Earnings Release – Second Quarter 2012

August 9, 2012

Highlights

Rio de Janeiro, Brazil, August 9, 2012 - Banco BTG Pactual S.A. (“Banco BTG Pactual”) and BTG Pactual Participations Ltd. (“BTGP”, and together with Banco BTG Pactual, the “BTG Pactual Group” or “BTG Pactual”) (BM&FBOVESPA: BBTG11 and Alternext: BTGP) today reported combined adjusted total revenues of R$1,637 million and combined net income of R$822 million for the quarter ended June 30, 2012.

Net income per unit and annualized return on average shareholders’ equity (ROAE) were R$0.93 and 30.4%, respectively, for the quarter ended June 30, 2012, and R$1.82 and 30.8%, respectively, for first half of 2012.

Total assets for the group reached R$136.9 billion, up 2.0% from March 31, 2012, and BIS capital ratio for Banco BTG Pactual was 18.5%, as of June 30, 2012.

Financial Summary and Key Performance Indicators

Highlights and KPIs (unaudited) *(in R$ million, unless otherwise stated)*	**Quarter**			**Year to Date**	
	2Q 2011	**1Q 2012**	**2Q 2012**	**6M 2011**	**6M 2012**
Total revenues	749	1,603	1,637	1,568	3,240
Operating expenses	(320)	(532)	(732)	(660)	(1,264)
Of which fixed compensation	(55)	(70)	(74)	(109)	(144)
Of which variable compensation	(113)	(333)	(280)	(262)	(612)
Of which non compensation	(153)	(129)	(379)	(289)	(507)
Net income	**310**	**786**	**822**	**639**	**1,608**
Shareholders' equity	**7,748**	**9,318**	**12,333**	**7,748**	**12,333**
Total assets (in R$ billion)	110.9	134.2	136.9	110.9	136.9
Annualized ROAE	**16.3%**	**35.2%**	**30.4%**	**16.9%**	**30.8%**
Cost to income ratio	43%	33%	45%	42%	39%
Coverage ratio	220%	208%	167%	222%	183%
AuM and AuA (in R$ billion)	100.7	130.3	132.5	100.7	132.5
WuM (in R$ billion)	33.6	42.0	40.8	33.6	40.8
BIS Capital Ratio	19.3%	16.2%	18.5%	19.3%	18.5%
Net income per unit (R$)	0.39	0.98	0.93	0.80	1.82

Performance

For the quarter ended June 30, 2012 we achieved an annualized ROAE of 30.4%. For the first half of 2012, our annualized ROAE reached 30.8%. These results reflect good performance of many of our business units during the period.

Our revenues for the 2Q 2012 were R$1,637 million, up 2% from the 1Q 2012, and 119% from the 2Q 2011. Our operating expenses for the 2Q 2012 reached R$732 million, up 38% from the previous quarter. This increase is due to the costs associated with our April 2012 IPO, which are recognized as expenses under Brazilian GAAP, and to our decision to accelerate the amortization of goodwill from investments own. Excluding the effect of such items, our operating expenses would have been R$511 million, a 3% reduction when compared to 1Q 2012.

As a result, in the 2Q 2012 our cost to income ratio was 45% and our coverage ratio was 167%. Net income reached R$822 million, representing an increase of 4.5% from the 1Q 2012, and 165% from the 2Q 2011. If adjusted to exclude the goodwill amortization and IPO expenses mentioned above, for the 2Q 2012 and first half 2012, our cost to income ratio would be 31% and 32% respectively, and our coverage ratio would be 215% and 212%, respectively.

BTG Pactual Group's AuM and AuA ended the period at R$132.5 billion, 1.7% higher than March 31, 2012, with negative NNM of R$1.7 billion. WuM ended the period at R$40.8 billion, 2.8% below such amount as of March 31, 2012, with positive NNM of R$0.6 billion.

"We are pleased to announce our results for the 2Q 2012. They are very positive despite the challenging economic environment in which we operated throughout the period. We were able to deliver superior return on equity, despite recognizing extraordinary expenses of R$221 million from goodwill amortization and from our IPO in the quarter. Our net income, of R$822 million for the quarter, reflect the dedication and commitment of our teams in all of the business units of the group" said Andre Esteves, CEO of the Group.

Relevant Events

On June 20, 2012, BTGI together with OUR private equity investment fund, concluded the acquisition of A 40% STAKE IN Leader Participações S.A ("Leader") for a total of R$ 665,1 million, with an upfront installment of R$ 558,4 million and a further capital increase of R$ 106,7 million in Leader which is directed to support its expansion plan. The direct and indirect stakes in Leader ARE 20,45% and 6,54%, and the corresponding acquisition prices are R$340 million and R$21,3 million respectively. BTG Pactual group has A call option representing 20% to 30% of total capital. The deadline for exercising the option is 90 days after June 20, 2012 and the exercise price is subject to adjustments related to the percentage to be acquired as well as the outcome of the due diligence.

On July 12, 2012 the company through its integral subsidiary BTGI Investments LP ("BTGI") concluded an association contract with AGN Agroindustrial, projetos e participações Ltda to jointly explore with a new entity denominated B&A Mineração, opportunities of investments in mining, focusing its operations in Brazil, South America and Africa.This association involves investments around US$520 Million (equivalent to R$ 1,050 Million), aiming to support the financial requirements of the projects and provide organic expansion through acquisitions.

On July 4, 2012, the BTG Investments LP concluded the sale of interest held in STR Projetos e Participações S.A. ("STR") through its integral subsidiary, Stigma Participações S.A ("Stigma"). This transaction was made in open auction in BM&F BOVESPA for R$ 699.7 million.

In July 14, 2012, BTG Pactual entered into an agreement to purchase Bolsa y Renta, the largest broker dealer by volume of equity transactions in Colombia, with a portfolio of US$2.57 billion in wealth under management and US$873.8 million in asset under management. The acquisition price will be US$51.9 million. Once the transaction is completed and the operations are combined, Bolsa y Renta's main shareholders and executives will continue to head the Colombian operations.

Market Analysis

Overall, markets performed poorly in the 2Q 2012. Brazil's stock markets presented weak performance in the second quarter, with the Ibovespa falling by 16%, following the key international indexes (NIKKEI -11%, DAX -8%, FTSE -3% and S&P 500 -3%). The period's performance contrasted with the strong results delivered by stock markets in the first quarter (Ibovespa +14%, NIKKEI and DAX nearly +20%, FTSE +5% and S&P 500 +13%). In addition, the decline seen in the second quarter either maintained last twelve months results negative for most markets, or brought them to very moderate levels (Ibovespa -13%, NIKKEI -8%, DAX -13%, FTSE -6%, S&P 500 +3%).

The Brazilian Central Bank reduced the target Selic rate by 125 basis points during the period, down to 8.50% p.a. as of June 30, 2012. In the Brazilian rates market, the yield on the pre-DI 360-day swap slumped by approximately 140 bps to end the quarter at 7.6% p.a. In comparison with the second quarter of 2011, the decline in the yield on the 360-day swap was even steeper, a reduction of 500 bps.

In the currency market, the Brazilian Real depreciated 11% against the U.S. Dollar during the quarter, after a slight appreciation of 3% in the previous quarter. Compared to June 30, 2011, the Brazilian Real depreciated approximately 30% against the U.S. Dollar.

In the commodities market, the CRB index fell 8% in the 2Q 2012, as compared to a 1% increase in the previous quarter. In comparison with the 2Q 2011, the CRB index ended the quarter with a decline of nearly 14%. International oil prices fell by 20% in the second quarter, after having increased by 14% in the previous quarter. In the year-on-year comparison, international oil prices per barrel dropped by 13%.

Investment banking ECM activity in Brasil improved in the 2Q 2012 when compared to the 1Q 2012, with 3 IPOs and 4 follow-on offerings in the period, reflecting a total volume of over US$3.6 billion, compared to virtually no activity in the 1Q 2012. Nevertheless, activity in this market is still less than half of what was observed for the 2Q 2011 in volume terms. In M&A, deal flow was US$30.0 billion, down 21% from 1Q 2012 despite a 9% increase in the number of deals. In comparison to 2Q 2011 M&A activity remains stable with volumes at similar levels. In DCM, overall volumes of issuances have decreased by 65% in the 2Q12, with a 30% reduction in the volume of domestic issuances, and a 75% reduction in the volume of international issuances by Brazilian companies, as compared to the previous quarter.

