Press Release

Main Information

3Q18

Recurring Net Income

"R$5.5 billion"
+ 13.7% in 12 months
+ 6.0% in the quarter

Efficiency Ratio (ER)

"40.8% in 12 months and 40.7% in the quarter"

Profitability

"Return on Average Equity 19.0%"
(Net Income for the Quarter)

R$ million (unless otherwise stated)	3Q18	2Q18	3Q17	9M18	9M17	Variation% (unless otherwise stated) 3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17
Result								
Recurring Net Income (1)	5,471	5,161	4,810	15,734	14,162	6.0	13.7	11.1
Total Net Interest Income	15,749	15,084	15,361	46,519	47,289	4.4	2.5	(1.6)
Expanded ALL (2)	(3,512)	(3,437)	(4,579)	(10,841)	(15,239)	2.2	(23.3)	(28.9)
Fee and Commission Income	8,072	8,119	7,822	24,022	22,748	(0.6)	3.2	5.6
Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income	17,588	18,223	18,637	53,381	55,097	(3.5)	(5.6)	(3.1)
Statement of Financial Position								
Total Assets (3)	1,356,748	1,306,209	1,311,672	1,356,748	1,311,672	3.9	3.4	3.4
Loans - Expanded Loan Portfolio (4)	523,431	515,635	486,864	523,431	486,864	1.5	7.5	7.5
- Individuals	186,159	182,817	172,207	186,159	172,207	1.8	8.1	8.1
- Companies	337,272	332,818	314,657	337,272	314,657	1.3	7.2	7.2
Shareholders' Equity	115,670	113,039	110,301	115,670	110,301	2.3	4.9	4.9
Assets under Management	2,089,070	2,014,113	1,991,708	2,089,070	1,991,708	3.7	4.9	4.9
Highlights								
Annualized Return on Average Equity (ROAE) - % (5)	19.0	18.4	18.0	18.7	18.1	0.6 p.p.	1.0 p.p.	0.6 p.p.
Efficiency Ratio (ER) - % (6)	40.7	40.8	41.5	40.8	40.7	(0.1) p.p.	(0.8) p.p.	0.1 p.p.
Recurring Net Income per Share (in the last 12 months) - R$ (7)	3.08	2.98	2.77	3.08	2.77	3.4	11.2	11.2
Market Capitalization (8)	182,110	171,604	208,250	182,110	208,250	6.1	(12.6)	(12.6)
Interest on Shareholders' Equity - Net	1,526	1,511	1,518	4,556	3,907	1.0	0.5	16.6
Delinquency Ratio (> 90 days (9) / Loan Portfolio) - %	3.6	3.9	4.8	3.6	4.8	(0.3) p.p.	(1.2) p.p.	(1.2) p.p.
Tier I Capital - %	12.2	11.4	13.4	12.2	13.4	0.8 p.p.	(1.2) p.p.	(1.2) p.p.

(1) According to the non-recurring events described on page 5 of this Economic and Financial Analysis Report;
(2) Includes provision for sureties, guarantees, income from credit recoveries, discounts granted, result with BNDU (assets not for own use) and impairment of financial assets;
(3) For more information, please see note 4 – Balance Sheet and Managerial Statement of Income, in chapter "Complete Financial Statements" of this report;
(4) Besides the Loan portfolio – Brazilian Central Bank (Bacen) concept includes sureties, guarantees, credit letters, advances on credit card receivables, debentures, promissory notes, co-obligations in real estate receivable certificates and rural credit;
(5) It excludes mark-to-market effect of Available-for-Sale Securities recorded under the Shareholders' Equity;
(6) For 9M18 / 9M17 considers the cumulative index in 12 months;
(7) For comparison purposes, shares were adjusted in accordance with bonuses and stock splits occurred in the periods;
(8) Number of shares (excluding treasury shares) multiplied by the closing price for common and preferred shares on the period's last trading day; and
(9) Overdue loans.

