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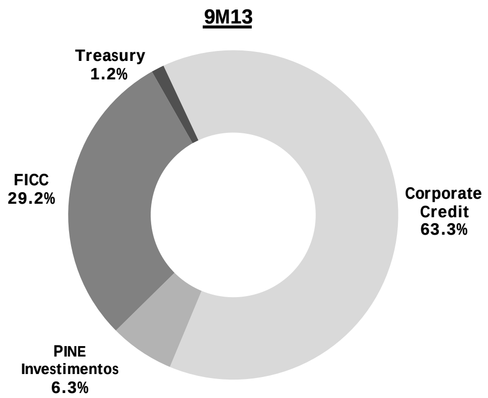
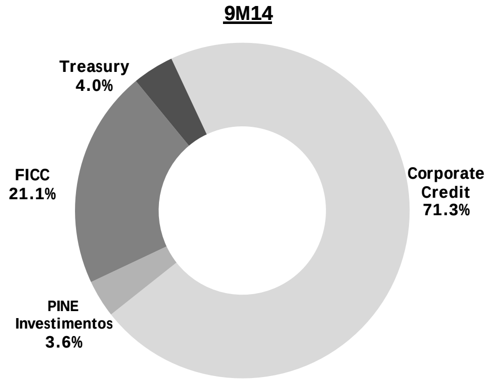
PINE REGISTERS RECURRING NET INCOME OF R$21 MILLION IN THE QUARTER, WITH CONSISTENT REVENUE GENERATION AND INCREASED NET INTEREST MARGIN

São Paulo, November 11, 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 third quarter of 2014 (3Q14).





- In October, Standard & Poor's reaffirmed Pine's ratings based on its "strong risk position reflected in its strong asset quality and conservative management", besides its "adequate liquidity, and adequate capital and earnings". In April, the same Rating agency downgraded many Brazilian banks.
- Fitch has also reaffirmed Pine's ratings, which "reflects the satisfactory credit profile of the Bank and its good performance over the last years amid a deteriorated and relatively volatile operational environment".
- Positive contributions from all business lines in the 9M14: 71.3% from Corporate Credit, 21.1% from FICC, 4.0% from Treasury, and 3.6% from Pine Investimentos.
- Liquid balance sheet, with cash position of R$2.1 billion, equivalent to 58% of time deposits.
- Positive liquidity gap over the past years, with 13 months for credit versus 16 months for funding.
- Execution of the third transaction of the Pine-DEG partnership, totaling US$25 million with a twelve-year term, for a company in the Infrastructure sector.
- 16th largest bank in derivative transactions and the 2nd largest in commodity derivatives segment according to CETIP – OTC Clearing House.
- 13th largest bank offering credit to large companies, moving up two positions, *vis-à-vis* 2013, according to the "Melhores e Maiores" ranking compiled by Exame magazine.

	3Q14	2Q14	3Q13
Earnings and Profitability			
Recurring[5] Net income (R$ million)	21	35	40
Net income (R$ million)	19	35	40
Recurring[5] Annualized ROAE	6.9%	11.3%	13.4%
Annualized ROAE	6.0%	11.6%	13.4%
Recurring[5] Annualized ROAAw[1]	0.9%	1.5%	2.0%
Annualized ROAAw[1]	0.8%	1.5%	2.0%
Recurring[5] Annualized financial margin before provision	4.5%	4.0%	5.7%
Annualized financial margin before provision	4.3%	4.1%	5.7%
Balance Sheet (R$ million)			
Total assets	10,885	10,683	10,508
Loan portfolio[2]	9,800	10,032	9,537
Risk weighted assets	9,526	9,337	8,386
Deposits[3]	3,684	4,061	3,477
Funding	8,638	8,559	7,894
Shareholders' equity	1,273	1,270	1,264
Credit portfolio quality			
Non performing loans - 90 days	0.1%	0.2%	0.1%
Credit coverage index	2.1%	2.4%	3.2%
D-H Portfolio	4.2%	5.8%	6.8%
Performance			
BIS ratio	13.8%	13.7%	15.9%
Recurring[5] Efficiency ratio	35.4%	37.1%	35.0%
Efficiency ratio	36.9%	36.8%	35.0%
Recurring[5] Earnings per share (R$)	0.18	0.29	0.37
Earnings per share (R$)	0.16	0.30	0.37
Book value per share[4] (R$)	10.71	10.73	11.61
Market Cap (R$ million)	924	890	977

