

Performance Report

Dear Shareholders,

The Management of PPLA Participations Ltd. ("PPLA Participations" or "Company") and its subsidiaries are pleased to present the Management Report and Interim Condensed Financial Statements for the period ended September 30, 2018, in accordance with IAS 34 – Interim Financial Reporting, part of the International Financial Reporting Standards (IFRS) and the Brazilian Corporate Law.

Discontinuation of the BDR Program

During the quarter ended September 30, 2018 PPLA Participations Ltd. submitted to B3 S.A. - Brasil, Bolsa, Balcão ("B3") a procedure for the voluntary discontinuation of the BDRs Program of the Company, along with the resulting termination of its listing and negotiation of the Units with B3, as well as the termination of its registration as a category "A" foreign issuer, held with the Brazilian Securities and Exchange Commission – Comissão de Valores Mobiliários ("CVM"), pursuant to the Issuer Manual, issued by B3 and the CVM Instruction 332, of April 4, 2009.

The procedure for discontinuation, including its terms and conditions, is subject to (i) the approval that shall be issued by B3, (ii) the ratification by CVM, and (iii) the applicable corporate approvals.

Buyback Program

On November 25, 2015, the Board of Directors announced its units buyback program. Since the beginning of the program 93,962,230 shares have been repurchased in the total amount of R\$291,741 and 87,750,430 shares had been canceled, in the amount of R\$288,808. On September 30, 2018, there were no repurchase of units, and are held in treasury 6,211,800 units (December 31, 2017: 6,211,800).

New unit programs

On February 14, 2017 the Board of Directors have approved two new unit programs, which units will be trade on the B3 S.A., comprised exclusively the securities of each of the Companies: (i) units to be traded under the "BPAC11" ticker symbol, comprised of one common share and two class A preferred shares issued by the Bank, and (ii) units to be traded under the PPLA11 ticker symbol, comprised of one Brazilian depository receipt ("BDR") representing one class A share and one BDR representing two class B shares issued by Company.

Acquisitions and sales

During the period ended September 30, 2018, there were no significant acquisitions and sales made by the Company or its invested.

Performance

The Company's net result in the quarter changed from a loss of R\$58.7 million on September 30, 2017, to a loss of R\$20.9 million in the same period of 2018. This increase was due to fair value losses, accounted in accordance with the adoption of IFRS 10 on September 30, 2015.

Independent Auditors

The Bank's policy on contracting services not related to the external audit by our independent auditors is based on the applicable regulations and the internally accepted principles that safeguard the auditor's independence, i.e. that the auditors should not audit their own work, carry out management functions for their clients or promote the interests of those clients.

Acknowledgements

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