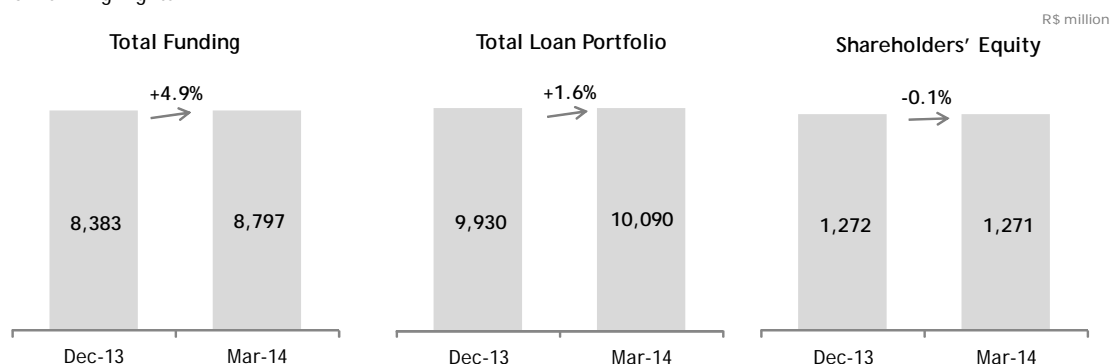


Earnings Release - 1Q14 (BR GAAP)

PINE REGISTERS RECURRING NET INCOME OF R\$33 MILLION FOR THE 1Q14, DEMONSTRATING THE BUSINESS MODEL RESILIENCE

São Paulo, May 12, 2014 - Pine (BM&FBOVESPA: PINE4), a wholesale bank focused on establishing and maintaining long-term relationships with corporate clients and investors, announces today its consolidated results for the first quarter of 2014 (1Q14), presented in BR GAAP.

Find below the main highlights:



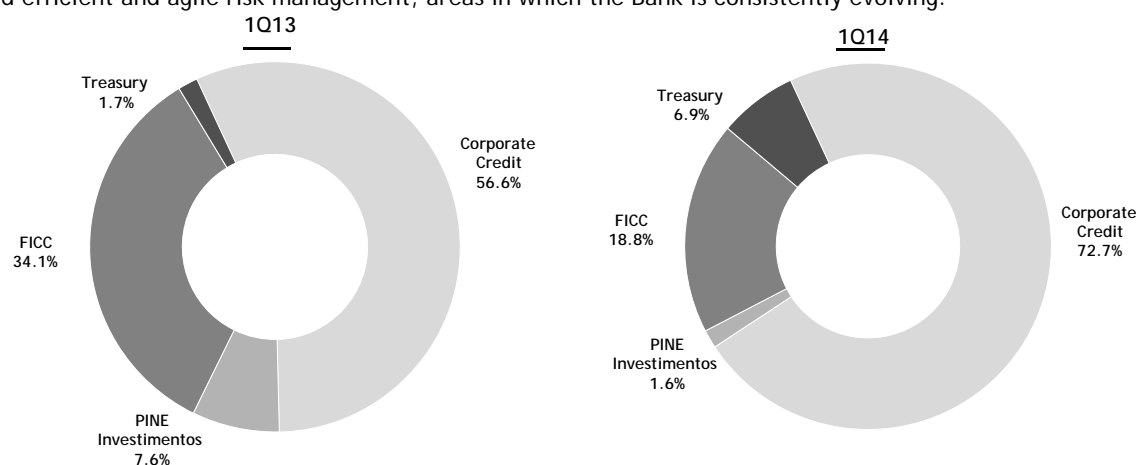
- In April, S&P reaffirmed the Bank's ratings, based on "Pine's fundamentals that remain consistent even in a deteriorated economic scenario". Fitch also reaffirmed Pine's ratings as a "satisfactory reflection of the bank's credit profile, in general, and its good performance in the last several years in the midst of a deteriorating and relatively volatile operating environment."
- Positive contributions from all business lines: 72.7% from Corporate Credit, 18.8% from FICC, 6.9% from Treasury, and 1.6% from Pine Investimentos.
- Maintenance of positive liquidity gap over the past years, with 14 months for credit versus 16 months for funding.
- Liquid balance sheet, with cash position of R\$1.6 billion, equivalent to 41% of time deposits.
- US\$115 million funding through an A/B Loan, with a five-year term.
- Reduction of funding costs by effectively hedging the full interest rate exposure of both PINE 17 and Huaso Bonds.
- 13th largest bank in derivative transactions according to CETIP - OTC Clearing House, being the 2nd in the commodity derivatives segment.

