

Banco Industrial do Brasil S.A.

Full Rating Report

Ratings

Foreign Currency	
Long-Term IDR	BB
Short-Term IDR	B
Local Currency	
Long-Term IDR	BB
Short-Term IDR	B
National	
Long-Term Rating	A+(bra)
Short-Term Rating	F1(bra)
Support	5
Viability	bb
Long-Term Foreign Currency IDR	BBB
Long-Term Local Currency IDR	F3

IDR – Issuer Default Rating.

Rating Outlooks

National Rating	Stable
Long-Term FC LC IDR	Stable
Sovereign Long-Term FC LC IDR	Negative
FC – Foreign currency. LC – Local currency	

Financial Data

Banco Industrial do Brasil S.A.

(BRL Mil.)	12/31/14	12/31/13
Total Assets (USD Mil.)	947.0	932.7
Total Assets	2,515.3	2,195.3
Net Income	471.3	454.2
Operational Profit	55.8	39.3
Net Profit	40.3	33.5
Comprehensive Income	40.3	33.5
ROAA (%)	2.37	1.70
ROAE (%)	12.01	8.77
Intern. Capital Generation (%)	3.73	2.53
Fitch Eligible Capital/Weighted Risks (%)	16.26	17.07
Regulatory Capital Ratio Tier 1 (%)	16.29	17.08

Related Research

Fitch Upgrades Banco Industrial do Brasil's IDRs to 'BB'/A+(bra); Outlook Stable (April 2015)

Analysts

Jean Lopes
+55 21 4503-2617
jean.lopes@fitchratings.com

Eduardo Ribas
+55 11 4504-2213
eduardo.ribas@fitchratings.com

Key Rating Drivers

Ratings Upgrade: Fitch Ratings' upgrade of Banco Industrial do Brasil's (BIB) long-term Issuer Default Rating (IDR) and its long-term National Rating on April 28, 2015, reflected the bank's stable risk profile, adequate performance above peer average and its good asset quality, liquidity and capitalization through the different Brazilian economic cycles. BIB's experience and consistent focus on SMEs also support the ratings. These factors are offset by the bank's small size compared with peers and by the asset and liability concentrations inherent to its business model.

Good Credit Quality: Despite the challenging environment, BIB improved its credit quality indicators in 2014, with past-due loans over 90 days at a low 0.7% of the total compared with 2.6% in 2013. It also maintained low leverage, reflecting its more conservative appetite for credit risk, given the current weaker macroeconomic scenario. As of April 28, 2015, BIB reported its portfolio included a single company, representing 1.5% of the total portfolio, involved in the federal Operation Lava Jato investigation, which should result in a slight provisioning increase in 2015, with no relevant effect on its good credit quality indicators.

Focus on SMEs: For the past several years, the bank has focused on the SME segment, after sharply reducing its payroll deductible loan business. Payroll loans accounted for 12% of its loan portfolio in 2014. The bank has focused its operations on companies with annual invoicing of over BRL250 million. In addition, it has looked for stronger collateral coverage to reduce the risks in the more challenging scenario. In 2014, the bank's 20 largest clients accounted for about 30% of its portfolio.

ROAA Higher than Peers: BIB's results improved in 2014, despite the weak macroeconomic conditions, as the bank benefited from improvements in financing costs and moderate competition in the SME segment. The bank's profitability was above its peers, as measured by ROAA of 1.7% in 2014, 1.5% in 2013 and 1.8% in 2012, showing consistency throughout recent years. Fitch expects BIB's profitability to remain adequate in upcoming years.

Concentrated Funding Base: The 20 largest deposits accounted for 48% of total deposits in 2014. The bank has diversified its funding base, as it was able to access trade finance lines with multilateral agencies in 2014. BIB also significantly expanded its term-deposit funding base by 49% at competitive costs and terms.

Good Capitalization and Liquidity Indicators: In 2014, the bank also improved its liquidity position, with net assets accounting for 44% of total deposits compared with 23% in 2013, while its Fitch Core Capital (FCC) ratio was reasonably comfortable at 16.3%.

Rating Sensitivities

Positive Rating Action: Given its current business model, with asset and liability concentrations inherent to its size, new rating upgrades are limited. Upgrades would require a strengthening of the bank's local franchise, increased diversification of funding and product mix, and expanded operations, which could reduce asset and liability concentration.

Negative Rating Action: The ratings could be negatively affected by deterioration in BIB's asset quality, with consequent performance decline as measured by operating ROAA below 1.0% and reduced capitalization ratios, including its FCC ratio below 13.0%.

Operating Environment

Sovereign Rating: IDR BBB; Negative Outlook

On April 9, 2015, Fitch affirmed Brazil's Local Currency and Foreign Currency IDRs at 'BBB' and revised the Outlook from Stable to Negative in April 2015.

Economic Environment in Brazil is Challenging

Brazil's economic scenario has been challenging since 2012. The real growth of Brazil's GDP reduced from about 4.3% annually in 2007–2011 to an average of 1.7% in 2012 and 2013 and then to 0.3% in 2014, while inflation was kept next to the higher limit of the tolerance interval of the Brazilian Central Bank's (Bacen) goal. This led Bacen to increase the basic interest rate (Selic) to 12.75% in March 2015 from 7.25% in April 2013.

The Brazilian real (BRL) has demonstrated volatility, with its value depreciating 33% against the U.S. dollar (USD) in 2014 from 2013. During the same period, Brazil's unemployment rate remained low, measuring about 4.8% in November 2014, which supported increased household consumption.

Financial Market Development

Despite Brazil's modest economic growth, the total credit/GDP ratio has increased over the past five years to 59% in January 2015 from 35% in December 2007. The Brazilian bank system is highly concentrated: In June 2014, 87% of Brazil's total assets were concentrated in the 10 biggest banks. Government policies supporting general economic growth resulted in a recent increase in the system's total credit metrics, as the public financial institutions expanded their loan portfolios. The public banks' participation in total credit was 54% in January 2015 compared with 33% in 2007.

Regulatory Framework: Adequate and Well-Established

Brazil's regulatory environment is considered strong. The two main regulators, Bacen and Comissão de Valores Mobiliários, have a good reputation for degree of sophistication, controls and monitoring capacity, and are considered capable of reacting in a flexible and punctual way in adverse situations. Law enforcement also is considered adequate. However, recent fraud cases in some small financial institutions indicate the need for improvement.

Company Profile

Franchise: Small Size Bank Headquartered in São Paulo

BIB is a private bank created in 1994 through the acquisition of Banco Santista (Grupo Bunge). It had 256 employees in 2014. The bank's headquarters is in São Paulo, and it has six branches in Campinas, São Paulo; Curitiba, Paraná; Goiânia, Goiás; Salvador, Bahia; Macapá, Amapá; and the city of Rio de Janeiro. As of December 2014, the bank had distributed 77% of its legal portfolio generated in Brazil's southeast region, 10% in the center west region, 6% in the northeast, 4% in the south and 2% in the north.

