



 **Banrisul**

**FINANCIAL
STATEMENTS**

**MARCH
2020**

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PRESS RELEASE

This Press Release contains forward-looking statements, which not only relate to historic facts but also reflect the targets and expectations of the Company management. The terms “anticipate”, “desire”, “expect”, “project”, “plan”, “intend” and similar words are intended to identify statements that necessarily involve known and unknown risks.

Known risks include uncertainties which are not limited to the impact of competitive services and pricing, acceptance of services by the market, Banrisul’s and its competitors’ services transactions, regulatory approval, currency fluctuations, changes in the mix of the portfolio of services and other risks described in the Company's reports. This Press Release is up to date and Banrisul may or may not update it with new information and/or future events.

Table 1: Economic and Financial Indicators

Main Income Statement Accounts - R\$ Million	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019	1Q2020/ 1Q2019	1Q2020/ 4Q2019
Net Interest Income	1,261.6	1,345.7	1,261.6	1,393.1	1,434.7	1,351.5	1,345.7	-6.3%	-9.4%
Provisions for Expected Losses Associated with Credit Risk Expenses	296.6	285.4	296.6	265.1	349.0	294.4	285.4	3.9%	11.9%
Financial Income	2,921.4	2,264.7	2,921.4	1,992.9	2,589.5	2,258.3	2,264.7	29.0%	46.6%
Financial Expenses	1,659.8	919.0	1,659.8	599.9	1,154.8	906.7	919.0	80.6%	176.7%
Income from Services and Fees	504.2	490.7	504.2	530.0	520.2	501.6	490.7	2.8%	-4.9%
Adjusted Administrative Expenses ⁽¹⁾	920.3	950.8	920.3	963.6	945.9	933.6	950.8	-3.2%	-4.5%
Adjusted Other Expenses	174.9	129.3	174.9	172.9	259.7	195.9	129.3	35.3%	1.2%
Adjusted Other Income	93.3	97.5	93.3	100.0	144.6	123.9	97.5	-4.3%	-6.7%
Adjusted Net Income	257.5	320.0	257.5	356.3	291.9	305.7	320.0	-19.5%	-27.7%
Net Income	257.5	320.0	257.5	397.2	291.9	335.4	320.0	-19.5%	-35.2%
Main Balance Sheet Accounts - R\$ Million	Mar 2020	Mar 2019	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019	Mar 2020/ Mar 2019	Mar 2020/ Dec 2019
Total Assets	83,270.0	77,870.6	83,270.0	81,549.6	80,637.6	79,465.7	77,870.6	6.9%	2.1%
Securities ⁽²⁾	30,219.9	21,881.4	30,219.9	23,721.0	24,233.5	22,813.0	21,881.4	38.1%	27.4%
Total Credit Portfolio	36,185.8	34,301.9	36,185.8	36,182.7	34,647.1	34,237.2	34,301.9	5.5%	0.0%
Provisions for Expected Losses Associated with Credit Risk	2,812.5	2,582.3	2,812.5	2,764.3	2,722.0	2,594.0	2,582.3	8.9%	1.7%
Past Due Loans > 90 Days	1,221.0	878.0	1,221.0	1,219.4	984.8	752.7	878.0	39.1%	0.1%
