

BANCO INDUSVAL S.A.

Publicly Held Company with Authorized Capital
Corporate Taxpayer ID. (CNPJ/MF): 61.024.352/0001-71
CVM Code: 20885

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD ON MARCH 10, 2016**

DATE AND TIME: March 10, 2016, at 6:00 p.m.

VENUE: Headquarters of the Company located at Rua Iguatemi, no. 151, 6º andar, in the city and state of São Paulo.

CALL NOTICE: Directors were called pursuant to Article 17, Paragraph 1 of the Bylaws of the Company. Call notice was waived in view of the attendance of all the Directors.

ATTENDANCE: All the Directors of the Company attended the meeting.

PRESIDING BOARD: Mr. Manoel Felix Cintra Neto, Chairman of the Meeting; Mr. Luiz Masagão Ribeiro, Secretary.

AGENDA: To consider and vote on **(i)** conducting a public tender offer for acquisition, by the Company, of the common and preferred shares issued by the Company, in its capacity as offeror, for the purpose of cancelation of its registration with the Securities and Exchange Commission of Brazil ("CVM") as a publicly held company that issues category "A" securities, pursuant to CVM Instruction 480 of December 7, 2009, as amended ("CVM Instruction 480" and "Cancelation of Registration", respectively), which will result in the delisting of the Company from Level 2 of Corporate Governance of BM&FBOVESPA S.A. - Securities, Commodities and Futures Exchange ("Delisting from Level 2", "BM&FBOVESPA" and "PTO" respectively); **(ii)** authorizing the repurchase of shares by the Company, to be later canceled or held in treasury, within the scope of the PTO, pursuant to Article 5, Paragraph 5 and Article 18, item XVI of the Company's Bylaws ("Share Repurchase"), which will come into effect after

approval by the shareholders meeting of the Company, pursuant to Article 3, item II of CVM Instruction 567 of September 17, 2015, as amended ("CVM Instruction 567") ; **(iii)** setting up an independent committee of the Board of Directors to assess the proposals and recommend the list of three specialist firms or companies ("Valuation Experts") to prepare the valuation report determining the economic value of the common and preferred shares issued by the Company ("Valuation Report"), pursuant to Article 18, items XXVI and XXVIII of the Bylaws of the Company; and **(iv)** calling, pursuant to Article 9, Paragraph 2 of the Bylaws of the Company, an extraordinary shareholders meeting to consider and vote on the following: **(a)** the proposal to conduct a PTO and its conditions, as proposed by the Company's Board of Directors, pursuant to Article 11, item XII of the Bylaws of the Company; **(b)** the Cancellation of Registration of the Company, pursuant to Article 11, item X of the Bylaws of the Company ; and **(c)** the proposed Share Repurchase, pursuant to CVM Instruction 567 and Article 11, item XII of the Bylaws of the Company.

RESOLUTIONS TAKEN BY UNANIMOUS VOTE: After analyzing and discussing the matters on the agenda, presented by the Chairman of the Board of Directors, in the exercise of his powers to coordinate the strategic planning of the Company, as envisaged in Article 16, Paragraph 1 of the Bylaws of the Company, particularly including: (1) the justification for Cancellation of Registration of the Company; (2) the feasibility of the Company conducting the PTO itself; (e) the appropriateness and opportunity of the PTO regarding the interests of the shareholders of the Company and the liquidity of the securities held by them; (4) the impacts of the PTO on the Company's interests; (5) the Company's strategic plans in light of the PTO; and (6) the definition of the conditions for the PTO, the Directors of the Company decided as follows:

- (i)** to approve the launch of the PTO by the Company itself, in its capacity as offeror, for the purpose of Cancellation of Registration of the Company and consequent Delisting from Level 2. The price to be offered for the Outstanding Shares will be a single price corresponding to the issue price fixed in the last capital increase of the Company approved in the Extraordinary Shareholders Meeting held on August 31, 2015 ("Capital Increase"), in the amount of one real and twenty-seven centavos (R\$1.27) per common or preferred share, restated by the cumulative SELIC interest rate, on a *pro rata temporis* basis, from the date of approval of the Capital Increase on November 18, 2015 ("Purchase Price") to the date of the Tender Offer auction which, on this date corresponds to one real and thirty-two centavos (R\$1.32), in accordance with Article 19 of CVM Instruction 361 of March 5, 2002, as amended ("CVM Instruction 361"). The PTO is also subject to fulfillment of certain conditions listed in the report in **Exhibit I**. The proposed launch of the PTO by the Company itself, in accordance with

the terms listed above, will be submitted to the annual shareholders meeting of the Company, in compliance with Article 9, Paragraph 2 and Article 11, items IX and X of the Bylaws of the Company;

- (ii)** In light of resolution (i) above, the Board of Directors authorized the Repurchase of Shares, to be later canceled or held in treasury, in connection with the proposed launch of the PTO by the Company itself, pursuant to **Exhibit II** hereto, which presents the information required under Exhibit 30-XXXVI of CVM Instruction 480, in compliance with the head paragraph of Article 5 of CVM Instruction 567. The consummation of the Share Repurchase under the terms above is subject to prior approval by the annual shareholders meeting, in compliance with Article 3, item II of CVM Instruction 567 and Article 11, item XII of the Bylaws of the Company;
- (iii)** In light of resolutions (i) and (ii) above, the Board of Directors shall, in the exercise of its powers set forth in Article 18, item XXVI of the Bylaws of the Company, define the list of three Valuation Experts to prepare the Valuation Report in connection with the PTO, if approved by the annual shareholders meeting. Since the offer is being conducted by the Company itself and in line with adopting the best governance practices to avoid conflict of interests in defining the list of three Valuation Experts, the Board of Directors decided, in the exercise of its powers under Article 18, item XXVIII of the Bylaws of the Company, to setup an *ad hoc* committee composed exclusively of its Independent Members (as defined in Article 15, Paragraph 2 of the Bylaws of the Company), Messrs. Alain Juan Pablo Belda Fernandez, Alfredo de Goeye Junior and Walter Iório, to evaluate and select the proposals from Valuation Experts to prepare the Valuation Report, and to recommend this three-name list for approval of the Board of Directors in its next meeting. Accordingly, as soon as possible, said Independent Committee shall recommend the list of three names, so the Board of Directors may call the annual shareholders meeting to choose the Valuation Firm; and
- (iv)** In light of resolutions (i) to (iii) above, the Directors decided, in the exercise of their powers set forth in Article 18, item VIII of the Bylaws of the Company, to approve the calling of an extraordinary shareholders meeting to be held on [April 12, 2016] at 2 p.m., to consider and vote on the following: **(a)** the proposal to conduct a PTO and its conditions, as proposed by the Board of Directors of the Company, pursuant to Article 11, item XII of the Bylaws of the Company; **(b)** the Cancellation of Registration of the Company, pursuant to Article 11, item X of the Bylaws of the Company; and **(c)** the proposed Share Repurchase, pursuant to CVM Instruction 567 and Article 11, item XII of the Bylaws of the Company.