	1Q14	4Q13	1Q13
Earnings and Profitability			
Recurring Net income (R\$ million)	33	37	46
Net income (R\$ million)	35	37	46
Recurring Annualized ROAE	10.7%	12.2%	15.5%
Annualized ROAE	11.5%	12.2%	15.5%
Recurring Annualized ROAAw ¹	1.4%	1.7%	2.4%
Annualized ROAAw ¹	1.5%	1.7%	2.4%
Recurring Annualized financial margin before provision	4.0%	4.0%	5.5%
Annualized financial margin before provision	4.2%	4.0%	5.5%
Recurring Annualized financial margin after provision	3.4%	2.8%	4.8%
Annualized financial margin after provision	3.6%	2.8%	4.8%
Balance Sheet (R\$ million)			
Total assets	11,046	10,545	10,204
Loan portfolio ²	10,090	9,930	8,405
Risk weighted assets	9,417	9,312	7,293
Deposits ³	4,099	3,875	3,521
Funding	8,797	8,383	6,589
Shareholders' equity	1,271	1,272	1,260
Credit portfolio quality			
Non performing loans - 90 days	0.6%	0.1%	0.6%
Credit coverage index	2.6%	2.7%	3.4%
Performance			
BIS ratio	13.7%	14.1%	17.1%
Recurring Efficiency ratio	45.4%	51.9%	37.7%
Efficiency ratio	43.8%	51.9%	37.7%
Recurring Earnings per share (R\$)	0.27	0.34	0.42
Earnings per share (R\$)	0.29	0.34	0.42
Book value per share ⁴ (R\$)	10.50	10.51	10.41
Market Cap (R\$ million)	1,030	1,147	1,557

¹Risk weighted assets. ²Includes Standby LC, Bank Guarantees, Credit Securities to be Received and Private Securities (bonds, CRIs, eurobonds and fund shares). ³Includes Agribusiness and Real Estate Letters of Credit. ⁴For comparison purposes, it considers 121,047,768 shares for all periods. ⁵Reconciliation of results due to funding hedges in the gross amount of R\$3.9 million and net amount of R\$2.3 million in 1Q14.

Business Performance

Pine is a wholesale bank focused on establishing and maintaining long-term relationships with corporate clients and investors. Its strategy is based on knowing its clients well and understanding their businesses and potential in order to build customized and alternatives financial solutions. This strategy requires a diverse range of products, highly qualified human capital and efficient and agile risk management, areas in which the Bank is consistently evolving.



The credit business contribution stood out in the period, while revenues from products and services complementary to credit accounted for approximately 30% of total revenues. FICC and Pine Investimentos businesses underperformed when compared to 1Q13 due to a less active market.

Financial Margin

In 1Q14, recurring income from financial intermediation before provisions for loan losses totaled R\$86 million. The recurring net interest margin (NIM) before provisions stood at 4.0% in the quarter.

The recurring financial margin remained stable compared to 4Q13 due to the positive impacts of reduced funding costs and marginal improvement of spreads in credit origination, offset by the increase in average earnings assets mainly at the end of the quarter.

During the 1Q14, Pine hedged the full interest rate exposure of both PINE17 and Huaso Bonds. These transactions reduced carrying costs of these debts, creating a continual effect on margins. Additionally, this hedge generated a positive result of R\$3.9 million in the quarter, due to the mark to market of this derivative. Thus, margin before provisions totaled R\$91 million in the quarter, or 4.2%. These effects will be reported quarterly.