Recurring Net Income vs. Book Net Income

Below is a comparison between the main non-recurring events that affected the net income in the period:

R$ million	3Q18	2Q18	3Q17	9M18	9M17
Recurring Net Income	**5,471**	**5,161**	**4,810**	**15,734**	**14,162**
Non-Recurring Events	**(462)**	**(633)**	**(1,926)**	**(1,730)**	**(3,296)**
- Goodwill amortization (Gross)	(381)	(613)	(583)	(1,601)	(1,702)
- PDVE (Special Voluntary Severance Program Scheme)	-	-	(1,262)	-	(1,262)
- Other (1)	(81)	(20)	(81)	(129)	(332)
Book Net Income	**5,009**	**4,528**	**2,884**	**14,004**	**10,866**

(1) In the nine months of 2018 and the third quarter of 2018, refers: (i) to "Concilia Rio" – program of debt settlement regarding municipal taxes (ISS, IPTU, ITBI, etc.) of the city of Rio de Janeiro, in the amount of R$40 million; and (ii) contingent liabilities. In the nine months of 2017, refers to: (i) regulatory change in Cielo, totaling R$210 million; (ii) special tax regulation program – PERT, totaling R$192 million, in the third quarter of 2017; (iii) "opening of capital (IPO) IRB, in the amount of R$149 million", in the third quarter of 2017; (iv) impairment of non-financial assets, totaling R$47 million, in the third quarter of 2017; (v) reversion of the tax provision related to social security contributions – Odontoprev, totaling R$101 million, in the third quarter of 2017; and (vi) contingent liabilities.

Summarized Analysis of Recurring Income

For more information about the summarized analysis of recurring income presented as follows, see chapter "Economic and Financial Analysis" of this report.

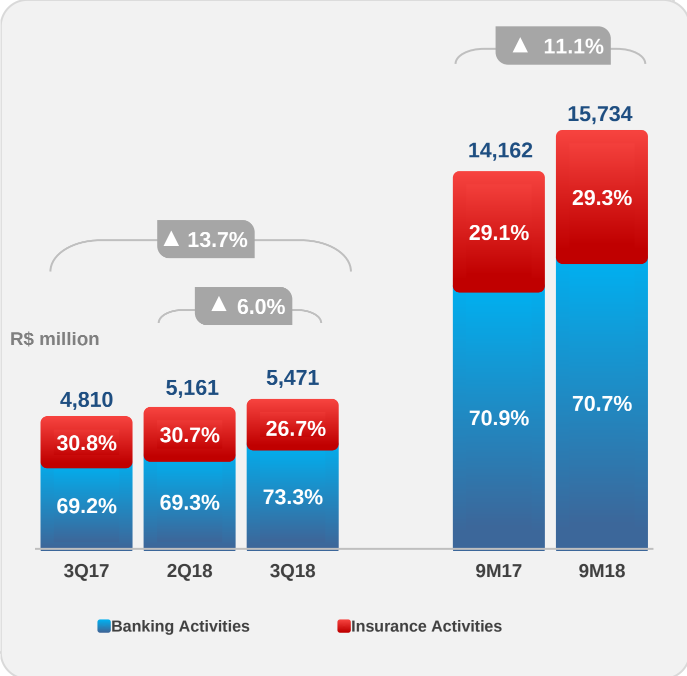
Recurring Income Statement (R$ million)	3Q18	2Q18	3Q17	9M18	9M17	Variation % 3Q18 x 2Q18	Variation % 3Q18 x 3Q17	Variation % 9M18 x 9M17
Net Interest Income	**15,749**	**15,084**	**15,361**	**46,519**	**47,289**	**4.4**	**2.5**	**(1.6)**
- NII - Interest Earning Portion	15,583	14,979	15,436	46,055	47,114	4.0	1.0	(2.2)
- NII - Non-Interest Earning Portion (1)	166	105	(75)	464	175	58.1	-	165.1
Expanded ALL	**(3,512)**	**(3,437)**	**(4,579)**	**(10,841)**	**(15,239)**	**2.2**	**(23.3)**	**(28.9)**
ALL Expenses	(4,857)	(4,369)	(4,955)	(13,825)	(17,385)	11.2	(2.0)	(20.5)
Income from Credit Recovery	2,529	1,652	1,838	5,628	5,460	53.1	37.6	3.1
Granted Discounts / Other (2)	(854)	(507)	(705)	(1,846)	(1,729)	68.4	21.1	6.8
Impairment of Financial Assets	(330)	(213)	(757)	(798)	(1,585)	54.9	(56.4)	(49.7)
Gross Income from Financial Intermediation	**12,237**	**11,647**	**10,782**	**35,678**	**32,050**	**5.1**	**13.5**	**11.3**
Income from Insurance, Pension Plans and Capitalization Bonds (3)	1,999	2,205	1,511	5,719	4,919	(9.3)	32.3	16.3
Fee and Commission Income	8,072	8,119	7,822	24,022	22,748	(0.6)	3.2	5.6
Personnel Expenses	(5,006)	(4,927)	(4,833)	(14,762)	(14,622)	1.6	3.6	1.0
Other Administrative Expenses	(5,093)	(4,993)	(5,030)	(14,896)	(14,782)	2.0	1.3	0.8
Tax Expenses	(1,704)	(1,831)	(1,696)	(5,356)	(5,186)	(6.9)	0.5	3.3
Equity in the earnings (losses) of unconsolidated and jointly controlled subsidiaries	41	48	42	116	162	(14.6)	(2.4)	(28.4)
Other Operating Income / (Expenses)	(2,119)	(2,124)	(1,846)	(6,280)	(5,470)	(0.2)	14.8	14.8
Operating Income	**8,427**	**8,144**	**6,752**	**24,241**	**19,819**	**3.5**	**24.8**	**22.3**
Non-Operating Income	(17)	(17)	(25)	(43)	(111)	-	(32.0)	(61.3)
Income Tax / Social Contribution	(2,897)	(2,909)	(1,771)	(8,289)	(5,310)	(0.4)	63.6	56.1
Non-controlling interests in subsidiaries	(42)	(57)	(146)	(175)	(236)	(26.3)	(71.2)	(25.8)
Recurring Net Income	**5,471**	**5,161**	**4,810**	**15,734**	**14,162**	**6.0**	**13.7**	**11.1**