Funds Raised and Under Management	72,587.0	67,887.4	72,587.0	72,037.5	70,105.5	69,370.9	67,887.4	6.9%	0.8%
Shareholders' Equity	8,069.0	7,369.0	8,069.0	7,794.4	7,734.9	7,522.5	7,369.0	9.5%	3.5%
Prudential Conglomerate Reference Equity	6,546.6	6,322.0	6,546.6	6,439.0	6,740.7	6,478.9	6,322.0	3.6%	1.7%
Average Shareholders' Equity	7,931.7	7,323.9	7,931.7	7,764.6	7,628.7	7,445.7	7,323.9	8.3%	2.2%
Average Total Assets	82,409.8	77,649.2	82,409.8	81,093.6	80,051.7	78,668.2	77,649.2	6.1%	1.6%
Average Profitable Assets	72,149.3	68,941.7	72,149.3	70,971.1	70,840.7	70,671.1	68,941.7	4.7%	1.7%
Stock Market Information - R\$ Million	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019	1Q2020/ 1Q2019	1Q2020/ 4Q2019
Interest on Own Capital / Dividends ⁽³⁾	101.0	127.7	101.0	161.9	112.0	135.0	127.7	-20.9%	-37.6%
Market Capitalization	4,879.1	9,893.1	4,879.1	8,854.3	9,222.4	9,713.1	9,893.1	-50.7%	-44.9%
Book Value Per Share	19.73	18.02	19.73	19.06	18.91	18.39	18.02	9.5%	3.5%
Average Price per Share (R\$)	18.19	24.24	18.19	21.37	23.28	23.59	24.24	-25.0%	-14.9%
Earnings per Share (R\$)	0.63	0.78	0.63	0.97	0.71	0.82	0.78	-19.4%	-35.1%
Financial Indexes	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019		
Adjusted ROAA (pa.) ⁽⁴⁾	1.3%	1.7%	1.3%	1.8%	1.5%	1.6%	1.7%		
Adjusted ROAE (pa.) ⁽⁵⁾	13.6%	18.7%	13.6%	19.7%	16.2%	17.5%	18.7%		
Adjusted Efficiency Ratio ⁽⁶⁾	52.6%	51.5%	52.6%	52.1%	51.1%	51.4%	51.5%		
Net Interest Margin on Profitable Assets	7.18%	8.04%	7.18%	8.09%	8.35%	7.87%	8.04%		
Adjusted Operating Cost	4.5%	4.9%	4.5%	4.7%	4.7%	4.8%	4.9%		
Default Rate > 90 Days ⁽⁷⁾	3.37%	2.56%	3.37%	3.37%	2.84%	2.20%	2.56%		
Coverage Ratio 90 days ⁽⁸⁾	230.4%	294.1%	230.4%	226.7%	276.4%	344.6%	294.1%		
Provisioning Index ⁽⁹⁾	7.8%	7.5%	7.8%	7.6%	7.9%	7.6%	7.5%		
Basel Ratio (Prudential Conglomerate)	15.1%	15.6%	15.1%	15.1%	16.2%	15.8%	15.6%		
Structural Indicators	Mar 2020	Mar 2019	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019		
Branches	514	518	514	518	518	518	518		
Service Stations	181	184	181	178	178	181	184		
Electronic Service Stations	422	436	422	419	427	433	436		
Employees	10,237	10,182	10,237	10,283	10,313	10,276	10,182		
Economic Indicators	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019		
Effective Selic Rate	1.01%	1.51%	1.01%	1.24%	1.54%	1.54%	1.51%		
Exchange Rate (R\$/USD - end of period)	5.20	3.90	5.20	4.03	4.16	3.83	3.90		
Exchange Rate Variation (%)	28.98%	0.57%	28.98%	-3.21%	8.67%	-1.66%	0.57%		
IGP-M (General Market Price Index)	1.69%	2.16%	1.69%	3.09%	-0.28%	2.19%	2.16%		
IPCA (Extended Consumer Price Index)	0.53%	1.51%	0.53%	1.77%	0.26%	0.71%	1.51%		