The bank has a low representation in Brazil's national financial system (Sistema Financeiro Nacional – SFN). Of 134 financial institutions, it was 48 in total deposits as of December 2014, representing 0.06% of SFN, and it was 69 in total assets, representing 0.03% of SFN. On

Related Criteria

Global Bank Rating Criteria
(March 2015)

National Scale Ratings Criteria
(October 2013)

April 28, Fitch upgraded BIB's Long-term Foreign and Local Currency IDRs to 'BB' from 'BB-' and changed its Viability Rating to 'bb' from 'bb-'. Fitch also upgraded the company's Long-Term National Rating to 'A+(bra)' from 'A(bra)'; Outlook Stable.

Business Model: Main Focus on SMEs

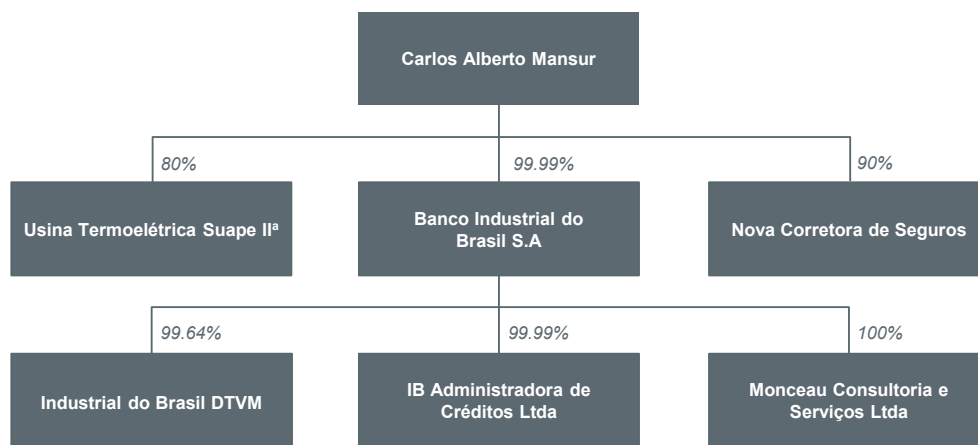
The bank's business model is characterized by low leverage, austerity, conservative risk appetite and a high level of liquidity. BIB's main focus is on SME lending, offering traditional products in the market, including: working capital loans (42%), purchase of assets and receivables financing (16%), overdraft account (15%), endorsements and guarantees (13%), trade finance (11%) and Banco Nacional de Desenvolvimento Economico e Social (BNDES) onlendings to businesses (3%). The bank's SME operation targets companies with annual net revenue above BRL250 million.

The bank also acts to a lesser extent in the retail environment focusing solely on payroll deductible loans to social security retirees, private sector employees and public servants. The bank's participation in this portfolio has reduced over time.

Simple Organizational Structure

The bank is 99.99% controlled by Carlos Alberto Mansur. BIB's three operational companies provide synergies: Industrial do Brasil DTVM; Monceau Consultoria e Serviços Ltda and IB Administradora de Créditos Ltda.

Simplified Organization Structure



^aThermoelectric power plant
Source: Banco Industrial do Brasil S.A.

Administration

Administration Quality: Adequate in Terms of Stability and Experience

Mr. Mansur, the main shareholder and also the bank's CEO, is directly involved in the bank's daily activities and strategic decisions with the executive board, which is composed of seven members. Fitch considers the administration adequate in terms of stability and experience for the bank's size.

Corporate Governance: Effective With Relative Autonomy

The corporate governance is neutral to BIB's ratings. The bank's board of directors is composed of committees focused on credit, risk and review of policies among others. Internal policies define meeting frequency, which results in good governance practices. Although Fitch doesn't foresee high risks, the agency considers the bank's corporate governance in line with that of other small and medium-sized banks of closed capital. However, Fitch sees room for improvement in its family-controlled corporate structure.

The bank's financials are presented with a good degree of disclosure even though it is not a listed bank. It is audited by KPMG, which has issued unqualified opinions. BIB announces its financials in the Brazilian Accounting Standards format (BR GAAP). The bank is not obligated by the local legislation to present balance sheets in the international format (IFRS).

Strategic Objectives: Expansion in Bigger and Better Risk Companies

BIB has focused on SME lending. The bank targets companies with annual net revenue above BRL15 million. The bank's increased focus on clients with a better credit profile has resulted in higher tickets per transaction. BIB also has looked for improved guarantees to reduce the risk of a challenging economic scenario. The bank expects to reach a credit portfolio between BRL1.8 billion and BRL2.0 billion, keeping its credit leverage adequate.

The bank decided to limit its payroll deductible loan business due to increasing competition and the tighter profit margins in this segment. The bank's small exposure in this segment has been decreasing.

Strategy Execution: Good Policy Establishment Track Record

Fitch considers the BIB's expansion plans attainable, bearing in mind the market outlooks. The strategy contemplates the bank's moderate risk appetite with high and comfortable liquidity and capitalization indicators. The bank's management has been able to produce the expected results, despite the challenging market scenario.

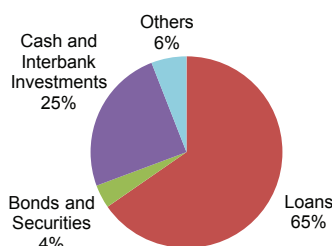
Risk Appetite

Underwriting Standards: Credit Is the Main Risk

The bank registered a loan portfolio of BRL1.6 billion in 2014, even with 2013 and down slightly from BRL1.7 billion in 2012. Corporate loans represented 86% of the portfolio and individual loans accounted for 14% in 2014. The 20 largest debtors represented about 30% of the bank's portfolio. The average loan size of the corporate loan portfolio was about BRL841,100 in 2014 compared with BRL1.2 million in 2013.

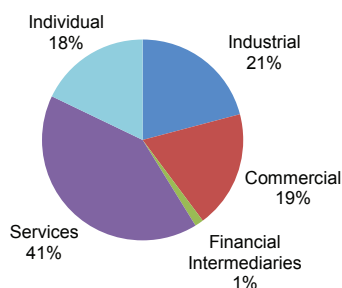
In Fitch's opinion, the underwriting standards are solid. All transactions are subject to approval by a credit committee consisting of the principal directors and the bank's president. The committee meets once a week, with the required presence of the bank's president or vice president and other directors. A majority must approve loan transactions. The bank's credit policy limits the total loan amount to any single customer to 5% of the bank's equity. As for the risk classification of loans, BIB classifies them based on the quality and level of guarantees, a practice permitted by Central Bank Resolution 2,682.

Assets Breakdown
(December 2014)



Source: Banco Industrial do Brasil S.A.

Loans Breakdown
(December 2014)



Source: Banco Industrial do Brasil S.A.

Risk Management and Operational Risk

BIB has an adequate risk management structure. With a focus on SMEs, BIB's credit and collateral monitoring control functions are essential, and the bank's good asset quality reflects its effective risk management.

