

**BANCO INDUSVAL S.A.**

Listed Company with Authorized Capital

CNPJ/MF nº 61.024.352/0001-71

CVM Code: 20885

**MATERIAL FACT**

**BANCO INDUSVAL S.A.** ("Banco Indusval"), in compliance with the provisions of art. Law No. 6,404 of December 15, 1976 ("Corporate Law"), as amended, and in Instruction No. 358 of January 3, 2002, issued by the Brazilian Securities and Exchange Commission (CVM) as amended, hereby informs the public in general that signed, as of the date hereof, Investment Agreement and Other Covenants ("Investment Agreement"), with The Hive BR Holding, LLC ("The Hive"), **a binding document that establishes the terms and conditions under which the parties will develop, in the subsidiary of Banco Indusval, BANCO INTERCAP S.A., a new and innovative digital banking platform directed to small and medium-sized enterprises.**

The Hive has operations in Silicon Valley, Bangalore - India and Sao Paulo and is focused on creativity and development of companies with high technological impact by the use of artificial intelligence and new management techniques. The partners and executives of the company have an extensive track record in creating value and innovative companies in the global market such as PayPal, Billdesk and prominent in the Brazilian market as Buscapé, Moip Payments and others.

On this date, at the Extraordinary General Meeting of Banco Intercap ('Banco Intercap'), **Everson Lopes** was elected as co-president, **Jair Ribeiro da Silva Neto**, vice-president, **Luiz Masagão Ribeiro** and **Rodrigo Silva Guarino** as executive directors to form the new Board of Directors of the Bank and Carlos Canevassi Leoni for Bank staff. Everson, Rodrigo and Carlos are entrepreneurs and professionals with extensive experience in fintechs, financial market, means of payment and advanced technologies.

The Investment Agreement also provides for a capital injection by The Hive to Banco Intercap, which will range from R\$ 2 to R\$ 10 million, which increase will still be submitted to the approval of the Central Bank of Brazil. The new shares will be paid-up at their respective book value on the closing date, and on 30.10.2017, the equity value of Banco Intercap was R\$ 109,852,857.99. On this date, Banco Indusval holds all shares (less ten) of Banco Intercap's share capital.

The Hive will also have performance targets, to be calculated based on Banco InterCap's financial results for fiscal year 2018 and beyond, and can achieve, if all targets are met, total participation (including the initial investment and additional) up to 50% (fifty percent) less one (1) share of the voting capital of Banco InterCap.

The election of the new members of the Board of Executive Directors, the planned investments and other acts defined in the Investment Agreement, are subject to the approval of the Central Bank of Brazil, in addition to the fulfillment of certain precedent conditions established in the Investment Agreement, corporate, regulatory and customary approvals to this type of Transaction.

Under applicable law, Banco Indusval will keep the market informed of any material fact about the Transaction.

São Paulo, December 4, 2017

**Jair da Costa Balma**  
Investors Relations Officer