

(A free translation of the original in Portuguese)

IRB-Brasil Resseguros S.A.
Quarterly Information (ITR) at
March 31, 2020
and report on review of
quarterly information

(A free translation of the original in Portuguese)

IRB Brasil RE

Líder em resseguros no Brasil

Quarterly information

As at March 31, 2020

(A free translation of the original report in Portuguese as filed in Brazil)

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Report on review of quarterly information

To the Board of Directors and Stockholders
IRB-Brasil Resseguros S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of IRB-Brasil Resseguros S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2020, comprising the balance sheet at that date and the statements of profit or loss, comprehensive income, changes in equity and cash flows (direct method) for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21 - Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



IRB-Brasil Resseguros S.A.

Emphasis of matter

Approval of comparative financial statements


We draw attention to Note 1 which notes that the financial statements for the year ended December 31, 2019, presented for purposes of comparison with the March 31, 2020 quarterly information on March 31, 2020, are subject to the approval of the annual General Shareholders' Meeting. Our conclusion is not qualified in relation to this matter.

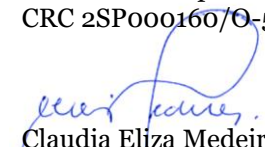
Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2020. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Rio de Janeiro, June 29, 2020


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5


Claudia Eliza Medeiros de Miranda
Contadora CRC 1RJ087128/O-0

Message from management

(A free translation of the original in Portuguese)

Dear Shareholders

2020, the year in which IRB Brasil RE completes - in April - its 81st year, has already been marked by unprecedented challenges. We started the year with a credibility crisis shortly followed by the outbreak of the Covid-19 pandemic.

Our priority is to raise the Company to a new level of corporate governance, to ensure improved management and absolute transparency in providing information to the market, by fully disclosing our financial data on the Company's performance. We are fully focused on serving our customers and enabling our shareholders, investors and other stakeholders to monitor and evaluate our policies, practices and results.

Several measures have already been taken, notably:

- We have made substantial changes to management, completely replacing our Statutory Executive Officers and reorganizing the operational team, including the creation of a new Vice-presidency for Reinsurance and three new Executive Board positions, without specific designation. The Corporate Governance structure resulted in appointing a practically new Board of Directors. With the help of Korn Ferry, a specialized HR firm, respecting the nature of the Company, we selected new members to form the Board. Given its Corporation status, the new Board of Directors has seven independent members, specialists in their different areas of activity, all renowned in the Brazilian market, who meet the independence criteria established by Brazilian legislation, respecting diversity.
- We hired Felsberg (law firm) and KPMG to support the Audit Committee in investigating a case of improper disclosure of information regarding the composition of our shareholder base and which resulted in the removal of the former Statutory Executive Officers. In June 2020, the Company informed the market, by means of a Material Fact notice, of the conclusion of the investigation, having identified those responsible for the irregularities concerning the shareholding base. In parallel, the new Management team, following an internal investigation, also detected: (i) irregular payments made without the approval of the Board of Directors, to the former executives and other employees of IRB Brasil RE and its subsidiaries of approximately R\$60 million (not tied to regular remuneration packages); and (ii) a share buyback program over and above the initial ceiling authorized by the Executive Officers, which should have required further approval by the Board of Directors.
 - As a result of the collation of data performed with the help of external forensic specialists, to confirm manipulations of data and accounting information in the audited parent company and consolidated financial statements for the years ended December 31, 2019 and 2018, it was found that former directors and other employees had intentionally and

Message from management

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systemically modified the Company's operating data mainly affecting the technical reserves. Because of these distortions to the reinsurance and retrocession operations, adjustments were made to 2019, 2018 and prior periods to correct for (i) accrual basis adjustments for certain technical provisions, (ii) the absence of certain technical provisions and (iii) the under-provision of technical reserves. These distortions were mainly for out of period costs and profit sharing associated with customer contracts associated with recordings at agreement inception. In connection with the internal investigation, a comprehensive analysis of customer contracts, asset sales and other related agreements was also conducted to identify other possible distortions, as well as payments of incentives and benefits. As a result, the financial statements at December 31, 2019 were restated on June 29, 2020.

- Through March 2020, the COVID-19 pandemic had had no material impact on the Company's operations. In response to the pandemic, we have implemented several measures designed to protect the health of our employees and the stability of our operations, including: the implementation of a work from home policy and various related preventive measures, such as providing remote customer support. In March 2020, IRB Brasil RE created a committee as a response to the next stages of the crisis and to develop a strategic action plan, to mitigate the potential impacts of the pandemic. The effects of COVID-19 on our operations and financial performance will depend on future developments, including its duration and level of contagion and its impact on our customers; these cannot be reliably predicted.

We launched, in partnership with Aon Resseguros, a unique tool to allow insurers to analyze the exposure to pandemic risks in their portfolios and estimate possible losses, contributing to business management. The model, already tested in other countries, new to Brazil, has been adapted to local conditions to meet the needs of the life and home insurance portfolios.