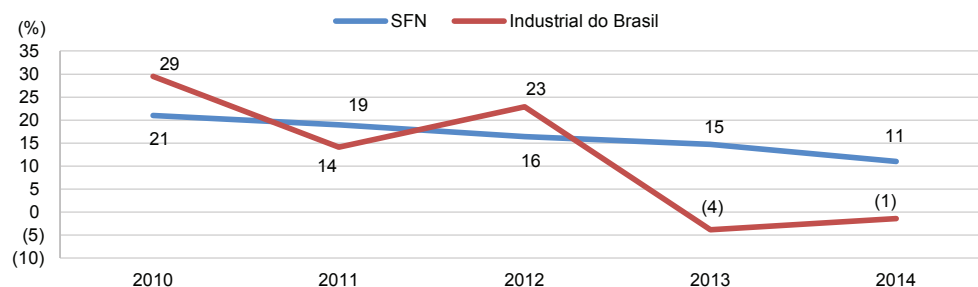
The bank has implemented controls and processes concerning operational risk as required by the regulators. The bank follows the basic standardized approach to calculate its required reference equity. BIB's compliance area is responsible for adequate measuring, monitoring and reporting of operational risk. The bank's operational risk represented 4.4% of its risk-weighted assets in 2014, compatible with the bank's profile.

Credit Growth Lower than SFN

The state of Paraná reported declines in loan growth of 1.4% in 2014 and 3.9% in 2013, while the SFN's loan portfolio grew 11.3% in 2014 and about 14.7% in 2013. More stringent risk classification criteria combined with weaker macroeconomic conditions led BIB to direct its strategy toward clients with stronger credit profiles, resulting in lower leverage maintenance.

Loan Growth

(LTM as of Dec. 31)



SFN – National financial system.
Source: Central Bank, Fitch Ratings.

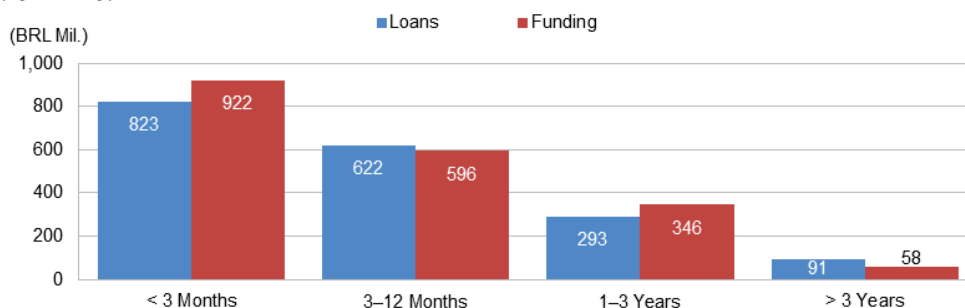
Low Market Risk

BIB's treasury has a conservative approach, focused on funding, managing liquidity and preventing funding mismatches. With the reduction of its payroll deductible loan operation, the bank's average credit term was less than one year in December 2014, compared with 318 days in December 2013. The average term of its deposits is 409 days. The bank's management system calculates the value-at-risk (VaR) according to Bacen standards, including a global VaR limit of BRL5 million with a 94% managerial degree of confidence and a 99% regulatory degree of confidence. The company's management information area and compliance risk area monitor these positions and report them to the board of directors and president. Any nonstandard operation must be submitted to the risk committee for approval.

The bank's board meets daily to discuss hedging and the market positioning, with decisions reached by consensus.

Loans Versus Funding

(By Maturity)



Source: Banco Industrial do Brasil S.A.

Financial Profile

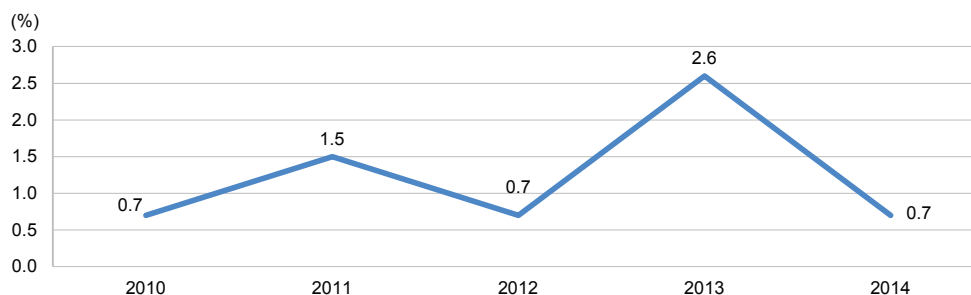
Asset Quality

Good Credit Quality

Given its small size and limited product offerings, maintaining a healthy asset quality has been very important for BIB. The bank traditionally has presented good asset quality indicators and an average performance better than its peers. Loans rated D–H represented 2.1% of the bank's loan portfolio in 2014 compared with 4.0% in 2013 and 1.8% in 2012, and they performed better than the 3.4% average impaired loan/total loan ratio of its peers in 2014. The non-performing loans were 0.7% of the total in 2014, compared with 2.6% in 2013, and the bank kept low leverage, reflecting its conservative appetite for credit risk. The highest non-performing loan/total gross loan indicator occurred in 2013 due to a client exposure, which was written off as a loss, but it was recovered in 2014, positively affecting its results.

Non-Performing Loans to Total Gross Loans

(LTM as of Dec. 31)



Source: Banco Industrial do Brasil S.A.

As of April 2015, BIB reported exposure in its portfolio to one company involved in the federal Operation Lava Jato investigation. It represented 1.5% of its total portfolio and is expected to result in a slight increase of the bank's provisions in 2015 with no relevant effect on the bank's good credit quality indicators. The net charge-offs reached 0.5% in 2014, in line with the bank's history. This reflects the bank's decision to favor transactions with larger clients with stronger collateral coverage.

Loan Quality

(%)	Industrial do Brasil			Peers Average ^a		
	2014	2013	2012	2014	2013	2012
Growth of Gross Loans	(1.37)	(3.86)	22.89	11.19	14.54	9.64
Impaired Loans/Gross Loans	2.06	4.02	1.84	3.44	2.68	6.94
Reserves for Impaired Loans/Impaired Loans	48.06	79.27	57.78	70.62	63.16	49.41
Impaired Loans Less Reserves for Impaired Loans Fitch Core Capital	3.70	3.03	3.18	37.08	38.38	47.76
Loan Impairment Charges/Average Gross Loans	0.39	2.95	0.63	0.94	1.49	1.05
Net Charge-Offs/Average Gross Loans	0.45	0.73	0.90	1.52	1.77	0.72

^aConglomerado Financeiro Alfa; Banco Safra S.A.; Banco ABC Brasil S.A.; Banco Daycoval S.A.; Banco Pine S.A.; Parana Banco S.A.
Source: Fitch Ratings.

Results and Profitability

Good Profitability Ratios

BIB has maintained stable profitability levels with return rates on assets slightly higher than its peers. The bank reported net income of BRL40.3 million in the LTM ended in Dec. 31, 2014, compared with BRL33.5 million in 2013 and an annual return on assets of 1.7% in 2014. Fitch views the cost/revenue indicator as acceptable at 57.4% in 2014 compared with 52.1% in 2013, due to reduced loans while maintaining the same cost structure.

The bank operates with a conservative risk appetite, lower leverage and traditional products, allowing it to maintain a slim cost structure. For 2015, the bank is targeting net income of BRL46.5 million, about even with 2014, which would allow it to maintain adequate profitability ratios, according to Fitch.

