



BANCO BTG PACTUAL S.A.

PUBLICLY-HELD COMPANY

CORPORATE TAXPAYER ID

(CNPJ/MF):

30.306.294/0001-45

BTG PACTUAL

PARTICIPATIONS, LTD.

PUBLICLY-HELD COMPANY

CORPORATE TAXPAYER ID

(CNPJ/MF): N.º

15.073.274/0001-88

### MATERIAL FACT

BANCO BTG PACTUAL S.A. ("BTG Pactual") and BTG PACTUAL PARTICIPATIONS, LTD. ("BTG Participations" and, jointly with BTG Pactual, "Companies"), in accordance with Article 157, paragraph 4 of Law 6,404/76 and pursuant to Instruction 358 of the Brazilian Securities and Exchange Commission ("CVM"), of January 3, 2002, as amended, and CVM Instruction 567, of September 17, 2015 ("CVM Instruction 567"), hereby announce, following the material fact released by the Companies on November 25 2015 ("Material Fact"), that the Companies' Board of Directors approved the cancellation of 19,900,812 common shares and 39,801,624 preferred shares issued by BTG Pactual, as well as 19,900,812 Class A preferred shares and 39,801,624 Class B preferred shares of BTG Participations, held in treasury, corresponding to 19,900,812 BBTG11 units ("Units") which were bought back in operations already settled in the Buyback Program ("Cancellation").

In addition, BTG Pactual's Board of Directors approved, as a result of the Cancellation and without prejudice to the total acquisition limit of 93,860.181 Units authorized at the Board Meeting held on November 25 2015, the acquisition of up to 21,061,230 Units, in compliance, however, with the limit of 10% of the outstanding shares to be held in treasury, as foreseen by CVM Instruction 567 of September 17 2015 ("ICVM 567") and the following conditions:

- The objective of the Buyback Program is to demonstrate the Companies' trust in their capital structure;
- The Companies do not hold on the present date (considering the positions settled until December 11 2015), already considering the Cancellation, no Unit or share held in treasury in operations previously settled;
- The settlement of the operations authorized by the Board of Directors will be held until May 24 2017, and the Management is responsible for defining the best moment for acquisition of the shares;

- The acquisition transactions will be intermediated by BTG Pactual Corretora de Títulos e Valores Mobiliários S.A.;
- The acquired Units will be, at first, held in treasury or cancelled. Nevertheless, BTG Pactual does not exclude other possible destinations for the Units eventually acquired.

The Companies also announce, following the notice to the market released by BTG Pactual on December 1, 2015 – in reply to Official Letter 3578/2015-SAE of BM&FBOVESPA, which was informed by CVM in the evening of December 11 2015, the refusal of BTG Pactual’s request to acquire and hold in treasury, in the scope of the Buyback Program, a number of shares higher than the limits foreseen by CVM Instruction 567.

São Paulo, December 14, 2015.

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

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