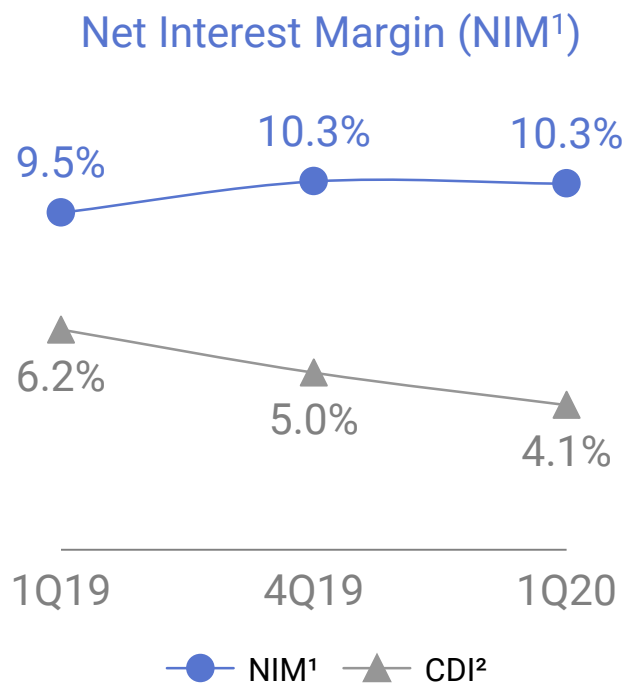
ROE 8.9%



Total Revenue

R\$ 2.177M

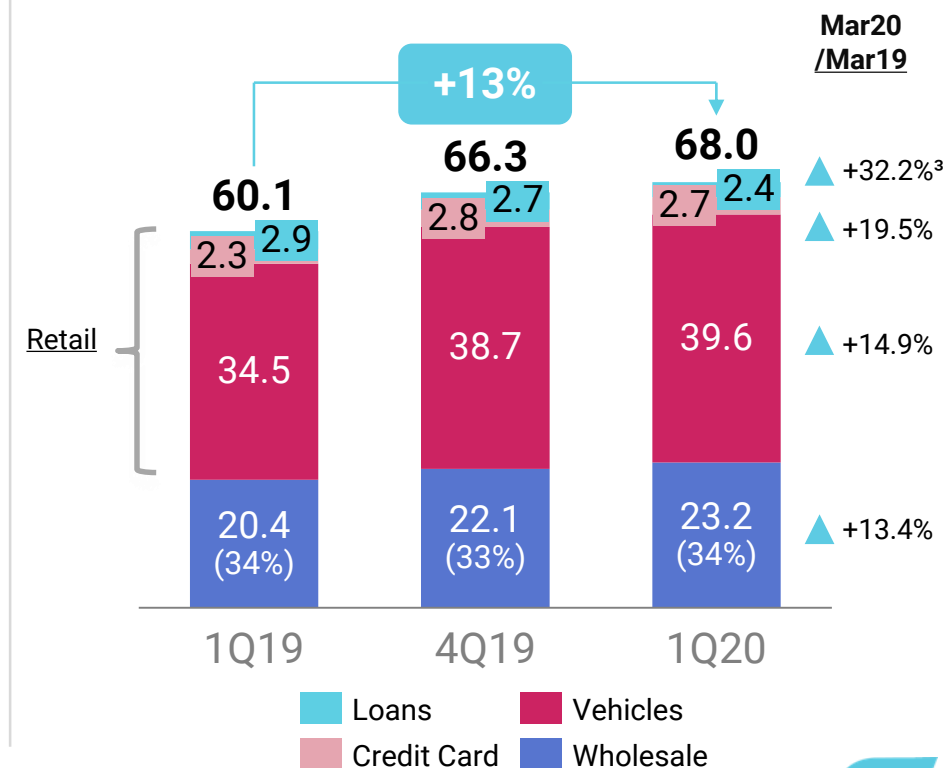
+6.0% vs 1Q19



Credit Portfolio

R\$ 68B

Coverage Ratio 206%



Our Strategic Pillars

The strategic pillars guide and define the priorities of all our decisions in pursuit of our long-term goals



Efficiency and financial strength



Efficiency Ratio

31.8% 

Improved by 1.1 p.p vs 1Q19



Basel Ratio

14.3%

Core capital: 10.7%



LCR (Liquidity)

166%

Regulatory minimum: 100%

- Efficient and Light Business Model
- Solid Balance Sheet and Conservative Risk Management



Continuous improvement of our customers' experience



Reclame Aqui¹

Banco BV



Ótimo

8.0 /10

Best rating among Brazil's largest banks²



Brazilian Central Bank Complaints Ranking³



Lower number of complaints per customer among the country's largest banks⁴

- Customer Centrality
- Continuous improvement process



Digital maturity



Use of digital channels

922,000

+20% vs 1Q19

Financing simulations per month (average) carried out at BV's commercial partners



BV^x – Innovation Business Unit

 **178**

Partners using BV's API's library (open BV)

 **9.3 million**

transactions carried out in BaaS⁵ during 1Q20, +465% vs 1Q19

- Solutions and Digital Channels
- Open Banking is key innovation strategy

1 - Brazilian website where consumers assess company's customer service and products (<https://www.reclameaqui.com.br/>); 2 - Based on the amount of assets. Period considered: 10/01/2019 to 03/31/2020. Source: <https://www.reclameaqui.com.br/>; 3 - Ranking of the 1st quarter of 2020 for Institutions with more than 4 million customers. Source: <https://www.bcb.gov.br/>; 4 - Banks with more than 4 million customers. It does not include credit companies and credit unions; 5 - Bank as a Service

Measures taken by banco BV amidst the Covid-19 pandemic reinforce our purpose and rely on our culture, Digital maturity and business strength








banco BV structured a Crisis Committee, formed by the bank's main executives.

The Committee **defined 3 pillars of action to combat the impacts of the pandemic**








Preserve the lives of our employees, family and business partners

-  **Remote Work**
Implementation of remote work for about 7 thousand people (including own employees and third parties) in less than 10 days.
-  **Health Committee**
Call center available to all employees and their families, with the support of Hospital Sírio Libanês
-  **Anticipation of the 13th salary**
Expansion of flexible time to all employees and anticipation of the 13th salary
-  **Satisfaction survey**
96% satisfaction with the BV's positioning with regards the measures taken to its employees, customers and society.
-  **Timely and frequent information**








Ensure business continuity

-  **Infrastructure and information security**
Infrastructure for remote work was already in place to serve 100% of BV's employees
-  **Organizational culture**
Digital transformation as part of BV's culture
Remote work has been adopted by BV since 2017
-  **Governance and crisis management**
Strengthening Governance, reviewing policies and intensifying monitoring of risk factors
-  **Solid and resilient balance sheet**
Liquidity Coverage Ratio at 166%
Basel Ratio at 14,3% / Coverage Ratio: 206%
-  **Expressive growth in the use of digital channels**
Approximately 2 millions customers registered on BV's digital channels



Create a positive impact on the society

-  **Reduction of fees and rates**
50% interest rate reduction on BV's Credit Cards¹ for installments, with extension in the financing term (+38,000 contracts already benefited)
-  **R\$ 50 million credit line**
Dedicated for national suppliers of essential hospital equipment and services to combat Covid.
-  **60 days extension for installment payments**
+700,000¹ renegotiated contracts, of which 80% via digital channels
-  **Social mobilization campaign**
The campaign aims to raise R\$ 10 million, and for each R\$ 1 donated, the bank will donate R\$ 1.
-  **Donation of R\$ 30 million**

Analysis Result






1st Quarter 2020



Net Income of 1Q20 reached R\$ 221million and ROE of 8.9%

Impact of prudential credit provisions due to the impacts of the Covid-19 crisis on the economy

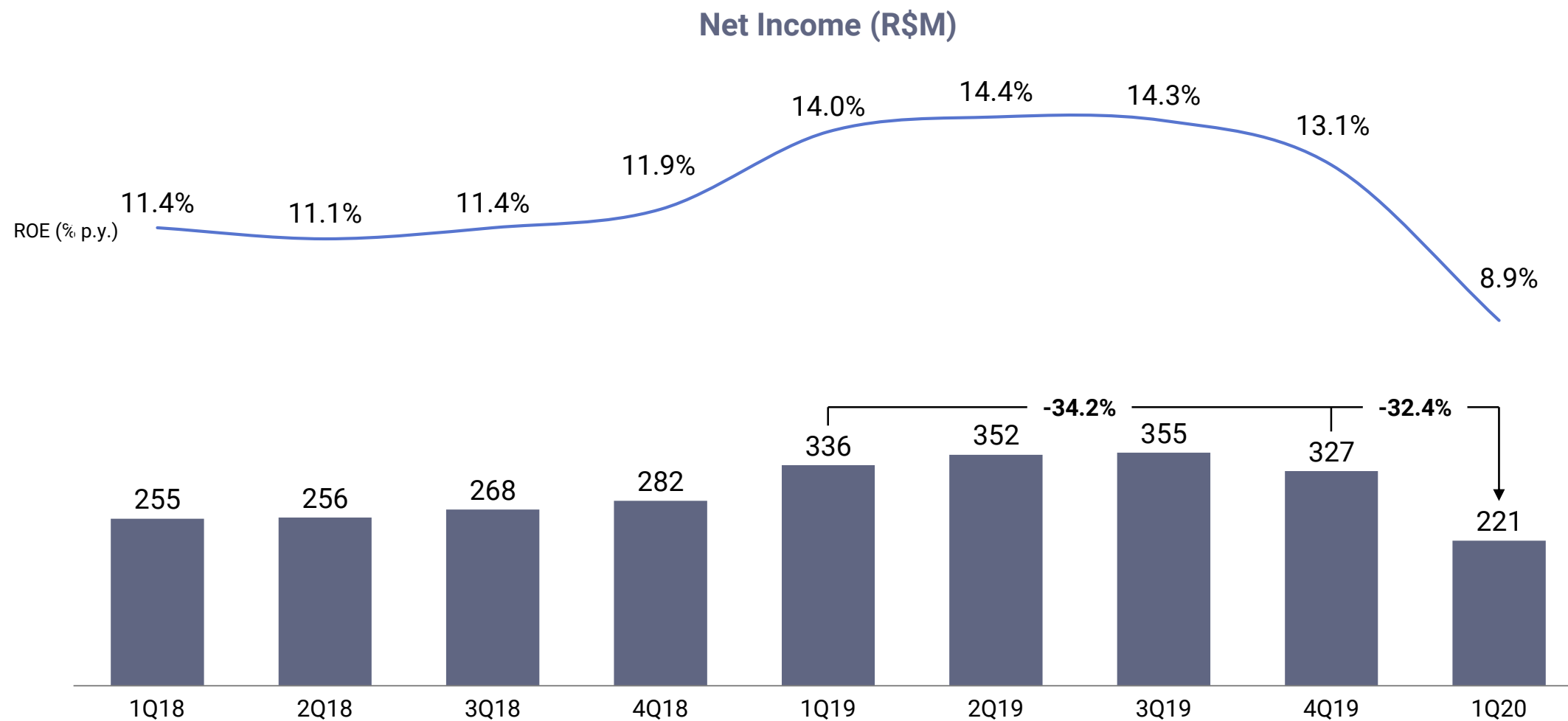
Results Highlights

Net Income 	<p>▼ -34.2% (1Q20/1Q19)</p> <p>▼ -32.4% (1Q20/4Q19)</p>	<p>R\$ 221 M</p>	<p>▲ Net Income of R\$ 221M in 1Q20, compared to R\$ 336M in 1Q19, impacted by prudential credit provisions</p> <p>▲ Return of Equity (ROE) 8.9% a.a. in 1Q20 (14.0% in 1Q19).</p>
Revenue 	<p>▲ +6.0% (1Q20/1Q19)</p> <p>▲ +0.5 % (1Q20/4Q19)</p>	<p>R\$ 2,177 M</p>	<p>▲ Total revenues (NII + revenues from services and insurance) increased by 6.0% in 1Q20/1Q19, reflecting the higher turnover and higher profitability in the business.</p> <p>▲ Net Interest Margin (NIM) with clients increased to 10.3% in 1Q20, compared 9.5% in 1Q19.</p>
Credit Costs¹ 	<p>▲ +69.3% (1Q20/1Q19)</p> <p>▲ +54.9% (1Q20/4Q19)</p>	<p>R\$ 916 M</p>	<p>▲ Cost of risk increased 69% in 1Q20/1Q19, mainly due to prudential credit provisions, due to the impacts of the Covid-19 crisis on the economy.</p> <p>▲ 90-day Coverage ratio reached 206% in Mar/20 (Dec/19: 196%).</p>
Delinquency (NPL90) 	<p>— (1Q20/1Q19)</p> <p>— (1Q20/4Q19)</p>	<p>NPL 90 4.5%</p>	<p>▲ 90-day NPL of 4.5% in Mar/20, remained stable in the quarter.</p> <ul style="list-style-type: none"> ○ <u>Retail</u>: NPL 90 of 5.2%, increased 0.3bps in comparison with Dec/19, reflecting the diversification of the portfolio and, more recently, the impacts of the Covid-19 pandemic on the economy. ○ <u>Wholesale</u>: NPL 90 decreased to 1.5%, comparable to 2.8% in Dec/19.
Efficiency Ratio² 	<p>▼ -1.1 p.p (1Q20/1Q19)</p> <p>▼ -0.5 p.p (1Q20/4Q19)</p>	<p>IE 31.8%</p>	<p>▲ Efficiency Ratio of 31.8% in Mar/20, 1.1 p.p decreased in the 12 months, driven by diversified revenues generation and control of expenses.</p>

1.Net of revenues from recovery of written-off loans. Includes provision for loan losses, guarantees, discounts granted and impairments; 2. Last 12 months.