	R\$ million				
	1Q14	4Q13	1Q13	QoQ	YoY
Recurring Financial Margin					
Income from financial intermediation	94	78	102	20.5%	-7.8%
Overhedge effect	(3)	3	(2)	-200.0%	50.0%
Liabilities hedge effect	(4)	-	-	-	-
Recurring Income from financial intermediation (A)	86	81	100	6.2%	-14.0%
Provision for loan losses	(12)	(24)	(13)	-50.0%	-7.7%
Recurring Income from financial intermediation after provision (B)	74	57	87	29.8%	-14.9%
Average earning assets (C)					
Interbank investments	1,008	769	508	31.1%	98.4%
Securities and derivatives ¹	1,727	1,696	1,934	1.8%	-10.7%
Credit transactions	6,454	6,119	5,076	5.5%	27.1%
(-) FIDC senior shares	(454)	(456)	(106)	-0.4%	328.3%
Recurring Annualized Financial Margin before provision (%) (A/C)	4.0%	4.0%	5.5%	0 bps	-150 bps
Recurring Annualized Financial Margin after provision (%) (B/C)	3.4%	2.8%	4.8%	60 bps	-140 bps
Financial Margin²					
Annualized Financial Margin before provision (%) (D/C)	4.2%	4.0%	5.5%	20 bps	-130 bps
Annualized Financial Margin after provision (%) (E/C)	3.6%	2.8%	4.8%	80 bps	-120 bps

¹ Excludes repo transactions and the liability portion of derivatives.

² Considers the impact of PINE17 and Huaso Bond hedge transactions.

Fee Income

Fee income reached R\$21 million in 1Q14. Pine Investimentos' activities have been negatively impacted by the low activity in the capital markets, especially in the niche in which the Bank operates, even with a robust pipeline of mandates.

	R\$ million				
	1Q14	4Q13	1Q13	QoQ	YoY
Bank	19	23	20	-17.4%	-5.0%
PINE Investimentos	2	2	10	0.0%	-80.0%
Total	21	25	30	-16.0%	-30.0%

Personnel and Administrative Expenses

In 1Q14, personnel and administrative expenses decreased 2.0% when compared to 4Q13. Pine's headcount closed the quarter at 384.

	R\$ million				
	1Q14	4Q13	1Q13	QoQ	YoY
Personnel expenses	23	25	22	-8.0%	4.5%
Other administrative expenses	26	25	24	4.0%	8.3%
Subtotal	49	50	46	-2.0%	6.5%

Efficiency Ratio

The recurring efficiency ratio ended the 1Q14 at 45.4%, improvement of 650 bps over 4Q13. This improvement is explained by higher revenue generation and by rigorous costs control. Non-recurring expenses are related to amounts compensated in other lines, such as credit recovery.

	R\$ million				
	1Q14	4Q13	1Q13	QoQ	YoY
Operating expenses ¹	53	56	50	-5.4%	6.0%
(-) Non-recurring expenses	4	1	1	300.0%	300.0%
Recurring Operating Expenses (A)	49	55	49	-10.9%	0.0%
Recurring Revenues ² (B)	108	106	130	1.9%	-16.9%
Recurring Efficiency Ratio (A/B)	45.4%	51.9%	37.7%	-650 bps	770 bps

¹ Other administrative expenses + tax expenses + personnel expenses

² Gross Income from financial intermediation - provision for loan losses + fee income + overhedge effect - hedge impact

Corporate Credit

The expanded loan portfolio totaled R\$10,090 million on March 31, 2014, growth of 1.6% when compared to December 2013, and up 20.0% over last twelve months. The average term of the credit portfolio was 14 months in March 2014.

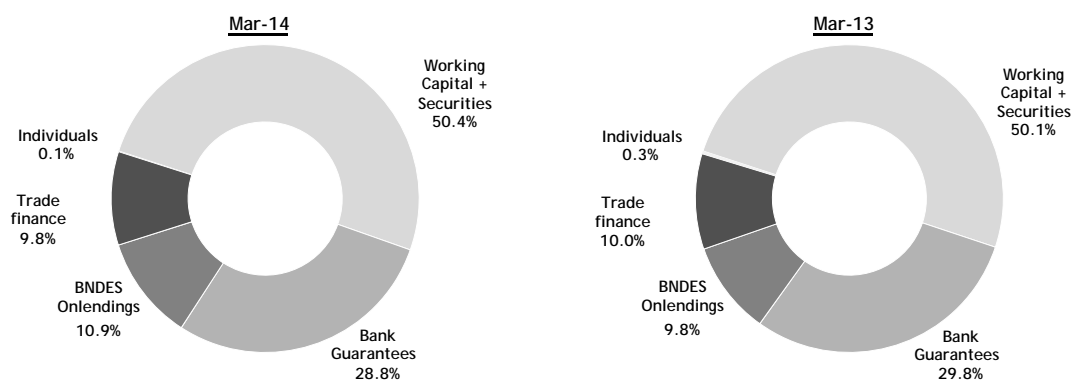
	R\$ million				
	Mar-14	Dec-13	Mar-13	QoQ	YoY
Working capital ¹	5,085	5,040	4,210	0.9%	20.8%
BNDES Onlending	1,103	1,068	826	3.3%	33.5%
Trade finance ²	989	903	842	9.5%	17.5%
Bank guarantees	2,905	2,909	2,501	-0.1%	16.2%
Loan Portfolio	10,083	9,920	8,380	1.6%	20.3%
Individuals ³	7	10	26	-30.0%	-73.1%
Expanded Loan Portfolio	10,090	9,930	8,405	1.6%	20.0%

