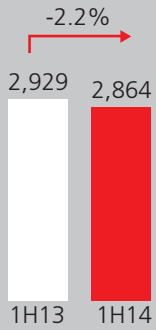
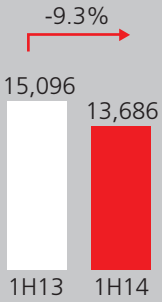
Highlights (BR GAAP)

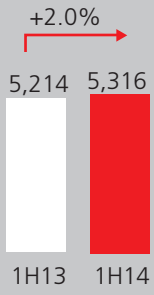
Managerial Net Profit (R$ million)



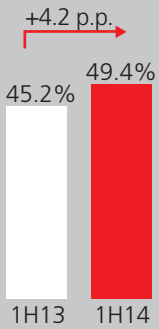
Net Interest Income (R$ million)



Fee and Commission Income (R$ million)



Efficiency Ratio



Santander Brasil is a universal bank focused on retail activities. We seek to expand our business through: **1) Preference and Linkage:** Segmented, simple and effective products and services that, through a multi-channel platform, seek to maximize the customer satisfaction, **2) Recurrence and Sustainability:** Business growth with greater revenue diversification and rigorous risk management, **3) Productivity:** intense agenda of productive transformation aligned with the transformation of the financial industry, **4) Capital Discipline and Liquidity:** to maintain the solidity, to face regulatory changes and to take advantages of growth opportunities.

Furthermore, another fact worth mentioning is the performance of Santander Brasil in sustainability, which continued to be based on three basic pillars: Social and Financial Inclusion, Education and Management, and Social and Environmental Businesses. In Microcredit Activities, Santander is a leader among private banks.

Another fact important to our strategy is the maintenance at comfortable levels of liquidity and coverage. At the end of June 2014, the BIS ratio reached 17.9%, positioning the Bank as the most capitalized bank among the largest retail banks. As an example, for the second year Santander Brasil was recognized by Bloomberg the most solid bank in South America. This ranking considers five criteria of economic performance, including capital and liquidity.

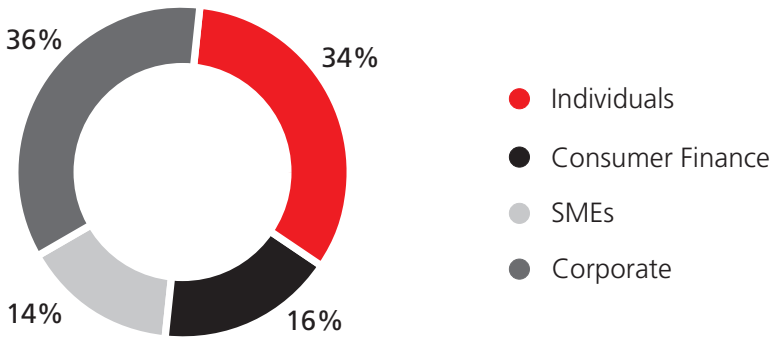
In addition, it is important to point out that Santander's business model stipulates that each subsidiary should be self-sufficient in terms of funding and capital. Santander Brasil only deals with Brazilian customers and foreign companies operating in the country and therefore plays an important role in fostering the country's economic growth.

Sustainable Development

To Santander, sustainability is part of the business strategy. It is a commitment that is reflected in inserting the topic in our business model, fostering social and financial inclusion, investing in better education and doing business that promote outcomes for the bank and for everyone. Santander´s commitment to sustainability, as well as its strategy and initiatives, granted its integration in three reference indexes for investments socially responsible: the Índice de Sustentabilidade Empresarial (ISE) from BM&F Bovespa (for the fourth year consecutively), the Índice Carbono Eficiente (ICO2), also from BM&F Bovespa, which is based in the IBrX-50's portfolio and considers the companies' greenhouse gases emissions, and the Global Compact 100, an index which gathers shares from companies committed to the United Nations Global Compact. We have also been recognized by the Inter-American Development Bank (IDB) on its fourth edition of the BeyondBanking Award with the Reduza e Compense CO2 (Reduce and Compensate CO2) initiative. The award was conceded at the PlanetBanking category, which recognizes the best sustainability projects from financial institutions in all Latin America. The Reduza e Compense CO2 is a pioneering initiative in the market, which integrates socio-environmental businesses and the individual empowerment in combating climate change.

For more information go to: http://www.santander.com.br/sustentabilidade (available in Portuguese only).

Credit Portfolio (%) June/2014
(Distribution by Segment)



Highlights in the Period - 1H14

RESULTS

Net profit totaled R$ 2,864 million in the first half of 2014, an increase of 0.6% in three months and a decrease of 2.2% in comparison to the same period of 2013.

INDICATORS

Evolution of **performance indicators**:

- Efficiency ratio: 49.4% in 1H14, a growth of 0.2 p.p. in the quarter and of 4.2 p.p. in twelve months
- Recurrence ratio: 66.4% in the first half of 2014, an improvement of 0.3 p.p. over previous quarter and in the year.
- ROAE: 11.3% in 1H14, an improvement of 0.4 p.p. in three months and a decrease of 0.1 p.p. in twelve months.