CLOSURE: There being no further business to discuss, and since no one came forward to voice their opinion, the meeting was adjourned for the time required to draw up these minutes, which, after the meeting resumed, were read, approved and signed by all those present. **PRESIDING BOARD:** (sgd.) Chairman: Mr. Manoel Felix Cintra Neto, Chairman of the Meeting; Mr. Luiz Masagão Ribeiro. **DIRECTORS PRESENT:** (sgd.) Luiz Masagão Ribeiro, Manoel Felix Cintra Neto, Afonso Antonio Hennel, Roberto de Rezende Barbosa, Antonio Geraldo da Rocha, Alain Juan Pablo Belda Fernandez, Alfredo de Goeye Junior, Jair Ribeiro da Silva Neto and Walter Iorio.

São Paulo (SP), March 10, 2016.

This is a free English translation of the original minutes drawn up in the Book of Minutes of Board of Directors Meetings.

Luiz Masagão Ribeiro
Secretary

Exhibit I

Justification of the Board of Directors for the Public Tender Offer for Acquisition of Common and Preferred Shares issued by Banco Indusval S.A.

This justification presents the analysis, considerations and conclusion resulting from discussions held by the Board of Directors of Banco Indusval S.A. ("Company") in the Meeting held on March 10, 2016, at 6 p.m. at the Company's headquarters, regarding the proposal from the Board of Directors to launch a public tender offer for acquisition, by the Company, of common and preferred shares issued by the Company, in its capacity as offeror, for the purpose of cancellation of registration with the Securities and Exchange Commission of Brazil ("CVM") as a publicly held company that issues category "A" securities, pursuant to CVM Instruction 480 of December 7, 2009, as amended ("CVM Instruction 480" and "Cancellation of Registration", respectively), which will result in the delisting of the Company from Level 2 of Corporate Governance of BM&FBOVESPA S.A. - Securities, Commodities and Futures Exchange ("BM&FBOVESPA") ("Delisting from Level 2" and "BM&FBOVESPA", respectively), to be submitted to the shareholders meeting of the Company ("PTO").

I. JUSTIFICATION FOR CANCELATION OF REGISTRATION OF THE COMPANY

The Board of Directors of the Company started discussions to determine whether the Cancellation of Registration with the CVM as a publicly held company that issues category "A" securities, pursuant to CVM Instruction 480, is justified in terms of protecting the interests of the Company and of its shareholders, while also running its businesses.

Economic Rationale

1.1 Opportunity for liquidity for shareholders of the Company

The shares issued by the Company have historically registered low liquidity in the stock market and the trading volume in the stock exchange in recent years is not significant.

As the following information shows, the Company's shares have very low liquidity in the market. Average daily financial trading volume on the Company's common shares in the last thirty (30) and sixty (60) days prior to this date was zero reais (R\$0.00) and four reais and fifty centavos (R\$4.50), respectively. Preferred shares, more liquid than common shares, registered an average daily financial trading volume of seven thousand, two hundred thirty-

eight reais and seventy-six centavos (R\$7,238.76) in the last thirty (30) days and sixteen thousand, three hundred eighty-nine reais (R\$16,389.00) in the last sixty (60) days.

Furthermore, recent macroeconomic uncertainties and challenges in Brazil's economic and financial scenario have been strongly impacting capital markets, which could affect the liquidity of shares of Brazilian issuers such as the Company.

Hence, the PTO for Cancellation of Registration is an important opportunity for liquidity for the shareholders of the Company, who could sell their shares back to the Company at a Purchase Price corresponding to the issue price fixed in the last capital increase of the Company approved in the Extraordinary Shareholders meeting held on August 31, 2015, in the amount of one real and twenty-seven centavos (R\$1.27) per common or preferred share, restated by the cumulative SELIC interest rate, on *pro rata temporis* basis, from the date of approval of the Capital Increase on November 18, 2015 to the date of the PTO auction, in accordance with Article 19, Sole Paragraph of CVM Instruction 361.

The Purchase Price will be adjusted for any dividends, interest on equity, bonus, stock splits, reverse stock splits and stock conversions declared or incurred between this date and the date of the PTO auction, and will be paid in domestic currency on the date of settlement of the PTO.

1.2 Reduction in the costs of maintaining a publicly held company vis-à-vis the lack of benefits with capital markets

The Board of Directors believes the Cancellation of Registration will benefit the Company as it will allow the Company to use the funds spent on maintaining its registration as an issuer of securities to instead be used to achieve its corporate purpose and in its business strategy.

Moreover, after its initial public offering, the Company only increased its capital through private rights issues. In the capital increases carried out in the last three years, excluding controlling shareholders, managers and shareholders who subscribed to shares after negotiating directly with the Company, subscription by shareholders in the market corresponded to only zero point one three percent (0.13%) of the capital increase in 2015 and to zero point six four percent (0.64%) of the capital increase in May 2013, while the capital increase of November 2013 had no participation of such shareholders. Therefore, the biggest benefit the Company would have by remaining a publicly held corporation is absent since, whenever the Company planned to issue new shares, minority shareholders did not participate significantly in such operations.

1.3 No impact on the Company's business plan

In 2015, in light of the recession of the Brazilian economy, the Company reduced its loan portfolio and sharpened its focus on activities generating revenue from services, such as investment banking and asset distribution and management, through Guide Investimentos. The Board of Directors believes the Cancellation of Registration will not affect the Company's ability to continue its current business strategy, more so because, as mentioned above, the management believes the capital markets have not been, or will not be in the coming years, accessible for the Company to raise funds.