Economic Environment

The second quarter was marked by political events with the French and Greek elections bringing the Eurozone crisis back to the forefront of investors' concerns. The political left gained momentum in France and Greece. The possibility of a Greek exit had to be factored as the austerity package was under strong domestic criticism.

The political uncertainties in the Eurozone were aggravated by the vanishing impact of LTRO on market expectations. Delinquencies in credit portfolios and tighter Basel requirements forced Spain to request the aid of the European Union after the capital shortfall at Bankia reached €19 billion. The announcement of a €100 billion facility established for direct capitalization of Spanish Banks did not calm markets as operational details were unclear.

Economic activity also deteriorated across the globe. The 2012 forecast for China's growth is 8% in spite of the easing of monetary policy. The growth of other emerging markets was also disappointing, including Brazil surprising on the downside. US labor and consumption data were weaker than expected raising the possibility of FED implementing QE3 in the third quarter of the year. In the Eurozone, downside risks to activity have materialized and the ECB cut interest rates below 1% for the first time.

Risk aversion dominated the quarter and brought yields of core markets to unprecedentedly low levels. The global search for yield caused bull market runs into the sovereign debt of a number of emerging markets. As a consequence of both the compression of interest rate differentials to the USD and risk aversion, the USD appreciated relative to other currencies. As far as equities markets are concerned, however, lower interest rates were not sufficient to compensate for growth deceleration. Global equity markets were penalized during the quarter with the S&P supported by expectation of further quantitative easing. Commodities were also hit with the prospects of lower growth although agricultural commodities rebounded in June because of the drought in the US.

In Brazil, the loosening of the monetary policy since mid-2011 and the several other economic stimulus measures taken by the government suggest that the economy should gain greater momentum towards the end of the year, with stronger reflection in 2013 activity figures. Regarding 2012, however, consensus forecasts for GDP growth have been downgraded from 3.3% in the beginning of the year to slightly below 2%. Indeed, key indicators point to a moderate increase in GDP in the second quarter, below earlier consensus estimates. In May, industrial production fell for the third consecutive month, with a 1.8% decline in the last twelve months – the weakest performance since early 2010. Retail sales also took a downward turn in May after two consecutive months of positive results, but June's figures are expected to be better thanks, in particular, to the performance of vehicle sales. Overall, credit has remained in line with a scenario of moderate growth in 2012, with outstanding close to 50% of GDP. The average delinquency rate for individuals increased further in May, reaching 8%, but is projected to decline during the remainder of the year.

Regarding inflation, Brazil's 2Q 2012 results were better than expected. IPCA ended the quarter with a 1.08% increase, versus 1.40% in 2Q 2011. However, 12-month accumulated inflation fell only moderately, to 4.9% (versus 5.2% for the 12 months ended March 31, 2012), as last year's higher readings were concentrated in the four first months of the year. This favorable performance was also helped by a temporary decrease in durable goods inflation, reflecting tax breaks on motor vehicles and the tax cut offsetting the gasoline price hike. There was also some improvement in services inflation, and even core inflation measures declined faster in recent readings. In fact, the average of conventional core inflation measures stood at 5.4% at the end of 2Q 2012 (in 12-month accumulated terms), compared to 6% at the end of 1Q 2012. The risk of deviations of inflation from target is clearly smaller this year than it was in 2011.

The Brazilian Real depreciated in comparison with the previous quarter and since mid-May it has generally traded between R$2.0 and R$2.1/US$. There has been a decoupling of the Brazilian Real from the levels that would be justified by traditional fundamentals of the value of the currency (such as commodities prices and risk premiums), as well as from levels suggested by its former correlation with other commodity currencies. We see evidence that monetary easing, with a significant decline in domestic rates, was a key factor behind the departure of the exchange rate from its earlier correlations.

The quarter's fiscal results point to a more difficult scenario to meet the government's primary surplus target. The disappointment with tax revenues reflects the performance of economic activity, but also a number of tax reductions implemented as countercyclical policy stimulus. The overall increase in expenditures, in turn, is not yet translating into an increase in government investment spending. Additional pressure on the primary results should ensue as public investment is expected to pick up pace in the second half of the year, while the government may still benefit from one-off revenues, such as dividends from state owned companies and concessions. The very prospect of lower interest rates – hence, better public debt dynamics for any given level of the primary surplus – may relax the commitment with the fulfillment of the primary surplus targets without discounting (as allowed by the budgetary framework) expenditures of the 'Growth Acceleration Program" (PAC).

Combined Adjusted Income Statement

Overall, 2nd quarter revenues remained in line with those of the 1st quarter of 2012, that combined reflected strong growth when compared to the 1st half 2011. Almost all revenue lines presented solid growth when compared to the same period of 2011.

Combined Adjusted Revenues (unaudited)	Quarter			2Q 2012 % change to		Year to Date		6M 2012 % change to
(in R$ million, unless otherwise stated)	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012	6M 2011	6M 2012	6M 2011
Investment banking	132	50	129	-3%	156%	237	179	-25%
Corporate lending	119	102	140	17%	37%	188	242	29%
Sales and trading	147	562	334	127%	-41%	357	896	151%
Asset management	113	171	178	57%	4%	225	349	55%
Wealth management	41	37	36	-14%	-3%	73	72	-2%
PanAmericano	24	(21)	(98)	n.a.	n.a.	24	(119)	n.a.
Principal investments	22	572	687	2963%	20%	164	1,259	666%
Interest and other	150	130	232	54%	79%	299	362	21%
Total revenues	**749**	**1,603**	**1,637**	**119%**	**2%**	**1,568**	**3,240**	**107%**

Investment Banking

The tables below present details related to announced transactions in which BTG Pactual participated:

BTG Pactual Announced Transactions (unaudited)	Number of Transactions(1),(3)			Value(2),(3) (US$ mln)		
	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012	2Q 2012
Financial advisory (M&A)(4)	12	17	22	3,668	11,264	7,749
Equity underwriting (ECM)	5	2	7	1,540	135	674
Debt underwriting (DCM)	15	18	11	1,141	2,330	709

BTG Pactual Announced Transactions (unaudited)	Number of Transactions(1),(3)		Value(2),(3) (US$ mln)	
	6M 2011	6M 2012	6M 2011	6M 2012
Financial advisory (M&A)(4)	23	39	5,738	19,012
Equity underwriting (ECM)	9	9	2,002	809
Debt underwriting (DCM)	25	29	2,679	3,038

Source: Dealogic for ECM and M&A and Anbima for DCM

Note:

(1) Equity underwriting and debt underwriting represent closed transactions. Financial advisory represents announced M&A deals, which typically generate fees upon their subsequent closing.

(2) *Local DCM transactions were converted to U.S. Dollars using the end of quarter exchange rates*
(3) *Market data from previous quarters might vary in all products, for potential inclusion and exclusions*
(4) *M&A market data for previous quarters may vary because: (i) deal inclusions might occur with delay, in any moment of the year, (ii) canceled transactions will be withdrawn from the rank, (iii) transaction value revision and (iv) transaction enterprise values might change due to debt inclusion, which usually occurs some weeks after the transaction is announced (mainly for non listed targets)*

2Q 2012 vs. 2Q 2011

Investment banking revenues remained relatively stable in the two periods, which reflects an increase in revenues from financial advisory services, which was offset by reduced revenues from equity underwriting. Financial advisory revenues reflect continuing healthy merger and acquisition activities in Brazil and our leadership as an advisor in this market. Equity underwriting activities, despite a market improvement and an increase in number of transactions, still remained at low levels in Brazil in the second quarter of 2012, resulting in lower revenues in the period. Debt underwriting revenues remained relatively stable.