¹ Includes debentures, CRIs, Hedge Fund Shares and Eurobonds

² Includes Stand by LC

³ Loan portfolio with recourse acquired from financial institutions

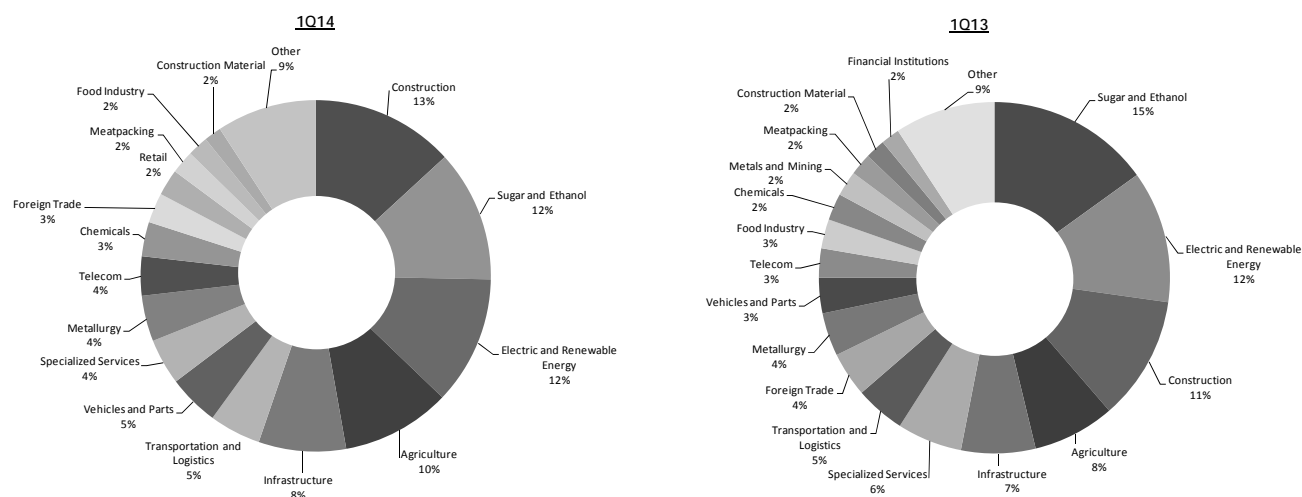
Loan Portfolio Breakdown



Active Management of the Loan Portfolio

In 2014, Pine continued to diversify its loan portfolio, seeking to further increase the solidity of its balance sheet. Noteworthy the sectors rebalance with relative greater participation of the Infrastructure and Construction sectors.

Over the last 12 months, the composition of the portfolio of the 20 largest clients changed by approximately 20%, demonstrating the liquidity and flexibility of the Bank's operation. The total portfolio share of the 20 largest clients remained below 30%.