We donated R\$ 1 million to the emergency fund of the Oswaldo Cruz Foundation (Fiocruz), through the program United Against Covid-19 to help tackle this pandemic. We have canceled commercial and institutional events and have redirected resources to studies on the effectiveness of treatments for the disease, joining efforts and supporting research.

Our role is to recover the credibility of IRB Brasil RE, enhancing the strengths of the Company, reinforcing its attributes as a leader, a solid, serious company committed to truth and transparency. We believe this will be achieved through three characteristics to be pursued by all our colleagues: passion for what we do, achieving performance capacity and a sense of pride in belonging. Despite its 81 years, IRB Brasil RE is a young institution at heart, capable of innovation, serving customers with mastery, passion, affection and pride.

Message from management

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We intend to deliver sustainable results, focusing on long-term indicators, and committed to the satisfaction of customers, employees and society, leaving a legacy to reflect our value generation.

This will provide the Company a safe harbor.

Antônio Cássio dos Santos
Chairman and Interim CEO

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Balance sheets
 In thousands of reais

(A free translation of the original in Portuguese)

Assets	Note	Parent company		Consolidated	
		March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Current assets		13,081,538	10,576,317	13,518,281	10,987,890
Cash		80,773	24,895	110,306	35,864
Cash and cash equivalents	5	80,773	24,895	110,306	35,864
Marketable securities	6	1,989,377	813,521	2,054,427	848,227
Receivables from reinsurance and retrocession operations	7.1	6,448,776	5,571,827	6,448,776	5,571,827
Transactions with insurers	7.2	4,346,687	3,781,669	4,346,687	3,781,669
Transactions with reinsurers	7.2	2,008,729	1,688,579	2,008,729	1,688,579
Other receivables	7.2	135,399	135,390	135,399	135,390
(-) Provision for credit risks	7.3	(42,039)	(33,811)	(42,039)	(33,811)
Retrocession assets - technical reserves		4,005,815	3,707,918	4,005,815	3,707,918
Premiums - retrocession	9.2	1,004,368	1,143,675	1,004,368	1,143,675
Claims - retrocession	9.1	2,992,025	2,556,476	2,992,025	2,556,476
Other reserves	9.3	9,422	7,767	9,422	7,767
Trade and other receivables		399,504	356,439	740,691	722,333
Trade and other receivables	10	61,574	55,113	334,459	419,392
Tax credits and deferred tax assets	11.1	337,930	301,326	406,232	302,941
Prepaid expenses		24,846	8,673	25,819	8,677
Deferred acquisition costs	12	132,447	93,044	132,447	93,044
Non-current assets		5,758,791	6,817,351	5,456,632	6,513,361
Long-term receivables		5,196,525	5,853,383	5,223,617	5,839,269
Marketable securities	6	2,745,177	3,608,792	2,763,677	3,630,946
Retrocession assets - technical reserves		50,093	29,038	50,093	29,038
Premiums - retrocession	9.2	50,093	29,038	50,093	29,038
Trade and other receivables		2,389,617	2,205,668	2,398,209	2,169,400
Trade and other receivables	10	912,857	867,443	920,905	889,416
Corporate bonds		681,692	636,278	681,692	636,278
Other trade receivables		231,165	231,165	239,213	253,138
Tax credits and deferred tax assets		781,022	643,640	781,566	585,399
Tax credits	11.1	45,107	44,726	45,096	44,713
Deferred tax assets	11.1	735,915	598,914	736,470	540,686
Court deposits	19	695,738	694,585	695,738	694,585
Deferred acquisition costs		11,638	9,885	11,638	9,885
Investments		430,522	837,698	100,968	547,439
Investments accounted for using the equity method		425,275	832,360	20,042	15,857
Investment property		5,121	5,200	80,800	531,444
Other investments		126	138	126	138
Property and equipment		80,229	81,870	80,310	81,952
Intangible assets		51,515	44,400	51,737	44,701
Total assets		18,840,329	17,393,668	18,974,913	17,501,251

The accompanying notes are an integral part of these financial statements.

Balance sheets
In thousands of reais
(continued)