Soundness indicators:

- BIS Ratio: 17.9% in June 2014, a decrease of 0.4 p.p. against the previous quarter and of 3.6 p.p. over June 2013.
- Coverage ratio: 158.5% in June 2014, a decrease of 18.1 p.p. over March 2014 and an increase of 26.5 p.p. in the last 12 months.

BALANCE SHEET

- **Total Assets of R$ 494,200 million**, an increase of 5.6% in the year.
- **Loan portfolio of R$ 226,299 million,** higher 3.8% than June 2013. **Expanded Credit portfolio increased 4.9%** in the same period, reaching R$ 279,722 million.
- **Equity of R$ 50,417 million** (excluding average goodwill of R$ 7,586 million)

Managerial[1] Analysis - BR GAAP

	1H14	1H13	Var. 1H14x1H13	Var. 2Q14x1Q14
RESULTS (R$ million)				
Net interest income	13,686	15,096	-9.3%	-4.5%
Fee and commission income	5,316	5,214	2.0%	1.9%
Allowance for loan losses	(4,797)	(6,573)	-27.0%	4.5%
General Expenses[2]	(8,006)	(7,883)	1.6%	1.5%
Managerial net profit[3]	**2,864**	**2,929**	**-2.2%**	**0.6%**
Accounting net profit	**1,046**	**1,110**	**-5.8%**	**1.8%**
BALANCE SHEET (R$ million)				
Total assets	494,200	468,050	5.6%	-0.1%
Securities	103,862	77,534	34.0%	7.9%
Loan portfolio	226,299	218,053	3.8%	1.0%
Individuals	75,873	72,258	5.0%	0.4%
Consumer finance	36,851	37,021	-0.5%	-1.5%
Small and Medium Enterprises	31,264	35,582	-12.1%	-1.9%
Corporate	82,312	73,192	12.5%	4.1%
Expanded Credit Portfolio[4]	279,722	266,730	4.9%	1.6%
Funding from Clients[5]	230,575	204,887	12.5%	3.2%
Equity[6]	50,417	52,776	-4.5%	3.5%
PERFORMANCE INDICATORS (%)				
Return on average equity excluding goodwill[6] - annualized	11.3%	11.4%	-0.1 p,p,	0.4 p,p,
Return on average asset excluding goodwill[6] - annualized	1.2%	1.3%	-0.1 p,p,	0.0 p,p,
Efficiency Ratio[7]	49.4%	45.2%	4.2 p,p,	0.2 p,p,
Recurrence Ratio[8]	66.4%	66.1%	0.3 p,p,	0.3 p,p,
BIS ratio[9]	17.9%	21.5%	-3.6 p,p,	-0.4 p,p,
PORTFOLIO QUALITY INDICATORS (%)				
Delinquency (over 90 days)	4.1%	5.2%	-1.1 p,p,	0.3 p,p,
Delinquency (over 60 days)	5.2%	6.2%	-1.0 p,p,	0.4 p,p,
Coverage ratio (over 90 days)	158.5%	132.1%	26.5 p,p,	-18.1 p,p,
OTHER DATA				
Assets under management - AUM (R$ million)[10]	154,183	144,413	6.8%	3.2%
Numbers of credit and debit cards (thousand)	55,703	50,207	10.9%	1.8%
Branches	2,237	2,393	(156)	(18)
PABs (mini branches)	1,212	1,322	(110)	(8)
ATMs[11]	15,858	17,528	(1,670)	(621)
ATMs - (Banco 24H)	16,950	14,387	2,563	718
Total Customers (thousand)	30,353	28,418	1,935	296
Employees	48,760	51,702	(2,942)	109

1. Excludes 100% of the goodwill amortization expense, the tax hedge effect and others.
2. Administrative Expenses exclude 100% of the goodwill amortization expense and personnel expenses include profit sharing.
3. Managerial net profit corresponds to the accounting net profit + 100% of reversal of goodwill amortization expense ocurred in the period. The expense of goodwill amortization in 1H14 and 1H13 was R$ 1,818 million and in 2Q14 and 1Q14 was R$ 909 million.
4. Includes other Credit Risk Transactions with clients ("Debenture", FIDC, CRI, Floating Rate Notes, Promissory Notes, Acquiring activities related assets and Guarantees).
5. Includes savings, demand deposits, time deposits, debenture, LCA, LCI and Treasury Notes (Letras Financeiras - LFT).
6. Excludes 100% of the goodwill that in 2Q14 was R$ 7,586 million, 2Q13 R$ 11,187 million and 1Q14 was R$ 8,495 million.
7. Efficiency Ratio: General Expenses / (Net Interest Income + Fee and Commission Income + Tax Expenses + Other Operating Income/Expense)
8. Recurrence: Fee and Commission Income / General expenses.
9. BIS Ratio as of of Brazilian Central Bank.
10. According to Anbima (Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais) criterion.
11. The reduction of ATMs is related mainly to the Tecban agreement.

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