

RESULTS

3rd QUARTER

2018



Bradesco

MAIN HIGHLIGHTS



Bradesco

FINANCIAL HIGHLIGHTS



Recurring Net Income:
R\$5.5 billion
+13.7% YoY*



Expanded Loan Portfolio:
R\$523.4 billion
+1.5% QoQ and
+7.5% YoY*



Operating Income:
+24.8% YoY*



Delinquency ratios over 90 days
Reduction of 30 bps
QoQ and 120 bps YoY*



Annualized Return on Average Equity
(ROAE):
19.0%
+100 bps YoY*



Tier I Capital
+80 bps QoQ



HIGHLIGHTED THEMES



Digital Wallet & DIN Card

New payment options to our customers



Improvement on Credit Recovery

Acquisition of 65% of RCB allows **25% increase in efficiency**



MEI Platform

Launched on May/2018 the platform **offers services under open banking concept, reaching 357 thousand of users**



Card Processing

Termination of JV with Fidelity allowing **significant synergy gains**



Non-Checking account clients

Focus in deepening the relationship with our **40 million non-checking account clients**



Mortgage Leadership

Faster process for mortgage assessment and application. Agreement with brokers.



BIA

Bradesco Artificial Intelligence
Largest banking implementation of **IBM-Watson in the world**



Dow Jones Sustainability Index

Best positioned Brazilian Bank in 2018, a result of our focus and effort towards sustainability



FOCUSED ON EFFICIENCY



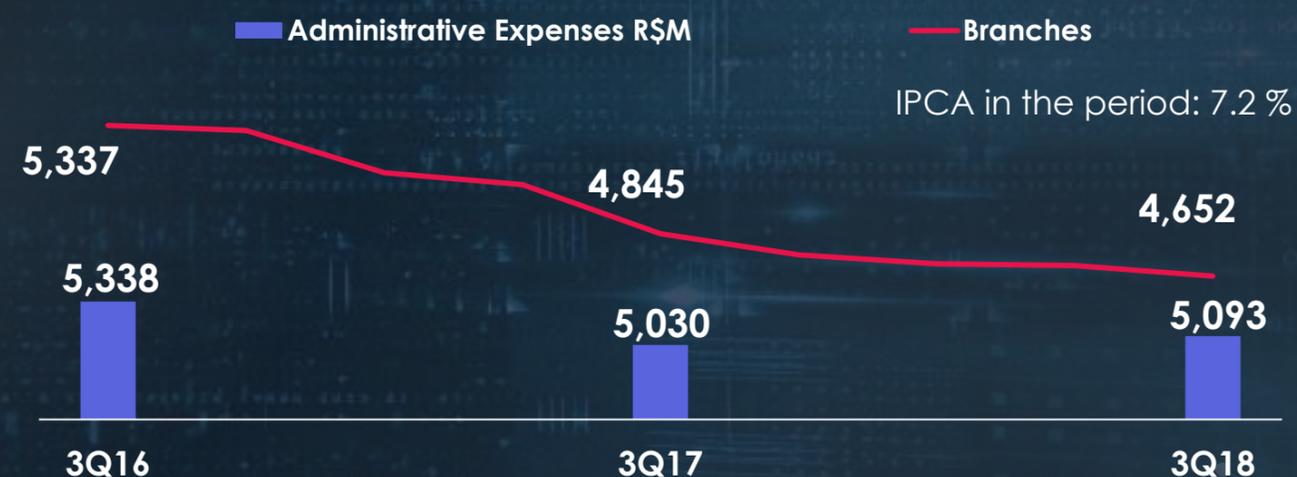
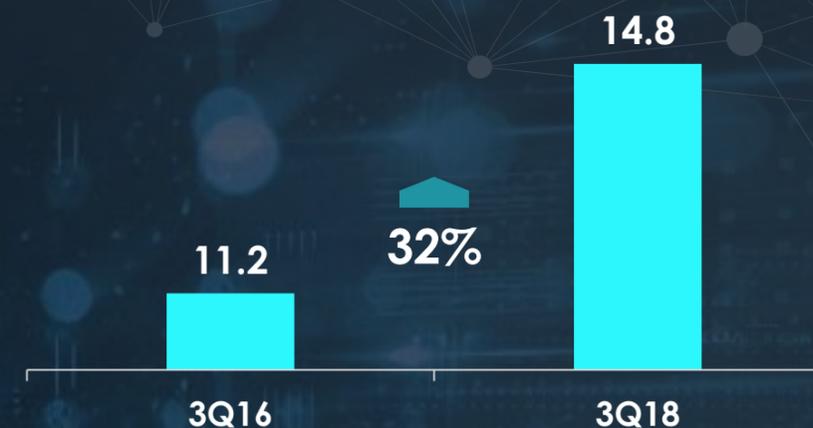
Points of Service Optimization:

- **Adjustments** in the size of the branch network
- **Transformation of Branches** into points of services (200 in 2018)
- **Segmentation** fine tuning
- **Increase of 12%** in the efficiency of the Branch Network*
- Offer **increase** in digital channels

Digital Platforms

- **Customer profitability 40% higher** than branches
- **3 times more customers** per account manager
- **1.5 million customers until 2019**

Digital Checking Account Customers (million)



Successful Case

- **Paraíba state payroll acquisition:**
Credit Portfolio: **+50.5%**
Deposit Volume: **+43.9%**

*Customers served per points of services (Branch + PA+PAE)



DIGITAL STRATEGY



Complete Ecosystem

- Ready to serve **all generations**
- **Digital Self Service**
- **96%** of transactions made via Digital Channels;
- **65k** accounts opened through the APP (since april/18)
+ **300k NEXT accounts**



Inovation

- Inovabra: **180 startups and 60 companies**
- Private Equity: **R\$200 million PE fund**
- **Lean and Agile** methodology



BIA

- Largest **IBM-Watson** banking implementation in the world
- **90%** accuracy in answers
- Used by **7.5 million customers** by **56 million interactions** since Aug/17
- Multi platform: **Bradesco App, Next App, WhatsApp and Google Assistant**



DIGITAL IN NUMBERS



NEXT

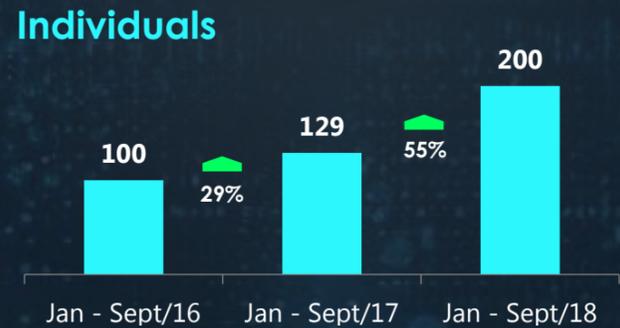
Customer Base (Thousand)



New Individual Accounts (Thousand)



Loan Origination Mobile and Internet (100 basis)



Transactions (%) via Mobile & Internet*

		SEPT16	SEPT18
Money Transfer within Bradesco accounts	Individuals	61%	77%
	Companies	96%	98%
Money Transfer to other Banks (DOC/TED)	Individuals	78%	86%
	Companies	96%	98%
Payments	Individuals	42%	64%
	Companies	95%	99%

Checking Account Customers



Individuals

Digital checking account customers (million)



Companies

Digital checking account customers (million)



* Transactions made via Mobile App & Internet / Transactions in all channels



PAYMENT



Card Acquirers

- **30k Account Managers** strategically positioned throughout Brazil
- **Integrated Products:** Bradesco POS + service packages



Bradesquinha

85,000*
sales



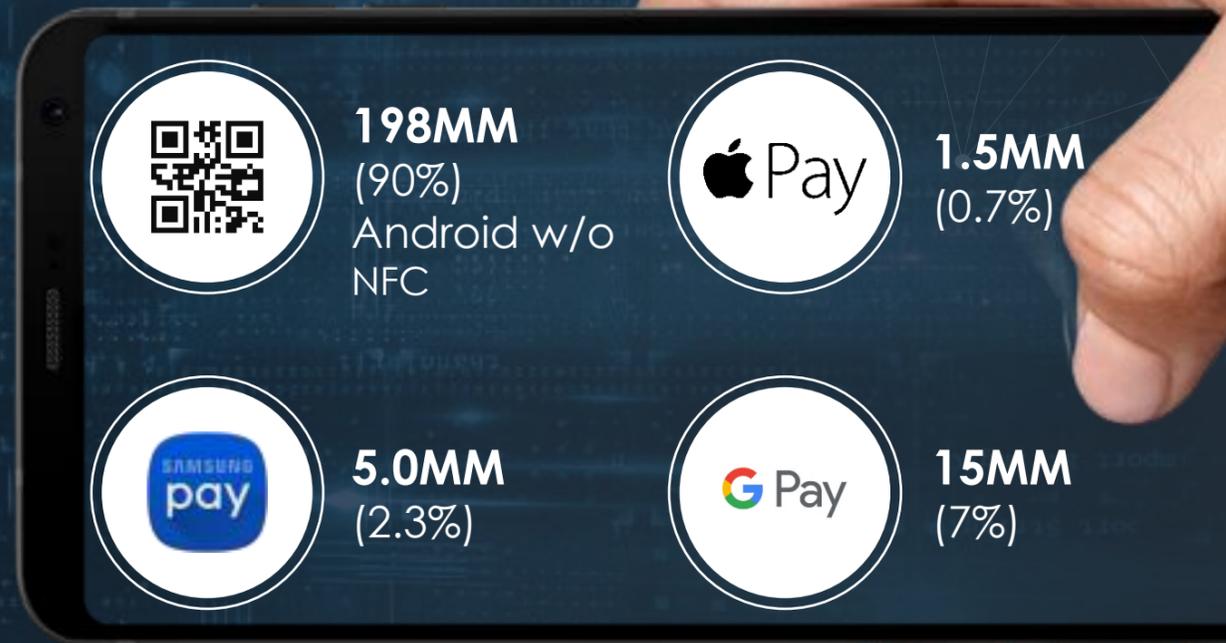
Stelinha

123,000
sales



Digital Wallets

220MM Smartphones in Brazil



MEI Bradesco

Small Companies
Bradesco's Strong offer
in MEI Segment

357k
Users

7.2MM
Formalized MEIs

Open banking
Platform

Management
Support for
Companies



* Incremental sales on top of recurring

WEALTH MANAGEMENT



Complete Investment Platform

- **Ágora + Bradesco brokerage house**
- **Investment Advisory in Global markets**
- **Recommended portfolio of Investments and Pension Plans**
- **Service focused on the Persona**
- **Investments in tools and qualified people**

