

BTG PACTUAL PARTICIPATIONS, LTD.
Publicly-held Company
Corporate Taxpayer ID (CNPJ/MF):
n.º 15.073.274/0001-88

MATERIAL FACT

BTG PACTUAL PARTICIPATIONS, LTD. ("BTG Participations"), pursuant to Instruction 358 of the Brazilian Securities and Exchange Commission ("CVM"), of January 3, 2002, as amended, and CVM Instruction 567, of September 17, 2015 ("CVM Instruction 567"), hereby announces that at the meeting held today, the BTG Participations' Board of Directors approved the cancellation of 15,846,080 class A shares and 31,692,160 class B shares in transactions held in the context of the ongoing buyback at that time ("Cancellation").

In addition, the BTG Participations' Board approved a new share buyback program under the following conditions ("Buyback Program"):

- The objective of the Buyback Program is to efficiently allocate the cash available, in order to maximize the company's capital allocation and generation of value for the shareholders, also considering the current scenario;
- The Buyback Program will include the acquisition of up to 16,500,000 units BBTG12 and/or 16,500,000 units BBTG11, observed in any case the limits provided for in CVM Instruction 567;
- Already considering the Cancellation, BTG Participations has no unit BBTG12, unit BBTG11 or share in treasury;
- The Buyback Program will last up to 18 months, and Management will define the best time for the acquisition of the shares;
- The acquisition transactions will be intermediated by BTG Pactual Corretora de Títulos e Valores Mobiliários S.A.;

The units BBTG12 and/or units BBTG11 acquired in the scope of the Buyback Program will be, at first, held in treasury.

BTG Participations will keep the regulating authorities and the market in general informed regarding the Buyback Program.

São Paulo, May 18, 2017.

BTG PACTUAL PARTICIPATIONS, LTD.
RENATA GOMES SANTIAGO BROENN
Investor Relations Officer