

Bradesco

1Q16 Earnings Results

NÍVEL 1 BM&FBOVESPA

BBD LISTED NYSE

BBDO LISTED NYSE

LATIBEX XBBDC

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MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

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abrasca Associação Brasileira das Companhias Abertas

Highlights

- Adjusted net income reached R$4.113 billion, down 3.8% from 1Q15 and ROAE (linear calculation) reached 17.5%;
- NII–Interest-earning portion increased 11.0% from 1Q15;
- Fee and commission income increased by 11.5% y-o-y;
- Operating Expenses went up by 11.1% from 1Q15;
- The Efficiency Ratio reached 37.2%, its best level ever, and the Operating Coverage Ratio (Fee and commission income to Administrative and Personnel Expenses) reached 80.1%;
- Tier I ratio reached 12.9%, up 80 bps from 1Q15 (after the increase in phase-in adjustments from 40% to 60%);
- Total assets amounted to R$1.102 trillion, up 6.5% from 1Q15;
- Expanded loan portfolio reached R$463.2 billion, remaining virtually stable y-o-y;
- Delinquency over 90 days reaches 4.2% in Mar16 and ALL expenses went up by 52.2%;
- Effective Coverage Ratio reached 220.5% (ALL to 12-month expected losses);
- Net income from insurance operations amounted to R$1.380 billion in 1Q16, up 7.6% from 1Q15; and
- Insurance premiums increased 11.4% y-o-y.

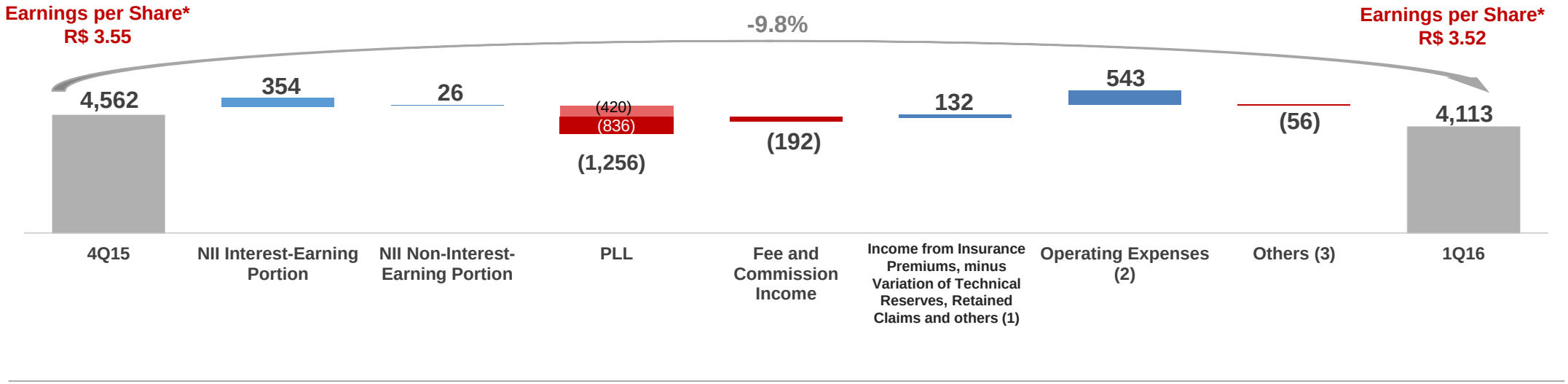
Book Net Income x Adjusted Net Income

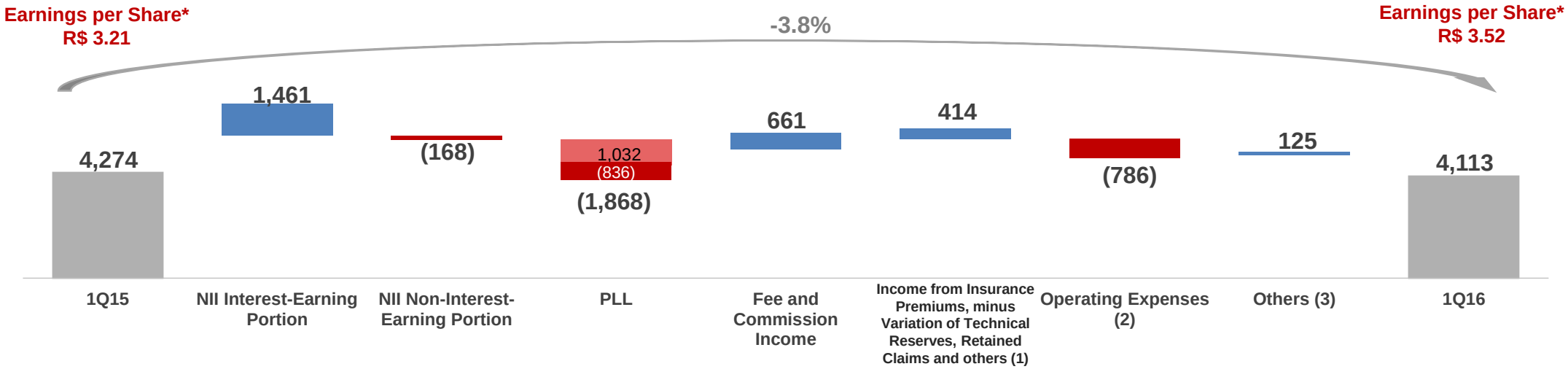
R$ million	1Q16	4Q15	1Q15
Book Net Income	**4,121**	4,353	4,244
Non-recurring events (net of tax effects)	**(8)**	209	30
- Gains in the Partial Sale of Investments	(90)	-	-
- Reversal of technical reserves	-	(276)	-
- Contingent Liabilities	25	13	30
- Impairment of Assets (1)	57	472	-
Adjusted Net Income	**4,113**	4,562	4,274

(1) In the first quarter of 2016, it refers to the impairment of Shares, in the amount of R$57 million; and in the fourth quarter of 2015, it refers to the impairment of: (i) Permanent/Intangible Assets, in the amount of R$234 million; and (ii) Shares, in the amount of R$238 million.

Adjusted Net Income Growth

R$ million





(1) In "Others", it includes:Capitalization Bond Draws and Redemption – Insurance, Pension Plan and Capitalization Bond Sales Expenses; (2) Administrative and Personnel Expenses; and (3) For the quarter and the year, mainly consisting of: (i) income tax and social contribution; (ii) other operating income/expenses; (iii) tax expenses; and (iv) Equity in the Earnings (Losses) of Uncosolidation Companies.

* Earnings per share – Accumulated over 12 months.

Net Income Breakdown

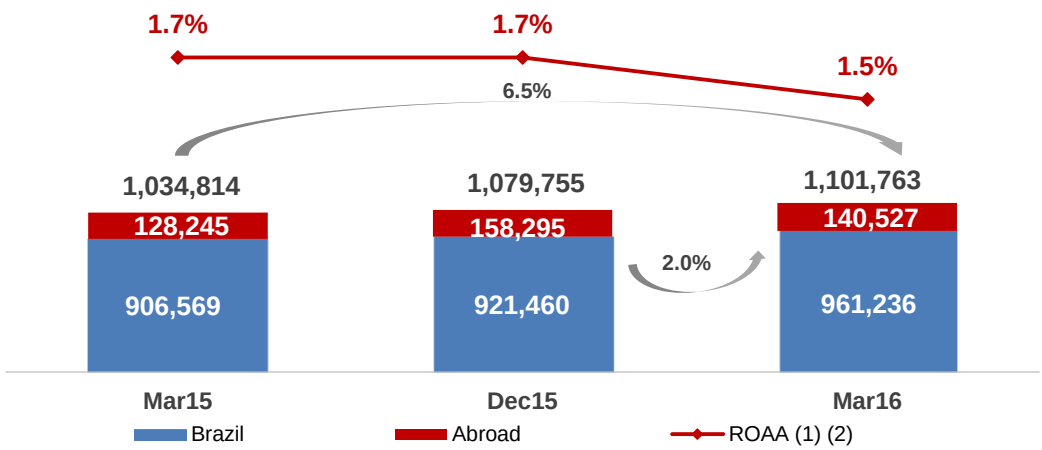
	1Q16	4Q15	1Q15
- Credit Intermediation	29%	33%	33%
- Fees	28%	28%	27%
- Securities / Others	9%	8%	10%
Banking	**66%**	69%	70%
Insurance	**34%**	31%	30%

