Interim Condensed Financial Statements

BTG Pactual Participations Ltd.

March 31, 2016
with independent auditors' review report

BTG Pactual Participations Ltd.

Interim condensed financial statements

As of March 31, 2016

Content

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A free translation from Portuguese into English of the independent auditors' review report on interim condensed financial statement prepared in accordance with the international accounting standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB.

Independent auditors' review report

To the Shareholders and Management of
BTG Pactual Participations Ltd.

We have reviewed the interim condensed financial statements of BTG Pactual Participations Ltd. ("Company") for the quarter ended March 31, 2016, which comprise the interim condensed balance sheet as of March 31, 2016 and the related interim condensed statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and a summary of significant accounting practices and other explanatory notes.

Management is responsible for the preparation and fair presentation of this interim condensed financial statement in accordance with the international accounting standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB. Our responsibility is to express a conclusion on this interim condensed financial statement based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial statements referred to above have not been prepared, in all material respects, in accordance with the international accounting standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB.

Emphasis of matters

We draw attention to Note nº 1 to the interim condensed financial statements, which indicates the actions implemented by the Company since the November 25, 2015 events that impacts its operations, including the investigation process, which was completed on April 7, 2016, measures to preserve capital, to maintain liquidity related to dividend distributions, among others. Our conclusion is not qualified in respect of this matter.

Rio de Janeiro, May 10, 2016.

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP 015.199/F-6

Grégory Gobetti
Accountant CRC – 1PR 039.144/O-8

BTG Pactual Participations Ltd.

Interim condensed balance sheets

As of March 31, 2016 and December 31, 2015
(In thousands of reais)

Assets	Note	3/31/2016	12/31/2015
Investment entity portfolio	6	600,587	723,829
Total assets		**600,587**	**723,829**
Liabilities			
Due to brokers	14	-	540
Total liabilities		**-**	**540**
Shareholders' equity			
Capital stock and share premium	7	1,328,880	1,328,880
Treasury shares	1, 7	(32,206)	(32,665)
Other comprehensive income		557,506	600,930
Accumulated losses		(1,253,593)	(1,173,856)
Total shareholders' equity		**600,587**	**723,289**
Total liabilities and shareholders' equity		**600,587**	**723,829**

The accompanying notes are an integral part of these interim financial statements.

BTG Pactual Participations Ltd.

Interim condensed statements of income
Quarters ended March 31
(In thousands of reais, except for loss per share)

	Note	3/31/2016 (1)	3/31/2015 (1)
Interest income	9a	-	37,369
Interest expenses	9b	-	(415,485)
Interest expenses, net		**-**	**(378,116)**
Gains on financial instruments held for trading	10	-	150,802
Gains on financial assets designated at fair value through profit and loss		-	2,137
Equity pickup in associates and joint ventures, before change of status to investment entity		-	(6,965)
Other operating income / (expenses)	11	1,007	(84,602)
Loss on investment entity portfolio measured at fair value	13	(22,593)	-
Operating loss		**(21,586)**	**(316,744)**
Administrative expenses	12	(183)	(51,488)
Other expenses		-	(27,857)
Loss for the quarter		**(21,769)**	**(396,089)**
Net loss attributed to:			
Controlling shareholders		(21,769)	(99,220)
Non-controlling shareholders		-	(296,869)
Loss per share (basic and diluted - R$)	8	(0.03)	(0.15)

(1) Refer to Note 2(b) regarding the application of the investment entity guidance.

The accompanying notes are an integral part of these interim financial statements.

BTG Pactual Participations Ltd.

Interim condensed statements of comprehensive income
Quarters ended March 31
(In thousands of reais)

	3/31/2016 (1)	3/31/2015 (1)
Net loss for the quarter	(21,769)	(396,089)
Other comprehensive loss to be reclassified to profit or loss:	-	(583,933)
Share of other comprehensive income of non-controlled entities:		
Foreign exchange	-	85,144
Movements in financial assets at fair value through othercomprehensive income:		
Unrealized - before change in status	-	(255,712)
Exchange differences on translation of controlled entities	-	(413,365)
Other comprehensive (loss) / income not to be reclassified to profit or loss:	(43,424)	779,211
Currency translation adjustments	(43,424)	779,211
Total comprehensive loss for the quarter	**(65,193)**	**(200,811)**
Total comprehensive loss attributed to:		
Controlling shareholders	(65,193)	(50,351)
Non-controlling shareholders	-	(150,460)

(1) Refer to Note 2(b) regarding the application of the investment entity guidance.

The accompanying notes are an integral part of these interim financial statements.

BTG Pactual Participations Ltd.

Interim condensed statement of changes in shareholders' equity
Quarters ended March 31
(In thousands of reais)

	Note	Capital stock and share premium	Other comprehensive income: From Company	Other comprehensive income: From non-controlled entities	Treasury shares	Accumulated losses	Total shareholders' equity	Non-controlling interest	Total shareholders' equity and non-controlling interest
Balance as of December 31, 2014		**1,125,180**	**230,889**	**(37,999)**	**-**	**(283,693)**	**1,034,377**	**3,113,790**	**4,148,167**
Net loss of the quarter		-	-	-	-	(99,220)	(99,220)	(296,869)	**(396,089)**
Share of other comprehensive income of non-controlled entities:									
Foreign exchange		-	-	21,330	-	-	21,330	63,814	**85,144**
Change in financial assets at fair value through other comprehensive income									
Unrealized		-	(64,062)	-	-	-	(64,062)	(191,650)	**(255,712)**
Exchange differences on translation of controlled entities		-	(103,557)	-	-	-	(103,557)	(309,808)	**(413,365)**
Currency translation adjustments		-	195,158	-	-	-	195,158	584,053	**779,211**
Balance as of March 31, 2015		**1,125,180**	**258,428**	**(16,669)**	**-**	**(382,913)**	**984,026**	**2,963,330**	**3,947,356**
Balance as of December 31, 2015		**1,328,880**	**600,930**	**-**	**(32,665)**	**(1,173,856)**	**723,289**	**-**	**723,289**
Repurchase of shares	1, 7	-	-	-	(57,509)	-	(57,509)	-	**(57,509)**
Cancelation of treasury shares	1, 7	-	-	-	57,968	(57,968)	-	-	**-**
Net loss of the quarter		-	-	-	-	(21,769)	(21,769)	-	**(21,769)**
Currency translation adjustments		-	(43,424)	-	-	-	(43,424)	-	**(43,424)**
Balance as of March 31, 2016		**1,328,880**	**557,506**	**-**	**(32,206)**	**(1,253,593)**	**600,587**	**-**	**600,587**

The accompanying notes are an integral part of these interim financial statements.