Earnings and Profitability

(%)	Industrial do Brasil			Peers Average ^a		
	2014	2013	2012	2014	2013	2012
Net Interest Income/Average Earning Assets	4.50	5.70	4.13	6.65	6.66	6.34
Non-Interest Expense/Gross Revenues	57.35	48.07	52.50	44.58	39.63	27.71
Loans and Securities Impairment Charges/Pre-Impairment Operating Profit	9.71	53.66	13.80	23.97	29.29	20.26
Operating Profit/Average Equity	12.01	8.77	14.01	14.65	17.14	16.81
Operating Profit/Average Assets	2.37	1.70	2.23	2.84	2.93	4.37
ROAE	8.67	7.47	10.26	10.44	11.04	11.24
ROAA	1.71	1.45	1.63	2.19	2.60	3.38

^aConglomerado Financeiro Alfa; Banco Safra S.A.; Banco ABC Brasil S.A.; Banco Daycoval S.A.; Banco Pine S.A.; Parana Banco S.A.
Source: Fitch Ratings.

Capitalization and Leverage

Adequate Capitalization and Low Leverage

BIB counts on a comfortable capital base, which is reflected in its FCC ratio of 16.3% and its regulatory capital ratio of 16.9% as of Dec. 31, 2014. BIB has room to increase its leverage because the loan portfolio adequately represented 3.7x equity capital in 2014, but the bank does not intend to increase leverage in 2015. The bank also has subordinated debt of USD15 million from a 10-year loan with DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH, which was raised in 2007 and approved as Tier II capital by Bacen. This debt has dropped in value over the years following the regulator rules. The regulatory capital base is composed of Tier I capital with no relevant effect, according to Basel III rules, which Fitch considers positive.

Capitalization and Leverage

(%)	Industrial do Brasil			Peer Average ^a		
	2014	2013	2012	2014	2013	2012
Fitch Core Capital/Weighted Risks	16.26	17.07	15.99	11.30	10.76	8.64
Tangible Common Equity/Tangible Assets	17.91	19.30	15.97	13.64	14.68	13.14
Tier 1 Regulatory Capital Ratio	16.29	17.08	16.90	15.98	15.34	13.04
Total Regulatory Capital Ratio	16.85	17.89	17.86	18.11	17.61	15.01
Cash Dividends Paid and Declared/Net Income	56.33	65.67	49.55	36.08	45.24	27.62

^aConglomerado Financeiro Alfa; Banco Safra S.A.; Banco ABC Brasil S.A.; Banco Daycoval S.A.; Banco Pine S.A.; Parana Banco S.A.
Source: Fitch Ratings.

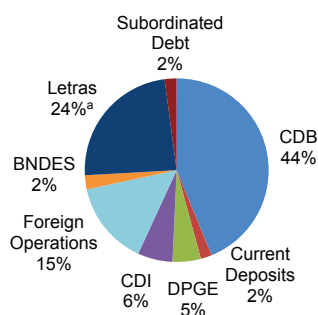
Funding and Liquidity

Concentrated Funding and Satisfactory Liquidity

BIB's main source of funding traditionally has been interbank deposits, time deposits, financial bills and real state credit bills. The bulk of BIB's funding refers to long-term relationships shown to be stable in periods of market volatility.

In line with the expansion of its trade finance portfolio, the bank counts on multilateral trade finance lines of USD20 million with Inter-American Development Bank (IDB) and USD30 million with International Finance Corporation (IFC). Fitch views the size of BIB's trade finance portfolio as relatively small.

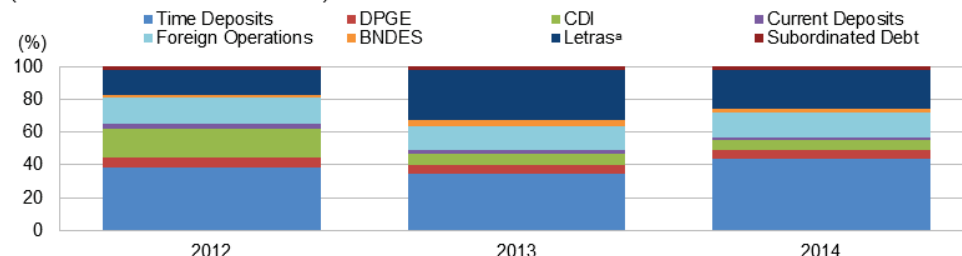
Funding Breakdown (December 2014)



^aLF, LCI and LCA. BNDES – Brazilian Development Bank. DPGE – Term deposit with special guarantee. CDI – Canada Deposit Insurance Corp. LF – Financial notes. LCI – Real estate credit notes. LCA – Agribusiness credit notes. CDB – Bank certificate of deposit.
Source: Banco Industrial do Brasil S.A.

Funding Breakdown

(December 2012–December 2014)



^aLF, LCI and LCA. DPGE – Term deposit with special guarantee. BNDES – Brazilian Development Bank. CDI – Canada Deposit Insurance Corp. LF – Financial notes. LCI – Real estate credit notes. LCA – Agribusiness credit notes. CDB – Bank certificate of deposit.
Source: Banco Industrial do Brasil S.A.

Funding concentration is high, with the 20 largest funding providers accounting for 48% of local funding. The concentration is partly explained by the strong participation in interbanking deposits related to compulsory deposit release with large banks. The three largest banks accounted for 28% of the total funding.

BIB maintained a comfortable liquidity position in 2014. The timid credit appetite and the relevant 49% increase in its term deposit funding in 2014 with competitive costs and terms, led to a cash position of BRL685 million, equivalent to 145% of the bank's equity capital and an increase of 65% from 2013 and 2012. Liquid assets corresponded to 44% of total deposits in 2014, up from 23% of total deposits in 2013.

Funding and Liquidity

(%)	Industrial do Brasil			Peer Average ^a		
	2014	2013	2012	2014	2013	2012
Loans/Customer Deposits	166.49	245.89	216.08	303.69	300.76	213.67
Interbank Assets/Interbank Liabilities	1.95	14.67	5.89	336.86	1226.66	253.68
Customer Deposits/Total Funding Excl. Derivatives	49.91	40.40	37.77	38.60	39.90	26.18

^a Conglomerado Financeiro Alfa; Banco Safra S.A.; Banco ABC Brasil S.A.; Banco Daycoval S.A.; Banco Pine S.A.; Parana Banco S.A.
Source: Fitch Ratings.

Support

Rating Based on Individual Profile

BIB's national ratings are based on its individual profile. Like its midsize peers, the institution would not receive sovereign support in case of failure to pay because its size does not represent systemic risk.

Peer Analysis

BIB stands out among its peers because it presents good capitalization, liquidity, stable profitability and low default rates. However, its funding basis concentration is slightly higher than peers and its size and franchise are smaller than midsize banks with investment grade ratings equal or superior to 'BBB-' in the international scale.