1.4 No significant change expected in the Company's economic and financial results

The Board of Directors of the Company does not expect any significant change in the Company's economic and financial performance as a result of the PTO and consequent Cancellation of Registration.

Being a financial institution, the Company has at its disposal a wide range of market funding instruments, as well as instruments for prospecting, maintaining and serving its clients, in accordance with the rules of the National Monetary Council and under the supervision of the Central Bank of Brazil. Thus, the Board of Directors of the Company believes the Cancellation of Registration of the Company will not significantly alter the economic and financial performance or the course of the Company's businesses.

1.5 Conclusion

Considering the rationale expounded above, the Board of Directors concluded that the Cancellation of Registration of the Company is justified from the perspective of protecting the interests of the Company and its shareholders, and of maintaining the businesses of the Company, since:

- (a)** the PTO for Cancellation of Registration is an important opportunity for liquidity for shareholders of the Company;
- (b)** the Cancellation of Registration will enable a reduction in costs with maintaining a publicly held corporation, which could be used to achieve the Company's corporate purpose and in its business strategy;

- (c) The Board of Directors believes the PTO will not affect the Company's ability to maintain its ongoing businesses; and
- (d) the Cancellation of Registration will not cause any substantial change in the Company's economic and financial results.

II. CONDITIONS OF THE PTO

2.1 Conditions to hold the PTO for Cancellation of Registration

The Board of Directors discussed and analyzed possible conditions and structures to carry out the PTO for Cancellation of Registration in view of the above considerations and conclusions, its fiduciary duties towards the Company and its shareholders, as well the protection of their respective interests and the maintenance of corporate businesses.

After discussions, the Board of Directors of the Company concluded that holding the PTO for Cancellation of Registration will, in fact, benefit both the Company and its shareholders, but conditioned the settlement of the PTO to certain key conditions, as authorized by Article 4, item VIII of CVM Instruction 361 of March 5, 2002 ("CVM Instruction 361"), listed below ("PTO Conditions").

If the PTO Conditions are not observed, the PTO shall not be conducted by the Company, at the sole discretion of the Board of Directors, in accordance with the rules to be described in the PTO Notice.

2.1.1 Shares subject to the PTO for Cancellation of Registration

The Board of Directors clarifies that the subject of the PTO for Cancellation of Registration will be all:

- (i) thirty-seven million, nine hundred thirty-two thousand, four hundred ninety-one (37,932,491) common shares issued by the Company (IDL3) ("Outstanding Common Shares"); and
- (ii) twenty-nine million, five hundred eighty thousand, six hundred sixty-one (29,580,661) preferred shares issued by the Company (IDL4) ("Outstanding Preferred Shares" and, jointly with the Outstanding Common Shares, "Outstanding Shares").

For the purposes of the PTO for Cancellation of Registration, Outstanding Shares are all shares issued by the Company, whether preferred or common, as applicable, except those: (a) owned by the controlling shareholders of the Company and related persons; (b) owned by the managers of the Company, whether or not controlling shareholders; and (c) held in treasury.

The Board of Directors, in line with the understanding of the Board of Executive Officers of the Company, believes that excluding the shares issued by the Company and held by managers (with the shares held by controlling shareholders excluded not covered by the PTO) from the scope of the PTO for Cancellation of Registration indicates the confidence of the Board of Directors in the positive results that the PTO for Cancellation of Registration will have on the Company, as well as its commitment to the future of the Company.

2.1.2. Confirmation of the Purchase Price

The Board of Directors of the Company decided to fix a single price per common and preferred share, to be offered by the Company to shareholders, Purchase Price for common and preferred shares of the Company, in the amount of one real and twenty-seven centavos (R\$1.27), restated by the cumulative SELIC interest rate, on a *pro rata temporis* basis, from the date of approval of the Capital Increase on November 18, 2015 to the date of the PTO auction which, on this date, corresponds to one real and thirty-two centavos (R\$1.32), which the Company's Board of Directors believes to be the fair price under Article 4, paragraph 4 of Brazilian Corporations Law, under Article 16, item I of CVM Instruction 361 and under Article 48, item II of CVM Instruction 480.

The Board of Directors believes the PTO will be subject to the confirmation that the Purchase Price is within or above the range of fair value of the common and preferred shares to be determined by a valuation report prepared for that purpose by a company chosen by holders of the Outstanding Shares ("Valuation Report"), in accordance with Article 4, Paragraph 4 of Federal Law 6,404 of December 15, 1976, as amended ("Brazilian Corporations Law"), with Article 16, item I of CVM Instruction 361, with Article 48, item II of CVM Instruction 480 and with Section X of the Level 2 Listing Regulation of BM&FBOVESPA ("Level 2 Regulation").

2.1.3. Commitment to Remain as Shareholder

The Board of Directors believes the PTO cannot and must not, in any way, affect its capital structure or the objectives of the management with regard to the Capital Increase.

Given that Article 16, II, of CVM Instruction 361 allows shareholders of the Outstanding Shares

covered by the PTO for Cancellation of Registration to remain as shareholders of the Company upon expressly agreeing with the cancellation of registration, the Board of Directors decided to establish that the PTO shall only be consummated after receiving the irrevocable commitments from shareholders representing, cumulatively: (a) eighty-eight percent (88%) of the Outstanding Shares; and (b) thirty-nine percent (39%) of the Company's capital, to expressly comply with the cancellation of registration and remain as shareholders of the Bank after such cancellation, thereby waiving their option to sell their shares within the three (3) months following the PTO (exercise of put right), as envisaged under Article 10, Paragraph 2 of CVM Instruction 361 ("Commitment to Remain as Shareholder"), especially because, as mentioned above, the management believes that the capital markets have not been, or will not be in the coming years, accessible for the Company to raise funds.

The Commitment to Remain as Shareholder, to which the PTO is subject, will result in the continuation of a certain number of shareholders in the Company after the Cancellation of Registration and delisting, who will continue to enjoy the political and economic rights entitled thereto by their shares, as applicable.

