

# RESULTS

3<sup>rd</sup> QUARTER

# 2019



# MAIN HIGHLIGHTS



# FINANCIAL HIGHLIGHTS



Recurring Net Income (9M19):

**R\$19.2 billion**  
**+22.3% YoY**



Expanded Loan Portfolio:

**R\$578.3 billion**  
**+3.2% QoQ / +10.5% YoY**



Operating Income (9M19):

**+11.6% YoY**



Tier I Capital:

**14.7%**  
**+250 bps YoY**



Annualized Return on Average  
Equity (ROAE – 9M19):

**20.5%**  
**+180 bps YoY**



Extraordinary Dividends 2019:

**R\$8.0 billion**  
**65 times** the monthly amount paid

# FINANCIAL RESULTS

## 3<sup>rd</sup> QUARTER 2019



**bradesco**

# RECURRING INCOME STATEMENT

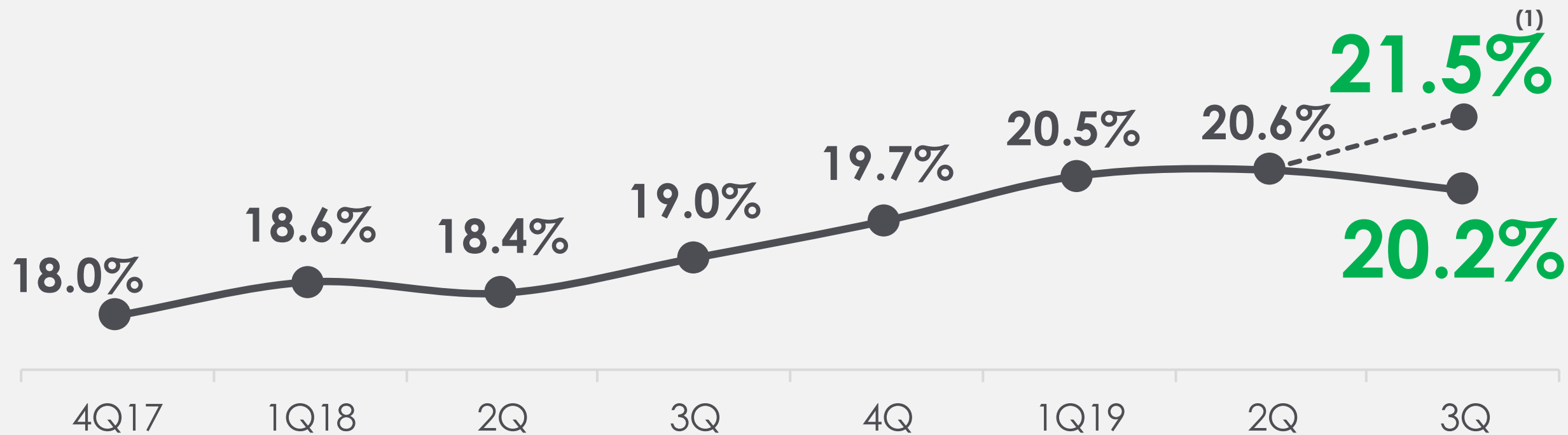
R\$ MILLION	VARIATION%				
	3Q19	9M19	3Q19 x 2Q19	3Q19 x 3Q18	9M19 x 9M18
NET INTEREST INCOME	14,773	43,328	2.1	5.9	5.7
EXPANDED ALL	(3,336)	(10,427)	(4.3)	(5.8)	(4.9)
GROSS INCOME FROM FINANCIAL INTERMEDIATION	11,437	32,901	4.2	9.9	9.6
Income from Insurance, Pension Plans and Capitalization Bonds <sup>(1)</sup>	3,473	10,893	(3.4)	7.5	13.7
Fee and Commission Income	8,423	24,777	1.7	3.7	2.5
Operating Expenses (Personnel + Administrative)	(11,120)	(31,895)	5.0	10.1	7.5
Other Operating Income / (Expenses) <sup>(2)</sup>	(3,074)	(9,621)	(4.5)	(5.1)	(2.6)
<b>OPERATING INCOME</b>	<b>9,139</b>	<b>27,055</b>	<b>1.0</b>	<b>8.4</b>	<b>11.6</b>
Income Tax / Social Contribution / Non-Operating Income / Non-controlling Interests in Subsidiaries	(2,597)	(7,813)	0.5	(12.1)	(8.2)
<b>RECURRING NET INCOME</b>	<b>6,542</b>	<b>19,242</b>	<b>1.2</b>	<b>19.6</b>	<b>22.3</b>

(1) 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 + Financial Income of the Operation; and  
(2) Includes Equity in the earnings (losses) of unconsolidated and jointly controlled subsidiaries and tax expenses.

# ROAE / ROAA QUARTELY and SHAREHOLDERS' EQUITY AND TOTAL ASSETS

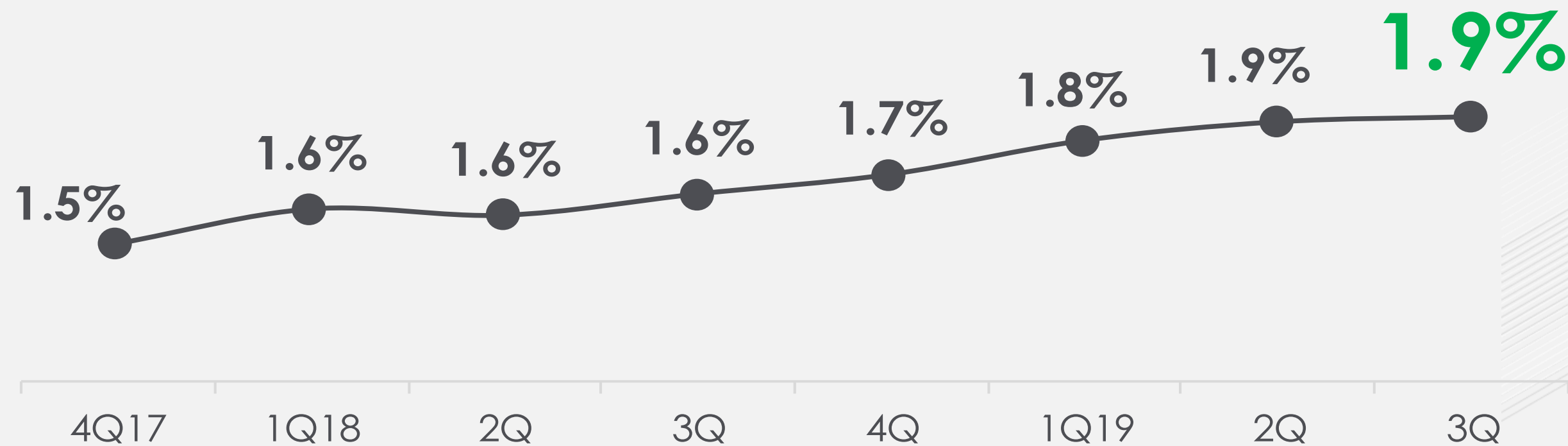
**ROAE**  
Evolution of  
▲ **120 bps** ou  
**250<sup>(1)</sup> bps** YoY