[1]Risk weighted assets.[2]Includes Standby LC, Bank Guarantees, Credit Securities to be Received and Securities (bonds, CRIs, eurobonds and fund shares). [3]Includes Agribusiness and Real Estate Letters of Credit. [4]It considers 118,903,884 shares for 3Q14, 118,372,603 shares for 2Q14 and 108,924,268 shares for 3Q13. [5]Reconciliation of results due to funding hedges in the gross amount of R$4.7 million and R$2.8 million net in 3Q14, gross amount of R$1.6 million and R$0.9 million net in 2Q14. Considers the reclassification of FIDC expenses pursuant to Circular Letter nº3,658 from Central Bank.

Investor Relations +55 11 3372-5343 | Raquel Varela
Alejandra Hidalgo
Luiz Maximo
Ana Carolina Lopes

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 alternative 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 9M14 was another period of positive revenue contribution in all business lines. Given the scenario and the conservatism of the Bank, the main dimensions of balance sheet performed as expected, although bottom line was impacted by the substantial increase in provisions.

The less aggressive approach reflects management´s actions in light of a macroeconomic scenario with low visibility, and temporarily affects profitability indicators. In the short term, management is taking initiatives to bring more efficiency to the balance sheet, while keeping the bank prepared for a clearer scenario.

Financial Margin

In 3Q14, recurring income from financial intermediation before provisions for loan losses totaled R$101 million, with recurring net interest margin (NIM) before provisions at 4.5%.

The recurring financial margin before provision for loan losses presented a recovery when compared to 2Q14. This improvement is explained by the systematic reduction of fundings costs, marginal improvements in origination spreads and loan recoveries.

Strictly following its governance in credit risk modeling and maintaining the active management of the portfolio, Pine revised the ratings of some clients, reclassifying part of its portfolio in 3Q14.

In addition, the Bank sold some distressed transactions (ratings G-H). This generated a reversal of R$36 million in the line of provision for loan losses, and an expense in the amount of R$46 million in the line of other operating expenses.

The sum of all these initiatives generated an impact in provision expenses, as follows:

R$ thousand

	3Q14
Re-rating - Resolution 2682	(13,868)
Reversal of Provisions - Loan Assignment	35,957
Provisions for Loan Losses	**22,089**

Although the line “Provisions for Loan Losses” posts a positive impact due to the reasons previously explained, the economic impact in the 3Q14 results is demonstrated below:

R$ thousand

	3Q14
Re-rating - Resolution 2682	(13,868)
Other Expenses	(23,660)
Total	**(37,528)**

The Financial Margin composition is follows below:

	3Q14	2Q14	3Q13	9M14	9M13
Recurring Financial Margin					
Income from financial intermediation	92	96	112	297	300
Overhedge effect	4	(3)	(1)	(2)	3
Liabilities hedge effect	5	(2)	-	(1)	-
Recurring Income from financial intermediation (A)	101	92	111	294	303
Provision for loan losses	22	(14)	(34)	(4)	(77)
Recurring Income from financial intermediation after provision (B)	123	78	77	290	226
Average earning assets (C)	9,157	9,336	7,956	9,011	8,036
Interbank investments	1,337	1,247	770	1,099	638
Securities and derivatives[1]	1,349	1,543	1,517	1,534	1,952
Credit transactions	6,471	6,546	5,669	6,378	5,446
Recurring Annualized Financial Margin before provision (%) (A/C)	4.5%	4.0%	5.7%	4.4%	5.1%
Recurring Annualized Financial Margin after provision (%) (B/C)	5.5%	3.4%	3.9%	4.3%	3.8%
Financial Margin[2]					
Annualized Financial Margin before provision (%)	4.3%	4.1%	5.7%	4.4%	5.1%
Annualized Financial Margin after provision (%)	5.3%	3.5%	3.9%	4.3%	3.8%

R$ million

[1] Excludes repo transactions and the liability portion of derivatives.

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

Considers the reclassification of FIDC expenses pursuant to Circular Letter nº3,658 from Central Bank.

Fee Income

Fee income reached R$26 million in the third quarter of 2014, an increase of 8.3% when compared to 2Q14.

