

Banco do Brasil S.A. Announces the Commencement of a Tender Offer for its 9.250% Perpetual Non-Cumulative Junior Subordinated Securities

June 10, 2016 — São Paulo, Brazil.

BANCO DO BRASIL S.A.
(acting through its Cayman Islands branch)
(a bank organized as a *sociedade de economia mista* and accordingly
a *sociedade por ações* incorporated under the laws of the Federative Republic of Brazil)

Offer to Purchase for Cash Up to U.S.\$200,000,000 Aggregate Principal Amount of its Outstanding 9.250% Perpetual Non-Cumulative Junior Subordinated Securities

Banco do Brasil S.A., acting through its Cayman Islands branch, a bank organized as a *sociedade de economia mista* and accordingly a *sociedade por ações* incorporated under the laws of the Federative Republic of Brazil (the “Bank”), hereby announces the commencement of its offer to purchase for cash up to U.S.\$200,000,000 aggregate principal amount (subject to increase by the Bank in its sole discretion under the circumstances described in the Offer to Purchase (as defined below), the “*Maximum Tender Amount*”) of the outstanding notes set forth in the table below (the “*Notes*”), upon the terms and subject to the conditions described in the Offer to Purchase dated June 10, 2016 (as it may be amended or supplemented from time to time, the “*Offer to Purchase*”), the accompanying Letter of Transmittal dated June 10, 2016 (as it may be amended or supplemented from time to time, the “*Letter of Transmittal*” and, together with the Offer to Purchase and the Soliciting Dealer Form (as defined below), the “*Offer Documents*”).

The following table sets forth certain terms of the Tender Offer:

Title of Notes	CUSIP and ISIN Numbers	Aggregate Principal Amount Outstanding	Tender Offer Consideration ⁽¹⁾	Early Tender Premium ⁽¹⁾	Total Consideration ⁽¹⁾⁽²⁾
9.250% Perpetual Non-Cumulative Junior Subordinated Securities	CUSIP: 05958A AG3 and P3772W AC6 ISIN: US05958AAG31 and USP3772WAC66	U.S.\$1,598,627,000	U.S.\$802.50	U.S.\$30.00	U.S.\$832.50

(1) Per U.S.\$1,000 principal amount of Notes tendered and accepted for purchase.

(2) Includes the Early Tender Premium (as defined below).

The Tender Offer will expire at 11:59 p.m., New York City time, on July 8, 2016, or any other date and time to which the Bank extends the Tender Offer (such date and time, as it may be extended, the “*Expiration Date*”), unless earlier terminated. Holders must validly tender their Notes at or prior to the Expiration Date to be eligible to receive the Tender Offer Consideration (as defined below) plus Accrued Interest (as defined below). Holders must validly tender their Notes at or prior to 5:00 p.m., New York City time, on June 23, 2016 (such date and time, as it may be extended, the “*Early Tender Date*”) to be eligible to receive the Total Consideration (as defined below) plus Accrued Interest. The Total Consideration, the Tender Offer Consideration and the Accrued Interest will be payable in cash. Tendered Notes may be validly withdrawn from the Tender Offer at or prior to, but not after, 5:00 p.m., New York City time, on June 23, 2016 (such date and time, as it may be extended, the “*Withdrawal Deadline*”).

Subject to the Maximum Tender Amount, the Bank intends to accept for purchase all Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Date, and will only prorate such Notes if the aggregate principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Date exceeds the Maximum Tender Amount. If the Tender Offer is not fully subscribed as of the Early Tender Date, Holders who validly tender Notes after the Early Tender Date but at or prior to the Expiration Date may be subject to proration if the aggregate principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the Expiration Date exceeds the Maximum Tender Amount. Subject to the Maximum Tender Amount and proration, all Notes validly tendered at or prior to the Early Tender Date will be accepted for purchase before any Notes validly tendered after the Early Tender Date are accepted for purchase. Furthermore, if the Tender Offer is fully subscribed as of the

Early Tender Date, Holders who validly tender Notes after the Early Tender Date will not have any of their Notes accepted for purchase, provided that such Notes may be accepted for purchase if the Bank increases the Maximum Tender Amount, which it is entitled to do in its sole discretion. There can be no assurance that the Bank will increase the Maximum Tender Amount. See “The Tender Offer—Maximum Tender Amount; Proration” in the Offer to Purchase for more information on the proration provisions applicable to the Tender Offer.

All Notes validly tendered and accepted for purchase pursuant to the Tender Offer will receive the applicable consideration set forth in the table above, plus accrued and unpaid interest on those Notes from the last interest payment date with respect to those Notes to, but not including, the applicable Settlement Date (“*Accrued Interest*”).

The Tender Offer is not conditioned upon the tender of any minimum principal amount of Notes or upon any financing. The Bank refers to the offer to purchase the Notes as the “*Tender Offer*”. The Tender Offer is open to all registered holders (individually, a “*Holder*,” and collectively, the “*Holders*”) of the Notes. **The Tender Offer is subject to the satisfaction of the General Conditions (as defined in the Offer to Purchase).** The purpose of the Tender Offer is to purchase up to U.S.\$200,000,000 aggregate principal amount of Notes and reduce the Bank’s interest expense.