Liabilities and shareholders' equity	Note	Parent company		Consolidated	
		March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Current liabilities		13,988,521	12,272,023	14,123,105	12,336,252
Trade and other payables		208,423	150,305	343,007	214,534
Trade payables	14	115,199	69,345	142,642	101,694
Taxes and payroll charges payable		13,644	13,869	13,963	14,085
Labor provisions		11,674	10,336	12,092	10,639
Provisions for post-employment benefits	22.4	44,067	40,269	44,067	40,269
Taxes and contributions payable		23,839	16,486	130,243	47,847
Provision for investment devaluation		-	-	-	-
Payable for reinsurance and retrocession operations	15	1,581,198	1,586,225	1,581,198	1,586,225
Transactions with insurers	15.1	2,210	2,095	2,210	2,095
Transactions with reinsurers	15.1	1,338,573	1,411,102	1,338,573	1,411,102
Reinsurance and retrocession brokers	15.1	202,203	143,298	202,203	143,298
Other payables	15.1	38,212	29,730	38,212	29,730
Third-party deposits	8	334,694	336,409	334,694	336,409
Technical reserves - reinsurance and retrocession		11,864,206	10,199,084	11,864,206	10,199,084
Property and casualty and group life insurance		11,864,206	10,199,084	11,864,206	10,199,084
Unearned premium reserve	16.1	3,278,644	2,904,439	3,278,644	2,904,439
Risks in force issued		2,959,106	2,631,505	2,959,106	2,631,505
Risks in force not issued		319,538	272,934	319,538	272,934
Outstanding claims	16.2	5,567,323	4,841,870	5,567,323	4,841,870
IBNR reserve	16.2	2,781,624	2,217,633	2,781,624	2,217,633
Other reserves	16.3	236,615	235,142	236,615	235,142
Non-current liabilities		1,290,855	1,176,495	1,290,855	1,219,849
Long-term liabilities		1,290,855	1,176,495	1,290,855	1,219,849
Trade and other payables		462,082	443,977	462,082	486,279
Provisions for post-employment benefits	22.4	452,625	434,328	452,625	434,328
Trade payables	14	9,457	9,649	9,457	51,951
Payables for reinsurance and retrocession operations		789	789	789	789
Other payables	15.1	789	789	789	789
Technical reserves - reinsurance and retrocession		324,879	232,662	324,879	232,662
Property and casualty and group life insurance		324,879	232,662	324,879	232,662
Unearned premium reserve	16.1	324,879	232,662	324,879	232,662
Risks in force issued		301,717	219,196	301,717	219,196
Risks in force not issued		23,162	13,466	23,162	13,466
Other payables	19	503,105	499,067	503,105	500,119
Civil and labor contingencies		49,254	47,977	49,254	48,174
Tax liabilities		453,851	451,090	453,851	451,945
Total liabilities		15,279,376	13,448,518	15,413,960	13,556,101
Equity		3,560,953	3,945,150	3,560,953	3,945,150
Capital stock		1,953,080	1,953,080	1,953,080	1,953,080
Profit reserves		2,146,280	2,195,338	2,146,280	2,195,338
Equity valuation adjustment	20.3	(268,521)	(191,071)	(268,521)	(191,071)
Proposal for distribution of additional dividends		-	-	-	-
Treasury shares	20.2	(283,760)	(12,197)	(283,760)	(12,197)
Capital reserve	20.1.1	-	-	-	-
Retained losses		13,874	-	13,874	-
Total liabilities and equity		18,840,329	17,393,668	18,974,913	17,501,251

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of profit or loss

Quarters ended March 31

In thousands of reais, except when otherwise stated

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
			(Restated)		(Restated)
Net written premiums		1,758,674	1,554,654	1,758,674	1,554,654
Changes in technical reserves		50,616	(57,870)	50,616	(57,870)
Earned premiums	21.1	1,809,290	1,496,784	1,809,290	1,496,784
Incurred claims	21.2	(1,434,515)	(1,239,890)	(1,434,515)	(1,239,890)
Direct claims		(1,275,757)	(1,302,752)	(1,275,757)	(1,302,752)
Salvage and reimbursements		(9,370)	110,835	(9,370)	110,835
Change in IBNR reserve		(149,388)	(47,973)	(149,388)	(47,973)
Acquisition costs	21.3	(48,739)	(36,147)	(48,739)	(36,147)
Commissions		(48,739)	(36,147)	(48,739)	(36,147)
Other operating income and expenses	21.5	(36,177)	(11,707)	(36,177)	(11,707)
Profit (loss) from retrocession	21.4	(211,666)	(189,909)	(211,666)	(189,909)
Revenue from retrocession		312,948	286,195	312,948	286,195
Expense for retrocession		(529,244)	(457,862)	(529,244)	(457,862)
Salvage and reimbursements to retrocessionaire		1,059	(18,220)	1,059	(18,220)
Other operating income and expenses		3,571	(22)	3,571	(22)
Administrative expenses	21.6	(67,411)	(55,523)	(79,950)	(64,892)
Tax expenses	21.7	(39,179)	(42,101)	(44,548)	(43,347)
Finance income	21.8	(54,829)	172,513	(103,971)	190,291
Finance income		387,103	208,558	520,993	372,325
Finance costs		(441,932)	(36,045)	(624,964)	(182,034)
Share of profit of equity-accounted investees	21.9	83,165	27,572	194,015	26,273
Income (expenses) from investment property, net		(79)	(79)	194,107	13,203
Adjustment of investments in subsidiaries		83,256	14,581	-	-
Other equity income (expenses), net		(12)	13,070	(92)	13,070
Operating profit		(61)	121,592	43,739	127,456
Gains or losses on non-current assets			7,136	-	7,136
Net income before taxes		(61)	128,728	43,739	134,592
Income tax	21.10	8,841	42,808	(23,361)	38,501
Social contribution	21.10	5,094	6,359	(6,504)	4,802
Net income (loss) for the quarter		13,874	177,895	13,874	177,895
Number of shares		923,398,318	931,246,200	923,398,318	931,246,200
Earnings (loss) per share - basic and diluted	20.4	0.02	0.19	0.02	0.19