R$ million

	3Q14	2Q14	3Q13	9M14	9M13
Bank	21	19	26	59	68
PINE Investimentos	5	4	7	11	24
Total	**26**	**24**	**33**	**70**	**92**

Personnel and Administrative Expenses

In 9M14, personnel and administrative expenses reached R$138 million. During the third quarter, non-recurring expenses in the amount of R$4 million negatively impacted the line. These expenses are related to organizational restructuring and liability management.

At the end of September, Pine had 431 employees, including outsourced ones.

R$ million

	3Q14	2Q14	3Q13	9M14	9M13
Personnel expenses	24	22	23	70	67
Other administrative expenses	22	20	24	68	69
Subtotal	**46**	**42**	**47**	**138**	**136**
Non-recurring expenses	(4)	(1)	(1)	(9)	(4)
Total	**42**	**41**	**46**	**129**	**132**

Efficiency Ratio

The recurring efficiency ratio ended the 3Q14 at 35.4%, an improvement of 170 bps over 2Q14.

R$ million

	3Q14	2Q14	3Q13	9M14	9M13
Operating expenses[1]	49	45	51	146	147
(-) Non-recurring expenses	(4)	(1)	(1)	(9)	(4)
Recurring Operating Expenses (A)	45	43	50	137	143
Recurring Revenues[2] (B)	127	116	143	365	395
Recurring Efficiency Ratio (A/B)	**35.4%**	**37.1%**	**35.0%**	**37.5%**	**36.2%**

[1] Other administrative expenses + tax expenses + personnel expenses

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

Considers the reclassification of FIDC expenses pursuant to Circular Letter number 3,658 from Central Bank.

Corporate Credit

The expanded loan portfolio totaled R$9,800 million on September 30, 2014, representing a contraction of 2.3% when compared to June 2014, and an increase of 2.8% over the same period of the last year.

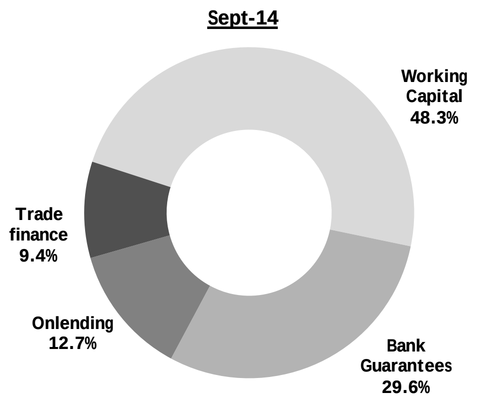
R$ million

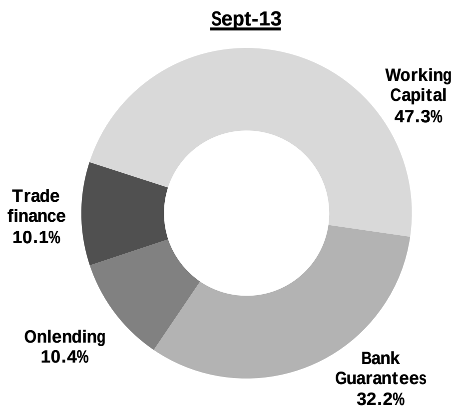
	Sept-14	Jun-14	Sept-13	QoQ	YoY
Working capital[1]	4,731	4,904	4,509	-3.5%	4.9%
BNDES Onlending	1,248	1,071	990	16.5%	26.1%
Trade finance [2]	924	1,116	965	-17.2%	-4.2%
Bank guarantees	2,896	2,941	3,073	-1.5%	-5.8%
Expanded Loan Portfolio	**9,800**	**10,032**	**9,537**	**-2.3%**	**2.8%**

[1] Includes debentures, CRIs, Hedge Fund Shares, Eurobonds, Credit Portfolio acquired from financial institutions with recourse and Individuals