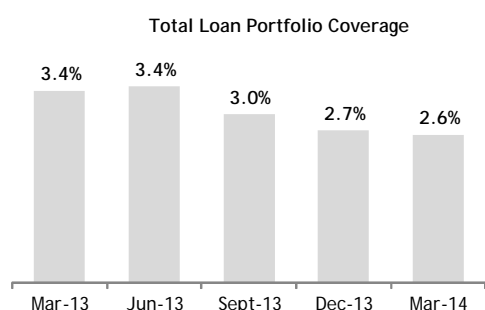
Loan Portfolio Profile and Quality

Loan Quality and Provision for Loan Losses - Resolution 2682

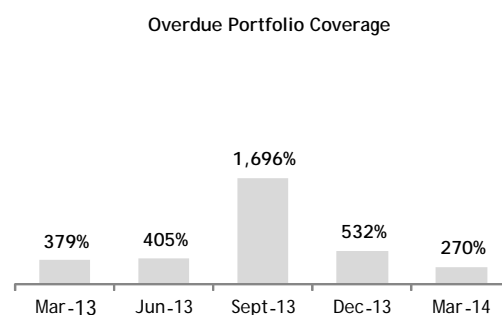
1Q14						4Q13					
Rating	Overdue	To Expire	Total Portfolio	%	Provision	Rating	Overdue	To Expire	Total Portfolio	%	Provision
AA	-	1,130	1,130	17.3%	-	AA	-	1,007	1,007	15.8%	-
A	-	2,063	2,063	31.6%	10	A	-	2,089	2,089	32.7%	10
B	0	2,223	2,223	34.1%	22	B	0	2,347	2,348	36.8%	23
C	9	697	706	10.8%	21	C	31	540	570	8.9%	17
D	16	224	241	3.7%	24	D	0	194	194	3.0%	19
E	0	35	35	0.5%	11	E	1	43	44	0.7%	13
F	0	25	25	0.4%	13	F	0	25	25	0.4%	12
G	2	50	52	0.8%	36	G	0	50	50	0.8%	35
H	43	7	51	0.8%	51	H	3	52	55	0.9%	55
Total	70	6,456	6,526	100.0%	188	Total	35	6,347	6,382	100.0%	186

Required provision according to the transaction rating: AA: 0%, A: 0.5%, B: 1%, C: 3%, D: 10%, E: 30%, F: 50%, G: 70%, H: 100%

Loan Portfolio Coverage Ratios

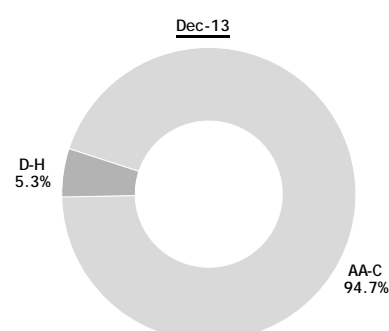
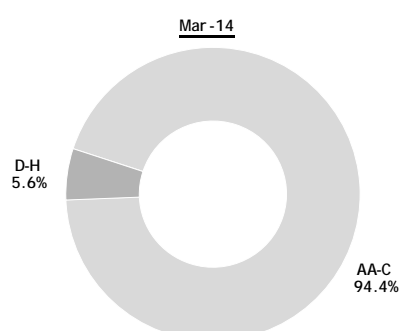


*Coverage of Loan Portfolio: Provision/Expanded Portfolio without Bank Guarantees and Stand by LC



*Coverage of Overdue Portfolio: Provision/Overdue Portfolio

Portfolio by Risk Rating¹



The NPL ratio of installments overdue more than 90 days ended the period at 0.6% versus 0.1% in December 2013. Considering the total contract, the ratio of more than 90 days reached 0.7% in the period, compared to 0.1% in December 2013. Both indicators returned to their historical average.

Non-Performing Loans (Overdue Installments)¹

	Mar-14	Dec-13	Mar-13
More than 15 days	1.0%	0.5%	0.9%
More than 30 days	1.0%	0.1%	0.9%
More than 60 days	0.8%	0.1%	0.9%
More than 90 days	0.6%	0.1%	0.6%
More than 120 days	0.1%	0.1%	0.6%
More than 180 days	0.1%	0.1%	0.6%

Non-Performing Loans (Total Contract)¹

	Mar-14	Dec-13	Mar-13
More than 15 days	2.2%	0.6%	1.7%
More than 30 days	2.2%	0.2%	1.5%
More than 60 days	1.1%	0.2%	1.5%
More than 90 days	0.7%	0.1%	1.2%
More than 120 days	0.1%	0.1%	1.2%
More than 180 days	0.1%	0.1%	1.0%

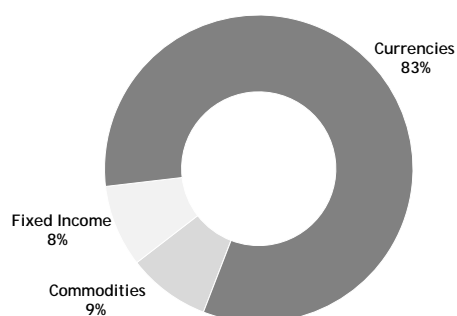
¹Includes debentures, CRIs, Hedge Fund, and Eurobonds and excludes Bank Guarantees and Stand by Letters of Credit.