2Q 2012 vs. 1Q 2012

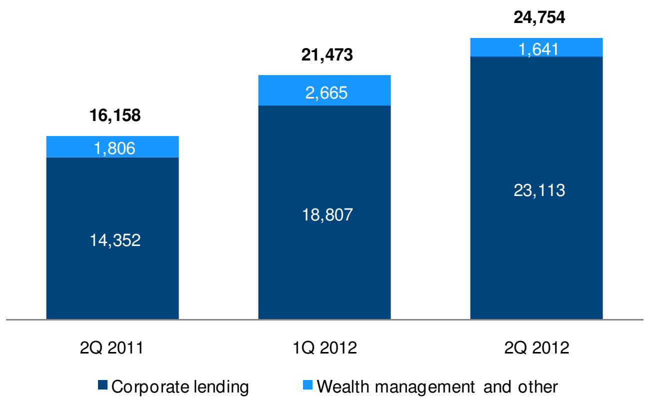
Revenues from investment banking increased 156%, which reflects increased revenues from equity underwriting and financial advisory services, partially offset by a decrease in debt underwriting revenues. Equity underwriting was impacted by an improvement of the equity capital markets activities in Brazil in the second quarter as compared to the first quarter of 2012, in which the market presented almost no activity. Local and international debt capital markets activities declined in the period, but still remained at healthy levels, leading to lower revenues when compared to 1st quarter 2012.

Furthermore, in the first half of 2012 BTG Pactual maintained its leading position in investment banking, being ranked #1 in M&A in number of transactions and #2 for announced deal value (reflecting its role as advisor in two important cross border transactions – advisor to Multilab in the sale to Takeda and advisor to Ypioca in the sale to Diageo) - #1 in number of transactions and announced value for ECM and #2 in announced deal value for DCM (according to Dealogic and Anbima's announced transactions, when applicable, related to Brazil).

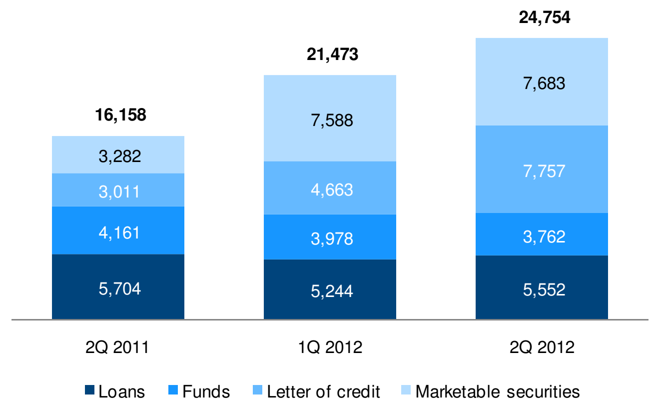
Corporate Lending

BTG Pactual Broader Credit Portfolio

Broader Credit Portfolio Breakdown By Main Area
(in R$ million)



Broader Credit Portfolio By Product
(in R$ million)



Note:

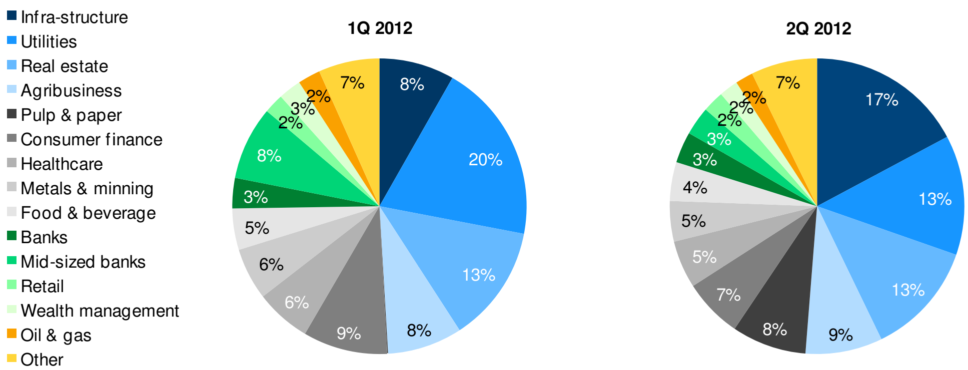
(1) Other: might include interbank deposits, merchant banking structured transactions and others

(2) Wealth management impacts WM results, other impacts Sales & Trading and Merchant Banking results

Our broader credit portfolio grew 15.3% in the second quarter of 2012, when compared with the first quarter of the same year, as a consequence of sustained demand from corporate clients in Brazil. Our broader credit portfolio is composed of loans, receivables, advances in foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds - FIDCs).

Broader Credit Portfolio By Industry

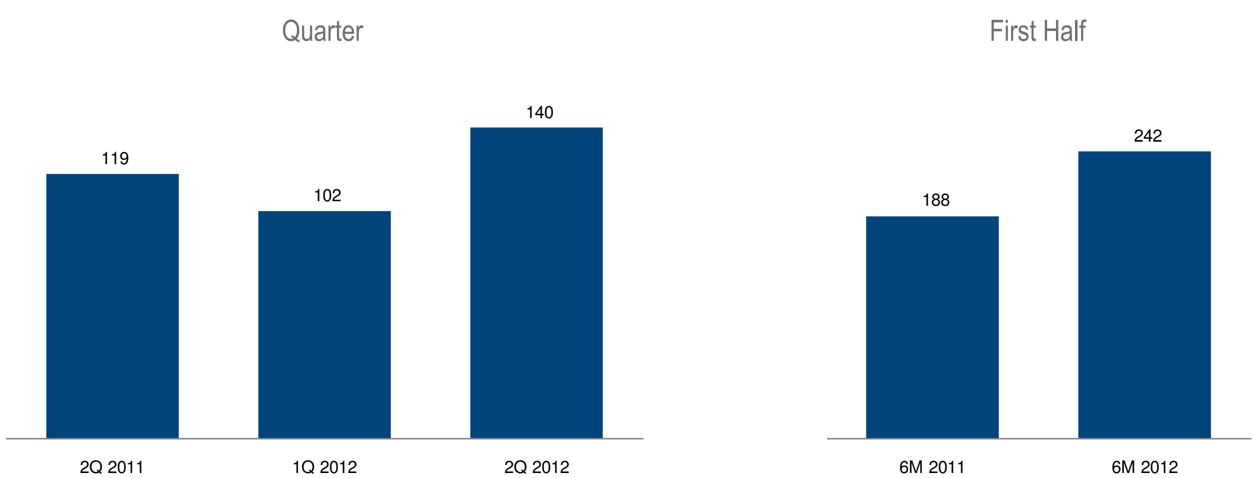
(% of total in values)



Corporate Lending Detailed Results

Revenues

(in R$ million)



2Q 2012 vs. 2Q 2011

Revenues from corporate lending increased 17% due to the growth of our corporate lending portfolio from an average balance of R$11.3 billion to R$21.0 billion, partially offset by an increase in the provision for allowance for loan losses. In addition, revenues in the second quarter of 2011 were positively impacted by gains from the divestment of a mortgage credit portfolio.

2Q 2012 vs. 1Q 2012

Revenues from corporate lending increased 37%, from R$102 million to R$140 million in line with the increased size of our corporate lending portfolio, from an average balance of R$18.5 billion to R$21.0 billion, respectively.

Sales and trading

2Q 2012 vs. 2Q 2011

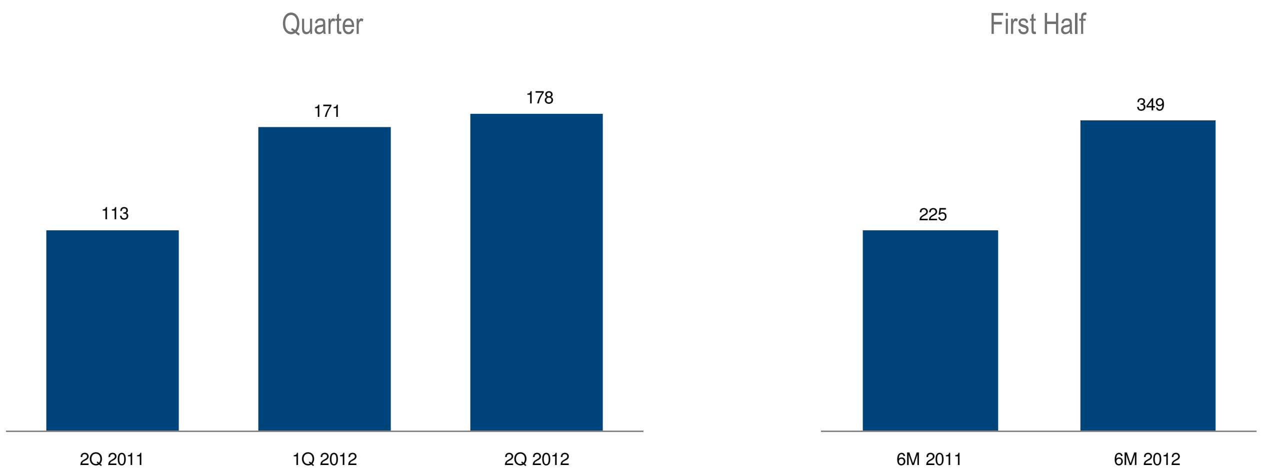
Revenues from sales and trading increased 127%, from R$147 million to R$334 million, mainly due to (i) higher volumes of trading with clients and market counterparties and (ii) positive impacts from the local interest rates convergence over our inventory of assets, partially offset by lower revenues from energy and equities cash. Ibovespa ended the period at 54,354 in comparison to 62,403 in the end of 2Q 2011 and declined in each quarter (-9% and -16% for the quarters ended June 30, 2011 and 2012 respectively).