Diversification -Other Activities ≅ *71%*

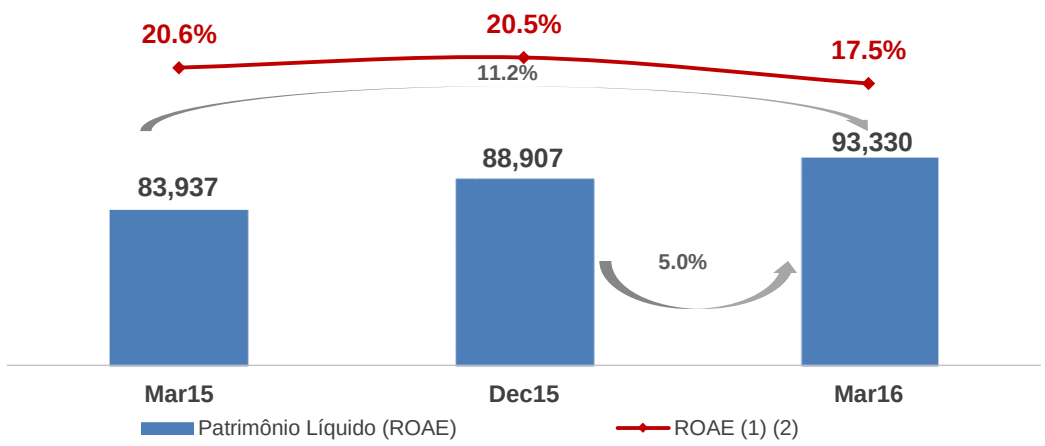
Total Assets (ROAA), Shareholders' Equity (ROAE), Efficiency and Operating Coverage Ratios

R$ million

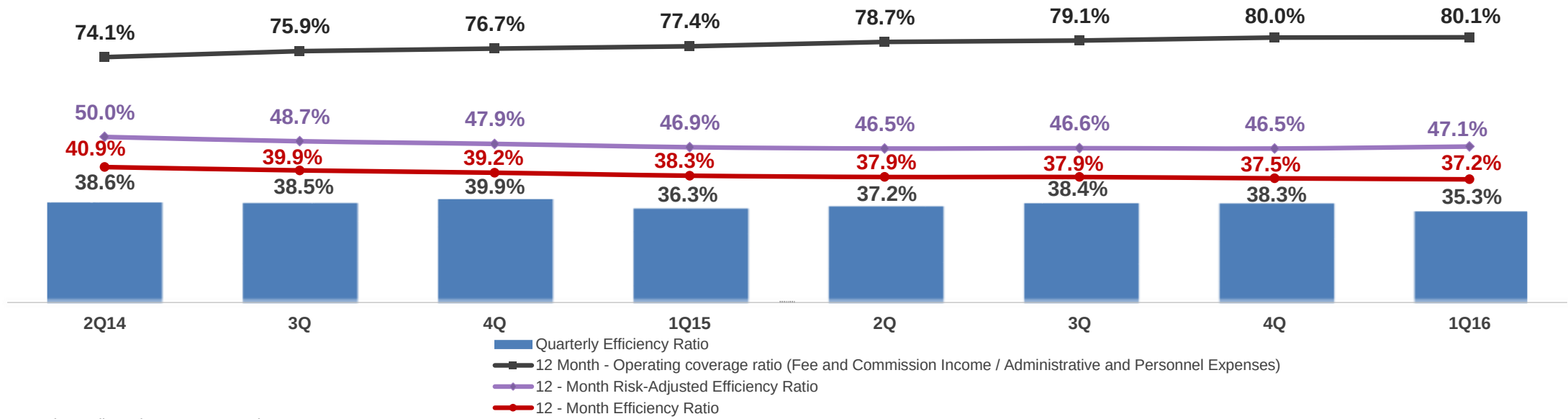
Total Assets (ROAA)



Shareholders' Equity (ROAE)

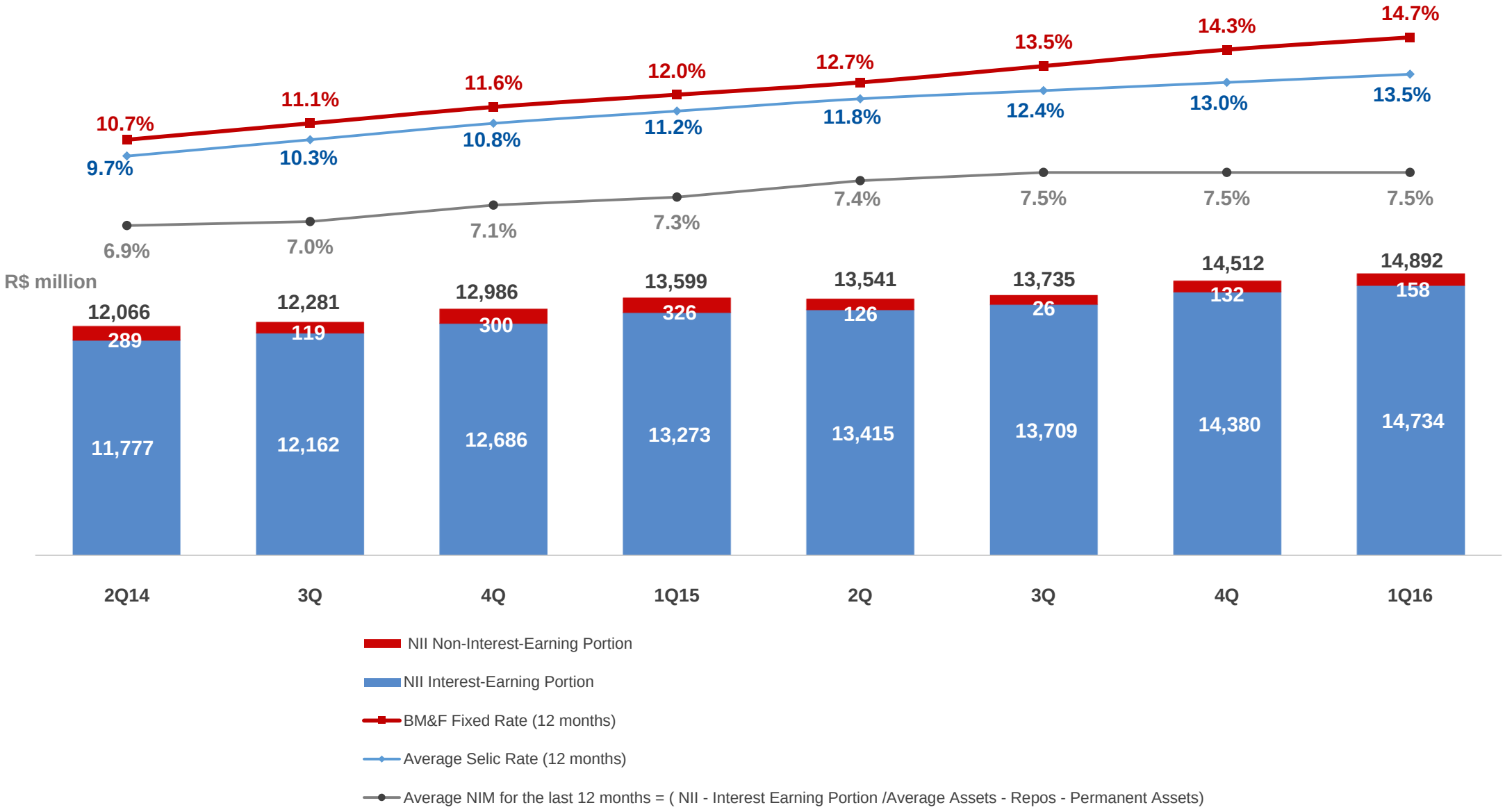


Operating Efficiency and Coverage



(1) Year-to-date Adjusted Net Income; and
(2) Excludes mark-to-market effects of available-for-sale securities recorded under Shareholders' Equity; and calculated on a linear basis.