**Shareholders' Equity**  
**R\$ 138,313** ▲ **19.6%** YoY  
million ▲ **3.5%** QoQ



**ROAA**  
Evolution of  
▲ **30 bps** YoY

**Total Assets**  
**R\$ 1,405** ▲ **3.5%** YoY  
billion ▼ **0.5%** QoQ



# EXPANDED LOAN PORTFOLIO

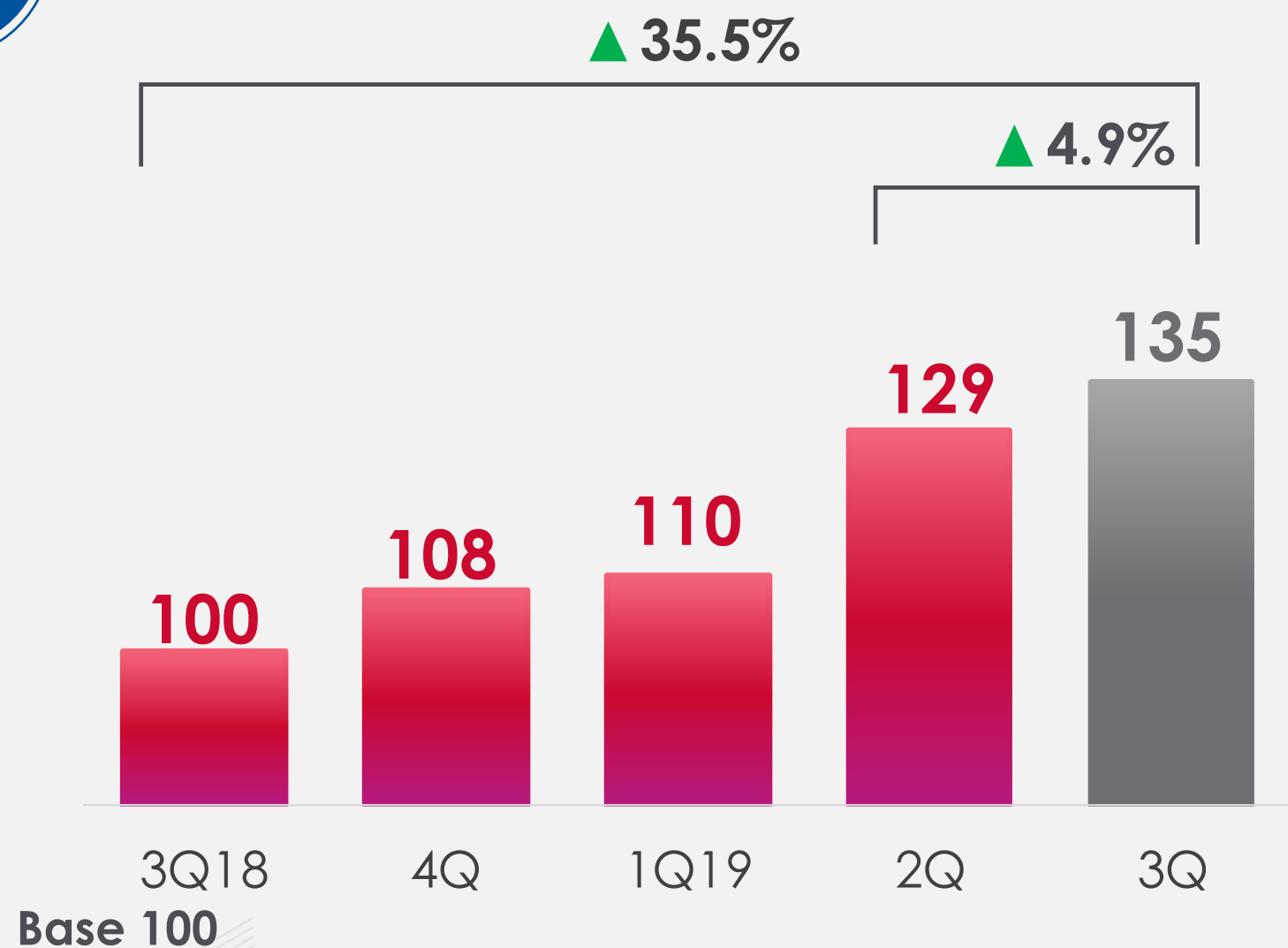
R\$ MILLION	SEPT19	JUNE19	SEPT18	VARIATION%		% IN RELATION TO TOTAL SEPT19
				Q-o-Q	Y-o-Y	
<b>COMPANIES <sup>(1)</sup></b>	<b>356,875</b>	<b>350,671</b>	<b>337,272</b>	<b>1.8</b>	<b>5.8</b>	<b>61.7</b>
Large Corporates	250,331	249,532	238,896	0.3	4.8	43.3
Micro, Small and Medium-Sized Enterprises	106,544	101,139	98,376	5.3	8.3	18.4
<b>INDIVIDUALS</b>	<b>221,442</b>	<b>209,867</b>	<b>186,159</b>	<b>5.5</b>	<b>19.0</b>	<b>38.3</b>
Payroll-deductible Loans	60,258	57,318	48,572	5.1	24.1	10.4
Real Estate Financing	42,931	41,282	37,051	4.0	15.9	7.4
Credit Cards	37,280	34,803	33,150	7.1	12.5	6.4
CDC / Vehicle Leasing	27,480	26,032	22,643	5.6	21.4	4.8
Personal Loans	26,212	23,898	19,247	9.7	36.2	4.5
Others	27,281	26,534	25,496	2.8	7.0	4.7
<b>TOTAL EXPANDED LOAN PORTFOLIO</b>	<b>578,317</b>	<b>560,538</b>	<b>523,431</b>	<b>3.2</b>	<b>10.5</b>	<b>100.0</b>
			WITHOUT EXCHANGE VARIATION	<b>2.7</b>	<b>10.3</b>	

(1) In 2019, there were reallocations between Companies portfolios in line with the enhanced segmentation of our clients. In the annual comparison, including these reallocations, "Micro, Small and Medium-Sized Enterprises" portfolio and "Large Corporates" portfolio would have presented an evolution of 12.9% and 3.1%, respectively.

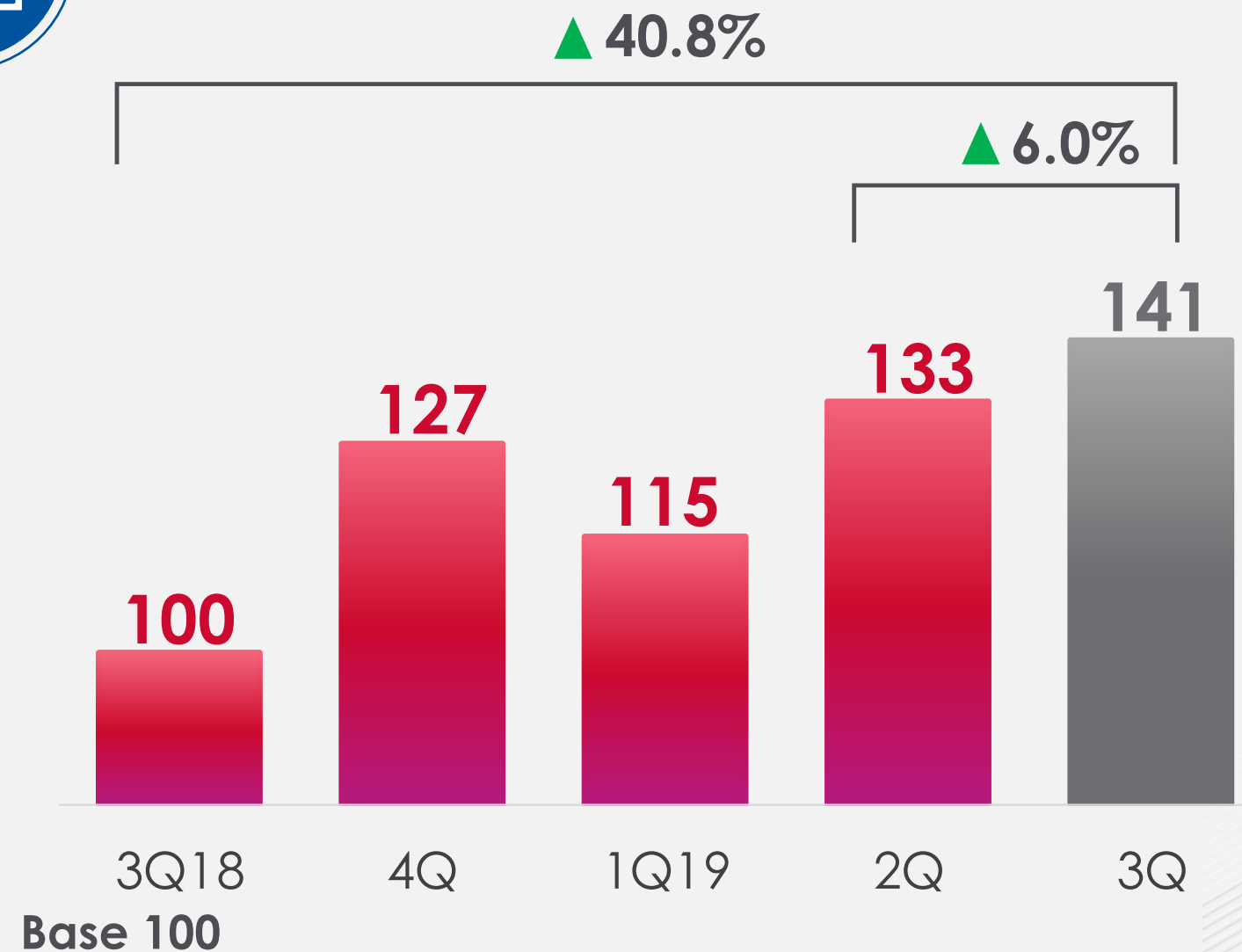
# LOAN ORIGINATION PER BUSINESS DAY EARMARKED AND NON-EARMARKED LOANS



## INDIVIDUALS



## COMPANIES



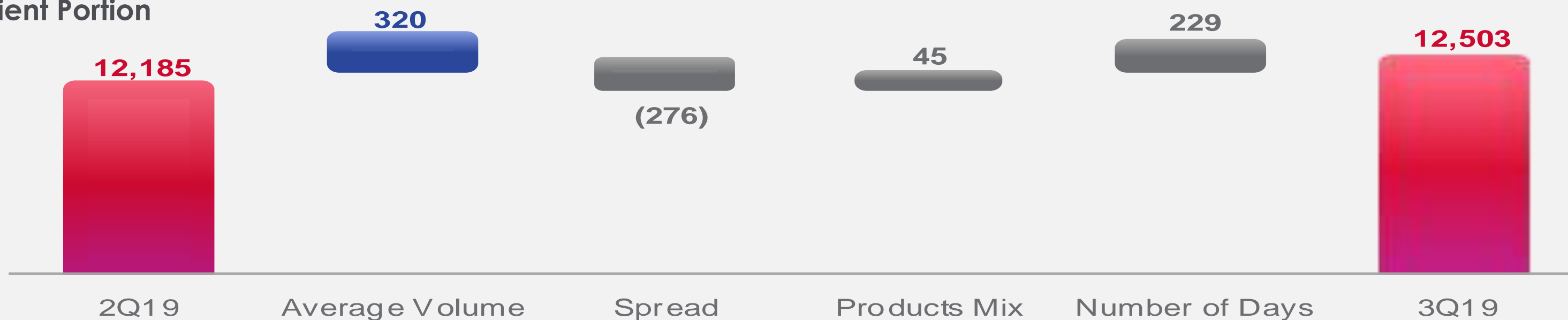
Note: Does not include sureties and guarantees, debentures, foreign exchange products and limits.