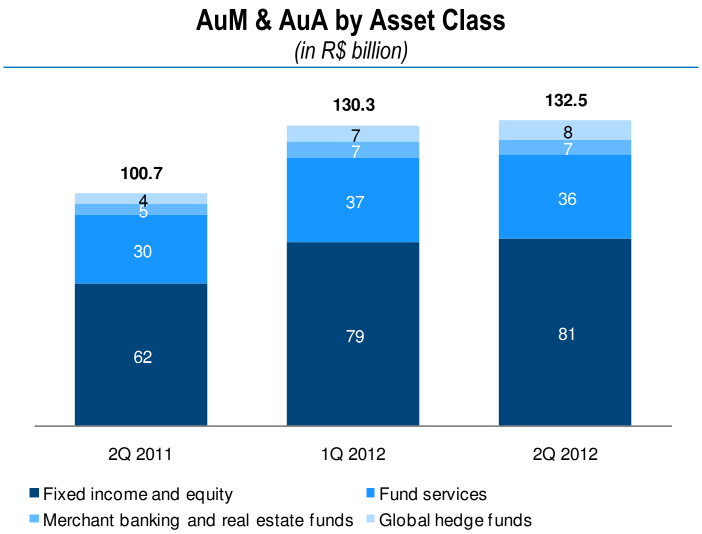
2Q 2012 vs. 1Q 2012

Revenues from sales and trading decreased 41%, mainly due to lower revenues from equities cash and energy, with both desks impacted by lower client activity in a challenging market environment marked by higher volatility, a falling Ibovespa Index and higher energy prices.

Asset Management

Revenues
(in R$ million)





2Q 2012 vs. 2Q 2011

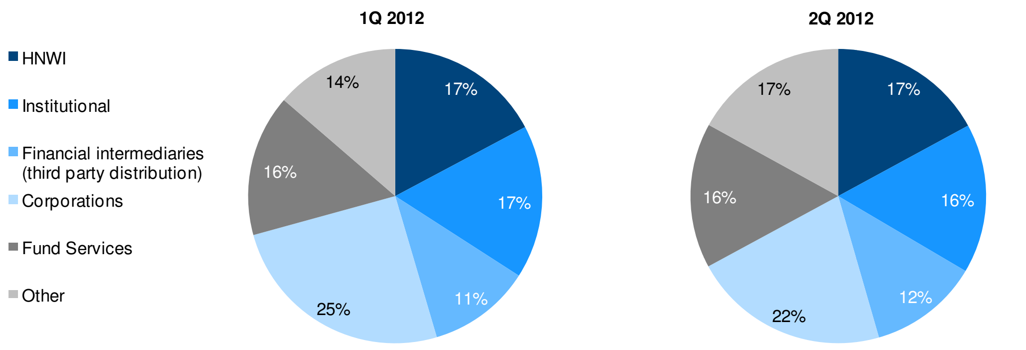
Revenues from asset management increased 57% mainly due to an increase of 32% in our AuM and AuA, from R$100.7 billion to R$132.5 billion, resulting in an increase in management fees as compared to the previous period. Revenues from asset management also benefited from an increase in performance fees, especially from some of our global hedge funds and our Brasil Fixed Income & Equities Funds, which closed their performance accrual period accumulating good returns. Such revenue increase was partially offset by a reduction in performance fees from our Brazil Specialist Funds, due to the recognition of performance fees related to the IPO of BR Pharma on the 2Q 2011 versus no significant event triggering performance fee accruals in the current quarter.

2Q 2012 vs. 1Q 2012

Revenues from asset management increased 4% mainly due to an increase of 2% in our AuM and AuA, from R$130.3 billion to R$132.5 billion, resulting in an increase in management fees as compared to the previous period.

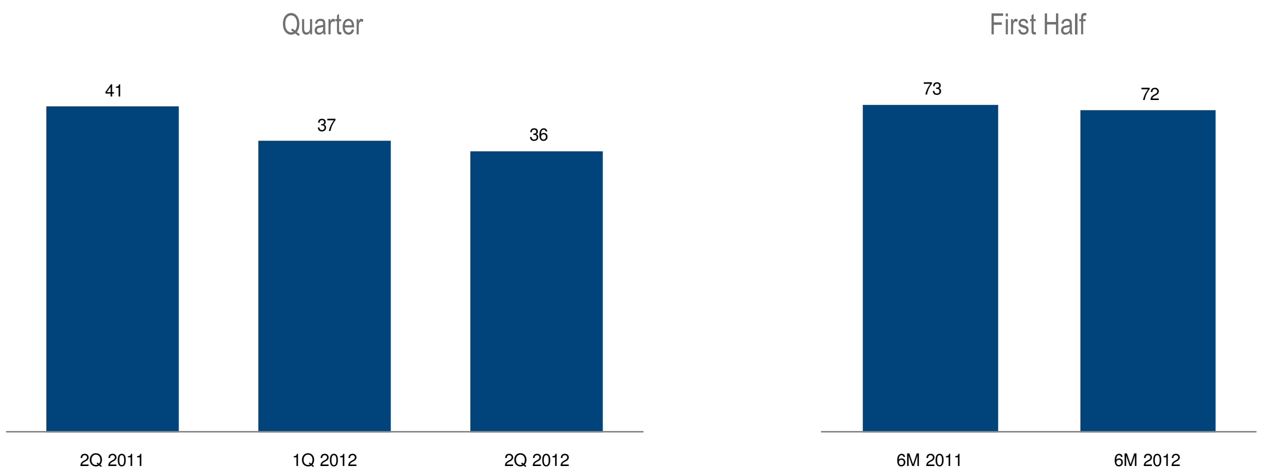
Net new money was negative in R$1.7 billion in the quarter due to outflows in lower margin funds in our Brazil fixed income and equities segment.

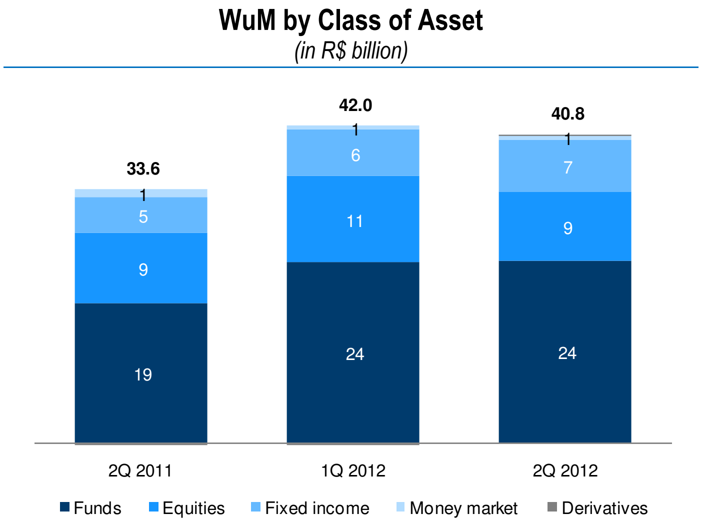
AuM and AuA by Type of Client
(%)



Wealth Management

Revenues
(in R$ million)





2Q 2012 vs. 2Q 2011

Revenues from wealth management decreased 14% in the period. Although there was 22% growth in our WuM, from R$33.6 billion to R$40.8 billion, resulting in an increase in management fees as compared to the previous period, there was a negative impact from a reduction in volume of the wealth management credit portfolio and a R$10 million expense in the wealth management loan loss provision in the 2Q 2012. Revenues in the 2Q 2011 were also positively impacted by the recognition of an advisory fee in the amount of R$5 million.