Net income R\$ 221mln in 1Q20 impacted by prudential credit provisions



Regarding the uncertainties arising from the COVID-19 crisis in the economy, banco BV reinforced the balance sheet through prudential credit provisions



Results impacted by prudential provisions due to COVID-19 pandemic

NII increased 6.7% in 1T20 vs 1Q19

Mangerial Income Statemet

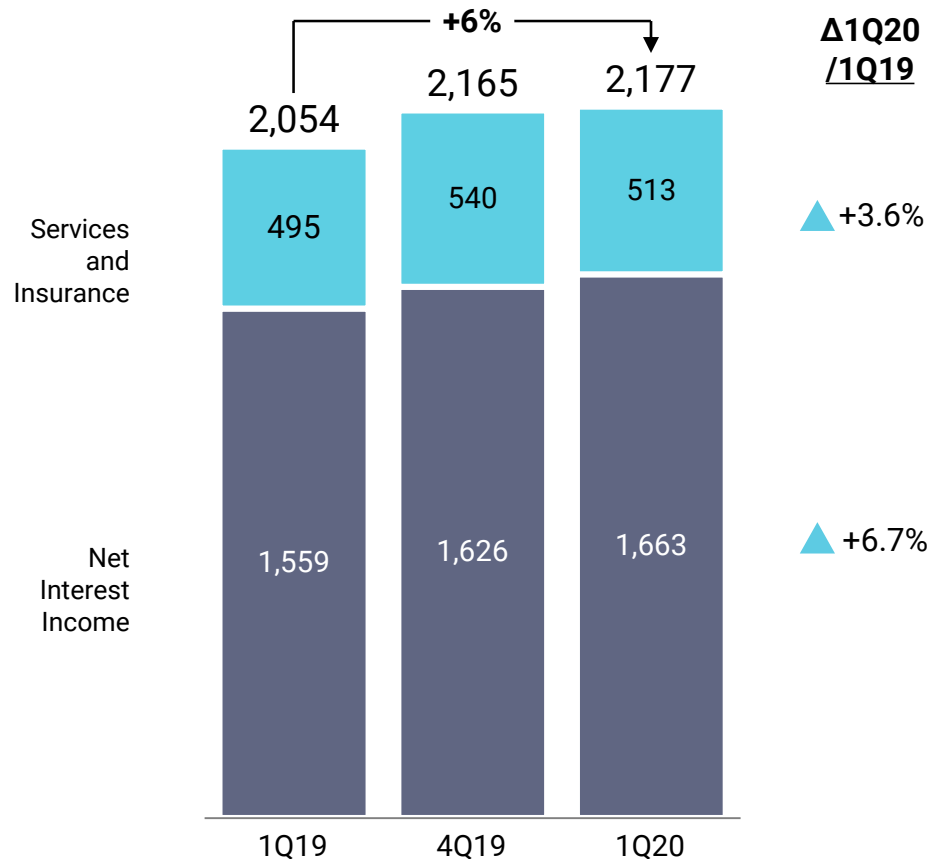
(R\$ millions)	1Q19	4Q19	1Q20	Δ 1Q20/4Q19	Δ 1Q20/1Q19
Net Interest Income (A)	1,559	1,626	1,663	2.3%	6.7%
Cost of risk ¹ (B)	(541)	(591)	(916)	54.9%	69.3%
Net Financial Margin (A+B)	1,018	1,035	748	-27.8%	-26.6%
Income/Expenses	(479)	(538)	(460)	-14.4%	-3.9%
Income from Services and Banking Fees	495	540	513	-4.8%	3.6%
Personnel ² and Administrative expenses	(507)	(586)	(517)	-11.7%	2.0%
Tax Expenses	(122)	(158)	(135)	-14.5%	10.7%
Income from subsidiaries	25	(8)	(30)	271.6%	-221.4%
Other Income/Expenses	(370)	(325)	(291)	-10.4%	-21.1%
Income before taxes	539	497	287	-42.2%	-46.7%
Income Tax and Profit Sharing	(203)	(170)	(66)	-61.0%	-67.4%
Net Income	336	327	221	-32.4%	-34.2%

Margin expansion and Cost base control

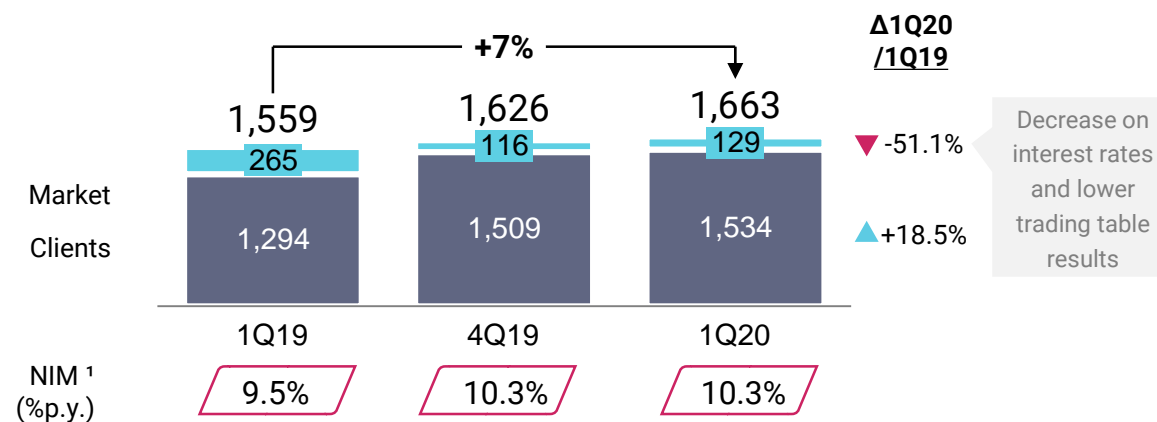
Consistent and diversified revenue generation

1Q20x1Q19: expansion of both NII and revenue from services and insurance

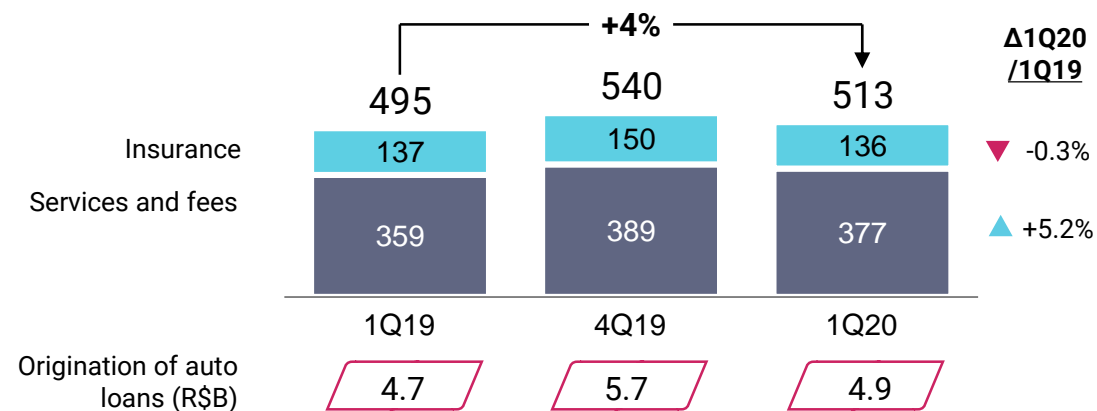
Revenue generation (R\$ mln)



NIM reached 10.3% in 1Q20 vs 1Q19, reflecting greater participation of Retail in the portfolio mix and higher profitability of wholesale



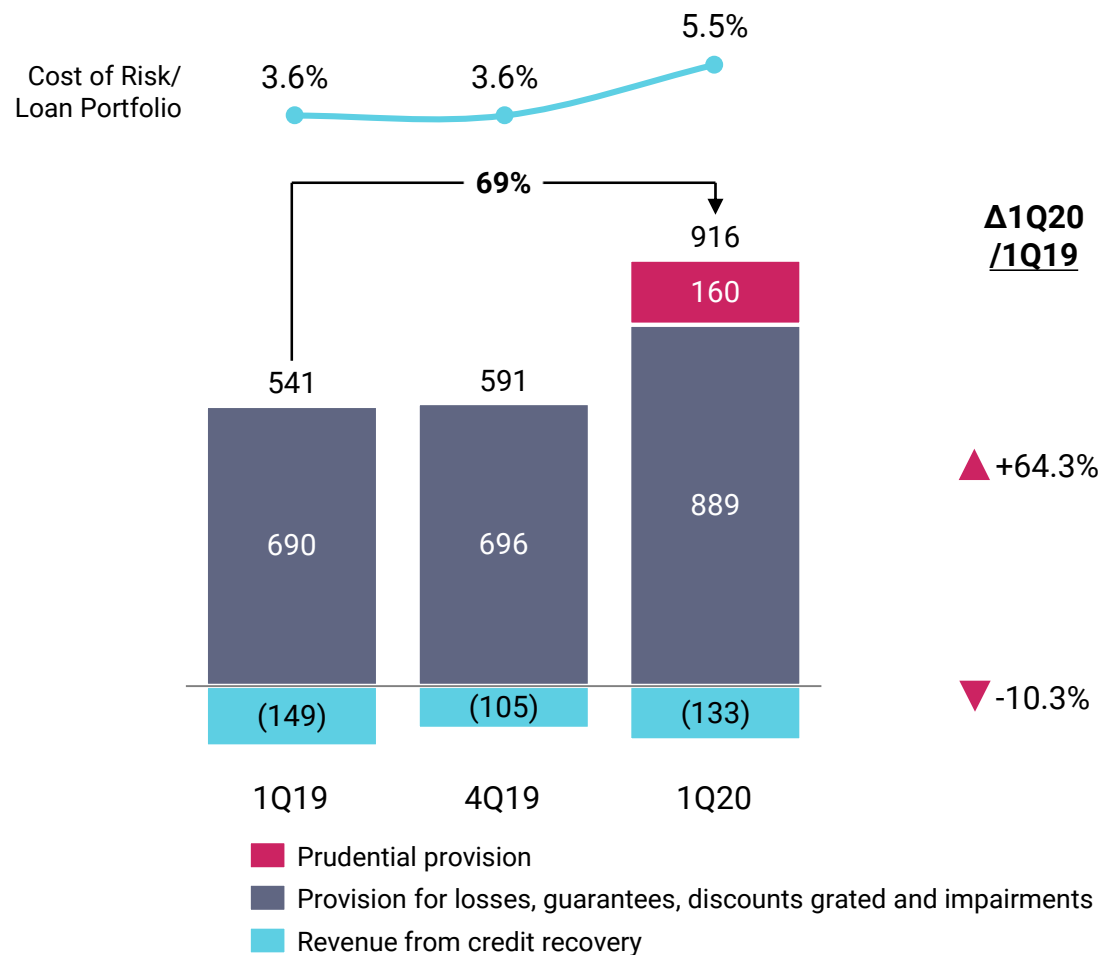
Services and insurance revenue increased by 3.6% in 1Q20 vs 1Q19



Cost of Risk impacted by prudential provisions, due to the deterioration in the macroeconomic environment