(1) Includes impairment of financial assets without characteristic of credit;
(2) Includes the result with BNDU and provision for sureties and guarantees; and
(3) Income from Insurance, Pension Plans and Capitalization Bonds = Retained Premiums from Insurance, Pension Plans and Capitalization Bonds - Variation in technical reserves for Insurance, Pension Plans and Capitalization Bonds - Retained Claims - Capitalization Bond Draws and Redemptions - Insurance Plan, Pension Plan and Capitalization Bond Selling Expenses.

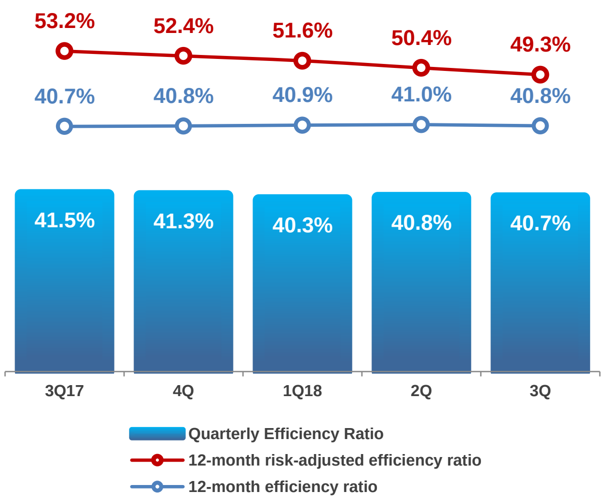
Summarized Analysis of Recurring Income

Recurring Net Income

With the net income of the 3Q18, we reached a return on the Average Adjusted Shareholders' Equity (ROAE) of 19.0%. Profit growth in this quarter counted on the good evolution of the net interest income and the performance of ALL expenses (Expanded), which practically remained stable in the 3Q18, even considering the growth of the loan portfolio, in which the operations with individuals are highlighted, that increased by 2% in the quarter. In the annual comparison (3Q18 x 3Q17), in addition to higher revenues with the net interest income, there were also significant decreases in ALL expenses (Expanded), higher revenues from insurance, pension plans and capitalization bonds and change in the revenues of fee and commission income. These factors lead to a boost in the operating income in both comparison periods (quarterly and annual).