BTG Pactual Participations Ltd.

Interim condensed statements of cash flows
Quarters ended March 31
(In thousands of reais)

	Note	3/31/2016 (1)	3/31/2015 (1)
Operating activities			
Net loss for the quarter		(21,769)	(396,089)
Adjustments to the loss for the quarter			
Equity pickup in associates and joint ventures		-	6,965
Financial assets at fair value through profit or loss	13	22,593	-
Adjusted gain/(loss) for the quarter		824	(389,124)
(Increase)/decrease in operating assets, net			
Investment entity portfolio – capital reduction		58,422	-
Derivative financial instruments		-	389,077
Financial assets held for trading		-	5,330,690
Financial assets designated at fair value		-	(358,225)
Financial assets available for sale		-	252,824
Loans and receivables		-	(532,093)
Due from brokers		-	(41,059)
Other assets		-	(385,950)
Increase/(decrease) in operating liabilities, net			
Open market funding		-	(7,991,008)
Derivative financial instruments		-	(467,052)
Financial liabilities held for trading		-	(1,633,168)
Due to brokers		(540)	2,084,077
Other liabilities		-	164,194
Cash provided by/(used in) operating activities		58,706	(3,576,817)
Investment activities			
Capitalization/acquisition of associates and joint ventures		-	(31,868)
Sale/transfer of associates and joint ventures		-	209,686
Cash provided by investing activities		-	177,818
Financing activities			
Repurchase/cancelation of treasury shares		(57,509)	-
Financial liabilities at amortized cost		-	1,112,592
Cash (used in)/provided by financing activities		(57,509)	1,112,592
Increase/(decrease) in cash and cash equivalents		**1,197**	**(2,286,407)**
Balance of cash and cash equivalents			
At the beginning of the quarter		-	10,094,874
Foreign exchange gains on cash and cash equivalents		1,197	66,078
At the end of the quarter		-	7,742,389
Increase/(decrease) in cash and cash equivalents		**1,197**	**(2,286,407)**

(1) Refer to Note 2(b) regarding the application of the investment entity guidance.

The accompanying notes are an integral part of these interim financial statements.

1. Operations

BTG Pactual Participations Ltd ("BTGP" or "Company") was incorporated as a tax exempted Limited Liability Company under the laws of Bermuda on March 26, 2010. On December 29, 2010, the Bermuda monetary authority approved the incorporation of the Company. The Company headquarters is located on Clarendon House, 2 Church Street, HM 11, Hamilton, Bermuda.

The Company has applied for and has been granted exemption from all forms of taxation in Bermuda until March 31, 2035, including income, capital gains and withholding taxes. In jurisdictions other than Bermuda, some foreign taxes will be withheld at source on dividends and certain interest received by the Company.

Banco BTG Pactual S.A. ("BTG Pactual" or "Bank") and BTGP (together with BTG Pactual, the "Group") have units listed on NYSE Euronext in Amsterdam and BM&F BOVESPA in São Paulo. Each unit issued, corresponds to 1 common share and 2 preferred shares, class A, of Bank and 1 common share and 2 preferred shares, class B of BTG Pactual Participations Ltd. All units listed and traded in Amsterdam remained wholly interchangeable with the units in Brazil

The Company is the sole owner of BTG Bermuda LP Holdco Ltd ("BTG Holdco") which, on December 29, 2010, received a Class C common share from BTG Pactual Management Ltd and thus became general partner of BTG Investments LP ("BTGI"). As a consequence of this transaction, the Company obtained the right to control the financial and operating policies of BTGI.

BTGI was formed in 2008 and makes proprietary capital investments in a wide range of financial instruments, including merchant banking investments in Brazil and overseas, and a variety of financial investments in global markets.

BTG Pactual's asset management area manages BTGI's assets, which do not have their own management, and receives fees at arm's length.

Special Committee

On December 4, 2015, the Board of Directors created a Special Committee, consisting of a majority of independent/non-executive members of the Board of Directors, to oversee and direct an internal investigation of issues raised as a result of the arrest of Mr. André Santos Esteves. The Special Committee hired the law firms Quinn Emanuel Urquhart & Sullivan, LLP and Veirano Advogados (together, "Legal Counsel") to conduct the independent investigation on its behalf. The Board of Directors granted the Special Committee and Legal Counsel authority to require full cooperation from the Group, its management and its employees in the investigation and unlimited access to information requested by the Special Committee and Legal Counsel.

On April 7, 2016, the Special Committee, consisting mostly of the independent members of the board of directors, assisted by outside counsels Quinn Emanuel Urquhart & Sullivan, LLP and Veirano Advogados (together "Counsel"), concluded their investigation and released the final report. Based on its investigation, Counsel found no basis to conclude that Andre Esteves, BTG Pactual or members of its personnel that were object of this investigation engaged in any corruption or illegality with respect to the alleged matters. In addition, in April, the Brazilian Supreme Court authorized Mr. André Esteves to return to BTG Pactual, who has been acting as Senior Partner, with no executive function.

Buyback Program

On November 25, 2015, the Management approved a stock repurchase program that envisioned the acquisition of up to 10% of the free-float (approximately 23 million units). On December 13, 2015, the Board of Directors approved the cancellation of the repurchased shares (approximately 20 million units), as well as the approval of the continuity of the share repurchase program of up to approximately 21 million units.

As a result of the buyback program, during the year of 2015, approximately 95,920,626 shares (31,973,542 class A and 63,947,084 class B shares) corresponding to R$112,614 were repurchased, and 59,702,436 shares (19,900,812 class A and 39,801,624 class B shares), totaling R$79,949 were canceled during the year ended on December 31, 2015.

During the quarter ended on March 31, 2016 the Company repurchased approximately 52,156,824 shares, of which 17,385,608 class A and 34,771,216 class B shares, corresponding to R$57,509. As of March 31, 2016, 28,599,324 shares (December 31, 2015 – 32,218,190 shares), of which 9,533,108 class A (December 31, 2015 – 12,072,731 shares) and class B 19,066,216 shares (December 31, 2015 – 24,145,460 shares), totaling R$32,206 (December 31, 2015 – R$32,665) are held as treasury stock and 59,775,690 shares (19,925,230 class A and 39,850,460 class B shares), totaling R$57,968 were canceled during the quarter.