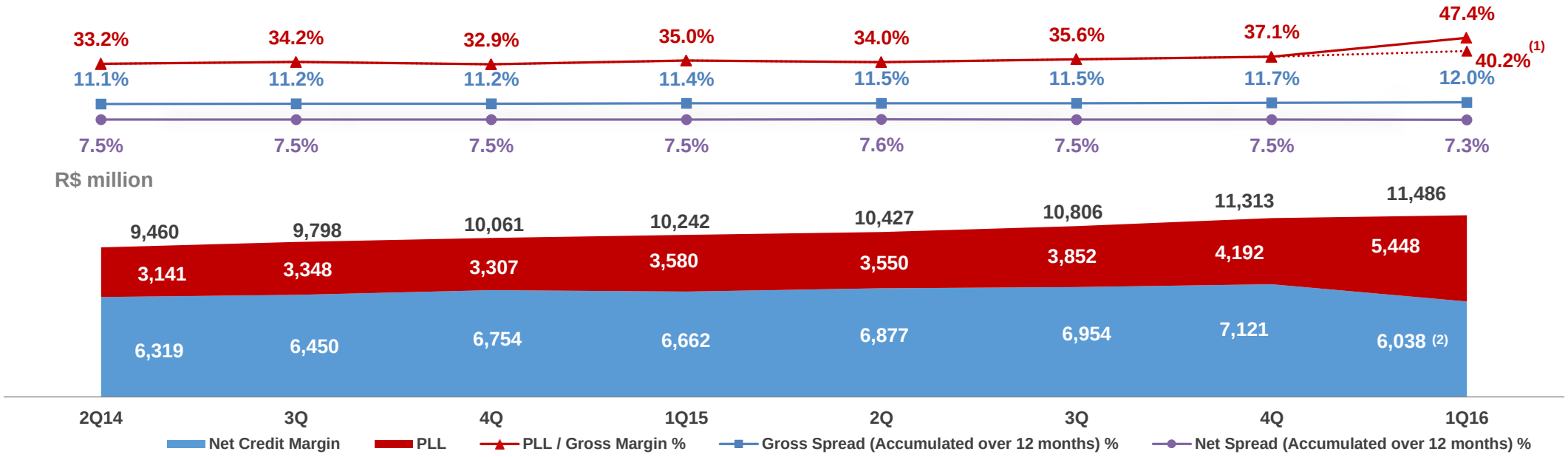
NII – Interest-Earning Portion and Non-Interest-Earning Portion



NII-Interest-Earning Portion

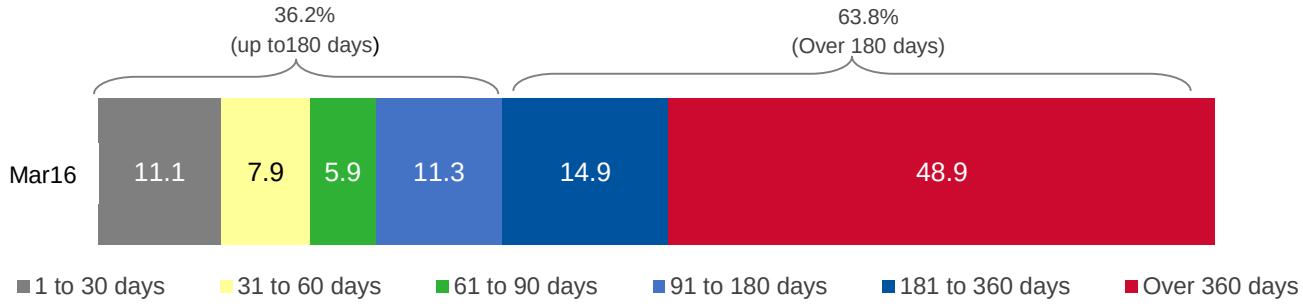
R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
- Credit Intermediation	11,486	11,313	10,242	**1.5**	**12.1**
- Insurance	1,475	1,523	1,420	**(3.2)**	**3.9**
- Securities / Others	1,773	1,544	1,611	**14.8**	**10.1**
NII - Interest-Earning Portion	**14,734**	14,380	13,273	**2.5**	**11.0**

Credit Intermediation Margin



Net Credit Margin -15.2% compared to 4Q15, and -9.4% compared to 1Q15.

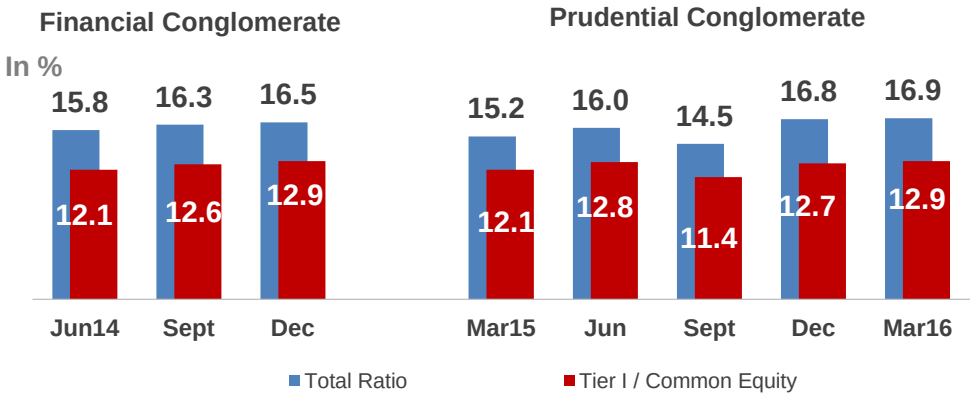
Loan Portfolio - By Flow of Maturities (%)



Higher Loan Turnover Ratio (36.2%) ➡ Better Spreads.

(1) Without effect of the alignment of the allowance level from a specific corporate client; and
(2) If we ignore the effect of the alignment of the allowance level from a specific corporate client, net margin, in the first quarter of 2016 would be R$6,874 million.

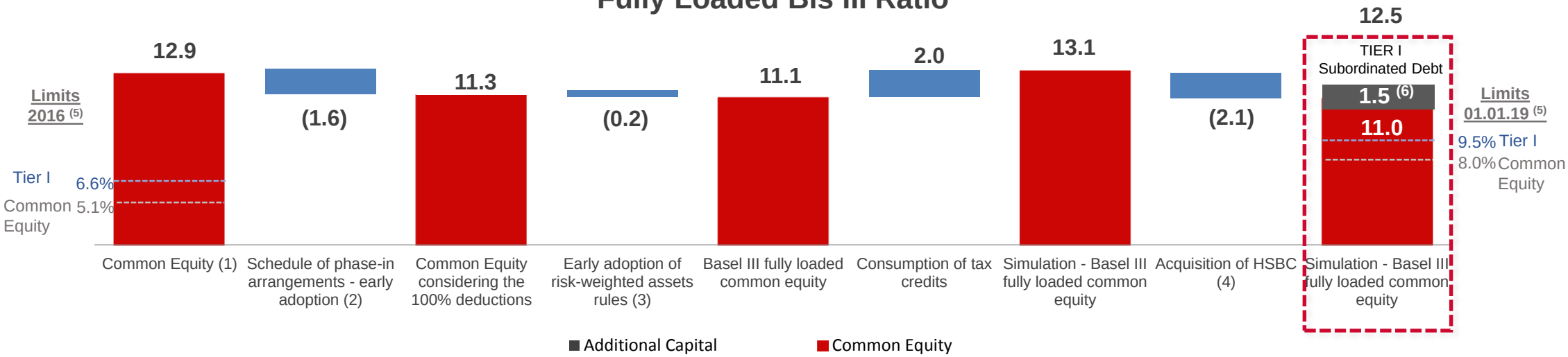
BIS Ratio



Changes in the Common Equity/Tier I Ratio in the Quarter

Common Equity Tier I Ratio - Dec15	**12.7%**
Schedule of phase-in arrangements (from 40% to 60%)	-1.0%
Dividends / Interest on Shareholder's Equity	-0.2%
Subtotal Common Equity Tier I Ratio	11.5%
Net Income for the first quarter of 2016	0.7%
Mark-to-market adjustments of Available for Sale Securities	0.3%
Decrease of Risk-Weighted Assets	0.3%
Others	0.1%
Common Equity Tier I Ratio - Mar16	**12.9%**