Peer Comparison

(%)	Industrial do Brasil			Peers Average ^a		
	2014	2013	2012	2014	2013	2012
Total Assets (BRL Mil.)	2,515.3	2,195.3	2,641.9	35,585.6	32,143.9	27,830.2
Equity (BRL Mil.)	471.3	454.2	442.4	6,136.7	2,746.9	2,581.7
Gross Loans (BRL Mil.)	1,623.4	1,646.0	1,712.0	15,505.5	15,045.6	13,452.7
D-H Rated Loans/Gross Loans	2.06	4.02	1.84	3.44	2.68	6.94
Reserves for Impaired Loans/Gross Loans	0.99	3.18	1.06	2.65	2.90	2.42
Net Charge-offs/Average Gross Loans	0.45	0.73	0.90	1.52	1.77	0.72
Fitch Core Capital/Weighted Risks	16.26	17.07	15.99	11.30	10.76	8.64
Equity/Total Assets	18.74	20.69	16.75	14.04	15.15	13.03
Operating ROAA	2.37	1.70	2.23	2.84	2.93	4.37
Operating ROAE	12.01	8.77	14.01	14.65	17.14	16.81
Return on Average Assets	1.71	1.45	1.63	2.19	2.60	3.38
Return On Average Equity	8.67	7.47	10.26	10.44	11.04	11.24

^a Conglomerado Financeiro Alfa; Banco Safra S.A.; Banco ABC Brasil S.A.; Banco Daycoval S.A.; Banco Pine S.A.; Parana Banco S.A.

Source: Fitch Ratings.

Income Statement — Banco Industrial do Brasil S.A.

(Year End as of Dec. 31)	2014 ^a			2013 ^a		2012 ^a		2011 ^a		2010 ^a	
	Unqualified (USD Mil.)	Unqualified (BRL Mil.)	As % of Earning Assets	Unqualified (BRL Mil.)	As % of Earning Assets	Unqualified (BRL Mil.)	As % of Earning Assets	Unqualified (BRL Mil.)	As % of Earning Assets	Unqualified (BRL Mil.)	As % of Earning Assets
Interest Income on Loans	76.1	202.2	8.67	193.6	9.75	189.2	7.77	201.3	9.26	152.8	7.92
Other Interest Income	50.4	133.9	5.74	108.8	5.48	126.8	5.20	123.0	5.66	79.0	4.10
Dividend Income	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Gross Interest and Dividend Income	126.5	336.1	14.42	302.4	15.22	316.0	12.97	324.3	14.91	231.8	12.02
Interest Expense on Customer Deposits	62.6	166.2	7.13	117.8	5.93	151.1	6.20	177.1	8.14	128.2	6.65
Other Interest Expense	26.8	71.1	3.05	63.3	3.19	64.0	2.63	60.0	2.76	16.3	0.85
Total Interest Expense	89.3	237.3	10.18	181.1	9.12	215.1	8.83	237.1	10.90	144.5	7.49
Net Interest Income	37.2	98.8	4.24	121.3	6.11	100.9	4.14	87.2	4.01	87.3	4.53
Net Gains (Losses) on Trading and Derivatives	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Net Gains (Losses) on Other Securities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Net Gains (Losses) on Assets at FV through Income Statement	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Net Insurance Income	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Net Fees and Commissions	4.1	10.9	0.47	9.2	0.46	13.3	0.55	12.2	0.56	8.6	0.45
Other Operating Income	13.3	35.2	1.51	32.8	1.65	33.8	1.39	25.3	1.16	28.9	1.50
Total Non-Interest Operating Income	17.4	46.1	1.98	42.0	2.11	47.1	1.93	37.5	1.72	37.5	1.94
Personnel Expenses	18.3	48.5	2.08	45.6	2.30	43.3	1.78	40.2	1.85	35.9	1.86
Other Operating Expenses	13.0	34.6	1.48	32.9	1.66	34.4	1.41	31.4	1.44	28.1	1.46
Total Non-Interest Expenses	31.3	83.1	3.56	78.5	3.95	77.7	3.19	71.6	3.29	64.0	3.32
Equity-Accounted Profit/Loss — Operating	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Pre-Impairment Operating Profit	23.3	61.8	2.65	84.8	4.27	70.3	2.89	53.1	2.44	60.8	3.15
Loan Impairment Charge	2.3	6.0	0.26	45.5	2.29	9.7	0.40	21.4	0.98	8.2	0.43
Securities and Other Credit Impairment Charges	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Operating Profit	21.0	55.8	2.39	39.3	1.98	60.6	2.49	31.7	1.46	52.6	2.73
Equity-Accounted Profit/Loss — Non-Operating	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Nonrecurring Income	0.0	0.0	0.00	0.7	0.04	0.0	0.00	0.5	0.02	1.3	0.07
Nonrecurring Expense	0.8	2.2	0.09	0.0	0.00	1.6	0.07	0.0	0.00	0.0	0.00
Change in Fair Value of Own Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Other Non-Operating Income and Expenses	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Pre-Tax Profit	20.2	53.6	2.30	40.0	2.01	59.0	2.42	32.2	1.48	53.9	2.79
Tax Expense	5.0	13.3	0.57	6.5	0.33	14.6	0.60	3.1	0.14	13.8	0.72
Profit/Loss from Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Net Income	15.2	40.3	1.73	33.5	1.69	44.4	1.82	29.1	1.34	40.1	2.08
Change in Value of Available for Sale Investments	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Revaluation of Fixed Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Currency Translation Differences	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Remaining Other Comprehensive Income Gains/(Losses)	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Fitch Comprehensive Income	15.2	40.3	1.73	33.5	1.69	44.4	1.82	29.1	1.34	40.1	2.08
Memo: Profit Allocation to Non-Controlling Interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	N.A.	—	0.0	0.00
Memo: Net Income after Allocation to Non-Controlling Interests	15.2	40.3	1.73	33.5	1.69	44.4	1.82	29.1	1.34	40.1	2.08
Memo: Common Dividends Relating to the Period	8.5	22.7	0.97	22.0	1.11	22.0	0.90	23.4	1.08	17.8	0.92
Memo: Preferred Dividends Related to the Period	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00

^aExchange Rate: 2014 — USD1 = BRL2.65620; 2013 — USD1 = BRL2.35380; 2012 — USD1 = BRL2.04830; 2011 — USD1 = BRL1.85880; 2010 — USD1 = BRL1.68580. FV – Fair value. N.A. – Not available.
Source: Fitch Ratings.

Balance Sheet — Banco Industrial do Brasil S.A.