# NET INTEREST INCOME

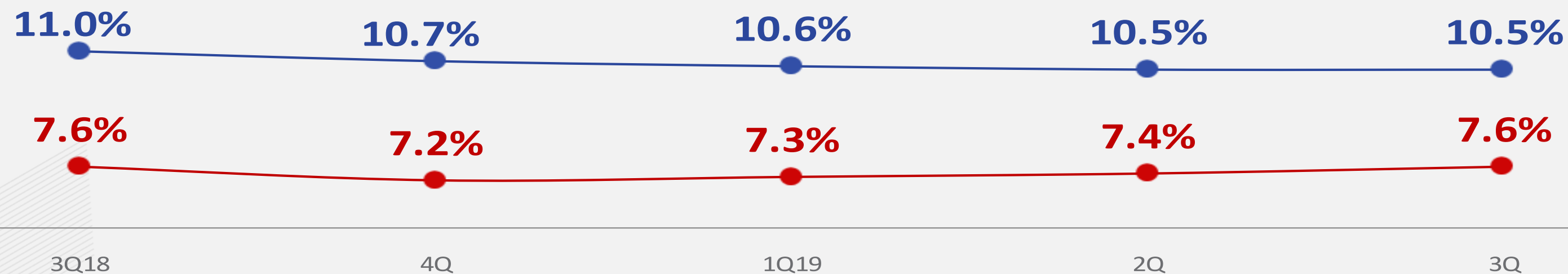
R\$ MILLION

<h3>Net Interest Income</h3> <p><b>14,773</b> { <span style="color: green;">▲</span> 2.1% QoQ <span style="color: green;">▲</span> 5.9% YoY</p>	<h3>Client Portion</h3> <p><b>12,503</b> { <span style="color: green;">▲</span> 2.6% QoQ <span style="color: green;">▲</span> 5.2% YoY</p>	<h3>Market Portion</h3> <p><b>2,270</b> { <span style="color: red;">▼</span> 0.6% QoQ <span style="color: green;">▲</span> 9.9% YoY</p>
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## Client Portion



