



BancoDaycoval

— 3Q19 —

Investor RELATIONS

Institutional Presentation

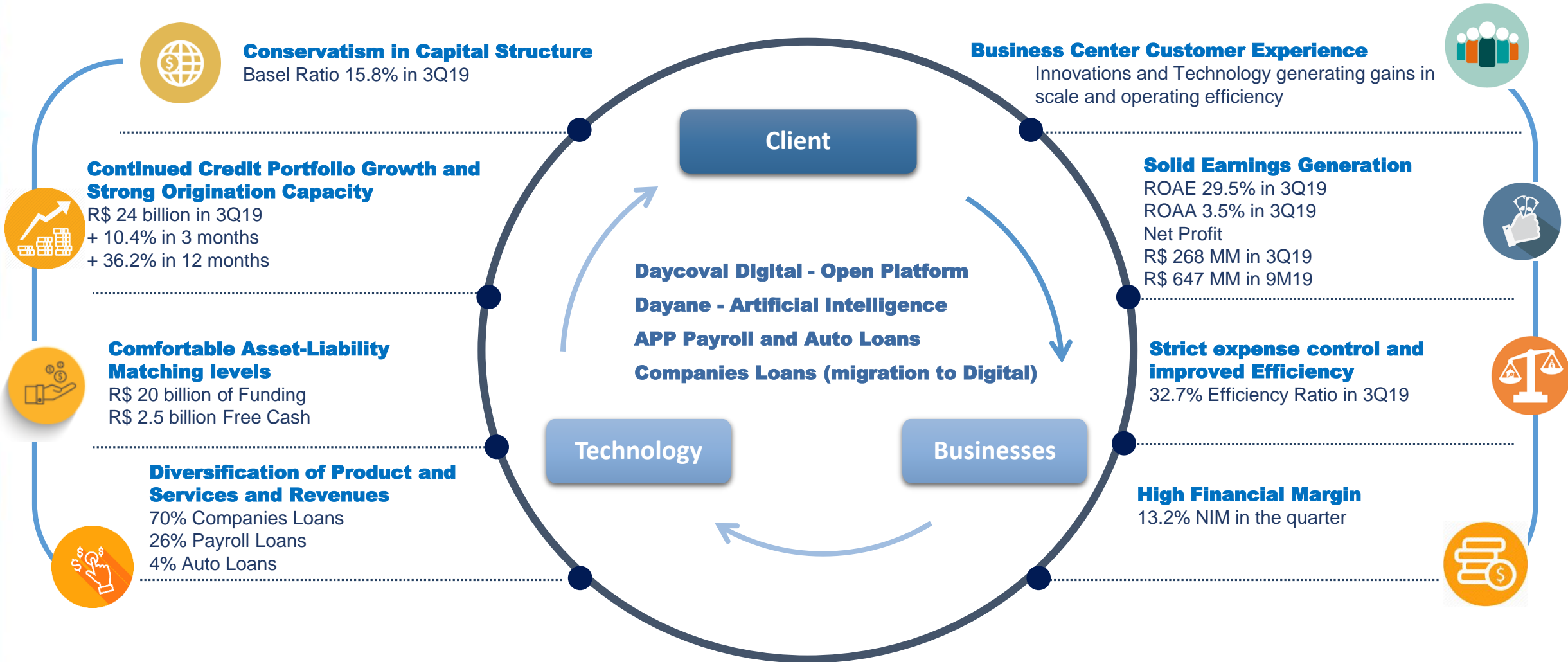
Great
Place
To
Work®

Certificado

06/11/2018 - 06/11/2019

BRASIL

Strategy oriented by Digital Transformation



Innovation and Digital Transformation

Recognition | Dayane Virtual Assistant



- Daycoval won the international **Innovation Award 2019 - Virtual Assistants (Cloud Platform Winner 2019 - Digital Assistant)** from Oracle, a world reference in digital platform development, one of the highlights among financial companies featuring its virtual assistant Dayane.

+ 200 thousand interactions in all service channels (9 months)

Artificial Intelligence

Created in September 2018, based on a **Financial Vehicles** project.

Client Service Expansion

- Customer Service
- Ombudsman
- Payroll Loans
- Investments
- Dayconnect
- Foreign Exchange



Operational Efficiency

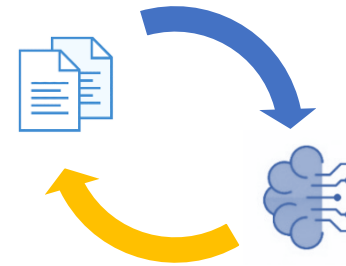
Focus on **Customer Experience** and **greater speed** in the **Bank's internal processes**.

Integrated with Whatsapp



- Foreign currency exchange rates,
- Sending of payment receipts;
- Service by Daycoval Investe professionals.

Verification of Receivables X Artificial Intelligence



- Using Artificial Intelligence for Automatic Receivables Verification and Release.
- For unapproved cases, the business manager receives the information instantly and seeks best solution to conclude the process.

Payroll App



- The Payroll App was created with the goal of delivering simple and fast solutions to our clients while also speeding up the origination.
- The APP makes it possible to simulate and contract loans and financing lines.
- Refinancing.
- Monitor proposals.
- Perform Registration Update.
- At the end of 3Q19, we originated more than R\$ 150.0 million through this channel.

Innovation and Digital Transformation

Daygiro and Girofácil Online

- Daygiro FGI is a working capital line for small- and medium-sized enterprises without the need for a real guarantee, up to R\$ 500,000, and has the support of the BNDES.
- The prerequisites for contracting a loan are: Annual revenues of R\$ 1 million up to R\$ 90 million; minimum of 5 years in operation after incorporation; and for limited liability companies (LTDA.), joint-stock (S.A.) and others comprised of partners, not being valid for MEI companies or individual entrepreneurs.
- In March 2019, the Bank launched its Girofácil Online feature. Through this new digital channel it is possible to carry out simulations and contract this product.



APP | Vehicles

- APP PromAuto - was developed for the digital journeys of stores and Banking Correspondents for vehicle financing.
- Through PromAuto APP, stores can conduct simulations, fill out and send client proposals, from where the journey begins. This proposal is sent to the Banking Correspondent, who in turn carries out prior Credit analysis and then forwards the proposal to the Credit Desk.

We received over 1,800 simulations and 6,300 calculations through the APP and WEB versions from July-October/2019.



Recent initiatives

Workplace

- New internal communication tool for sharing information, knowledge, courses, live streaming and recorded videos, event reports, work group and special project creation.



Musical | Children's Day

- In celebration of Children's Day, the Bank hosted a special and exclusive session of the *Peter Pan* musical production. Some 1,500 employees and their families participated.
- This was the 5th consecutive year that Daycoval has run this event.



Outubro Rosa

- Every year, Banco Daycoval wears pink in support of “Outubro Rosa”, the month dedicated to raising awareness of breast cancer control.



Daycovida

- Quality of life program based on 4 pillars:



Corpo



Mente



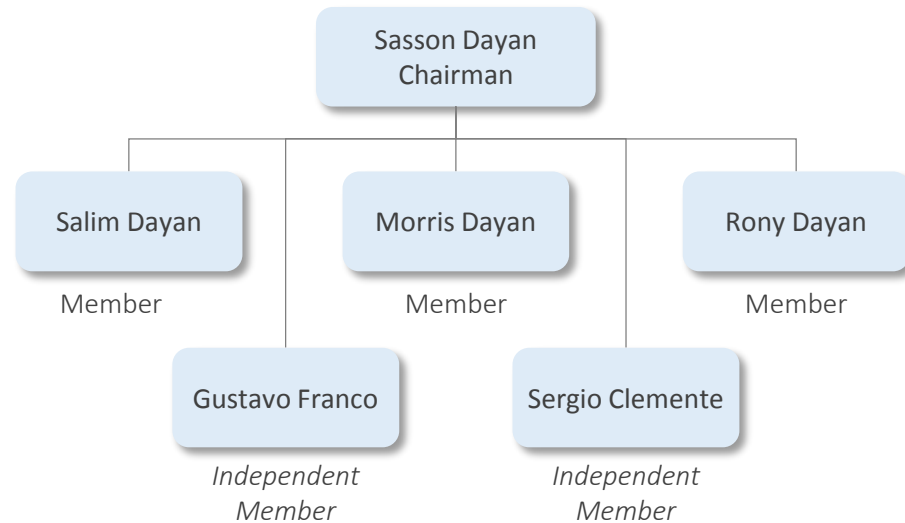
Social



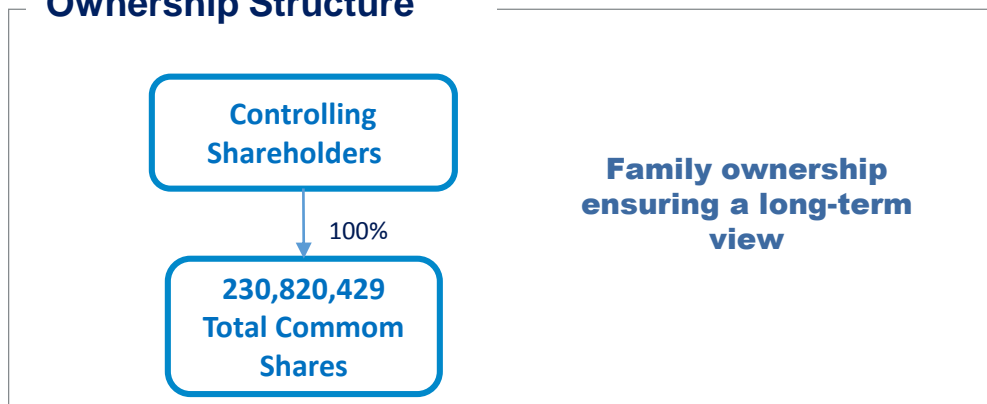
Bolso

Corporate Governance

Board of Directors



Ownership Structure



Board of Executive Officers



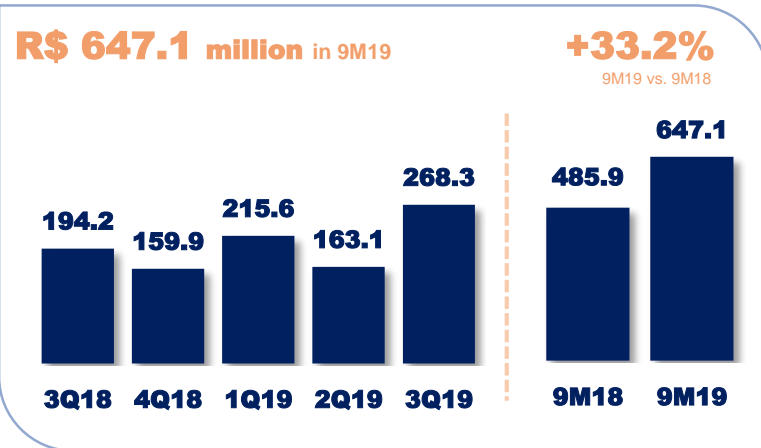
Professional management team

Name / Title	Years at Daycoval
Carlos Moche Dayan, Executive Officer	-
Morris Dayan, Executive Officer	-
Salim Dayan, Executive Officer	-
Albert Rouben, Operations Officer	26
Alexandre Rhein, IT Officer	13
Alexandre Teixeira, Vehicles Officer	13
Claudinei Aparecido Pedro, Commercial Officer	19
Eduardo Campos, Foreign Exchange Officer	10
Elie Jacques Mizrahi, Commercial Officer	16
Erick W. de Carvalho, Capital Market Services Officer	1
Maria Regina R.M. Nogueira, Controller	29
Nilo Cavarzan, Payroll Loans Officer	15
Paulo Augusto Saba, Treasury and Markets Officer	4
Ricardo Gelbaum, IR and Institutional Officer	7