2Q 2012 vs. 1Q 2012

Revenues from wealth management decreased 3%, following a decrease of 3% in WuM, from R$42.0 billion to R$40.8 billion. While management fees remained relatively flat as compared to the previous period, there was a reduction in revenues due to a R$10 million expense in the wealth management loan loss provision in the 2Q 2012.

The decrease of WuM is mostly attributable to assets under custody (non-discretionary mandates), since NNM was positive in R$0.6 billion.

PanAmericano

2Q 2012 vs. 2Q 2011

Our investment in PanAmericano presented a loss of R$98 million in the quarter ended June 30, 2012. This loss was composed mainly of a R$86 million loss related to our equity pick up from PanAmericano's results, compared to a gain of R$29 million in the second quarter of 2011, and expenses of R$21 million from funding costs charged to this investment, compared to expenses from funding costs of R$5 million in the second quarter of 2011 (our investment in Panamericano was effective in May 2011). Such funding costs have increased following our R$495 million additional capital contribution to PanAmericano effected in the beginning of 2012.

2Q 2012 vs. 1Q 2012

The losses recognized from our investment in PanAmericano for the quarter ended June 30, 2012 were 363% higher than the previous quarter. Our equity pick up of PanAmericano's profits decreased from a gain of R$1 million in the quarter ended March 31, 2012, to a loss of R$86 million in the quarter ended June 30, 2012.

Principal Investments

Principal Investments Revenues (unaudited)	Quarter			2Q 2012 % change to		Year to Date		6M 2012 % change to
(in R$ million, unless otherwise stated)	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012	6M 2011	6M 2012	6M 2011
Global Markets	35	570	362	947%	-37%	208	932	348%
Merchant Banking	1	23	17	2768%	-27%	(18)	41	n.a.
Real Estate	(13)	(21)	308	n.a.	n.a.	(26)	287	n.a.
Total	**22**	**572**	**687**	**2963%**	**20%**	**164**	**1,259**	**666%**

2Q 2012 vs. 2Q 2011

Revenues from principal investments increased significantly, mostly concentrated in revenues from investments in the global markets and real estate. Higher gains from global markets in the quarter ended June 30, 2012 resulted from the fixed income strategies that benefited from the easing cycle of interest rates in Brazil, as well from strategies in the US Mortgages markets (which benefited from a scenario of lower interest rates in the US) and from gains on our reinsurance desk (which was launched on third quarter of 2011).

Real estate revenues were concentrated in our share of profits from our investment in Br Properties in the 1Q 2012 (reflected in our 2Q 2012 results), offset by a valuation allowance. Such positive results derive from the revaluation in the real estate inventory of BR Properties. We did not own such stake in 2011.

2Q 2012 vs. 1Q 2012

Revenues from principal investments increased 20% due to an increase in real estate investment revenues, partially offset by lower revenues from our investments in global markets. Revenues from real estate investments included a relevant gain from the share of profits from on our stake in Br Properties in the second quarter of 2012, offset by a valuation allowance and, in spite of presenting good results, our revenues from investing in global markets were impacted by a global economic slowdown and uncertainty in the markets.

Given the nature of our assets and the structure of our business, our merchant banking and real estate investments are generally not marked to market. Our results on those businesses will typically reflect (i) our share of profits or losses from our invested companies, (ii) profits received from investments not subject to equity pick up method of accounting, (iii) allowances for impairment of goodwill or for losses in investments, (iv) our internal funding costs applied to the merchant banking and real estate portfolios and (v) gains on the divestiture of our investments.

Interest and Other

2Q 2012 vs. 2Q 2011

Revenues from interest and other increased 54% mainly due to an increase in interest on our own capital, in line with the increase in our capital as a result of our April 2012 IPO, and from the temporary effect from the positive mark-to-market of certain hedging instruments of our investments in foreign subsidiaries (mainly, our Cayman Branch), while in the quarter ended June 30, 2011 we recorded negative mark-to-market on those hedging instruments.

2Q 2012 vs. 1Q 2012

Revenues from interest and other increased 79% mainly due to the increase in interest on our own capital, in line with the increase in our capital as a result of our IPO. The results in the 2Q 2012 were also impacted by a temporary effect from the positive mark-to-market of certain hedging instruments of our investments in foreign subsidiaries (mainly, our Cayman Branch), while in the quarter ended March 31, 2012 we recorded negative mark-to-market on those hedging instruments.

Combined Adjusted Operating Expenses

Combined Adjusted Operating Expenses (unaudited)	Quarter			2Q 2012 % change to		Year to Date		6M 2012 % change to
(in R$ million, unless otherwise stated)	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012	6M 2011	6M 2012	6M 2011
Bonus	(113)	(333)	(280)	148%	-16%	(262)	(612)	134%
Retention expenses	(15)	(6)	-	-100%	-100%	(32)	(6)	-82%
Salaries and benefits	(55)	(70)	(74)	35%	5%	(109)	(144)	33%
Administrative and other	(85)	(68)	(150)	77%	122%	(153)	(218)	42%
Goodwill amortization	(8)	(5)	(170)	1930%	3033%	(17)	(175)	947%
Tax charges, other than income tax	(45)	(50)	(58)	30%	17%	(87)	(108)	24%
Total operating expenses	**(320)**	**(532)**	**(732)**	**129%**	**38%**	**(660)**	**(1,264)**	**92%**
Cost to income ratio	43%	33%	45%	5%	35%	42%	39%	-7%
Coverage ratio	220%	208%	167%	-24%	-20%	222%	183%	-18%
Total number of employees	1,242	1,357	1,434	15%	6%	1,242	1,434	15%
Partners and associate partners	138	165	165	20%	0%	138	165	20%
Employees	1,005	1,078	1,133	13%	5%	1,005	1,133	13%
Other	99	114	136	37%	19%	99	136	37%

Bonus

Bonus expenses increased 148%, from R$113 million in the 2Q 2011 to R$280 million in the quarter ended June 30, 2012, in line with the higher revenues recorded in the period. When compared to the 1Q 2012, there was a decrease in bonus expenses, following the increase in administrative expenses while total revenues remained relatively stable. Our bonuses are determined in accordance with our profit-sharing program, and are calculated as a percentage of our adjusted revenue, excluding interest and other revenues and operating expenses. The calculation methodology was consistently applied during the period.

Retention expenses

Retention expenses were R$15 million in the quarter ended June 30, 2011 and we recorded no such expenses in the quarter ended June 30, 2012 due to the phasing-out of the retention program, which terminated in February 2012.

Salaries and benefits

Staff costs increased 35%, from R$55 million in the quarter ended June 30, 2011 to R$74 million in the quarter ended June 30, 2012. This growth is due to an increase in number of employees (from 1,242 at June 30, 2011 to 1,434 at June 30, 2012) and to the 9% annual base salaries increase granted to bank employees pursuant to the Union Agreement reached in September 2011. Salaries and benefits expenses, in the quarter ended June 30, 2012, were 5% higher than the quarter ended March 31, 2012, from R$70 million to R$74 million, as a result of an increase in number of employees (from 1,357 at the end of 1Q 2012 to 1,434 at the end of 2Q 2012).

Administrative and other

Total administrative and other expenses increased 77%, from R$85 million in the quarters ended June 30, 2011 to R$150 million in the quarter ended June 30, 2012, mainly due to expenses with our IPO. Higher expenses from technology and infrastructure also contributed to an increase in expenses. When compared to the quarter ended in March 31, 2012, administrative and other expenses increased 122%, mostly as a result of costs related to the IPO, investments in infrastructure and additional provision for labour and civil claims in the current period.

Goodwill amortization

Goodwill amortization expenses increased from R$8 million in the quarter ended June 30, 2011 and R$5 million in quarter ended March 31, 2012 to R$170 million in the quarter ended June 30, 2012. We periodically review the goodwill balances in our balance sheet and may decide, as in the current quarter, to accelerate the amortization ratio for some or all the goodwill booked.