Fully Loaded Bis III Ratio

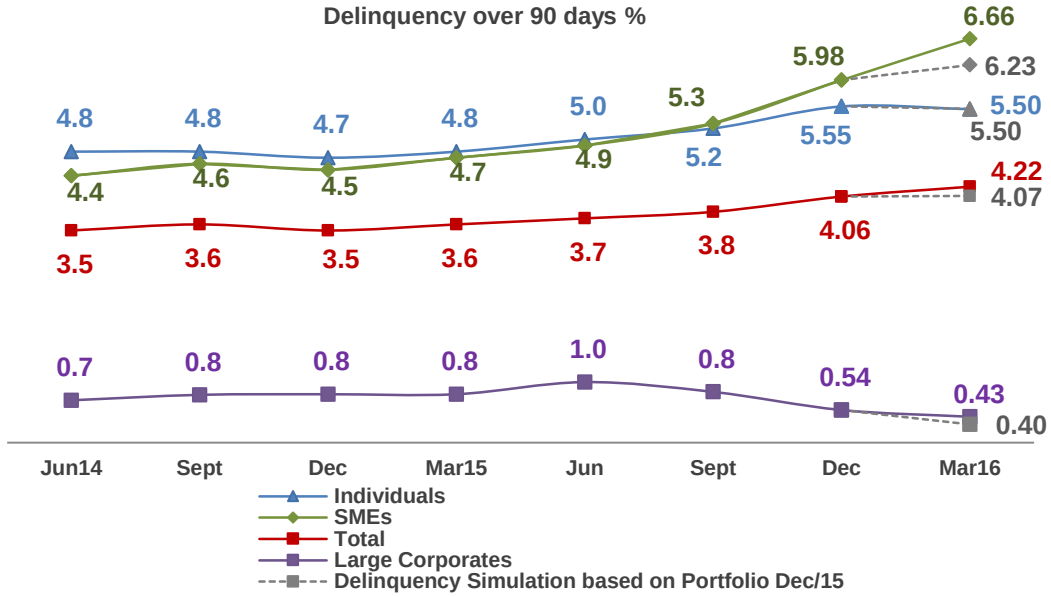


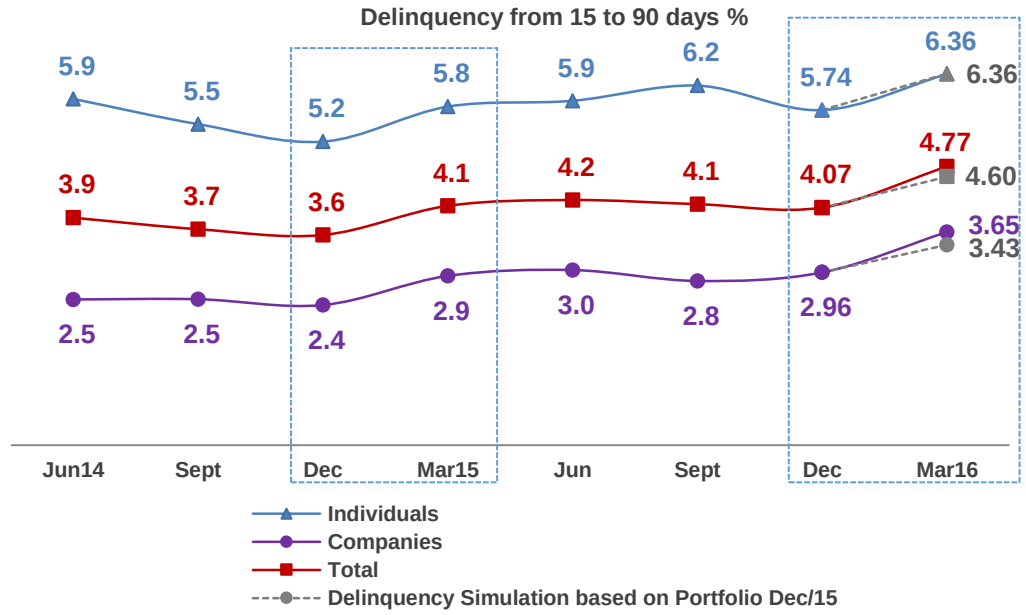
(1) Published (Schedule 60%);
(2) Effect of the full impact. Includes the allocation of resources, obtained via payment of dividends, of the Insurance Group;
(3) Considers the decrease in the market and operational risks multiplier (early adoption), from 9.875% to 8% in 2019;
(4) Under analysis by the Regulating Agencies;
(5) (Refers to the minimum required. It is important to highlight that Bacen fixed at 0% the tranche of countercyclical capital required, which could reach up to 2.5% in 2019; and
(6) Considering a possible issuance of additional capital by 2018, according to the management, depending on market conditions.

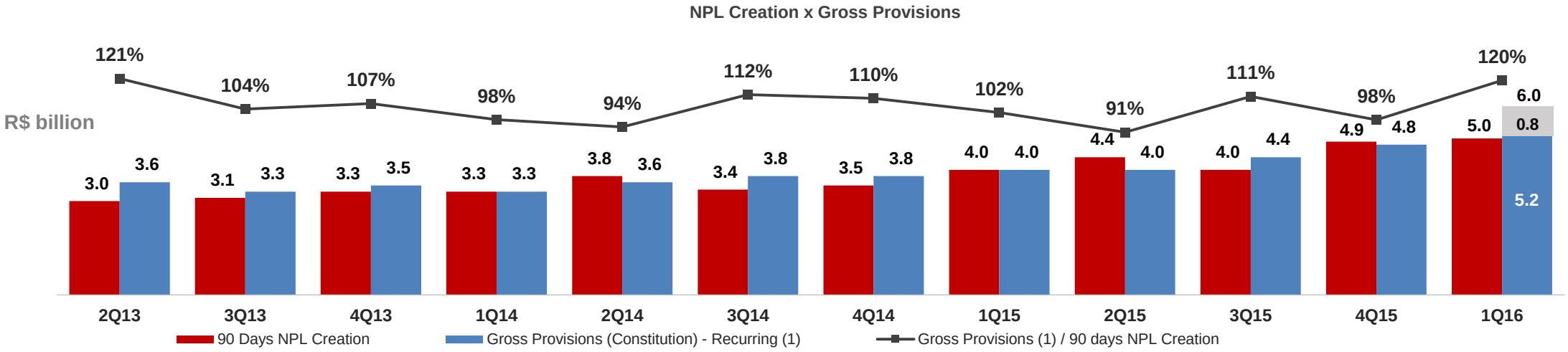
Expanded Loan Portfolio

R$ million	Mar16	Dec15	Mar15	Variation % Q-o-Q	Variation % Y-o-Y
Companies	**315,449**	**326,278**	**321,254**	**(3.3)**	**(1.8)**
Large Corporates	212,237	215,892	206,338	(1.7)	2.9
SMEs	103,212	110,386	114,916	(6.5)	(10.2)
Individuals	**147,759**	**147,749**	**142,051**	**-**	**4.0**
Payroll-Deductible Loan	35,503	34,565	31,497	2.7	12.7
Credit Cards	27,566	28,592	24,586	(3.6)	12.1
Personal Loans	15,219	15,201	15,882	0.1	(4.2)
Real Estate Financing	23,839	22,781	18,778	4.6	27.0
CDC / Leasing - Vehicles	20,654	21,689	23,953	(4.8)	(13.8)
Others	24,978	24,921	27,355	**0.2**	**(8.7)**
Expanded Loan Portfolio - Total	**463,208**	474,027	463,305	(2.3)	-