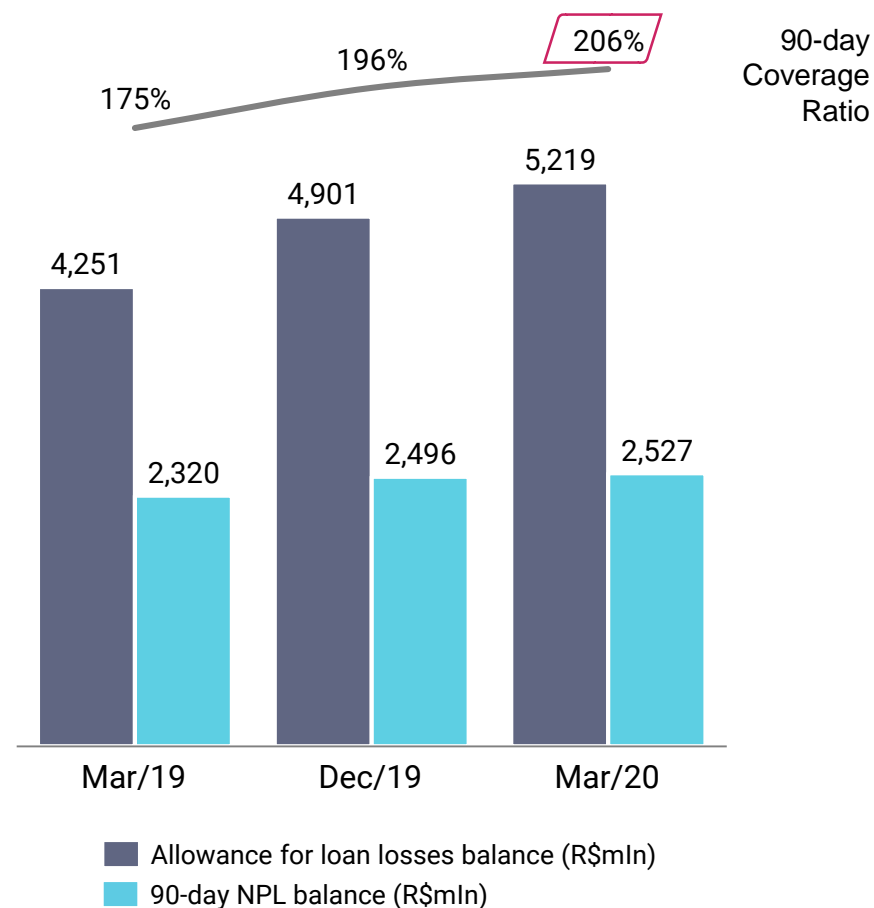
Cost of Risk grew vs 1Q19

Result of loans losses, guarantees provided and impairment – R\$ mln



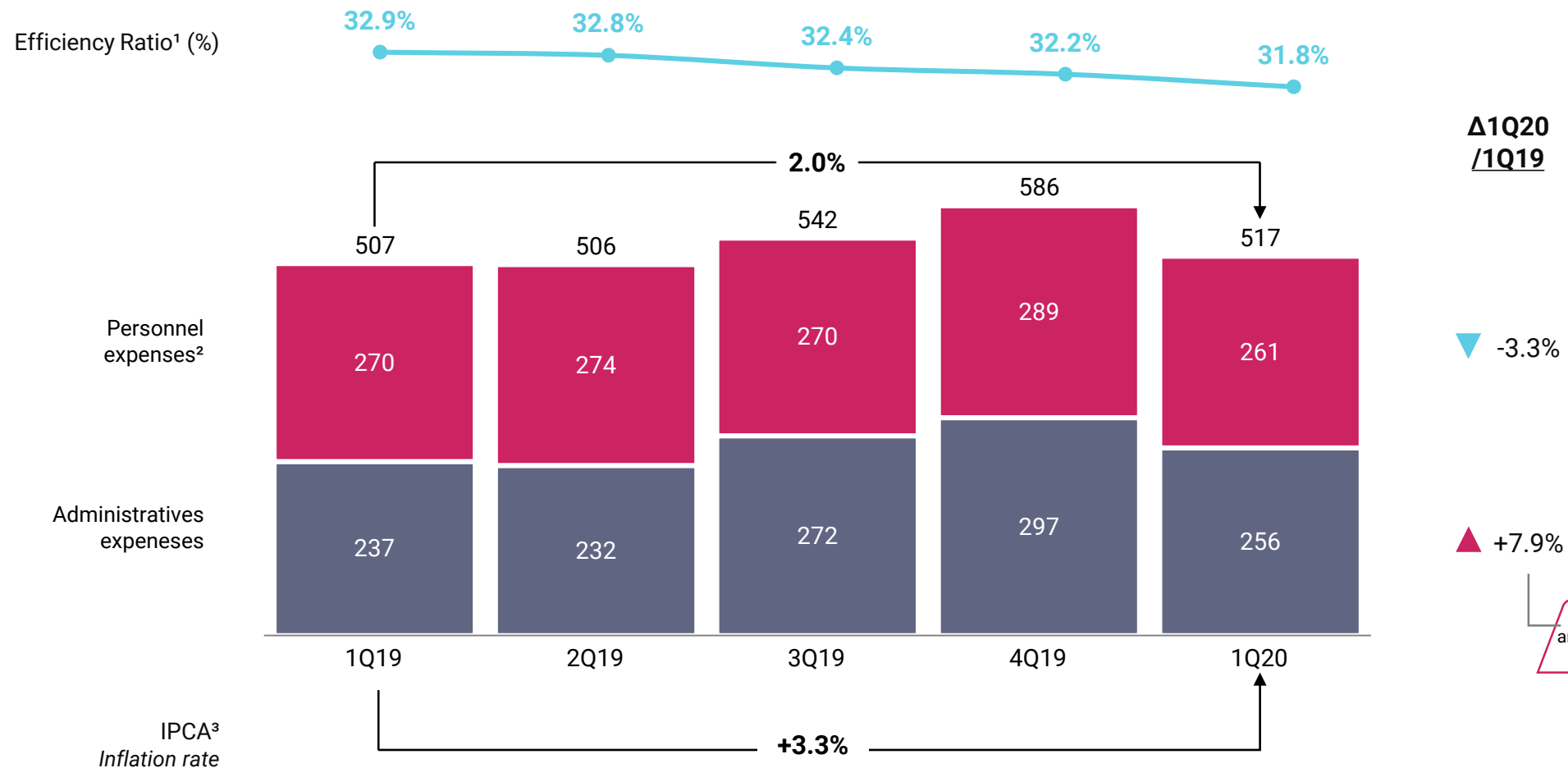
90-day Coverage Ratio remains in a robust level

90-day Coverage Ratio²



Effective management of the cost base and impacts of the digital journey contributed to the improvement of the Efficiency Ratio in the last 12 months

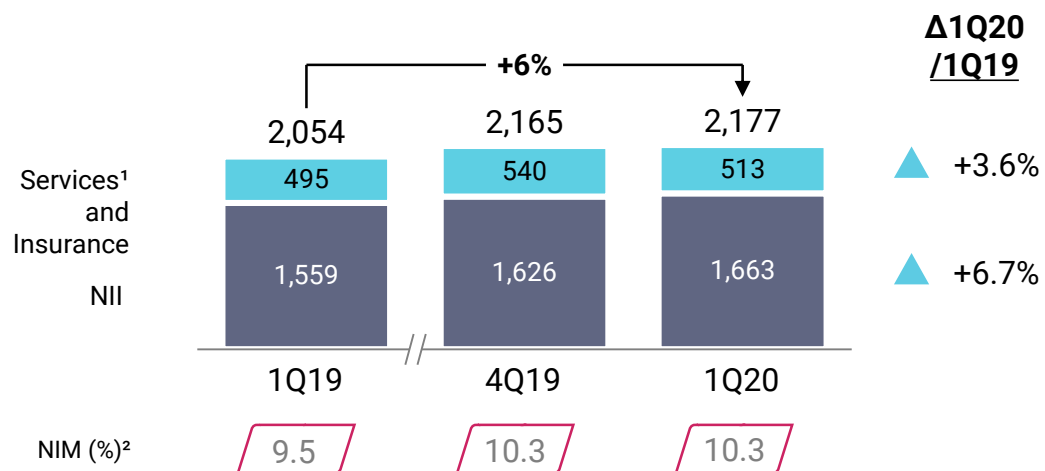
Personnel and administrative expenses (R\$M)



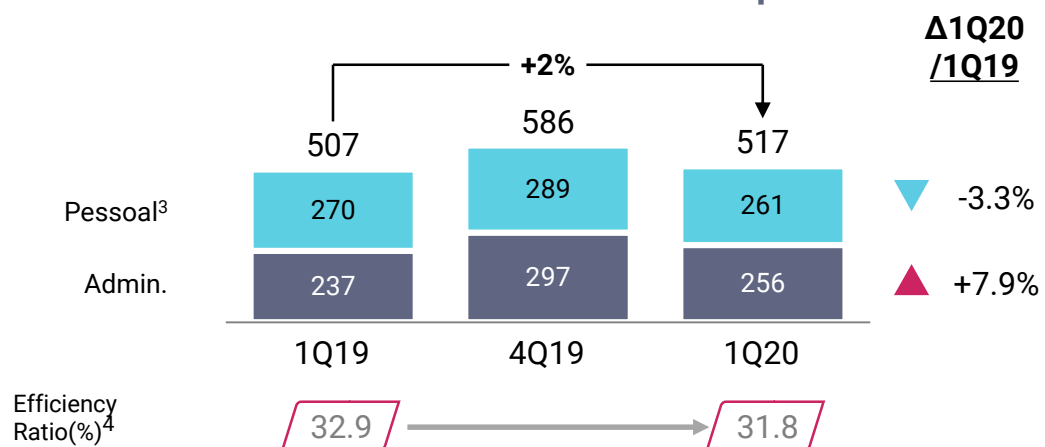
1. Excludes expenses with labor lawsuits, last 12 months; 2. Includes profit sharing expenses; 3. Accumulated last 12 months, source IBGE.

Net income in 1Q20 total R\$ 221 millions, with 8.9% ROE

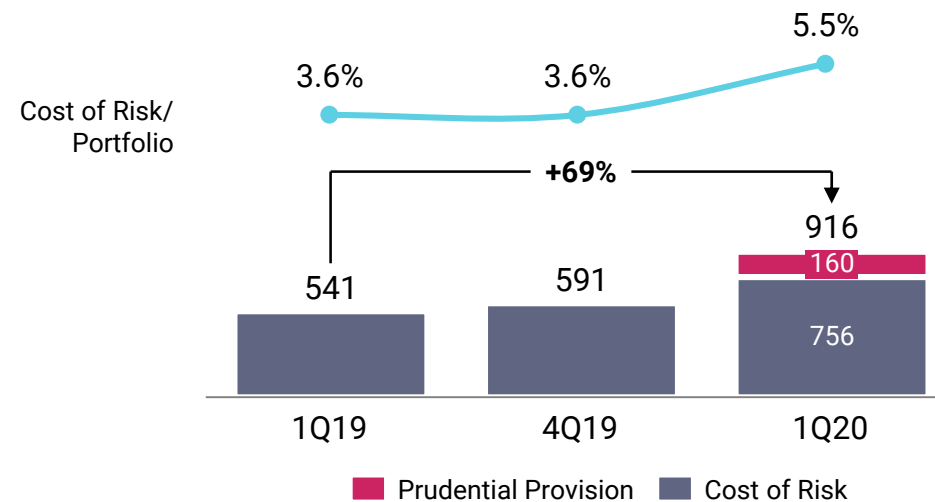
NII and Income from Service¹ and Insurante



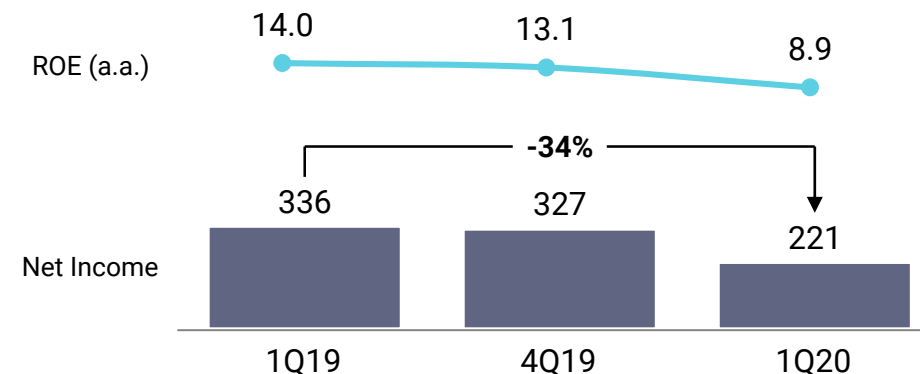
Personnel and Administrative Expenses



Cost of Risk



Net Income and ROE



1 - Income from services and banking fees; 2 - Net Interest Margin: Ratio between Financial Margin with clients and the average assets sensitive to spread. 3 - Includes profit sharing expenses. 4 - Last 12 months. Excludes expenses with labor lawsuits