The financial statements were approved by the Management on May 10, 2016 and they contain a true and fair view of the financial position and results of the Company.

2. Presentation of interim condensed financial statements

The Company's interim condensed financial statements were prepared and are being presented in accordance with International Accounting Standard (IAS 34) – Interim Financial Reporting, issued by International Accounting Standards Board (IASB).

The items included in the financial statements of each of the businesses of the Company are measured using the currency of the primary economic environment in which the company operates ("functional currency"). The Company's functional currency is the U.S. Dollar, since the majority of the Company's business transactions are in the mentioned currency. The subsidiaries functional currency generally corresponds to the currency from its country.

These interim condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Company's financial statements for the year ended December 31, 2015, issued on February 19, 2016.

The preparation of the condensed interim financial statements in accordance with IFRS requires Management to make estimates and assumptions that may affect the reported balances of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Their judgments are particularly relevant in the determination of fair values of financial assets and liabilities, allowances for loan losses and other receivables, impairment of non-financial assets, realization of deferred income taxes, assets and liabilities and the assessment of the need for provisions for contingent liabilities. Estimates are based on historical experience and various other factors that Management believes to be reasonable under the circumstances. Actual results may differ from those estimates.

The accounting policies set out in Note 3 have been applied consistently to all periods presented in these interim condensed financial statements except for the application of IFRS 10 Consolidated Financial Statements – Investment Entities (Amendment), described in the financial statements for the year ended on December 31, 2015, and the effects of the early adoption of IFRS 9 – Financial Instruments, described below.

a. Early Adoption of IFRS 9 – Financial Instruments

The Company decided to early adopt, and with prospective effects, IFRS 9 – Financial Instruments with the date of initial application of January 1, 2016 in order to reduce the complexity of its financial statements, volatility in the income statement, and to anticipate a change that will be mandatory as of January 1, 2018. The standard determines new requirements for classifying and measuring financial assets and financial liabilities, for the credit risk impairment methodology for financial assets, and for the hedge accounting treatment.

Subsequently to the IFRS 9 early adoption without electing fair value option nor hedge accounting, the Company classified prospectively its financial assets as measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVTOCI) with or without recycling, or at amortized cost. The main characteristics of IFRS 9 are further described in the main accounting practices.

Apart from the aforementioned changes in classification, no significant impact was identified for the Company's financial statements for the quarter ended on March 31, 2016, as of January 1, 2016, date of the IFRS 9 early adoption.

b. IFRS 10 Consolidated Financial Statements – Investment Entities (Amendment)

According to the financial statements for the year ended on December 31, 2015, the Company became an investment entity according to IFRS 10 – Investment Entity from September 30, 2015 onwards.

c. Application and significant judgments

The Company's investment entity portfolio is held through BTG Holdco, which measures its investment in BTGI, at fair value through profit or loss. Both entities are now fair valued. When it is impractical or there is reasonable effort to measure the fair value of the entity, IFRS 10 allows an investment entity to use the previous carrying amount of the subsidiary.

The estimates and underlying assumptions are reviewed on an ongoing basis, and at least annually. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

d. Revised IFRS pronouncements

The following standards have been adopted as of and for the quarter ended March 31, 2016:

• Annual improvements

The "Annual Improvements to IFRSs" for the 2012-14 annual improvement cycles were issued September 25, 2014 and their adoption is required from July 1, 2016.

The Company does not believe that the amendments will have a material impact on its financial statements except for additional disclosures that will be provided.

• IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

"Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" amends IFRS 10 and IAS 28, to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows: (i) require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations), (ii) require the partial recognition of gains and losses where the assets do not constitute a business.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in any subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

The change is effective since January 1, 2016 and Management assessed the possible impacts. However, it came to a conclusion that they are not significant as of March 31, 2016.

3. Main accounting practices

a. Financial instruments

This section described the accounting practices adopted as a result of the early adoption of IFRS 9.

Recognition date

All financial assets and liabilities are initially recognized on the trading date, that is, the date in which the entity becomes an interested party to the contractual relationship of the instrument. This includes purchases or sales of financial assets that require delivery of the asset at a specified time established by regulation or market standard.

Initial recognition of financial instruments

The classification of the financial instruments at their initial recognition depends on the purpose for which they were acquired and their characteristics. Subsequently to the IFRS 9 early adoption without electing fair value option, the Company classified its financial assets as measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVTOCI) with or without recycling or at amortized cost.

Derivatives

Derivative financial instruments are recorded at fair value and held as assets when fair value is positive and as liabilities when fair value is negative. The changes in fair value of derivatives are recognized in the consolidated income statement "Net gains (losses) with financial instruments held for trading".

Embedded derivatives in other financial instruments, such as the convertible feature of an instrument, are treated as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those in the host contract, as long as the host contract is not held for trading or designated at fair value through profit and loss. The embedded derivatives separated from principal are held at fair value in the portfolio with fair value changes recognized in the statement of income.

Financial assets and liabilities designated at fair value through profit or loss

Financial assets and liabilities classified in this category are those designed as such on initial recognition. The designation of a financial instrument at fair value through profit or loss on initial recognition is only possible when the following criteria is observed and the designation of each instrument is individually determined:

- Designation eliminates or significantly reduces the inconsistent treatment which would occur in the measurement of assets and liabilities or in the recognition of gains and losses corresponding to different ways; or

- Assets and liabilities are part of a group of financial assets, financial liabilities, or both, which are managed and with their performance assessed based on the fair value, as a documented strategy of risk or investment management; or

- The financial instrument contains one (or more) embedded derivative(s), which significantly modifies the cash flows that would otherwise be required by the agreement.

Financial assets and liabilities at fair value through profit and loss are recorded in the balance sheet at fair value. Changes in the fair value and earned or incurred interest are recorded in "Net gain on financial assets or liabilities designated at fair value through profit and loss".

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income includes equities and debt instruments:

Equity Instruments

At initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading, nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies. If it makes such election, only dividend income that does not clearly represent a recovery of part of the cost of the investment is recognized in profit or loss, with all other gains and losses (including those related to foreign exchange) recognized in other comprehensive income. These gains and losses remain permanently in equity and are not subsequently reclassified to profit or loss, even on derecognition. After derecognition of the investment, the Company may transfer the cumulative gain or loss retained in other comprehensive income to retained earnings.