Prime + Private 1.3MM CUSTOMERS

300 k
Broker Dealer
CLIENTS

R\$ 400 Bi
AuM + AuC



ADDED VALUE TO SOCIETY

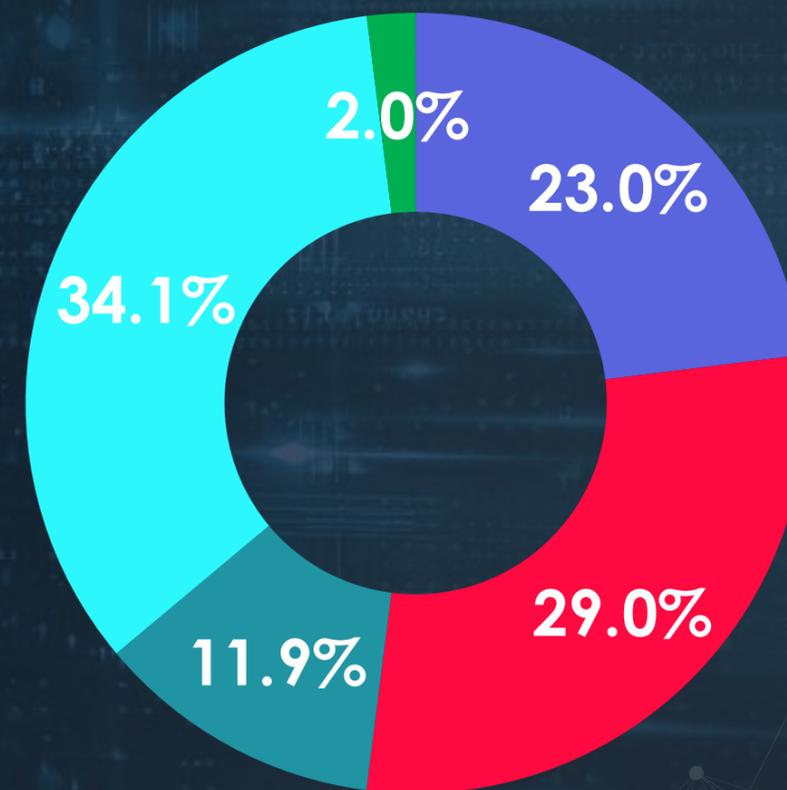


Fundação Bradesco is an inspiration and our greatest pride

- **97 thousand** students benefited only in 2017
- **R\$6.5 billion** invested in the last 10 years (dividends)
- Endorsement of **social, sporting and cultural activities**



Bradesco's added value reached **R\$45.0 billion** in 2018, distributed as follows:



Profit reinvestment

Dividends / IoC (paid / provisioned)

Government contribution

Work remuneration

Return on third-party capital (Rentals)



FINANCIAL RESULTS

3rd QUARTER 2018



Bradesco

RECURRING INCOME STATEMENT

TOTAL ASSETS, SHAREHOLDERS' EQUITY AND RETURNS

R\$ MILLION

RECURRING INCOME STATEMENT

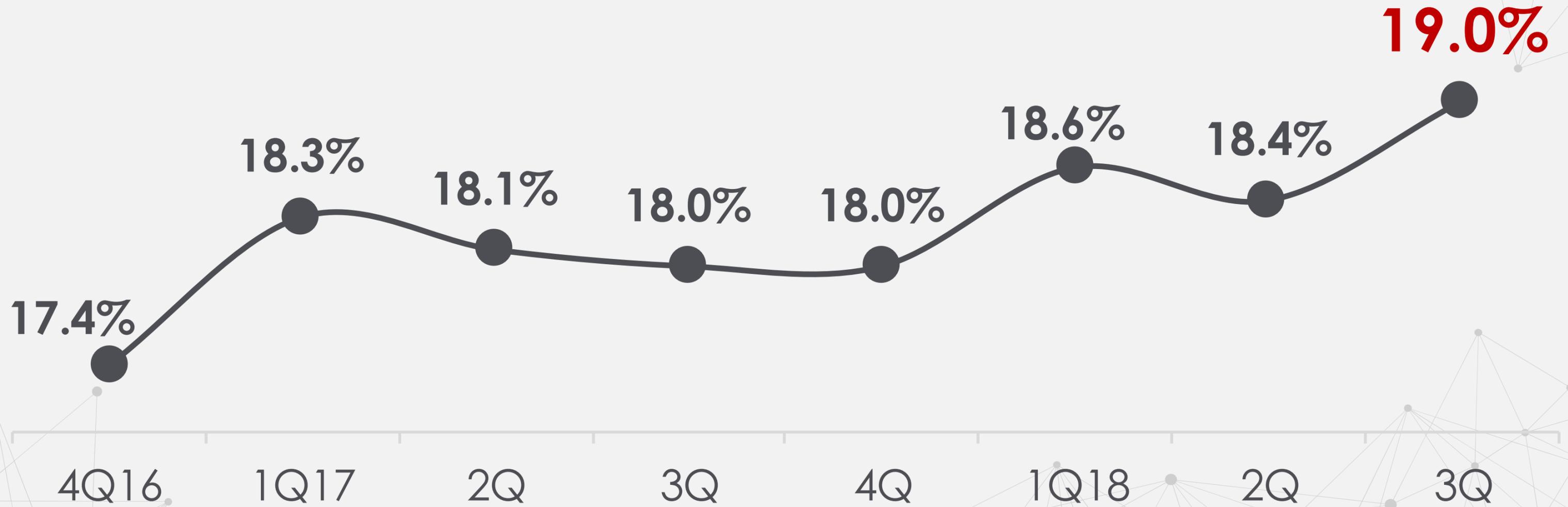
	VARIATION%				
	3Q18	9M18	3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17
NET INTEREST INCOME	15,749	46,519	4.4	2.5	(1.6)
EXPANDED ALL	(3,512)	(10,841)	2.2	(23.3)	(28.9)
GROSS INCOME FROM FINANCIAL INTERMEDIATION	12,237	35,678	5.1	13.5	11.3
Income from Insurance ⁽¹⁾	1,999	5,719	(9.3)	32.3	16.3
Fee and Commission Income	8,072	24,022	(0.6)	3.2	5.6
Operating Expenses (Personnel + Administrative)	(10,099)	(29,658)	1.8	2.4	0.9
Other Operating Income / (Expenses) ⁽²⁾	(3,782)	(11,520)	(3.2)	8.1	9.8
OPERATING INCOME	8,427	24,241	3.5	24.8	22.3
Income Tax / Social Contribution and Non-Operating Income / Non-controlling interests in subsidiaries	(2,956)	(8,507)	(0.9)	52.2	50.4
RECURRING NET INCOME	5,471	15,734	6.0	13.7	11.1
SHAREHOLDERS' EQUITY	115,670	115,670	2.3	4.9	4.9
ASSETS	1,356,748	1,356,748	3.9	3.4	3.4
ROAE	19.0%	18.7%	0.6 p.p.	1.0 p.p.	0.6 p.p.
ROAA	1.6%	1.6%	-	0.1 p.p.	0.1 p.p.

(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; and

(2) Includes Equity in the earnings (losses) of unconsolidated and jointly controlled subsidiaries and tax expenses.