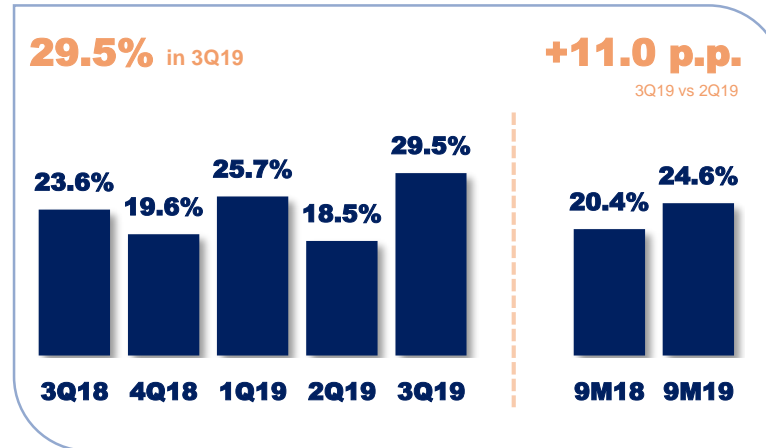
Financial Highlights

3Q19 and 9M19

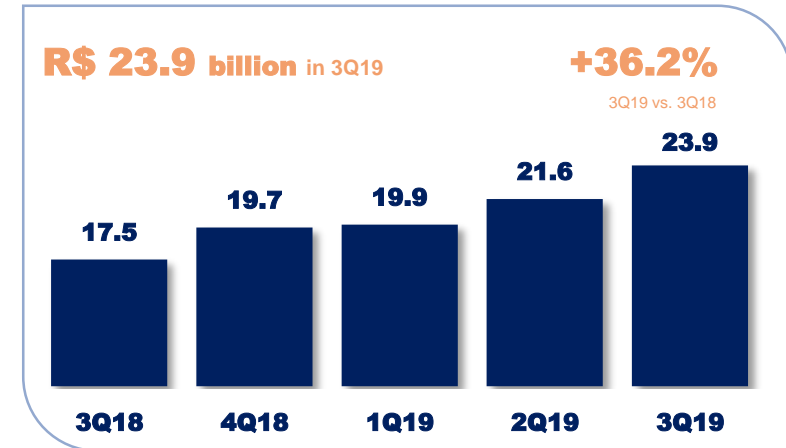
Net Income



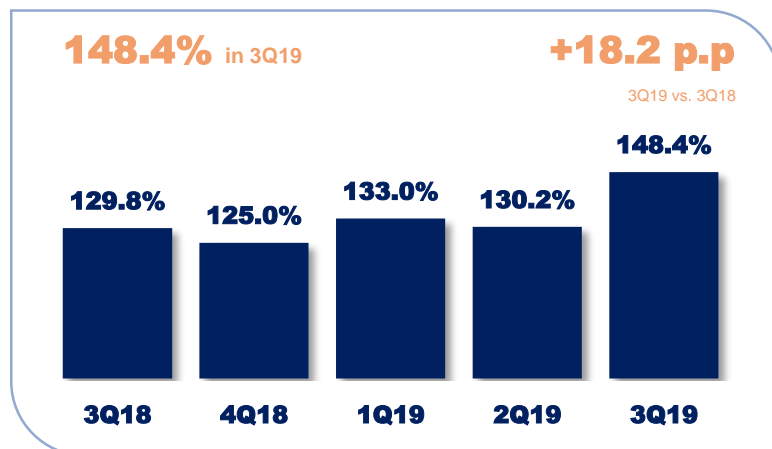
ROAE



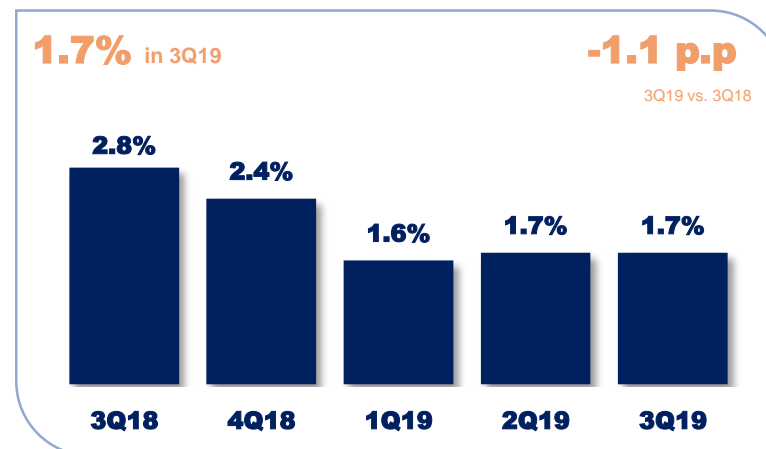
Expanded Loan Portfolio



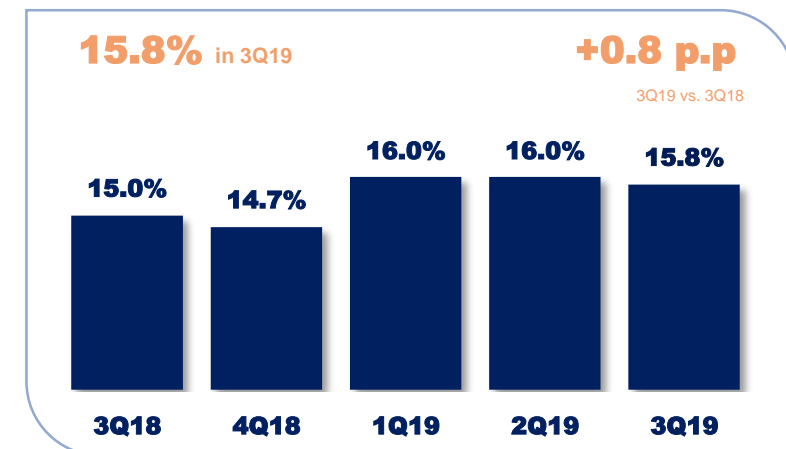
LLP/E-H Portfolio



NPLs | 90 days



Basel Ratio



Expanded Loan Portfolio

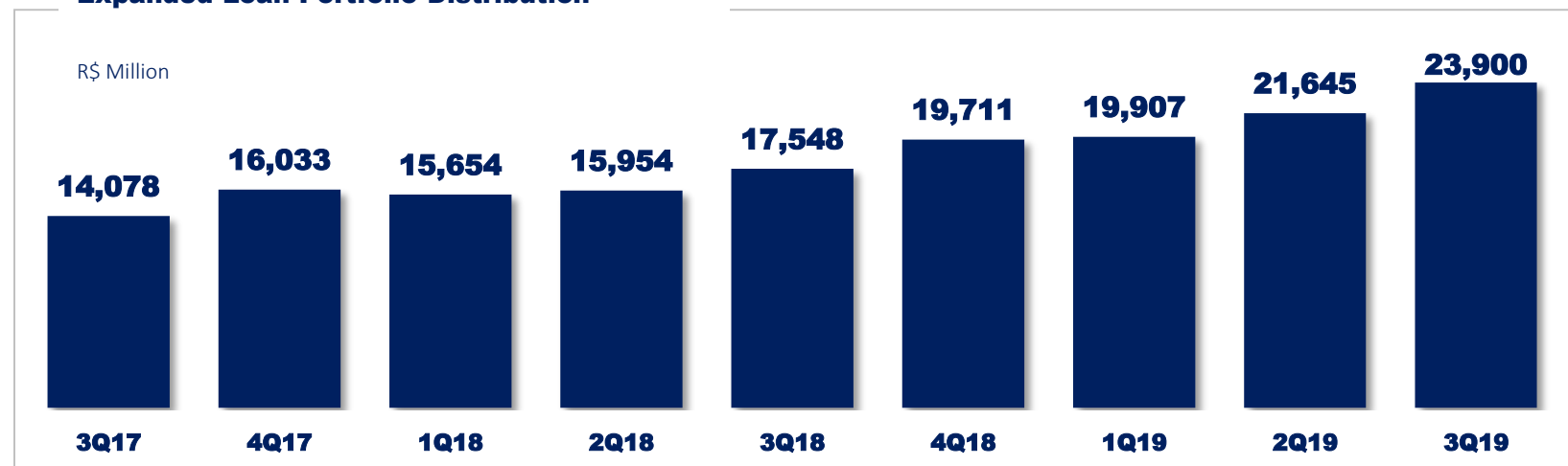
Loan Portfolio Breakdown

3rd quarter of 2019

Companies	69.7%
Payroll Loans	25.8%
Vehicles	4.2%
Others	0.3%

R\$ million	3Q19	2Q19	Chg. % 3 months	3Q18	Chg. % 12 months
Companies	9,514.0	8,649.6	10.0%	7,504.9	26.8%
Receivables Purchase	3,674.3	3,316.9	10.8%	2,567.4	43.1%
Leasing	1,109.3	967.8	14.6%	760.0	46.0%
Avals and Sureties	2,364.5	1,872.8	26.3%	1,024.4	130.8%
Total Expanded Companies	16,662.1	14,807.1	12.5%	11,856.7	40.5%
Payroll Loans	5,700.6	5,422.4	5.1%	4,618.0	23.4%
Payroll Card	473.3	455.0	4.0%	366.6	29.1%
Total Payroll Loans	6,173.9	5,877.4	5.0%	4,984.6	23.9%
Total Auto Loans + Others	1,009.5	907.4	11.3%	661.0	52.7%
Property Guaranteed Credit	54.2	53.4	1.5%	46.0	17.8%
Total Expanded Loan Portfolio	23,899.7	21,645.3	10.4%	17,548.3	36.2%