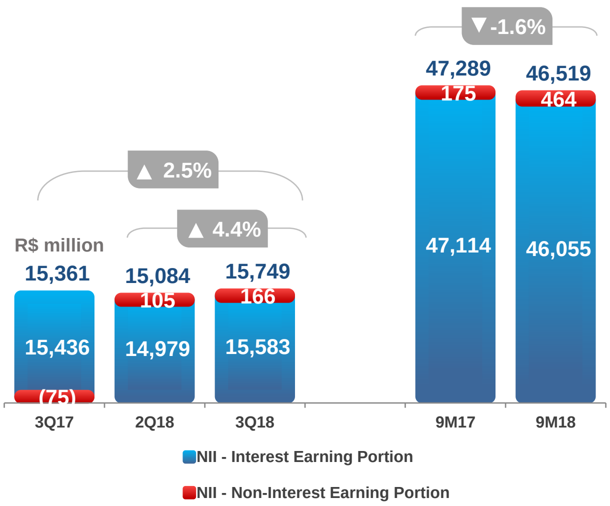


Efficiency Ratio (ER)



The positive performance of the quarterly ER and the last 12 months accumulated derive from the increase in the net interest income, according to the chart analysis on the side, and the control of the operating expenses. Again, we calculated an improvement in the risk adjusted ER (in 12 months) reflecting the significant decrease in ALL expenses (Expanded).

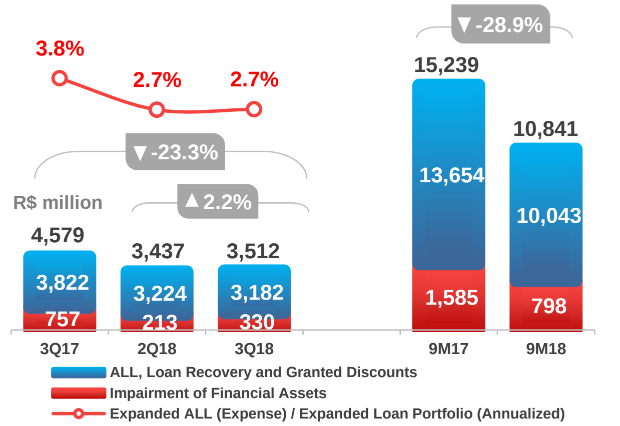
Net Interest Income



The increase of the net interest income presented in the quarters is due to the increase in the credit intermediation margin, which reflects the average volume growth in business and of the increments obtained with ALM and Insurance margins, due to higher efficiency relating to the Organization's asset and liability management.

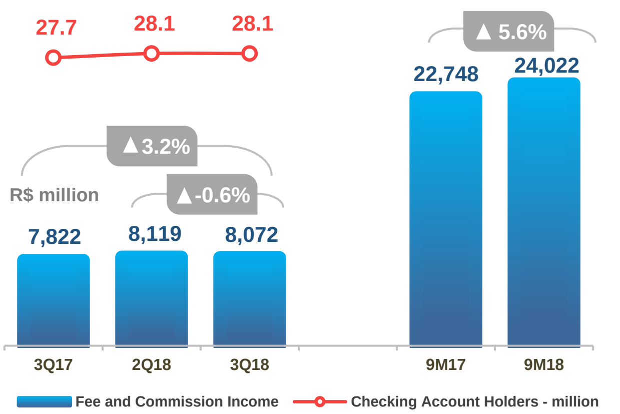
Summarized Analysis of Recurring Income

Expanded ALL (Expenses)