Debt Instruments

Debt instruments can be recognized under this category if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The unrealized gains or losses are recognized directly in equity as other comprehensive income. Upon the realization of the debt instrument, the unrealized gains or losses, previously recognized in the statement of comprehensive income, are reclassified to the income statement, as “Gain (losses) on fair value through other comprehensive income”.

Financial assets measured at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and;

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, financial assets are measured at amortized cost using the effective interest rate method. Although the Company is not expected to sell a financial asset measured under this category, as it is expected to hold it to maturity to collect contractual cash flows, the Company need not hold all of those instruments until maturity and sales may occur.

Financial liabilities at amortized cost

Financial liabilities are measured at amortized cost using the effective interest rate method and taking into account any discount or premium on issue and relevant costs that become part of the effective interest rate.

Impairment of financial assets

Under IFRS 9, at initial recognition of a debt instrument, the Company needs to project its expected credit losses for the next 12 months and recognize it as an allowance for credit losses, even though no losses have yet occurred. This is a change of concept to a expected loss model, rather than an incurred loss model that was effective under IAS 39.

If the Company is expecting a significant deterioration in the credit quality of its counterparty, it should recognize an allowance equivalent to the lifetime expected credit losses of the instrument, rather than only the 12 month expected credit losses.

If the assets are no longer performing (a credit event), despite considering the expected credit losses for the lifetime of the instrument, the Company should also recognize interest revenue based on the net carrying amount, which means that the allowance should be accounted for on interest recognition.

The main evidence of deterioration of the credit quality of the counterparty are:

- the significant decline in the fair value of any security for a prolonged period;

- noncompliance with contract terms for delay of principal or interest;

- deterioration in ability to pay and operational performance;

- breach of covenants;

(In thousands of reais)

- significant change in the performance of the counterparty market;

- reduced liquidity of the asset due to financial difficulties the lender.

In case of any impairment losses related to financial assets through other comprehensive income, such losses will be recognized on the consolidated statements of income against other comprehensive income in an account called "accumulated impairment amount". However, if in a subsequent year occur an increase in the fair value of the financial asset that can be related to any event, the loss previously considered will be reversed in profit and losses.

The Company is required to reduce the gross carrying amount of its financial instruments when there is no reasonable expectation of recovering the contractual cash flows on the financial assets on its entirety or a portion thereof.

b. Subsidiaries

The table below presents the direct and indirect interest of the Company in its subsidiaries which have been consolidated in the financial statement up to the change in status to the investment entity:

		Equity interest - %	
	Country	3/31/2016	12/31/2015
Direct			
BTG Bermuda LP Holdco Ltd.	Bermuda	100.00	100.00
Indirect			
BTG Investments LP	Bermuda	24.43	25.88

Below is the ownership interest held by BTGI in its subsidiaries and investment funds:

		Equity interest - %	
	Country	3/31/2016	12/31/2015
Subsidiaries			
BTG Loanco LLC	USA	100.00	100.00
BTG Pactual Stigma LLC	USA	100.00	100.00
BTG Pactual Reinsurance Holdings LP	Bermuda	100.00	100.00
BTG Equity Investments LLC	USA	100.00	100.00
Preserve Insurance Co. Ltd	UK	100.00	100.00
BTG Pactual Mining S.A.	Brazil	100.00	100.00
Hárpia Omega Participações S.A.	Brazil	100.00	100.00
BTG Pactual Capital Participações S.A.	Brazil	100.00	100.00
BTG Pactual Servicios S.A. de C.V.	Mexico	100.00	100.00
BTG Pactual Swiss Services S.A.	Switzerland	100.00	100.00
Aigues de Catalunya Ltd.	UK	98.00	98.00
BTG Pactual Iberian Concessions Ltd.	UK	100.00	100.00
BTG Pactual PropertyCo LLC	USA	100.00	100.00
BTG Pactual PropertyCo II LLC	USA	100.00	100.00
BTG Pactual Prop Feeder (1) S.a.r.l.	Luxembourg	100.00	100.00
BTG Pactual Investimentos Florestais S.A.	Brazil	100.00	100.00
BRPEC Agro Pecuária S.A.	Brazil	100.00	100.00
BTG Pactual Proprietary Feeder (1) Limited	Cayman	100.00	100.00
A.Z.A.S.P.E Empreendimentos e Participações S.A.	Brazil	100.00	100.00
A.Z.P.S.P.E Empreendimentos e Participações S.A.	Brazil	86.56	86.56
BTG Pactual SCFlor & São Lourenço Holding S.A. (i)	Brazil	26.67	26.67
São Lourenço Empreendimentos Florestais Ltda. (i)	Brazil	26.67	26.67
Fazenda Corisco Participações S.A. (i)	Brazil	26.67	26.67
BTG Pactual Santa Terezinha Holding S.A. (i)	Brazil	25.07	25.07
SCFlor Empreendimentos Agrícolas Ltda. (i)	Brazil	25.07	25.07

(In thousands of reais)

		Equity interest - %	
	Country	**3/31/2016**	**12/31/2015**
Fazenda Santa Terezinha Participações S.A. (i)	Brazil	25.07	25.07
BTGI Quartzo Participações S.A	Brazil	100.00	100.00
BTGI Safira Participações S.A	Brazil	100.00	100.00
Investment funds			
Beira Rio Fundo de Investimento em Participações	Brazil	100.00	100.00
Bravo Fundo de Investimento em Participação	Brazil	100.00	100.00
BTG Pactual Brazil Investment Fund I LP	Cayman	100.00	100.00
BTG Pactual Absolute Return II Master Fund LP	Cayman	100.00	100.00
Turquesa Fundo de Investimento em Participação	Brazil	100.00	100.00
FII - FII Estoque Residencial Vitacon	Brazil	100.00	100.00

(i) The investee equity is divided into ordinary and preferred shares. The Company has the majority of the ordinary shares and voting rights.

As described in Note 1, as from December 29, 2010, the Company became the general partner of BTGI with powers to control BTGI's financial and operating policies through the interest held in that Company.

During the year ended December 31, 2015 the Company received a capital contribution from Generali NV, as part of the BSI S.A. transaction, and subsequently contributed the same amount in BTGI. In addition, as mentioned in Note 1, due to shares repurchase occurred in the year ended December 31, 2015 and the quarter ended on March 31, 2016, the Company holds 24.43% of equity interest in BTGI (December 31, 2015 – 25.88%).