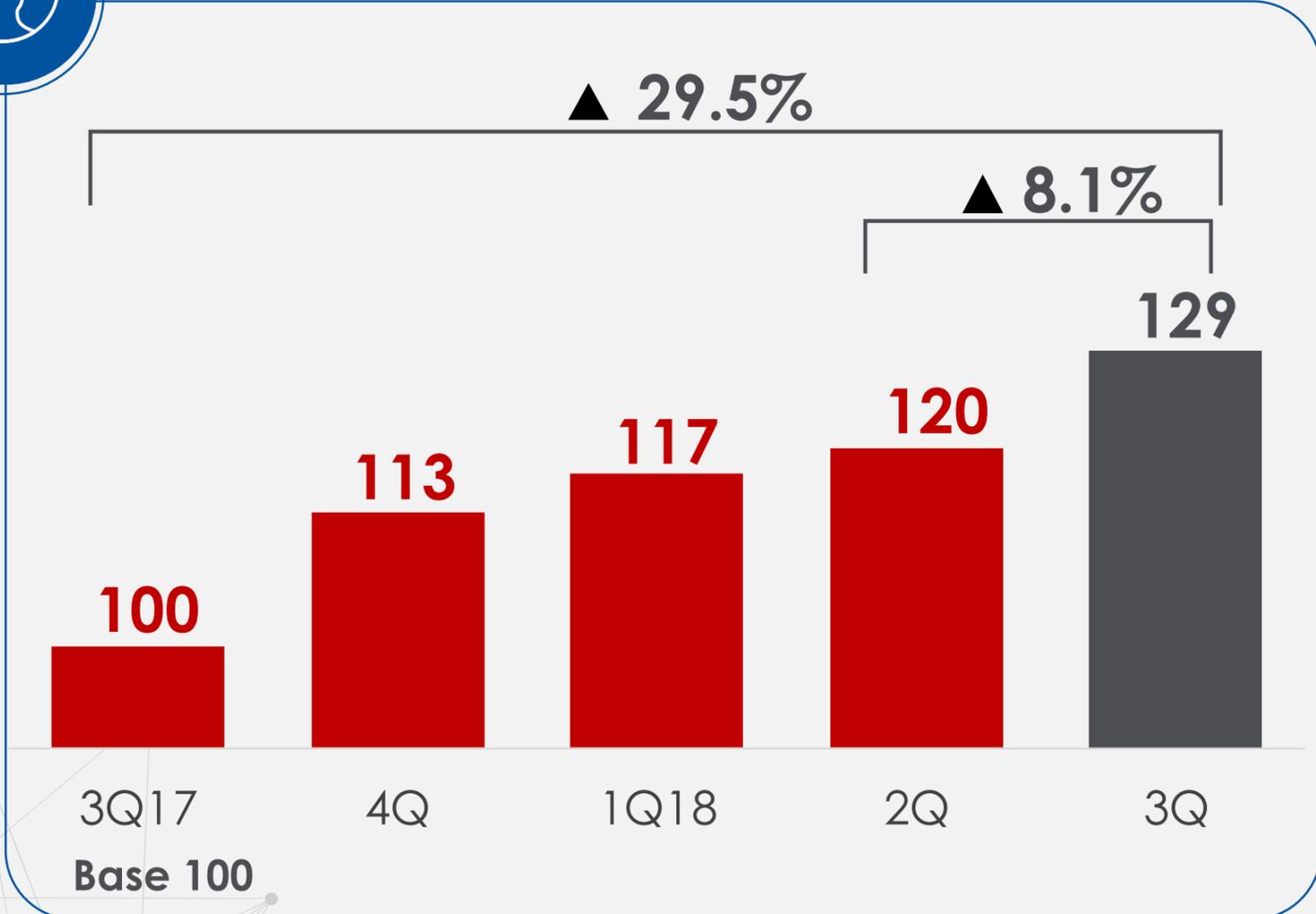
QUARTELY ROAE



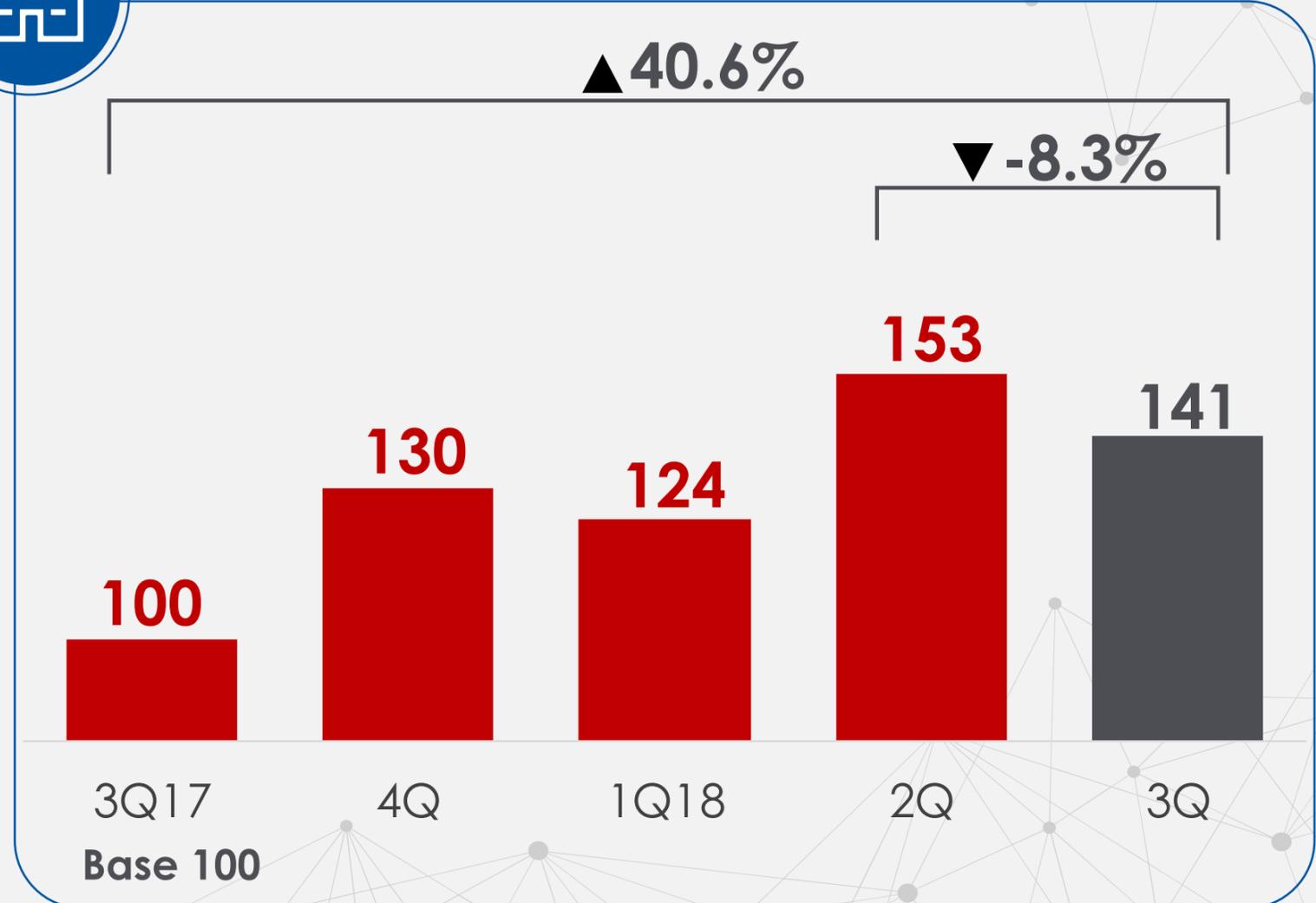
LOAN ORIGINATION PER BUSINESS DAY EARMARKED AND NON-EARMARKED LOANS



INDIVIDUALS



COMPANIES



EXPANDED LOAN PORTFOLIO

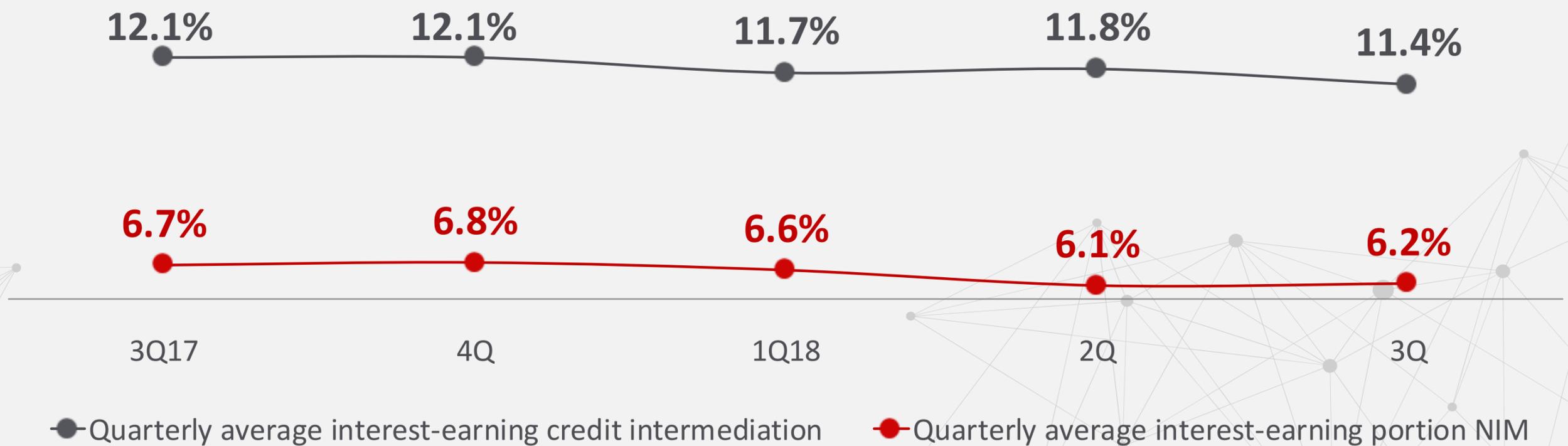
R\$ MILLION	SEPT18	JUNE18	SEPT17	VARIATION%		% IN RELATION TO TOTAL SEPT18
				Q-o-Q	Y-o-Y	
COMPANIES	337,272	332,818	314,657	1.3	7.2	64.4
Large Corporates	238,896	237,868	223,801	0.4	6.7	45.6
Micro, Small and Medium-Sized Enterprises	98,376	94,950	90,856	3.6	8.3	18.8
INDIVIDUALS	186,159	182,817	172,207	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 Cards	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
Others	25,496	26,343	26,511	(3.2)	(3.8)	4.9
EXPANDED LOAN PORTFOLIO - TOTAL	523,431	515,635	486,864	1.5	7.5	100.0
				WITHOUT EXCHANGE VARIATION	1.2	5.6