(Year End as of Dec. 31)	2014 ^a			2013 ^a			2012 ^a		2011 ^a		2010 ^a	
	(USD Mil.)	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	
Assets												
A. Loans												
Residential Mortgage Loans	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Other Mortgage Loans	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Other Consumer/Retail Loans	122.9	326.5	12.98	242.2	11.03	295.2	11.17	277.4	11.34	288.7	13.16	
Corporate and Commercial Loans	488.3	1,296.9	51.56	1,403.8	63.95	1,416.8	53.63	1,115.7	45.62	931.7	42.48	
Other Loans	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Less: Reserves for Impaired Loans	6.1	16.1	0.64	52.4	2.39	18.2	0.69	25.6	1.05	14.7	0.67	
Net Loans	605.1	1,607.3	63.90	1,593.6	72.59	1,693.8	64.11	1,367.5	55.92	1,205.7	54.97	
Gross Loans	611.2	1,623.4	64.54	1,646.0	74.98	1,712.0	64.80	1,393.1	56.97	1,220.4	55.64	
Memo: Impaired Loans Included Above	12.6	33.5	1.33	66.1	3.01	31.5	1.19	38.6	1.58	29.3	1.34	
Memo: Loans at Fair Value Included Above	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
B. Other Earning Assets												
Loans and Advances to Banks	0.9	2.3	0.09	16.3	0.74	17.5	0.66	27.3	1.12	30.8	1.40	
Reverse Repos and Cash Collateral	241.9	642.6	25.55	335.3	15.27	636.2	24.08	478.6	19.57	291.0	13.27	
Trading Securities and at FV through Income	0.0	0.0	0.00	0.0	0.00	11.9	0.45	12.6	0.52	400.9	18.28	
Derivatives	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Available for Sale Securities	29.7	79.0	3.14	40.5	1.84	76.7	2.90	288.2	11.78	0.0	0.00	
Held to Maturity Securities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Equity Investments in Associates	0.1	0.2	0.01	0.3	0.01	0.0	0.00	0.2	0.01	0.2	0.01	
Other Securities	0.0	0.0	0.00	0.4	0.02	0.2	0.01	0.0	0.00	0.0	0.00	
Total Securities	271.7	721.8	28.70	376.5	17.15	725.0	27.44	779.6	31.88	692.1	31.56	
Memo: Government Securities Included Above	265.9	706.4	28.08	353.9	16.12	481.9	18.24	748.9	30.62	674.8	30.77	
Memo: Total Securities Pledged	4.5	11.9	0.47	11.7	0.53	17.7	0.67	29.9	1.22	34.0	1.55	
Investments in Property	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Insurance Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Other Earning Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Total Earning Assets	877.7	2,331.4	92.69	1,986.4	90.48	2,436.3	92.22	2,174.4	88.91	1,928.6	87.94	
C. Non-Earning Assets												
Cash and Due From Banks	5.7	15.1	0.60	15.7	0.72	26.5	1.00	7.1	0.29	6.1	0.28	
Memo: Mandatory Reserves Included Above	0.0	0.0	0.00	0.9	0.04	1.6	0.06	4.4	0.18	9.0	0.41	
Foreclosed Real Estate	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Fixed Assets	13.6	36.1	1.44	26.6	1.21	26.3	1.00	26.5	1.08	26.7	1.22	
Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Other Intangibles	0.4	1.0	0.04	1.6	0.07	1.6	0.06	2.0	0.08	2.3	0.10	
Current Tax Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Deferred Tax Assets	9.2	24.5	0.97	36.3	1.65	22.7	0.86	23.4	0.96	19.0	0.87	
Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Other Assets	40.4	107.2	4.26	128.7	5.86	128.5	4.86	212.1	8.67	210.5	9.60	
Total Assets	947.0	2,515.3	100.00	2,195.3	100.00	2,641.9	100.00	2,445.5	100.00	2,193.2	100.00	
Liabilities and Equity												
D. Interest-Bearing Liabilities												
Customer Deposits — Current	14.1	37.4	1.49	39.8	1.81	46.3	1.75	51.6	2.11	53.2	2.43	
Customer Deposits — Savings	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Customer Deposits — Term	353.0	937.7	37.28	629.6	28.68	746.0	28.24	839.5	34.33	791.4	36.08	
Total Customer Deposits	367.1	975.1	38.77	669.4	30.49	792.3	29.99	891.1	36.44	844.6	38.51	
Deposits from Banks	44.3	117.7	4.68	111.1	5.06	296.9	11.24	269.0	11.00	304.6	13.89	
Repos and Cash Collateral	12.1	32.1	1.28	73.4	3.34	414.7	15.70	474.1	19.39	286.9	13.08	
Other Deposits and Short-Term Borrowings	204.8	543.9	21.62	486.5	22.16	344.6	13.04	248.8	10.17	118.6	5.41	
Total Deposits, Money Market and Short-Term Funding	628.3	1,668.8	66.35	1,340.4	61.06	1,848.5	69.97	1,883.0	77.00	1,554.7	70.89	
Senior Debt Maturing after One Year	92.0	244.3	9.71	245.0	11.16	217.8	8.24	43.9	1.80	122.1	5.57	
Subordinated Borrowing	15.3	40.7	1.62	71.5	3.26	31.4	1.19	28.8	1.18	25.6	1.17	
Other Funding	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Total Long-Term Funding	107.3	285.0	11.33	316.5	14.42	249.2	9.43	72.7	2.97	147.7	6.73	
Derivatives	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Trading Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
Total Funding	735.6	1,953.8	77.68	1,656.9	75.47	2,097.7	79.40	1,955.7	79.97	1,702.4	77.62	

^aExchange Rate: 2014 — USD1 = BRL2.65620; 2013 — USD1 = BRL2.35380; 2012 — USD1 = USD1 = BRL2.04830; 2011 — USD1 = BRL1.85880; 2010 — USD1 = BRL1.68580. *Continued on next page.*
Source: Fitch Ratings.

Balance Sheet — Banco Industrial do Brasil S.A. (Continued)

(Year End as of Dec. 31)	2014 ^a			2013 ^a			2012 ^a			2011 ^a			2010 ^a		
	(USD Mil.)	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets	(BRL Mil.)	As % of Assets		
E. Non-Interest Bearing Liabilities															
Fair Value Portion of Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Credit Impairment Reserves	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Reserves for Pensions and Other	0.0	0.0	0.00	0.0	0.00	10.2	0.39	0.0	0.00	0.0	0.00	0.0	0.00		
Current Tax Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Deferred Tax Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Other Deferred Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Insurance Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Other Liabilities	34.0	90.2	3.59	84.2	3.84	91.6	3.47	69.9	2.86	83.2	3.79	83.2	3.79		
Total Liabilities	769.5	2,044.0	81.26	1,741.1	79.31	2,199.5	83.25	2,025.6	82.83	1,785.6	81.42	1,785.6	81.42		
F. Hybrid Capital															
Pref. Shares and Hybrid Capital Accounted for as Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Pref. Shares and Hybrid Capital Accounted for as Equity	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
G. Equity															
Common Equity	177.4	471.3	18.74	453.8	20.67	442.4	16.75	419.8	17.17	407.5	18.58	407.5	18.58		
Noncontrolling Interest	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Securities Revaluation Reserves	(0.0)	(0.1)	(0.04)	0.3	0.01	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Foreign Exchange Revaluation Reserves	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00		
Fixed Asset Revaluations and Other															
Accumulated Other Comprehensive Income	0.0	0.1	0.00	0.1	0.00	0.0	0.00	0.1	0.00	0.1	0.00	0.1	0.00		
Total Equity	177.4	471.3	18.74	454.2	20.69	442.4	16.75	419.9	17.17	407.6	18.58	407.6	18.58		
Total Liabilities and Equity	947.0	2,515.3	100.00	2,195.3	100.00	2,641.9	100.00	2,445.5	100.00	2,193.2	100.00	2,193.2	100.00		
Memo: Fitch Core Capital	177.1	470.3	18.70	452.6	20.62	418.1	15.83	417.9	17.09	405.3	18.48	405.3	18.48		
Memo: Fitch Eligible Capital	177.1	470.3	18.70	452.6	20.62	418.1	15.83	417.9	17.09	405.3	18.48	405.3	18.48		

^aExchange Rate: 2014 — USD1 = BRL2.65620; 2013 — USD1 = BRL2.35380; 2012 — USD1 = USD1 = BRL2.04830; 2011 — USD1 = BRL1.85880; 2010 — USD1 = BRL1.68580. FV – Fair value.