(1) Includes Adjusted Personnel Expenses and Other Administrative Expenses.

(2) Includes Derivatives, Interbank Deposits and Cash Equivalents and deduces Repurchase Obligations.

(3) Interest on Own Capital and Dividends paid credited and/or provisioned (before retention of income tax).

(4) Net Income / Average Total Asset.

(5) Net Income / Average Shareholders' Equity.

(6) Efficiency Ratio for the last 12 months. Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Operational Income – Other Operational Expenses).

(7) Past Due Loans > 90 days / Total Credit Portfolio.

(8) Provisions for Expected Losses Associated with Credit Risk/ Past Due Loans > 90 days.

(9) Provisions for Expected Losses Associated with Credit Risk/ Credit Portfolio.

MATERIAL FACTS

Faced with a public health emergency and uncertainties in the global economy due to Covid-19, Banrisul has been taking actions to minimize the exposure of customers and employees to the disease, while maintaining economic activity as normal as possible.

In March 2020, the Bank announced measures to preserve employees' health, including remote work, especially to those in groups of risk, without compromising business continuity, the suspension of activities that involved participants of the Young Apprentice Training Program and all other activities that would lead to people gathering. As for customers, they included campaigns informing that the vast majority of the financial services provided by Banrisul can be carried out through digital channels and the release of service through Customer Service Channels and the Bank's social networks, as well as advising customers to limit their presence at branches only when absolutely necessary and upon scheduling. Hygiene measures were reinforced, with new cleaning standards and gel alcohol available in all facilities.

Banrisul also announced measures relate to its loan portfolio, which include (i) the extension of the maturities of outstanding loans, (ii) the offer of pre-approved credit lines, (iii) the increase of Banricompras credit limits, (iv) the increase of credit limits that can be used for transactions and withdrawals in digital channels, and (iv) making available, exempted from charges and monthly fee payment, additional POS equipment to be used into Vero's acquiring network.

The impacts of the present pandemic tend to be more correctly observed and measured in the coming months, with the reflexes of the crisis and the effectiveness of the mitigation measures being thoroughly assessed in a future moment. Therefore, it is essential to permanently monitor regulatory and market changes and the evolution of the crisis resulting from the pandemic so that Banrisul can position itself and continue taking the necessary measures to face the crisis.

FINANCIAL HIGHLIGHTS

The summary of Banrisul's 1Q2020 results are presented below. The Analysis of Performance, Management Report Financial Statements and the Accompanying Notes are available on the Bank's website www.banrisul.com.br/ri.

Table 2: Key Items of the Income Statement - R\$ Million

	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019	1Q2020/ 1Q2019	1Q2020/ 4Q2019
Net Interest Income	1,261.6	1,345.7	1,261.6	1,393.1	1,434.7	1,351.5	1,345.7	-6.3%	-9.4%
Provisions for Expected Losses Associated with Credit Risk Expenses	296.6	285.4	296.6	265.1	349.0	294.4	285.4	3.9%	11.9%
Income from Services and Fees	504.2	490.7	504.2	530.0	520.2	501.6	490.7	2.8%	-4.9%
Adjusted Administrative Expenses	920.3	950.8	920.3	963.6	945.9	933.6	950.8	-3.2%	-4.5%
Adjusted Operating Income	359.0	461.1	359.0	517.3	427.8	445.6	461.1	-22.2%	-30.6%
Adjusted Net Income	257.5	320.0	257.5	356.3	291.9	305.7	320.0	-19.5%	-27.7%
Net Income	257.5	320.0	257.5	397.2	291.9	335.4	320.0	-19.5%	-35.2%

Net income in 1Q2020 reached R\$257.5 million, decreasing 19.5% since 1Q2019 and down 27.7% from 4Q2019's managerial net income. The **performance** from **1Q2019 to 1Q2020** reflects (i) the reduction in financial margins, (ii) the increase in provisions for expected losses associated with credit risk expenses, (iii) the increase in bank fees, (iv) the lower administrative expenses and (v) the lower amount of income tax, the latter reflecting the lower calculation base and the change in the Social Contribution on Net Income (CSLL) rate as of March 2020, impacting both deferred and current results.

In relation to **4Q2019**, the performance of the **managerial net income of 1Q2020**, the performance was majorly influenced by (i) the reduction of financial margins and of income bank fees, (ii) higher provisions for expected losses associated with credit risk, (iii) the decrease in administrative expenses and (iv) the lower amount of

income tax, the latter reflecting the lower calculation base and the change in the Social Contribution on Net Income (CSLL) rate as of March 2020, impacting both deferred and current results.

Net interest income totaled R\$1,261.6 million in 1Q2020, 6.3% (R\$84.1 million) down from 1Q2019 and 9.4% (R\$131.5 million) down from 4Q2019. The NII decrease from 1Q2019 to 1Q2020 and from 4Q2019 to 1Q2020 reflects the drop in the Selic rate, the decrease in the interest rates over overdraft accounts on account of the Central Bank of Brazil cap rules for the product, and the lower recovery flow of write-off loans.