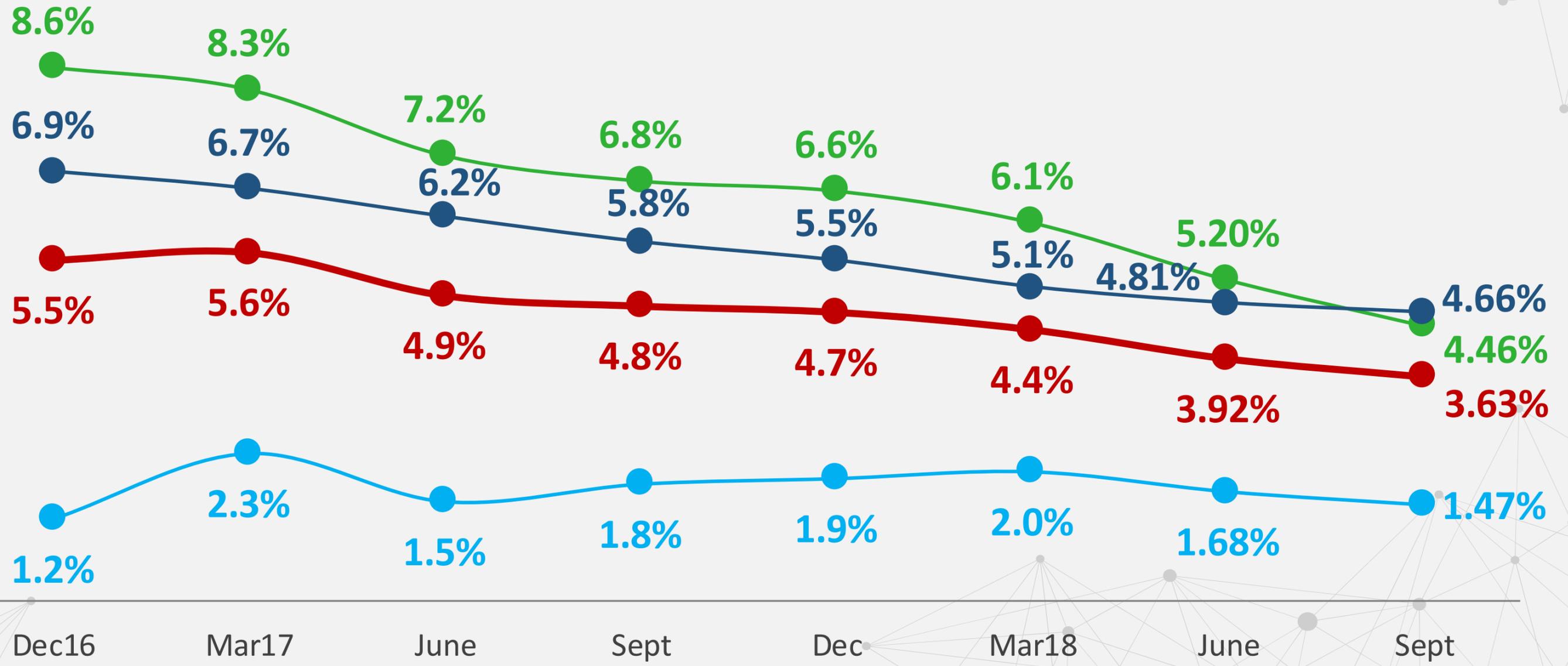
NET INTEREST INCOME

R\$ MILLION

	3Q18	2Q18	3Q17	9M18	9M17	VARIATION%		
						3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17
NII - INTEREST - EARNING PORTION	15,583	14,979	15,436	46,055	47,114	4.0	1.0	(2.2)
Credit Intermediation	12,323	12,127	12,119	36,140	37,417	1.6	1.7	(3.4)
Insurance	1,193	988	1,503	3,707	4,177	20.7	(20.6)	(11.3)
ALM / Other	2,067	1,864	1,814	6,208	5,520	10.9	13.9	12.5
NII - NON-INTEREST - EARNING PORTION	166	105	(75)	464	175	58.1	-	165.1
NET INTEREST INCOME	15,749	15,084	15,361	46,519	47,289	4.4	2.5	(1.6)
Net Credit Intermediation	8,811	8,690	7,540	25,299	22,178	1.4	16.9	14.1



DELINQUENCY RATIO – OVER 90 DAYS

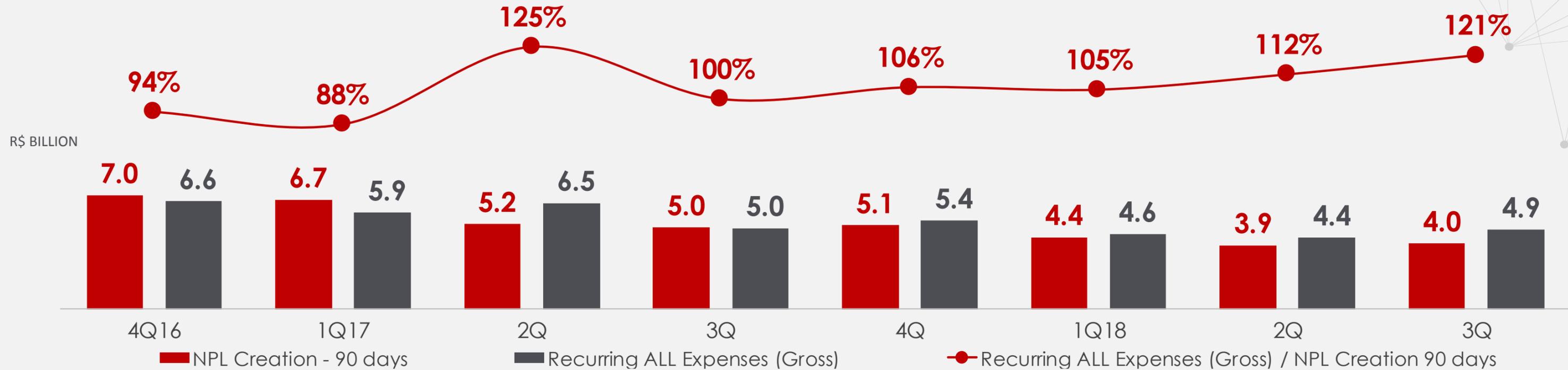


● Micro, Small and Medium-Sized Enterprises
 ● Individuals
 ● Total
 ● Large Corporates

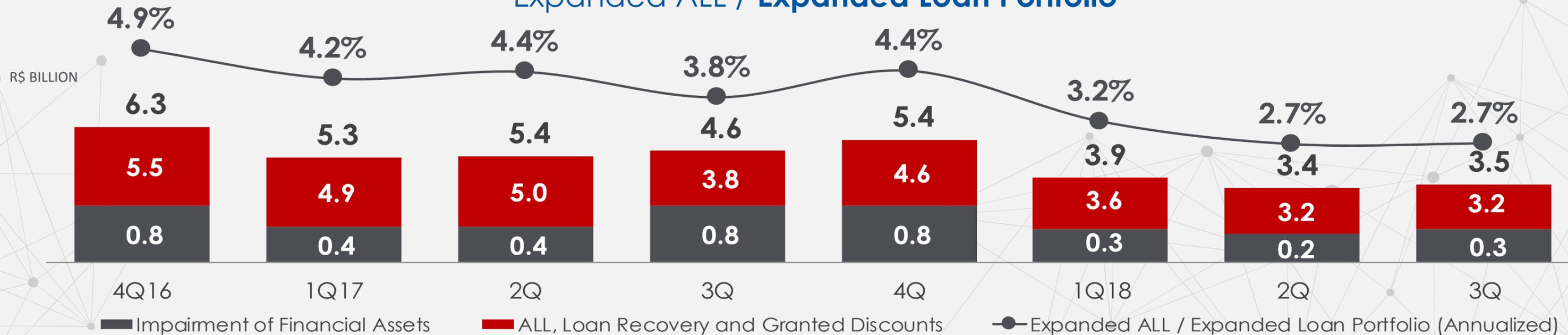


NPL CREATION AND ALLOWANCE FOR LOAN LOSSES (ALL) EXPENSES

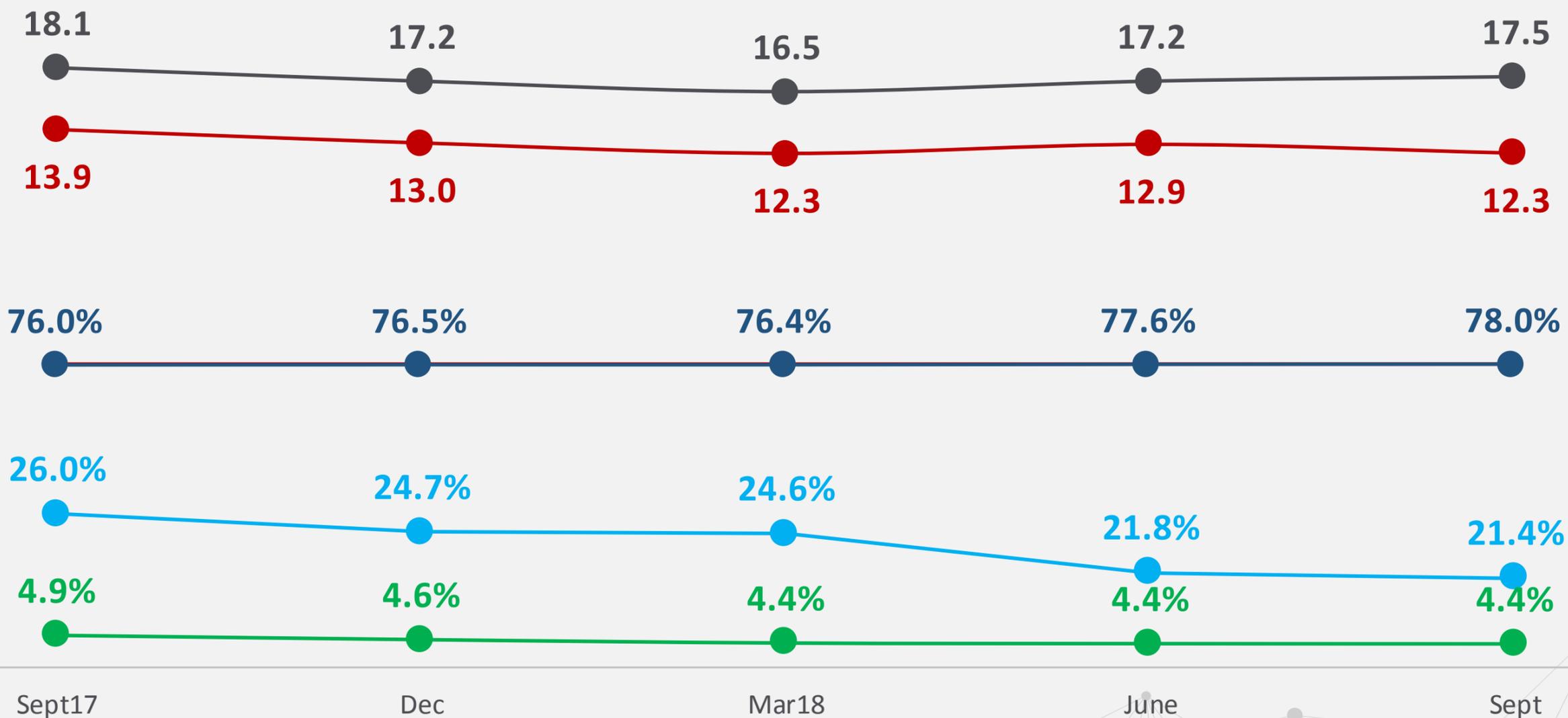
NPL Creation >90 days x ALL Expenses Recurring