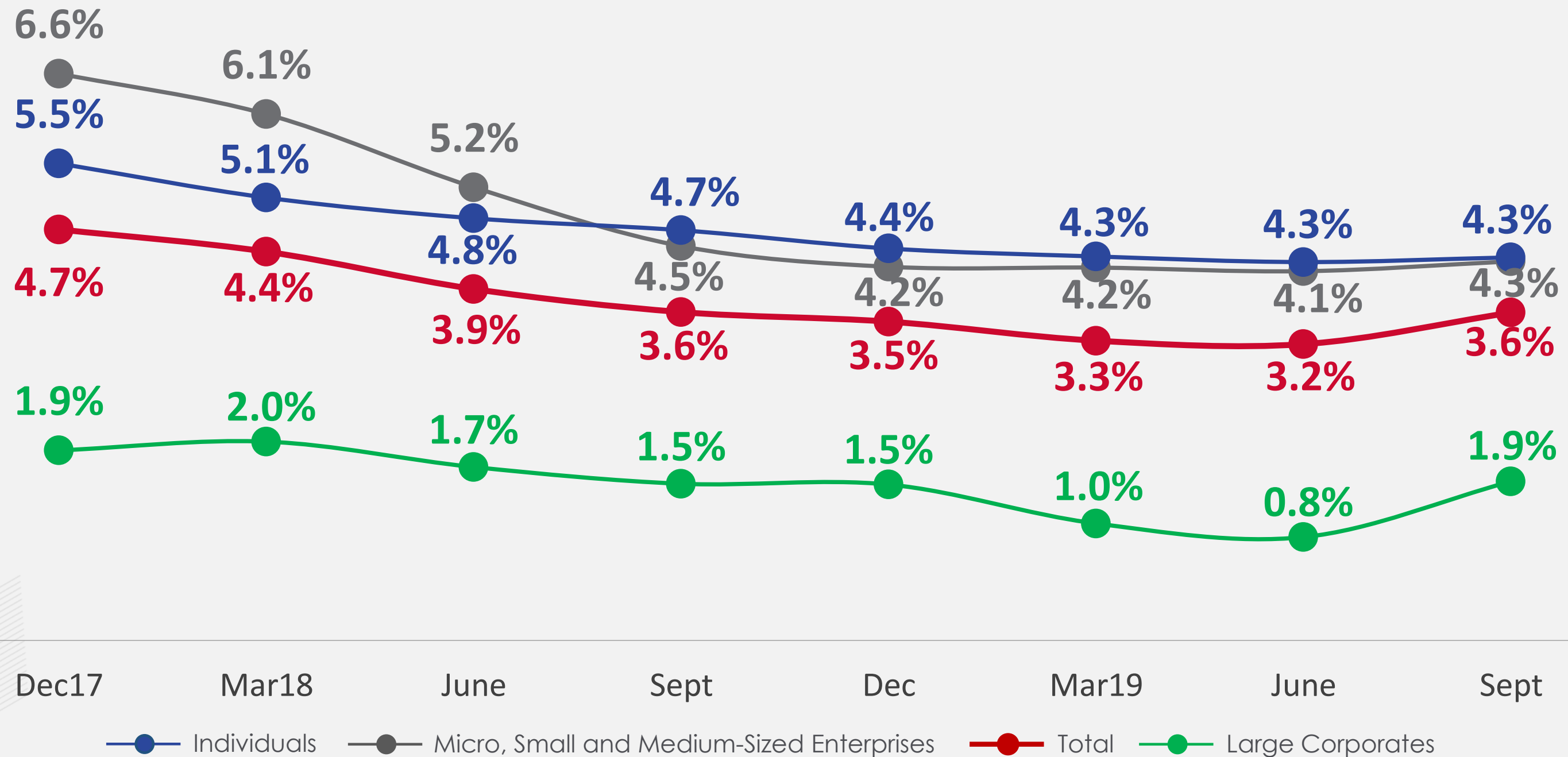
## Gross Spread x Net Spread



● Gross Spread

● Net Spread

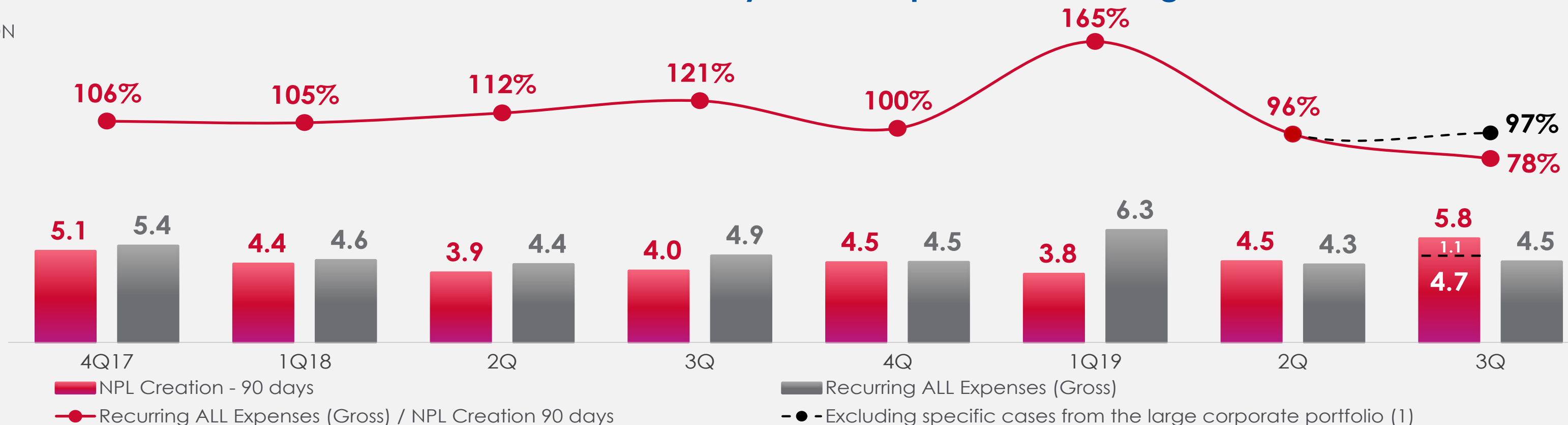
# DELINQUENCY RATIO – OVER 90 DAYS



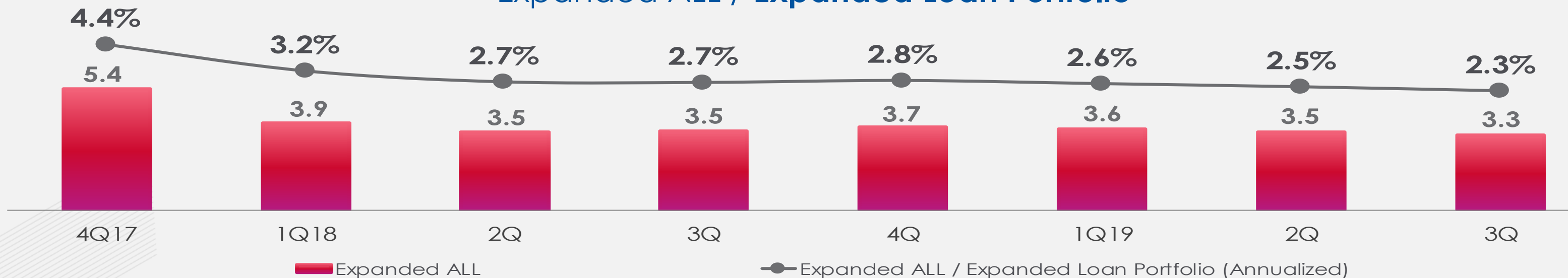
# NPL CREATION AND ALLOWANCE FOR LOAN LOSSES (ALL) EXPENSES

NPL Creation >90 days x ALL Expenses Recurring

R\$ BILLION



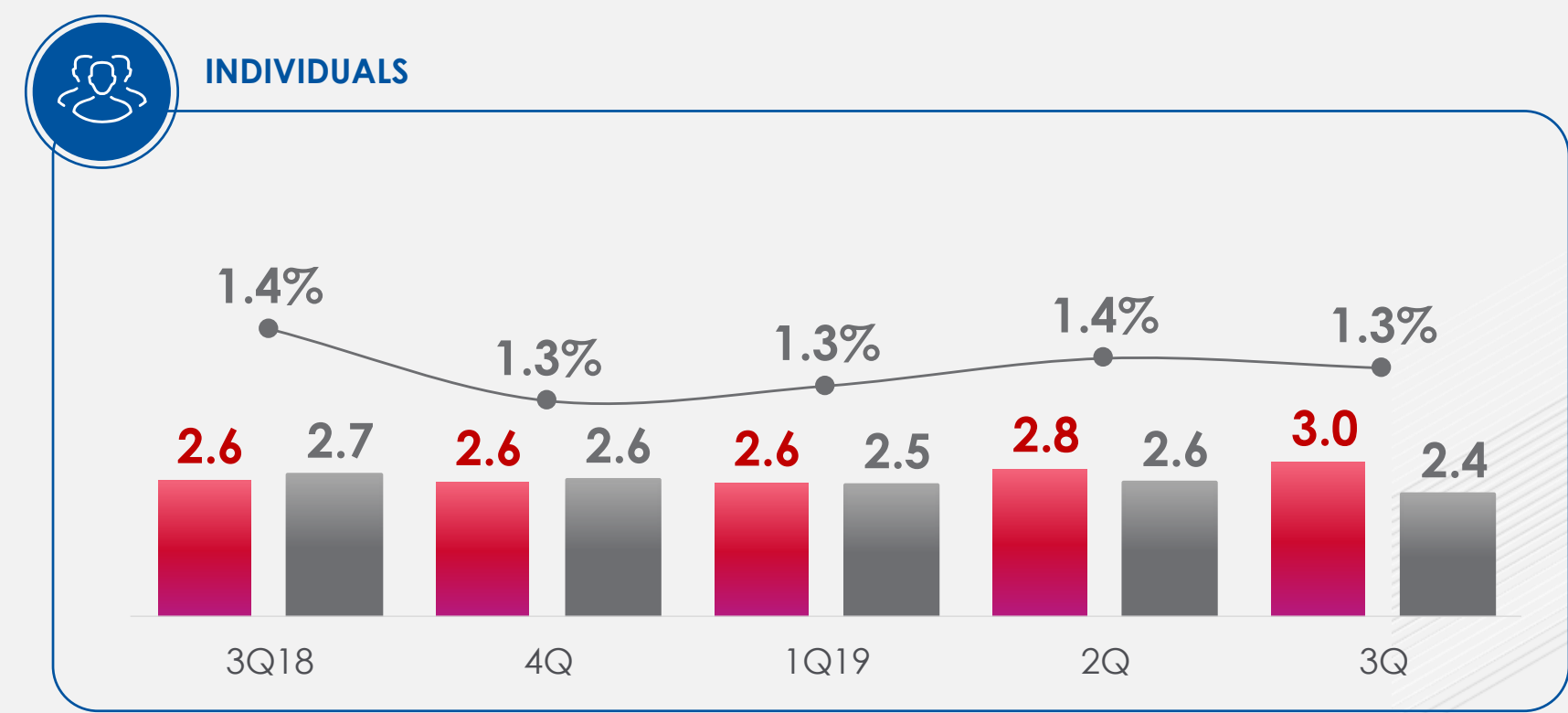
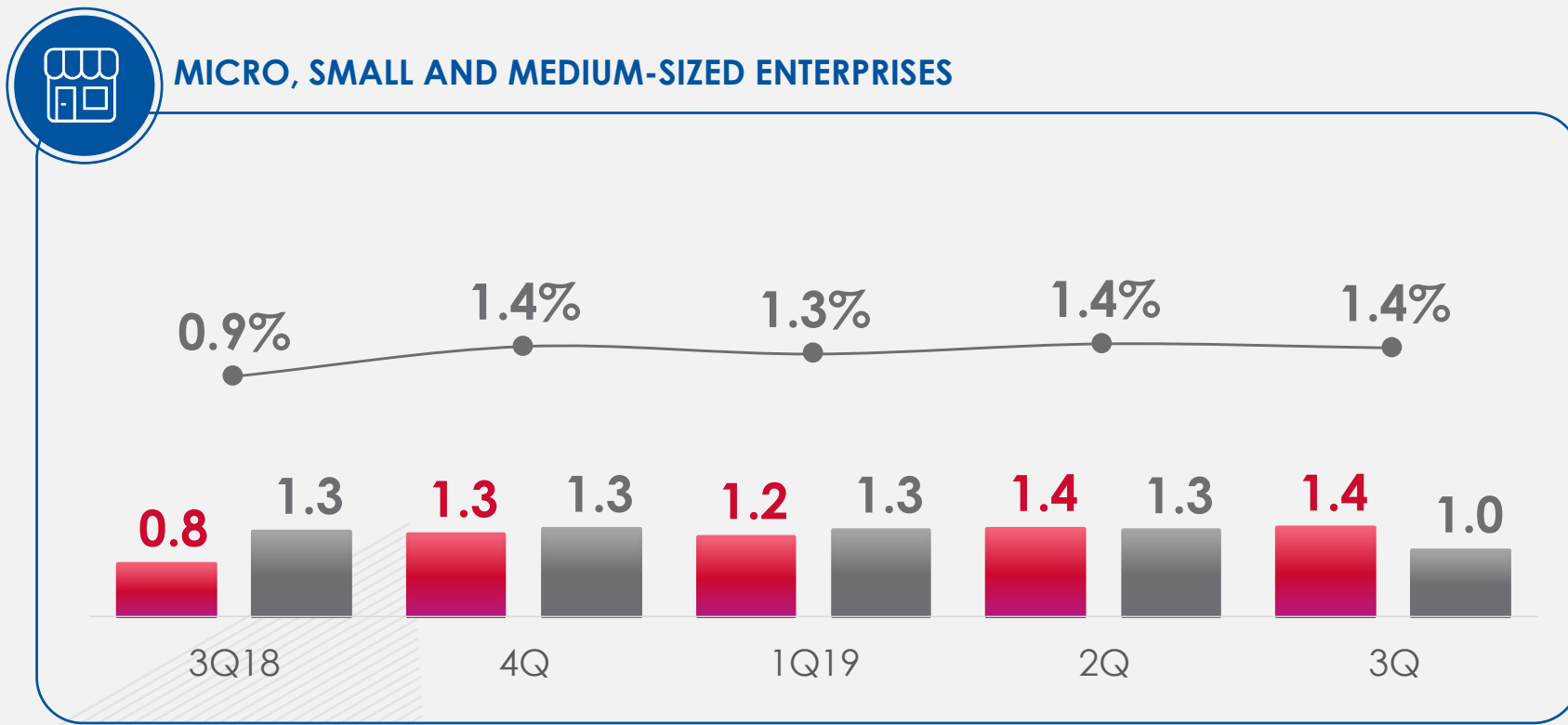
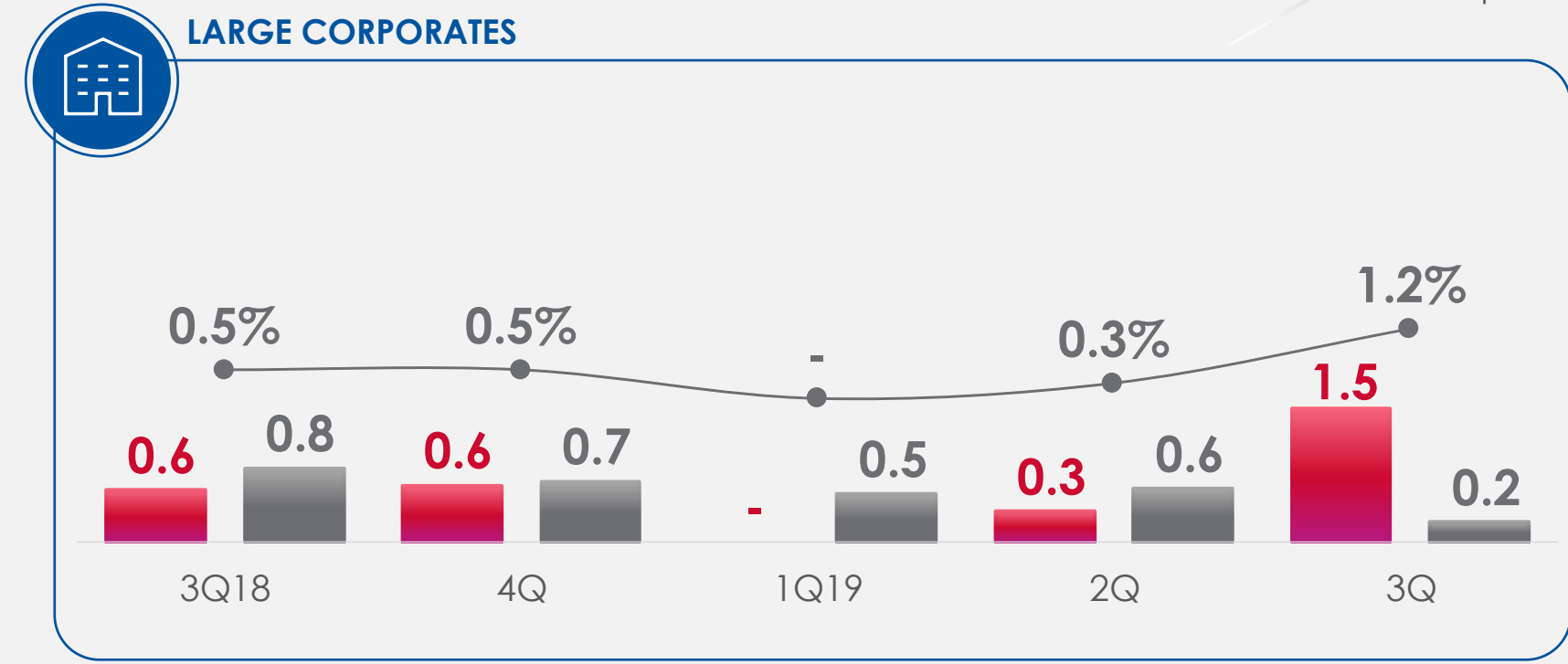
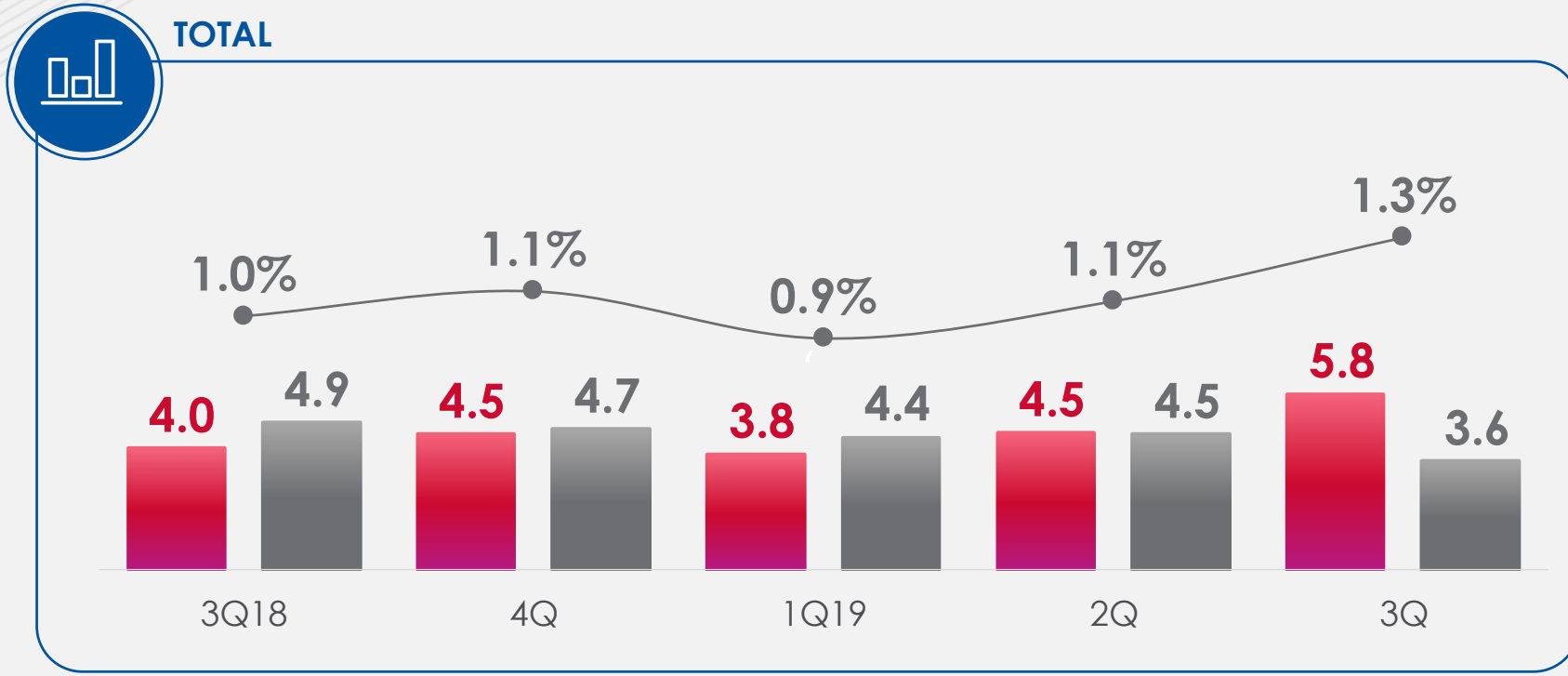
Expanded ALL / Expanded Loan Portfolio