Furthermore, the Commitment to Remain as Shareholder will prevent the redemption of minority shares (squeeze out), as it will result in more than five percent (5%) of the total shares issued by the Company in the hands of non-controlling shareholders after the Cancellation of Registration and delisting. This factor is yet another protection for minority shareholders of the Company since, if they decide to retain their shares, the Company and/or the controlling shareholder cannot redeem them unilaterally.

The Director representing shareholder Warburg Pincus expressed the intention of the shareholder represented by him to remain as a shareholder of the Company after the Cancellation of Registration and to adhere to the Commitment to Remain as Shareholder. The shareholder managed by Warburg Pincus currently owns forty-two point nine percent (42.9%) of the Company's Outstanding Shares.

2.1.4. Maximum Amount

In line with the rationale expounded by the Board of Directors that the PTO shall not and must not, in any way, affect the capital structure or the intended objectives of the management regarding the Capital Increase, the Board of Directors decided, considering the Commitment to Remain as Shareholder, to set the maximum amount to be disbursed by the Company to acquire the Outstanding Shares in connection with the PTO at ten million reais

(R\$10,000,000.00) ("Maximum Amount"). The Maximum Amount will apply to both Outstanding Shares sold at the PTO auction and those sold by shareholders in the three (3) months following the PTO by exercising their put right, as envisaged in Article 10, Paragraph 2 of CVM Instruction 361, such that the consummation of the PTO will be subject to the receipt of consent from a sufficient number of shareholders to the Commitment to Remain as Shareholder to guarantee that the Maximum Amount is observed.

As mentioned in item 2.1, if the Maximum Amount is exceeded, the Company may withdraw the PTO, at the sole discretion of the Board of Directors, in accordance with the rules to be described in the PTO Call Notice.

2.1.5. Approval by Shareholders Meeting

As already mentioned by the Chairman of the Board of Directors in the Agenda of this meeting, the PTO is subject to approval of the annual shareholders meeting, pursuant to Article 11, item X of the Bylaws of the Company.

III. FEASIBILITY OF THE COMPANY CONDUCTING THE PTO BY ITSELF

The ability of the Company to conduct the PTO for Cancellation of Registration itself also depends on the Company's economic and financial condition to act as offeror of the PTO.

3.1. Share Repurchase

From the legal and regulatory viewpoint, the holding of PTO by the Company itself implies the acquisition by the Company of the shares issued by itself and hence the operation is subject to the requirements and limitations of CVM Instruction 567 of September 17, 2015, as amended ("CVM Instruction 567") and is specifically envisaged in the Brazilian Corporations Law and CVM Instruction 361.

The acquisition by the Company of its own shares coincides with its goal of efficiently using the funds available to the Company in the best interest of its shareholders, thus creating the necessary liquidity for its shareholders and bringing greater efficiency to the Company's capital structure.

3.2. Availability of reserves

The acquisition of shares issued by the Company itself may be carried out only using the funds

available to the Company, namely: (a) all profit or capital reserves (except the legal reserve, unrealized profit reserve, special reserve for mandatory dividends not paid and tax incentive reserve); and (b) the net income already realized for the current fiscal year (after deducting the allocations to the legal reserve, unrealized profit reserve, special reserve for mandatory dividends not paid and tax incentive reserve), pursuant to Article 7, Paragraph 1 of CVM Instruction 567.

In view of such limitation to the use of the Company's funds, the Board of Directors analyzed the Company's profit and capital reserves, available for acquisition of shares issued by the Company in connection with the PTO for Cancellation of Registration.

According to the Income Statement for the fiscal year ended December 31, 2015, published on this date, the Company has capital reserves totaling thirty-three million, two hundred fifty-nine thousand, sixty-nine reais and twenty centavos (R\$33,259,069.20).

Given the availability of such capital reserves, combined with the Commitment to Remain as Shareholder, the establishment of the Maximum Amount and Purchase Price offered to shareholders under the PTO, the Board of Directors believes the launch of the PTO for Cancellation of Registration will not have any adverse impact on the Company's cash position.

3.3. No need to raise funds through public share issues in the next two (2) years

The Board of Directors does not foresee the need for the Company, in the near future, to access the stock market to fund its operations. The Company has a strong balance sheet with a solid and strong capital structure, which was further strengthened by the Capital Increase that ensured the bank a Capital Adequacy Ratio (Basel Index) of 16.5% on December 31, 2015, one of the highest among its peers.

IV. APPROPRIATENESS AND TIMELINESS OF THE PTO

Appropriateness and timeliness of the PTO regarding the interest of shareholders

4.1. Purchase Price to be offered to Shareholders

The Board of Directors believes that the appropriateness and timeliness of accepting the PTO by all shareholders of the Company is intrinsically related to the economic and financial aspects of the PTO, particularly the Purchase Price.

The Purchase Price must be (a) fair, pursuant to Article 4, Paragraph 4 of Brazilian Corporations Law, Article 16, item I of CVM Instruction 361, and article 48, item II of CVM Instruction 480; (b) at least equivalent to the economic value determined by a valuation report prepared for this purpose, as envisaged in Article 48 and Article 52 of the Bylaws of the Company and in Section X of Level 2 Regulations; and (c) at least equivalent to the issue price of the shares in a capital increase conducted by the Company within one (1) year, restated by the cumulative SELIC Interest Rate, on a *pro rata temporis* basis, from the date of the capital increase, in line with the provisions of Article 19, sole paragraph of CVM Instruction 361.

4.1.1. Capital Increase approved in the Extraordinary Shareholders Meeting held on August 31, 2015

In light of the Capital Increase, the Purchase Price may not be lower than the issue price in said capital increase, i.e. one real and twenty-seven centavos (R\$1.27) per common share and one real and twenty-seven centavos (R\$1.27) per preferred share ("Issue Price in the Capital Increase"), restated by the cumulative SELIC Interest Rate, on a *pro rata temporis* basis, from the approval of the Capital Increase on November 18, 2015, to the date of the PTO auction, which, on this date, corresponds to one real and thirty-two centavos (R\$1.32), in accordance with Article 19, sole paragraph of CVM Instruction 361.