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of comprehensive income Quarters ended March 31 In thousands of reais

(A free translation of the original in Portuguese)

	Parent Company and Consolidated	
	March 31, 2020	March 31, 2019 (Restated)
Net income (loss) for the quarter	13,874	177,895
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(18,551)	(33,938)
Available-for-sale financial assets		
Losses on fair value of available-for-sale financial assets in the quarter	(74,285)	(376)
Unrealized gains (losses) on securities - Subsidiaries	241	(5,575)
Income tax and social contribution	29,714	151
	(62,881)	(39,738)
Items that will not be reclassified to profit or loss		
Post-employment benefits		
Remeasurement of post-employment benefit obligations	(24,281)	(9,877)
Remeasurement of post-employment benefit obligations - Subsidiaries	-	4,473
Income tax and social contribution	9,713	3,951
	(14,568)	(1,453)
Total other comprehensive income	(77,449)	(41,191)
Total comprehensive income for the quarter	(63,575)	136,704

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of changes in equity Quarters ended March 31 In thousands of reais

(A free translation of the original in Portuguese)

	Capital stock	Reserves for Capital, Granted shares and Treasury shares	Profit reserves				Equity valuation adjustment	Retained earnings (losses)	Proposal for distribution of additional dividends	Equity attributable to owners of the parent company
			Legal	Retained earnings	Statutory profit reserve	Legal reserve mandatory minimum dividend				
Balances as at January 1, 2019	1,953,080	(12,956)	107,192	1,487,917	-	-	(113,381)	-	578,928	4,000,780
Adjustment to market value of securities	-	-	-	-	-	-	(5,800)	-	-	(5,800)
Cumulative translation adjustments	-	-	-	-	-	-	(33,938)	-	-	(33,938)
Actuarial losses on post-employment benefit	-	-	-	-	-	-	(1,453)	-	-	(1,453)
Net income for the quarter	-	-	-	-	-	-	-	177,895	-	177,895
Total comprehensive income for the quarter	-	-	-	-	-	-	(41,191)	177,895	-	136,704
Total contributions from shareholders and distributions to shareholders										
Additional dividend paid for the year 2018	-	-	-	-	-	-	-	-	(578,928)	(578,928)
Distribution of interest on shareholders' equity	-	-	-	(69,918)	-	-	-	-	-	(69,918)
Total contributions from shareholders and distributions to shareholders	-	-	-	(69,918)	-	-	-	-	(578,928)	(648,846)
Balances as at March 31, 2019 (Restated)	1,953,080	(12,956)	107,192	1,417,999	-	-	(154,572)	177,895	-	3,488,638
Balances as at January 1, 2020	1,953,080	(12,197)	167,698	878,026	1,058,589	91,025	(191,071)	-	-	3,945,150
Adjustment to market value of securities	-	-	-	-	-	-	(44,330)	-	-	(44,330)
Cumulative translation adjustments	-	-	-	-	-	-	(18,552)	-	-	(18,552)
Actuarial gains on post-employment benefit	-	-	-	-	-	-	(14,568)	-	-	(14,568)
Net income for the quarter	-	-	-	-	-	-	-	13,874	-	13,874
Total comprehensive income for the quarter	-	-	-	-	-	-	(77,450)	13,874	-	(63,576)
Total contributions from shareholders and distributions to shareholders										
Distribution of interest on shareholders' equity	23.3	-	-	(49,058)	-	-	-	-	-	(49,058)
Recognition of statutory profit reserve ESM	-	-	-	-	-	-	-	-	-	-
Recognition of legal reserve mandatory minimum dividend ESM	-	-	-	-	-	-	-	-	-	-
Share repurchase	23.2	-	(270,804)	-	-	-	-	-	-	(270,804)
Shares granted, cancelled and forfeited	21.1.1	-	(759)	-	-	-	-	-	-	(759)
Total contributions from shareholders and distributions to shareholders	-	(271,563)	-	(49,058)	-	-	-	-	-	(320,621)
Balances as at March 31, 2020	1,953,080	(283,760)	167,698	828,968	1,058,589	91,025	(268,521)	13,874	-	3,560,953

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of cash flows – (Direct method)