(1) The change of range of delay did not cause the increase of provision, in view of the existing provision.

# NPL CREATION 90-DAYS BY PORTFOLIO

R\$ BILLION



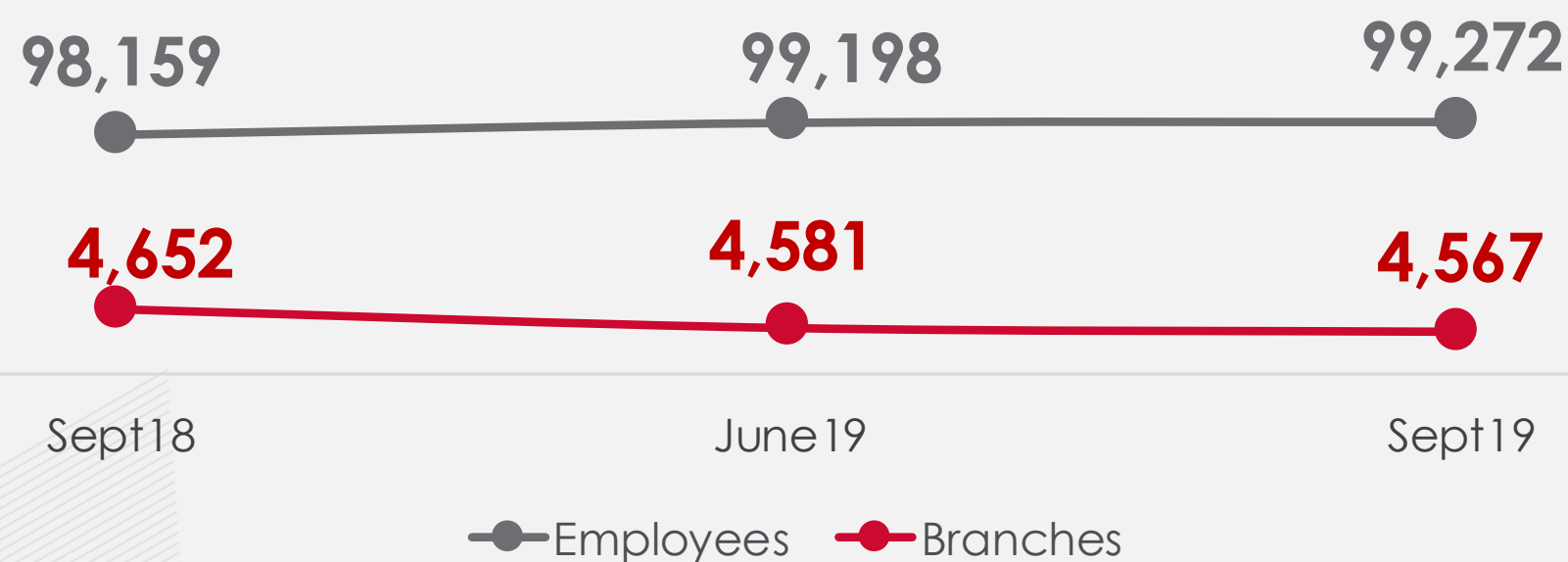
■ NPL Creation 
 ■ Write-offs 
 ● NPL Creation / Loan Portfolio – As defined by the Central Bank

# FEE AND COMMISSION INCOME

R\$ MILLION	3Q19	2Q19	3Q18	9M19	9M18	VARIATION%		
						3Q19 x 2Q19	3Q19 x 3Q18	9M19 x 9M18
Card Income	2,835	2,781	2,865	8,382	8,416	1.9	(1.0)	(0.4)
Checking Account	1,943	1,932	1,814	5,726	5,327	0.6	7.1	7.5
Asset Management	973	928	1,008	2,867	3,009	4.8	(3.5)	(4.7)
Loans Operations	766	755	728	2,247	2,253	1.5	5.2	(0.3)
Collections and Payments	610	594	602	1,813	1,832	2.7	1.3	(1.0)
Consortium Management	497	454	435	1,408	1,230	9.5	14.3	14.5
Custody and Brokerage Services	300	268	233	832	723	11.9	28.8	15.1
Underwriting / Financial Advisory Services	190	270	179	581	588	(29.6)	6.1	(1.2)
Others	309	298	259	921	802	3.7	19.3	14.8
<b>TOTAL</b>	<b>8,423</b>	<b>8,280</b>	<b>8,123</b>	<b>24,777</b>	<b>24,180</b>	<b>1.7</b>	<b>3.7</b>	<b>2.5</b>

# OPERATING EXPENSES

R\$ MILLION					VARIATION%				
		3Q19	2Q19	3Q18	9M19	9M18	3Q19 x 2Q19	3Q19 x 3Q18	9M19 x 9M18
	<b>PERSONNEL</b>	<b>5,653</b>	<b>5,488</b>	<b>5,006</b>	<b>16,299</b>	<b>14,762</b>	<b>3.0</b>	<b>12.9</b>	<b>10.4</b>
	<b>Structural</b>	<b>4,324</b>	<b>4,169</b>	<b>4,064</b>	<b>12,582</b>	<b>11,848</b>	<b>3.7</b>	<b>6.4</b>	<b>6.2</b>
	<b>Non-Structural</b>	<b>1,329</b>	<b>1,319</b>	<b>942</b>	<b>3,717</b>	<b>2,914</b>	<b>0.8</b>	<b>41.1</b>	<b>27.6</b>
	- Management and Employee Profit Sharing	731	731	552	2,157	1,529	-	32.4	41.1
	- Provision for Labor Claims	457	449	265	1,165	1,069	1.8	72.5	9.0
	- Training	64	53	51	151	113	20.8	25.5	33.6
	- Termination Costs	77	86	74	244	203	(10.5)	4.1	20.2
	<b>ADMINISTRATIVE</b>	<b>5,467</b>	<b>5,103</b>	<b>5,093</b>	<b>15,596</b>	<b>14,896</b>	<b>7.1</b>	<b>7.3</b>	<b>4.7</b>
	<b>TOTAL <sup>(1)</sup></b>	<b>11,120</b>	<b>10,591</b>	<b>10,099</b>	<b>31,895</b>	<b>29,658</b>	<b>5.0</b>	<b>10.1</b>	<b>7.5</b>



## Variation

(In Quantity)

Sept19 x June19    Sept19 x Sept18

74

1,113

(14)

(85)

● Employees    ● Branches

(1) It includes extraordinary expenses incurred during 2019 relating, in their majority, to the anticipation of contracts and services with major suppliers, which impacted the administrative expenses by R\$278 million, and expenses with the Extraordinary Performance Program, whose deployment occurred from this year, impacting the personnel expenses by R\$272 million. Disregarding these expenses, the variation of 9M19 in relation to 9M18 would have gone from 7.5% to 5.7%.

# MEASURES WE ARE TAKING REGARDING OUR EXPENSES

Adjustments (Voluntary Severance Program - PDV and Branches) in line with the advances of the delivery of products in "digital" and the adoption of new technologies resulting in gains in productivity



## Physical Branches:

Reduction of 150 branches in 2019. In 2020, expectation of a further 300 branches



## Reduction of Branches

(in quantity)

Until Sept19

In 2019

▼50 ▼150

Greater flow in digital



## PDV:

Reduction of 3 thousand <sup>(1)</sup> employees

## Improving the **cost vs. benefit ratio**



## Labor Expenses:

Substantial increase of agreements, reducing future expenditure



## Negotiation with Suppliers:

Major contracts in advance with better future conditions

(1) It refers to the total adhesions, valid until October 30, 2019, to the program that ends on October 31, 2019, whose dismissals are occurring as programmed, comprising in some cases a period of up to six months from the date of adhesion.