Expanded ALL / Expanded Loan Portfolio



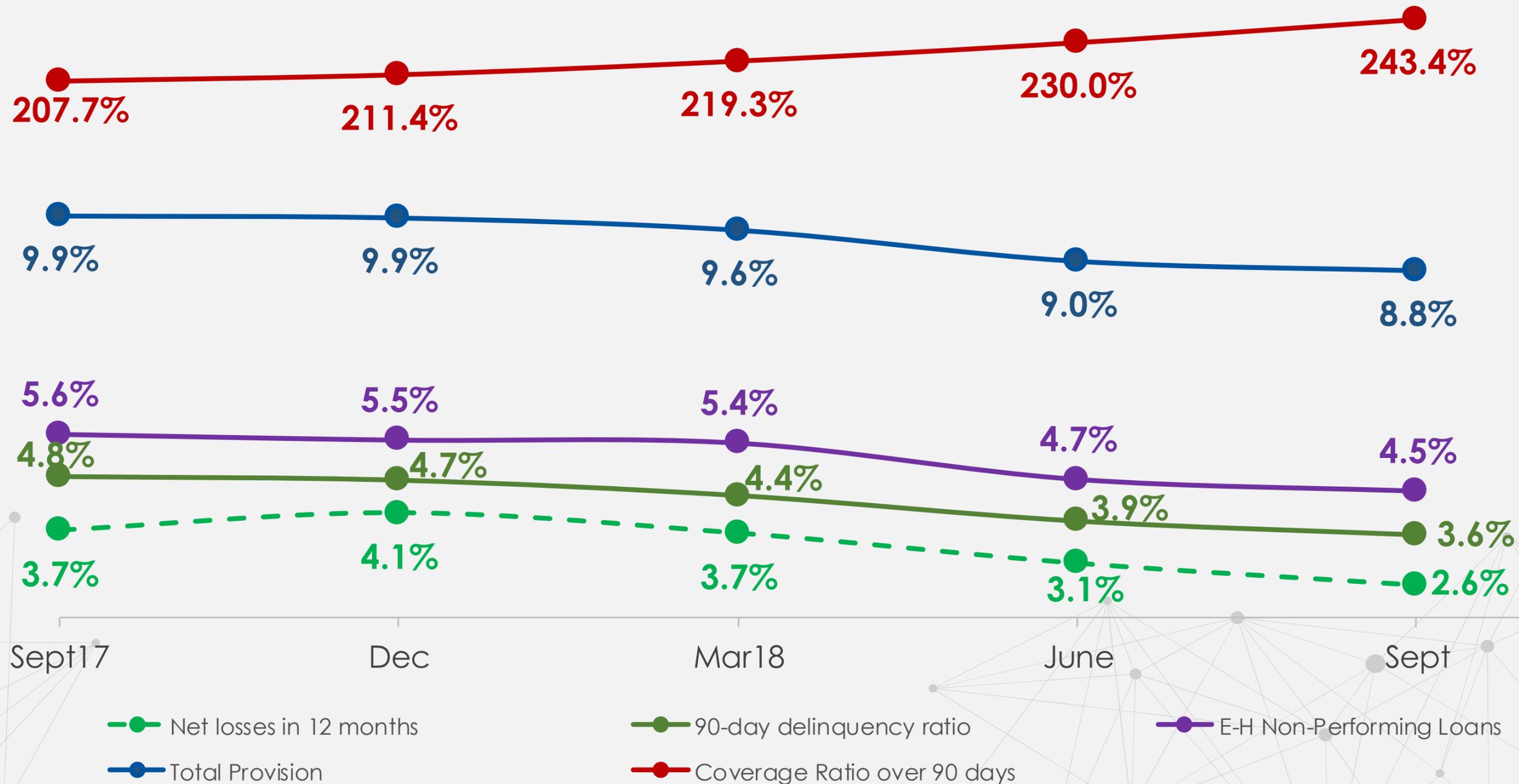
RENEGOTIATED PORTFOLIO



- 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



EFFECTIVE COVERAGE RATIO AND COVERAGE RATIO OVER 90 DAYS

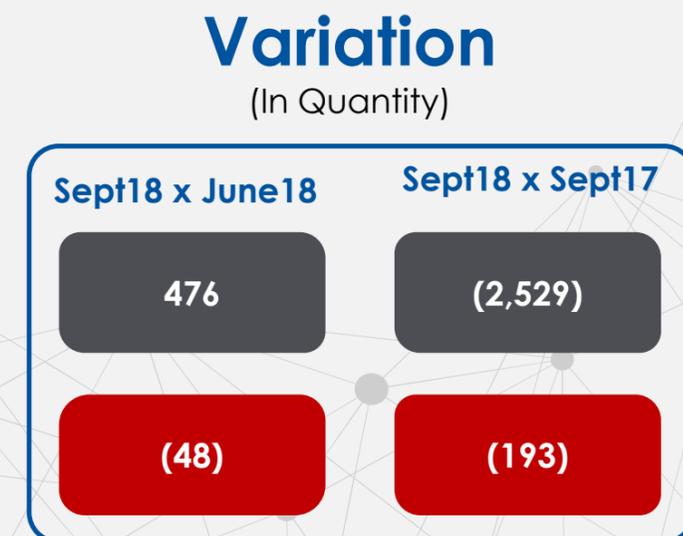


FEE AND COMMISSION INCOME

R\$ MILLION	VARIATION%								
	3Q18	2Q18	3Q17	9M18	9M17	3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17	
Card Income	2,865	2,788	2,789	8,416	8,076	2.8	2.7	4.2	
Checking Account	1,814	1,765	1,679	5,327	4,931	2.8	8.0	8.0	
Asset Management	1,008	1,007	977	3,009	2,787	0.1	3.2	8.0	
Loans	728	801	718	2,253	2,223	(9.1)	1.4	1.3	
Collections and Payments	602	618	601	1,832	1,763	(2.6)	0.2	3.9	
Consortium Management	435	412	390	1,230	1,137	5.6	11.5	8.2	
Custody and Brokerage Services	233	256	228	723	652	(9.0)	2.2	10.9	
Underwriting / Financial Advisory Services	179	256	222	588	556	(30.1)	(19.4)	5.8	
Others	208	216	218	644	623	(3.7)	(4.6)	3.4	
TOTAL	8,072	8,119	7,822	24,022	22,748	(0.6)	3.2	5.6	

OPERATING EXPENSES

R\$ MILLION						VARIATION%		
	3Q18	2Q18	3Q17	9M18	9M17	3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17
PERSONNEL	5,006	4,927	4,833	14,762	14,622	1.6	3.6	1.0
Structural	4,064	3,905	4,022	11,848	12,038	4.1	1.0	(1.6)
Non-Structural	942	1,022	811	2,914	2,584	(7.8)	16.2	12.8
ADMINISTRATIVE	5,093	4,993	5,030	14,896	14,782	2.0	1.3	0.8
TOTAL	10,099	9,920	9,863	29,658	29,404	1.8	2.4	0.9



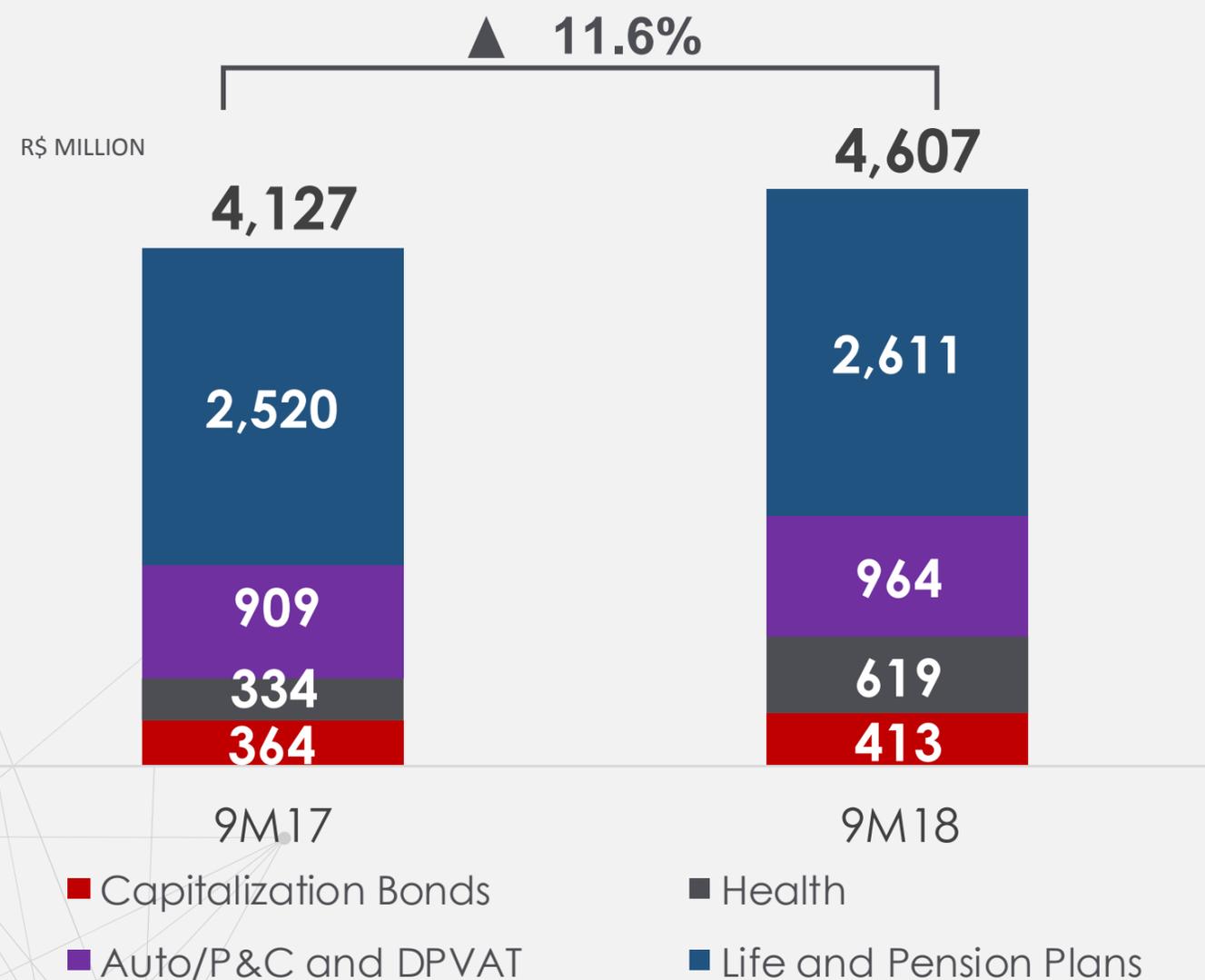
INCOME FROM INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS

R\$ MILLION	VARIATION%							
	3Q18	2Q18	3Q17	9M18	9M17	3Q18 x 2Q18	3Q18 x 3Q17	9M18 x 9M17
Life and Pension Plans	8,172	8,795	9,540	25,741	28,253	(7.1)	(14.3)	(8.9)
Health	6,369	6,247	5,957	18,693	17,619	2.0	6.9	6.1
Auto/P&C and DPVAT	1,504	1,511	1,558	4,308	4,634	(0.5)	(3.5)	(7.0)
Capitalization Bonds	1,543	1,670	1,582	4,639	4,591	(7.6)	(2.5)	1.0
OVERALL INCOME	17,588	18,223	18,637	53,381	55,097	(3.5)	(5.6)	(3.1)
FINANCIAL ASSETS	279,870	278,828	266,232	279,870	266,232	0.4	5.1	5.1
TECHNICAL PROVISIONS	254,653	252,072	239,287	254,653	239,287	1.0	6.4	6.4
SHAREHOLDERS' EQUITY	31,659	33,249	31,901	31,659	31,901	(4.8)	(0.8)	(0.8)
NET INCOME	1,462	1,582	1,483	4,607	4,127	(7.6)	(1.4)	11.6
ROAE	18.2%	19.7%	20.9%	19.1%	19.4%	(1.5) p.p.	(2.7) p.p.	(0.3) p.p.