4. Risk management

The Company's risk management involves several levels of our management team and various policies and strategies. The structure of the Company's committees allows engaging the whole organization and ensuring decisions are readily implemented.

The main committees involved in risk management activities are (i) Management Committee, which approves policies, sets overall limits and is the ultimate responsible for the management of the our risks, (ii) New Business Committee, which assesses the viability and oversees the implementation of proposed new businesses and products, (iii) Credit Risk Committee, which is responsible for approving new credit transactions according to the guidelines set by our Risk Committee, (iv) Market Risk Committee, which is responsible for monitoring market risk, including utilization of our risk limits VaR, and for approving exceptions to such limits, (v) Operational Risk Committee, which assesses main operational risks in light of the established policies and regulatory framework, (vi) AML Compliance Committee, which is responsible for establishing AML rules, and for reporting potential issues involving money laundering, (vii) CFO Committee, which is responsible for monitoring our liquidity risk, including our cash position and balance sheet usage, and for managing our capital structure, (viii) Audit Committee, which is responsible for the independent verification of the adequacy of our controls, and for assessing whether our books records are kept appropriately.

The Company seeks to monitor and control its risk exposure through a variety of separate but complementary financial, credit, operational, compliance, tax and legal reporting systems. In addition, a number of committees are responsible for monitoring risk exposures and for general oversight of our risk management process, as described further below. The close involvement of various committees (including their subcommittees) with the ongoing management and monitoring of our risks helps the Company foster its culture of risk control throughout the organization. The committees consist of senior members of business units and senior members of control departments that are independent of businesses.

a. Market risk

Value at Risk (VaR) is the potential loss of value of the trading positions due to adverse movements in the market during a defined period within a specific level of confidence. Together with the Stress Test, VaR is used to measure the exposure of the Company's positions at market risk. The Company uses a historical simulation with re-mensuration of financial instruments for calculation of VaR, applying real distributions and correlation amongst assets, not using Greek approximations and standard distributions. VaR may be measured in accordance with different periods, historical data and reliable levels. The accuracy of the market risk methodology is tested through daily back testing that compares the compliance between VaR estimates and gains and losses realized.

The VaR presented below was calculated for a one-day period, level of level of confidence of 95.0% and one-year historical data. Reliable level of 95.0% means that there is 1 within 20 chances that the day trade net income remains below estimated VaR. Therefore, insufficiencies arising from net income expected from trade in a single day of trading exceeding the reported VaR would be expected to occur, on average, around once a month. Insufficiencies in a single day may exceed the VaR reported in material amounts. Insufficiencies may also occur more frequently or accrue during a longer period, such as the number of consecutive trading days. As it is backed up by historical data, VaR's accuracy is limited to its capacity to predict unprecedented market changes, as historical distributions in market risk factors may not produce accurate prognostics of future market risk. VaR methodologies and assumptions on different distributions may produce a materially different VaR. In addition, VaR calculated for a one-day period does not consider the market risk of positions that may not be settled or offset with hedges within the term of one day. As previously mentioned, the Company uses a stress test models as a complement to VaR method for its daily risk activities.

The table below contains daily average VaR for the periods ended:

	March 31, 2016	December 31, 2015	March 31, 2015
In millions of R$			
Daily average VaR	8.4	37.0	41.1

The Company used to and continue to measure and evaluate the performance of substantially all of its investments entity portfolio on a fair value basis and therefore there was no significant change in the risk management framework.

Further, it has not been possible to present detailed market risk information relating to Global Markets Investment, and Company's management rely on VaR provided by its manager, which is BTG Pactual.

b. Credit risk

The following table shows the maximum exposure of the investment entity portfolio by geographic region:

	3/31/2016				
	Brazil	United States	Europe	Others (i)	Total
Assets					
Investment entity portfolio	109,213	488,287	50,684	(47,598)	600,587
Total	109,213	488,287	50,684	(47,598)	600,587

(In thousands of reais)

	12/31/2015				
	Brazil	United States	Europe	Others (i)	Total
Assets					
Investment entity portfolio	56,706	448,257	361,801	(142,935)	723,829
Total	56,706	448,257	361,801	(142,935)	723,829

(i) Including financial liabilities borrowed by BTGI (BTGP is not a counterparty of such contracts), net of other assets held by the entity.

The table below states the maximum exposures to credit risk of the investment entity portfolio, classified by the counterparties economic activities:

	3/31/2016				
	Private institutions (i)	Companies	Individuals	Others (i)	Total
Assets					
Investment entity portfolio	(302,270)	562,186	562,186	(199,401)	600,587
Total	(302,270)	562,186	562,186	(199,401)	600,587

	12/31/2015				
	Private institutions (i)	Companies	Individuals	Others (i)	Total
Assets					
Investment entity portfolio	(288,651)	584,373	584,373	(153,238)	723,829
Total	(288,651)	584,373	584,373	(153,238)	723,829

(i) Including financial liabilities borrowed by BTGI (BTGP is not a counterparty of such contracts), net of other assets held by the entity.

c. Liquidity analysis

According to its policy, the Company regularly monitors its liquidity position. As of March 31, 2016, there is no fixed maturity for the discounted cash flows for the investment entity portfolio of the Company. The following table shows the Company's liquidity position as of March 31, 2016 and December 31, 2015:

	3/31/2016				
	Up to 90 days / No maturity	90 to 365 days	1 to 3 years	Over 3 years	Total
Assets					
Investment entity portfolio	(1,094,600)	(945,711)	(414,558)	3,055,455	600,587
Total	(1,094,600)	(945,711)	(414,558)	3,055,455	600,587

	12/31/2015				
	Up to 90 days / No maturity	90 to 365 days	1 to 3 years	Over 3 years	Total
Assets					
Investment entity portfolio	(342,256)	(1,808,146)	(391,371)	3,265,601	723,829
Total	(342,256)	(1,808,146)	(391,371)	3,265,601	723,829

(In thousands of reais)

d. Liquidity risk

As of March 31, 2016, the Company does not have any liabilities. As of December 31, 2015, Due to brokers in the amount of R$540 represented the sole liability of the Company, and its discounted cash flow was equal to its book value.

5. Cash at banks

Cash at banks comprise exclusively highly-liquid bank deposits. Subsequent to the classification of its investment entity status, the Company does not have any cash balance at the end of the periods.