Delinquency Ratio

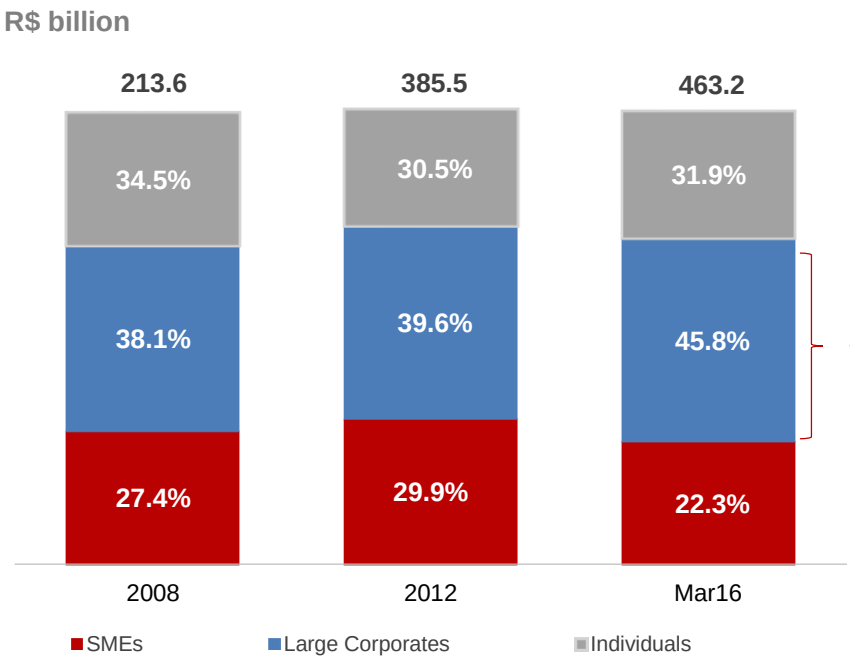




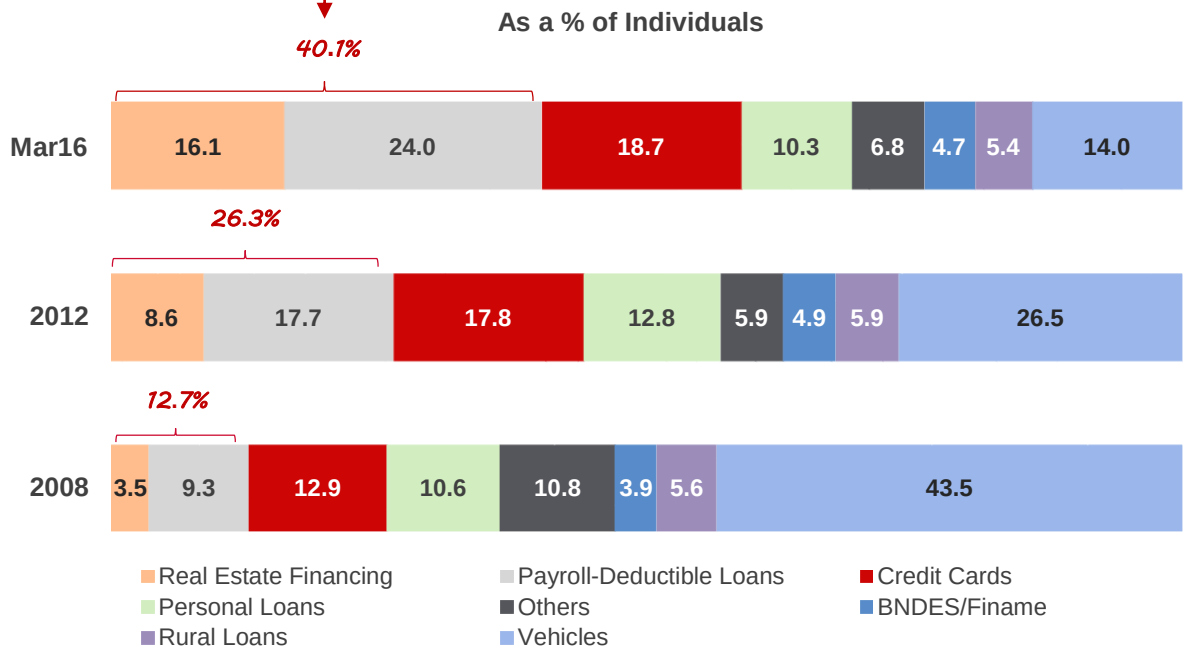


(1) Recurring provision, according to Resolution 2682/99.

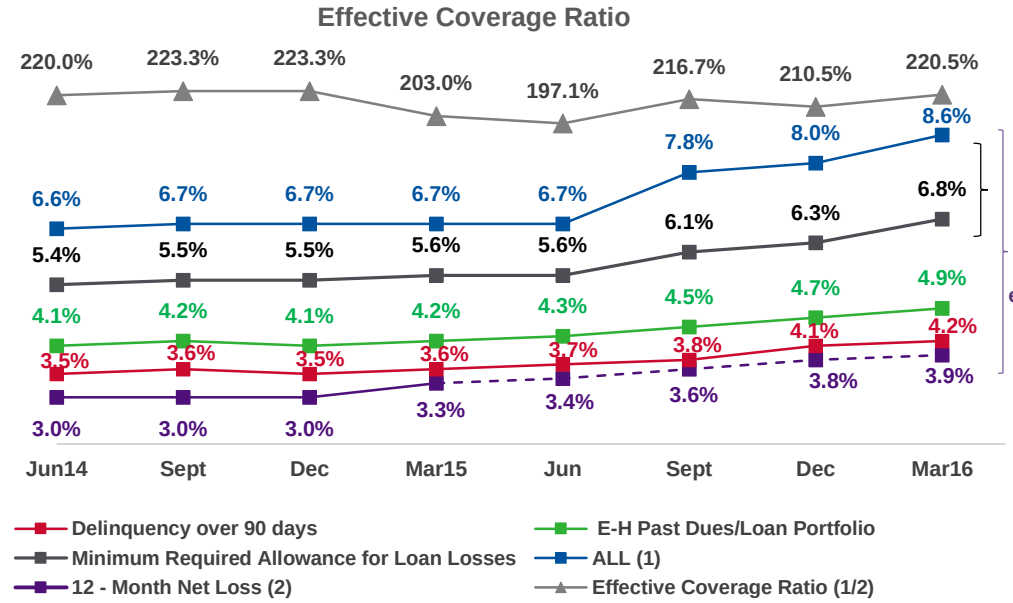
Expanded Loan Portfolio Mix

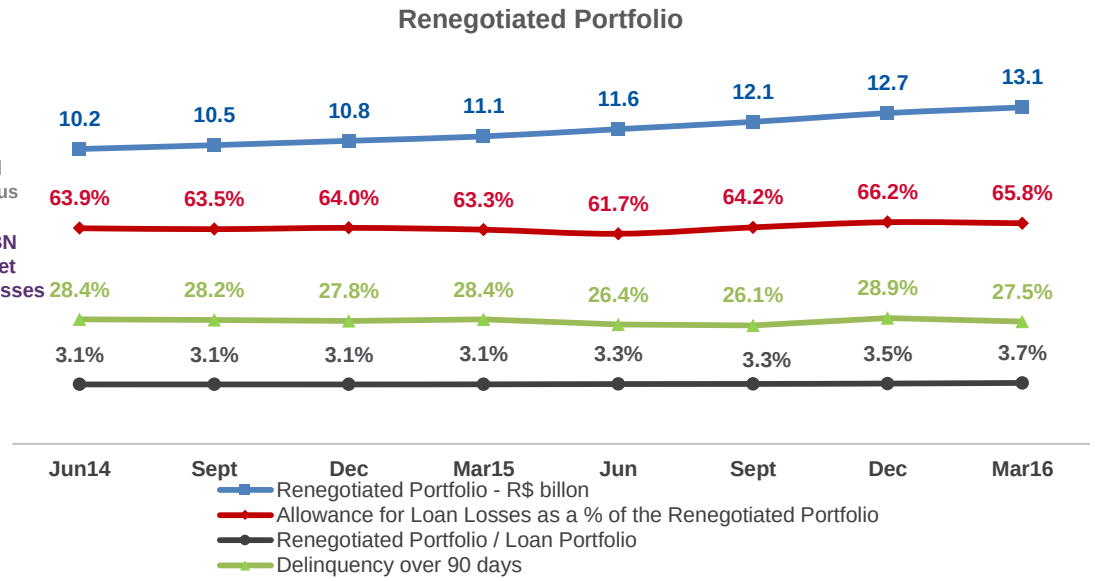


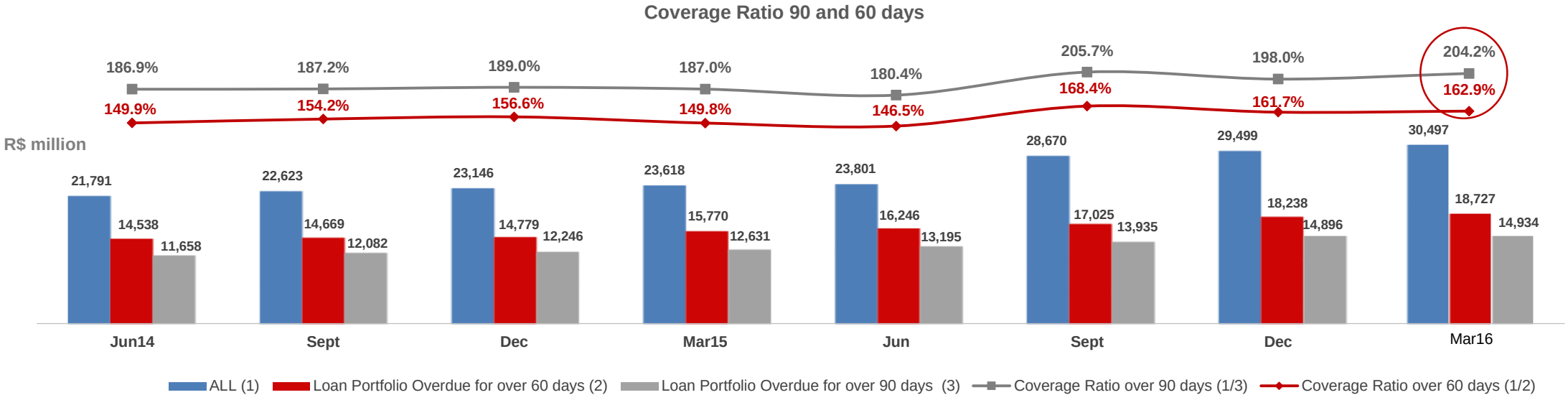
Lower risk operations growth



Provisioning, Coverage Ratios and Renegotiation







Fee and Commission Income

R$ million	1Q16	4Q15	1Q15	Variation% Q-o-Q	Variation% Y-o-Y	As a % of 1Q16
Cards	2,421	2,583	2,208	(6.3)	9.6	37.8%
Checking Accounts	1,364	1,376	1,072	(0.9)	27.2	21.3%
Asset Management	674	663	625	1.7	7.8	10.5%
Loan Operations	656	729	635	(10.0)	3.3	10.2%
Collection	399	400	387	(0.2)	3.1	6.2%
Consortium Management	278	275	244	1.1	13.9	4.3%
Custody and Brokerage Services	150	144	129	4.2	16.3	2.3%
Underwriting / Financial Advisory Services	162	137	149	18.2	8.7	2.5%
Payments	97	97	102	-	(4.9)	1.5%
Others	204	193	193	5.7	5.7	3.2%
Total	**6,405**	**6,597**	**5,744**	(2.9)	11.5	100.0%