Quarters ended March 31

In thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019 (Restated)	March 31, 2020	March 31, 2019 (Restated)
Operating activities				
Premium received	1,945,558	1,461,058	1,945,558	1,461,058
Recovery of claims and commissions	326,305	207,738	326,305	207,738
Other operational receipts (payments) - salvage, reimbursements	(7,499)	(90,883)	(7,499)	(90,883)
Payments of claims	(1,321,729)	(1,085,246)	(1,321,729)	(1,085,246)
Payments of claim expenses, commission and other	(255,826)	(479,495)	(255,826)	(479,495)
Transfer of premiums for ceding risks	(499,735)	(76,897)	(499,735)	(82,729)
Payments of expenses and obligations	(89,988)	-	(145,653)	12,881
Receipt of real estate activities and other operational receipts	-	-	622,280	3,593
Receipt of rents and other operating income	-	-	40,918	-
Receipt of interest and dividends	139	1,431	139	1,452
Redemption/Recognition of court deposits	229	666	229	666
Cash from (used in) operations	97,454	(61,628)	704,987	(50,965)
Payment of taxes and contributions	(96,374)	(128,450)	(193,992)	(133,026)
Marketable securities				
Investments at fair value through profit or loss	(1,083,386)	(2,485,784)	(1,091,380)	(2,489,320)
Proceeds from sale and calls of investments at fair value through profit or loss	692,939	3,695,369	692,939	3,696,333
Net marketable securities	(390,447)	1,209,585	(398,441)	1,207,013
Net cash from (used in) operating activities	(389,367)	1,019,507	112,554	1,023,022
Investing activities				
Available-for-sale investments	(499,183)	(1,154,243)	(1,095,112)	(1,183,309)
Proceeds from sale and call of available-for-sale investments	727,975	112,486	1,330,596	123,252
Dividends - Ownership interests	285,000	-	-	-
Reduction in the capital of subsidiary	205,049	-	-	-
Payment for the purchase of:				
Investments	-	-	-	14,760
Property and equipment	(663)	(733)	(663)	(733)
Intangible assets	(13,085)	(7,409)	(13,085)	(7,409)
Leases	-	(153)	-	(153)
Proceeds from sale of				
Investments	-	80	-	80
Net cash from (used in) investing activities	705,093	(1,049,972)	221,736	(1,053,512)
Financing activities				
Share repurchase	(270,870)	-	(270,870)	-
Net cash used in financing activities	(270,870)	-	(270,870)	-
Increase (decrease) in cash and cash equivalents	44,856	(30,465)	63,420	(30,490)
Exchange rate change on cash and cash equivalents	11,022	23,424	11,022	23,424
Increase (decrease) in cash and cash equivalents after exchange rate change	55,878	(7,041)	74,442	(7,066)
Cash and cash equivalents at the beginning of the quarter	24,895	27,001	35,864	27,697
Cash and cash equivalents at the end of the quarter	80,773	19,960	110,306	20,631

IRB-Brasil Resseguros S.A.

Statements of cash flows – (Direct method)

Quarters ended March 31

In thousands of reais

(continued)

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019 (Restated)	March 31, 2020	March 31, 2019 (Restated)
Reconciliation between net income (loss) for the quarter and net cash from (used in) operating activities				
Net income (loss) for the quarter	13,874	177,895	13,874	177,895
Adjustments to net income (loss)				
Depreciation and amortization	9,718	10,803	9,723	11,554
Increase in allowance for doubtful accounts	8,228	40	8,228	40
Reversal of the impairment loss on assets	-	(12,971)	-	(12,971)
Share of profit of equity-accounted investees	(83,256)	(14,581)	-	-
Exchange rate change on cash and cash equivalents	(11,022)	(23,424)	(11,022)	(23,424)
Other adjustments	6,375	24	(9,617)	(6,199)
Changes in asset and liability accounts				
Marketable securities	(615,318)	1,152,781	(552,059)	1,124,780
Receivables from insurance and reinsurance operations	(885,177)	(128,717)	(885,177)	(128,716)
Retrocession assets	(318,952)	(81,336)	(318,952)	(81,336)
Investment properties	-	-	346,784	-
Tax credits and deferred tax assets	(173,986)	(13,005)	(202,875)	(13,005)
Prepaid expenses	(16,173)	(9,790)	(16,815)	(10,682)
Deferred acquisition costs	(41,156)	(15,457)	(41,156)	(15,457)
Trade and other receivables	(51,875)	(33,145)	72,850	(21,233)
Court deposits	(1,153)	(2,117)	(1,153)	(4,474)
Suppliers	-	-	-	-
Trade and other payables	(13,352)	(33,172)	(74,398)	(21,160)
Taxes and contributions	7,128	(116,291)	31,895	(115,371)
Payables for insurance and reinsurance operations	(5,027)	(63,467)	(5,027)	(63,467)
Third-party deposits	(1,715)	(121,149)	(1,715)	(121,149)
Technical reserves - insurance and reinsurance	1,757,339	343,769	1,757,339	343,769
Other liabilities	22,095	-	(12,211)	-
Provisions for lawsuits	4,038	2,817	4,038	3,628
Net cash from (used in) operations	(389,367)	1,019,507	112,554	1,023,022