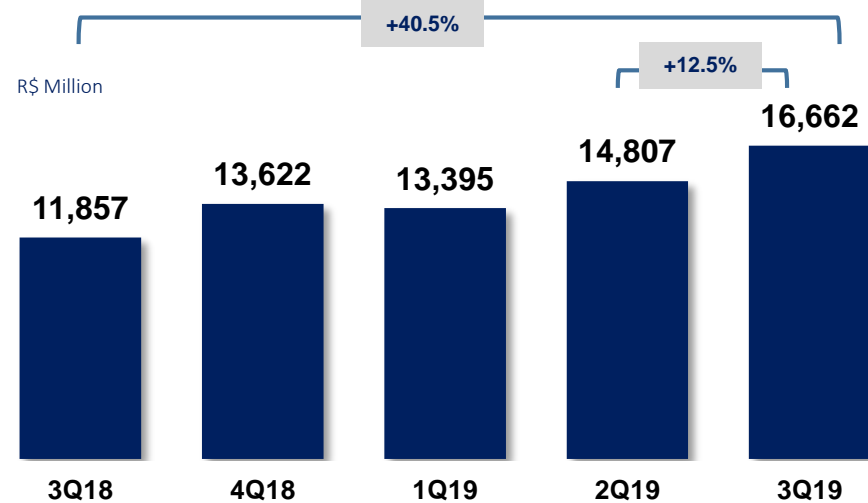
Expanded Loan Portfolio Distribution



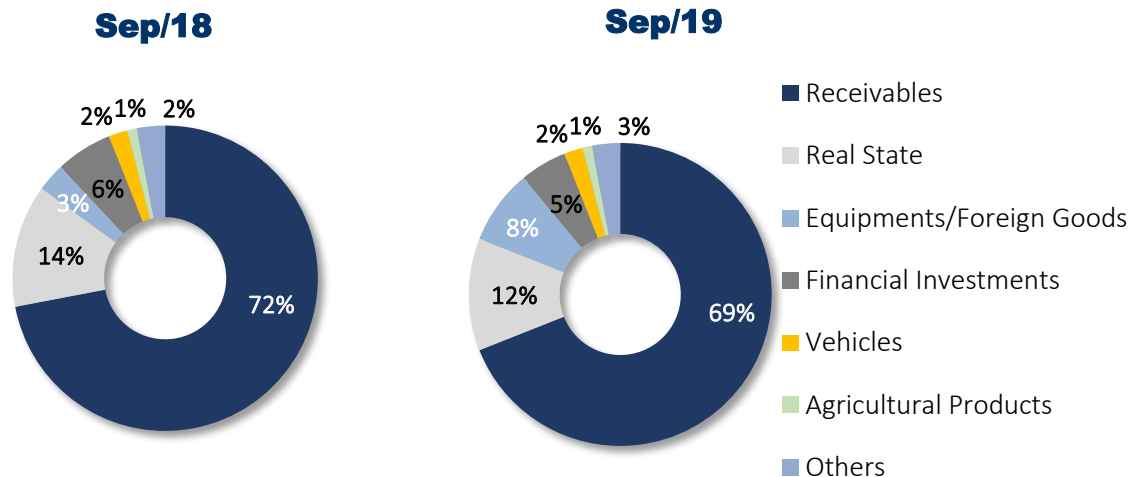
Companies Portfolio

By Product (%)

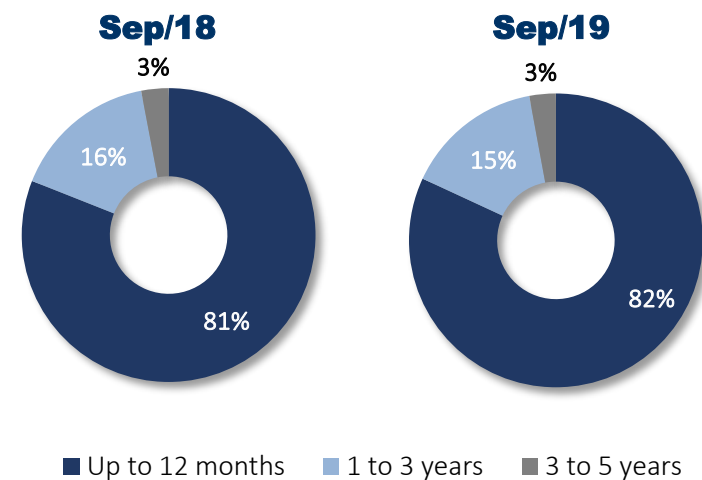
Working Capital/ Guaranteed Account	44%
Receivables Purchase	22%
Avals and Sureties	14%
Trade Finance	12%
Leasing	6%
BNDES	2%



Collateral - %

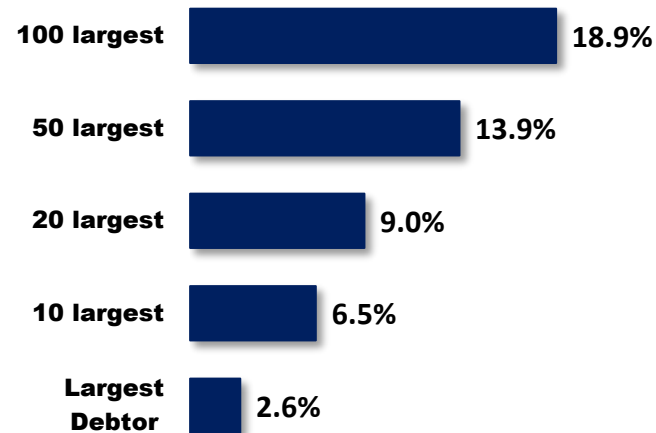


Outstanding Operation - %



Companies Portfolio

Credit Concentration

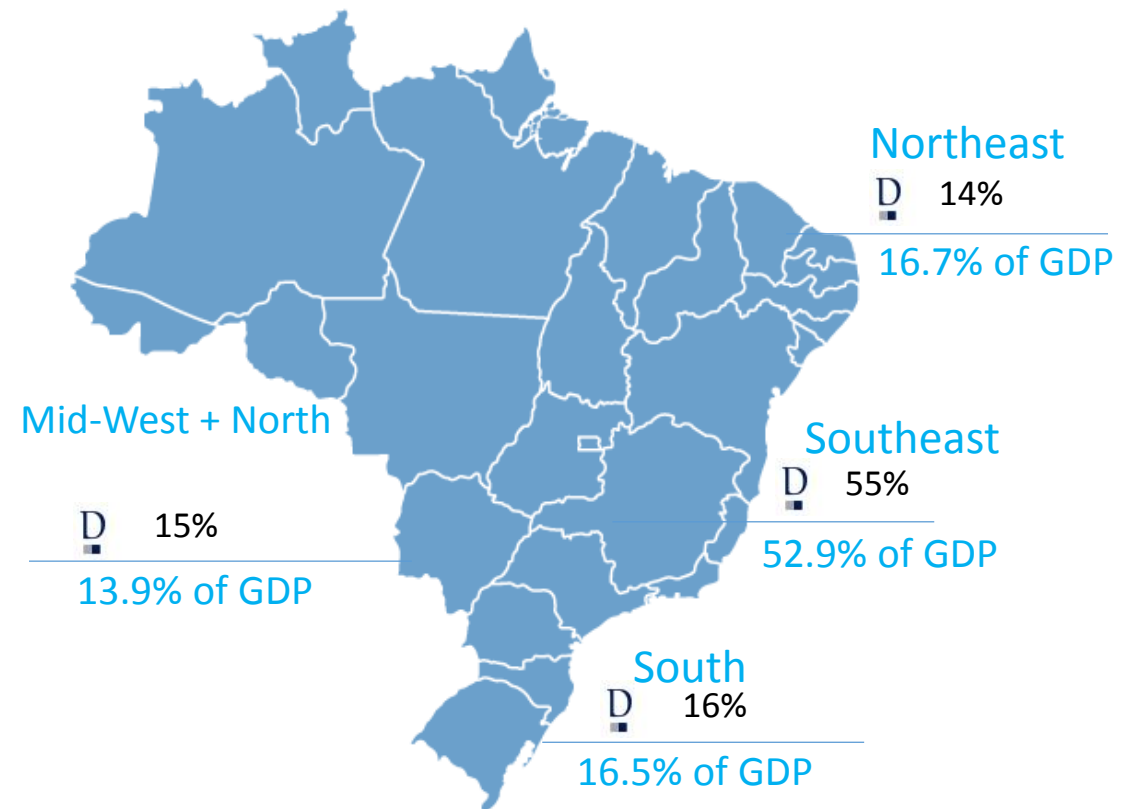


Concentration by Sector	3Q19	2Q19
Industry	44.4%	45.0%
Service	30.4%	28.7%
Commerce	19.3%	20.2%
10 Largest Sectors(*)		
Poultry Industry	3.4%	3.1%
Road Freight Transportation	2.9%	2.3%
Oil Industry	2.3%	2.5%
Food and Cereal Wholesaler	2.5%	1.5%
Auto Parts and Accessories Industry	2.0%	1.5%
Electricity Generation	1.8%	1.7%
Holding	1.6%	1.6%
Malt Industry	1.6%	1.7%
Real State Development	1.4%	1.3%
Cooperative Production	1.3%	0.8%

