



BANCO BTG PACTUAL S.A.
Publicly-Held Company
Corporate Taxpayer's ID
(CNPJ/MF): 30.306.294/0001-45

MATERIAL FACT

BANCO BTG PACTUAL S.A. ("BTG Pactual"), in accordance with Article 157, paragraph 4 of Law 6,404/76 ("Brazilian Corporate Law"), Article 3 of CVM Instruction 358 of January 3, 2002 and Article 3 of CVM Instruction 565 of June 15, 2015, hereby informs its shareholders and the market in general that BTG Pactual's shareholders, Thor Comercializadora de Energia S.A.'s shareholders ("Thor"), a company whose main activity is the sale of energy, and BTG Pactual Serviços Energéticos Ltda.'s quota holder ("Serviços Energéticos"), a company that provides financial administrative services involving the sale of energy, pursuant to the respective corporate acts applied to each of the companies, approved, without reservations, the merger of Thor and Serviços Energéticos by BTG Pactual ("Merger").

The Merger's purpose is to further simplify BTG Pactual's current organizational structure through the consolidation of certain activities, with the consequent reduction of financial and operational expenses, as well as through the reduction and optimization of the activities performed by its subsidiaries, Thor and Serviços Energéticos.

As these companies are wholly owned by the BTG Pactual Group, the merger and assumption of all rights and obligations of Thor and Serviços Energéticos by BTG Pactual, in accordance with Article 227, paragraph 3 of the Brazilian Corporate Law, will not significantly impact BTG Pactual or its shareholders.

The Merger's effectiveness and its impacts are still subject to approval by the Central Bank of Brazil.

The documents related to the Merger are available on the Securities and Exchange Commission's website (www.cvm.gov.br), on BM&FBOVESPA's website (www.bmfbovespa.com.br) as well as on BTG Pactual's website (www.btgpactual.com). The Companies will keep their shareholders and the market duly informed regarding the matters described above, pursuant to the applicable legislation.

Rio de Janeiro, October 27, 2017.

BANCO BTG PACTUAL S.A.
JOÃO MARCELLO DANTAS LEITE
Investor Relations Officer