The Issue Price in the Capital Increase was set in accordance with Article 170, Paragraph 1, item III of Brazilian Corporations Law, based on the average price weighted by volume of trading on the preferred shares of the Company in the BM&FBOVESPA trading sessions in the thirty (30) days prior to the publication of the proposal for the Capital Increase. At that time, the Board of Directors believed that, based on studies and analyses, among others, that the criteria was compatible and capable of reflecting the economic value of the Company's preferred shares then, and the same criteria was adopted for the common shares. The same understanding is still valid today, since the macroeconomic scenario in Brazil has further deteriorated since then and there were no significant changes in the Company's activities.

The Issue Price in the Capital Increase was also based on calculations of the market capitalization of other mid-sized financial institutions. The "Issue Price/Book Value per Share" ratio in the Capital Increase was similar to the levels of other mid-sized financial institutions.

4,1,2. Other Factors

The Board of Directors also considered, while forming its opinion, that the Purchase Price is (a) forty-six point seven per cent (46.7%) higher than the average price weighted by the trading

volume of the Company's preferred shares in the thirty (30) trading sessions of the BM&FBOVESPA prior to this date; and (b) thirty-four point nine per cent (34.9%) higher than the average price weighted by the trading volume of the Company's preferred shares in the sixty (60) trading sessions of the BM&FBOVESPA prior to this date.

Finally, a single price was proposed for common and preferred shares issued since (a) the common shares are rarely traded and their liquidity is not comparable to that of preferred shares (in the last 12 months, common shares were traded in only twenty (20) trading sessions); (a) preferred shares entitle their holders to 100% tag along rights and is therefore closer to the economic value of common shares; and (c) it is consistent with all previous capital increases carried out by the Company and other comparable banks.

4.1.3. Definition of the Purchase Price of PTO

In view of the above, the Board of Directors decided to fix the Purchase Price of the common and preferred shares of the Company at: one real and twenty-seven centavos (R\$1.27), restated by the cumulative SELIC interest rate, on a *pro rata temporis* basis, from the date of approval of the Capital Increase on November 18, 2015 to the date of the PTO auction, per common or preferred share, to the date of the PTO auction, which the Company's Board of Directors believes to be a fair price under Article 4, Paragraph 4 of Brazilian Corporations Law, Article 16, item I of CVM Instruction 361 and Article 48, item II of CVM Instruction 480, based on the following rationale:

- (i) the value equals the Issue Price in the Capital Increase, restated by the cumulative SELIC Interest Rate, on a *pro rata temporis* basis, from the date of approval of the Capital Increase on November 18, 2015 to the date of the PTO auction which, on this date, corresponds to one real and thirty-two centavos (R\$1.32), in accordance with Article 19, sole paragraph of CVM Instruction 361;
- (ii) the Purchase Price is (a) forty-six point seven per cent (46.7%) higher than the average price weighted by the trading volume of the Company's preferred shares in the thirty (30) trading sessions of the BM&FBOVESPA prior to this date; and (b) thirty-four point nine per cent (34.9%) higher than the average price weighted by the trading volume of the Company's preferred shares in the sixty (60) trading sessions of the BM&FBOVESPA prior to this date; and
- (iii) the value results in a "Purchase Price/Book Value per Share" ratio of thirty-two point seven percent (32.7%), which is in a similar level compared to that of other mid-sized

financial institutions.

The Board of Directors does not expect any significant change in the Company's financial condition that could change its opinion regarding the Purchase Price.

Appropriateness and timeliness of the PTO regarding the liquidity of securities

4.2. Common and preferred shares issued by the Company

The Cancellation of Registration of the Company, by its nature, represents a major risk of loss of liquidity for the shares held by shareholders who did accept the PTO, as the Company's shares cease to be traded on the stock exchange after the Cancellation of Registration.

4.2.1. Liquidity of the shares issued by the Company

The shares issued by the Company have historically had very low liquidity in the stock market, as shown by the volume of trading in the trading sessions of the BM&FBOVESPA. The following table shows the average financial trading volume of the common and preferred shares issued by the Company in the thirty (30) and sixty (60) trading sessions prior to this date, as well as in the fiscal year ended December 31, 2015:

Period	Security	Type	Market	Entity	Average Financial Volume (R\$)
Fiscal Year 2015	Shares	PN	Stock Exchange	BM&FBOVESPA	R\$ 78,408.15
Fiscal Year 2015	Shares	ON	Stock Exchange	BM&FBOVESPA	R\$ 12,704.17
Last 60 days	Shares	PN	Stock Exchange	BM&FBOVESPA	R\$ 16,389.00
Last 60 days	Shares	ON	Stock Exchange	BM&FBOVESPA	R\$ 4.50
Last 30 days	Shares	PN	Stock Exchange	BM&FBOVESPA	R\$ 7,238.76
Last 30 days	Shares	ON	Stock Exchange	BM&FBOVESPA	R\$ 0.00

Also in this regard, the following table provides consolidated information on the trading volume of the shares issued by the Company in the last three fiscal years, already disclosed to the market in item 18.4 of the Reference Form of the Company, updated to present the data for the fiscal year ended December 31, 2015, which corroborates the previous explanation:

Fiscal Year	2013						
Quarter	Security	Type	Market	Entity	Financial Volume (R\$)	Highest quote	Lowest quote

3/31/2013	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 2,257,939.00	R\$ 8.00	R\$ 7.00
6/30/2013	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 1,500.00	R\$ 7.50	R\$ 7.50
6/30/2013	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 7,422,172.00	R\$ 7.50	R\$ 6.61
9/30/2013	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 6,930.00	R\$ 7.50	R\$ 6.05
9/30/2013	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 6,440,762.00	R\$ 7.20	R\$ 6.21
12/31/2013	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 13,958,191.00	R\$ 6.60	R\$ 5.40

Fiscal Year		2014						
Quarter	Security	Type	Market	Entity	Financial Volume (R\$)	Highest quote	Lowest quote	
3/31/2014	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 15,923,633.00	R\$ 5.73	R\$ 3.96	
6/30/2014	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 13,862,225.00	R\$ 3.95	R\$ 3.10	
9/30/2014	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 245,647.00	R\$ 3.50	R\$ 2.95	
9/30/2014	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 11,320,091.00	R\$ 4.00	R\$ 2.99	
12/31/2014	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 330.00	R\$ 3.30	R\$ 3.30	
12/31/2014	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 1,578,380.00	R\$ 4.00	R\$ 2.39	