Diversified business portfolio

Supported by the pillars of Efficiency and Financial Strength, Customer Centrality and Digital Maturity



Retail

auto finance

- Capillarity (+19k dealers)
- Innovation and Digital Transformation
- 100% digital contracts
- 96% automatic responses

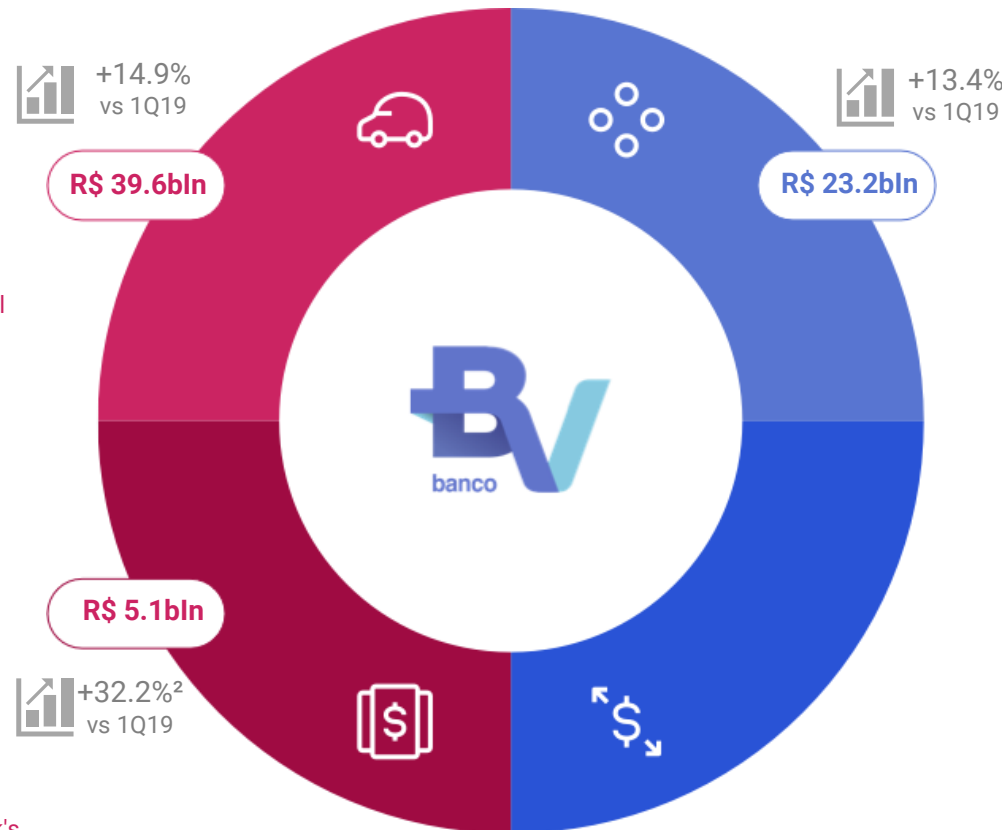
✓ 15% growth in the portfolio vs. 1Q19, maintaining the leadership in financing for light used vehicles in Brazil

others business

- **Credit Card:** +950,000 active cards. Mastercard, Visa and Elo
- **Insurance:** Auto, loan protection, residential, life, dental, capitalization, card and assistance (residential, funeral, pet)
- **Loans:** Personal loans, private payroll loans, credit with vehicle in guarantee, home equity, student loans, solar panels, tourism and medical procedures

✓ Loans: growth of 32.2%² vs 1Q19, in line with the bank's diversification strategy

Credit portfolio¹
R\$ 68 billions
 +13% vs 1Q19



Innovation Business Unit

Wholesale

corporate & investment banking

Corporate Banking

- Corporate (> R\$ 300 millions)
- Large Corporate (> R\$ 1,5 billion)

Banking as a Service (BaaS)

- Settling and custodian bank for fintechs (ex. Neon)

✓ 59% growth in the Corporate portfolio vs 1Q19

wealth management

15^a largest asset base in Brazil³
 R\$ 51 billion (AuM) +5.1% vs 1Q19

38% of managed funds backed by **real economy assets**

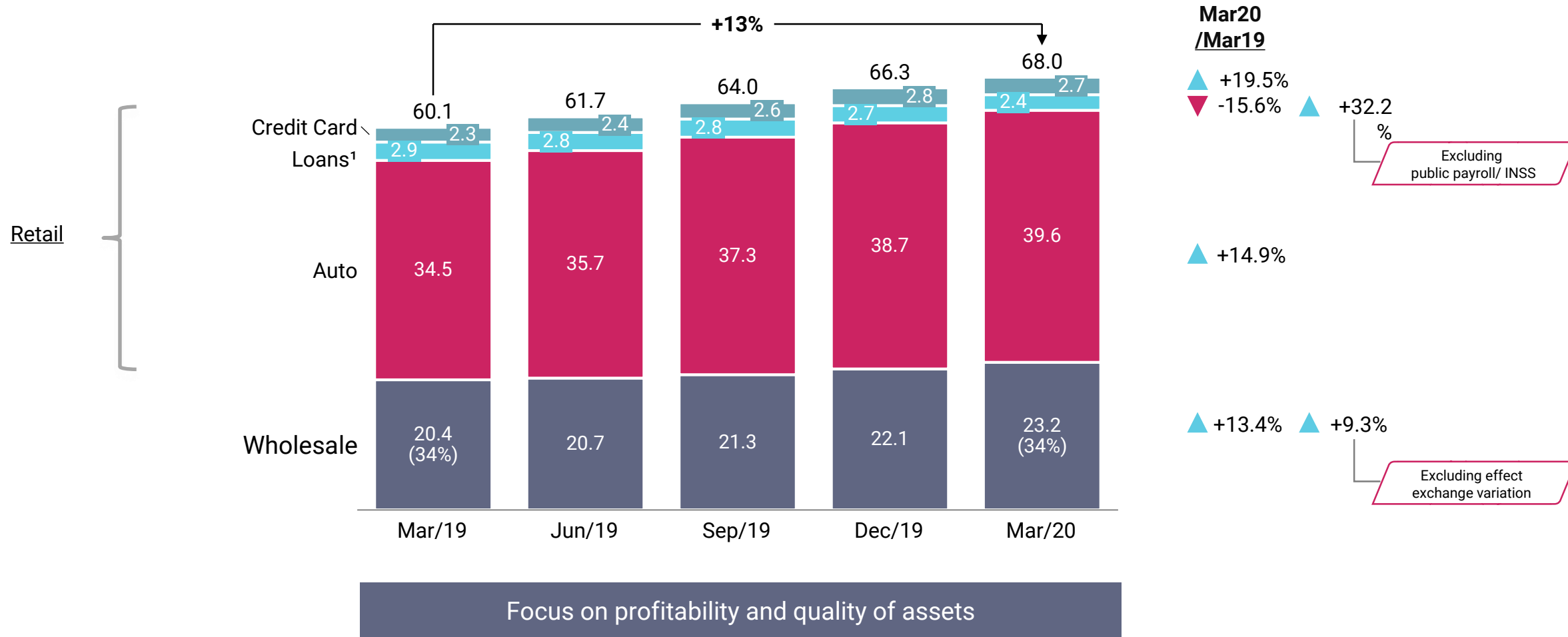
Private Bank: customized solutions for high-income customers

✓ AuM evolution in the context of the pandemic reinforces resilience of the fund portfolio

Consistent growth of auto financing and credit card portfolio

Expanded portfolio grew 13% in 12 months

Expanded credit portfolio (R\$B) (includes guarantees provided and private securities)

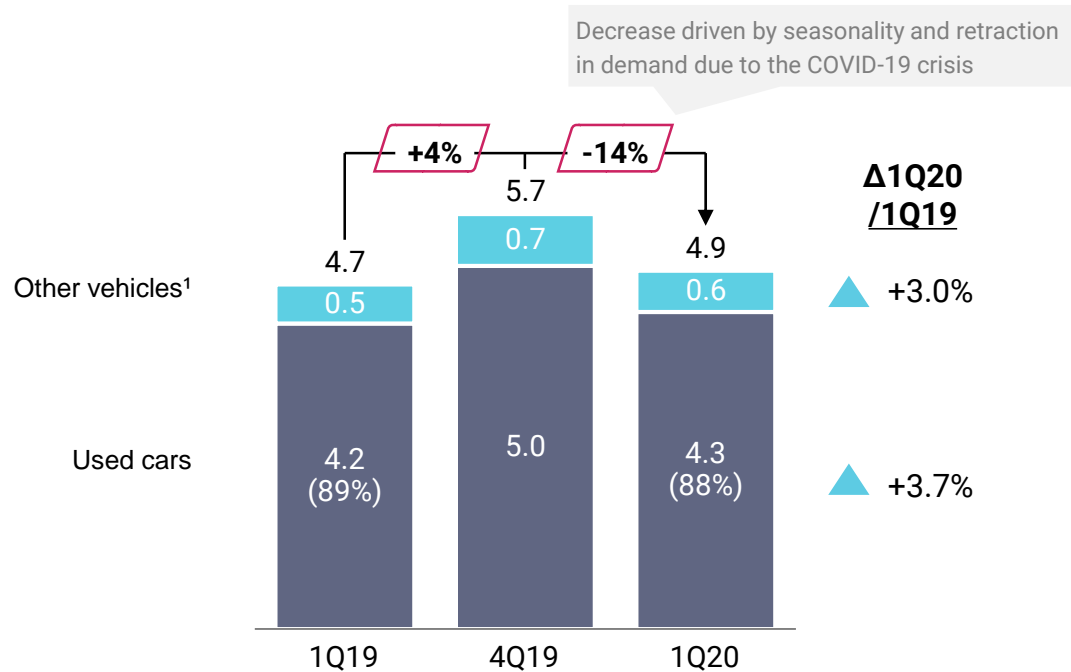


1. Portfolio composed of : payroll loans (INSS, private and public), personal credit (with and without guarantee), home equity, student and solar credit.

Auto financing loans: focus on used cars and conservative credit policies

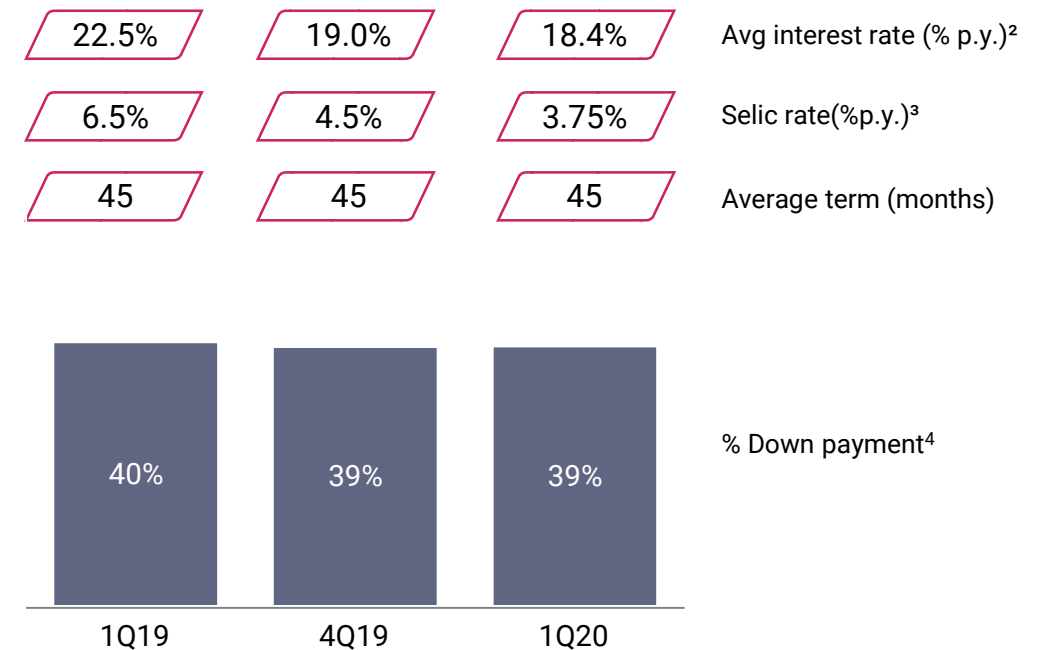
Focus on used auto loans, which accounted for 88% of 1Q20 origination