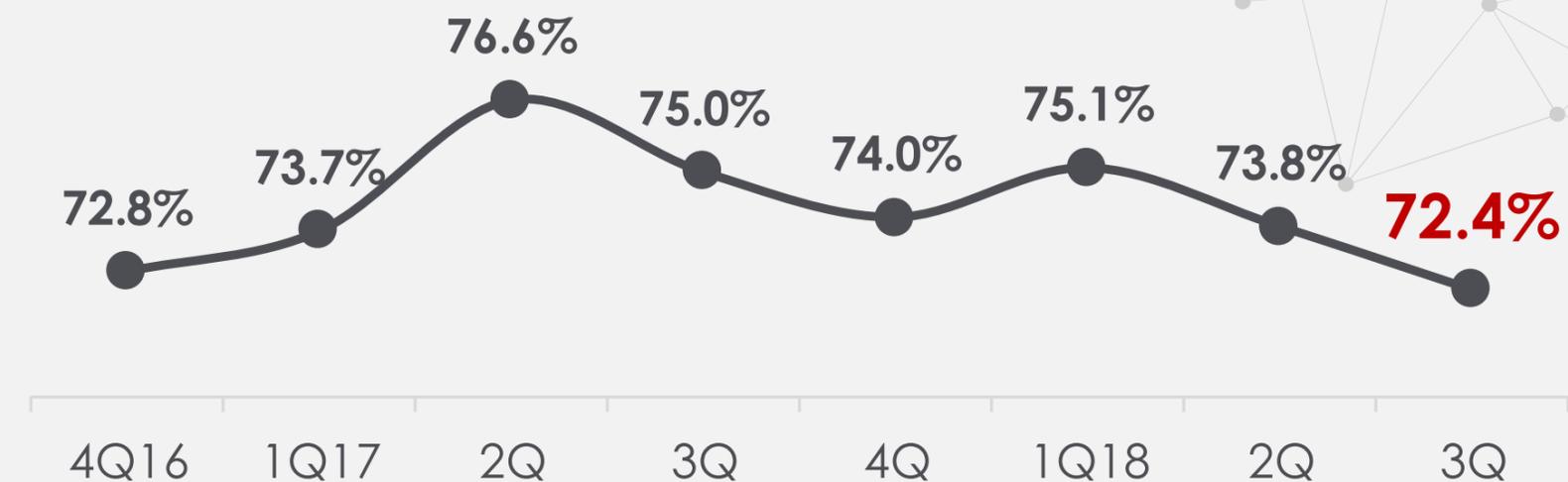
INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS

NET INCOME, CLAIMS RATIO AND COMBINED RATIO

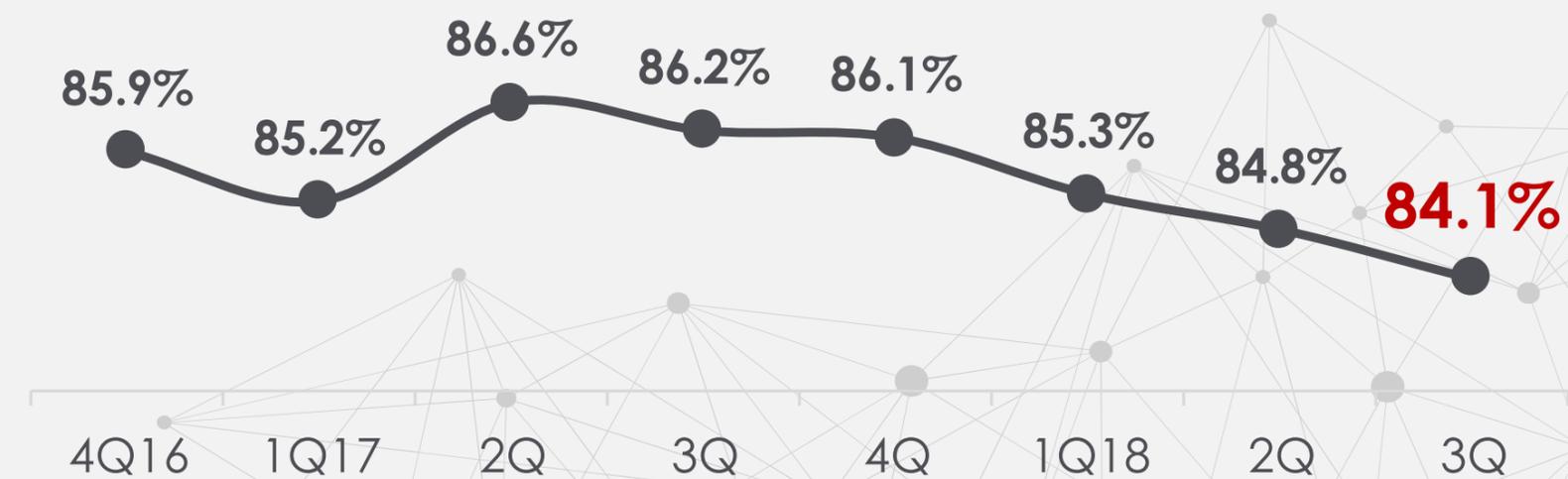
Net Income



Claims Ratio

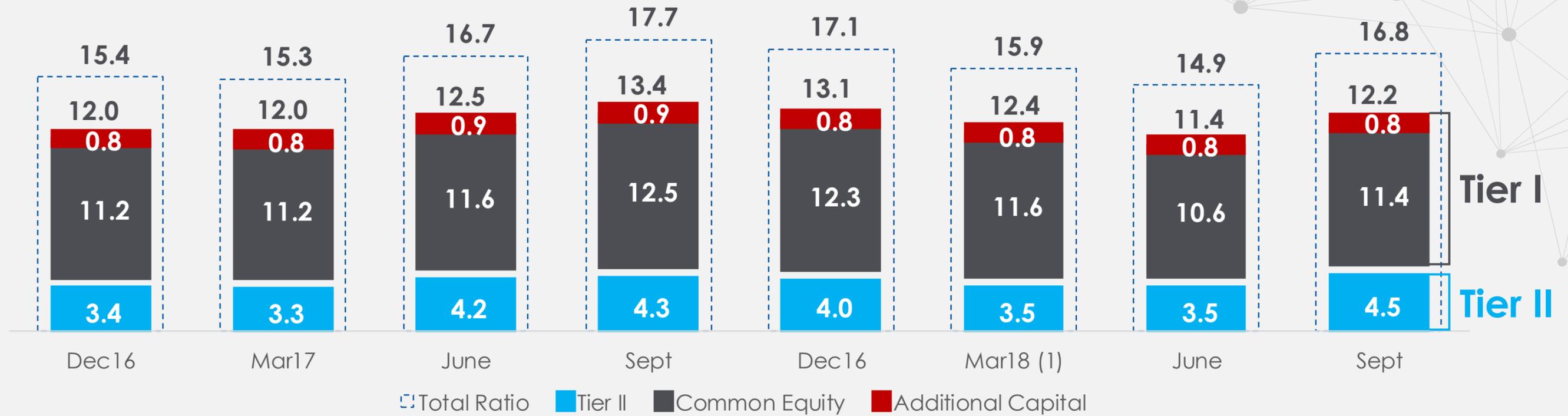


Combined Ratio



BIS RATIO

%



(1) Reduction related to the change in the schedule for applying deductions from equity that is now 100% in 2018 (80% in 2017).

Changes in the Tier I Ratio in the Quarter



GUIDANCE 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	✓
		(9M18 Realized)	



THANK YOU

RESULTS
3rd QUARTER
2018



Bradesco

ADDITIONAL SLIDES

RESULTS
3rd QUARTER
2018



Bradesco

RECURRING NET INCOME X BOOK NET INCOME

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.