Fiscal Year		2015						
Quarter	Security	Type	Market	Entity	Financial Volume (R\$)	Highest quote	Lowest quote	
3/31/2015	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 4,582,634.00	R\$ 2.70	R\$ 2.14	
6/30/2015	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 9,938,397.00	R\$ 2.55	R\$ 1.58	
9/30/2015	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 2,334.00	R\$ 3.27	R\$ 3.25	
9/30/2015	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 3,745,771.00	R\$ 1.67	R\$ 0.87	
12/31/2015	Shares	ON	Stock Exchange	BM&F BOVESPA	R\$ 3,135,595.00	R\$ 1.68	R\$ 1.17	
12/31/2015	Shares	PN	Stock Exchange	BM&F BOVESPA	R\$ 1,100,011.00	R\$ 1.84	R\$ 0.94	

The Company's preferred shares are more liquid than its common shares. Its common shares are rarely traded and their liquidity is not comparable to that of preferred shares, with common shares traded only in twenty (20) trading sessions in the past twelve (12) months ended March 9, 2016.

The percentage liquidity of the Company's shares is also low compared to other shares in the Brazilian stock market, as the table shows:

Period	Average financial volume (R\$)		
	30 days	90 days	Since 2015
IDVL4	R\$ 7,238.76	R\$ 16,413.59	R\$ 63,636.39
IDVL3	R\$ 0.00	R\$ 80.45	R\$ 12,760.02
Ibovespa	R\$ 7,620,549,924.35	R\$ 6,468,917,529.33	R\$ 6,748,246,828.28

Furthermore, recent macroeconomic uncertainties and challenges in the Brazilian economic and financial scenario have been strongly impacting capital markets and affected the market capitalization of the Company and of the entire banking sector in Brazil.

As a result, there is no evidence to estimate that the loss of liquidity arising naturally from offers for cancellation of registration as publicly held company could, in the specific case of the PTO for Cancellation of Registration of the Company (whether or not the PTO is accepted and consummated), cause significant loss of liquidity for the shares issued by the Company.

On the other hand, the PTO for Cancellation of Registration is an important opportunity for liquidity for the shareholders of the Company.

4.2.2. Put Right

The PTO for Cancellation of Registration is subject to the attendance of a substantial quorum to accept or express agreement with the Cancellation of Registration, which must be approved by shareholders representing more than two-thirds (2/3) of the outstanding shares who are qualified for the auction or who expressly agree with the Cancellation of Registration.

When the quorum required for acceptance or agreement is reached and the PTO is effectively held, this substantial quorum results in a reduced number of shareholders that, by refusing the PTO, will become shareholders of a privately held company with limited liquidity.

To prevent this situation from influencing the decision of shareholders regarding acceptance of the PTO for Cancellation of Registration, regulations assure shareholders of the Company who do not agree with the PTO, the right to sell their shares to the offeror within three (3) months from the settlement of the PTO and at the same price of the PTO, restated by the cumulative SELIC interest rate, on a *pro rata temporis* basis, from the date of settlement of the PTO to the date of effective payment, in accordance with Article 10, Paragraph 2 of CVM Instruction 361.

In view of the above, shareholders who do not accept the PTO will be entitled to (a) sell their shares to the Company within three (3) months from the settlement of the PTO for Cancellation

of Registration, or (b) remain as shareholders of the Company.

Shareholders who consent to the Commitment to Remain as Shareholder will expressly waive their Put Right to ensure the Maximum Amount is observed.

4.2.3. Redemption of shares after the PTO (squeeze out)

The applicable law also gives the Company, as offeror, the possibility to call an Extraordinary Shareholders Meeting to approve the redemption of the remaining outstanding shares, in case these represent, after the settlement of the PTO, less than five per cent (5%) of the total shares issued (squeeze out). The redemption price, in this case, would be equivalent to the amount paid upon the settlement of the PTO, restated by the cumulative SELIC interest rate, on a *pro rata temporis* basis, from the date of settlement of the PTO to the date of effective payment of the redemption price, in accordance with Article 4, Paragraph 5 of Brazilian Corporations Law.

However, the redemption of shares will not be applicable in the case of the PTO for Cancellation of Registration, since the Commitment to Remain as Shareholder to which the PTO will be subject, as explained herein, will result in more than five percent (5%) of the shares issued by the Company still outstanding for the purposes of this provision.

4.2.4. Conclusion

The Board of Directors believes the characteristics of the shares issued by the Company and the PTO for Cancellation of Registration result in a unique scenario regarding the liquidity of its shares. In this regard, there is no evidence to estimate that the loss of liquidity arising naturally from the PTO for Cancellation of Registration of the Company could, regardless of its consummation, cause significant loss of liquidity of the shares issued by the Company.

On the other hand, the PTO for Cancellation of Registration of the Company is an important opportunity for liquidity for shareholders, who will have the opportunity to sell their shares at a price higher than the market price in two opportunities: (a) by qualifying for the auction and accepting the PTO; or (b) by exercising their put right, described in item 4.2.2 above.

5. Other outstanding securities - Subscription Warrants (IDVL11)

The Cancellation of Registration of the Company is subject, in addition to the consummation of the PTO, to compliance with certain conditions described next, in relation to all securities

(except shares and share certificates) issued by the Company and publicly distributed or accepted for trading in regulated securities markets, in accordance with Articles 47 and 48 of CVM Instruction 480: (a) the absence of outstanding securities; (b) the redemption of outstanding securities; (c) expiry of the period for payment of outstanding securities; (d) the consent of all holders of outstanding securities to the cancelation of registration; or (e) any combination of the above events, provided it encompasses all securities.