FICC

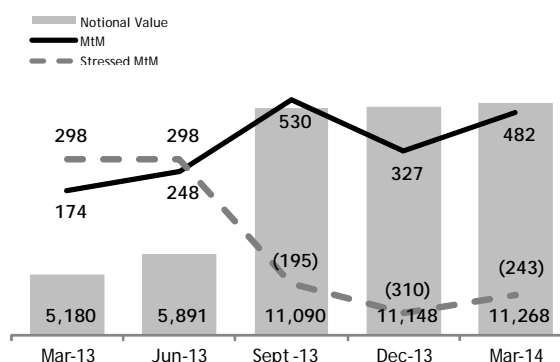
Pine's FICC business provides risk management products and hedging solutions to help clients manage the risks on their balance sheets. The key markets in this business line are Fixed Income, Currencies, and Commodities. Pine offers its clients the main derivative instruments, which include non-deliverable forwards (NDFs), swaps and some options-based structures.

The total notional value of the derivatives portfolio for clients totaled R\$11.3 billion, with an average duration of 123 days at the end of the first quarter.

Client Notional Derivatives by Market - 1Q14



Notional Amount and Counterparty Credit Risk (MtM)



The R\$428 million of counterparty risk exposure (Mark to Market) considers the net value of Pine's payables and receivables. Thus, in March 2014, Pine would receive R\$548 million from its counterparties and pay R\$66 million. It is worth emphasizing that more than 70% of amounts receivable are rated between AA and B.

Based on the stress test performed on the derivatives portfolio with clients, under an extremely negative scenario consisting of the U.S. dollar strengthening by 31% against the Brazilian Real to reach R\$2.97/USD, and commodity prices falling by 30%, the potential Mark to Market in the portfolio would have been R\$243 million payable, which considers the amount of R\$609 million that Pine has to receive from its counterparties, and R\$852 million to pay.

Additionally, Pine hedges the portfolio in Exchanges and with Bank counterparties, with daily MtM settlement. This, coupled with the portfolios' short duration, assures the maintenance of liquidity levels according to policy.

According to the ranking compiled by CETIP - OTC Clearing House in March 2014, Pine was ranked among the fifteenth largest players in derivative transactions for clients, and maintained the 2nd in the commodity derivatives segment.

Pine Investimentos

Pine Investimentos, the Bank's Investment Banking unit, works closely with its clients to offer customized and unique solutions in the Capital Market, Financial Advisory, and Project & Structured Finance areas.

In this quarter, Pine Investimentos participated in the structuring of approximately R\$700 million in fixed income transactions.

Funding

Total funding reached R\$8,797 million in March 2014, 4.9% up from QoQ and 33.5% YoY. The volume of time deposits increased by 21.6% in the year, while onlendings grew 36.7%. The weighted average term of funding transactions reached 16 months.

In 1Q14, Pine raised US\$115 million through an A/B loan transaction. The Green Line Finance Partnership entails a US\$75 million A loan from IDB, with a five-year term, and US\$40 million B loan from Commerzbank, with a two-year term.

In twelve months, external funding growth resulted from a US\$100 million syndicated loan transaction, with a two-year term, US\$20 million through a Senior Unsecured Term Loan transaction, with a ten-year term, and US\$50 million through Pine's third Islamic format issuance, with a one-year term.

In the international arena, Pine has around 70 correspondent banks, including banks in various countries, development banks such as DEG and Proparco, and multilateral agencies, including the IFC, IDB, and FMO.

	R\$ million				
	Mar-14	Dec-13	Mar-13	QoQ	YoY
Local Funding	5,514	5,299	4,317	4.1%	27.7%
Demand deposits	27	23	126	17.4%	-78.6%
Interbank deposits	76	90	110	-15.6%	-30.9%
Time deposits + LCA + LCI	3,995	3,762	3,285	6.2%	21.6%
Individuals ¹	659	478	225	37.9%	192.9%
Companies	1,022	1,185	973	-13.8%	5.0%
Institutionals	2,314	2,099	2,087	10.2%	10.9%
Capital Markets	1,415	1,424	796	-0.6%	77.8%
Onlendings + Trade Finance	2,008	2,012	1,621	-0.2%	23.9%
Onlendings	1,174	1,141	859	2.9%	36.7%
Trade finance	834	871	762	-4.2%	9.4%
International Funding	1,275	1,072	651	18.9%	95.9%
Capital Markets	434	459	402	-5.4%	8.0%
Multilaterals	364	113	78	222.1%	366.7%
Other private placements and syndicated loans	478	500	171	-4.4%	179.5%
Total	8,797	8,383	6,589	4.9%	33.5%