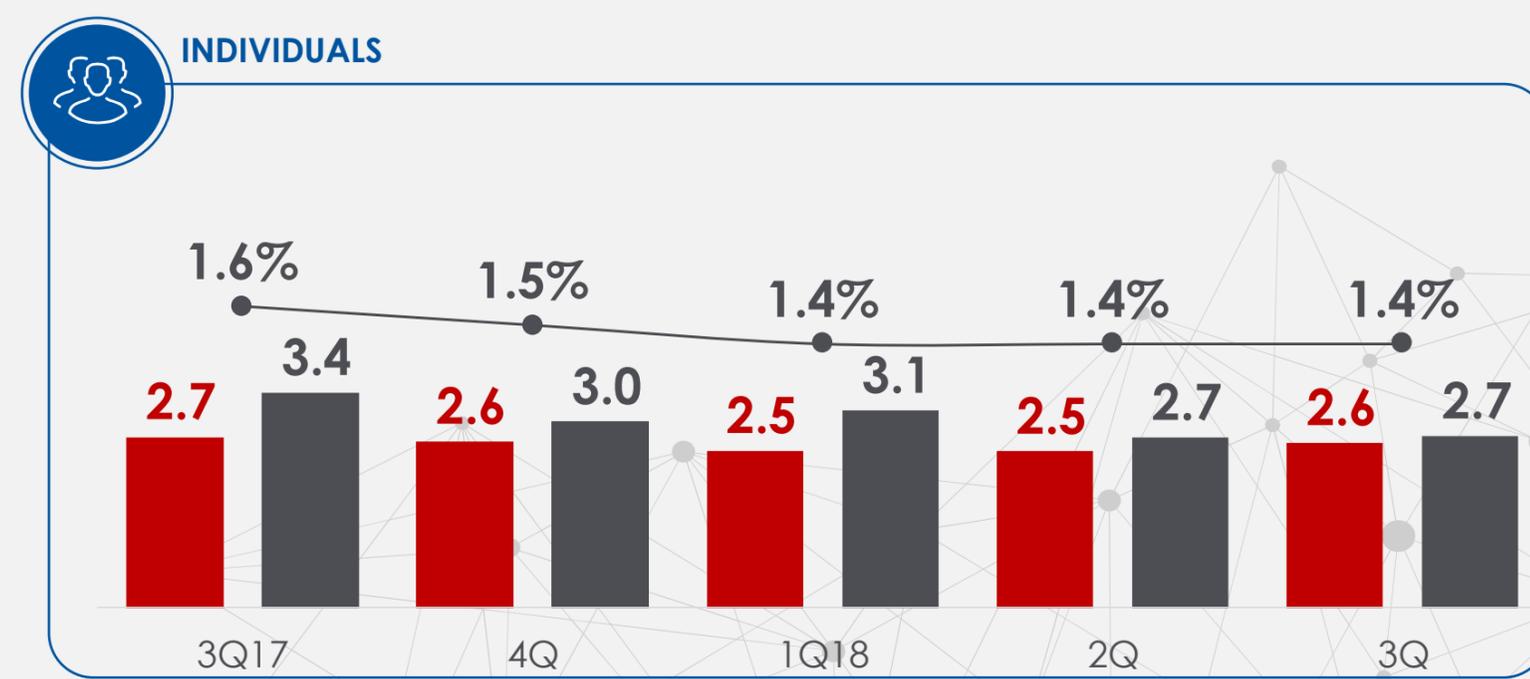
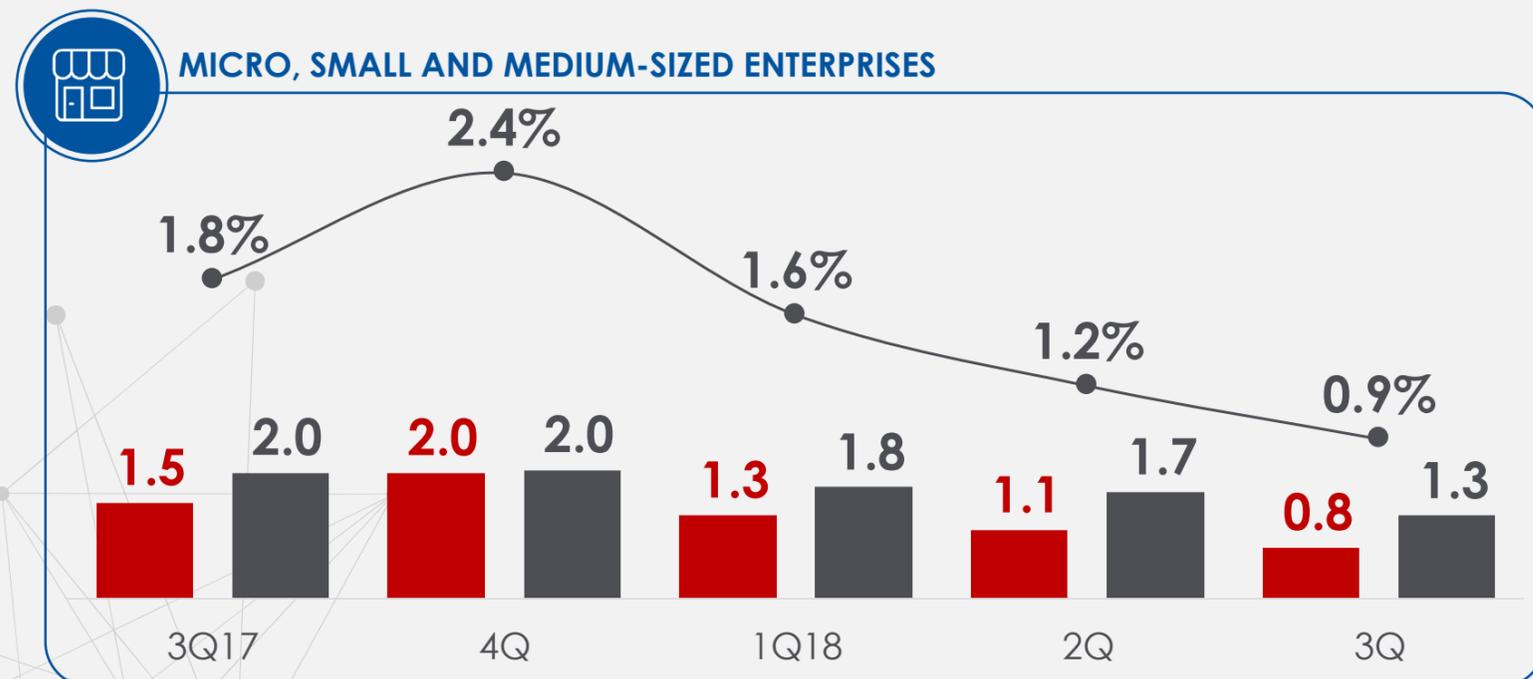
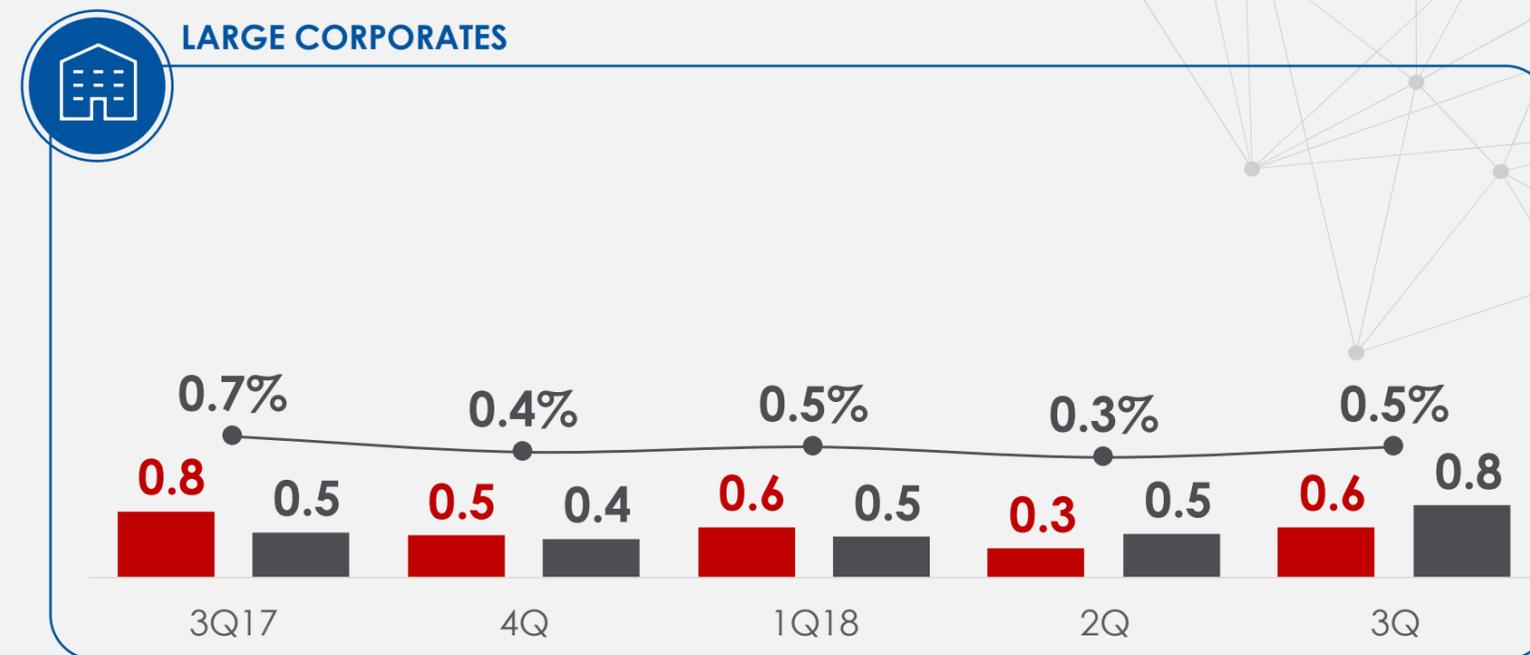
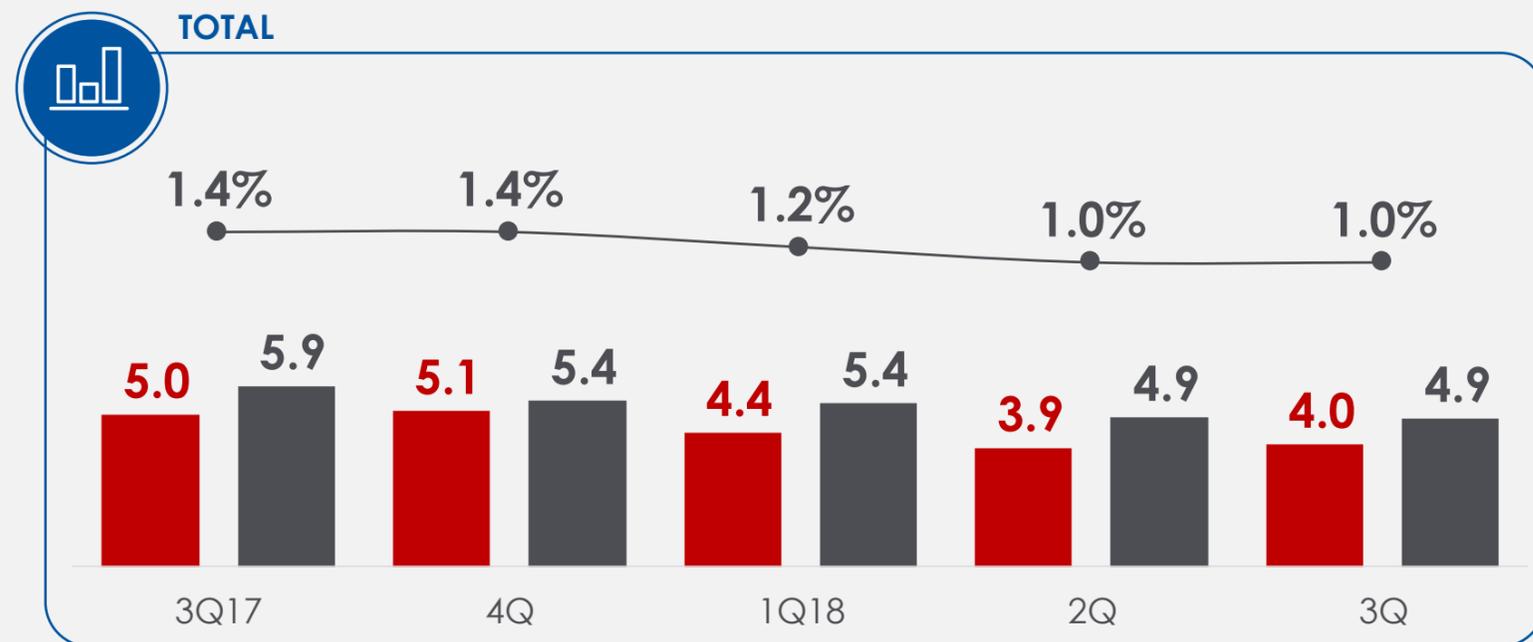
LOAN PORTFOLIO BACEN X EXPANDED