In light of this scenario, the Board of Directors obtained from the management of the Company a list of outstanding securities issued by the Company and identified nineteen thousand, seven hundred seventy-nine (19,779) Subscription Warrants for Preferred Shares (IDVL11) ("Subscription Warrants"), issued on November 9, 2011 and maturing on November 8, 2016, which jointly total two hundred eighty-four thousand, six hundred nineteen reais and eighty-one centavos (R\$284,619.81), with each Subscription Warrant giving its holder the right to subscribe to one hundred (100) preferred shares issued by the Company at the price equivalent to the book value per preferred share recorded in the latest quarterly balance sheet available ("Subscription Warrants"). Other characteristics of Subscription Warrants are described in item 18.5 of the Reference Form of the Company. If they are still within their period for exercise, the Company plans to propose to the holders of Subscription Warrants their redemption, in accordance with Article 44 of Brazilian Corporations Law.

V. IMPACTS OF THE PTO ON THE COMPANY'S INTERESTS

The announcement of the PTO, if the proposal is approved by the Board of Directors, may cause impacts, which cannot be adequately measured at this time, on the trading of the Company's shares, including the volumes and prices on account of the Purchase Price, on the opinion of market agents regarding the prospects of acceptance of the PTO by shareholders and, also, on the interest of shareholders of the Company in building or offloading their positions in connection with the PTO.

Moreover, the PTO will require, as is customary in processes of this nature, the collaboration of the Company management in conducting it, in actions such as assessments and analyses, preparation of applicable documentation and compliance with the applicable legal and regulatory procedures.

The Board of Directors will endeavor all efforts necessary to prevent the PTO from having a negative impact on the Company's interests. In this respect, the Board of Directors will take all applicable precautions within its scope of power to ensure that (a) the Company is still able achieve its objectives and serve the interests of its shareholders; and (b) the Company

management continues to conduct the Company's businesses in accordance with its fiduciary duties and the Company's business plan.

All costs related to holding the PTO will be borne by the Company, as the offeror. The Board of Directors estimates that said costs will not have any material impact on the Company's results.

The Board of Directors does not expect any significant increase in the Company's cost of capital due to the PTO.

VI. STRATEGIC PLANS OF THE COMPANY IN LIGHT OF THE PTO

The Board of Directors believes that, whatever the outcome of the PTO, the Company will continue to be able to meet its short-term strategic goals and long-term targets, as well as to maintain its normal course of business, as established in the business plan.

Thus, the Board of Directors believes there is no evidence on this date to consider that the PTO may affect the Company's capacity to meet its short-term strategic goals and long-term targets and/or maintain its normal course of business, as established in its business plan.

VII. CONCLUSION

In view of all the considerations and conclusions above, the Board of Directors of the Company recommended the approval of the PTO for Cancellation of Registration, subject to the PTO Conditions.

Exhibit II

Information required under Exhibit 30-XXXVI of CVM Instruction 480 and pursuant to the head paragraph of Article 5 of CVM Instruction 567

This document presents the information required under Exhibit 30-XXXVI of CVM Instruction 480 of September 7, 2009, as amended ("CVM Instruction 480"), in accordance with the head paragraph of Article 5 of Instruction 567 issued by the Securities and Exchange Commission of Brazil ("CVM") on September 17, 2015, as amended ("CVM Instruction 567"), for the purpose of authorizing the repurchase of shares by Banco Indusval S.A. ("Company") to be later canceled or held in treasury, pursuant to Article 5, Paragraph 5, of the Bylaws of the Company ("Share Repurchase"), in connection with the proposal of the Board of Directors to launch a public tender offer for acquisition, by the Company, of common and preferred shares issued by the Company, in its capacity as offeror, for the purpose of cancelation of registration with the CVM as a publicly held company that issues category "A" securities, pursuant to CVM Instruction 480 ("Cancelation of Registration"), which will result in the delisting of the Company from Level 2 of Corporate Governance of BMF&BOVESPA S.A. - Securities, Commodities and Futures Exchange ("Delisting from Level 2" and "BM&FBOVESPA", respectively), approved in the Meeting of the Board of Directors held on March 10, 2016, at 6:00 p.m., at the Company's registered office, to be submitted to the annual shareholders meeting of the Company ("PTO"). The consummation of Share Repurchase is subject to prior approval by the shareholders meeting of the Company, in accordance with Article 3, item II of CVM Instruction 567 and Article 18, item XVI of the Bylaws of the Company.

Consummation of the PTO is subject to certain conditions established by the Board of Directors of the Company, including:

(i) prior receipt of irrevocable commitments from shareholders representing, cumulatively, (a) eighty-eight percent (88%) of the Outstanding Shares; and (b) thirty-nine percent (39%) of the Company's capital, to expressly comply with the cancelation of registration and remain as shareholders of the Bank after such cancelation ("Commitment to Remain as Shareholder"). In this respect, the shareholder managed by Warburg Pincus, currently owner of 42.9% of the Company's Outstanding Shares and 19.0% of the Company's capital has already expressed its intention to remain as a shareholder of the Bank after the Cancelation of Registration.

(ii) the use of no more than ten million reais (R\$10,000,000.00) of the Company's own funds to carry out the PTO ("Maximum Amount");

(iii) registration of the PTO, compliance with the requirements of Article 48 of CVM Instruction 480, waiver of legal requirements by CVM within the period established by CVM Instruction 361 and authorization to carry out the special auction during the trading session of BM&FBOVESPA; and

(iv) confirmation that the Purchase Price of the shares issued by the Company in connection with the PTO is within (or above) the fair price range of the Company's common and preferred shares determined by a valuation report of its economic value prepared by a specialist firm or company chosen by holders of Outstanding Shares (as defined below).

1. Justify, briefly, the objective and expected economic effects of the operation;

the Cancellation of Registration of the Company is justified from the perspective of protecting the interests of the Company and its shareholders, and of maintaining the businesses of the Company, since:

- (a) The PTO for Cancellation of Registration is an important opportunity for liquidity for shareholders of the Company;
- (b) the Cancellation of Registration will enable a reduction in costs with maintaining a publicly held corporation, which could be used to achieve the Company's corporate purpose and in its business strategy;
- (c) The Board of Directors believes the PTO will not affect the Company's ability to maintain its ongoing businesses; and
- (d) the Cancellation of Registration will not cause any substantial change in the Company's economic and financial results.

Furthermore, the Board of Directors does not expect any significant change in the Company's economic and financial performance as a result of the PTO and consequent Cancellation of the Registration.