[2] Includes Stand by LC

Loan Portfolio Breakdown

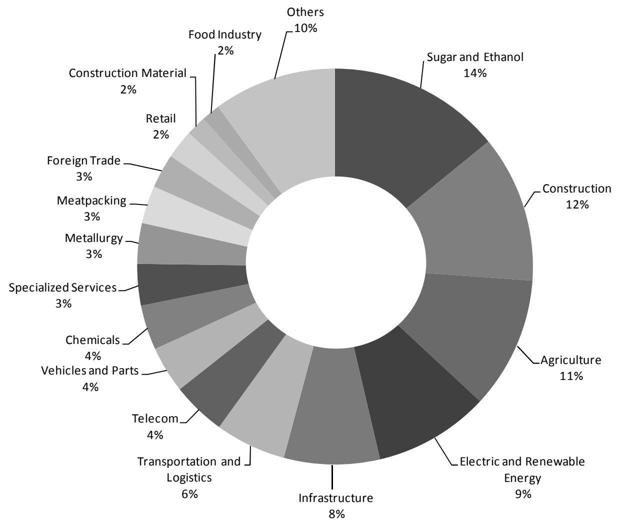


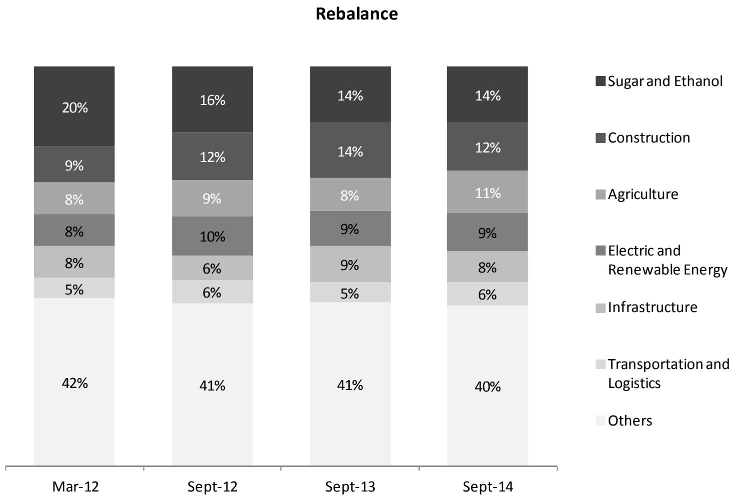


Active Management of the Loan Portfolio

Pine continued to actively manage the allocation of capital in sectors that offer greater comparative advantage.

The composition of the portfolio of the 20 largest clients changed by over 25%, compared to the past twelve months. This demonstrates the liquidity and flexibility of the Bank’s operation. The share-of-wallet of the 20 largest clients remained below 30%.





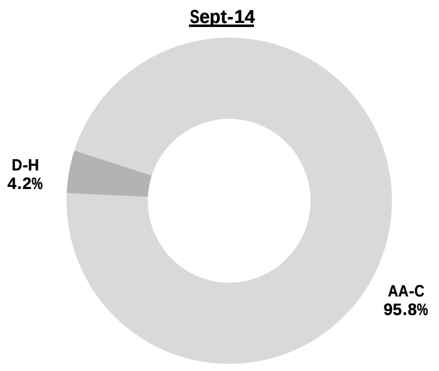
Loan Portfolio Profile and Quality

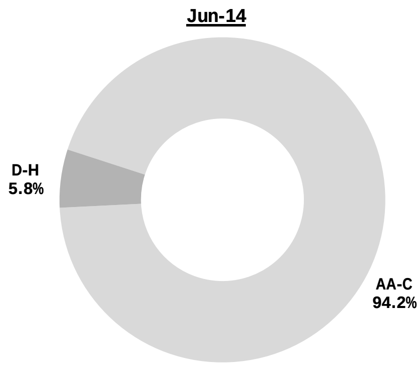
Loan Quality and Provision for Loan Losses - Resolution 2,682

Sept-14						Jun-14					
Rating	Overdue	To Expire	Total Portfolio	%	Provision	Rating	Overdue	To Expire	Total Portfolio	%	Provision
AA	-	782	782	12.3%	-	AA	-	1,061	1,061	16.2%	-
A	-	1,976	1,976	31.0%	10	A	-	1,991	1,991	30.3%	10
B	0	2,314	2,314	36.3%	23	B	0	2,284	2,284	34.8%	23
C	51	981	1,032	16.2%	31	C	1	850	851	13.0%	26
D	0	147	147	2.3%	15	D	10	236	246	3.7%	25
E	6	63	69	1.1%	21	E	0	36	36	0.6%	11
F	0	37	37	0.6%	18	F	0	27	27	0.4%	13
G	0	12	13	0.2%	9	G	11	52	63	1.0%	44
H	2	3	5	0.1%	5	H	3	5	8	0.1%	8
Total	**59**	**6,315**	**6,374**	**100.0%**	**132**	**Total**	**25**	**6,542**	**6,567**	**100.0%**	**159**