R\$ MILLION	SEPT18	JUNE18	SEPT17	VARIATION%		
				Q-o-Q	Y-o-Y	
Individuals	185,249	181,751	171,008	1.9	8.3	
Companies	213,755	209,054	197,891	2.2	8.0	
TOTAL LOAN PORTFOLIO - BACEN	399,004	390,805	368,899	2.1	8.2	
Sureties and Guarantees	71,462	71,765	72,511	(0.4)	(1.4)	
Debentures and Promissory Note	47,479	47,776	42,875	(0.6)	10.7	
Other ⁽¹⁾	5,486	5,289	2,579	3.7	112.7	
TOTAL EXPANDED LOAN PORTFOLIO	523,431	515,635	486,864	1.5	7.5	
				WITHOUT EXCHANGE VARIATION	1.2	5.6



NPL CREATION 90-DAYS BY PORTFOLIO

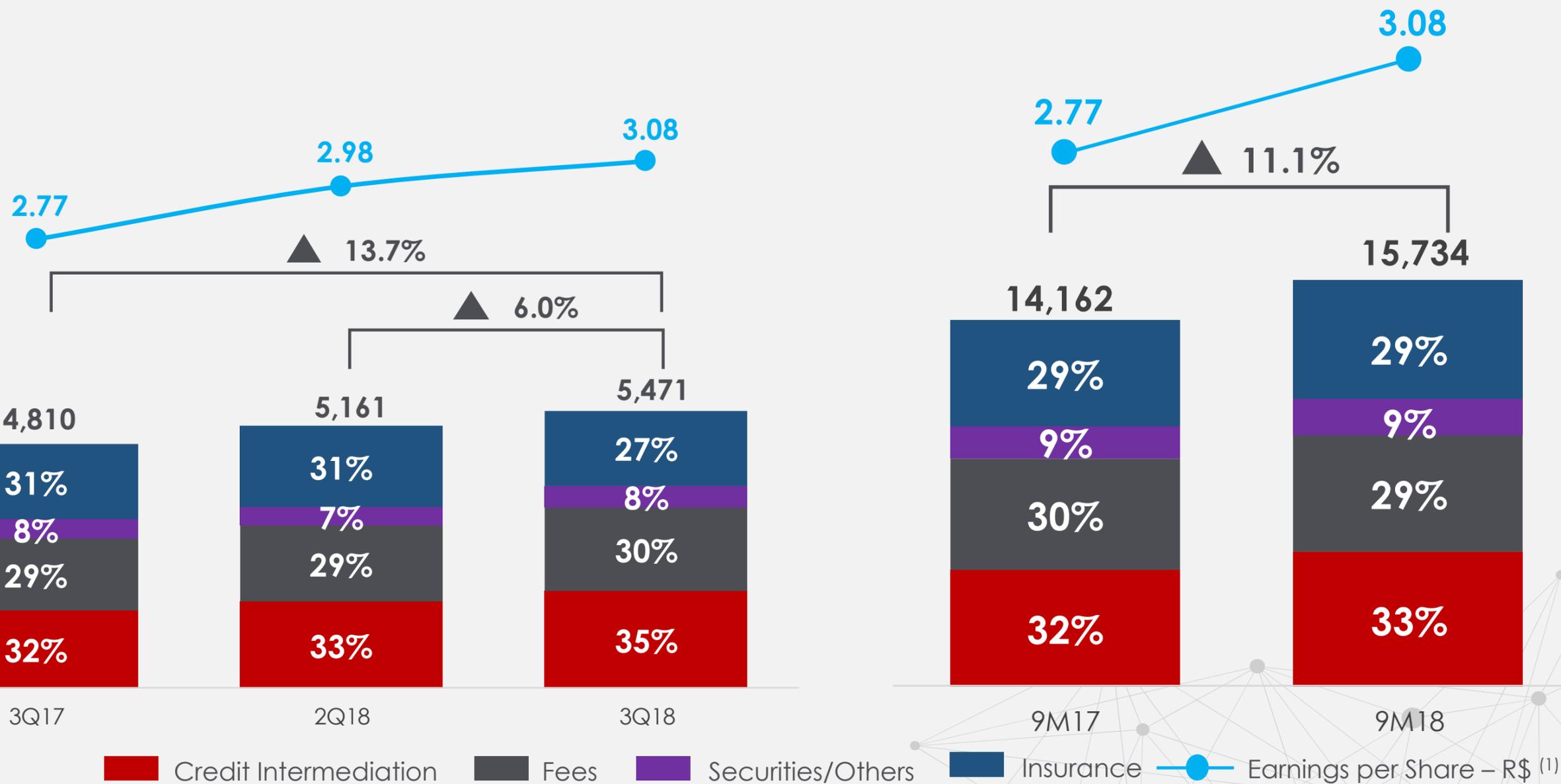
R\$ BILLION



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



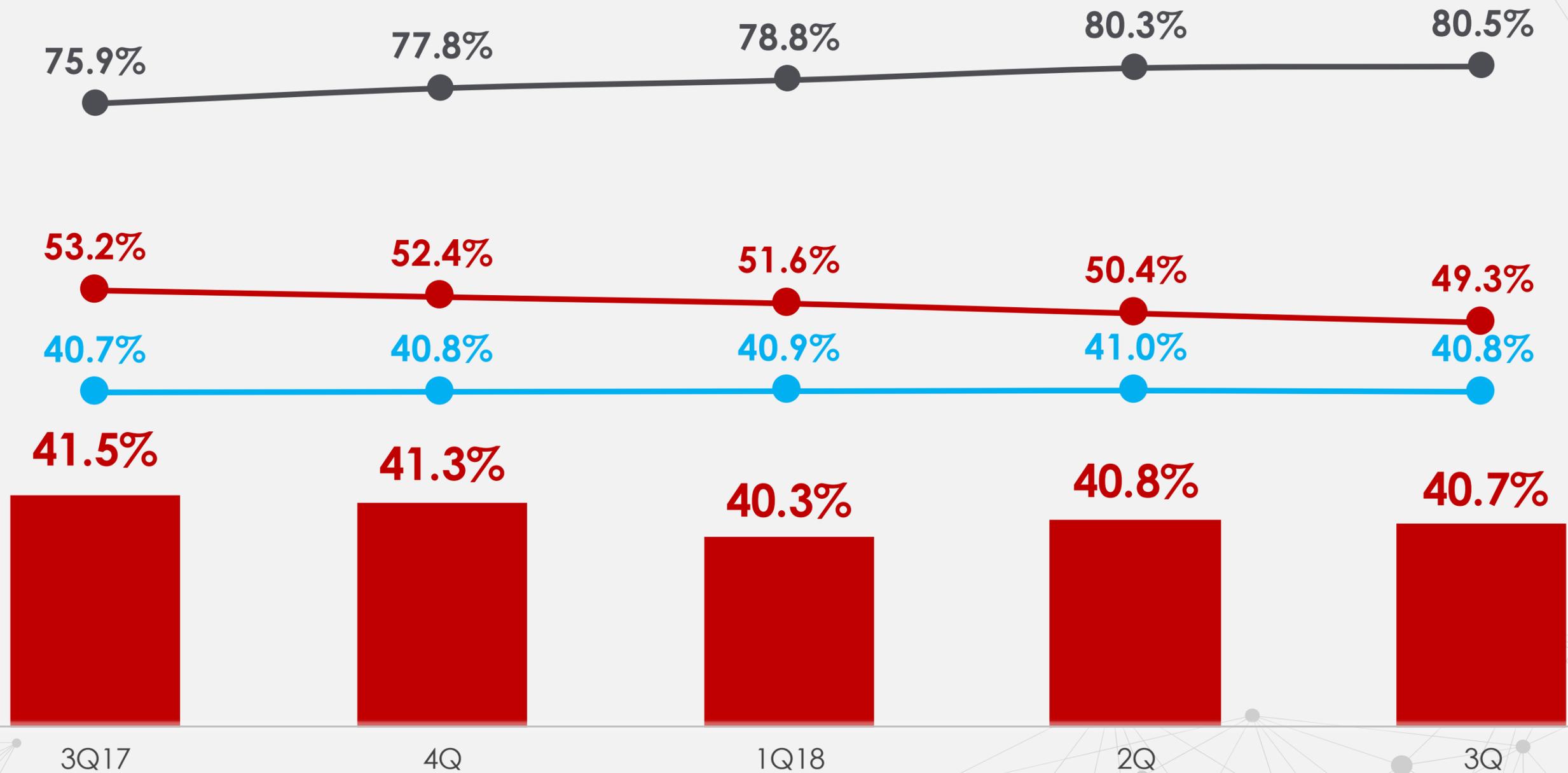
RECURRING NET INCOME AND EARNINGS PER SHARE



(1) In the last 12 months - Shares were adjusted in accordance with bonuses and stock splits in the periods.



EFFICIENCY AND OPERATING COVERAGE RATIOS



3Q17

4Q

1Q18

2Q

3Q

■ Efficiency Ratio for the quarter

● 12-month risk - adjusted efficiency ratio

● 12-month - Operating coverage ratio (Fee and Commission Income / Administrative and Personnel Expenses)

● 12-month - Efficiency Ratio



RESULTS

3rd QUARTER

2018



Bradesco