BTG Pactual's net profit grows 36% to R$832mn in 1Q14.

In relation to 4Q13, net profit came in 8% higher.

São Paulo, 6 May 2014 – BTG Pactuals 1Q14 net profit totaled R$832mn, 36% higher than in 1Q13 and 8% higher than in 4Q13.

Consolidated revenues came in at R$1.706bn, stable in relation to both

1Q13 and 4Q13. ROAE (return on average equity) was 20.2%, versus 16.9% in 1Q13 and 19.3% in 4Q13.

In 1Q14, BTG Pactual posted solid returns and a good performance in client areas, maintaining high quality in the Investment Banking market in Brazil and Latin America and in corporate credit assets.

“We are very satisfied with our returns in the period. Our businesses continue to perform well, and this is the first quarter with a positive relevant impact from our global commodities trading platform.

Our units in Latin America also posted good results in the quarter, reflecting several business opportunities and the good work carried out by our local teams. These initiatives, in addition to bringing in additional revenues and returns, are also further diversifying our business platform”, said André Esteves (CEO).

“Despite maintaining capital allocation and balance sheet usage at low levels, and with weak levels of activity in Latin American capital markets, we still managed to obtain good returns in the quarter and we remain optimistic on the opportunities during the year”, said Esteves.

Net equity grew 15% y/y, from R$14.7bn in 1Q13 to R$16.9bn in 1Q14, after the payment of dividends and interest on equity of R$649.6mn in the period. In relation to 4Q13, net equity rose 5%. The bank enjoyed a particularly strong quarter in Sales&Trading, where revenues increased 30%, from R$670.4mn in 1Q13 to R$873.9mn in 1Q14. This growth mainly reflects the good performance of client operations in the commodities segment, following the successful implementation of the banks global commodities platform.

FX trading desk revenues also provided a positive contribution, whereas the equities trading desks posted lower-than-expected results due to the scenario of client risk aversion, especially in the Brazilian stock market.

BTG Pactual posted higher gains from management fees. In Asset Management, we again recorded significant results, increasing our ROE as a result of the continued improvement in the asset mix. Assets undermanagement and administration came out at R$188.5mn, up 7% versus 1Q13. The Wealth Management division ended the quarter with R$68.2bn in AUM, slightly higher than 1Q13s R$ 66.7bn.

Operating expenses of R$647mn were 26.48% lower than in 4Q13 and 2.41% lower than in 1Q13.

The main efficiency indicators also came in line with the banks expectations for the quarter. More specifically, the efficiency ratio was 38% and the compensation ratio was 22.5%. The effective income tax rate for the period was 21.5%.

The Principal Investments area recorded negative revenues of R$114.8mn in 1Q14, mainly due to the real estate division, whose results were affected by the investment in BR Properties. BTG Pactuals full results are available at [www.btgpactual.com/ri](http://www.btgpactual.com/ri) .

About BTG Pactual

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BTG Pactual is Latin America’s leading Investment Bank, with 30 years of experience in Brazilian and international markets; · Voted Most Innovative Investment Bank in Latin America by The Banker (2013), and Best Investment Bank in Brazil and Chile by World Finance (2013); · Leader in equity issuances in Latin America since 2004 (Dealogic) and in Brazil (Bloomberg, 2012); Best M&A House (Brazil) and Best Equity House (Brazil, Chile and Latin America) according to Euromoney (2013); · Ranks #1 in volume and number of fixed income deals involving Brazilian companies in the international market (Dealogic, 2013) and in M&A deals in Brazil (Thomson Reuters, 2013); · Voted Best Research Team in Latin America (2012) and Brazil (2013 and

2012) and Best Sales&Trading Services Team in Latin America (2013) and Brazil (2013 and 2012) by Institutional Investor; · With R$188.5bn in assets under management and/or administration, the Asset Management area was voted Best Fund Manager in Brazil by the Exame magazine (in conjunction with Fundação Getúlio Vargas) for two consecutive years (2012 and 2011); · With R$68.2bn in assets under management, the bank’s Wealth Management division was voted Best Private Bank Service in Brazil by Euromoney and The Banker (2013); · Over 2,700 employees working in 19 offices in Latin America (Brazil, Chile, Peru, Colombia and Mexico), the US, the UK and China.

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