(*) % over the total of the companies portfolio

National Presence

Loan Portfolio Distribution X GDP










GDP* Loan Portfolio

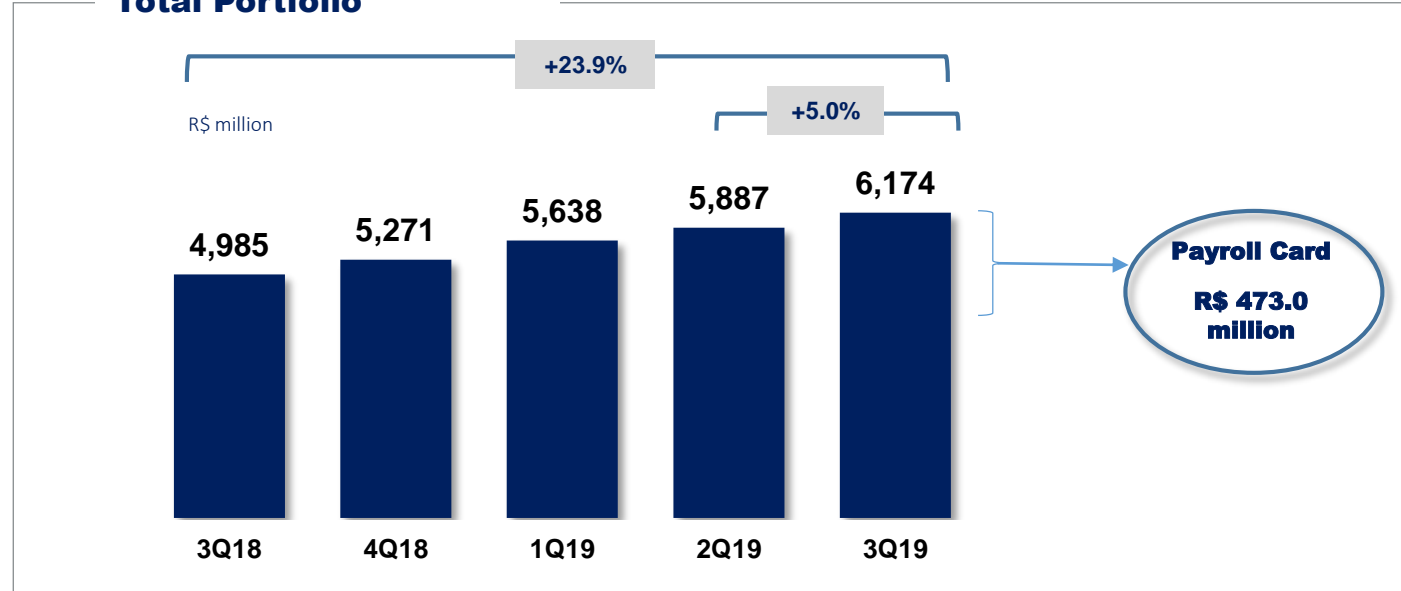
*Source: GDP by Geographical Region IBGE (2016)

Payroll Loans

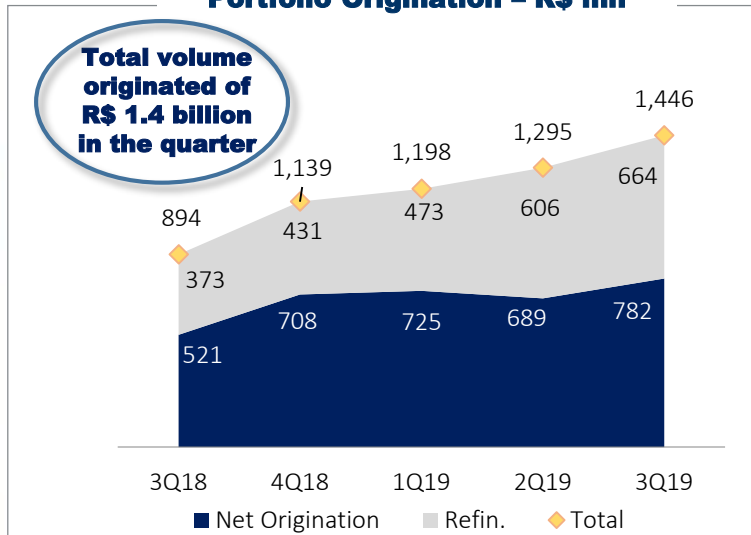
Highlights | 3Q19

 <p>Refinancing Origination (Refin) 46%</p>	 <p>39 own stores – IFP 11.2% share of sales in the quarter</p>	 <p>Number of contracts in the portfolio 1,070.000</p>
 <p>Portfolio Duration 17 months</p>	 <p>Average Ticket R\$ 6,300</p>	 <p>Number of active clients 669,000</p>
 <p>At the end of 3Q19, we originated more than R\$ 150.0 million through this channel.</p>		

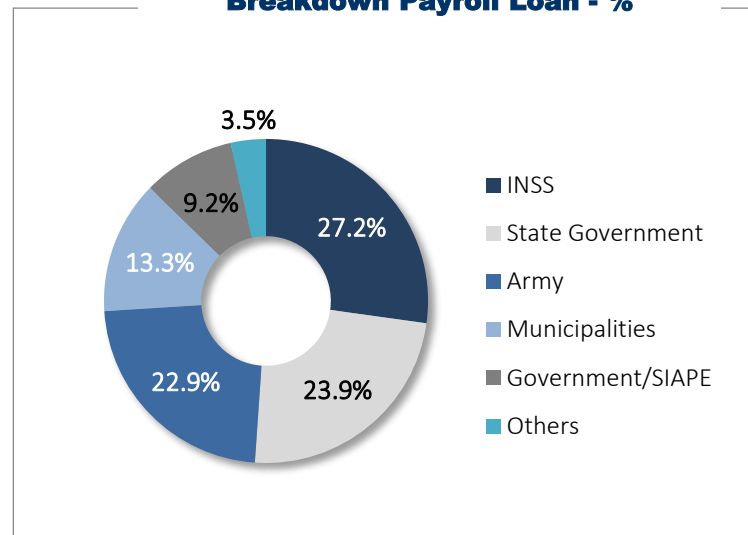
Total Portfolio



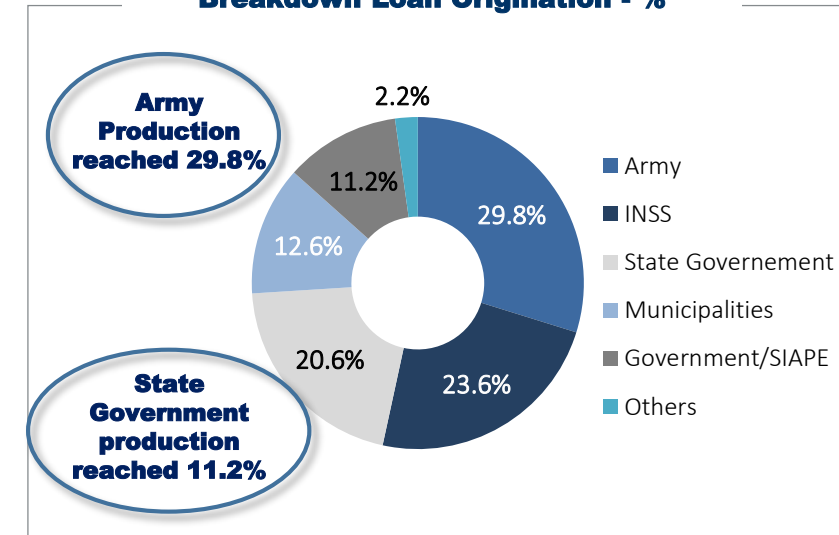
Portfolio Origination – R\$ mn



Breakdown Payroll Loan - %



Breakdown Loan Origination - %



Auto Loans

Highlights | 3Q19



Number of contracts

111,100



Average Ticket

R\$ 8,600



Portfolio Duration

16 meses



Average Interest Rate (year)

37.7%



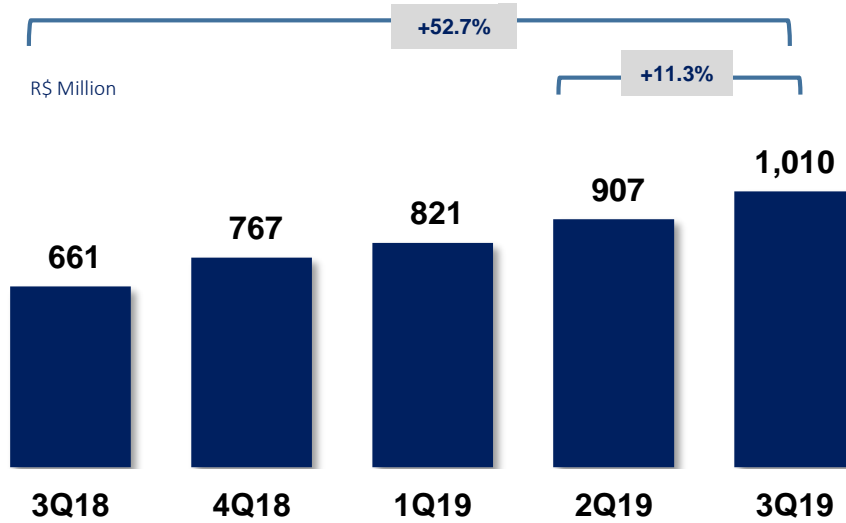
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Promoters

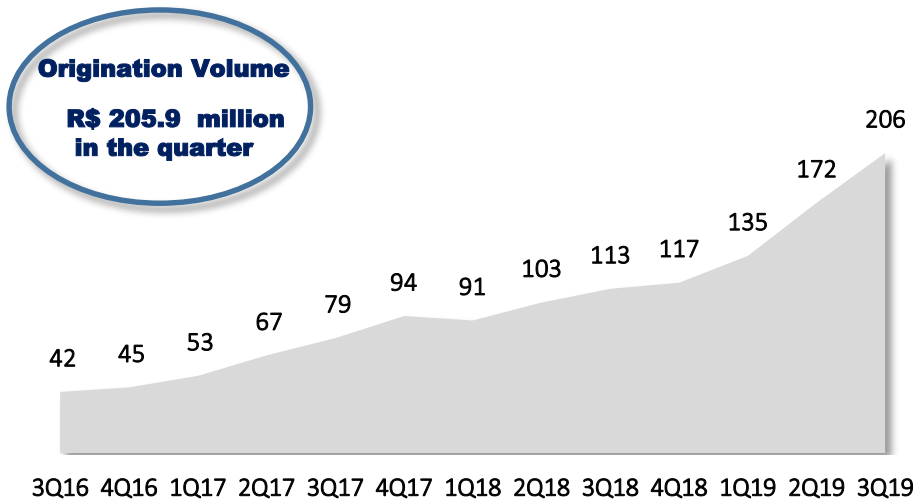


Focus on the Southeast of Brazil

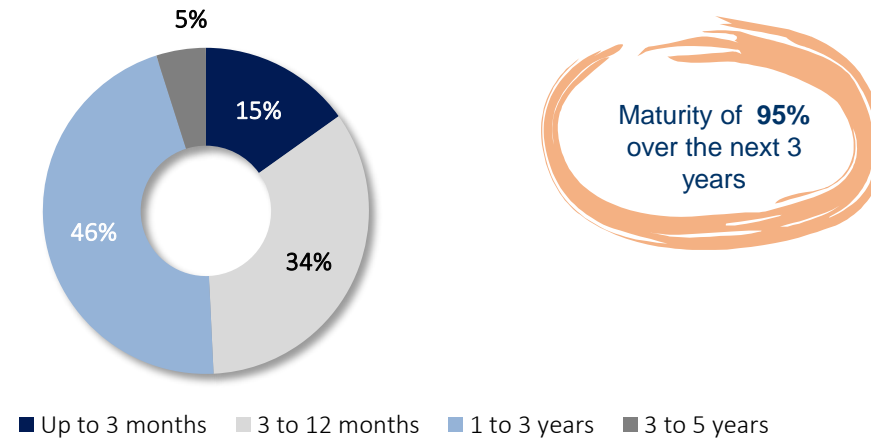
Auto Loan Portfolio



Origination of Auto Loan Portfolio – R\$ mn



Outstanding Operation (%)





Gross Revenue through the management of investment funds

R\$ 4.9 MM in 3Q19 and R\$ 12.2 MM in 9M19



Management of 56 funds

34 Multimarket Funds, eight Fixed Income Funds, two Stock Funds, five FIDCs, one Real Estate Fund, five Holding Funds and one Managed Portfolio.