Origination of auto loans (R\$B)



Maintenance of conservative lending standards

% Down payment, average term and interest rate



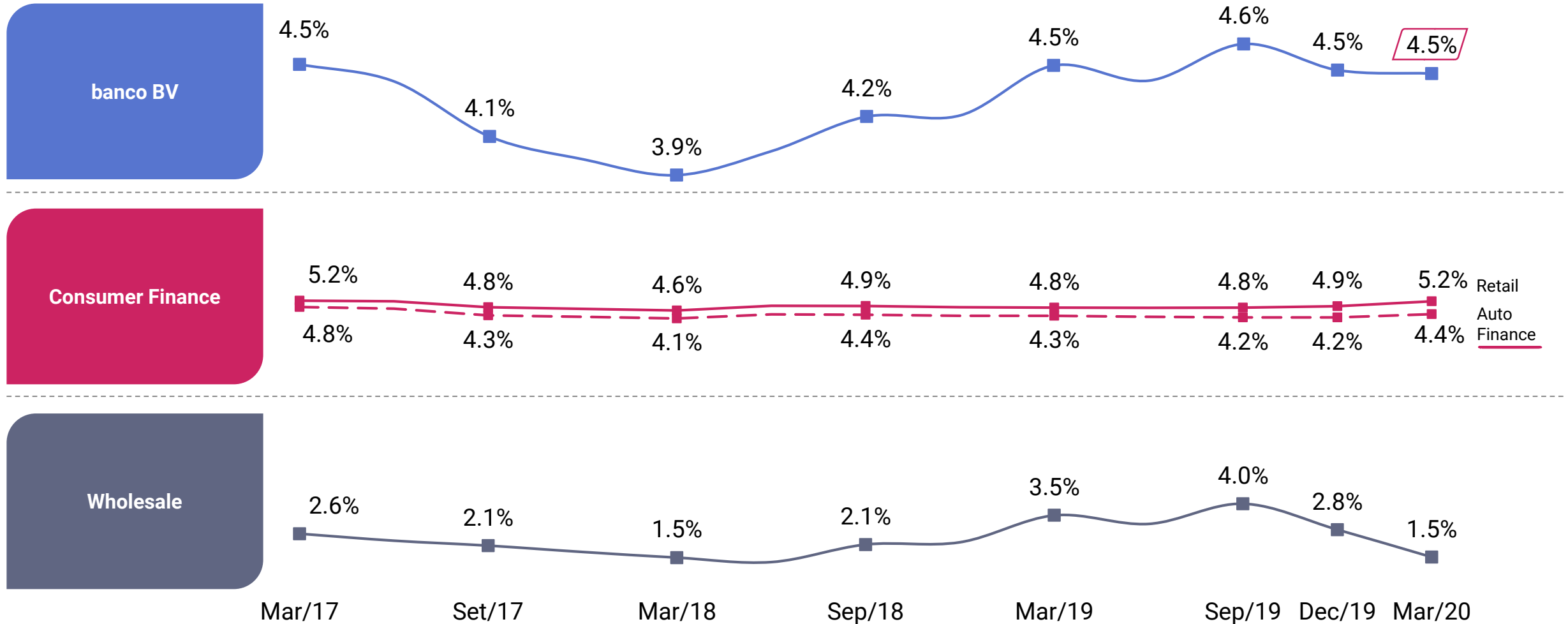
banco BV is market leaders in auto financing

1. New cars, trucks and motorcycles; 2. Weighted average rate for the quarterly origination; 3. End of the period; 4. Calculated on the informed value of the asset.
Note: In the 1Q20, the average ticket size was R\$24,300 and the average vehicle age was 6.5 years (portfolio).

NPL 90 de 4.5% in Mar/20

Vehicles: increased 0.2bps vs. 4Q19; Wholesale: decreased in 1Q20

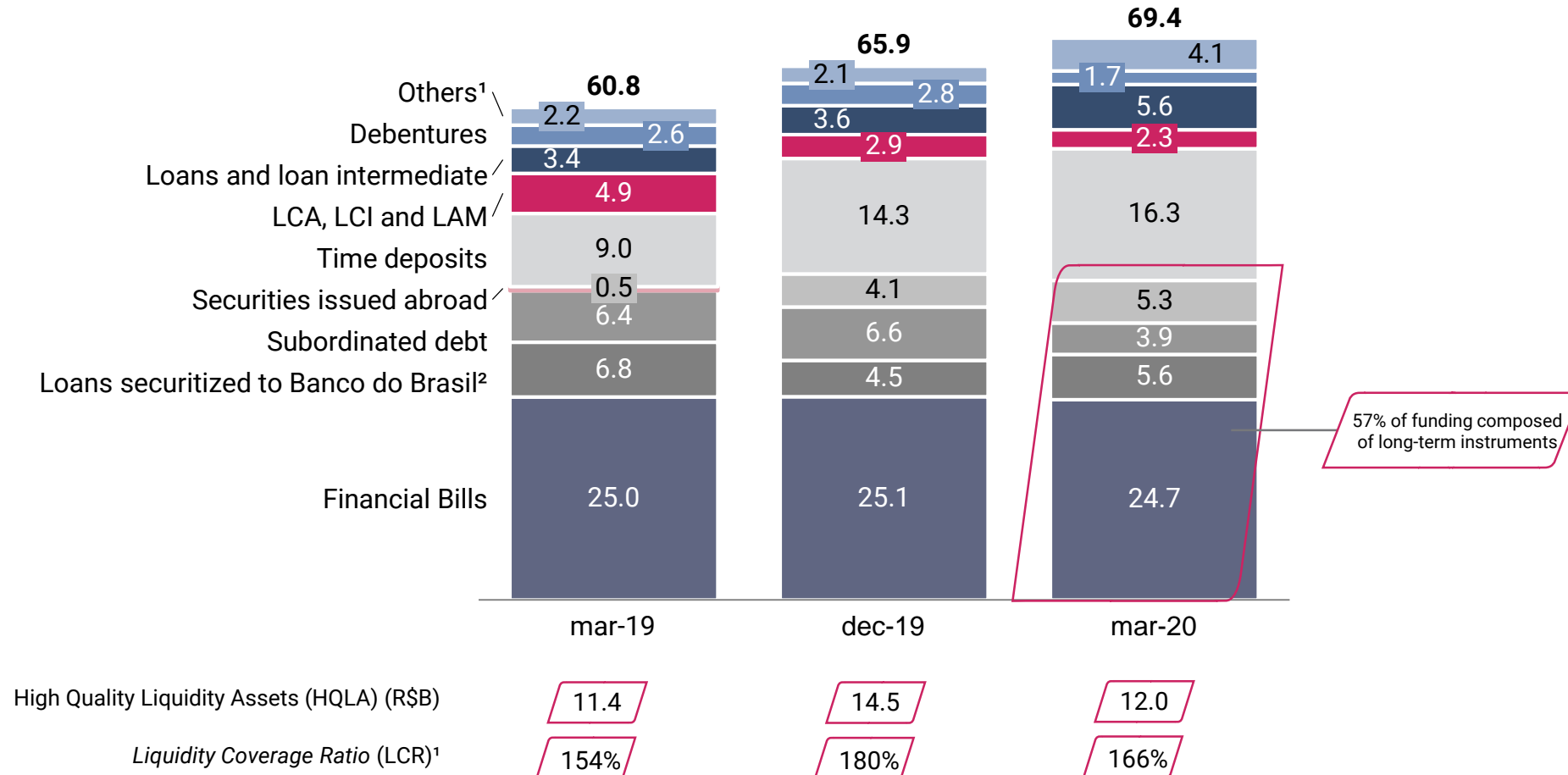
90-day NPL ratio of the loan portfolio (%)



Funding volume amounted to R\$ 69.4 billion in Mar/20

Stable funding instruments accounted for 57% of total funding

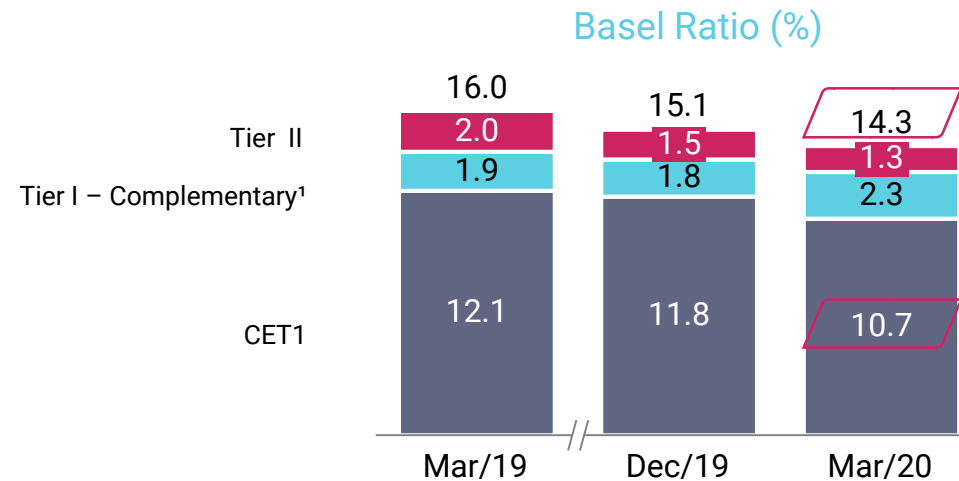
Funding sources (R\$B)



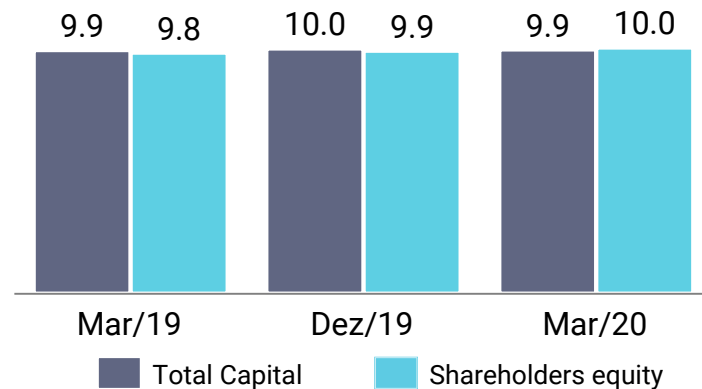
1. Ratio of total high quality liquid assets (HQLA) and the total cash inflows for a 30 days period in a stress scenario, being the minimum regulatory of 100%. Does not consider standby credit facility with Banco do Brasil.