6. Investment entity portfolio

As of March 31, 2016, the investment entity portfolio is represented by the interest in BTG Holdco, in the amount of R$600,587 (December 31 2015 - R$723,829). Below are presented relevant information of the investment portfolio as of March 31, 2016 and December 31, 2015, through the investment in BTGI (via BTG Holdco):

On January 1, 2016, BTGI adopted IFRS 9, with prospective effects from this date onwards. For this matter, the figures disclosed below include impacts from the early adoption, as described in its financial statements.

	Note	3/31/2016 (1)	12/31/2015 (1)
Assets			
Cash and cash equivalents	(a)	228,250	735,657
Investment entity portfolio	(b)	9,875,614	9,909,305
Investments at fair value through other comprehensive income	(c)	420,011	438,468
Loans and receivables	(d)	2,364,843	2,320,296
Other assets		12,199	59,974
Total		**12,900,917**	**13,463,700**
Liabilities			
Derivative financial instruments		24,324	39,266
Financial liabilities at amortized cost	(e)	10,750,024	11,315,154
Other liabilities		24,782	1,559
Total		**10,799,130**	**11,355,979**
Shareholders' equity		**2,101,787**	**2,107,721**
Total liabilities and shareholders' equity		**12,900,917**	**13,463,700**
Investment entity portfolio reconciliation on December 31, 2015			
BTGI shareholder's equity		2,101,787	2,107,721
BTGP ownership (via BTG Holdco)		24.43%	25.88%
Subtotal		**513,525**	**545,519**
Fair value adjustment (2)		87,062	178,310
Total		**600,587**	**723,829**

(1) Balances as reported by BTGI as of March 31, 2016 and December 31, 2015.
(2) BTGI measures certain assets and liabilities at amortized cost in its financial statements, therefore a fair value adjustment is necessary upon adoption of investment entity by BTGP.

(In thousands of reais)

(a) Cash at banks

Cash and cash equivalents are comprised exclusively of highly-liquid bank deposits.

(b) Investment entity portfolio

	As of March 31, 2016		As of December 31, 2015	
	Cost	**Fair value**	**Cost**	**Fair value**
Merchant Banking investments (i)	2,546,647	1,656,168	2,486,353	1,741,693
Private equity funds	1,562,808	647,509	1,552,688	755,904
Subsidiaries, associates and jointly controlled entities	1,014,028	1,038,848	963,854	1,015,978
Others	(30,189)	(30,189)	(30,189)	(30,189)
Global markets investments (ii)	6,700,439	6,700,439	7,602,257	7,602,257
Corporate bonds (iii)	2,342,475	2,264,759	1,924,820	1,380,902
Others	(745,753)	(745,753)	(815,548)	(815,548)
Total	**10,843,808**	**9,875,614**	**11,197,882**	**9,909,305**

(i) Merchant banking investments

Merchant banking investments consist of investments, held directly or through investment vehicles (including funds that also include third party investors), in a diversified group of portfolio companies primarily located in Brazil. Merchant banking investments are structured generally through privately negotiated transactions with a view to disinvest in four to ten years.

As a result of the IFRS 9 early adoption, part of the merchant banking investments from the investment entity portfolio was reclassified as investments at fair value through comprehensive income as presented in note 6c.

As of March 31, 2016 and December 31, 2015, BTGI merchant banking investments corresponds to private equity and real estate investments, through funds or other investment vehicles, as disclosed below:

		3/31/2016		12/31/2015	
Merchant banking investments	**Description/Segment activity**	**(%) (i)**	**Fair value**	**(%) (i)**	**Fair value**
Through Private equity funds:					
União de Lojas Leader S.A.	Retail company	51.9%	-	51.9%	67,854
B&A Mineração S.A.	Development and operation of mining assets	87.8%	240,548	87.8%	261,569
CDR Pedreira Ltda.	Disposal services	56.3%	156,000	56.3%	156,000
BrPec	Ranching	100.0%	250,961	100.0%	270,481
Through subsidiaries, associates and jointly controlled entities:					
ADS - Advanced Disposal Service	Disposal services	10.2%	335,024	10.2%	368,406
Timber IX Participações S.A.	Biological assets	26.7%	45,491	26.7%	42,572
BTG Pactual Santa Terezinha Holding S.A	Biological assets	25.1%	41,809	25.1%	45,126
BTG Pactual SCFLOR & São Lourenço Holding S.A	Biological assets	26.7%	42,026	26.7%	43,330
Brasil Pharma S.A.	Pharmaceutical retail company	94.5%	403,912	14.3%	5,098
ATLL Concessionaria de La Generalitat de Catalunya S.A.	Concession company	2.0%	-	2.0%	4,320
Loans	Others		170,586		507,126
Others			(30,189)		(30,189)
Total			**1,656,168**		**1,741,693**

(i) The equity interest disclosed in the table above refers to the Company indirect interest.

(In thousands of reais)

(ii) Global market investments

A hedge fund is an investment fund that typically undertakes a wider range of investment and asset trading than other funds, but which is only open for investment from particular types of investors specified by regulators. These funds have hybrid portfolios composed of a mix of fixed income, equities, currencies, foreign exchange, derivatives, bonds, commodities, mortgages and interest rates. These funds usually employ a wide variety of investment strategies, and make use of techniques such as short selling and leverage.

As of March 31, 2016 and December 31, 2015, BTGI had invested in the following global hedge funds:

	3/31/2016	12/31/2015
Global markets investments		
BTG Pactual Global Emerging Markets and Macro Fund Limited	142,361	2,452,290
BTG Pactual Absolute Return II Master Fund LP ("ARF II") (i)	6,558,078	5,149,967
Total	**6,700,439**	**7,602,257**

(i) As of March 31, 2016, R$6,010,921 (December 31, 2015 - R$4,780,852) refers to loans granted by ARF II to BTGI. The amount is reflected as financial liabilities at amortized cost in note 6e.

As of March 31, 2016, the Net Asset Value ("NAV") of the Global markets investments presented in the table above approximates to its fair value, which is equivalent to its cost value on the referred date.

(iii) Investment in corporate bonds

Investment in corporate bonds comprises highly liquid exchanged traded corporate bonds issued by Banco BTG Pactual S.A - Luxembourg Branch, maturing December 29, 2049 and by BTG Pactual S.A. – Cayman Branch, maturing on January 16, 2020.