Custodial and Administration Services



The focus was expanded on the Capital Market services segment, with a new team focused on the Custodianship and Administration segments.

Focus on Client's profile and needs

Investment Fund management developed according to each client's profile and supported by:



Multidisciplinary team



Long-term relationships

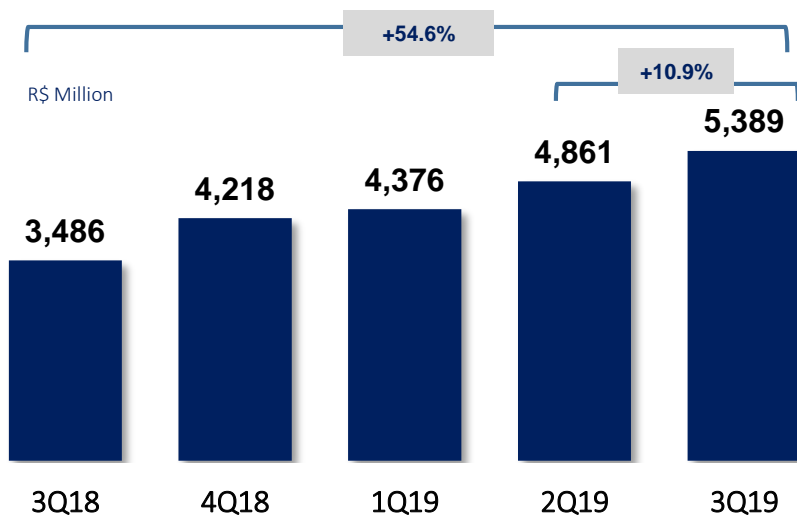


Strong control of risk based on capital preservation

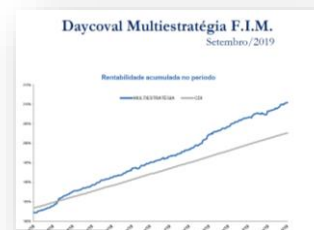


Management agility and objectivity

Asset Management



Highlights



Daycoval Multiestratégia FIM

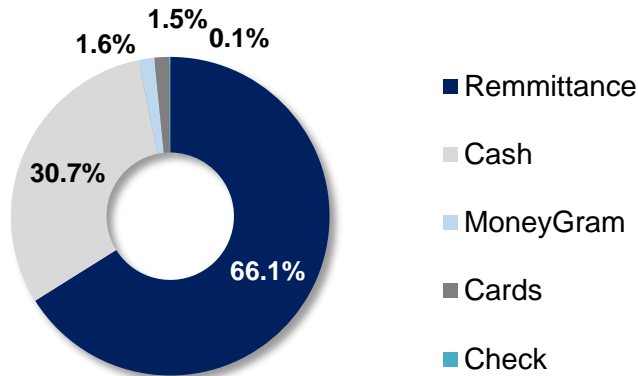
A fund with low volatility and attractive returns, as well as high liquidity (D+1.) The fund's objective is to reach 130% of the CDI with a maximum volatility of 3%/4% per annum.



Daycoval Ibovespa Ativo FIA

A fund aiming to surpass the Ibovespa index in the medium- to long-term, through allocation of shares based on active and diversified management. The fund has a detailed fundamentalist analysis (qualitative and quantitative), technical and flow analysis.

Breakdown by Product - %



Highlights | 3Q19



Network
174 service points



Transaction turnover
R\$ 1,720.3 million in 3Q19 and
R\$ 3,217.9 million in 9M19.



In 9M19, 67% of the transactions originated in our own stores and 33% through the correspondents.



Number of Operations
479,000 in 3Q19 and
856,000 in 9M19.

Products and Services

Cash

+ than 20
currencies

We make available the major foreign currencies in circulation in the world.



Clients can receive their exchange products (cash and cards) at home with the Daycoval Exchange Delivery service.



International Transfers and Payments



Travel Insurance



Purchase of Dollar checks

Travel Money Cards



Cards in Foreign Currency

Cards available at the followings currencies:
American Dollar | Canadian Dollar | Australian Dollar New and Pound | Zealand Dollar | Euro

MASTERCARD MULTI
CURRENCY CASHPASSPORT



VISA TRAVEL MONEY



Internet Banking | App Dayconnect

Mobile and Internet Banking Systems for Individuals and Companies



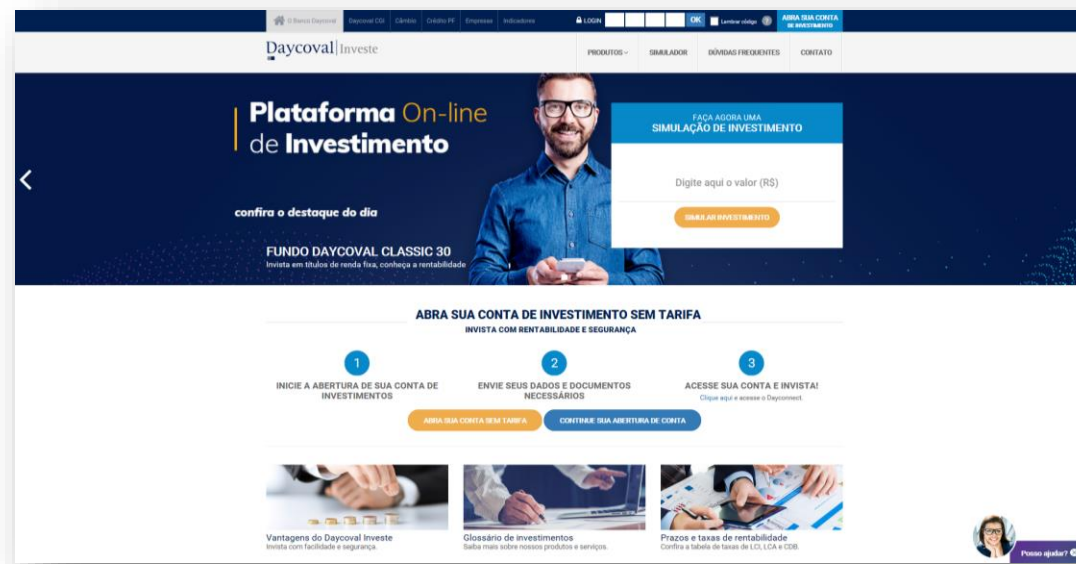
Through the App and Internet Banking it is possible to:

- ▶ Consult balances, statements.
- ▶ Conduct financial transactions.
- ▶ Make schedules and pay bills.
- ▶ Transfers via DOC and TED.
- ▶ Issuance of payment slips.
- ▶ Contract loans.

New apps for Credit Card and Payroll Card.



Open Investment Platform



Wide Product Range
LCI, LCA, Local Bonds, CDB, Funds and Automatic Credit.

Daycoval Automatic Credit
Approved credit limit for those with Fixed Income investments in DaycovalInveste.

Automatic Application
For Investe customers, with 100% return on CDI and daily liquidity.

Consulting and Service
Direct Channel with investment specialists in addition to phone and email, through WhatsApp and Dayane (Virtual Assistant).

CANAL DIRETO PARA INVESTIMENTOS
(11)99753-0219
Atendimento via WhatsApp



Posso ajudar? X

Portfolio Diversification
In addition to products issued by the Bank, we also offer products from other financial institutions.

Funding

Breakdown

3rd quarter of 2019

Local Bonds

46.4%

Total Deposits + LCI + LCA

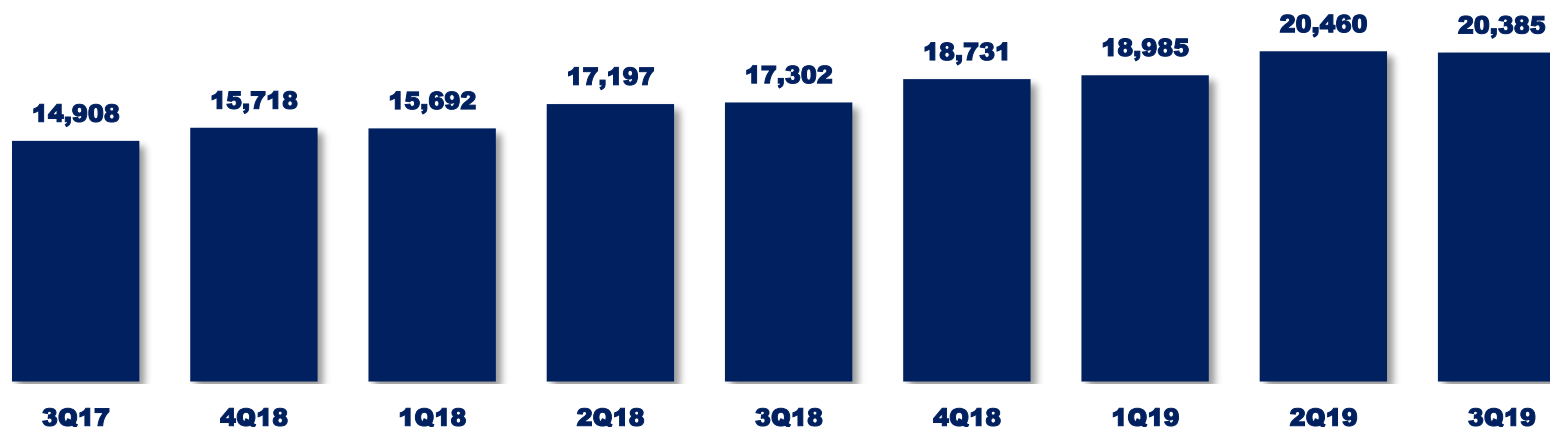
44.0%

Borrowings and Onlendings

9.6%

Funding evolution

R\$ Million



Funding (R\$ mn)	3Q19	2Q19	Chg. % 3 months	3Q18	Chg. % 12 months
Deposits	7,273.3	6,861.4	6.0%	5,027.4	44.7%
Letter of Credit (LCI* + LCA**)	1,690.5	1,687.9	0.2%	1,416.9	19.3%
Total Deposits + LCI + LCA	8,963.8	8,549.3	4.8%	6,444.3	39.1%
Local Bonds (Letras Financeiras)	9,466.2	10,049.0	-5.8%	6,525.4	7.7%
Private Offerings	6,948.3	7,465.3	-6.9%	5,527.5	25.7%
Public Offerings	2,517.9	2,583.7	-2.5%	997.9	152.3%
Subordinated Local Bonds (Letras Financeiras Subordinadas)	155.7	152.9	1.8%	10.5	n.a.
Borrowing and Onlending	1,799.1	1,709.0	5.3%	2,376.2	-24.3%
Foreign borrowings	1,529.9	1,402.4	9.1%	1,982.8	-22.8%
Domestic onlendings	269.2	306.6	-12.2%	393.4	-31.6%
Bonds	-	-	n.a.	1,945.8	-
Total	20,384.8	20,460.2	-0.4%	17,302.2	17.8%