Basel ratio of 14.3% in Mar/20

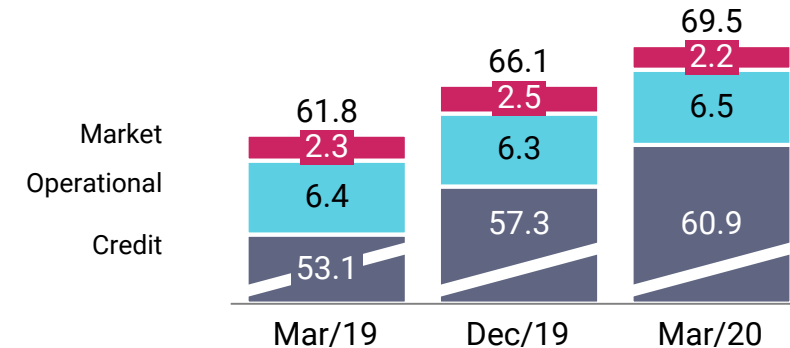
Tier I Capital 13.0%, with 10.7% of (CET1)



Total Capital and Shareholders Equity (R\$B)



Risk-weighted assets – RWA (R\$B)



Capital base remained solid despite the impacts of the strong market volatility generated by COVID crisis¹⁹

1. On Nov / 17 the Bank issued USD 300M in perpetual bonds, which were approved in Mar/18 to compose complementary CET1.
 Note: In 2020, the minimum regulatory capital requirement was 10.5% for the Basel Ratio, 8.50% for Tier I Capital Ratio and 5.75% for CET1

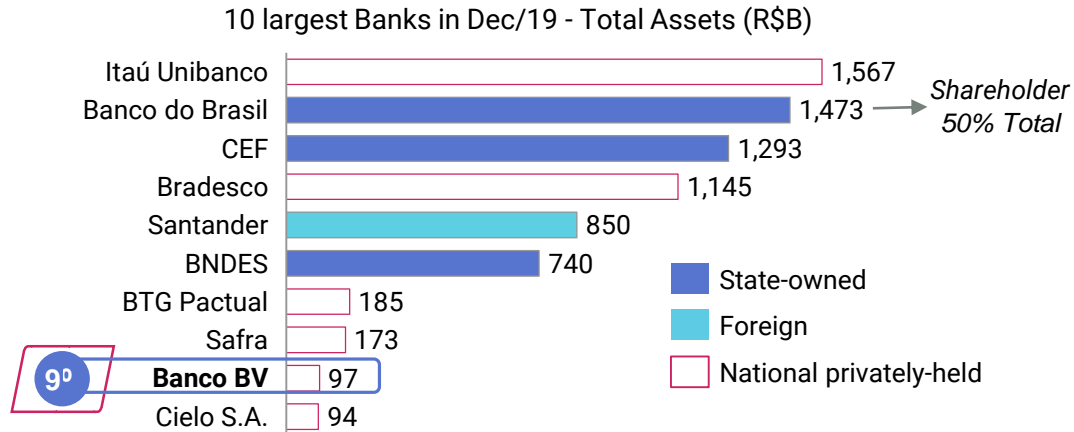
Appendix



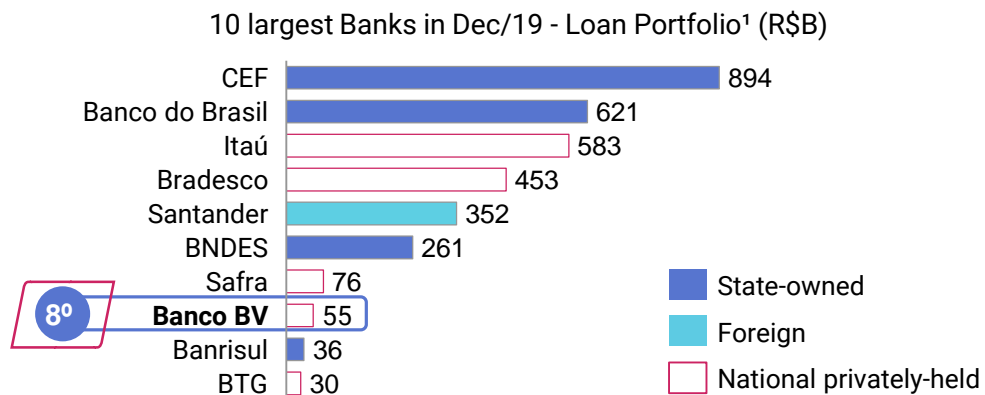
Banco BV is one of the leading banks in Brazil

Top 10 in total assets, with Strong shareholders and corporate governance practices

Banco BV is one of the largest privately-held Brazilian banks in total assets...

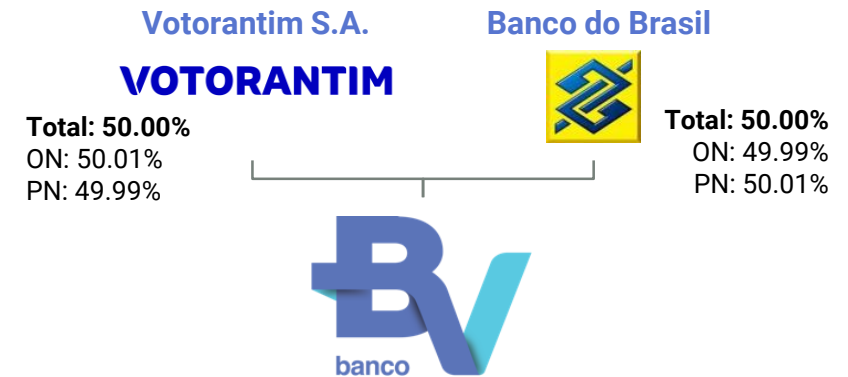


... and also in terms of loan portfolio

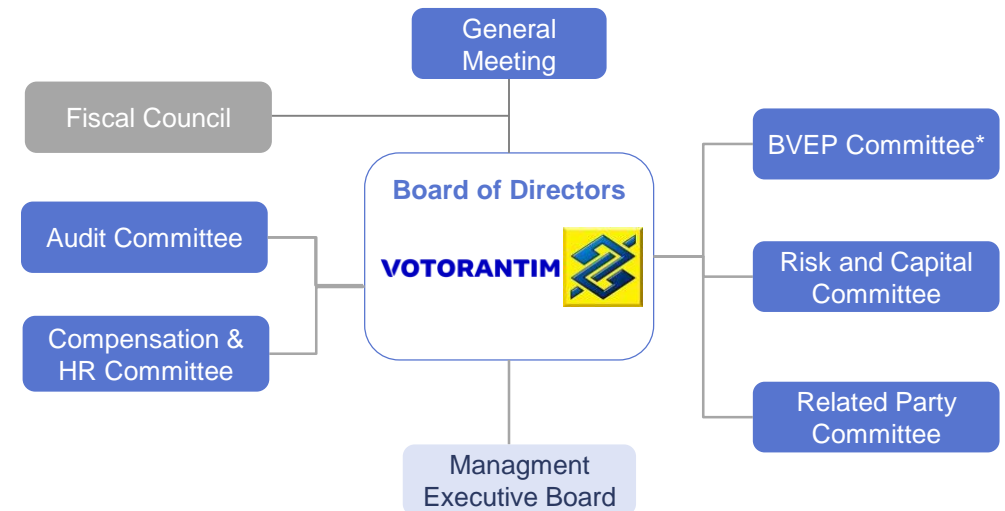


1. On-balance loan portfolio according to Central's Bank Resolution 2.682.

Ownership Structure



Corporate Governance Structure



* BV Empreendimentos e Participações

Finance highlights

Balance sheet

BALANCE SHEET Assets (R\$ Million)	mar/19	dec/19	mar/20
Cash and cash equivalents	355	1,052	2,240
Financial Assets	84,314	86,703	95,634
Interbank funds applied	9,227	2,532	4,614
Securities and derivative financial instruments	21,645	27,720	29,595
Derivative financial instruments	3,672	2,737	8,092
Interbank accounts or relations	411	1,772	133
Loan Operation	51,210	55,676	56,618
Allowance for loans losses	(3,799)	(4,716)	(5,034)
Other financial assets	1,948	982	1,616
Tax assets	7,023	7,229	7,695
Investments and interests in associates and subsidiaries	287	80	85
Fixed asset	103	94	94
Intangible	308	303	349
Other assets	1,602	1,400	1,304
TOTAL ASSETS	93,993	96,862	107,400

BALANCE SHEET Liabilities (R\$ Million)	mar/19	dec/19	mar/20
Financial Liabilities	81,285	84,001	94,760
Deposits	11,089	16,356	20,318
Money Market borrowings	16,651	15,206	16,411
Acceptances and endorsements	30,165	32,066	32,318
Interbank accounts	1,394	1,642	1,518
Borrowings and onlendings	3,374	3,578	5,594
Derivative financial instruments	3,514	2,935	7,596
Subordinated debts and debt instruments eligible for equity	6,357	6,597	3,889
Other financial liabilities	8,740	5,621	7,115
Tax liabilities	304	567	381
Provisions for contingencies	1,333	906	939
Other liabilities	1,284	1,502	1,307
Shareholders equity	9,787	9,886	10,014
TOTAL LIABILITIES	93,993	96,862	107,400

Managerial Income Statement

INCOME STATEMENT (R\$ Million)	1Q19	4Q19	1Q20
Net interest income - NII	1,559	1,626	1,663
Cost of Risk	(541)	(591)	(916)
Net financial margin	1,018	1,035	748
Other income/expenses	(479)	(538)	(460)
Fee income	495	540	513
Personnel and administrative expenses	(507)	(586)	(517)
Tax expenses	(122)	(158)	(135)
Equity in income of subsidiaries	25	(8)	(30)
Other income/expenses	(370)	(325)	(291)
Income before taxes and contributions	539	497	287
Provision for income tax and social contribution	(203)	(170)	(66)
Net income	336	327	221

Key Indicators

%	1Q19	4Q19	1Q20
Return on Average Equity¹ (ROAE) - linear	14.0	13.1	8.9
Return on Average Assets (ROAA)	1.4	1.3	0.9
Net Interest Margin Clientes² (NIM)	9.5	10.3	10.3
Efficiency Ratio (ER) – accumulated of 12 months³	32.9	32.2	31.8

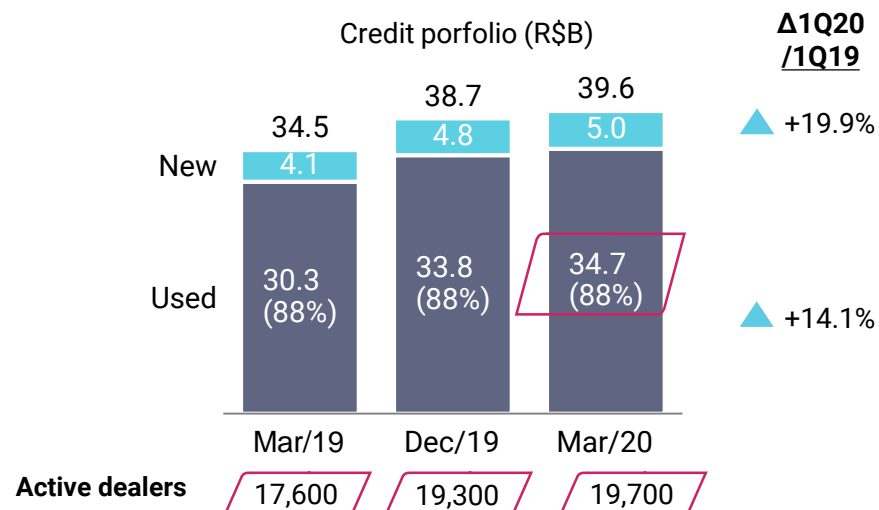
1. Includes profit sharing expenses; 2. - Net Interest Margin: Ratio between Financial Margin with clients and the average assets sensitive to spread. 3. IE = personnel, profit sharing expenses and administrative expenses / (gross financial margin + service and fee income + other operating income + other operating expenses + tax expenses), excludes labor claims.

Consumer Finance: increased focus on used auto finance and strong presence in insurance brokerage



Consumer Finance Businesses

Auto Finance

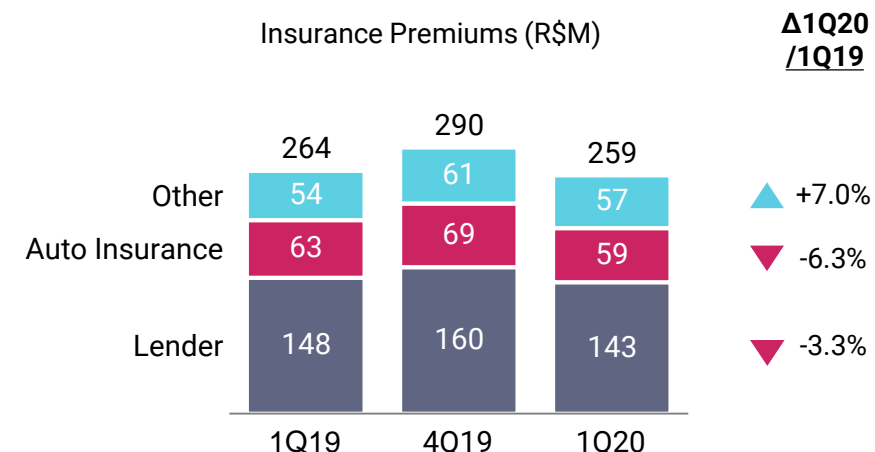


Among market leaders in auto financing, with the following advantages:

- Capilarity: presence in ~19,000 car dealers nationwide; 65 own stores; mobile app
- Agility: 96% of proposals with automatic credit decision
- Expertise: continuous improvement of management tools
- Digital transformation: creation of data science and innovation lab (BV Lab)



Insurance Brokerage



Focus on growing brokerage revenues, leveraging the Consumer finance customer base.