				Variation (number)	
Business Days	**61**	**63**	**61**	**(2)**	**-**

Operating Expenses

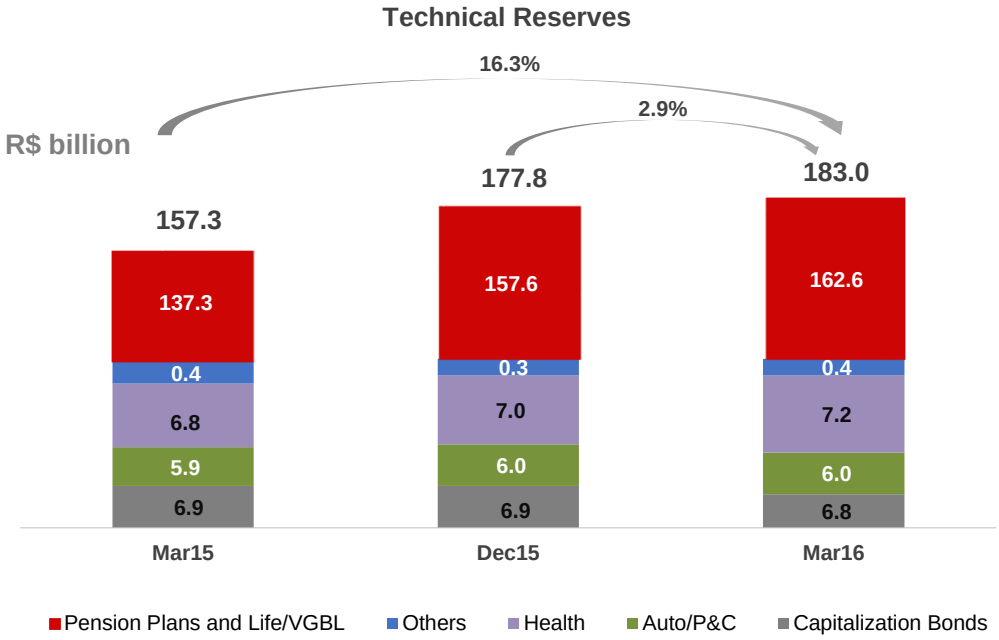
R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
Personnel	**3,754**	**3,839**	**3,445**	**(2.2)**	**9.0**
- Structural	3,025	3,159	2,813	(4.2)	7.5
- Non-Structural	728	680	632	7.1	15.2
Administrative	**4,116**	**4,574**	**3,639**	**(10.0)**	**13.1**
Total	**7,870**	**8,413**	**7,084**	**(6.5)**	**11.1**
Employees	**91,395**	**92,861**	**94,976**	**(1.6)**	**(3.8)**
Service Points	**63,552**	**65,851**	**74,917**	**(3.5)**	**(15.2)**

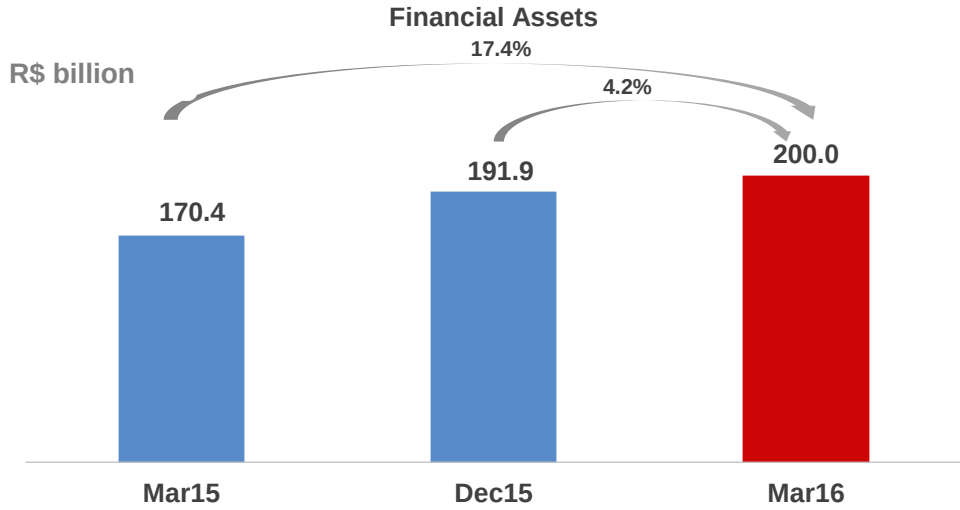
Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income

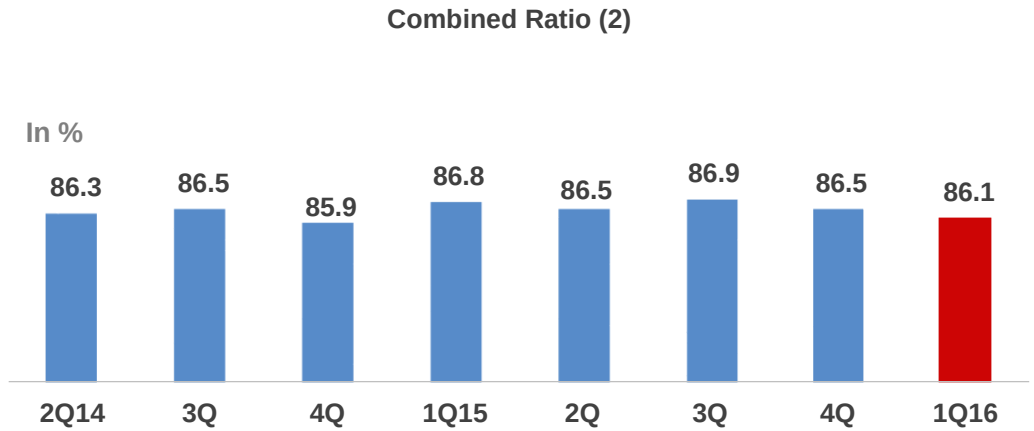
R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
Life and Pension Plans	7,175	11,153	6,318	(35.7)	13.6
Health	5,238	5,190	4,486	0.9	16.8
Auto/P&C	1,328	1,380	1,401	(3.8)	(5.2)
Capitalization Bonds	1,343	1,369	1,338	(1.9)	0.4
Subtotal	**15,084**	**19,092**	**13,543**	**(21.0)**	**11.4**
DPVAT	102	39	91	161.5	12.1
TOTAL	**15,186**	**19,130**	**13,634**	**(20.6)**	**11.4**
Shareholders' Equity	**22,834**	**20,837**	**21,137**	**9.6**	**8.0**
Net Income	**1,380**	**1,405**	**1,283**	**(1.8)**	**7.6**
ROAE (1)	**24.9%**	**25.7%**	**24.9%**	**(0.8) p.p**	**-**

(1) **Calculated on a linear basis.**

Combined Ratio and Other Information (1)







(1) Financial Assets and Technical Reserves; and
(2) Excluding Additional Provisions.


Bradesco

ADDITIONAL SLIDES

Guidance

	2016
Loan Portfolio (1)	**1 to 5%**
Individuals	4 to 8%
Companies	0 to 4%
NII - Interest-Earning Portion	**6 to 10%**
Fee and Commission Income	**7 to 11%**
Operating Expenses (2)	**4.5 to 8.5%**
Insurance Premiums	**8 to 12%**
Allowance For Loan Losses Expenses (3)	**R$16.5 bi to 18.5 bi**

(1) Expanded Loan Portfolio;

(2) Administrative and Personnel Expenses; and

(3) Includes incomes with credit recovery.