Risk Rating Agencies

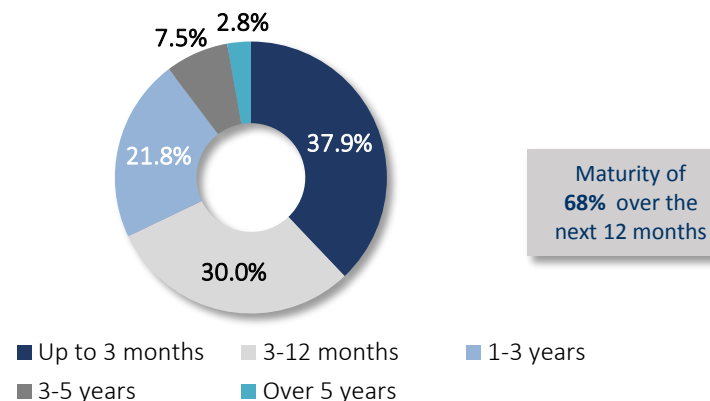
	Global Scale		National Scale		Perspective
	Long Term	Short Term	Long Term	Short Term	
Moody's ¹	Ba2	-	Aa2.br	BR-1	Stable
Fitch Ratings ²	BB-	B	AA(bra)	F1+(bra)	Stable
Standard & Poors ³	BB-	B	brAA+	brA-1+	Stable
RISKbank ⁴	BRMP 1 Low Risk for Short Term (up to 2 years) – Very safe				

Date : 1 - Ago/19, 2 - July/19, 3- Mar/19 and 4 – Nov/19.

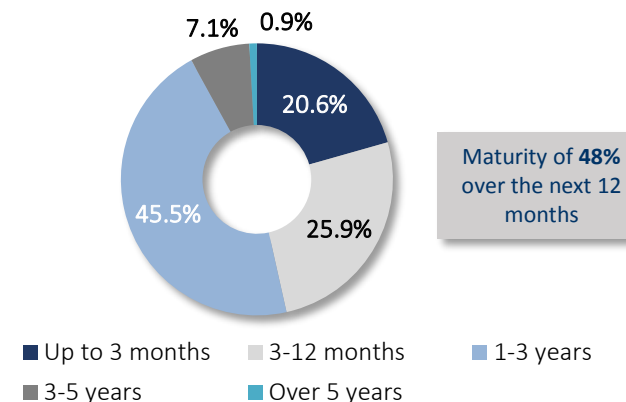
*LCI = Real Estate Letters of Credit, ** LCA = Agribusiness Letters of Credit

Asset and Liability Maturity

Loan Portfolio – Outstanding Operations



Funding – Outstanding Operations



Positive Gap of 166 days

Loan Portfolio by Segment	Average term to Maturity ⁽¹⁾ days
Companies	220
Trade Finance	93
Payroll Loans	527
Auto Loans	494
Leasing	561
BNDES	396
Total Loan Portfolio	344

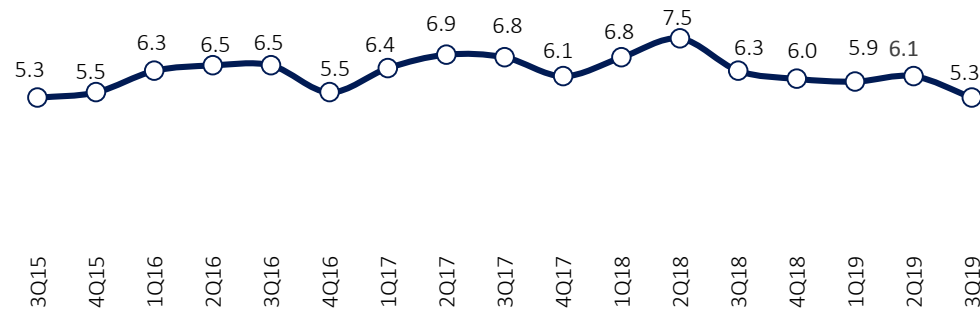
(1) From September 30, 2019.

Funding	Average term to Maturity ⁽¹⁾ days
Total Deposits	187
Interbank Deposits	233
Local Bonds (letras financeiras)	654
LCA (Letter of Credit Agribusiness)	146
LCM (Letter Home Mortgage)	215
Borrowing and Onlending ⁽²⁾	294
BNDES	398
Total Funding	510

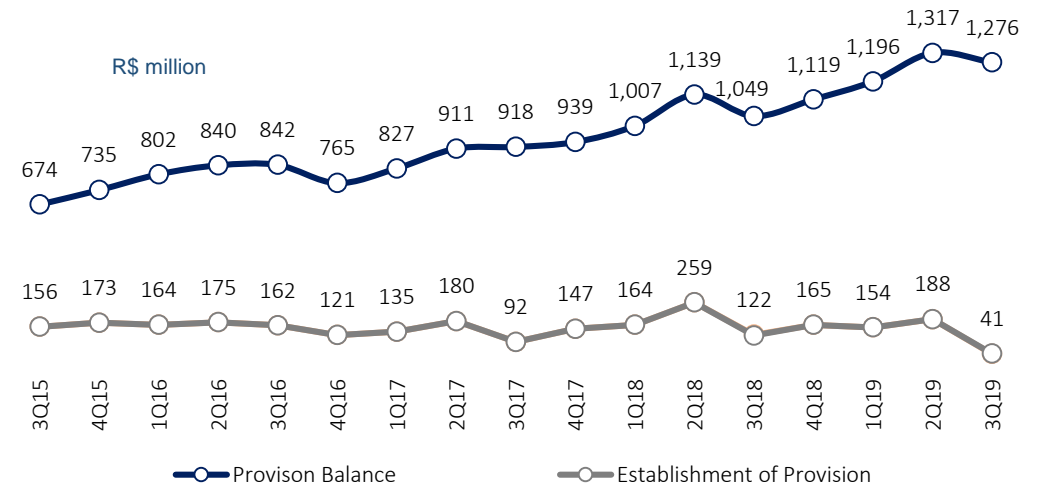
(1) From September 30, 2019; (2) Does not consider Avals and Sureties.

Quality of Loan Portfolio

Total Provision / Loan Portfolio (%)

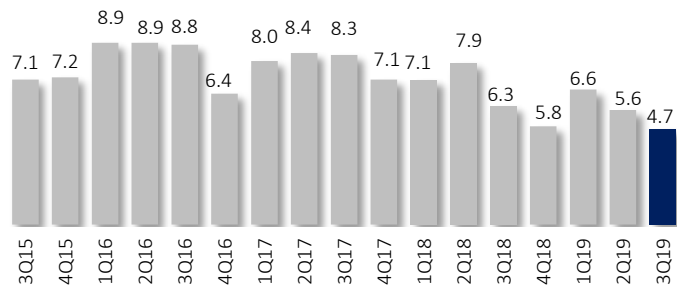


Balance and Establishment of Provision

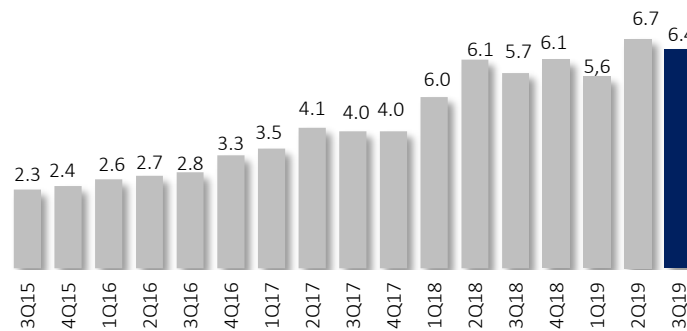


LLP Evolution / Portfolio by Segment (%)

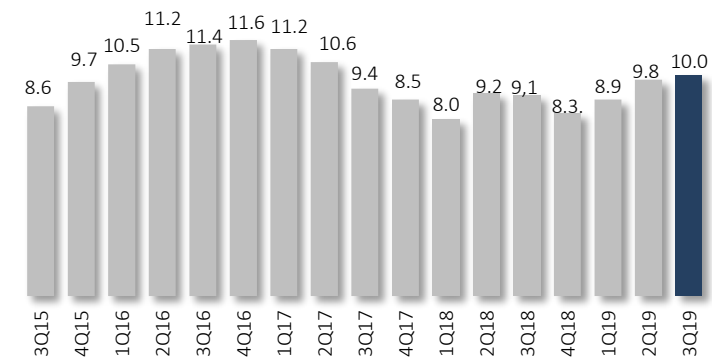
Companies Portfolio Provision (1)