Subject to the terms and conditions of the Tender Offer, the consideration for each U.S.\$1,000 principal amount of Notes validly tendered (and not validly withdrawn) and accepted for purchase pursuant to the Tender Offer will be the tender offer consideration set forth in the table above (the “*Tender Offer Consideration*”). Holders of Notes that are validly tendered (and not validly withdrawn) at or prior to the Early Tender Date and accepted for purchase pursuant to the Tender Offer will receive the Tender Offer Consideration plus the early tender premium set forth in the table above (the “*Early Tender Premium*” and, together with the Tender Offer Consideration, the “*Total Consideration*”). Holders of Notes tendered after the Early Tender Date, but before the Expiration Date, and accepted for purchase pursuant to the Tender Offer will receive the Tender Offer Consideration, but not the Early Tender Premium. No tenders will be valid if submitted after the Expiration Date.

The Tender Offer commences on the date of the Offer to Purchase and will expire on the Expiration Date, unless extended or earlier terminated by the Bank. No tenders will be valid if submitted after the Expiration Date. If a Nominee holds Notes on behalf of a beneficial owner, such Nominee may have an earlier deadline for accepting the offer. Any beneficial owner should promptly contact such Nominee that holds its Notes to determine its deadline. The Tender Offer is open to all registered Holders of the Notes.

A soliciting dealer fee equal to 0.25% of the principal amount of Notes that are validly tendered and accepted for purchase will be paid to retail brokers that are appropriately designated by their clients to receive this fee (the “*Soliciting Dealer Fee*”). The Soliciting Dealer Fee will only be paid to each designated retail broker for each tendering Holder that tenders Notes with an aggregate principal amount of U.S.\$500,000 or less. In order to be eligible to receive the Soliciting Dealer Fee, a properly completed instruction submitted on the soliciting dealer form relating to the Tender Offer (as it may be amended or supplemented from time to time, the “*Soliciting Dealer Form*”) must be received by the Tender and Information Agent prior to the Expiration Date. The Bank shall, in its sole discretion, determine whether a broker has satisfied the criteria for receiving a Soliciting Dealer Fee (including, without limitation, the submission of the appropriate documentation without defects or irregularities and in respect of bona fide tenders).

The Bank reserves the right, but is under no obligation, following the Early Tender Date, to have an early settlement date in respect of Notes validly tendered and not validly withdrawn at or prior to the Early Tender Date (the “*Early Settlement Date*”). If the Bank elects, in its sole discretion, to have an Early Settlement Date, based on an Early Tender Date of June 23, 2016, it is expected that the Early Settlement Date would occur on June 27, 2016. The acceptance for purchase by the Bank of validly tendered Notes on the Early Settlement Date would be subject to the Maximum Tender Amount, proration (if applicable) and all conditions to the Tender Offer having been either satisfied or waived by the Bank. Irrespective of whether the Bank chooses to have an Early Settlement Date, it expects to purchase any remaining Notes that have been validly tendered and not validly withdrawn at or prior to the Expiration Date and that the Bank chooses to accept for purchase, subject to the Maximum Tender Amount and all conditions to the Tender Offer having been either satisfied or waived by the Bank, promptly following the Expiration Date (the “*Final Settlement Date*,” the Final Settlement Date and the Early Settlement Date each being a “*Settlement Date*”). Subject to the Maximum Tender Amount and proration, all Notes validly tendered at or prior to the Early Tender Date will be accepted for purchase before any Notes validly tendered after the Early Tender Date are accepted for purchase. The Final Settlement Date is expected to occur on the second business day following the

Expiration Date. If the Bank elects, in its sole discretion, to have an Early Settlement Date, and assuming that the conditions to the Tender Offer are satisfied or waived, such Early Settlement Date may be two business days following the Early Tender Date. Notes accepted on the Final Settlement Date, if any, will be accepted subject to the Maximum Tender Amount and proration, each as described herein.

Notwithstanding any other provision of the Tender Offer, the Bank's obligation to accept for purchase, and to pay for, any Notes validly tendered pursuant to the Tender Offer, is conditioned upon the satisfaction of the General Conditions (as defined in the Offer to Purchase). The General Conditions to the Tender Offer are for the sole benefit of the Bank and may be asserted by the Bank, regardless of the circumstances giving rise to any such condition (including any action or inaction by the Bank). The Bank reserves the right, in its sole discretion, to waive any and all conditions of the Tender Offer, at or prior to the Expiration Date (or the Early Settlement Date, if the Bank elects, in its sole discretion, to have an Early Settlement Date). The Tender Offer is not subject to a minimum principal amount of Notes being tendered.

Withdrawal rights with respect to the Notes will terminate on the Withdrawal Deadline, unless extended pursuant to applicable law. Accordingly, following the Withdrawal Deadline, any Notes validly tendered (whether before, on or after the Withdrawal Deadline) may no longer be validly withdrawn. For the withdrawal of a tendered Note to be valid, such withdrawal must comply with the procedures set forth in the Offer to Purchase.