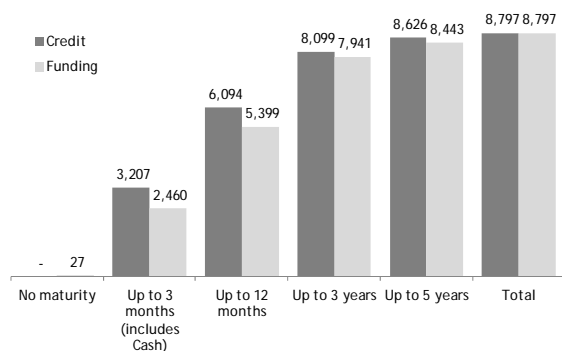
¹ Includes securities distributed to individuals through other institutions.

Asset and Liability Management

In accordance with Pine's asset and liability management, funding sources are aligned in terms of maturity and cost with their respective credit transactions. While the weighted average maturity of the loan portfolio is 14 months, the funding period is 16 months, ensuring a comfortable situation for the Bank.

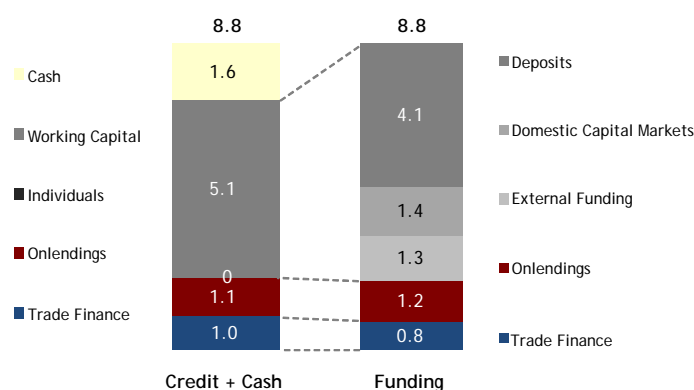
Matching of Credit and Funding

R\$ Million



Breakdown

R\$ Billion



Capital Structure

In the quarter, the capital adequacy ratio (BIS) stood at 13.7%, above the regulatory minimum level of 11%. The Tier I capital represented 12.2% while Tier II represented 1.5%. The ratio decrease is mainly due to the 20% reduction in the amount of subordinated debt allowed for Tier II capital composition.

	R\$ million		
	Mar-14	Dec-13	Mar-13
Reference Equity	1,386	1,442	1,454
Tier I	1,234	1,220	1,268
Tier I - BIS Ratio %	12.2%	12.0%	15.0%
Tier II	152	222	185
Tier II - BIS Ratio %	1.5%	2.1%	2.1%
Required Reference Equity	922	928	933
Credit Risk	856	847	802
Market Risk	49	66	123
Operational Risk	17	15	8
Excess of Reference Equity	464	514	521
BIS Ratio - %	13.7%	14.1%	17.1%

About Pine

Pine is a wholesale bank focused on long-term relationships with corporate clients and investors. The bank offers Credit, including Working Capital, Onlending lines from BNDES and Multilateral Organizations, Trade Finance, Bank Guarantees, as well as hedging products (Fixed Income, Currencies, and Commodities), Capital Markets, Financial Advisory Services, Project & Structured Finance.