Tax charges, other than income tax

Tax charges, other than income tax increased 30%, from R$45 million in the quarter ended June 30, 2011 to R$58 million in the quarter ended June 30, 2012, as a result of the 119% increase in revenues in the period, partially offset by a change in the revenue mix, with a higher component of revenues that are not subject to tax charges. The increase of 17% from the quarter ended March 31, 2012 to June 30, 2012 is mainly attributable to a change in the revenue mix, with a lower portion not subject to tax charges.

Combined Adjusted Income Taxes

Combined Adjusted Income Tax (unaudited) *(in R$ million, unless otherwise stated)*	Quarter			Year to Date	
	2Q 2011	1Q 2012	2Q 2012	6M 2011	6M 2012
Income before taxes	429	1,071	905	908	1,976
Income tax and social contribution	(119)	(284)	(83)	(270)	(367)
Effective income tax rate (%)	**27.8%**	**26.5%**	**9.2%**	**29.7%**	**18.6%**

Our effective income tax rate went from 28% (an expense of R$119 million) in the quarter ended June 30, 2011 and 27% (an expense of R$284 million) in the quarter ended March 31, 2012 to 9% (an expense of R$ 83million) in the quarter ended June 30, 2012 mainly due to the computation of interest on equity (JCP) in the amount of R$220 million and a change in our revenue mix, with proportionally more revenues from principal investments in the second quarter of 2012.

Balance Sheet

Our total assets remained relatively stable, increasing by 2% from March 31, 2012 (R$134.2 billion) to June 30, 2012 (R$136.9 billion). The marginal increase is mainly due to the proceeds from our IPO. An increase of our interbank investments and marketable securities portfolios, primarily composed of Brazilian and US Government Bonds, and US Agencies, were partially offset by a decrease on our trade settlement balances included in other receivables.

Our permanent assets increased 9%, basically due to R$ 316 million from positive equity pick-up from our investment in BR Properties, partially offset by the amortization of the goodwill of some of our investments.

Our secured funding liabilities decreased mainly due to the reduction in open market funding related to our inventory of financial assets. Our shareholders' equity increased 32% from March 31, 2012 to June 30, 2012, basically due to the capital increase from the IPO of R$2.6 billion and the net income of R$822 million for the quarter ended June 30, 2012, and partially offset by provisions for dividend and JCP of R$402 million which we anticipate and will be distributed in August.

Risk and Capital Management

There were no significant changes in the risk and capital management framework in the period.

Market Risk – Value-at-risk

Value-at-risk (unaudited) *(in R$ million, unless otherwise stated)*	Quarter		
	2Q 2011	1Q 2012	2Q 2012
Total average daily VaR	**45.4**	**92.1**	**92.0**
Average daily VaR as a % of average equity	0.60%	1.03%	0.85%

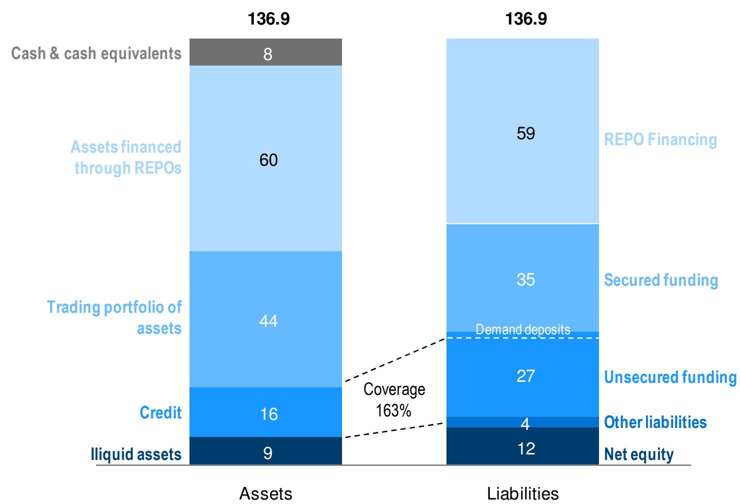
Our total average daily VaR increased during 2011 as a result of the deployment of the additional capital we raised in December 2010 and the continuing ramp-up of some business areas in Sales and Trading (ex. Energy trading desk) and new asset classes.

In comparison to the 1Q 2012, the absolute VaR remained stable, with a reduction as a percentage of BTG Pactual's average shareholders' equity, a direct consequence of the capital increase from the IPO.

Liquidity Risk Analysis

The chart below summarizes the composition of assets and liabilities as of June 30, 2012:

Summarized Balance Sheet (unaudited)
(in R$ billion)



Credit Risk

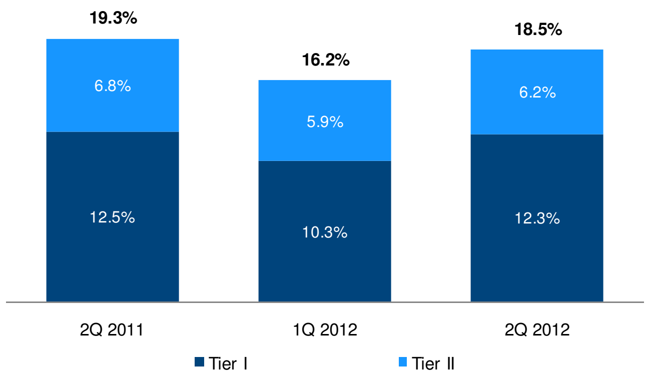
The following table sets forth the distribution, by credit rating, of our credit exposures as of June 30, 2012. The rating shown below reflects our internal ratings assessment, consistently applied following the Brazilian Central Bank standard ratings scale:

Rating (unaudited) *(in R$ million)*	**2Q 2012**
AA	12,103
A	9,695
B	1,634
C	1,121
D	19
E	71
F	22
G	35
H	54
Total	**24,754**

Capital Management

Banco BTG Pactual must comply with capital requirements standards, established by the Central Bank of Brazil, that are similar to those proposed by the Basel Committee on Banking Supervision, under the Basel Capital Accord. Our BIS capital ratios, calculated in accordance with The Brazilian Central Bank standards and regulations, are applicable only to Banco BTG Pactual and are set out in the table below. The increase in our BIS capital ratio reflect the primary proceeds from the Initial Public Offering, concluded in April 2012, partially offset by the continuous deployment of our capital. The BIS capital ratio in 2Q 2012 also reflects the impacts from the implementation of changes in the methodology for the computation of the market risk component of the Basel index (i.e. Basel 2.5).

Basel Ratio (unaudited)
(%)



Other Matters

This document should be read together with the interim financial information of Banco BTG Pactual S.A. and BTG Participations Ltd. for the quarter ended June 30, 2012. Both the earnings release and the interim financial information are available online in the Investor Relations section at www.btgpactual.com/ir.

Exhibits

Basis for Presentation

Except where otherwise noted, the information concerning our financial condition presented in this document is based on our Combined Balance Sheet, which is prepared in accordance with Brazilian GAAP. Except where otherwise noted, the information concerning our results of operations presented in this document is based on our Combined Adjusted Income Statement, which represents a revenue breakdown by business unit net of funding costs and financial expenses allocated to such unit, and a reclassification of certain other expenses and costs.

Our Combined Adjusted Income Statement is derived from the same accounting information used for preparing our Combined Income Statement in accordance with Brazilian GAAP. The classification of the line items in our Combined Adjusted Income Statement is unaudited and materially differs from the classification and presentation of the corresponding line items in our Combined Income Statement. As explained in the notes to the Combined Financial Statements of BTG Pactual Group, our combined financial statements are presented with the exclusive purpose of providing, in a single set of financial statements and in one GAAP, information related to the operations of the Group and represents the combination of transactions from (i) Banco BTG Pactual S.A. and its subsidiaries, and (ii) BTG Investments LP and its subsidiaries.

Key Performance Indicators ("KPIs") and Ratios

The key performance indicators (KPIs) and ratios are monitored by management and pursued to be achieved across financial periods. Consequently, key indicators calculated based on annual results across financial periods may be more meaningful than quarterly and of any specific date results. KPIs are calculated annually and adjusted, when necessary, as part of the strategic planning process and to reflect regulatory environment or significant adverse market conditions.