# INCOME FROM INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS

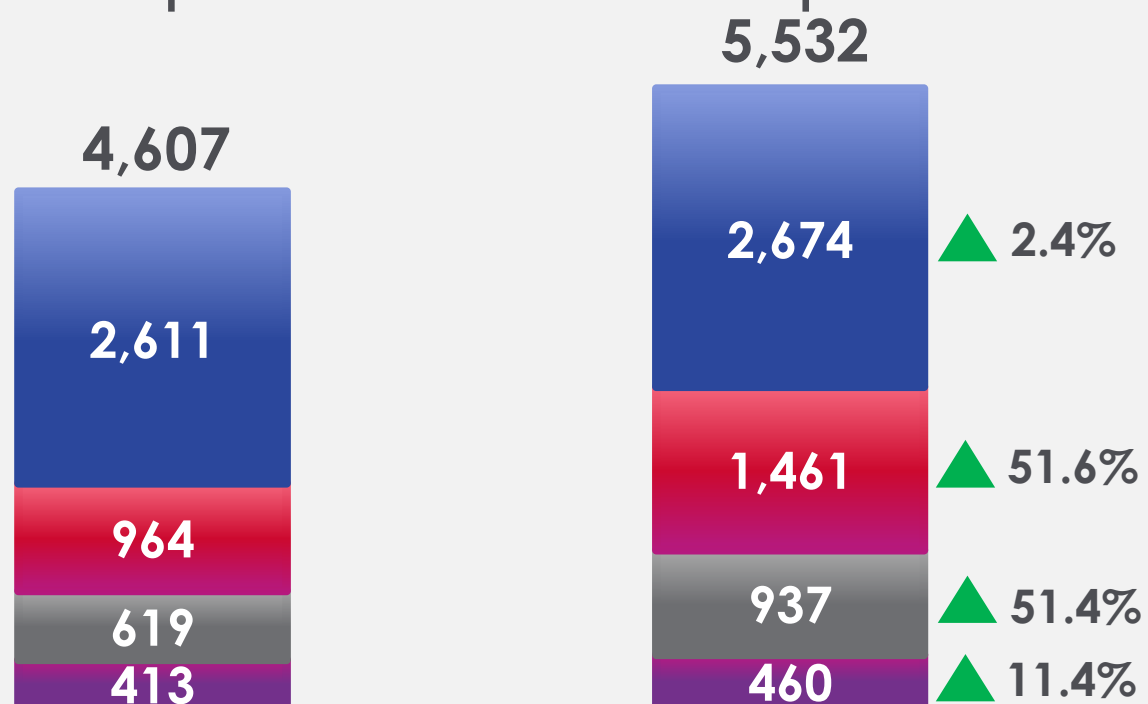
R\$ MILLION	3Q19	2Q19	3Q18	9M19	9M18	VARIATION% (unless otherwise stated)		
						3Q19 x 2Q19	3Q19 x 3Q18	9M19 x 9M18
Life and Pension Plans	9,661	8,920	8,172	27,266	25,741	8.3	18.2	5.9
Health	6,901	6,725	6,369	20,212	18,693	2.6	8.4	8.1
Auto/P&C + DPVAT	1,550	1,535	1,504	4,398	4,308	1.0	3.1	2.1
Capitalization Bonds	1,634	1,642	1,543	4,754	4,639	(0.5)	5.9	2.5
<b>OVERALL INCOME</b>	<b>19,746</b>	<b>18,822</b>	<b>17,588</b>	<b>56,630</b>	<b>53,381</b>	<b>4.9</b>	<b>12.3</b>	<b>6.1</b>
INCOME FROM INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS <sup>(1)</sup>	<b>3,473</b>	<b>3,594</b>	<b>3,231</b>	<b>10,893</b>	<b>9,579</b>	<b>(3.4)</b>	<b>7.5</b>	<b>13.7</b>
FINANCIAL ASSETS	<b>306,150</b>	<b>300,059</b>	<b>279,870</b>	<b>306,150</b>	<b>279,870</b>	<b>2.0</b>	<b>9.4</b>	<b>9.4</b>
TECHNICAL PROVISIONS	<b>269,675</b>	<b>265,241</b>	<b>254,653</b>	<b>269,675</b>	<b>254,653</b>	<b>1.7</b>	<b>5.9</b>	<b>5.9</b>
SHAREHOLDERS' EQUITY	<b>36,741</b>	<b>35,204</b>	<b>31,659</b>	<b>36,741</b>	<b>31,659</b>	<b>4.4</b>	<b>16.1</b>	<b>16.1</b>
NET INCOME	<b>1,885</b>	<b>1,833</b>	<b>1,462</b>	<b>5,532</b>	<b>4,607</b>	<b>2.8</b>	<b>28.9</b>	<b>20.1</b>
ROAE	<b>24.1%</b>	<b>23.7%</b>	<b>18.2%</b>	<b>23.6%</b>	<b>19.1%</b>	<b>0.4 p.p.</b>	<b>5.9 p.p.</b>	<b>4.5 p.p.</b>

(1) 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 + Financial Income of the Operation.

# INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS

## Net Income

R\$ MILLION

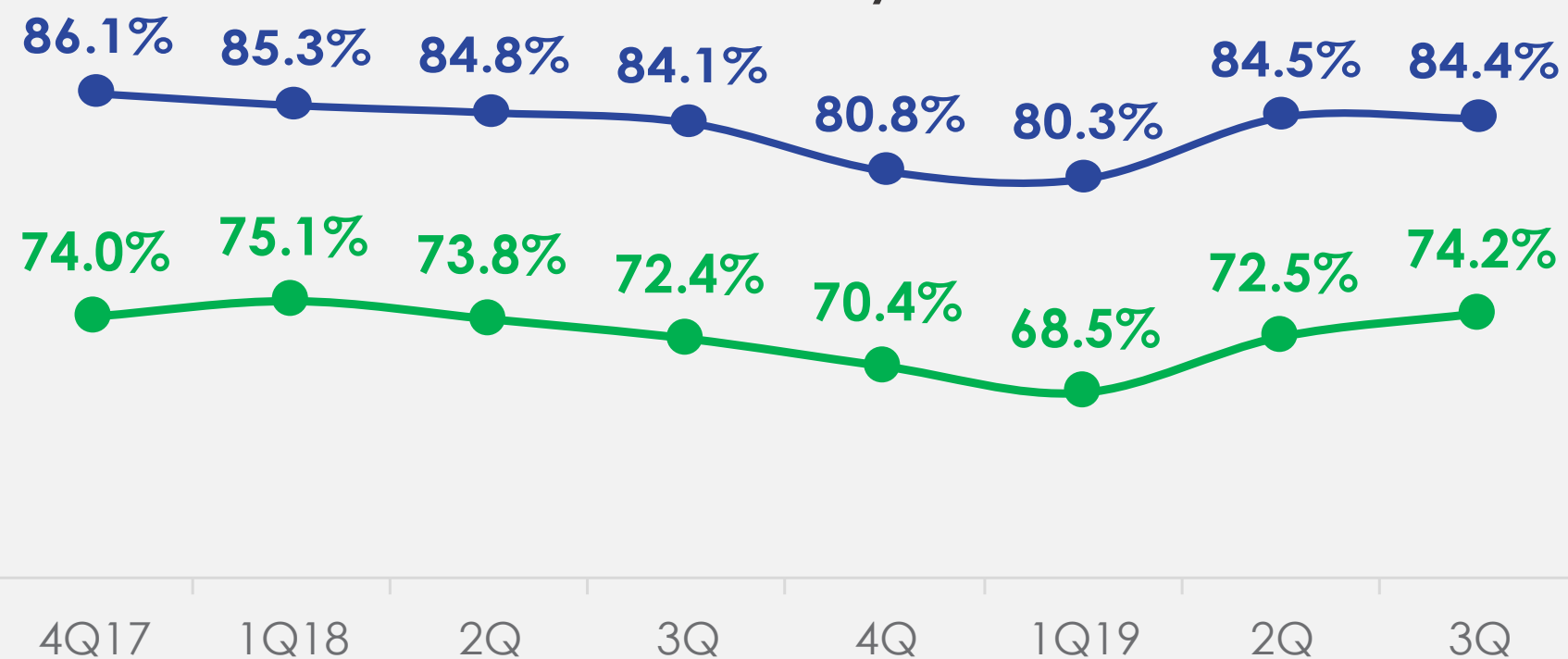


9M18                      9M19

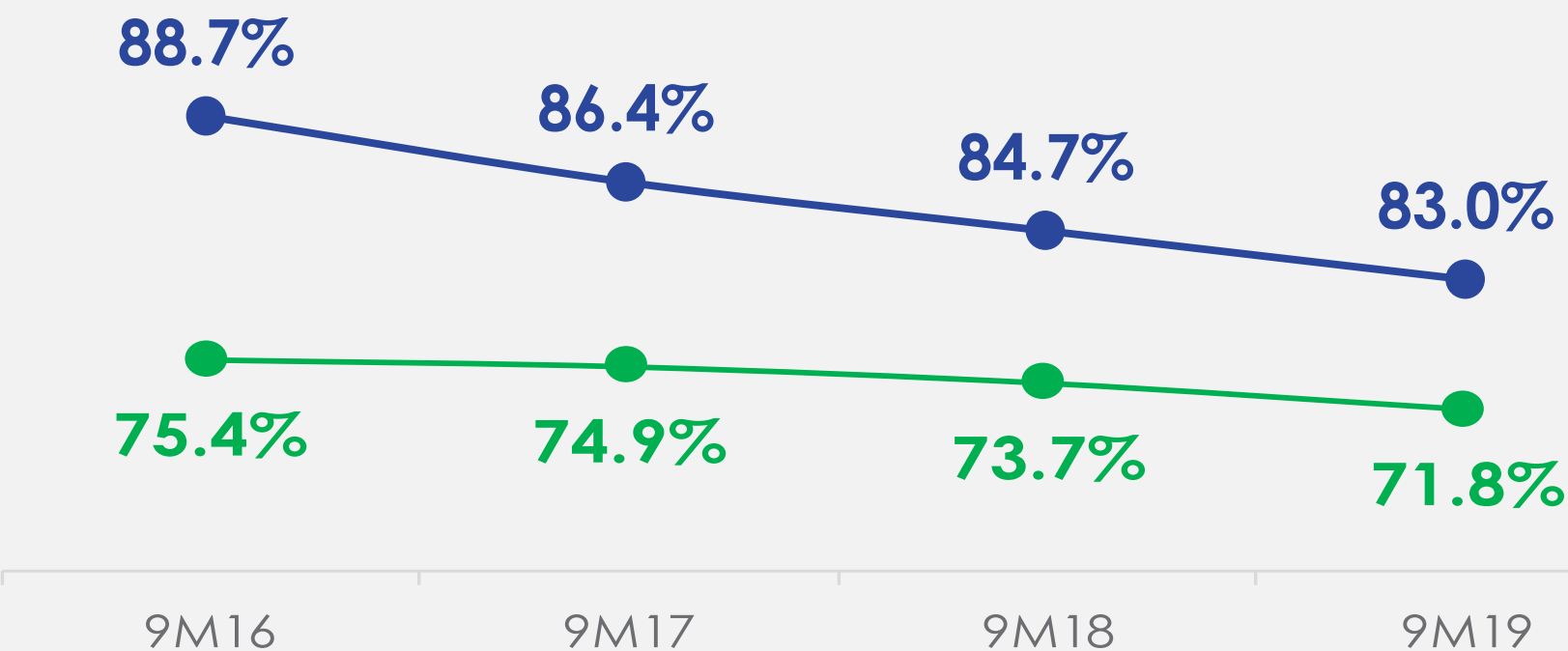
■ Capitalization Bonds      ■ Health  
■ Property & Casualty and Others      ■ Life and Pension Plans  
● ROAE %