Provisions for expected losses associated with credit risk reached R\$296.6 million in 1Q2020, increasing 3.9% (R\$11.2 million) from 1Q2019 pursuant the rollover of credit portfolio by risk ratings and the increase in overdue credit operations. From 4Q2019 to 1Q2020, the increase of 11.9% (R\$31.5 million) in provisions for expected losses associated with credit risk was due to the rollover of the portfolio by rating levels and the reversal of provision recorded in the previous quarter as per the settlement of fully provisioned loans, while offset by the higher amount of recoveries of fully provisioned write-offs in the same quarter.

Banking Fees totaled R\$504.2 million in 1Q2020, increasing 2.8% (R\$13.5 million) from 1Q2019, particularly driven by current account fees, insurance and pension bond fees, and offset by the decrease of MDR fees. From 4Q2019 to 1Q2020, banking fees decreased 4.9% (R\$25.7 million), mostly due to lower MDR fees.

Administrative expenses (personnel and other opex) totaled R\$920.3 million in 1Q2020, decreasing 3.2% (R\$30.5 million) from 1Q2019 and 4.5% (R\$43.2 million) from 4Q2019. **Personnel expenses** totaled R\$505.1 million in 1Q2020, an increase of 2.2% compared to 1Q2019, reflecting the collective bargaining agreement and the number of employees leaving under the incentivized retirement plan. Personnel expenses increased 1.0% from 4Q2019 to 1Q2020. **Other administrative expenses** totaled R\$ 415.2 million in 1Q2020, decreasing 9.1% from 1Q2019, mostly influenced by the reduction of third party and specialized technical services expenses. From 4Q2019 to 1Q2020, other administrative expenses decreased 10.5%, mostly due to the decrease in expenses with third-party services and with data processing.

The reconciliation between reported and managerial net income is presented below, and considers the extraordinary events recorded in 2Q2019 and 4Q2019. ROE, ROA and efficiency ratio are calculated based on adjusted net income.

Table 3: Accounting Net Income Statement X Adjusted Net Income - R\$ Million and %

	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019
Adjusted Net Income	257.5	320.0	257.5	356.3	291.9	305.7	320.0
Adjustments	-	-	-	40.9	-	29.7	-
Restructuring plans of the Fundação Banrisul de Seguridade Social – FBSS ⁽¹⁾	-	-	-	-	-	49.5	-
Labor Lawsuits Provisions	-	-	-	(429.0)	-	-	-
Civil Lawsuits Provisions (reversal) ⁽²⁾	-	-	-	126.8	-	-	-
Tax Effects ⁽³⁾	-	-	-	120.9	-	(19.8)	-
Deferred Tax Assets – EC 103/2019 ⁽⁴⁾	-	-	-	222.2	-	-	-
Net Income	257.5	320.0	257.5	397.2	291.9	335.4	320.0
Adjusted ROAA	1.3%	1.7%	1.3%	1.8%	1.5%	1.6%	1.7%
Adjusted ROAE	13.6%	18.7%	13.6%	19.7%	16.2%	17.5%	18.7%
Adjusted Efficiency Ratio ⁽⁵⁾	52.6%	51.5%	52.6%	52.1%	51.1%	51.4%	51.5%

(1) Voluntary migration process of participants from Benefit Plan I - PBI to Benefit Plan FBPREV III in 1H2019; approximately 35% of PBI participants migrated.

(2) Provisions (reversal) arising from review of parameters and to the trend of ongoing civil lawsuits.

(3) Related to FBSS Plan Restructuring, Labor Lawsuits Provisions and Reversal of Civil Lawsuits Provisions.

(4) Refers to the update of deferred tax credits and debts stock resulting from the increase in the Social Contribution Rate on Net Income (CSLL) to 20% from 15%, as per the issuance of the Constitutional Amendment EC 103 of 2019.

(5) Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Operational Income – Other Operational Expenses). Considers the last 12 months.

Annualized ROAE reached 13.6% in 1Q2020, 5.1 pp. below 1Q2019, reflecting particularly the reduction in net interest income and the increase in provisions for expected losses associated with credit risk expenses, in a context of falling Selic rate and increasing default rates, trend minimized by the increase in banking fees and the decrease of administrative expenses.