Macroeconomic Outlook

	2016	2017	2018
Gross Domestic Product (GDP) %	(3.50)	1.50	3.00
Selic (Year-end) %	12.25	10.25	9.25
Extended Consumer Price Index (CPI) %	6.50	4.50	4.50
USD - Commercial Rate (Year - end) R$	3.60	3.60	3.60

Main Economic Indicators

	1Q16	4Q15	1Q15
Main Indexes (%)			
Interbank Deposit Certificate (CDI)	3.27	3.37	2.81
Ibovespa	15.47	(3.79)	2.29
U.S. Dollar - Commercial Rate	(8.86)	(1.71)	20.77
General Price Index - Market (IGP-M)	2.96	3.95	2.02
Extended Consumer Price Index (IPCA) - Brazilian Institute of Geography and Statistics (IBGE)	2.62	2.82	3.83
Federal Govermment Long-Term Interest Rate (TJLP)	1.82	1.72	1.36
Reference Interest Rate (TR)	0.45	0.53	0.23
Savings	1.96	2.05	1.75
# Business Days	61	63	61

	Mar16	Dec15	Mar15
Closing Quote			
U.S. Dollar - Commercial Rate (R$)	3.5589	3.9048	3.2080
Euro - (R$)	4.0539	4.2504	3.4457
Country Risk (Embi +)	409	521	322
Basic Selic Rate (% p.a.)	14.25	14.25	12.75
BM&F Fixed Rate (% p.a.)	13.81	15.86	13.52

Income Statement

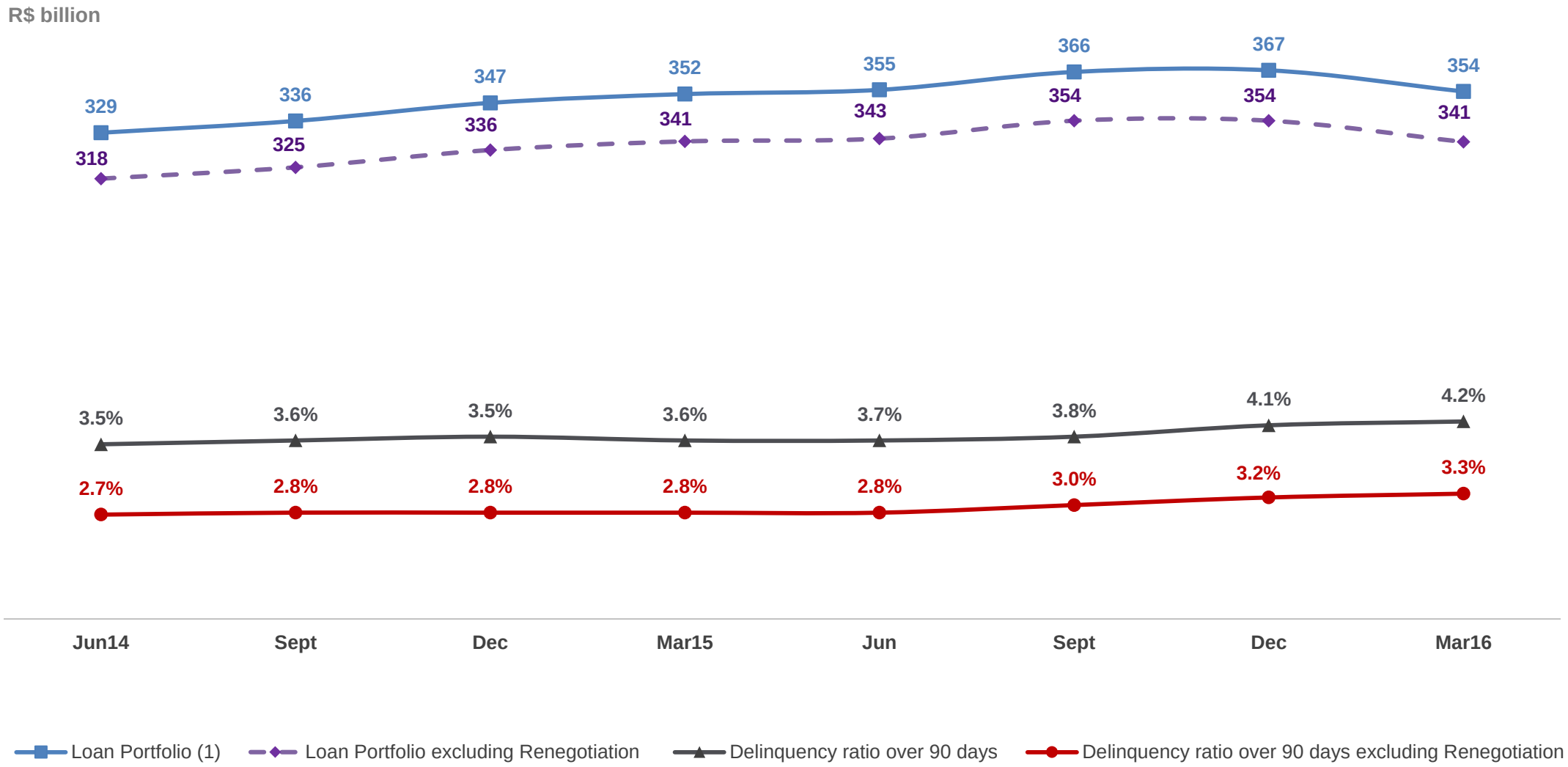
R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
Net Interest Income	**14,892**	**14,512**	**13,599**	**2.6**	**9.5**
Provision for Loan Losses	(5,448)	(4,192)	(3,580)	30.0	52.2
Gross Income from Financial Intermediation	**9,444**	**10,320**	**10,019**	**(8.5)**	**(5.7)**
Income from Insurance Premiums, Pension Plans and Capitalization bonds, minus Variation of Technical Reserves, Retained Claims and others (1)	1,625	1,493	1,211	8.8	34.2
Fee and Commission Income	6,405	6,597	5,744	(2.9)	11.5
Personnel and Administrative Expenses	(7,870)	(8,413)	(7,084)	(6.5)	11.1
Tax Expenses	(1,418)	(1,650)	(1,309)	(14.1)	8.3
Equity in the Earnings (Losses) of Uncosolidation Companies	40	93	(20)	(57.0)	-
Other Operating Income / (Expenses)	(1,669)	(1,586)	(1,912)	5.2	(12.7)
Operating Result	**6,557**	**6,854**	**6,649**	**(4.3)**	**(1.4)**
Non-Operating Result	(87)	(68)	(68)	27.9	27.9
Income Tax and Social Contribution and Non-Controlling Interest	(2,357)	(2,224)	(2,307)	6.0	2.2
Adjusted Net Income	**4,113**	**4,562**	**4,274**	**(9.8)**	**(3.8)**
Non-Recurring Events	8	(209)	(30)	(103.8)	(126.7)
Book Net Income	**4,121**	**4,353**	**4,244**	**(5.3)**	**(2.9)**

(1) In “Others”, it includes:Capitalization Bond Draws and Redemption – Insurance, Pension Plan and Capitalization Bond Sales Expenses.

Unrealized Gains

R$ million	Mar16	Dec15	Mar15	Variation % Q-o-Q	Variation % Y-o-Y
Securities - Fixed Income	(4,431)	(8,326)	159	(46.8)	-
Securities - Equities	165	76	128	117.1	28.9
Loan Operations	(6,034)	(4,294)	(1,927)	40.5	213.1
Investments	23,060	18,018	21,052	28.0	9.5
Others	337	1,626	403	(79.3)	(16.4)
Total	**13,097**	**7,100**	**19,815**	84.5	(33.9)

Loan Portfolio (1)



(1) According to Brazilian Central Bank criteria.

Loan Portfolio – Individuals

R$ million	Mar16	Dec15	Mar15	Variation % Q-o-Q	Variation % Y-o-Y
Payroll-Deductible Loans	35,503	34,565	31,497	2.7	12.7
Credit Cards	27,566	28,592	24,586	(3.6)	12.1
Real Estate Financing	23,839	22,781	18,778	4.6	27.0
CDC/ Leasing - Vehicles	20,654	21,689	23,953	(4.8)	(13.8)
Personal Loans	15,219	15,201	15,882	0.1	(4.2)
Rural Loans	8,045	8,215	10,121	(2.1)	(20.5)
BNDES/Finame Onlendings	6,992	7,029	7,324	(0.5)	(4.5)
Overdraft Facilities	4,409	3,905	4,149	12.9	6.3
Sureties and Guarantees	620	707	557	(12.3)	11.3
Others	4,913	5,065	5,204	(3.0)	(5.6)
Total	**147,759**	**147,749**	**142,051**	**-**	**4.0**