## Combined Ratio and Claims Ratio

### Quarterly



### Nine Months Accumulated



● Combined Ratio      ● Claims Ratio



# CAPITAL MANAGEMENT

We will evaluate the distribution of the excess capital generated in our operations, considering the following aspects:

- Growth opportunities;
- Level of risk of the environment; and
- Vision for the moment on the optimal capital structure.

# GUIDANCE

	<b>GUIDANCE 2019</b>	<b>REALIZED 9M19 x 9M18</b>
Expanded Loan Portfolio	9% to 13%	10.5%
Net Interest Income	4% to 8%	5.7%
Fee and Commission Income	3% to 7%	2.5%
Operating Expenses (Administrative and Personnel Expenses)	0% to 4%	7.5%
Income from Insurance, Pension Plans and Capitalization Bond <sup>(1)</sup>	5% to 9%	13.7%
Expanded ALL - R\$ billion	R\$11.5 to R\$14.5	R\$ 10.4 (Realized 9M 19)

# THANK YOU

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RESULTS  
3<sup>rd</sup> QUARTER  
2019



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# ADDITIONAL SLIDES

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RESULTS  
3<sup>rd</sup> QUARTER  
2019



# RECURRING NET INCOME X BOOK NET INCOME

R\$ MILLION	3Q19	2Q19	3Q18	9M19	9M18
RECURRING NET INCOME	<b>6,542</b>	<b>6,462</b>	<b>5,471</b>	<b>19,242</b>	<b>15,734</b>
Non-Recurring Events	<b>(705)</b>	<b>(420)</b>	<b>(462)</b>	<b>(1,543)</b>	<b>(1,730)</b>
- Goodwill amortization (Gross)	(372)	(374)	(381)	(1,119)	(1,601)
- Voluntary Severance Program 2019 - PDV <sup>(1)</sup>	(273)	-	-	(273)	-
- Other <sup>(2)</sup>	(60)	(46)	(81)	(151)	(129)
Book Net Income	<b>5,837</b>	<b>6,042</b>	<b>5,009</b>	<b>17,699</b>	<b>14,004</b>

(1) It only considers the employees apt for dismissal willing to join the PDV by September 30, 2019; and  
 (2) Essentially composed of contingent liabilities.

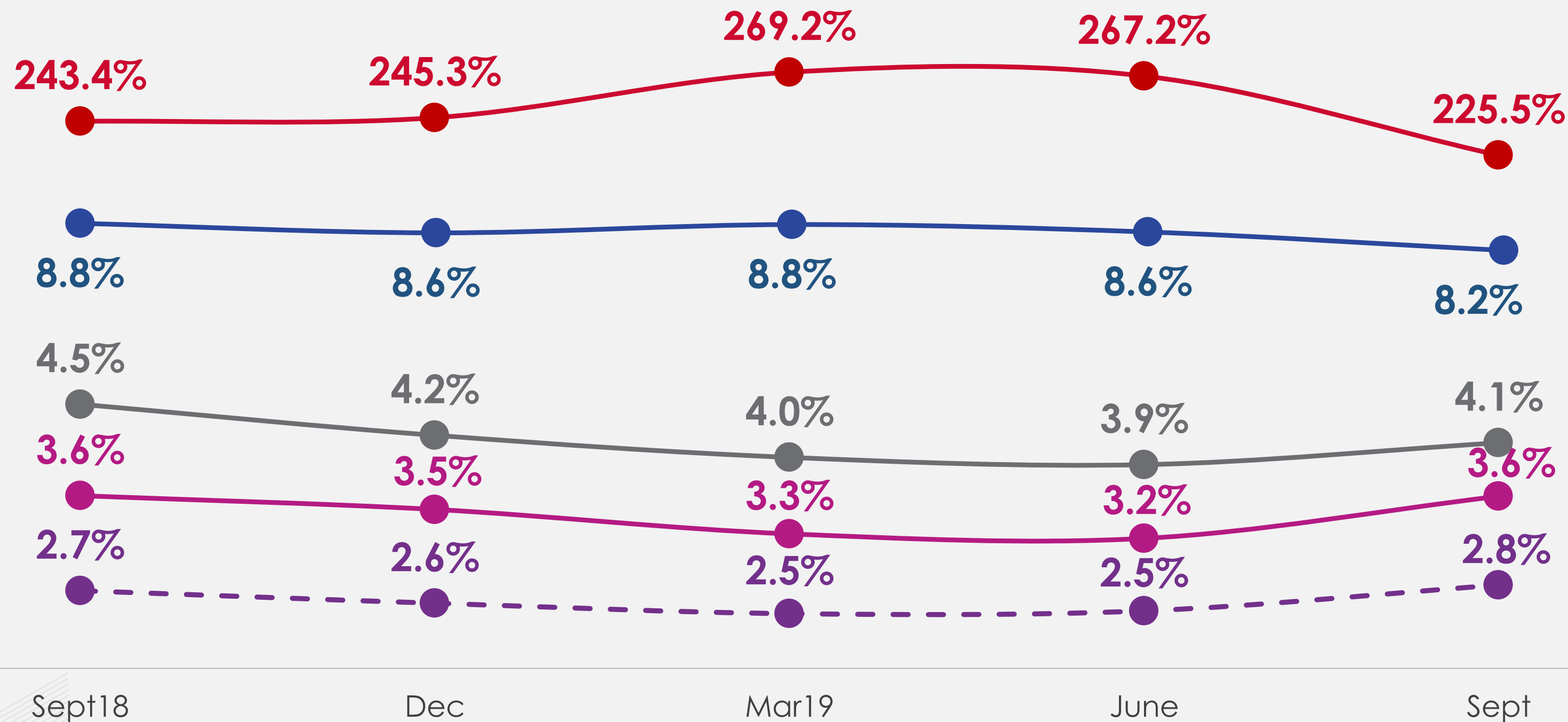
# LOAN PORTFOLIO BACEN X EXPANDED

R\$ MILLION	SEPT19	JUNE19	SEPT18	VARIATION%		
				Q-o-Q	Y-o-Y	
Individuals	220,615	209,126	185,249	5.5	19.1	
Companies	221,544	218,407	213,755	1.4	3.6	
<b>TOTAL LOAN PORTFOLIO - BACEN</b>	<b>442,160</b>	<b>427,534</b>	<b>399,004</b>	<b>3.4</b>	<b>10.8</b>	
Sureties and Guarantees	76,813	73,659	71,462	4.3	7.5	
Operations bearing Credit Risk - Commercial Portfolio <sup>(1)</sup>	52,771	53,638	47,479	(1.6)	11.1	
Other <sup>(2)</sup>	6,574	5,709	5,486	15.2	19.8	
<b>TOTAL EXPANDED LOAN PORTFOLIO</b>	<b>578,317</b>	<b>560,538</b>	<b>523,431</b>	<b>3.2</b>	<b>10.5</b>	
				<b>WITHOUT EXCHANGE VARIATION</b>	<b>2.7</b>	<b>10.3</b>

(1) It includes debentures operations and promissory notes; and

(2) It considers letters of credit, advances of credit card receivables and co-obligation in the assignment (CRI and rural credit).