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%

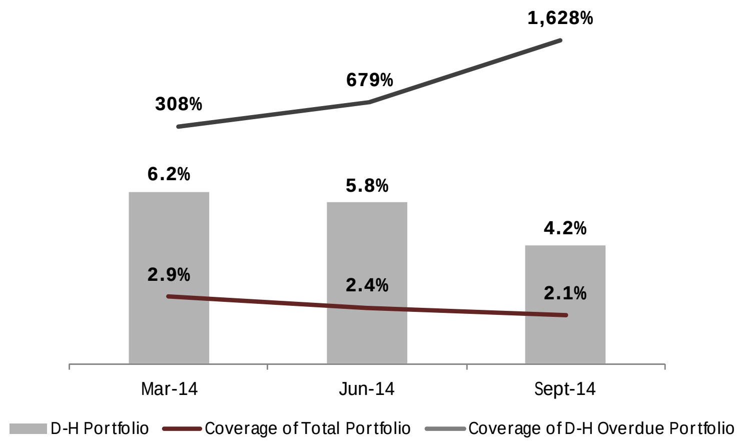
Loan Portfolio by Risk - Resolution 2,682





Loan Portfolio Coverage Ratios

In September 2014, the D-H portfolio improved to 4.2% of the total loan portfolio. As a result of this portfolio profile, the coverage ratio reached 2.1% in 3Q14.

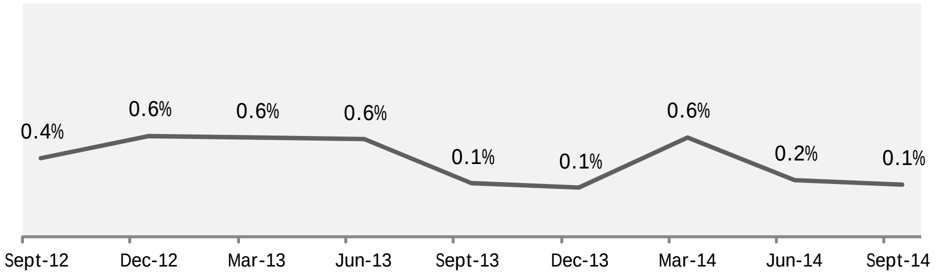


[1]D-H Portfolio: D-H Portfolio / Loan Portfolio Res. 2,682
[2]Covegare of Total Portfolio: Provisions / Loan Portfolio Res. 2,682
[3]Coverage of D-H Overdue Portfolio: Provisions / D-H Overdue Portfolio

Non-Performing Loans > 90 days (Overdue Installments)

% of loan portfolio[1]

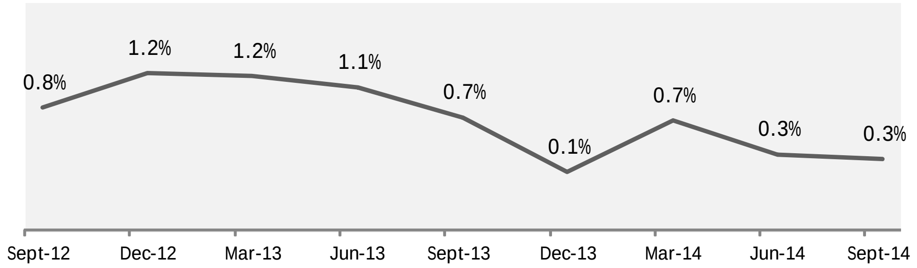
The NPL ratio of installments overdue more than 90 days ended the period at 0.1%, compared to 0.2% in June 2014.



Non-Performing Loans > 90 days (Total Contract)

% of loan portfolio[1]

Considering the total contract, the ratio of more than 90 days remained stable at 0.3% when compared to June 2014.