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of value added Quarters ended March 31 In thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		(Restated)		(Restated)
Revenues				
Insurance operations	1,758,674	1,554,654	1,758,674	1,554,654
Other	(76,687)	(27,581)	117,679	(13,549)
Reversal of allowance for doubtful accounts	(8,228)	(40)	(8,228)	(40)
Change in technical reserves	50,615	(57,870)	50,615	(57,870)
Net revenue	1,724,374	1,469,163	1,918,740	1,483,195
Expenses				
Claims	(1,275,757)	(1,302,752)	(1,275,757)	(1,302,752)
Change in IBNR reserve	(149,388)	(47,973)	(149,388)	(47,973)
Salvage and reimbursements	(9,370)	110,835	(9,370)	110,835
	(1,434,515)	(1,239,890)	(1,434,515)	(1,239,890)
Inputs acquired from third parties				
Materials, energy and other	(8,560)	(10,088)	(9,536)	(15,927)
Third-party services and commissions, net	(6,978)	(8,340)	(7,744)	(10,744)
	(15,538)	(18,428)	(17,280)	(26,671)
Gross value added	274,321	210,845	466,945	216,634
Depreciation, amortization and depletion	(9,718)	(10,803)	(9,723)	(11,554)
Net value added produced by the company	264,603	200,042	457,222	205,080
Value added received in transfer				
Finance income	(54,829)	172,513	(103,971)	190,291
Income (expenses) from retrocession	(211,666)	(189,909)	(211,666)	(189,909)
Share of profit of equity-accounted investees	83,256	14,581	-	-
Other	258	(28)	(4)	(28)
	(182,981)	(2,843)	(315,641)	354
Total value added to be distributed	81,622	197,199	141,581	205,434
Distribution of value added				
Personnel	42,504	26,370	53,294	27,495
Taxes, fees and contributions	25,244	(7,066)	74,413	44
Interest on shareholders' equity	49,058	69,918	49,058	69,918
Retained earnings (loss) for the quarter	(35,184)	107,977	(35,184)	107,977
Distributed value added	81,622	197,199	141,581	205,434

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

Section A – General Information

1.1 Operations

IRB-Brasil Resseguros S.A. (“IRB Brasil RE”, “Reinsurer” or “Company”) is a publicly-held company incorporated in 1939 by the then President Getúlio Vargas, with its registered office at Avenida Marechal Câmara, 171, in the city of Rio de Janeiro, and offices in São Paulo, Buenos Aires and London. Its main activities comprise reinsurance operations in Brazil and abroad. The Company’s shares are traded on B3 S.A - Brasil, Bolsa, Balcão (“B3”).

As described in Note 1.4.1, on March 4, 2020, IRB Brasil RE’s Board of Directors determined the establishment of a fact-finding procedure for identifying the exact circumstances under which the disclosure of information by the Company concerning its shareholding had occurred. Following indications of irregularities, Management, as approved by the Board of Directors, adopted additional procedures for collecting data and information, supported by external forensic experts, to further investigate possible manipulation of information and accounting data in the audited parent company and consolidated financial statements for the years ended December 31, 2019 and 2018, and the 2019 quarters. As a result, Management concluded, in June 2020 that these financial statements and quarterly information contained material errors (Note 1.4). Upon the concurrence of its independent auditors, PricewaterhouseCoopers Auditores Independentes, the Company has restated the comparative balances as at March 31, 2019. The Annual Shareholders’ Meeting for approval of the restated financial statements for the year ended December 31, 2019 will be held within the period stipulated by the CVM.

The parent company and consolidated quarterly information as at March 31, 2020 were approved for issue by the Board of Directors of the Company on June 29, 2020.

1.2 Effects of COVID-19

The global COVID-19 pandemic has given rise to economic uncertainties adversely affecting the economy and global markets, including Brazil. To protect public health and safety, the state and municipal governments have determined the lockdown of non-essential businesses and operations.

Through March 2020, the COVID-19 pandemic had had no material impact on the Company’s operations. In response to the pandemic, we have implemented several measures designed to protect the health of our employees and the stability of our operations, including: the implementation of a work from home policy and various related preventive measures, such as providing remote customer support. In March 2020, IRB Brasil RE created a task force as a response to the next stages of the crisis and to develop a strategic action plan, to mitigate the potential impacts of the pandemic.

The effects of COVID-19 on our operations and financial performance will depend on future developments, including its duration and level of contagion and its impact on our customers; these cannot be reliably predicted. If the pandemic or the resulting economic slowdown is aggravated further, there may be a trend of increased claims or need for higher technical reserve levels, which could have a material adverse effect on the results of operations and cash flows. Information after the quarter balance sheet is disclosed in Note 24.5. The Company is continuously monitoring the situation and may take other actions modifying business operations, as required by the federal, state or municipal authorities, or in the best interests of employees, customers and shareholders.

1.3 Basis of preparation

The parent company and consolidated quarterly information has been prepared and are being presented according to the Technical Pronouncement CPC 21 (R1) - “Interim Financial Reporting” and the IAS 34 - “Interim Financial Reporting”, issued by the International Accounting Standards Board (IASB), as well as rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of quarterly information, and evidence all information of the quarterly information itself, and only it, which are consistent with that used by Management in its administration.