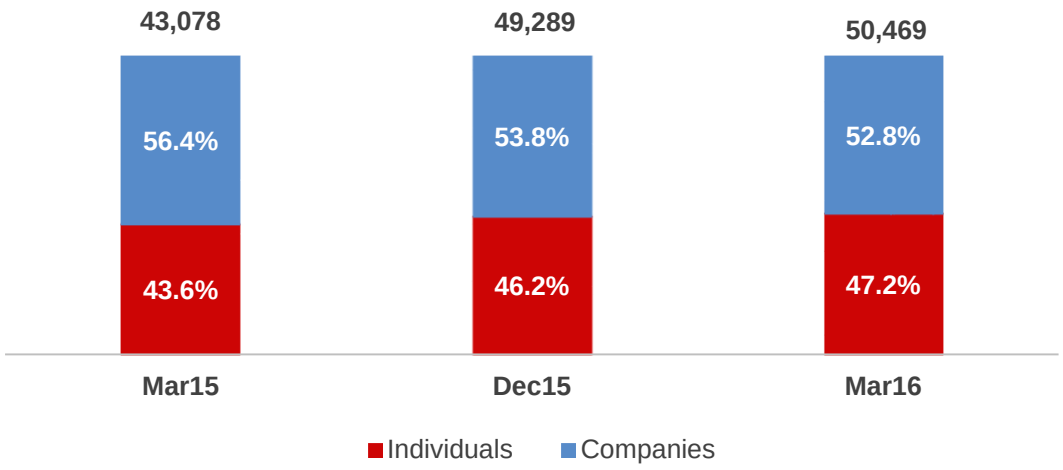
Loan Portfolio – Companies

R$ million	Mar16	Dec15	Mar15	Variation % Q-o-Q	Variation % Y-o-Y
Operations Abroad	41,712	48,453	42,139	(13.9)	(1.0)
Working Capital	40,052	42,432	43,277	(5.6)	(7.5)
BNDES/Finame Onlendings	28,719	31,129	33,592	(7.7)	(14.5)
Real Estate Financing	26,630	26,508	24,300	0.5	9.6
Export Financing	23,455	23,158	16,841	1.3	39.3
Overdraft Accounts	9,901	9,794	11,257	1.1	(12.0)
CDC/ Leasing	8,623	9,666	11,789	(10.8)	(26.9)
Rural Loans	5,309	5,404	6,451	(1.8)	(17.7)
Sureties and Guarantees	68,800	69,176	73,006	(0.5)	(5.8)
Credit - Risk Bearing Operations	37,617	34,319	33,913	9.6	10.9
Others	24,632	26,238	24,690	(6.1)	(0.2)
Total	**315,449**	**326,278**	**321,254**	**(3.3)**	**(1.8)**

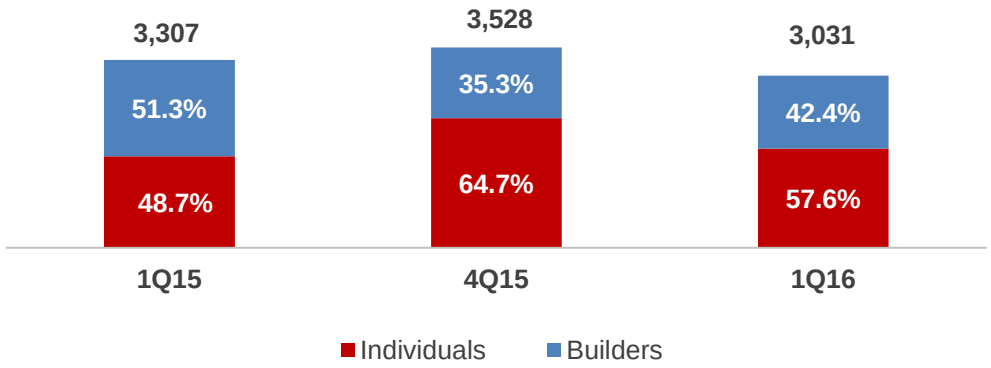
Real Estate Financing

R$ million

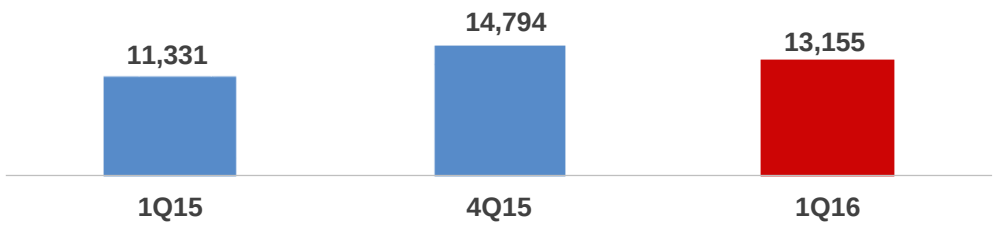
Portfolio Breakdown



Origination by Borrower



Origination (# Homes)



Loans and Funding

R$ million	Mar16	Dec15	Mar15	Variation % Q-o-Q	Variation % Y-o-Y
Demand Deposits + Sundry Floating	27,716	24,421	36,794	13.5	(24.7)
Savings Deposits	88,261	91,879	91,741	(3.9)	(3.8)
Time Deposits + Debentures (1)	163,228	158,662	155,834	2.9	4.7
Funds from issuance of securities (2)	103,696	100,070	80,171	3.6	29.3
Funding from Clients	**382,901**	**375,032**	**364,540**	2.1	5.0
(-)Reserve Requirements	(49,921)	(54,792)	(46,889)	(8.9)	6.5
(-) Available Funds	(8,116)	(9,372)	(10,549)	(13.4)	(23.1)
Funding from Clients - Net of Reserve Requirements	**324,864**	**310,868**	**307,102**	4.5	5.8
Onlendings	39,228	42,101	42,605	(6.8)	(7.9)
Securities - abroad	8,921	9,477	8,076	(5.9)	10.5
Securities - Borrowings	23,621	28,237	19,764	(16.3)	19.5
Other liabilities (Subordinated debt + Credit card operations)	68,667	69,736	54,712	(1.5)	25.5
Total Funding (A)	**465,301**	**460,419**	**432,259**	**1.1**	**7.6**
Expanded loan portfolio (Excluding sureties and guarantees) (B)	**393,788**	**404,144**	**389,742**	**(2.6)**	**1.0**
B / A (%)	**84.6**	**87.8**	**90.2**	**(3.2) p.p.**	**(5.6) p.p.**

(1) Debentures mainly used to back repos; and
(2) Including: Collateral Mortgage Notes, Mortgage Bonds, Letters of Credit for Agribusiness, Financial Bills and Structured Operations Certificates.

Other Administrative Expenses

R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
Outsourced Services	993	1,142	904	(13.0)	9.8
Depreciation and Amortization	566	559	506	1.3	11.9
Data Processing	446	465	363	(4.1)	22.9
Communication	419	416	391	0.7	7.2
Rental	241	250	230	(3.6)	4.8
Asset Maintenance	234	274	240	(14.6)	(2.5)
Financial System Services	228	228	198	-	15.2
Advertising and Marketing	221	406	133	(45.6)	66.2
Transportation	166	171	157	(2.9)	5.7
Security and Surveillance	166	156	149	6.4	11.4
Water, Electricity and Gas	103	96	78	7.3	32.1
Materials	79	86	78	(8.1)	1.3
Trips	27	44	29	(38.6)	(6.9)
Others	227	281	183	(19.2)	24.0
Total	**4,116**	**4,574**	**3,639**	**(10.0)**	**13.1**

Insurance and Pension Plans

R$ million	1Q16	4Q15	1Q15	Variation % Q-o-Q	Variation % Y-o-Y
Summarized Income Statement					
Insurance Written Premiums, Pension Plan Contribution and Savings Bond Income	**15,186**	**19,130**	**13,634**	(20.6)	11.4
Premiums Earned from Insurance, Pension Plans Contribution and Savings Bond Income	9,319	9,396	8,421	(0.8)	10.7
Financial Result of the Operation	1,441	1,463	1,381	(1.5)	4.3
Sundry Operating Income	287	364	158	(21.2)	81.6
Retained Claims	(5,614)	(5,784)	(5,078)	(2.9)	10.6
Capitalization Bonds Draws and Redemptions	(1,226)	(1,255)	(1,218)	(2.3)	0.7
Selling Expenses	(833)	(815)	(817)	2.2	2.0
General and Administrative Expenses	(645)	(781)	(553)	(17.4)	16.6
Tax Expenses	(198)	(195)	(173)	1.5	14.5
Other Operating Income / Expenses	(274)	(194)	(171)	41.2	60.2
Operating Result	**2,256**	**2,197**	**1,950**	2.7	15.7
Equity Result	183	233	134	(21.5)	36.6
Income before Taxes, Non-Controlling Interest and Profit Sharing	**2,439**	**2,431**	**2,084**	**0.3**	**17.0**
Tax and Contributions	(991)	(977)	(739)	1.4	34.1
Profit Sharing	(30)	(19)	(26)	57.9	15.4
Non-Controlling Interest	(39)	(29)	(36)	34.5	8.3
Net Income	**1,380**	**1,405**	**1,283**	(1.8)	7.6



Bradesco

1Q16 Earnings Results

NÍVEL 1 BM&FBOVESPA

BBD LISTED NYSE

BBDO LISTED NYSE

LATIBEX XBBDC

Índice de Ações com Tag Along Diferenciado ITAG

Índice de Sustentabilidade Empresarial ISE 2016

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

Índice Carbono Eficiente ICO2

abrasca Associação Brasileira das Companhias Abertas