(c) Investments at fair value through other comprehensive income

	As of March 31, 2016		As of December 31, 2015	
	Cost	Fair value	Cost	Fair value
Merchant Banking investments (i)	820,217	490,378	820,217	504,617
Private equity funds	820,217	490,378	820,217	504,617
Others	(70,367)	(70,367)	(66,149)	(66,149)
Total	**749,850**	**420,011**	**754,068**	**438,468**

(i) Merchant banking investments

Merchant banking investments consist of investments, held directly or through investment vehicles (including funds that also include third party investors), in a diversified group of portfolio companies primarily located in Brazil. Merchant banking investments are structured generally through privately negotiated transactions with a view to disinvest in four to ten years.

As of March 31, 2016 and December 31, 2015, BTGI merchant banking investments corresponds to private equity and real estate investments, through funds, as disclosed below:

(In thousands of reais)

Merchant banking investments	Description/Segment activity	03/31/2016 (%) (ii)	03/31/2016 Fair value	12/31/2015 (%) (ii)	12/31/2015 Fair value
Through Private equity funds:					
A!Bodytech Participações S.A.	Fitness segment	10.3%	51,862	10.3%	51,862
Brasil Brokers Participações S.A.	Investment in real estate companies	4.3%	17,101	4.3%	10,982
Deep Sea Group	Maritime transport and logistics services for the oil and gas sector	14.7%	51,008	14.7%	51,008
Brasil Pharma S.A.	Pharmaceutical retail company	0.2%	777	2.8%	1,042
Auto Adesivos Paraná S.A.	Adhesives, labels and special paper company	29.2%	26,998	29.2%	26,998
Estre Participações S.A.	Waste collection, treatment and disposal	11.3%	35,451	11.3%	35,451
Latin America Power Holding B.V.	Energy sector	10.6%	206,813	10.6%	226,913
Sete Brasil Participações S.A.	Oil and gas	0.5%	3,946	0.5%	3,938
UOL Universo on Line S.A.	Internet and server provider	2.2%	96,423	2.2%	96,423
Total			**490,378**		**504,617**

(i) The equity interest disclosed in the table above refers to the Company indirect interest.

(d) Loans and receivables

	3/31/2016	12/31/2015
Partners (i)	2,300,951	2,114,683
Others	63,892	205,613
Total	**2,364,843**	**2,320,296**

(i) Loans indexed to CDI or libor, and the maturity are in general higher than 1 year.

As of March 31, 2016 and December 31, 2015, the fair value attributed to the Loans and receivables is similar to its amortized cost.

(e) Financial liabilities at amortized cost

	Maturity	Index	03/31/2016	12/31/2015
Loans with financial institutions	June-16 to February-17	Libor and 1.15% to 2.64% p.a.	7,886,896	7,779,185
Medium term notes	May-16 to June-19	0.8% p.a. to 100% CDI	2,863,128	3,535,969
Total			**10,750,024**	**11,315,154**

Financial liabilities at amortized cost are presented at fair value at BTGP's level. As of March 31, 2016 and December 31, 2015, the fair market value adjustment attributable to Financial liabilities at amortized cost corresponds to a gain of R$87,062 (December 31, 2015 - R$178,310), of which a R$4,606 loss (December 31, 2015 - R$17,250 gain) related to loans with financial institutions and a R$91,668 gain (December 31, 2015 - R$161,060) from the medium term notes.

Certain issuance of the loans and medium term notes are guaranteed by BTG Pactual Holding S.A., parent company of BTG Pactual.

(In thousands of reais)

Fair value Hierarchy

(a) Investment entity portfolio

The summary of assets and liabilities classified in accordance with the fair value hierarchy is as follows:

	3/31/2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Investment entity portfolio				
Merchant Banking investments	403,912	170,586	1,081,670	1,656,168
Private equity funds	-	-	647,509	647,509
Subsidiaries, associates and jointly controlled entities	403,912	170,586	464,350	1,038,848
Others	-	-	(30,189)	(30,189)
Global markets investments	-	6,700,439	-	6,700,439
Corporate bonds	-	2,264,759	-	2,264,759
Others	-	(745,753)	-	(745,753)
Total	403,912	8,390,032	1,081,670	9,875,614

	12/31/2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Investment entity portfolio				
Merchant Banking investments	5,098	507,126	1,229,469	1,741,693
Private equity funds	-	-	755,904	755,904
Subsidiaries, associates and jointly controlled entities	5,098	507,126	503,754	1,015,978
Others	-	-	(30,189)	(30,189)
Global markets investments	-	7,602,257	-	7,602,257
Corporate bonds	-	1,380,902	-	1,380,902
Others	-	(815,548)	-	(815,548)
Total	5,098	8,674,737	1,229,469	9,909,305

Changes in level 3 for the year ended are as follows:

	Merchant Banking investments
Balances at December 31, 2014	**2,096,032**
Acquisitions	116,752
Sales	(267,530)
Losses on fair value of investment entity portfolio	(715,785)
Balances at December 31, 2015	**1,229,469**
Acquisitions	10,120
Losses on fair value of investment entity portfolio	(157,919)
Balances at March 31, 2016	**1,081,670**

(b) Investments at fair value through other comprehensive income

The summary of assets and liabilities classified in accordance with the fair value hierarchy is as follows:

	3/31/2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments at fair value through other comprehensive income				
Merchant Banking investments	17,877	-	472,501	490,378
Private equity funds	17,877	-	472,501	490,378
Others	-	(70,367)	-	(70,367)
Total	17,877	(70,367)	472,501	420,011

(In thousands of reais)

	12/31/2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments at fair value through other comprehensive income				
Merchant Banking investments	12,024	-	492,593	504,617
Private equity funds	12,024	-	492,593	504,617
Others	-	(66,149)	-	(66,149)
Total	12,024	(66,149)	492,593	438,468

Changes in level 3 for the year ended are as follows:

	Merchant Banking investments
Balances at December 31, 2014	**686,657**
Acquisitions	87,811
Losses on fair value of investment entity portfolio	(281,875)
Balances at December 31, 2015	**492,593**
Losses on fair value of investment entity portfolio	(20,092)
Balances at March 31, 2016	**472,501**

(c) Loans and receivables

Loans and receivables are presented at fair value at BTGP's level using a pricing model in which the relevant parameters are based on observable active market data, therefore, they fall in the Fair Value Level 2 category.