Payroll Provision



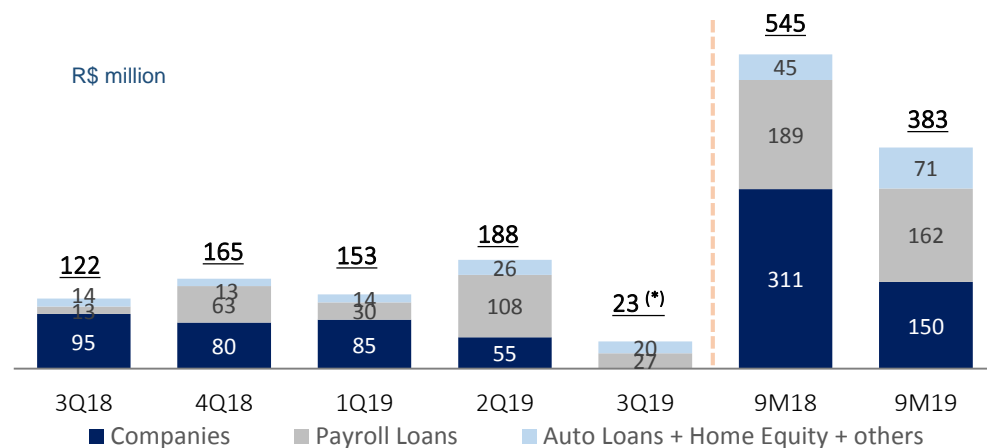
Vehicle Provision



(1) Includes Receivables purchase and Leasing

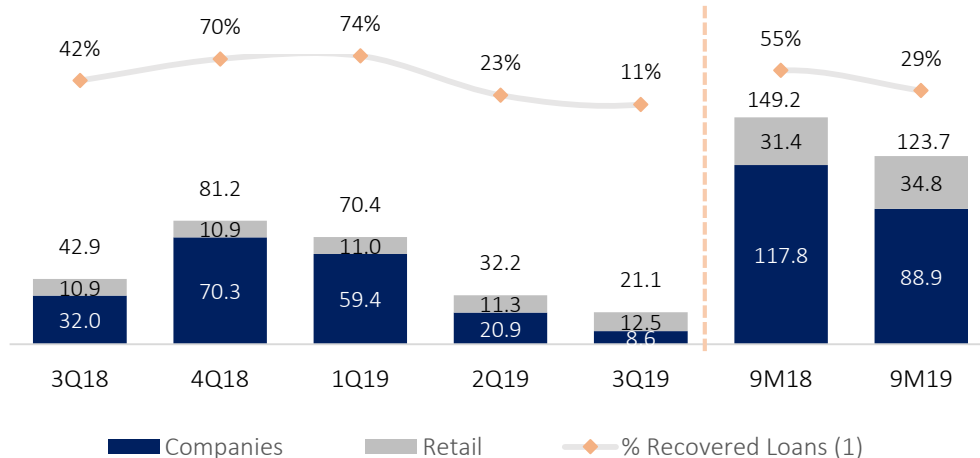
Quality of Loan Portfolio

Provision Expenses by segment (R\$ mn)



*In 3Q19, there was a R\$ 14.3 million reversal in the constitution of the provision in the Companies segment and R\$ 0.2 million in the Home Equity segment.

Recovered Loans (R\$ mn)



(1) Recovered Loans/write-off of the previous year.

Loan Portfolio E-H (R\$ mn)	3Q18	4Q18	1Q19	2Q19	3Q19
Companies ¹	476.9	530.3	539.6	653.4	511.2
Leasing	10.3	11.3	12.4	13.6	14.0
Payroll	252.5	284.2	280.6	271.1	264.5
Auto	53.7	52.6	55.1	58.7	60.9
Other	14.3	16.3	11.7	14.5	9.5
Total	807.7	894.7	899.4	1.011.3	860.1

Final Balance LLP	1,048.7	1,119.3	1,195.9	1,316.6	1,276.1
LLP/E-H Portfolio (%)	129.8%	122.9%	130.5%	130.2%	148.4%

(1) Considers receivables purchase E-H portfolio.



The LLP Balance/E-H Portfolio was **148.4%** in 3Q19.



The additional LLP provision in the amount of R\$ 273.2 million, included in the indicators.

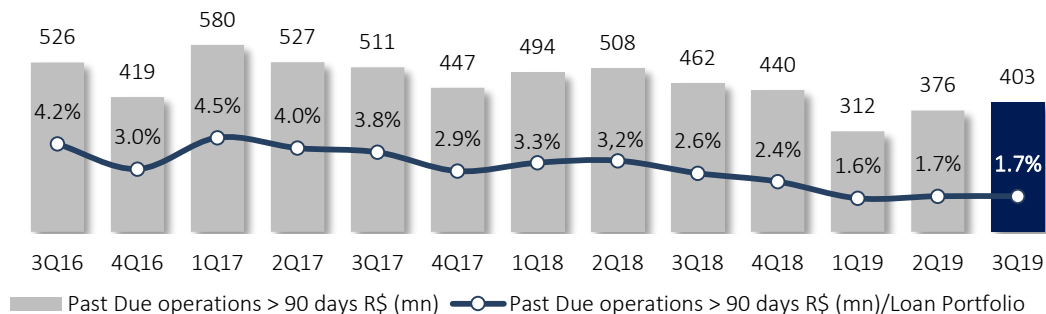
Write-off (R\$ mn)	3Q18	4Q18	1Q19	2Q19	3Q19	9M18	9M19
Companies	(150.8)	(53.0)	(34.9)	(28.6)	(40.4)	(300.4)	(104.0)
Retail	(45.6)	(41.2)	(42.2)	(38.9)	(41.1)	(134.4)	(122.2)
Total	(196.3)	(94.2)	(77.1)	(67.5)	(81.5)	(434.8)	(226.2)

Quality of Loan Portfolio

Overdue Loans	3Q18	4Q18	1Q19	2Q19	3Q19
Overdue Loans more than 90 days past due – <i>falling due installments</i> (R\$ mn)	462.1	440.3	312.4	376.3	402.6
Overdue Loans more than 60 days past due – <i>falling due installments</i> (R\$ mn)	625.3	577.3	442.4	512.0	481.7
Overdue Loans more than 14 days past due (R\$ mn)	278.1	440.3	312.4	334.9	248.6
LLP Balance/ Overdue Loans > 90 days (%) – <i>falling due installments</i>	188.6%	212.3%	319.0%	281.9%	249.1%
Overdue Loans > 90 days/Loan Portfolio (%) – <i>falling due installments</i>	2.6%	2.4%	1.6%	1.7%	1.7%

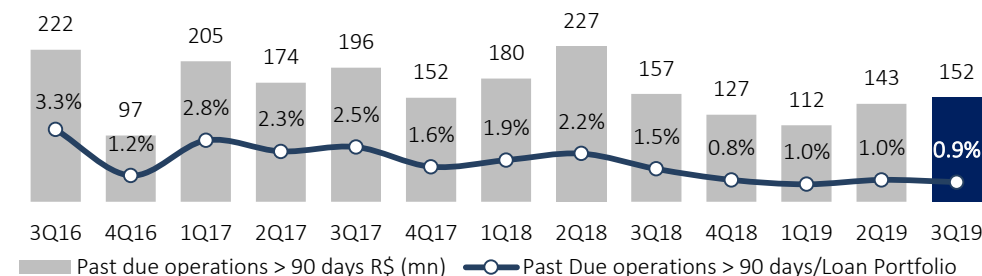
LOAN PORTFOLIO

Past due loans > 90 days – Installments falling due



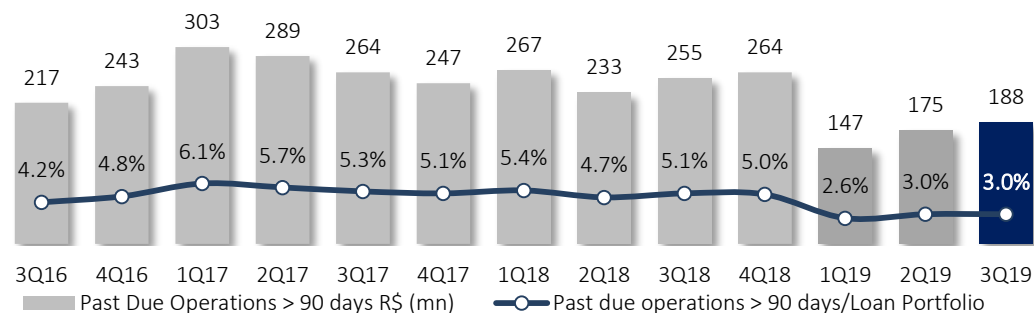
COMPANIES

Past due loans > 90 days – Installments falling due



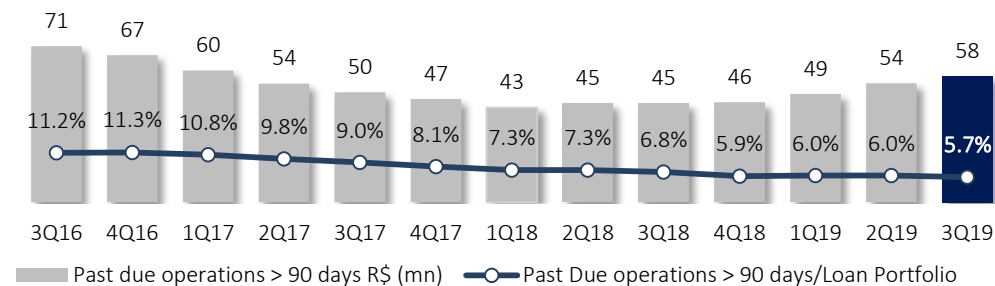
PAYROLL

Past due loans > 90 days – Installments falling due

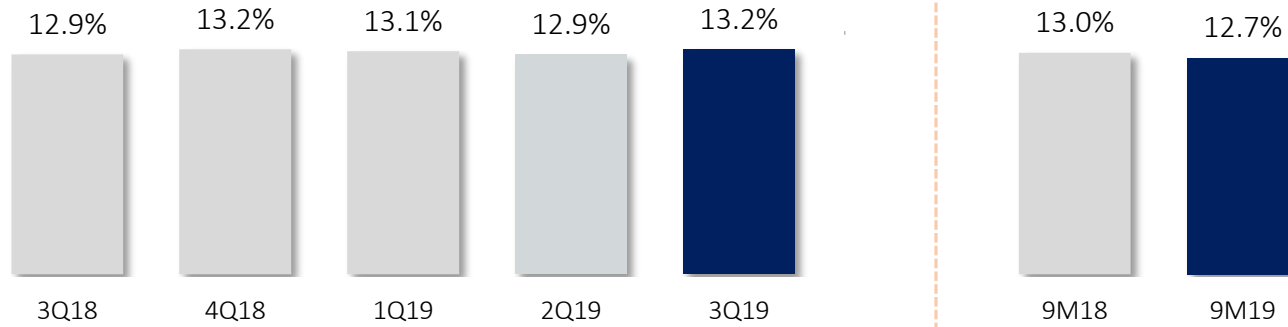


VEHICLES

Past due loans > 90 days – Installments falling due

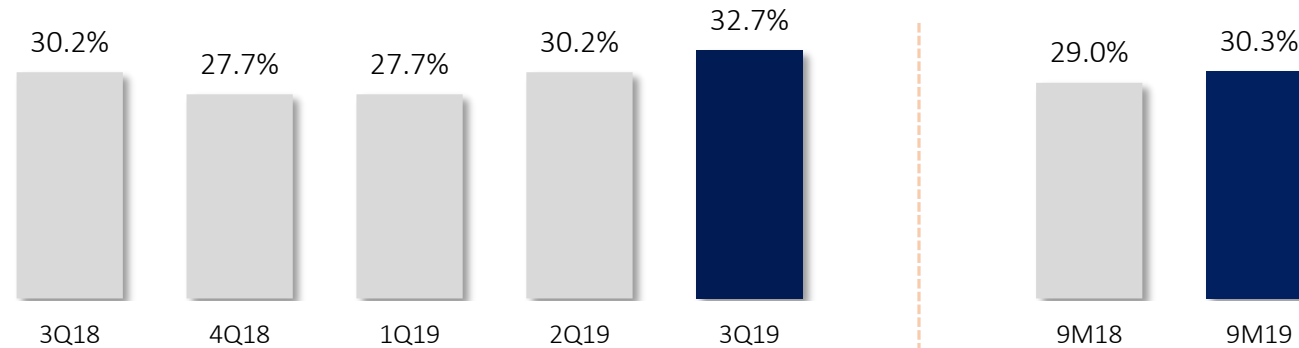


Adjusted Net Interest Margin and Recurring - (NIM-AR)⁽¹⁾ - (%)