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

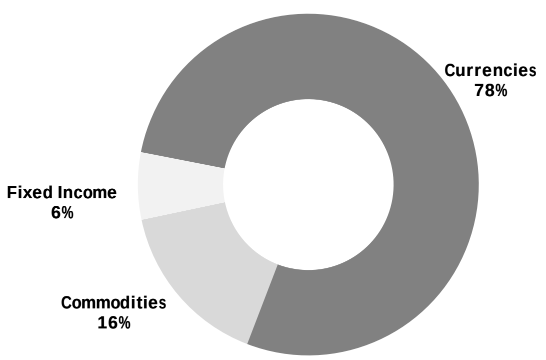
FICC

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.

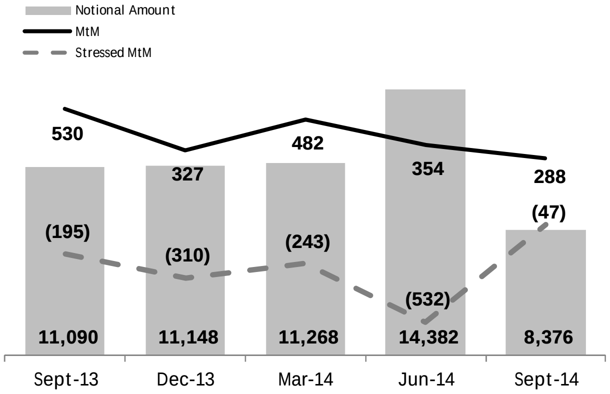
The total notional value of the derivatives portfolio for clients totaled R$8.4 billion, with an average duration of 163 days at the end of September.

Despite the decrease in the notional amount, the greater volatility in the period allowed the steady revenue generation in this business line.

Client Notional Derivatives by Market



Notional Amount and Counterparty Credit Risk (MtM)



The R$288 million counterparty risk exposure (Mark to Market) considers the net value of Pine's payables and receivables. Thus, in September 2014, Pine would receive R$392 million from its counterparties and pay R$103 million.

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$3.22/USD, and commodity prices falling by 30%, the potential Mark to Market in the portfolio would have been R$47 million payable.

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 September 2014, Pine is the 16th largest bank in derivatives transactions for clients, and maintains the 2nd position in commodity derivatives.

Pine Investimentos

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

During the 9M14, Pine Investimentos participated in the underwriting of approximately R$1.7 billion in fixed income, in both local and international markets. Furthermore, Pine provided advisory services to its clients on the structuring of R$0.9 billion in M&A and project finance transactions in the same period.

Funding

Total funding reached R$8,638 million in September 2014, growth of 0.9% over the last quarter and 9.4% in twelve months.

Given the high liquidity of the balance sheet - with over R$2 billion in cash - and the constant and active liability management, Pine has reduced its funding costs. Over the 9M14, the Bank has carried out the following initiatives:

- Partial pre-payment of the Huaso Bond, around US$32 million or approximately 54% of the issuance, in July;
- Partial repurchase of the PINE17 bond, around US$25 million, or 20% of the total issuance;
- R$230 million Financial Bill issuance, with a two-year term, at the end of July;
- Increase in deposits of individuals through the distribution of Agribusiness and Real Estate Letters of Credit for the private banking market. These letters of credit offer attractive cost and term.
- Non-renewal of some deposits, especially institutional ones, reflecting the pricing policy of funding adopted by the Bank in a high liquidity scenario.

In twelve months, external funding growth resulted from several transactions: US$115 million through an A/B loan transaction, with a five-year term, US$100 million syndicated loan, with a two-year term, US$20 million through a Senior Unsecured Term Loan, with a ten-year term, and US$50 million through Pine's third Islamic format issuance, with a one-year term.