In accordance with CPC 21 (R1) - Interim Financial Reporting and the Management’s assessment of the material impacts on the information to be disclosed, the notes described below are not being re-presented or are presented in condensed format. This quarterly information should be read in conjunction with the notes disclosed in the annual financial statements as at December 31, 2019.

The following notes are not re-presented or are presented in condensed format:

- Accounting practices and policies;
- Consolidation;
- Risks;

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

- Investments;
- Property and equipment;
- Intangible assets;
- Provisions for taxes and contributions;
- Court deposits, other lawsuits and tax liabilities;
- Retirement and pension plans and other employee benefits;
- Labor provisions.

The accounting policies are being presented consistently with the accounting practices adopted in the parent company and consolidated financial statements for the year ended December 31, 2019.

1.4 Restatement of comparative amounts

1.4.1 Correction of errors (IAS 8/CPC 23)

As described in Note 1, a study was performed to investigate/collect data and information, supported by external forensic experts, designed to determine the existence of manipulated information and accounting data in the audited parent company and consolidated financial statements for the years ended December 31, 2019 and 2018 and quarterly information as at March 31, June 30 and September 30, 2019. The study concluded that former executive officers and other employees had committed irregularities intentionally and systemically modifying Company's operational data, mainly related to outstanding claim reserves. In view of the above, in accordance with IAS8/CPC23, the quarterly information as at March 31, 2019 presented for comparative purposes has been modified and restated. The financial statements as at December 31, 2019 were reissued and will be submitted to the Annual Shareholders' Meeting for approval.

The summary of the identified adjustments is as follows:

Parent Company and Consolidated		
<u>Impacts on the Company's profit or loss</u>	<u>Item</u>	<u>March 31, 2019</u>
Technical reserves net of retrocession	(a)	(287,554)
Income (expense) from taxes, income tax and social contribution on adjustments	(b)	115,022
Effect on profit or loss		(172,532)

- (a) Mainly claims reported and not recorded or recorded outside the appropriate period, net of retrocession and reimbursement;
- (b) Income tax and social contribution on adjustments;

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

1.4.2 Restatement effects

The principal restatement adjustments made to the balance sheets, statements of profit or loss and comprehensive income, statements of changes in equity, statements of cash flows and statements of value added in each of the years are shown below.

Statements of profit or loss

Parent company				
March 31, 2019				
	Item	Originally reported	Adjustment	Currently reported
Incurring claims	(a)	(967,397)	(272,493)	(1,239,890)
Profit (loss) from retrocession	(a)	(174,848)	(15,061)	(189,909)
Finance income		172,513	-	172,513
Operating profit		409,146	(287,554)	121,592
Net income before taxes		416,282	(287,554)	128,728
Income tax	(b)	(29,081)	71,889	42,808
Social contribution	(b)	(36,774)	43,133	6,359
Net income (loss) for the quarter		350,427	(172,532)	177,895
Number of shares		931,246,200		931,246,200
Earnings (loss) per share - basic and diluted		0.38		0.19

Consolidated				
March 31, 2019				
	Item	Originally reported	Adjustment	Currently reported
Incurring claims	(a)	(967,397)	(272,493)	(1,239,890)
Profit (loss) from retrocession	(a)	(174,848)	(15,061)	(189,909)
Finance income		190,291	-	190,291
Operating profit		415,010	(287,554)	127,456
Net income before taxes		422,146	(287,554)	134,592
Income tax	(b)	(33,388)	71,889	38,501
Social contribution	(b)	(38,331)	43,133	4,802
Net income (loss) for the quarter		350,427	(172,532)	177,895
Number of shares		931,246,200		931,246,200
Earnings (loss) per share - basic and diluted		0.38		0.19

Statements of comprehensive income

Parent Company and Consolidated			
March 31, 2019			
	Originally reported	Adjustment	Currently reported
Net income (loss) for the quarter	350,427	(172,532)	177,895
Total comprehensive income for the quarter	309,236	(172,532)	136,704

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

Statements of changes in equity

	March 31, 2019		
	Originally reported	Adjustment	Currently reported
Capital stock	1,953,080	-	1,953,080
Profit reserves - legal	107,192	-	107,192
Reservas de lucros - retained earnings	1,417,999	-	1,417,999
Treasury shares	(12,956)	-	(12,956)
Statutory profit reserve	-	-	-
Legal reserve mandatory minimum dividend	-	-	-
Equity valuation adjustment	(154,572)	-	(154,572)
Retained earnings	350,427	(172,532)	177,895
Proposal for distribution of additional dividends	-	-	-
Equity attributable to owners of the parent company	3,661,170	(172,532)	3,488,638

Statements of cash flows – reconciliation

	Parent company			Consolidated		
	March 31, 2019			March 31, 2019		
	Originally reported	Adjustment	Currently reported	Originally reported	Adjustment	Currently reported
Reconciliation between net income (loss) for the quarter and net cash from (used in) operating activities						
Net income (loss) for the quarter	350,427	(172,532)	177,895	350,427	(172,532)	177,895
Taxes and contributions	(1,269)	(115,022)	(116,291)	(349)	(115,022)	(115,371)
Technical reserves - insurance and reinsurance	56,215	287,554	343,769	56,215	287,554	343,769
Net cash from (used in) operations	1,019,507	-	1,019,507	1,023,022	-	1,023,022