(d) Financial liabilities at amortized cost

Financial liabilities at amortized cost are presented at fair value at BTGP's level using a pricing model in which the relevant parameters are based on observable active market data, therefore, they fall in the Fair Value Level 2 category.

(e) Summary of valuation techniques

There were no changes in the valuation techniques disclosed in the financial statements for the year ended in December 31, 2015.

7. Shareholders' equity

a. Capital

BTGP's Board of Directors held on September 15, 2015, approved the issuance of 33,634,410 Class A Common Shares and 67,268,820 Class B Common Shares, at an issuance price of USD0.5081 per Share, totalizing R$203,700.

(In thousands of reais)

As of March 31, 2016 and December 31, 2015, the Company's capital was comprised by the following class of shares:

	03/31/2016				
	Authorized	**Issued**	**Par value (R$)**	**Voting rights**	**Vote per share**
Class A (i)	5,000,000,000	217,266,601	-	Yes	1
Class B (i)	10,000,000,000	434,533,202	-	No	-
Class C	1	1	10	Yes	(*)
Class D	1,000,000,000	21,198,861	0.0000000001	Yes	1
Total	16,000,000,001	672,998,665			

	12/31/2015				
	Authorized	**Issued**	**Par value (R$)**	**Voting rights**	**Vote per share**
Class A (i)	5,000,000,000	234,652,209	-	Yes	1
Class B (i)	10,000,000,000	469,304,418	-	No	-
Class C	1	1	10	Yes	(*)
Class D	1,000,000,000	21,198,861	0.0000000001	Yes	1
Total	16,000,000,001	725,155,489			

(*) Class C shareholders have voting rights equivalent to ten times the total number of issued and subscribed A and D Class shares at any moment.
(i) Only class A and class B shareholders are entitled to economic benefits.

b. Treasury shares

During the quarter ended on March 31, 2016 and the year ended on December 31, 2015, the company approved the repurchase and cancelling of shares, as per Note 1.

c. Dividends

The Company did not distribute dividends for the quarter ended on March 31, 2016 and the year ended on December 31, 2015.

8. Loss per share

	12/31/2015	12/312014
Loss attributed to controlling shareholders	(21,769)	(99,220)
Weighted average per thousand shares outstanding during the year (i)	665,741	680,144
Loss per share - Basic (in Reais)	(0.03)	(0.15)
Loss gain per share - Diluted (in Reais)	(0.03)	(0.15)

(i) Class A and class B shares.

(In thousands of reais)

9. Interest income / (expenses)

Interest income / (expenses) recognized in the consolidated statement of income consists primarily of: (i) interest accumulated in the year from loans and financing and loans and receivables, (ii), open market transactions and (iii) foreign exchange results. The Company had no interest income/expense for the quarter ended as of March 31, 2016. The breakdown of this item for the quarter ended March 31, 2015 is as follows:

a. Interest income

	3/31/2015
Loans and receivables	30,103
Interest on open market investments	7,266
	37,369

b. Interest expenses

	3/31/2015
Interest on funding	(81,988)
Foreign exchange	(312,761)
Interest on loans and financing	(20,736)
	(415,485)

10. Gains on financial instruments held for trading

The Company had no gain/loss on financial instruments held for trading for the quarter ended as of March 31, 2016. The breakdown of this item for the quarter ended March 31, 2015 is as follows:

	3/31/2015
Derivatives financial instruments	95,850
Financial assets and liabilities held for trading	54,952
	150,802

11. Other operating income / (expenses)

	3/31/2016	3/31/2015
Equity Kicker	-	(44,968)
Other operating (expenses) / income	1,007	(39,634)
	1,007	(84,602)

12. Administrative expenses

	3/31/2016	3/31/2015
Professional fees (i)	(183)	(44,553)
Expenses related to financial market	-	(6,652)
Other administrative expenses	-	(283)
	(183)	(51,488)

(i) Mainly related to management and performance fees of ARF II.

(In thousands of reais)

13. Loss on investment entity portfolio measured at fair value

The Company had no gain/loss on investment entity portfolio, measured at fair value, for the quarter ended as of March 31, 2015. The breakdown of this item for the quarter ended March 31, 2016 is as follows:

	3/31/2016
Gain on investment entity portfolio	60,140
Fair value adjustment on loans	(82,733)
Total	(22,593)

14. Related Parties

The balances of related-party transactions, which are carried out at arm's length, are reflected in the following items:

	Relationship	Maturity	Assets (Liabilities) 3/31/2016	Assets (Liabilities) 12/31/2015	Revenues (Expenses) 3/31/2016	Revenues (Expenses) 3/31/2015
Open market investments						
- Banco BTG Pactual S.A. (ii)	Related	No maturity	-	-	-	74
Financial assets held for trading						
- Banco BTG Pactual S.A. (ii)	Related	12/18/2015	-	-	-	1,354
Loans and receivables						
- Partners (i)	Partners	1/14/2035	-	-	-	8,677
- ATLL Concessionaria de La Generalitat de Catalunya S.A.	Joint venture	8/3/2016	-	-	-	2,268
- BTG MB Investments L.P.	Related	3/2/2016	-	-	-	2,871
- DSB Serviços de Óleo e Gás II S.A.	Related	8/22/2015	-	-	-	10,985
Other assets						
- BTG MB Investments L.P.	Related	5/21/2015	-	-	-	(44,968)
Liabilities						
Open market funding						
- Banco BTG Pactual S.A. (ii)	Related	5/6/2015	-	-	-	(34,582)
Financial liabilities at amortized cost						
- Banco BTG Pactual S.A. (ii)	Related	4/17/2018	-	-	-	(2,467)
Derivative financial instruments						
- Banco BTG Pactual S.A. (ii)	Related	6/30/2015	-	-	-	(32,839)
Due to brokers						
- Banco BTG Pactual S.A. (ii)	Related	No maturity	-	(540)	-	-

(i) Considered as related parties only partners acting as Executive Directors.
(ii) BTG Pactual S.A and subsidiaries, ultimately controlled by BTG Pactual Holding S.A.

15. Subsequent events

On April 12, 2016, BTGI entered into, together with BTG Pactual Principal Investments FIP, in which the Company invests jointly with other co-investors, a share purchase and sale agreement through which they committed to dispose of, for a symbolic amount, 100% of their shares issued by União de Lojas Leader S.A. ("Leader"). The effective conclusion of the operation is contingent upon conditions precedent, including obtaining necessary regulatory approvals.