1) Includes exchange-rate variations on liability operations, foreign trade, the purchase of credit rights and portfolio transfers to other banks and excludes matched operations — repurchase agreements-tri-party repos outstanding.

Efficiency Ratio

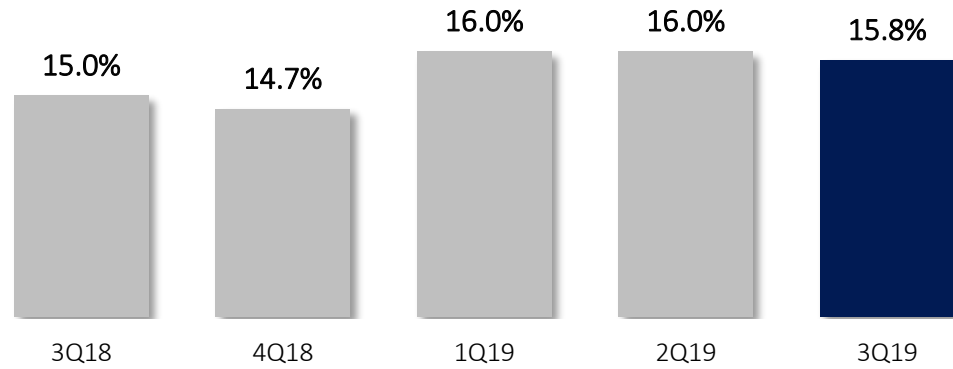


Personnel Expenses + Administrative Expenses + Commissions - Depreciation and Amortization

[Income from Financial Intermediation (- LLP)] + Income from Services Provided + Income from Receivables Purchase + Exchange Rate Variation

Capital

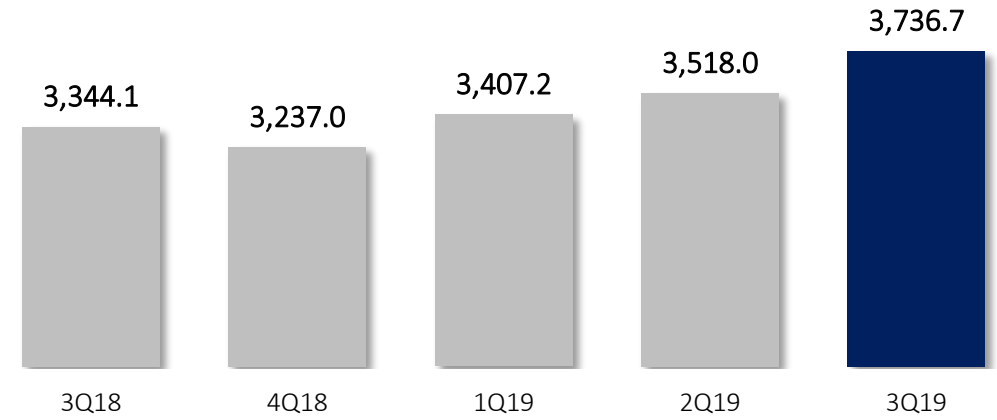
Basel Index III ⁽¹⁾



(1) Basel Index III minimum 8.0% required by the Central bank.

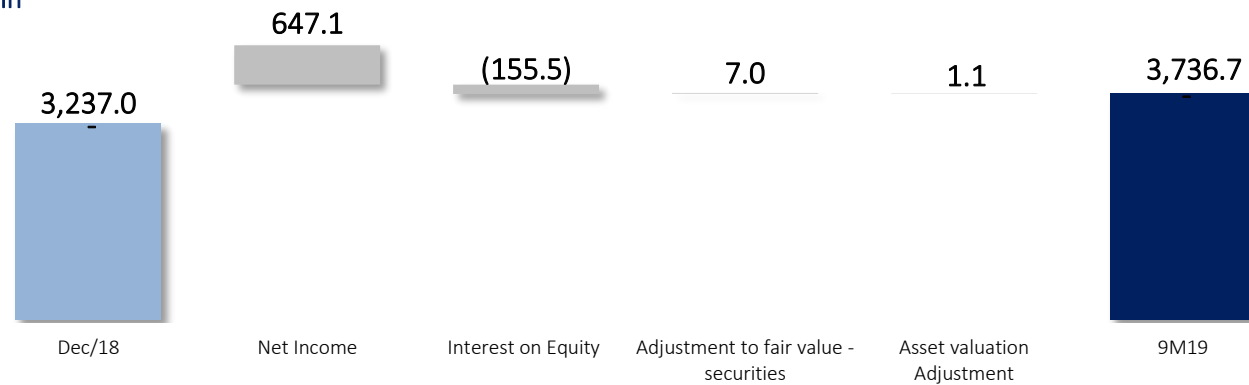
Shareholder's Equity

R\$ mn



Change in Shareholder's Equity – 9M19

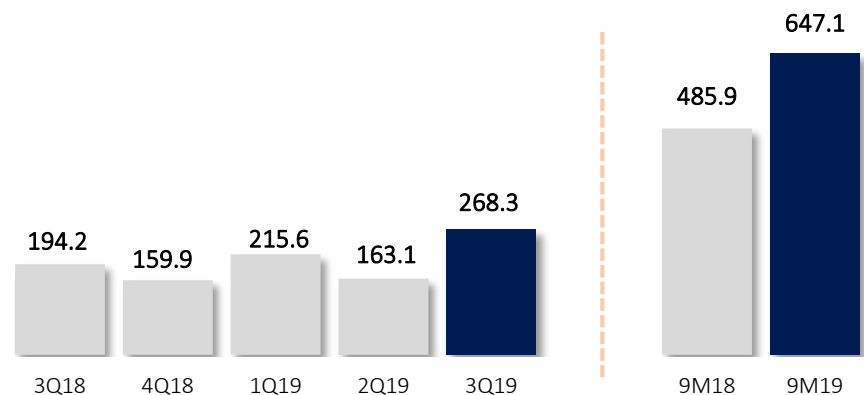
R\$ mn



Profitability

Net Income

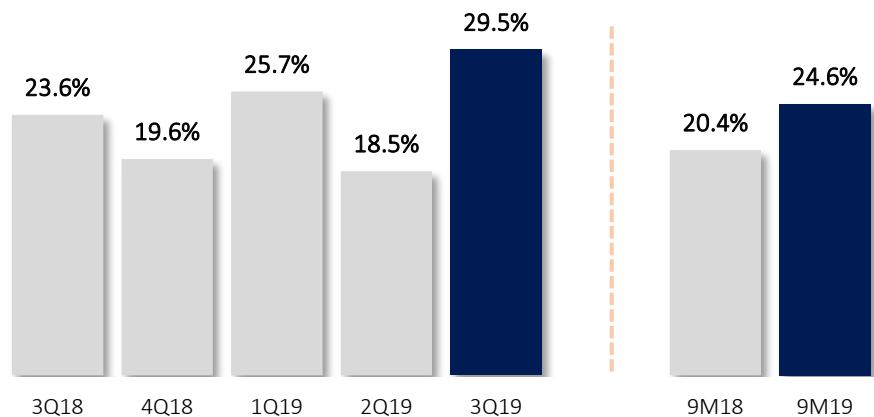
R\$ Million



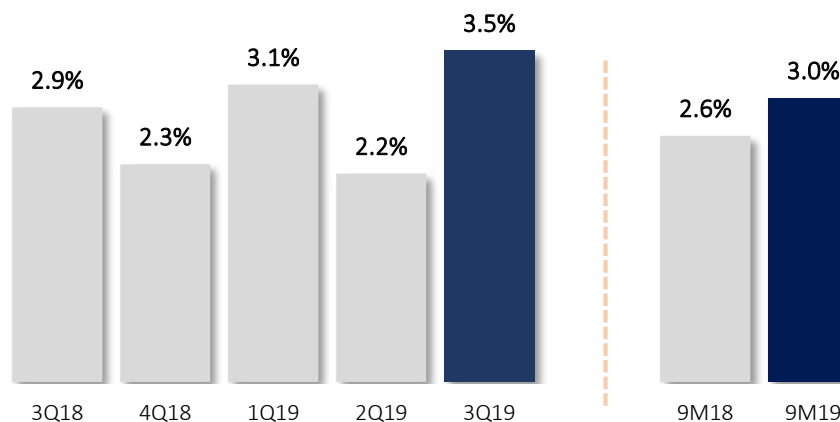
Recurring Key Figures (R\$ mn)

	3Q19	2Q19	3Q18	9M19	9M18
Net Income	268.3	163.1	194.2	647.1	485.9
(-) Hedge/MTM – Foreign Issues and Credit Operations	(23.0)	(29.4)	7.8	(61.9)	1.5
(-) Exchange Variation - Equivalence - Branch	15.0	(2.6)	5.8	13.2	27.0
Recurring Net Income	276.3	195.1	180.6	695.8	457.4
Adjusted ROAE (%)	30.4%	22.2%	22.0%	26.5%	19.2%
Adjusted ROAA (%)	3.6%	2.7%	2.7%	3.2%	2.4%
Adjusted Efficiency Ratio (%)	31.2%	28.4%	30.8%	29.0%	29.0%

Return on Average Equity (ROAE) - %



Return on Average Assets (ROAA) - %



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