Wide portfolio of insurance and assistance, with more than 15 products::

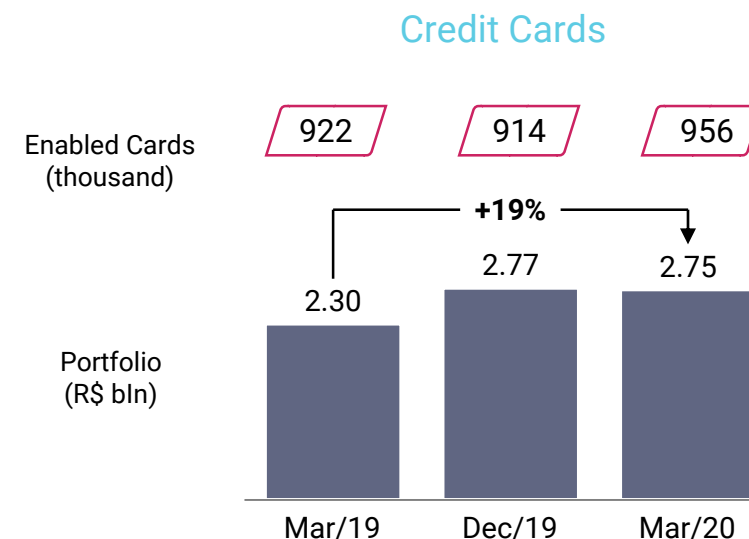
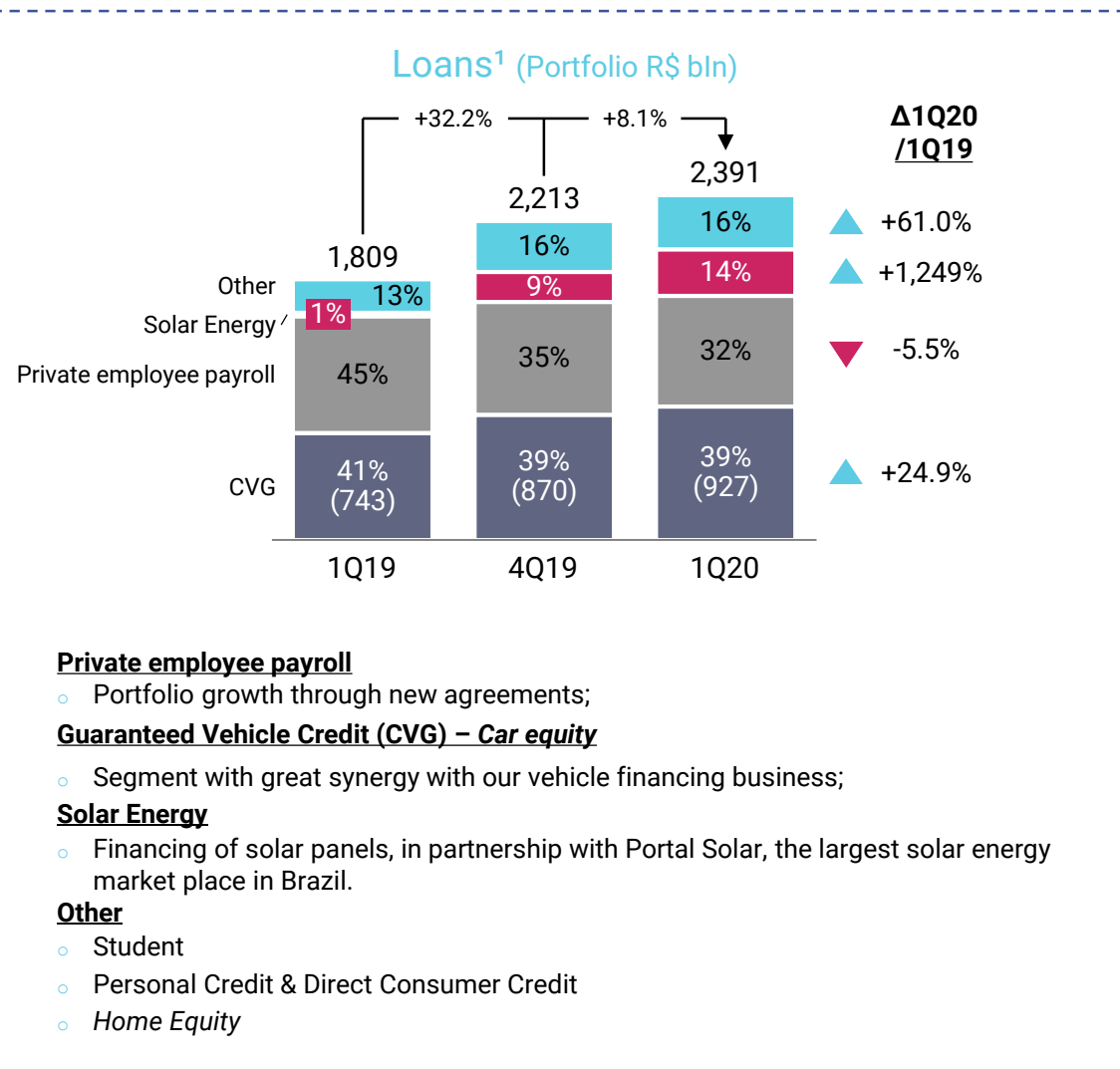
- Life
- Dental
- Residential
- Personal accident, etc.

We started sales of complete auto insurance through an auto market place in addition to the financing sales process.

Loans and Credit Card: diversification of revenue sources, leveraging the Vehicle customer base



Consumer Finance businesses



Issuance of Elo, Visa and Mastercard credit cards

The credit card business complements the product offering for BV's customer base ... objective of growing organically through new commercial partnerships (ex. Dotz), reinforcing investments in improvements to the App, digital customer service and new features such as virtual card.



Bevê, virtual financial assistant

In 1Q20, were done Bevê rollout, virtual financial assistant plugged into BV cards



Wholesale businesses

Corporate Banking (CIB)

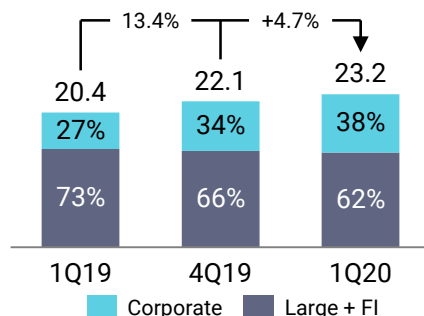
- **Large Corporate** (>R\$ 1,500mln):
- **Corporate** (R\$ 300M - R\$ 1,500mln): focus on portfolio growth (dilution of risk)

Focus on cash management operations, financial structuring, guarantees, working capital, hedge, FX, capital markets and M&A

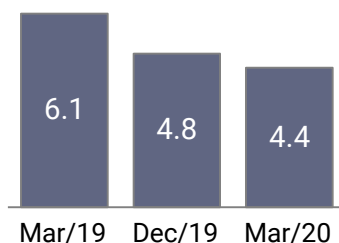
Leverage competitive capabilities

- Discipline in capital allocation and risk management (RAR¹)
- Sectoral expertise (infrastructure and agribusiness)
- DCM distribution

Expanded Portfolio CIB (R\$ B)



10 largest customers / Total credit portfolio



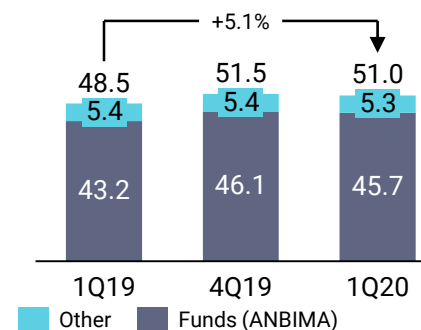
Private Bank – BV Private

- Advisory approach focused on customer objectives
- Differentiated access to VAM and products linked to the Real economy (FII e FIDC)
- Expertise in estate planning

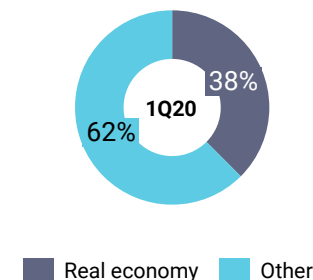
Asset Management – BV Asset

- **R\$ 51.0 billions under management (AuM)¹**
- Development of solutions appropriate to customer needs
- 15th position in the ANBIMA ranking
- 267 active funds under management and a strong focus on funds **backed by real economy assets**

Asset management¹ (R\$ B)



Funds backed by real economy assets²

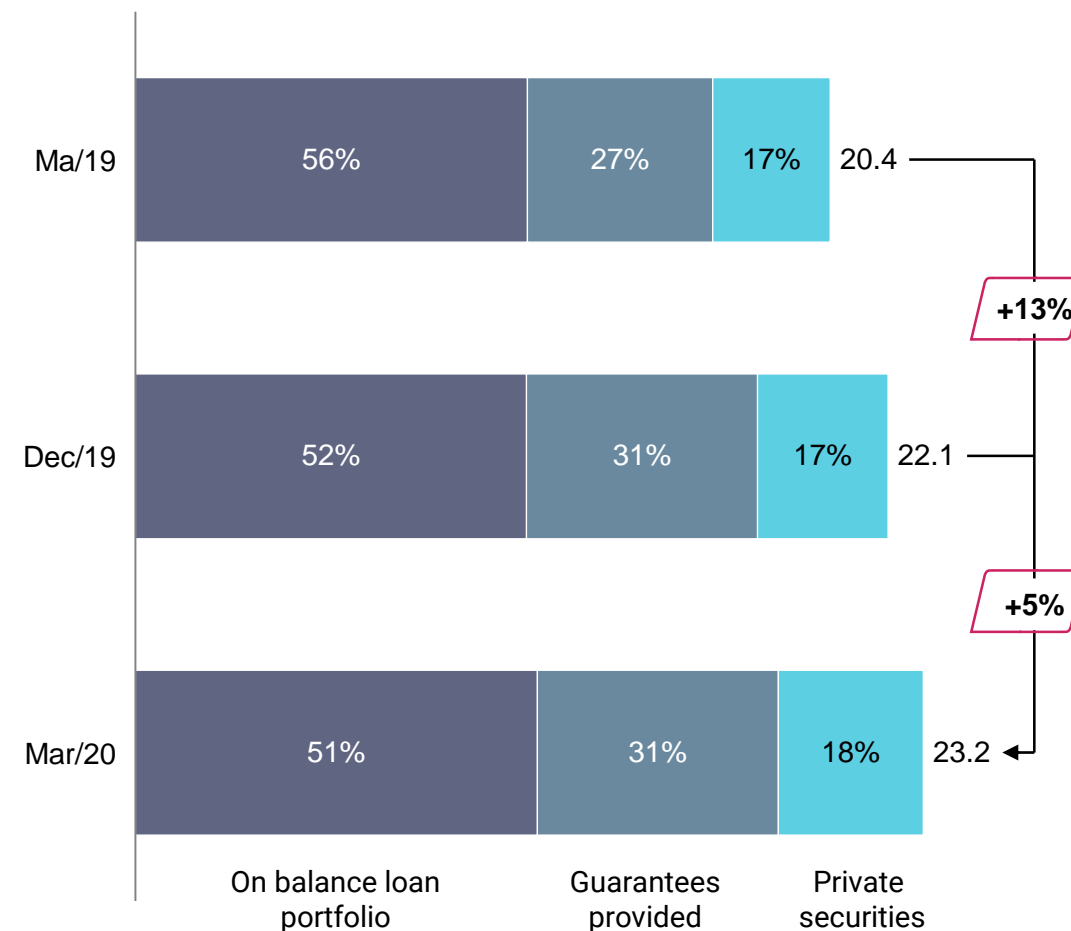


1. Total assets under management include BV Asset and BV Private; 2. Includes real estate, energy, infrastructure and others

Sector diversification portfolio¹

Wholesale Sectorial Concentration	Dec/19		Mar/20	
	R\$M	Part.(%)	R\$M	Part.(%)
Agroindustry	503	4.0%	516	4.0%
Wholesale commerce and sundry industries	4,627	37.1%	5,170	40.3%
Retail business	1,122	9.0%	1,133	8.8%
Electric power	132	1.1%	116	0.9%
Financial Institution and services	576	4.6%	927	7.2%
Mining and Metallurgy	103	0.8%	165	1.3%
Paper and pulp	129	1.0%	140	1.1%
Chemical	128	1.0%	58	0.4%
Services	3,567	28.6%	3,46	23.7%
Telecommunications	102	0.8%	38	0.3%
Textile and apparel	125	1.0%	121	0.9%
Transportation	942	7.6%	927	7.2%
Other	410	3.3%	477	3.7%
Total	12,467	100%	12,834	100%

Expanded credit portfolio (R\$B)



BV^x: Innovation unit focused on generating value through connection with the ecosystem of fintechs and startups