Adjusted efficiency ratio reached 52.6% in the twelve-month period ended March 2020, from 51.5% in the twelve-month period ended March 2019, impacted by NII compression, unfavorable evolution of other income/expenses, the growth of banking fees and the decrease of administrative expenses.

OPERATIONAL HIGHLIGHTS

Table 4: Asset Evolution Statement - R\$ Million

	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019	Mar 2020/ Mar 2019	Mar 2020/ Dec 2019
Total Assets	83,270.0	81,549.6	80,637.6	79,465.7	77,870.6	6.9%	2.1%
Credit Operations	36,185.8	36,182.7	34,647.1	34,237.2	34,301.9	5.5%	0.0%
Securities ⁽¹⁾	30,219.9	23,721.0	24,233.5	22,813.0	21,881.4	38.1%	27.4%
Funds Raised and Under Management	72,587.0	72,037.5	70,105.5	69,370.9	67,887.4	6.9%	0.8%
Shareholders' Equity	8,069.0	7,794.4	7,734.9	7,522.5	7,369.0	9.5%	3.5%

(1) Includes derivative financial instruments, interbank investments and cash equivalents, net of repo transactions.

Total assets reached R\$83,270.0 million in March 2020, growing 6.9% (R\$5,399.4 million) from March 2019 and 2.1% (R\$1,720.4 million) from December 2019. The main components of assets and liabilities will be addressed below.

Total **credit assets** (expanded concept) reached R\$36,463.7 million in March 2020, increasing 5.8% in twelve months and flattish in the last quarter. Excluding sureties and guarantees, loan book increased 5.5% from March 2019, mostly influenced by the growth of R\$1,628.7 million in non-earmarked credit to individuals and R\$300.6 million in rural credit, performance that was offset by the reduction of R\$222.6 million in long-term loans. Credit assets remained stable since December 2019.

Table 5: Statement of the Credit Portfolio - R\$ Million

	Mar 2020	% Credit Portfolio	Dec 2019	Sep 2019	Jun 2019	Mar 2019	Mar 2020/ Mar 2019	Mar 2020/ Dec 2019
Foreign Exchange	846.6	2.3%	774.6	746.6	684.2	713.6	18.6%	9.3%
Commercial	27,701.2	76.6%	27,815.1	26,401.9	26,074.9	26,006.5	6.5%	-0.4%
Individuals	21,571.6	59.6%	21,731.8	20,466.4	20,084.8	19,942.9	8.2%	-0.7%
Payroll ⁽¹⁾	16,082.8	44.4%	16,001.1	15,537.8	14,993.4	14,681.3	9.5%	0.5%
Other	5,488.8	15.2%	5,730.7	4,928.6	5,091.4	5,261.6	4.3%	-4.2%
Companies	6,129.5	16.9%	6,083.3	5,935.5	5,990.1	6,063.5	1.1%	0.8%
Working Capital	4,152.5	11.5%	4,060.5	3,877.0	3,979.6	3,977.5	4.4%	2.3%
Other	1,977.0	5.5%	2,022.8	2,058.5	2,010.5	2,086.1	-5.2%	-2.3%
Long-term Financing	660.5	1.8%	669.2	751.1	837.1	883.1	-25.2%	-1.3%
Real Estate Financing	4,135.7	11.4%	4,126.9	4,096.8	4,209.3	4,167.9	-0.8%	0.2%
Agricultural Financing	2,712.6	7.5%	2,661.3	2,527.0	2,311.5	2,411.9	12.5%	1.9%
Other ⁽²⁾	129.3	0.4%	135.5	123.6	120.2	118.8	8.8%	-4.6%
Total	36,185.8	100.0%	36,182.7	34,647.1	34,237.2	34,301.9	5.5%	0.0%

(1) Credits linked to acquired portfolio with recourse have been added to Credit to Individuals since March 2020, with adjusted effects on previous periods.

(2) Includes leasing and public sector.

Securities, interbank investments and cash availabilities totaled R\$34,042.4 million in March 2020, with net balance (deducted of repurchase transactions) of R\$30,219.9 million, increasing 38.1% (R\$8,338.5 million) from March 2019, mostly influenced by reduction of compulsory deposits at the Central Bank of Brazil and the increase of deposits in an environment of increasing loan portfolio. From December 2019, these items increased 27.4% (R\$6,498.9 million), mostly reflecting the decrease of compulsory deposits at the Central Bank of Brazil in an environment of relatively flattish trend of the loan book and of deposits.