This section contains the basis for presentation and the calculation of selected KPIs and ratios presented in this report.

KPIs and Ratios	Description
AuM and AuA	Assets under management and assets under administration consist of proprietary assets, third party assets, wealth management funds and/or joint investments managed or administrated among a variety of assets classes, including fixed income, money market accounts, multi-market funds and private equity funds.
Cost to income ratio	It is computed by dividing the combined adjusted total operating expenses by combined adjusted total revenues.
Coverage ratio	It is computed by dividing the combined adjusted fee revenues by the sum of combined adjusted salaries and benefits and administrative and other expenses. Combined adjusted fee revenues are computed by adding the combined adjusted total revenues from investment banking, asset management and wealth management units to brokerage fees from the sales and trading unit.
Effective income tax rate	It is computed by dividing the combined adjusted income tax and social contribution or (expense) by the combined adjusted income before taxes.
Net income per unit	Net income per unit for periods before 2Q 2012 represents the combined net income divided by total pro-forma number of units pre-offering. The total pro-forma number of units pre-offering considers the combined capital of Banco BTG Pactual and BTGP comprised solely of units. Each pro-forma unit is comprised of 3 different classes of shares of Banco BTG Pactual and BTGP, which is consistent with the units offered in the IPO of April 2012, and therefore the combined capital would be comprised of 800 million units. Net Income per unit for 2Q12 and the following periods, including 6M 2012, represents the combined net income divided by total number of units in the end of period (the combined capital is comprised of 882.8 million). This item is a non-GAAP measurement and may not be comparable to similar non-GAAP measures used by other companies.
ROAE	Annualized ROE for the periods are computed by dividing annualized combined net income by the combined average shareholders' equity. We determine the average shareholders' equity based on the initial and final net equity for the quarter.

KPIs and Ratios	Description
VaR	The VaR numbers reported are calculated on a one-day time horizon, a 95.0% confidence level and a one-year look-back window. A 95.0% confidence level means that there is a 1 in 20 chance that daily trading net revenues will fall below the VaR estimated. Thus, shortfalls from expected trading net revenues on a single trading day greater than the reported VaR would be anticipated to occur, on average, about once a month. Shortfalls on a single day can exceed reported VaR by significant amounts and they can also occur more frequently or accumulate over a longer time horizon, such as a number of consecutive trading days. Given its reliance on historical data, the accuracy of VaR is limited in its ability to predict unprecedented market changes, as historical distributions in market risk factors may not produce accurate predictions of future market risk. Different VaR methodologies and distributional assumptions can produce materially different VaR. Moreover, VaR calculated for a one-day time horizon does not fully capture the market risk of positions that cannot be liquidated or offset with hedges within one day. “Stress Test” modeling is used as a complement of VaR in the daily risk management activities.
WuM	Wealth under management consists of private wealth clients' assets that we manage across a variety of asset classes, including fixed income, money market, multi-asset funds and merchant banking funds. A portion of our WuM is also allocated to our AuM to the extent that our wealth management clients invest in our asset management products.

Selected Combined Financial Data

Balance Sheet (unaudited) *(in R$ million, unless otherwise stated)*	Quarter			2Q 2012 % change to	
	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012
Assets					
Cash and bank deposits	374	148	354	-5%	139%
Interbank investments	27,441	27,470	28,707	5%	5%
Marketable securities and derivatives	60,028	73,063	78,070	30%	7%
Interbank transactions	273	1,067	918	236%	-14%
Loans	5,682	4,905	5,720	1%	17%
Other receivables	16,192	24,841	20,224	25%	-19%
Other assets	68	19	24	-64%	27%
Permanent assets	847	2,651	2,882	240%	9%
Total assets	**110,905**	**134,164**	**136,898**	**23%**	**2%**
Liabilities					
Deposits	12,779	15,081	16,301	28%	8%
Open market funding	47,879	64,806	60,996	27%	-6%
Funds from securities issued and accepted	5,638	4,303	5,012	-11%	16%
Interbank transactions	46	7	33	-28%	350%
Loans and onlendings	1,536	1,518	1,497	-3%	-1%
Derivatives	1,972	4,413	7,536	282%	71%
Subordinated liabilities	-	4,231	4,486	n.a.	6%
Other liabilities	33,250	30,368	28,559	-14%	-6%
Deferred income	33	29	55	65%	92%
Shareholders'equity	**7,748**	**9,318**	**12,333**	**59%**	**32%**
Non-controlling interest	23	91	91	304%	0%
Total liabilities	**110,905**	**134,164**	**136,898**	**23%**	**2%**

Combined Adjusted Income Statement (unaudited)	Quarter			2Q 2012 % change to		Year to Date		6M 2012 % change to
(in R$ million, unless otherwise stated)	2Q 2011	1Q 2012	2Q 2012	2Q 2011	1Q 2012	6M 2011	6M 2012	6M 2011
Investment banking	132	50	129	-3%	156%	237	179	-25%
Corporate lending	119	102	140	17%	37%	188	242	29%
Sales and trading	147	562	334	127%	-41%	357	896	151%
Asset management	113	171	178	57%	4%	225	349	55%
Wealth management	41	37	36	-14%	-3%	73	72	-2%
PanAmericano	24	(21)	(98)	n.a.	n.a.	24	(119)	n.a.
Principal investments	22	572	687	2963%	20%	164	1,259	666%
Interest and other	150	130	232	54%	79%	299	362	21%
Total revenues	**749**	**1,603**	**1,637**	**119%**	**2%**	**1,568**	**3,240**	**107%**
Bonus	(113)	(333)	(280)	148%	-16%	(262)	(612)	134%
Retention expenses	(15)	(6)	-	-100%	-100%	(32)	(6)	-82%
Salaries and benefits	(55)	(70)	(74)	35%	5%	(109)	(144)	33%
Administrative and other	(85)	(68)	(150)	77%	122%	(153)	(218)	42%
Goodwill amortization	(8)	(5)	(170)	1930%	3033%	(17)	(175)	947%
Tax charges, other than income tax	(45)	(50)	(58)	30%	17%	(87)	(108)	24%
Total operating expenses	**(320)**	**(532)**	**(732)**	**129%**	**38%**	**(660)**	**(1,264)**	**92%**
Income before taxes	**429**	**1,071**	**905**	**111%**	**-15%**	**908**	**1,976**	**118%**
Income tax and social contribution	(119)	(284)	(83)	-30%	-71%	(270)	(367)	36%
Net Income	**310**	**786**	**822**	**165%**	**4%**	**639**	**1,608**	**152%**

Selected Individual Financial Data

The information presented on the tables below is based on the consolidated financial statements of Banco BTG Pactual prepared in accordance with Brazilian GAAP ("BR GAAP") and BTG Investments LP ("BTGI"), a subsidiary of BTGP, prepared in accordance with International Financial Reporting Standards (IFRS):

Balance Sheet (unaudited) *(in R$ million, unless otherwise stated)*	Banco BTG Pactual S.A.		BTG Investments LP.	
	1Q 2012	2Q 2012	1Q 2012	2Q 2012
Assets				
Cash and bank deposits	116	312	41	54
Interbank investments	25,167	26,876	2,303	1,831
Marketable securities and derivatives	49,508	65,408	23,600	12,783
Interbank transactions	1,067	918	-	-
Loans	4,406	5,187	500	534
Other receivables	13,971	15,931	10,868	4,425
Other assets	16	22	109	3
Permanent asset	2,651	2,881	-	-
Total assets	**96,902**	**117,534**	**37,421**	**19,631**
Liabilities	-	-	-	-
Deposits	15,132	16,372	-	-
Open market funding	47,256	57,280	17,551	3,715
Funds from securities issued and accepted	4,303	5,012	-	-
Interbank transactions	7	33	-	-
Loans and onlendings	1,451	1,407	67	89
Derivatives	4,310	7,235	147	315
Subordinated liabilities	4,231	4,486	-	-
Other liabilities	13,329	16,608	17,102	12,131
Deferred income	29	55	-	-
Shareholders' equity	**6,763**	**8,954**	**2,554**	**3,380**
Non-controlling interest	91	91	-	-
Total liabilities	**96,902**	**117,534**	**37,421**	**19,631**

Income Statement (unaudited) (in R$ million, unless otherwise stated)	Banco BTG Pactual S.A.		BTG Investments LP.	
	2Q 2011	2Q 2012	2Q 2011	2Q 2012
Financial income	1,180	1,983	169	148
Financial expenses	(883)	(1,458)	(8)	(59)
Gross financial income	**297**	**525**	**161**	**89**
Other operating income (expenses)	159	256	3	(83)
Operating income	**456**	**781**	**164**	**6**
Non-operating income/(expenses)	8	-	-	-
Income before taxes and profit sharing	**464**	**781**	**164**	**6**
Income and social contribution taxes	(138)	11	-	-
Statutory profit sharing	(89)	(271)	(20)	-
Non-controlling interest	-	-	-	-
Net income	**237**	**522**	**144**	**6**

The table below presents the consolidation adjustments, IFRS adjustments and effects of the reclassification of the net exposure to US Dollar (conversion adjustment) from the combined income statement to the shareholders' equity in order to eliminate gain and losses resulting from the conversion process of the consolidated financial statements of BTGI, as it is explained in the notes to the Combined Financial Statements of BTG Pactual Group.