# COVERAGE RATIO OVER 90 DAYS

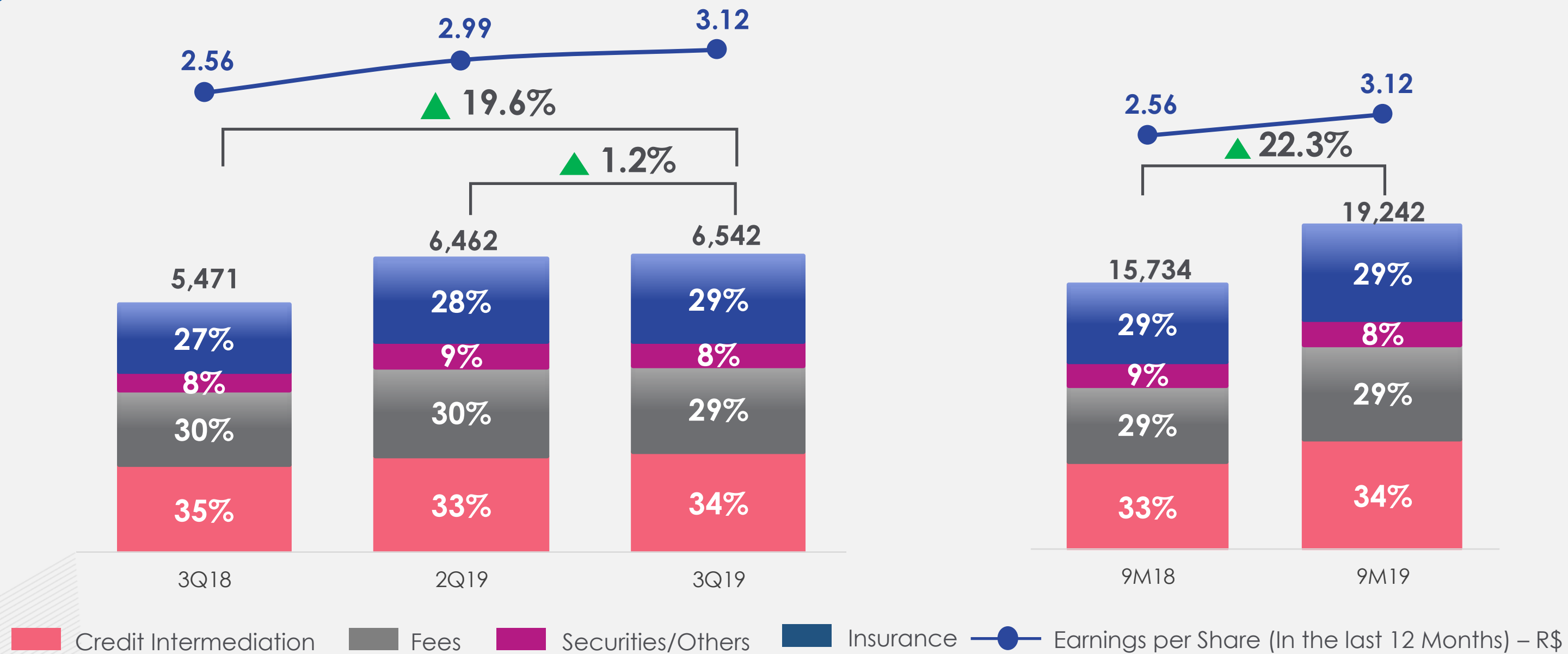


● Coverage Ratio over 90 days    
 ● Net Losses in 12 months    
 ● Total Provision  
● Delinquency Ratio over 90 days    
 ● E-H Non-Performing Loans

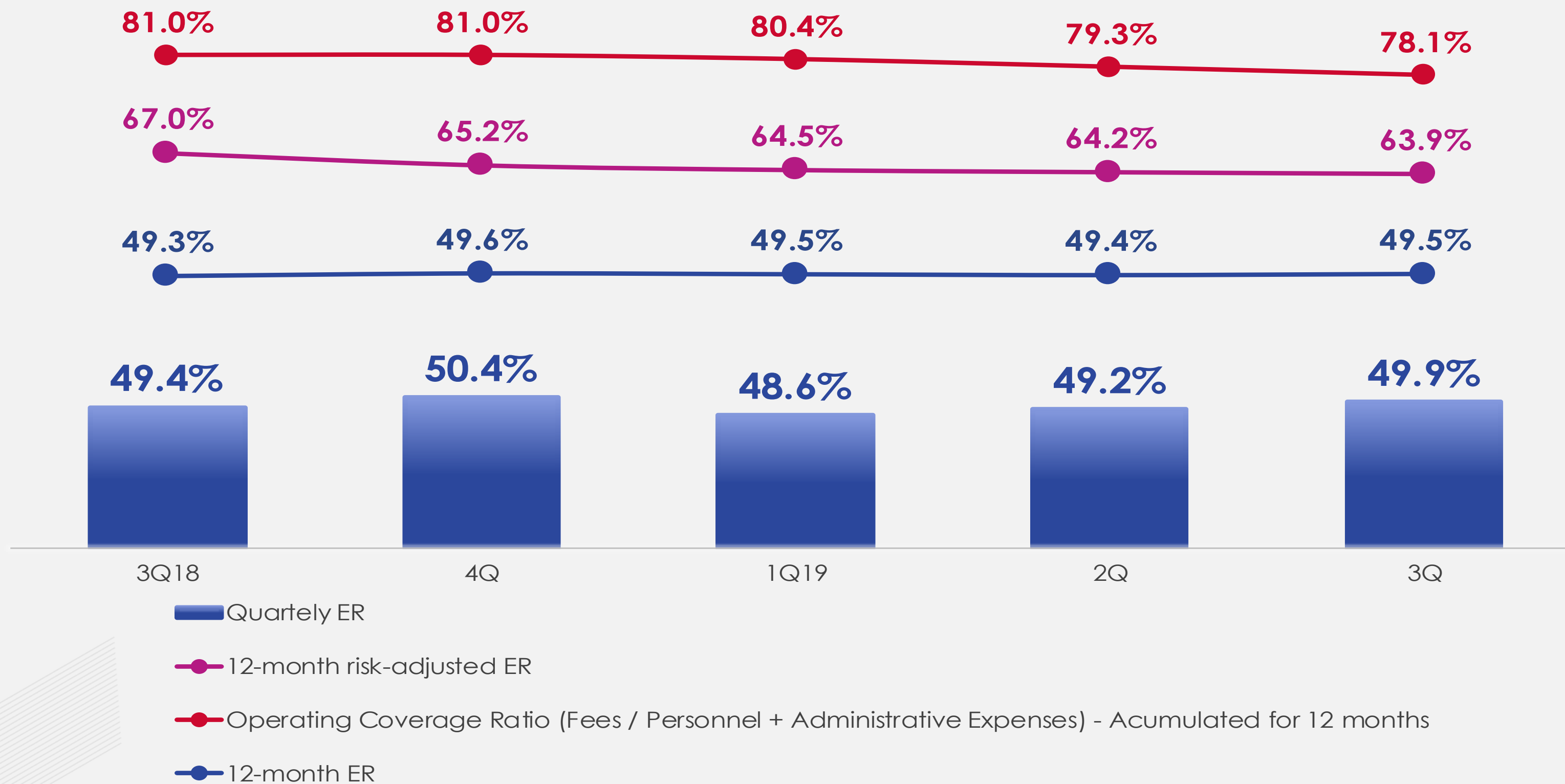
# RECURRING NET INCOME AND EARNINGS PER SHARE



R\$ MILLION

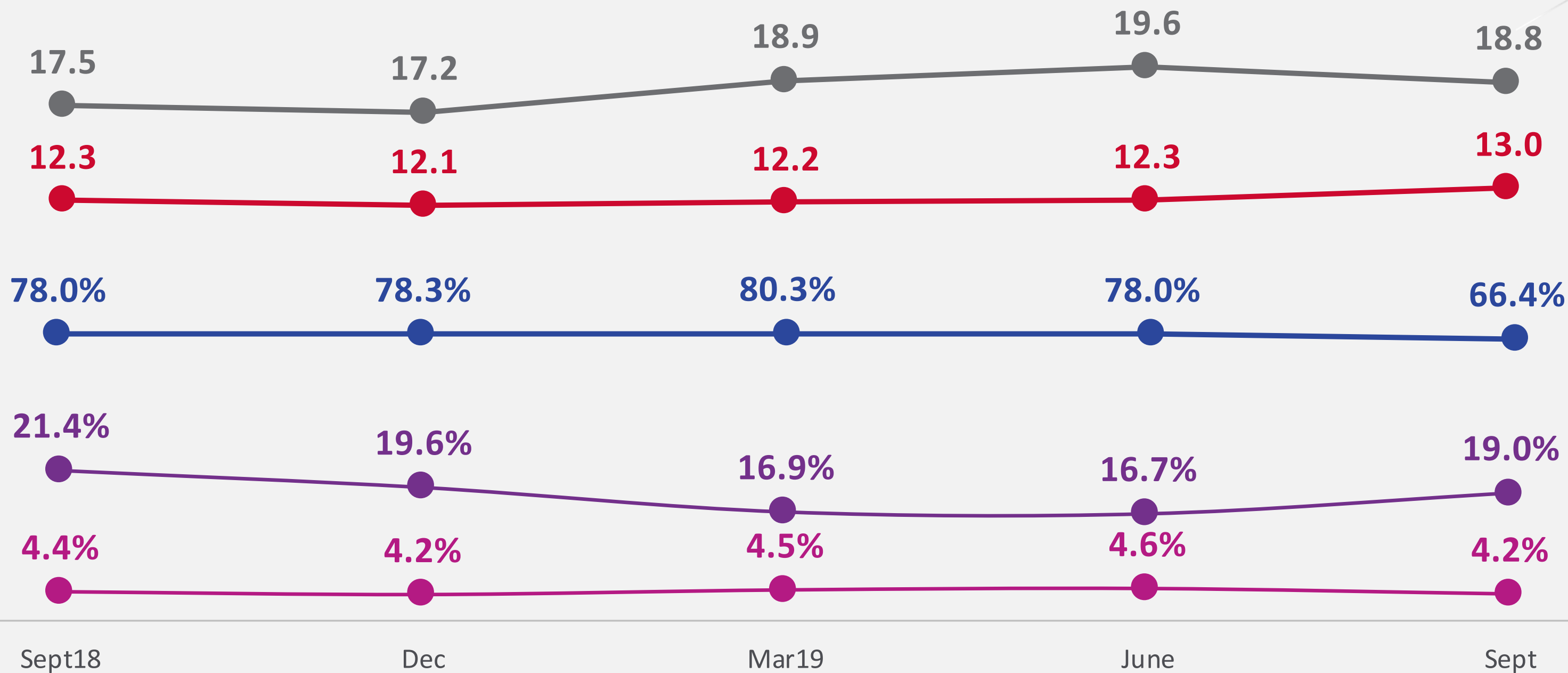


# EFFICIENCY<sup>(1)</sup> AND OPERATING COVERAGE RATIOS



(1) ER calculation = (Personnel Expenses + Administrative Expenses + Other net revenue operating expenses) / (Financial Margin + Fee and Operating Income + Insurance results + Equity income of Affiliated Companies + Tax Expenses).

# RENEGOTIATED PORTFOLIO



● Renegotiated Portfolio – R\$ billion

● Renegotiated Portfolio (Excluding Loans from Write-offs) – R\$ billion

● Allowance for Loan Losses as a % of the Total Renegotiated Portfolio

● Total Renegotiated Portfolio / Loan Portfolio

● 90-day delinquency ratio

# RESULTS

3<sup>rd</sup> QUARTER

# 2019