Subject to applicable law and the terms set forth in the Offer to Purchase, the Bank reserves the right: (i) to extend or otherwise amend the Early Tender Date, the Withdrawal Deadline or the Expiration Date, (ii) to increase the Maximum Tender Amount without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders except as required by law; (iii) to waive or modify in whole or in part any and all conditions to the Tender Offer; (iv) to modify or terminate the Tender Offer; and (v) to otherwise amend the Tender Offer in any respect. In the event of the termination of the Tender Offer, the Notes tendered pursuant to the Tender Offer and not previously accepted and purchased will be promptly returned to the tendering Holders.

If a Holder does not tender its Notes or if a Holder tenders Notes that are not accepted for purchase, they will remain outstanding. If the Bank consummates the Tender Offer, the trading market for a Holder's outstanding Notes may be significantly more limited. For a discussion of this and other risks, see "Certain Significant Considerations—The Tender Offer may adversely affect the market value and reduce the liquidity of any trading market of the Notes" in the Offer to Purchase.

THE OFFER DOCUMENTS CONTAIN CERTAIN IMPORTANT INFORMATION THAT SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE TENDER OFFER, IN PARTICULAR, SEE "CERTAIN SIGNIFICANT CONSIDERATIONS" IN THE OFFER TO PURCHASE FOR A DISCUSSION OF CERTAIN FACTORS HOLDERS SHOULD CONSIDER IN CONNECTION WITH THE TENDER OFFER.

NEITHER THE OFFER TO PURCHASE NOR ANY OF THE OFFER DOCUMENTS RELATING TO THE TENDER OFFER HAVE BEEN FILED WITH OR REVIEWED BY THE FEDERAL OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY OF ANY COUNTRY, NOR HAS ANY SUCH COMMISSION OR AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFER TO PURCHASE OR ANY OF THE OFFER DOCUMENTS RELATING TO THE TENDER OFFER. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND MAY BE A CRIMINAL OFFENSE.

NONE OF THE BANK, ITS BOARD OF DIRECTORS, THE DEALER MANAGERS (AS DEFINED BELOW), THE TENDER AND INFORMATION AGENT OR THE TRUSTEE (AS DEFINED IN THE OFFER TO PURCHASE) OR ANY OF THEIR RESPECTIVE AFFILIATES IS MAKING ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD TENDER ANY NOTES IN RESPONSE TO THE TENDER OFFER. HOLDERS MUST MAKE THEIR OWN DECISION AS TO WHETHER TO PARTICIPATE IN THE TENDER OFFER, AND, IF SO, THE PRINCIPAL AMOUNT OF NOTES TO TENDER.

The Offer to Purchase does not constitute an offer to purchase the Notes in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or "blue sky"

laws. If the Bank becomes aware of any jurisdiction in which the making of the Tender Offer would not be in compliance with applicable laws, the Bank will make a good faith effort to comply with any such laws. If, after such good faith effort, the Bank cannot comply with any such laws, the Tender Offer will not be made to (nor will tenders of Notes be accepted from or on behalf of) the owners of Notes residing in such jurisdiction. Neither the delivery of this announcement, the Offer to Purchase nor any purchase pursuant to the Tender Offer shall under any circumstances create any implication that the information contained in this announcement or the Offer to Purchase is correct as of any time subsequent to the date hereof or thereof or that there has been no change in the information set forth herein or therein or in the Bank's affairs since the date hereof or thereof.

The Offer to Purchase does not constitute an offer to sell any securities or the solicitation of an offer to buy any securities (other than the Notes). Any offering of securities will only be made by an offering document and any such offering may not be registered with the U.S. Securities and Exchange Commission.

D. F. King & Co., Inc. is acting as the tender agent and as the information agent (the "*Tender and Information Agent*") for the Tender Offer. BB Securities Ltd., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as Dealer Managers (the "*Dealer Managers*") for the Tender Offer.

The Tender and Information Agent for the Tender Offer is:

D.F. King & Co., Inc.

In New York.
48 Wall Street
22nd Floor
New York, NY 10005
Banks and Brokers: (212) 269-5550
Toll free (U.S. only): (800) 821-2794

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In Hong Kong:
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28 Queen's Road Central
Central Hong Kong
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bb@dfking.com

By Facsimile (For Eligible Institutions only): (212) 709-3328
Confirmation: (212) 232-3235
Attention: Peter Aymar

Any questions or requests for assistance or for additional copies of the Offer Documents may be directed to the Tender and Information Agent at one of its telephone numbers above. Copies of this Offer to Purchase, the related Letter of Transmittal, the Soliciting Dealer Form and all press releases issued in connection with the Tender Offer will also be available, during the period of the Tender Offer, at www.dfking.com/bb. A Holder (or a beneficial owner that is not a Holder) may also contact any of the Dealer Managers at their telephone numbers set forth below or its broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer Documents.

The Dealer Managers for the Tender Offer are:

BB Securities Ltd.

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