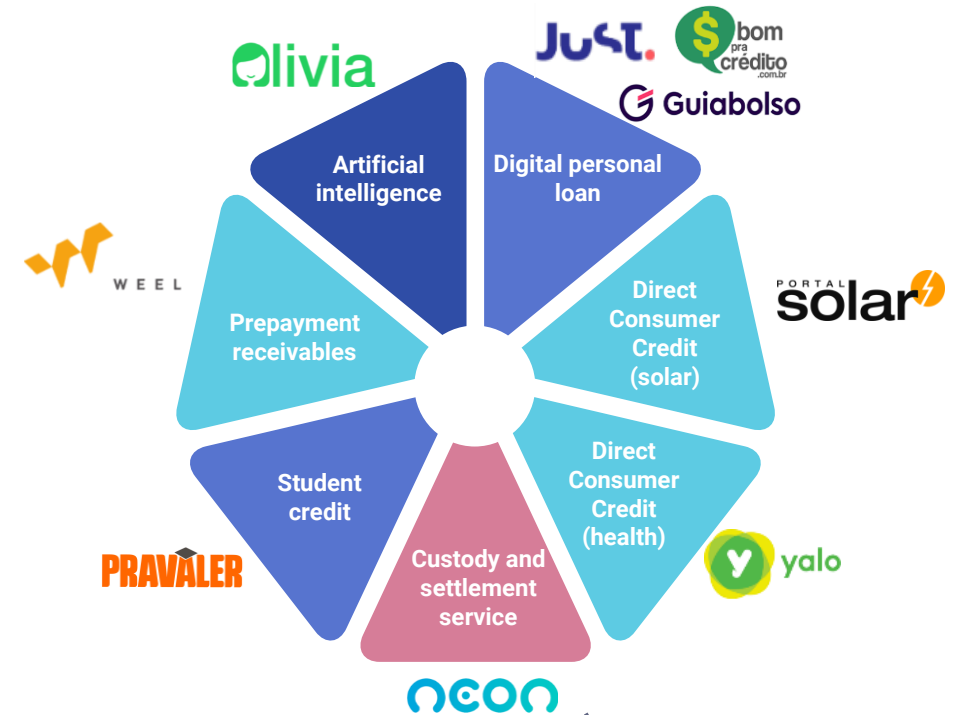
Innovation Business Unit



- In 2019, BV's innovation business unit, BVx, was officially launched, its **mission is to generate value** through the connection with the **startup ecosystem**, through co-creation, proprietary developments and investments in strategic partnerships.
- BVx has three operating fronts :
 - **Corporate Venture Capital (Corporate VC):** investments in fintechs and other startups that have synergies with BV and that complement the portfolio of solutions for bank customers
 - **Open BV Platform:** Through Open Banking initiatives, expand BV's role as Bank as a Platform, leveraging its portfolio and services penetration. We have approximately 400 APIs already published.
 - **BVLab:** Proprietary innovation laboratory that develops and tests new technologies with a focus on improving the customer experience and greater integration and synergy with partners.

178 partners using the open BV platform

Examples of partnerships in our ecosystem



In the 1Q20, we announced a new partnership in the provision of private payroll loans

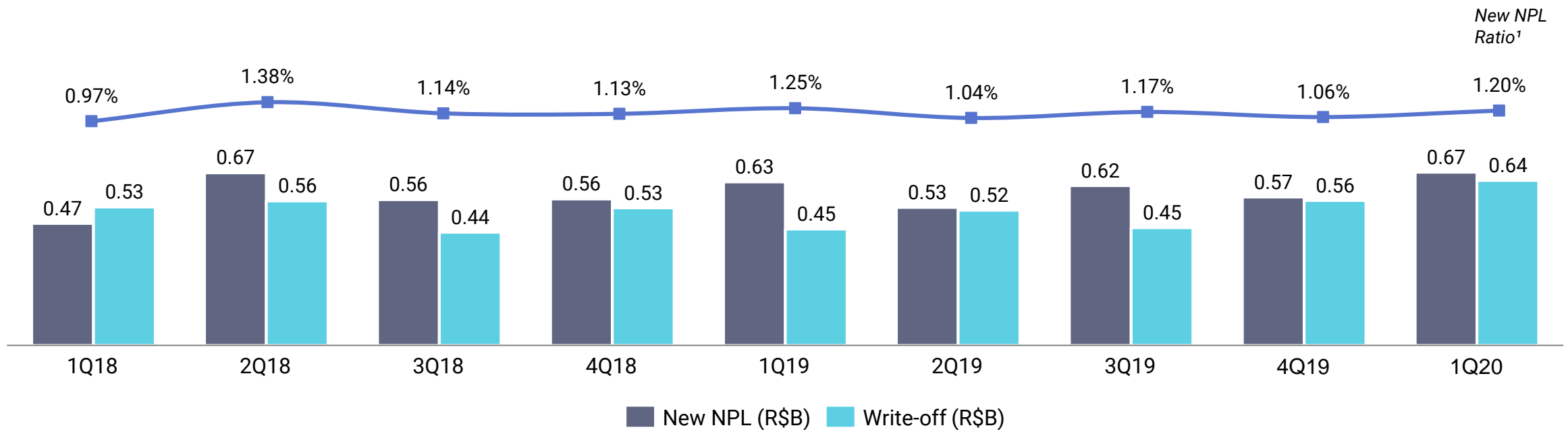
Bank as a Platform

▲ +9.3 million

transactions carried out in 1Q20, 465% above 1Q19, via Banking as a Service

Credit portfolio quality – New NPL rate

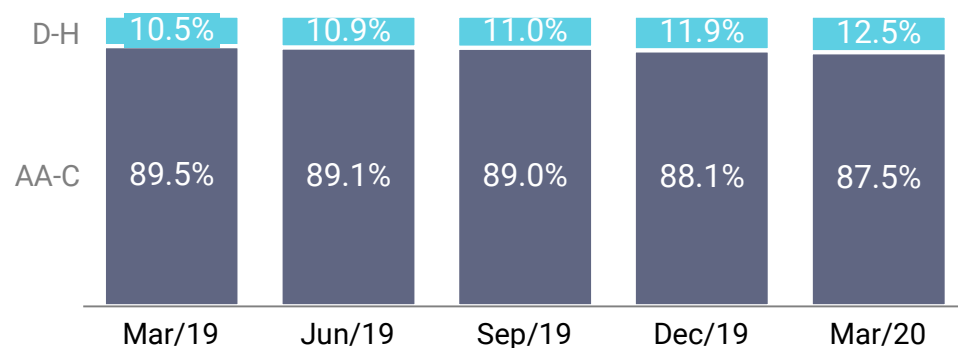
NEW NPL (R\$ Million)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Managed loan portfolio (A)	48,185	49,170	49,771	50,478	51,199	52,480	53,519	55,676	56,618
90-day NPL Balance (NPL)	1,861	1,969	2,095	2,128	2,310	2,320	2,483	2,496	2,527
Quarterly NPL variation (B)	-64	108	126	34	181	11	162	13	32
Write-off (C)	534	557	436	531	449	521	454	559	636
New NPL (D=B+C)	470	665	562	565	630	532	616	572	668
New NPL Rate ¹ (D/A)	0.97%	1.38%	1.14%	1.13%	1.25%	1.04%	1.17%	1.07%	1.20%



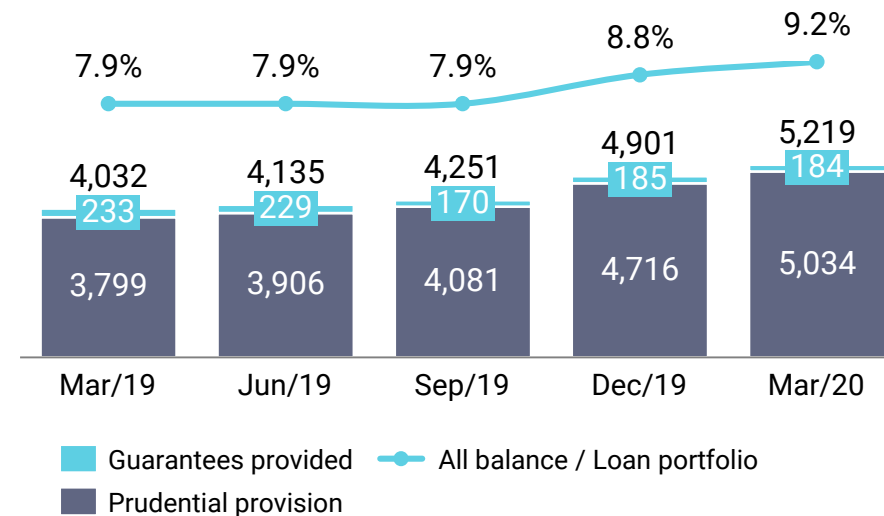
1. Variation in the balance of 90-day NPL balance + loans written-off to loss in the quarter, divided by loan portfolio by the end of the immediately preceding quarter.

Credit quality indicators

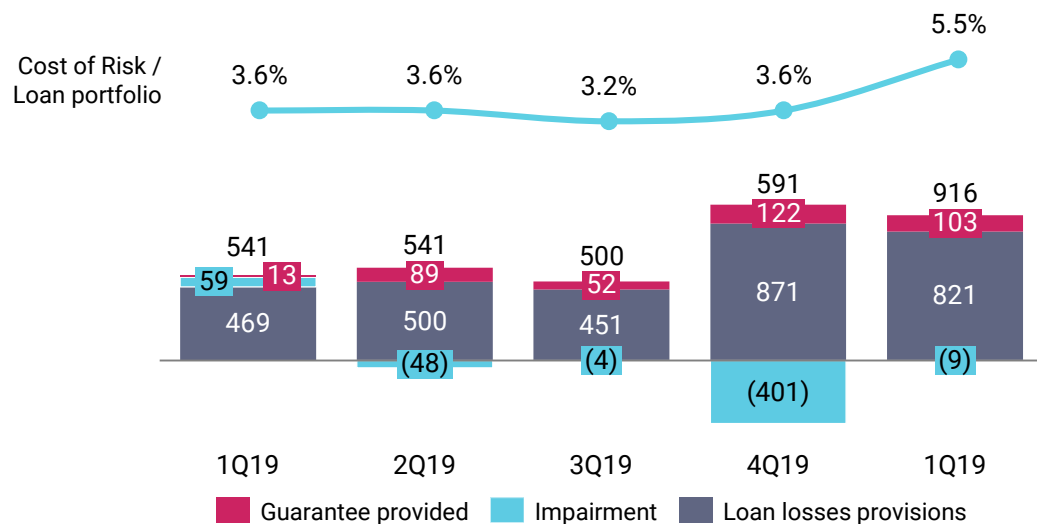
Loan portfolio rated by risk level (%)



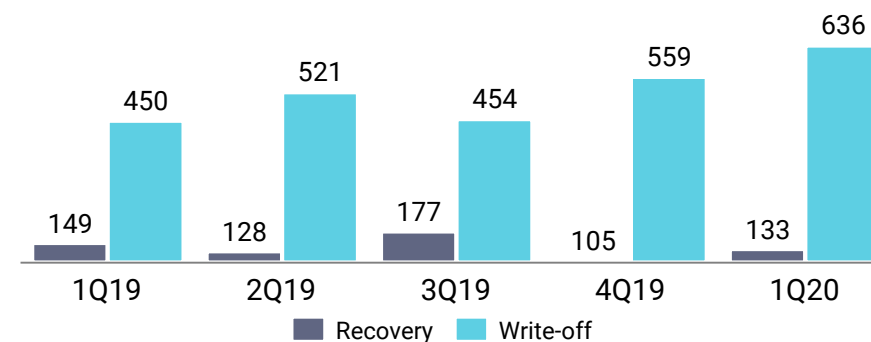
Allowance for loan losses balance (R\$M)



Result of loan losses¹, guarantees and impairments (R\$M)



Net Loss² (R\$M)



1. . Considers credit provisions recognized as Liabilities in the "Other" line (see Note #18d of Financial Statements); 2. Net loss = loans written-off to losses in the quarter + revenues from credit recovery.

RATING AGENCIES		International		Local	Brazil
		Local	Foreign	Local	
Moody's	Long-term	Ba2 (stable)	Ba3	Aa3.br	Sovereign rating (outlook)
	Short-term	NP	NP	BR-1	
Standard & Poor's	Long-term	BB- (stable)		brAAA	BB- (stable)
	Short-term	B		brA-1+	

Earnings Presentation

1Q20

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