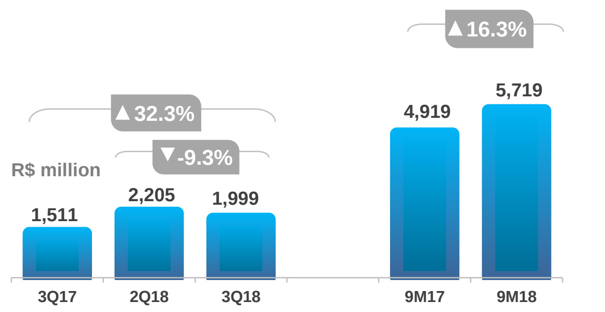
The expenses with ALL (Expanded) showed a slight increase compared with 2Q18, due to the highest impairment of financial assets constitution. In the 3Q18, the higher expense lines with ALL (Gross), and Incomes with Credit Recovery written-off as losses, reflect the restructuring made with large clients of credits that had already been written off as loss to the total amount of R$920 million. The accounting criteria require that these restructurings are entered with the record of new credit (in the renegotiation portfolio), as recovered revenue and the consequent record of the respective provision of 100%. In the 3Q17 comparison, the strong decrease in the ALL expense (Expanded) is related to the quality improvement of the loan portfolio and lower expenses with impairment of financial assets.

Fee and Commission Income



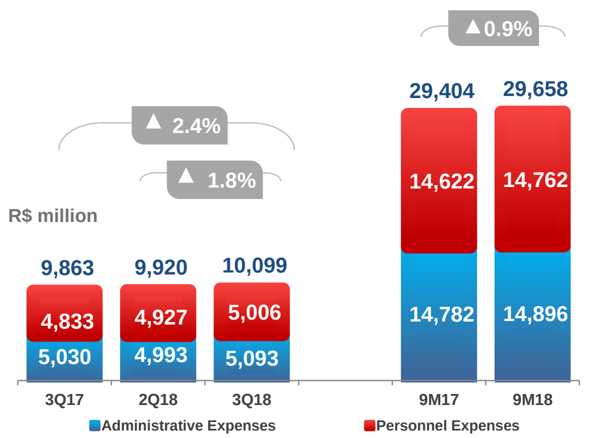
The good performance in the 3Q17 comparison of our revenues from fee and commission income was observed in the majority of the lines, with emphasis on the revenues with checking account, card income, asset management, consortium management and collection. We emphasize that the good performance is related to the increase in the volume of operations, reflecting the greater offer of products and services to the clients and synergy gains resulting from the acquisition of HSBC Brasil. In the quarterly comparison, the revenues are impacted by the lines of underwriting/financial advisory services and loans operations, given the strong performance recorded in the 2Q18.

Income from Insurance, Pension Plans and Capitalization Bonds



The increase in the 3Q17 comparison reflects the lower expenses with a variation of technical provisions, the improvement of claims, mainly the segments of "Life and Pension" and "Health". The lower performance of the 3Q18 compared with the previous quarter is influenced by the lower variation of technical provisions in the 2Q18 of the "Life and Pension" segment, totaling R$324 million, in accordance with the standard provisioned for in Liability Adequacy Test (LAT), which occurs recurrently, in June and December of each year.

Operating Expenses
(Personnel and Administrative)



Personnel Expenses – the increase of expenses, both in the quarterly and 3Q17 comparatives, reflects the effects of the collective bargaining of 2018/2019, whose readjustment for this year was of 5% and higher expenses on employees Profit Sharing (PLR) as a result of the growth in this period's net profit.