The full content of discussions and considerations that supported the Board of Directors' decision to propose the PTO, as well as the establishment and details of its conditions, are available in Exhibit I to the Minutes of the Meeting of the Board of Directors of the Company

held on this date, which is available on the Company's Investor Relations website (www.bip.b.br/ri), and on the Company's IPE at www.cvm.gov.br

2. Inform the number of shares (i) outstanding and (ii) already held in treasury;

The Company currently has 67,513,152 outstanding shares, equivalent to 44.263010% of its capital. Of all the Company's outstanding shares, (i) 37,932,491 are common shares, equivalent to 32.975270% of the Company's total common shares; and (ii) 29,580,661 are preferred shares, equivalent to 78.894169% of the Company's total preferred shares.

The Company currently has 543,396 shares in treasury.

3. Inform the number of shares that may be acquired or sold;

The Board of Directors informs that the PTO for Cancellation of Registration will cover all:

- (i) thirty-seven million, nine hundred thirty-two thousand, four hundred ninety-one (37,932,491) common shares issued by the Company (IDL3) ("Outstanding Common Shares"); and
- (ii) twenty-nine million, five hundred eighty thousand, six hundred sixty-one (29,580,661) preferred shares issued by the Company (IDVL4) ("Outstanding Preferred Shares" and, jointly with the Outstanding Common Shares, "Outstanding Shares").

For the purposes of the PTO for Cancellation of Registration, Outstanding Shares are all shares issued by the Company, whether preferred or common, as applicable, except those: (a) owned by the controlling shareholders of the Company and related persons; (b) owned by the managers of the Company, whether or not controlling shareholders; and (c) held in treasury.

4. Describe the main characteristics of any derivative instruments the Company may use, if any;

Not applicable, as the Company will not use derivative instruments to carry out the PTO for Cancellation of Registration and consequent Delisting from Level 2.

5. Describe, if applicable, any existing voting agreements or instructions between the company and the counterparty of the operations;

Not applicable, since the Company does not have shareholders agreement or voting instructions entered into with the holders of the Outstanding Shares.

6. In the event of operations conducted outside organized securities markets, please inform the following:

Not applicable, as the operation will be carried out within the trading sessions of BM&FBOVESPA.

7. Inform, if applicable, any impacts of the operation on the controlling interest or administrative structure of the company;

Not applicable, as there will be no impact on the controlling interest or administrative structure of the Company.

8. Identify the counterparties, if known, and, if any is a related party to the company, as defined under the accounting standards on this matter, provide the information required under Article 8 of CVM instruction 481 of December 17, 2009;

Not applicable, as this will be a public tender offer for the Company's shares held during the trading sessions of BM&FBOVESPA.

9. Provide the allocation of the proceeds, if applicable;

Not applicable, as this is a public tender offer for the Company's shares.

10. Provide the deadline for settlement of the authorized operations;

Consummation of the PTO will be subject to the registration of it with CVM and hence it is not possible to estimate the maximum period to receive approval of the registration and settlement.

11. Identify the institutions operating as intermediary institutions, if any;

Banco Fator S.A. was engaged to intermediate the PTO, along with Fator Corretora de Valores S.A. Nonetheless, shareholder may join the PTO in accordance with the rules in the notice of the public offer to be published in due time.

12. Specify the funds available to be used, pursuant to Article 7, Paragraph 1 of CVM Instruction 567 of September 17, 2015.

The acquisition of shares issued by the Company itself may be carried out only using the funds available to the Company, namely: (a) all profit or capital reserves (except the legal reserve, unrealized profit reserve, special reserve for mandatory dividends not paid and tax incentive reserve); and (b)) the net income already realized for the current fiscal year (after deducting the allocations to the legal reserve, unrealized profit reserve, special reserve for mandatory dividends not paid and tax incentive reserve), pursuant to Article 7, Paragraph 1 of CVM Instruction 567.

In view of such limitation to the use of the Company's funds, the Board of Directors analyzed the Company's profit and capital reserves, available for acquisition of shares issued by the Company in connection with the PTO for Cancellation of Registration.

According to the Income Statement for the fiscal year ended December 31, 2015, published on this date, the Company has capital reserves totaling thirty-three million, two hundred fifty-nine thousand, sixty-nine reais and twenty centavos (R\$33,259,069.20).

Given the availability of such capital reserves, combined with the Commitment to Remain as Shareholder, the establishment of the Maximum Amount and Purchase Price offered to shareholders under the PTO, the Board of Directors believes the launch of the PTO for Cancellation of Registration will not have any adverse impact on the Company's cash position.

13. Specify the reasons why the members of the Board of Directors believe the share repurchase will not hamper the commitment of obligations assumed with creditors nor the payment of mandatory dividends, whether fixed or minimum.

The Board of Directors believes the Cancellation of Registration will benefit the Company, as it will allow the Company to use the funds spent with maintaining its registration as an issuer of securities to achieve of its corporate purpose and in business strategy.

After its initial public offering, the Company only increased its capital through private rights issues. In the increases conducted in the last three years, excluding controlling shareholders, managers and shareholders who subscribed to shares after negotiating directly with the Company, subscription by shareholders in the market corresponded to only zero point one three per cent (0.13%) of the rights issue of 2015 and to zero point six four per cent (0.64%) of the capital increase in May 2013, while the capital increase of November 2013 had no participation of such shareholders. Furthermore, the Board of Directors does not expect any significant changes in the Company's economic and financial performance as a result of the

PTO and consequent Cancellation of the Registration.

Being a financial institution, the Company has at its disposal a wide range of market funding instruments, as well as instruments for prospecting, maintaining and serving its clients, in accordance with the rules of the National Monetary Council and under the supervision of the Central Bank of Brazil. Thus, the Board of Directors of the Company believes the Cancellation of Registration of the Company will not substantially change the economic and financial performance or the course of the Company's business.

Finally, the Company's Board of Directors does not foresee the need for the Company, in the near future, to access the stock market to fund its operations. The Company has a strong balance sheet with a solid and strong capital structure, which was further strengthened by the Capital Increase that ensured the bank a Capital Adequacy Ratio (Basel Index) of 16.5% on December 31, 2015, one of the highest among its peers.

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