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

R$ million

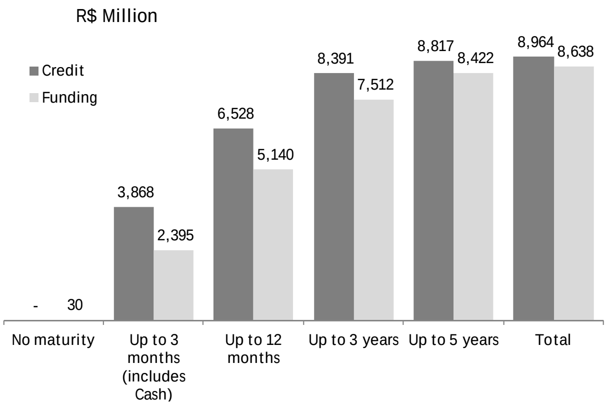
	Sept-14	Jun-14	Sept-13	QoQ	YoY
Local Funding	**5,285**	**5,163**	**4,888**	**2.4%**	**8.1%**
Demand deposits	30	41	20	-26.8%	50.0%
Interbank deposits	98	80	93	22.5%	5.4%
Time deposits + LCA + LCI	3,557	3,940	3,364	-9.7%	5.7%
Individuals [1]	920	908	373	1.3%	146.6%
Companies	731	761	1,048	-3.9%	-30.2%
Institutionals	1,905	2,271	1,943	-16.1%	-2.0%
Capital Markets	1,601	1,102	1,411	45.3%	13.5%
Onlendings + Trade Finance	**2,110**	**2,150**	**2,072**	**-1.9%**	**1.8%**
Onlendings	1,292	1,086	1,099	19.0%	17.6%
Trade finance	819	1,064	973	-23.0%	-15.8%
International Funding	**1,242**	**1,246**	**935**	**-0.3%**	**32.8%**
Capital Markets	323	427	437	-24.4%	-26.1%
Multilaterals	388	346	69	12.1%	462.3%
Other private placements and syndicated loans	531	473	429	12.3%	23.8%
Total	**8,638**	**8,559**	**7,894**	**0.9%**	**9.4%**

[1] Includes securities distributed to individuals through other institutions.

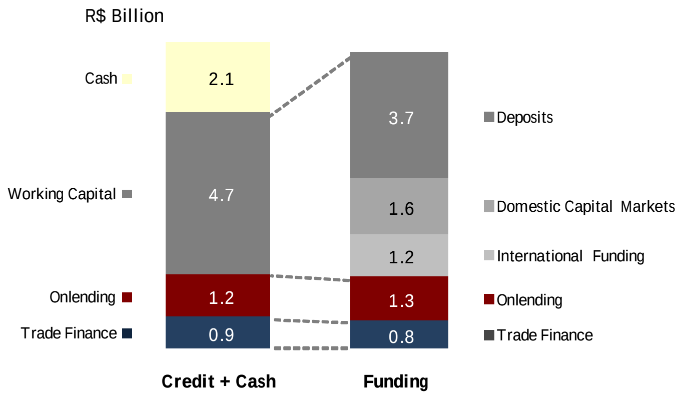
Asset and Liability Management

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 13 months, the funding period is 16 months, ensuring a comfortable situation for the Bank.

Matching of Credit and Funding



Breakdown



Capital Structure

In the quarter, the capital adequacy ratio (BIS) reached 13.8%, above the regulatory minimum level of 11%. The Tier I capital represented 12.4% while Tier II represented 1.4%. Over the last twelve months, the ratio change is mainly due to the reduction in the amount of subordinated debt allowed for Tier II capital composition.

R$ million

	Sept-14	Jun-14	Sept-13
Reference Equity	**1,413**	**1,408**	**1,476**
Tier I	**1,273**	**1,256**	**1,276**
Tier I - BIS Ratio %	12.4%	12.2%	13.7%
Tier II	**140**	**152**	**200**
Tier II - BIS Ratio %	1.4%	1.5%	2.2%
Required Reference Equity	**929**	**937**	**1,024**
Credit Risk	866	849	922
Market Risk	50	71	84
Operational Risk	14	17	18
Excess of Reference Equity	**484**	**471**	**452**
BIS Ratio - %	**13.8%**	**13.7%**	**15.9%**

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 two external members on 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; and
- Compensation and Audit Committees, which report directly to the Board of Directors.

PINE4

As of October 31, 2014

	Common	Preferred	Total	%
Controlling Shareholder	65,178,483	17,210,589	82,389,072	68.0%
Management	-	7,587,382	7,587,382	6.3%
Free Float	-	28,927,430	28,927,430	23.9%
Individuals	-	*6,684,976*	*6,684,976*	*5.5%*
Local Institutional Investors	-	*8,842,613*	*8,842,613*	*7.3%*
Foreign Investors	-	*5,713,046*	*5,713,046*	*4.7%*
DEG	-	*5,581,714*	*5,581,714*	*4.6%*
Proparco	-	*2,105,081*	*2,105,081*	*1.7%*
SubTotal	**65,178,483**	**53,725,401**	**118,903,884**	**98.1%**
Treasury	-	2,268,140	2,268,140	1.9%
Total	**65,178,483**	**55,993,541**	**121,172,024**	**100%**

Interest on Own Capital and Dividends

On October 10, 2014, Pine paid a total of R$16.9 million as interest on own capital, which corresponds to a gross payout per share of R$0.14. This amount represents a dividend yield of 9.7%. Since 2008, Pine distributes proceeds in a quarterly basis.