Source: Fitch Ratings.

Summary Analytics — Banco Industrial do Brasil S.A.

(%, Year End as of Dec. 31)	2014	2013	2012	2011	2010
A. Interest Ratios					
Interest Income on Loans/Average Gross Loans	13.11	12.54	12.38	15.41	14.13
Interest Expense on Customer Deposits/Average Customer Deposits	20.18	16.48	17.55	20.41	17.46
Interest Income/Average Earning Assets	15.32	14.20	12.95	15.81	12.94
Interest Expense/Average Interest-Bearing Liabilities	13.15	10.25	9.40	12.96	9.75
Net Interest Income/Average Earning Assets	4.50	5.70	4.13	4.25	4.87
Net Interest Income Less Loan Impairment Charges/Avg. Earning Assets	4.23	3.56	3.74	3.21	4.42
Net Interest Income Less Pref. Stock Dividend/Average Earning Assets	4.50	5.70	4.13	4.25	4.87
B. Other Operating Profitability Ratios					
Non-Interest Income/Gross Revenues	31.82	25.72	31.82	30.07	30.05
Non-Interest Expense/Gross Revenues	57.35	48.07	52.50	57.42	51.28
Non-Interest Expense/Average Assets	3.53	3.40	2.85	3.09	3.22
Pre-Impairment Operating Profit/Average Equity	13.30	18.92	16.25	12.84	15.34
Pre-Impairment Operating Profit/Average Total Assets	2.62	3.67	2.58	2.29	3.05
Loans and Securities Impairment Charges/Pre-Impairment Operating Profit	9.71	53.66	13.80	40.30	13.49
Operating Profit/Average Equity	12.01	8.77	14.01	7.66	13.27
Operating Profit/Average Total Assets	2.37	1.70	2.23	1.37	2.64
Taxes/Pre-Tax Profit	24.81	16.25	24.75	9.63	25.60
Pre-Impairment Operating Profit/Risk-Weighted Assets	2.14	3.20	2.69	2.30	2.95
Operating Profit/Risk-Weighted Assets	1.93	1.48	2.32	1.37	2.55
C. Other Profitability Ratios					
Net Income/Average Total Equity	8.67	7.47	10.26	7.03	10.12
Net Income/Average Total Assets	1.71	1.45	1.63	1.25	2.01
Fitch Comprehensive Income/Average Total Equity	8.67	7.47	10.26	7.03	10.12
Fitch Comprehensive Income/Average Total Assets	1.71	1.45	1.63	1.25	2.01
Net Income/Av. Total Assets plus Avg. Managed Securitized Assets	1.71	1.45	1.62	1.23	1.90
Net Income/Risk-Weighted Assets	1.39	1.26	1.70	1.26	1.95
Fitch Comprehensive Income/Risk-Weighted Assets	1.39	1.26	1.70	1.26	1.95
D. Capitalization					
Fitch Core Capital/Risk-Weighted Assets	16.26	17.07	15.99	18.07	19.69
Fitch Eligible Capital/Risk-Weighted Assets	16.26	17.07	15.99	18.07	19.69
Tangible Common Equity/Tangible Assets	17.91	19.30	15.97	17.10	18.50
Tier 1 Regulatory Capital Ratio	16.29	17.08	16.90	18.12	19.72
Total Regulatory Capital Ratio	16.85	17.89	17.86	19.37	20.97
Core Tier 1 Regulatory Capital Ratio	16.29	17.08	N.A.	N.A.	N.A.
Equity/Total Assets	18.74	20.69	16.75	17.17	18.58
Cash Dividends Paid and Declared/Net Income	56.33	65.67	49.55	80.41	44.39
Cash Dividend Paid and Declared/Fitch Comprehensive Income	56.33	65.67	49.55	80.41	44.39
Cash Dividends and Share Repurchase/Net Income	56.33	65.67	49.55	80.41	44.39
Internal Capital Generation	3.73	2.53	5.06	1.36	5.47
E. Loan Quality					
Growth of Total Assets	14.58	(16.90)	8.03	11.50	22.67
Growth of Gross Loans	(1.37)	(3.86)	22.89	14.15	29.47
Impaired Loans/Gross Loans	2.06	4.02	1.84	2.77	2.40
Reserves for Impaired Loans/Gross Loans	0.99	3.18	1.06	1.84	1.20
Reserves for Impaired Loans/Impaired Loans	48.06	79.27	57.78	66.32	50.17
Impaired Loans less Reserves for Impaired Loans/Fitch Core Capital	3.70	3.03	3.18	3.11	3.60
Impaired Loans less Reserves for Impaired Loans/Equity	3.69	3.02	3.01	3.10	3.58
Loan Impairment Charges/Average Gross Loans	0.39	2.95	0.63	1.64	0.76
Net Charge-Offs/Average Gross Loans	0.45	0.73	0.90	3.86	1.97
Impaired Loans + Foreclosed Assets/Gross Loans + Foreclosed Assets	2.06	4.02	1.84	2.77	2.40
F. Funding					
Loans/Customer Deposits	166.49	245.89	216.08	156.33	144.49
Interbank Assets/Interbank Liabilities	1.95	14.67	5.89	10.15	10.11
Customer Deposits/Total Funding (Excluding Derivatives)	49.91	40.40	37.77	45.56	49.61

^aThe Brazilian published chart of accounts for banks according to the Brazilian Central Bank's Chart of Accounts for Financial Institutions does not allow a segregation of "Interest on Customer Deposits" only. Therefore this item also includes several other funding expenses. However, this ratio is comparable for all banks and, therefore, serves as a relative indicator of a bank's aggregate retail and wholesale funding costs. N.A. – Not available.
Source: Fitch Ratings.

Reference Data — Banco Industrial do Brasil S.A.