Funds raised and under management, composed by deposits, bank notes, subordinated bond and third-party funds, totaled R\$72,587.0 million in March 2020, increasing 6.9% (R\$4,699.6 million) in twelve months, driven by the increase of R\$3,387.3 million in deposits. Comparing to December 2019, funds raised and under management were flattish.

Shareholders' equity reached R\$8,069.0 million at the end of March 2020, increasing 9.5% (R\$700.1 million) from March 2019 and 3.5% (R\$274.7million) from December 2019. The evolution in shareholders' equity in twelve months reflects the incorporation of net income, the payment of interest on own capital and the

provisioned dividends, the reassessment of actuarial liabilities on post-employment benefits pursuant to the procedures set forth by CPC 33 (R1) and exchange variation adjustments on the equity of dependencies abroad. Quarter-on-quarter, the evolution of shareholders' equity reflects the incorporation of results, the payment of interest on own capital and exchange rate variation adjustments on the equity of subsidiaries abroad.

Banrisul paid and provisioned R\$258.5 million in **taxes and contributions** in 1Q2020. Taxes withheld and paid, directly levied on financial intermediation and other payments, amounted to R\$256.0 million in 1Q2020.

Table 6: Other Indicators - %

	1Q2020	1Q2019	1Q2020	4Q2019	3Q2019	2Q2019	1Q2019
Net Interest Margin	7.18%	8.04%	7.18%	8.09%	8.35%	7.87%	8.04%
Basel Ratio (Prudential Conglomerate)	15.1%	15.6%	15.1%	15.1%	16.2%	15.8%	15.6%
Loan Portfolio Normal Risk / Total Credit	88.8%	87.5%	88.8%	88.7%	87.9%	87.4%	87.5%
Loan Portfolio Risks 1 and 2 / Total Credit	11.2%	12.5%	11.2%	11.3%	12.1%	12.6%	12.5%
Default Rate > 90 Days	3.37%	2.56%	3.37%	3.37%	2.84%	2.20%	2.56%
Cover Ratio > 90 Days ⁽¹⁾	230.4%	294.1%	230.4%	226.7%	276.4%	344.6%	294.1%
Provision Ratio ⁽²⁾	7.8%	7.5%	7.8%	7.6%	7.9%	7.6%	7.5%

(1) Provisions for Expected Losses Associated with Credit Risk / Past Due Loans > 90 days.

(2) Provisions for Expected Losses Associated with Credit Risk / Credit Portfolio.

The **NIM** decrease from 1Q2019 to 1Q2020 reflects the decrease in the Selic rate, the new Central Bank of Brazil cap rules for interest rates over overdraft accounts and the lower flow of recovery of write-off loans, on the wake of increasing profitable assets volume.

90-day default rate reached 3.37% in March 2020, increasing 0.81 pp. in twelve months and stable from December 2019. The balance of 90-day past due credit reached R\$1,221.0 million in March 2020, increasing 39.1% in twelve months and flat in the last quarter. 90-day past due **Coverage ratio** reached 230.4% in March 2020, vis-à-vis 294.1% in March 2019 and 226.7% in December 2019. From March 2019 to March 2020, the trend of the 90-day coverage ratio reflects the increase in past due credit transactions ahead of the increase observed in provisions for expected losses associated with credit risk. In comparison with December 2019, the trajectory of the coverage ratio reflects the increase in provisions for expected losses associated with credit risk, in a period in which loan book was stable.

Total provisions reached 7.8% of the outstanding credit portfolio in March 2020, 0.3 pp. above March 2019 and 0.2 pp. above December 2019. Provisions for expected losses associated with credit risk increased R\$230.2 million in twelve months, due to the rolling over of risk rating levels and the increase in credit defaults. The portfolio of normal risk loans increased 1.3 pp. in relation to March 2019. In the last quarter, the balance of provisions for expected losses associated with credit risk increased R\$48.1 million, and the share of normal risk loan portfolio in relation to the total loan book increased 0.1 pp.