Ratings

		Standard & Poor's	FitchRatings	Moodys.com	RISKbank
Foreign and Local Currency	Long Term	BB+	BB+	Ba1	-
	Short Term	B	B	-	-
National	Long Term	brAA	AA-(bra)	Aa2.br	10.47
	Short Term		F1+(bra)	Br-1	

Balance Sheet

R$ million

	Sept-14	Jun-14	Sept-13
Assets	**10,885**	**10,683**	**10,508**
Cash	71	93	281
Interbank investments	1,529	1,146	870
Securities	2,041	2,164	2,627
Interbank accounts	1	1	6
Lending operations	6,374	6,567	5,855
(-) Provisions for loan losses	(132)	(159)	(190)
Net lending operations	6,243	6,408	5,665
Other receivables	876	752	957
Property and equipments	125	119	101
Investments	105	97	73
Property and equipment in use	19	20	26
Intangible	1	1	2
Liabilities	**9,612**	**9,413**	**9,243**
Deposits	2,744	3,130	2,924
Money market funding	624	470	829
Funds from acceptance and securities issued	1,960	1,627	1,505
Interbank and Interbranch accounts	9	23	34
Borrowings and onlendings	2,913	2,866	2,478
Derivative financial instruments	165	248	221
Other liabilities	1,120	980	1,182
Deferred Results	78	69	70
Shareholders' equity	**1,273**	**1,270**	**1,264**
Liabilities and shareholders' equity	**10,885**	**10,683**	**10,508**

According to Circular Letter nº 3,658 of Central Bank, the FIDC transactions shall be accounted from Borrowings and Onlendings to the line of Other Liabilities (R$410 million in 3Q14, R$453 million in 2Q14 and R$455 million in 3Q13).

Accounting Income Statement

R$ million

	3Q14	2Q14	3Q13	9M14	9M13
Income from financial intermediation	**433**	**263**	**298**	**959**	**871**
Lending transactions	222	194	154	584	405
Securities transactions	78	76	71	245	200
Derivative financial instruments	87	8	33	104	142
Foreign exchange transactions	45	(15)	40	26	124
Expenses with financial intermediation	**(319)**	**(181)**	**(221)**	**(666)**	**(648)**
Funding transactions	(208)	(145)	(146)	(488)	(439)
Borrowings and onlendings	(133)	(22)	(41)	(174)	(132)
Provision for loan losses	22	(14)	(34)	(4)	(77)
Gross income from financial intermediation	**114**	**82**	**77**	**293**	**223**
Other operating (expenses) income	**(95)**	**(30)**	**(17)**	**(168)**	**(58)**
Fee income	26	24	33	70	92
Personnel expenses	(24)	(22)	(23)	(70)	(67)
Other administrative expenses	(22)	(20)	(24)	(68)	(69)
Tax expenses	(3)	(2)	(4)	(8)	(11)
Other operating income	5	9	6	21	21
Other operating expenses	(77)	(19)	(4)	(114)	(24)
Operating income	**19**	**52**	**60**	**125**	**165**
Non-operating income	4	4	2	16	7
Income before taxes and profit sharing	**23**	**57**	**62**	**140**	**172**
Income tax and social contribution	7	(11)	(11)	(16)	(22)
Profit sharing	(12)	(10)	(11)	(35)	(26)
Net income	**19**	**35**	**40**	**89**	**124**

Considers the reclassification of FIDC expenses pursuant to Circular Letter nº 3,658 of Central Bank. FIDCs expenses shall be accounted in other administrative expenses. Before, compounded the expenses of borrowings and onlendings transactions, in the amount of R$13.5 million, R$16.2 million and R$3.0 million respectively in 3Q14, 2Q14 and 3Q13.