Corporate Governance

Pine has active corporate governance policies, given its permanent commitment to shareholders and other stakeholders. In addition to integrating Level 2 of Corporate Governance of the BM&FBOVESPA, Pine's practices include:

- Two independent members and one external member to the Board of Directors
- 100% tag-along rights for all shares, including preferred shares
- Adoption of arbitration procedures for rapid settlement of disputes
- Quarterly disclosure of earnings results in two accounting standards: BR GAAP and IFRS
- Compensation and Audit committees, which report directly to the Board of Directors

PINE4

As of March 31, 2014

	Common	Preferred	Total	%
Controlling Shareholder	65,178,483	17,210,589	82,389,072	68.0%
Management	-	7,622,093	7,622,093	6.3%
Free Float	-	31,036,603	31,036,603	25.6%
<i>Individuals</i>	-	5,837,037	5,837,037	4.8%
<i>Local Institutional Investors</i>	-	12,016,870	12,016,870	9.9%
<i>Foreign Investors</i>	-	5,495,901	5,495,901	4.5%
<i>DEG</i>	-	5,581,714	5,581,714	4.6%
<i>Proparco</i>	-	2,105,081	2,105,081	1.7%
SubTotal	65,178,483	55,869,285	121,047,768	99.9%
Treasury	-	124,256	124,256	0.1%
Total	65,178,483	55,993,541	121,172,024	100%

Interest on Own Capital and Dividends

On January 14, 2014, Pine paid a total of R\$20 million as dividends and interest on own capital, which corresponds to a gross payout per share of R\$0.17. Of this total, R\$16.5 million represents interest on own capital and R\$3.5 million, dividends. Since 2008, Pine distributes dividends/interest on own capital quarterly.

Ratings

STANDARD & POOR'S FitchRatings Moody's.com RISKbank

Foreign and Local Currency		BB+	BB+	Ba1	-
National	Long Term	BB+	BB+	Ba1	-
	Short Term	B	B	-	-
	Long Term	brAA	AA-(bra)	Aa2.br	10.38
	Short Term		F1+(bra)	Br-1	

Balance Sheet

	R\$ million		
	Mar-14	Dec-13	Mar-13
Assets	11,046	10,545	10,204
Cash	54	157	212
Interbank investments	1,348	668	611
Securities	2,161	2,515	3,604
Interbank accounts	5	1	1
Lending operations	6,526	6,382	5,114
(-) Provisions for loan losses	(188)	(186)	(195)
Net lending operations	6,338	6,196	4,920
Other receivables	1,031	904	827
Property and equipments	110	104	30
Investments	88	76	-
Property and equipment in use	20	26	28
Intangible	1	2	2
Liabilities	9,776	9,272	8,944
Deposits	3,381	3,156	3,199
Money market funding	379	509	1,954
Funds from acceptance and securities issued	1,760	1,738	1,163
Interbank and Interbranch accounts	1	15	6
Borrowings and onlendings	3,203	2,954	1,859
Derivative financial instruments	143	191	110
Other liabilities	836	641	595
Deferred Results	74	68	58
Shareholders' equity	1,271	1,272	1,260
Liabilities and shareholders' equity	11,046	10,545	10,204

Accounting Income Statement

	R\$ million				
	1Q14	4Q13	1Q13	QoQ	YoY
Income from financial intermediation	263	310	233	-15.2%	12.9%
Lending transactions	168	163	111	3.1%	51.4%
Securities transactions	91	63	58	44.4%	56.9%
Derivative financial instruments	8	53	62	-84.9%	-87.1%
Foreign exchange transactions	(4)	31	2	-112.9%	-300.0%
Expenses with financial intermediation	(182)	(256)	(144)	-28.9%	26.4%
Funding transactions	(136)	(169)	(119)	-19.5%	14.3%
Borrowings and onlendings	(34)	(63)	(12)	-46.0%	183.3%
Provision for loan losses	(12)	(24)	(13)	-50.0%	-7.7%
Gross income from financial intermediation	81	54	89	50.0%	-9.0%
Other operating (expenses) income	(28)	1	(19)	-2900.0%	47.4%
Fee income	21	25	30	-16.0%	-30.0%
Personnel expenses	(23)	(25)	(22)	-8.0%	4.5%
Other administrative expenses	(26)	(25)	(24)	4.0%	8.3%
Tax expenses	(3)	(6)	(4)	-50.0%	-25.0%
Other operating income	7	52	10	-86.5%	-30.0%
Other operating expenses	(3)	(20)	(9)	-85.0%	-66.7%
Operating income	54	55	70	-1.8%	-22.9%
Non-operating income	7	2	2	250.0%	250.0%
Income before taxes and profit sharing	61	57	72	7.0%	-15.3%
Income tax and social contribution	(12)	(9)	(19)	33.3%	-36.8%
Profit sharing	(13)	(11)	(8)	18.2%	62.5%
Net income	35	37	46	-5.4%	-23.9%

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