Reconciliation (unaudited) (in R$ million, unless otherwise stated)	Balance Sheet		Income Statement	
	1Q 2012	2Q 2012	2Q 2011	2Q 2012
Banco BTG Pactual - BR GAAP	96,902	117,534	237	522
BTG Investments - IFRS	37,421	19,631	144	6
Total	134,323	137,165	381	528
Conversion adjustments from BR GAAP to IFRS	(159)	(266)	(2)	(9)
Consolidation and conversion adjustments	-	-	(69)	304
Combined balances	**134,164**	**136,898**	**310**	**822**

Selected Presentation Differences

The table presents a summary of certain material differences between the Combined Adjusted Income Statement and the Combined Income Statement prepared in accordance to the BR GAAP (which is derived from the Combined Financial Statements):

	Combined Adjusted Income Statement	Combined Income Statement
Revenues	• Revenues segregated by business unit, which is the functional view used by our management to monitor our performance • Each transaction allocated to a business unit, and the associated revenue, net of transaction and funding costs (when applicable), is reported as generated by such business unit	• Revenues are presented in accordance with BRGAAP and standards established by COSIF • Segregation of revenues follows the contractual nature of the transactions and is aligned with the classification of the assets and liabilities - from which such revenues are derived • Revenues are presented without deduction of corresponding financial or transaction costs
Expenses	• Revenues are net of certain expenses, such as trading losses, as well as transaction costs and funding costs • Revenues are net of cost of funding of our net equity (recorded at “interest and other”) • SG&A expenses incurred to support our operations are presented separately	• Breakdown of expenses in accordance with COSIF • Financial expenses and trading losses presented as separate line items and not deducted from the financial revenues with which they are associated • Transactions costs are capitalized as part of the acquisition cost of assets and liabilities in our inventory • SG&A expenses incurred to support our operations are presented separately in our combined income statement
Principal Investments Revenues	• Revenues net of funding costs (including cost of net equity) and of trading losses, including losses from derivatives and from foreign exchange variations • Revenues are reduced by associated transaction costs and by management and performance fees paid	• Revenues included in different revenue line items (marketable securities, derivative financial income and equity pick-up up from subsidiaries) • Losses, including trading losses and derivative expenses, presented as financial expenses
Sales and Trading Revenues	• Revenues net of funding costs (including cost of net equity) and of trading losses, including losses from derivatives and from foreign exchange variations • Revenues deducted from transaction costs	• Revenues included in numerous revenue line items (marketable securities, derivative financial income, foreign exchange and compulsory investments) • Losses, including trading losses, derivative expenses and funding and borrowings costs, presented as financial expenses
Corporate Lending Revenues	• Revenues net of funding costs (including cost of net equity)	• Revenues included in certain revenue line items (credit operations, marketable securities and derivative financial income) • Losses, including derivative expenses, presented as financial expenses
PanAmericano Revenues	• Revenues consist of the equity pick-up from our investment, presented net of funding costs (including cost of net equity)	• Revenues from equity pick-up recorded as equity pickup from subsidiaries
Salaries and Benefits	• Salaries and benefits include compensation expenses and social security contributions	• Generally recorded as personnel expenses
Bonus	• Bonus include cash profit-sharing plan expenses (% of our net revenues)	• Generally recorded as employees’ statutory profit-sharing
Retention Expenses	• Retention expenses include the pro rata accrual of employee retention program expense	• Generally recorded as personnel expenses
Administrative and Other	• Administrative and Others are consulting fees, offices, IT, travel and entertainment expenses, as well as other general expenses	• Generally recorded as other administrative expenses, and other operating expenses
Goodwill amortization	• Goodwill amortization of investments in operating subsidiaries other than merchant banking investments	• Generally recorded as other operating expenses
Tax charges, other than income tax	• Tax expenses are comprised of taxes applicable to our revenues not considered by us as transaction costs due to their nature (PIS, Cofins and ISS)	• Generally recorded as tax charges other than income taxes
Income tax and social contribution	• Income tax and other taxes applicable to net profits	• Generally recorded as income tax and social contribution

The differences discussed above are not exhaustive and should not be construed as a reconciliation of the Combined Adjusted income statement to the combined income statement or combined financial statements. The business units presented in the Combined Adjusted income statement should not be presumed to be operating segments under IFRS because our management does not solely rely on such information for decision making purposes. Accordingly, the Combined Adjusted income statement contains data about the business, operating and financial results that are not directly comparable to the combined income statement or the combined financial statements and should not be considered in isolation or as an alternative to such combined income statement or combined financial statements. In addition, although our management believes that the Combined Adjusted income statement is useful for evaluating our performance; the Combined Adjusted income statement is not based on Brazilian GAAP, IFRS, U.S. GAAP or any other generally recognized accounting principles.

Forward-looking statements

This document may contain estimates and forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements may appear throughout this document. These estimates and forward-looking statements are mainly based on the current expectations and estimates of future events and trends that affect or may affect the business, financial condition, results of operations, cash flow, liquidity, prospects and the trading price of the units. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to many significant risks, uncertainties and assumptions and are made in light of information currently available to us. Forward-looking statements speak only as of the date they were made, and we do not undertake the obligation to update publicly or to revise any forward-looking statements after we distribute this document as a result of new information, future events or other factors. In light of the risks and uncertainties described above, the forward-looking events and circumstances discussed in this document might not occur and future results may differ materially from those expressed in or suggested by these forward-looking statements. Forward-looking statements involve risks and uncertainties and are not a guaranty of future results. As a result you should not make any investment decision on the basis of the forward-looking statements contained herein.

Rounding

Certain percentages and other amounts included in this document have been rounded to facilitate their presentation. Accordingly, figures shown as totals in certain tables may not be an arithmetical aggregation of the figures that precede them and may differ from the financial statements.

Glossary

Alternext	Alternext Amsterdam.
BM&FBOVESPA	The São Paulo Stock Exchange (BM&FBOVESPA S.A. – *Bolsa de Valores, Mercadorias e Futuros*).
BR Properties	BR Properties S.A.
CMN	The Brazilian National Monetary Council (Conselho Monetário Nacional).
ECB LTRO	European central Bank Long-term repo operation.
ECM	Equity Capital Markets.
HNWI	High net worth individuals
IPCA	The inflation rate is the Consumer Price Index, as calculated by the IBGE.
M&A	Mergers and Acquisitions.
NNM	Net New Money
GDP	Gross Domestic Product.
Selic	The benchmark interest rate payable to holders of some securities issued by the Brazilian government.

Earnings release - second quarter 2012

August 9, 2012 (after market closing)

English Conference Call
August 10, 2012 (Friday)
12:00 PM (New York) / 1:00 PM (Brasília)
Phone: +1 (412) 317-6776

Code: BTG

Replay: +1 (412) 317-0088

Code: 10014073

Portuguese Conference Call
August 10, 2012 (Friday)
10:00 AM (New York) / 11:00 AM (Brasília)
Phone: +55 (11) 2188-0155

Code: BTG

Replay: +55 (11) 2188-0155

Code: BTG

Webcast: The conference calls audio will be live broadcasted, through a webcast system available on our website www.btgpactual.com/ir

Participants are requested to connect 15 minutes prior to the time set for the conference calls.

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