

DEAR SHAREHOLDERS

The Management of PPLA Participations Ltd. (“PPLA Participations”) are pleased to present the Management Report and Quarterly Information for the quarter ended September 30, 2017, in accordance with IAS 34 – Interim Financial Reporting, part of the International Financial Reporting Standards (IFRS) and the Brazilian Corporate Law.

PERFORMANCE

During the quarter ended September 30, 2017, PPLA Participations had a loss of R\$58.7 million and a total comprehensive loss of R\$48.7 million.

The total loss for the period is mainly related to losses in Investment entity portfolio due to an adjustment at fair value in B&A's equity and also an impairment in credit instruments against the company. In addition, PPLA Participations had a negative fair market value from the cost of PPLA Investments debt, partially offset by the positive mark to market of BTG Pactual S.A. perpetual Bonds.

INDEPENDENT AUDITORS

The Bank's policy on contracting services not related to the external audit is based on the applicable regulations and the internally accepted principles that safeguard the auditor's independence: (a) that the auditors should not audit their own work, (b) the auditor should not carry out management functions for their clients and (c) the auditor should not promote the interests of those clients.

ACKNOWLEDGEMENTS

Committed to maintaining ongoing, balanced growth, PPLA Participations thanks its clients and partners for their continued confidence, dedication and support.