

## **DEAR SHAREHOLDERS**

The Management of BTG Pactual Participations Ltd ("BTGP") and its subsidiaries are pleased to present the Management Report and consolidated Quarterly Information for the quarter ended June 30, 2017, in accordance with IAS 34 – Interim Financial Reporting, part of the International Financial Reporting Standards (IFRS) and the Brazilian Corporate Law.

## **OTHER EVENTS**

### **Buyback Program**

On November 25, 2015 the Board of Directors announced its units buyback program. Since the beginning of the program 92,742,230 units have been repurchased in the total amount of R\$1,260,754 and 86,530,430 units had been canceled, in the amount of R\$1,174,199. On June 30, 2017, 6,211,800 units are held in treasury.

### **New unit program**

On February 14, 2017 the Board of Directors have approved two new unit programs, which units will be traded at the BM&FBOVESPA, comprised exclusively by securities of each of the Companies: (i) units to be traded under the "BPAC11" ticker symbol, comprised of one common share and two class A preferred shares issued by the Bank, and (ii) units to be traded under the BBTG12 ticker symbol, comprised of one Brazilian depository receipt ("BDR") representing one class A share and one BDR representing two class B shares issued by BTGP. Holders of the current units traded under the ticker symbol BBTG11 will be able to opt, should they wish to do so, to migrate all or part of their BBTG11 Unit holdings toward the new BPAC11 and BBTG12 units.

## **PERFORMANCE**

The Company's net result in the quarter changed from a gain of R\$12.6 million on June 30, 2016 to a loss of R\$304.8 million in the same period of 2017. This increase was mainly due to FX and fair value losses, accounted in accordance with the adoption of IFRS 10 on September 30, 2015.

## **INDEPENDENT AUDITORS**

The Bank's policy on contracting services not related to the external audit by our independent auditors is based on the applicable regulations and the internally accepted principles that safeguard the auditor's independence, i.e. that the auditors should not audit their own work, carry out management functions for their clients or promote the interests of those clients.

**ACKNOWLEDGEMENTS**

Committed to maintaining ongoing, balanced growth, BTG Pactual thanks its clients, employees and partners for their continued confidence, dedication and support.