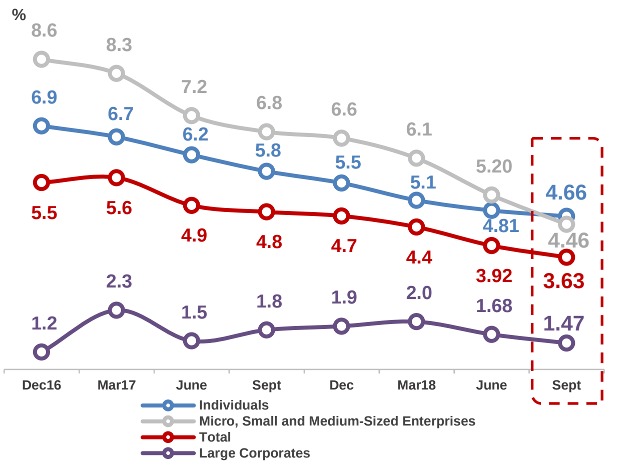
Administrative Expenses – the increase in expenses in the periods derives from the greater volume of businesses and services and higher expenses with advertising and marketing. In relation to the 3Q17, the expenses showed a good performance, especially considering inflation in the period, highlighting the decrease in expenses on transportation, security and surveillance, communication, materials and financial system services, that reflects the adjustments made, as well as the synergies of the acquisition of HSBC Brasil and the strategy for optimization of customer service aspects.

Summarized Analysis of Recurring Income

Expanded Loan Portfolio

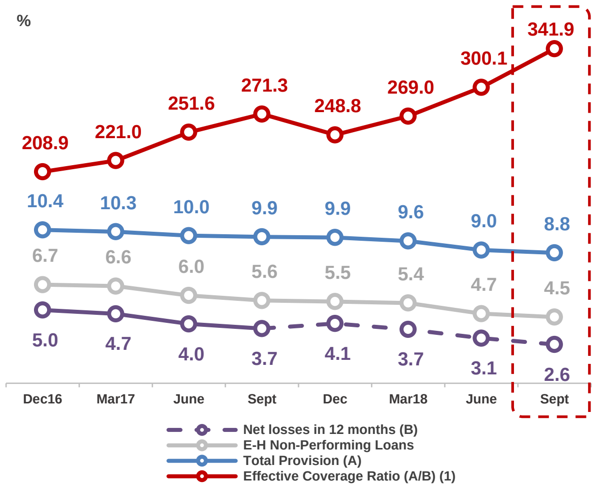
R$ million	Sept18	June18	Sept17	Variation % Sept18 x June18	Variation % Sept18 x Sept17	As % of Sept18
Companies	**337,272**	**332,818**	**314,657**	**1.3**	**7.2**	**64.4**
Large Corporates	238,896	237,868	223,801	0.4	6.7	45.6
Micro, Small and Medium-Sized Enterprises	98,376	94,950	90,856	3.6	8.3	18.8
Individuals	**186,159**	**182,817**	**172,207**	**1.8**	**8.1**	**35.6**
Payroll-deductible Loans	48,572	46,593	42,551	4.2	14.2	9.3
Real Estate Financing	37,051	35,618	33,305	4.0	11.2	7.1
Credit Card	33,150	33,606	32,867	(1.4)	0.9	6.3
CDC / Vehicle Leasing	22,643	22,167	19,851	2.1	14.1	4.3
Personal Loans	19,247	18,490	17,122	4.1	12.4	3.7
Other	25,496	26,343	26,511	(3.2)	(3.8)	4.9
Expanded Loan Portfolio	**523,431**	**515,635**	**486,864**	**1.5**	**7.5**	**100.0**
		Without exchange variation		**1.2**	**5.6**	

Delinquency Ratio over 90 days



For the sixth consecutive quarter, the delinquency ratio showed a decrease, reflecting the better quality of the new captures and adjustments in the credit granting and credit recovery processes. All the segments showed an improvement in index since the beginning of 2018, particularly the segments of micro, small and medium-sized enterprises, and of Individuals that also benefited from the change of the portfolio's mix, which occurred during the periods. Since the peak of delinquency in March 2017, the total index experienced a decrease of 2.0 p.p..