	2014 ^a		2013 ^a		2012 ^a		2011 ^a		2010 ^a		
(BRL Mil, Year End as of Dec. 31)	(USD Mil.)	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	
A. Off-Balance Sheet Items											
Managed Securitized Assets Reported Off-Balance Sheet	0.0	0.0	0.00	0.0	0.00	8.4	0.32	24.5	1.00	59.9	2.73
Other Off-Balance Sheet Exposure to Securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	7.0	0.32
Guarantees	77.4	205.6	8.17	165.7	7.55	86.4	3.27	51.6	2.11	64.5	2.94
Acceptances and Documentary Credits Reported Off-Balance Sheet	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Committed Credit Lines	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Other Contingent Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Total Business Volume	1,024.4	2,720.9	108.17	2,361.0	107.55	2,736.7	103.59	2,521.6	103.11	2,324.6	105.99
Memo: Risk-Weighted Assets	1,088.8	2,892.2	114.98	2,651.7	120.79	2,615.2	98.99	2,312.6	94.57	2,058.8	93.87
Fitch Adjustments to Risk-Weighted Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Fitch Adjusted Risk-Weighted Assets	1,088.8	2,892.2	114.98	2,651.7	120.79	2,615.2	98.99	2,312.6	94.57	2,058.8	93.87
B. Average Balance Sheet											
Average Loans	580.8	1,542.8	61.34	1,544.1	70.34	1,528.7	57.86	1,306.7	53.43	1,081.5	49.31
Average Earning Assets	826.0	2,194.1	87.23	2,128.9	96.98	2,440.2	92.37	2,051.5	83.89	1,791.1	81.67
Average Assets	886.7	2,355.3	93.64	2,310.6	105.25	2,722.0	103.03	2,319.3	94.84	1,990.5	90.76
Average Managed Securitized Assets (OBS)	0.0	0.0	0.00	2.9	0.13	14.3	0.54	42.2	1.73	118.6	5.41
Average Interest-Bearing Liabilities	679.2	1,804.2	71.73	1,766.3	80.46	2,289.4	86.66	1,829.0	74.79	1,482.5	67.60
Average Common Equity	174.9	464.6	18.47	448.1	20.41	432.7	16.38	413.7	16.92	396.4	18.07
Average Equity	175.0	464.8	18.48	448.3	20.42	432.7	16.38	413.7	16.92	396.4	18.07
Average Customer Deposits	310.0	823.4	32.74	715.0	32.57	861.0	32.59	867.8	35.49	734.2	33.48
C. Maturities											
Asset Maturities											
Loans and Advances < 3 Months	311.9	828.5	32.94	932.4	42.47	834.5	31.59	548.9	22.45	506.4	23.09
Loans and Advances 3–12 Months	230.0	610.8	24.28	367.1	16.72	518.8	19.64	458.7	18.76	379.6	17.31
Loans and Advances 1–5 Years	136.6	362.8	14.42	319.5	14.55	352.4	13.34	379.0	15.50	386.4	17.62
Loans and Advances > 5 years	10.1	26.8	1.07	26.9	1.23	14.7	0.56	6.5	0.27	8.0	0.36
Debt Securities < 3 Months	12.2	32.4	1.29	85.5	3.89	48.9	1.85	492.3	20.13	303.5	13.84
Debt Securities 3–12 Months	29.7	79.0	3.14	29.2	1.33	39.7	1.50	184.2	7.53	76.6	3.49
Debt Securities 1–5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	98.9	4.04	307.1	14.00
Debt Securities > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	1.2	0.05
Loans and Advances to Banks < 3 Months	0.4	1.0	0.04	14.3	0.65	12.6	0.48	1.0	0.04	1.0	0.05
Loans and Advances to Banks 3–12 Months	0.4	1.0	0.04	1.0	0.05	4.9	0.19	18.2	0.74	16.9	0.77
Loans and Advances to Banks 1–5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	5.5	0.22	0.2	0.01
Loans and Advances to Banks > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Liability Maturities											
Retail Deposits < 3 Months	14.1	37.4	1.49	39.8	1.81	46.3	1.75	51.6	2.11	53.2	2.43
Retail Deposits 3–12 Months	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Retail Deposits 1–5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Retail Deposits > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Other Deposits < 3 Months	313.6	833.0	33.12	490.2	22.33	620.0	23.47	839.5	34.33	0.0	0.00
Other Deposits 3–12 Months	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Other Deposits 1–5 Years	39.4	104.7	4.16	139.4	6.35	126.0	4.77	0.0	0.00	0.0	0.00
Other Deposits > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Deposits from Banks < 3 Months	43.1	114.5	4.55	111.1	5.06	293.8	11.12	0.0	0.00	0.0	0.00
Deposits from Banks 3–12 Months	0.0	0.0	0.00	0.0	0.00	0.0	0.00	269.0	11.00	0.0	0.00
Deposits from Banks 1–5 Years	1.2	3.1	0.12	0.0	0.00	3.1	0.12	0.0	0.00	0.0	0.00
Deposits from Banks > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Senior Debt Maturing < 3 Months	204.8	543.9	21.62	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Senior Debt Maturing 3–12 Months	0.0	0.0	0.00	486.5	22.16	344.6	13.04	185.0	7.56	115.7	5.28
Senior Debt Maturing 1–5 Years	92.0	244.3	9.71	245.0	11.16	217.8	8.24	43.9	1.80	122.1	5.57
Senior Debt Maturing > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Total Senior Debt on Balance Sheet	296.7	788.2	31.34	731.5	33.32	562.4	21.29	228.9	9.36	237.8	10.84
Fair Value Portion of Senior Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Covered Bonds	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Subordinated Debt Maturing < 3 Months	0.4	1.0	0.04	1.4	0.06	0.8	0.03	0.0	0.00	0.0	0.00
Subordinated Debt Maturing 3–12 Months	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00

^aExchange Rate: 2014 — USD1 = BRL2.65620; 2013 — USD1 = BRL2.35380; 2012 — USD1 = BRL2.04830; 2011 — USD1 = BRL1.85880; 2010 — USD1 = BRL1.68580. OBS – Off-Balance Sheet. *Continued on next page.*

Source: Fitch Ratings.

Reference Data — Banco Industrial do Brasil S.A. (Continued)

	2014 ^a		2013 ^a		2012 ^a		2011 ^a		2010 ^a		
(BRL Mil, Year End as of Dec. 31)	(USD Mil.)	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets	As % of Assets		
Subordinated Debt Maturing in 1–5 Years	15.0	39.8	1.58	70.1	3.19	30.6	1.16	0.0	0.00	0.0	0.00
Subordinated Debt Maturing > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Total Subordinated Debt on Balance Sheet	15.3	40.7	1.62	71.5	3.26	31.4	1.19	28.8	1.18	25.6	1.17
Fair Value Portion of Subordinated Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
D. Equity Reconciliation											
Equity	177.4	471.3	18.74	454.2	20.69	442.4	16.75	419.9	17.17	407.6	18.58
Add: Pref. Shares and Hybrid Capital Accounted for as Equity	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Add: Other Adjustments	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Published Equity	177.4	471.3	18.74	454.2	20.69	442.4	16.75	419.9	17.17	407.6	18.58
E. Fitch Eligible Capital Reconciliation											
Total Equity as Reported (Including Non-Controlling Interests)	177.4	471.3	18.74	454.2	20.69	442.4	16.75	419.9	17.17	407.6	18.58
Fair Value Effect Included in Own Debt/Borrowings at Fair Value on the Balance Sheet Credit Component Only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Non-Loss-Absorbing Non-Controlling Interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Other Intangibles	0.4	1.0	0.04	1.6	0.07	1.6	0.06	2.0	0.08	2.3	0.10
Deferred Tax Assets Deduction	0.0	0.0	0.00	0.0	0.00	22.7	0.86	0.0	0.00	0.0	0.00
Net Asset Value of Insurance Subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
First Loss Tranches of Off-Balance Sheet Securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Fitch Core Capital	177.1	470.3	18.70	452.6	20.62	418.1	15.83	417.9	17.09	405.3	18.48
Eligible Weighted Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Government Held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Fitch Eligible Capital	177.1	470.3	18.70	452.6	20.62	418.1	15.83	417.9	17.09	405.3	18.48

^aExchange Rate: 2014 — USD1 = BRL2.65620; 2013 — USD1 = BRL2.35380; 2012 — USD1 = BRL2.04830; 2011 — USD1 = BRL1.85880; 2010 — USD1 = BRL1.68580. OBS – Off-Balance Sheet.

Source: Fitch Ratings.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK [HTTPS://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2015 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion is based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at anytime for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.