Effective Coverage Ratio

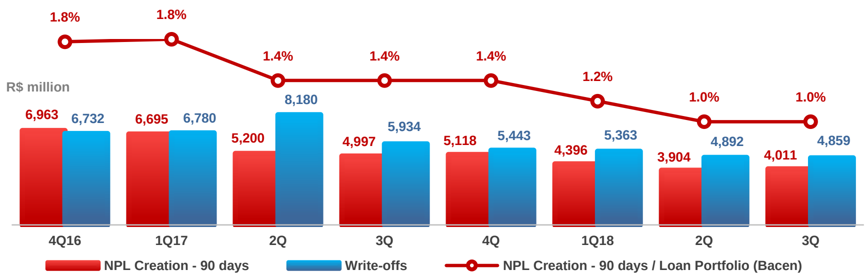


Accompanying the constant improvement of the delinquency ratio and the lower levels in the origination of overdue loans (NPL Creation), the net loss of recoveries estimated for September 2018 point to 2.6%, the lowest index in the last eight years, resulting in a effective coverage ratio of 342%.

(1) As of March 2017, it includes the provision for guarantees provided.

NPL Creation – 90 days vs. Write-offs

The NPL Creation compared to the loan portfolio remained stable in the quarter, reflecting the better quality of the new captures, the strengthening of the policy and procedures for granting credit and the reduction of the deliquency ratio.



Main Economic Indicators

Main Indicators (%)	3Q18	2Q18	3Q17	9M18	9M17
Interbank Deposit Certificate (CDI)	1.59	1.56	2.25	4.81	8.03
Ibovespa	9.04	(14.76)	18.11	3.85	23.36
USD – Commercial Rate	3.84	16.01	(4.24)	21.04	(2.80)
General Market Price Index (IGP-M)	2.75	3.87	(0.15)	8.30	(2.10)
Extended Consumer Price Index (IPCA)	0.72	1.89	0.59	3.34	1.78
Business Days (#)	64	63	64	188	188
Calendar Days (#)	92	91	92	273	273
Indicators (Closing Rate)					
USD – Commercial Selling Rate - (R$)	4.0039	3.8558	3.1680	4.0039	3.1680
EMBI+ (Emerging Markets Bond Index Plus)	337	330	246	337	246
Selic - Base Interest Rate (% p.a.)	6.50	6.50	8.25	6.50	8.25
BM&F Fixed Rate (% p.a.)	7.95	7.58	7.13	7.95	7.13

Bradesco's Projections up to 2020

%	2018	2019	2020
USD - Commercial Rate (year-end) - R$	3.90	3.80	3.87
Extended Consumer Price Index (IPCA)	4.40	4.25	4.00
General Market Price Index (IGP-M)	8.10	4.26	4.25
Selic (year-end)	6.50	8.00	7.00
Gross Domestic Product (GDP)	1.10	2.50	3.00

Guidance

Perspectives for 2018

		Actual 9M18 x 9M17
Expanded Loan Portfolio	3% to 7%	7.5% (5.6% without exchange variation)
NII - Interest-Earning Portion	-4% to 0%	-2.2%
Fee and Commission Income	4% to 8%	5.6%
Operating Expenses (Administrative and Personnel Expenses)	-2% to 2%	0.9%
Insurance Premiums	2% to 6%	-3.1%
Expanded ALL	R$ 13 bi to R$ 16 bi	R$ 10.8 bi (Realized 9M18)

The majority of our perspectives for 2018 is within estimation and, in relation to the performance of the insurance premiums, it should be highlighted that the income has no linear behavior, thus presenting the best performance in the last quarter of every year.

This Economic and Financial Analysis Report contains forward-looking statements related to our business. Such statements are based on management's current expectations, estimates and projections concerning future events and financial trends that may affect our business. However, the forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may be beyond our control. In addition, certain forward-looking statements, such as the guidance for example, are based on assumptions, which depending on future events, may not prove accurate. Thus, the actual results may differ significantly from the plans, objectives, expectations, forecasts and intentions expressed or implied in such forward-looking statements. The factors that can modify the actual results include changes in business and economic conditions, changes in interest rates, inflation, loss of the ability to capture deposits, and loss of clients or of income, among others.

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