Statements of value added

	Parent company			Consolidated		
	March 31, 2019			March 31, 2019		
	Originally reported	Adjustment	Currently reported	Originally reported	Adjustment	Currently reported
Expenses						
Claims	(924,405)	(378,347)	(1,302,752)	(924,405)	(378,347)	(1,302,752)
	(967,397)	(272,493)	(1,239,890)	(967,397)	(272,493)	(1,239,890)
Gross value added	483,338	(272,493)	210,845	489,127	(272,493)	216,634
Net value added produced by the company	472,535	(272,493)	200,042	477,573	(272,493)	205,080
Value added received in transfer						
Income (expenses) from retrocession	(174,848)	(15,061)	(189,909)	(174,848)	(15,061)	(189,909)
	12,218	(15,061)	(2,843)	(44,214)	44,568	354
Total value added to be distributed	484,753	(287,554)	197,199	433,359	(227,925)	205,434
Distribution of value added						
Taxes, fees and contributions	107,956	(115,022)	(7,066)	115,066	(115,022)	44
Retained earnings (loss) for the quarter	280,509	(172,532)	107,977	280,509	(172,532)	107,977
Distributed value added	484,753	(287,554)	197,199	433,359	(227,925)	205,434

Section B – Risks

2 Risk management

IRB Brasil RE considers risk management to be a key in optimizing the use of capital and secure optimal opportunities, to obtain the best risk-return ratio to its shareholders. Risk management protects the Company's solvency and long-term results by undertaking a process of identification, measurement and handling of the risks to which the Company is exposed when carrying out its operations. It is also aimed to meet the regulatory authority's requirements as well as assure the adequacy, strengthening and efficient operation of the Internal Control System.

Considering the relevance conferred to this theme within the organizational context, the Company has an Executive Vice-presidency of Risks and Compliance (to which the Enterprise Risk and Compliance Managements report), who takes on the primary responsibility for the risk management oversight in IRB Brasil RE. Nonetheless, the Statutory Board, the Board of Directors, the Risk Management Committee and other advisory or deliberative bodies remain committed to support and foster risk management in the scope of the Company.

In May 2019, the risk rating agency A.M. Best, based in the US, affirmed the rating A on an overall credit risk rating and foreign currency scale, representing an upgrade from the rating A-, assigned in April 2018, reflecting in its opinion the strong risk-adjusted capitalization and strong operating performance. In 2020, the Company returned to the rating A- assigned in 2018.

2.1 Lines of defense

IRB Brasil RE considers that all employees and collaborators are responsible for risk management. Therefore, the Company's Risk Management framework uses the three lines of defense model, establishing in its Risk Management Policy and internal rules the roles and responsibilities for risk management in each line of defense.

The first line of defense is represented by the operational areas, comprising the managers and those directly charged with the Company's processes. The Enterprise Risk and Compliance Managements represent the second line of defense, whereas the third line of defense is represented by Internal Audit.

In addition, the Company adopts a Corporate Governance framework that establishes appropriate support to transparency in decision making.

2.2 Main risk types

Enterprise risk management comprises the following risk categories: operational, underwriting, market, credit and liquidity, each comprising many subcategories.

The Company understands that these categories represent its main exposures, but not limited thereto, considering that many risks may arise.

2.3 Operational risks

In IRB Brasil RE, operational risk arises from the possibility of incurring losses from failure, defect or inadequacy of internal processes, people and systems, or external events.

The operational risk management process comprises five steps: (i) identification, (ii) analysis and measurement, (iii) treatment, (iv) monitoring, and (v) reporting. In this process, the Enterprise Risk Management works together with the risk owner, providing support and monitoring the performance of the operational risk management process by the Company's managing units.

IRB Brasil RE has a Business Continuity Management for procedures in case of contingency. This program is organized in five specific contingency plans: Business Continuity Plan, Crisis Management Plan, Disaster Recovery Plan, Going Concern Plan, and Emergency Assistance Plan.

Aligned with SUSEP Circular 517/2015, and further amendments, the Circular has a Data Bank of Operational Losses aimed to record and manage the loss events arising from this risk category.

2.4 Underwriting risks

Underwriting risk arises from fluctuations caused by factors that are internal or external to the Company, contrary to the expectations of actuarial and financial assumptions in the pricing of reinsurance contracts and recognition of technical reserves.

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In thousands of reais, except when otherwise stated

The transfer of risk through retrocession is one of the techniques used for mitigating and controlling underwriting risk. As reinsurance, retrocession may cover a business group or only specific risks (also called facultative). IRB Brasil RE currently has retrocession programs (or portfolio protection programs) that cover the groups of lines with higher exposure, aiming to balance results and limit losses, as well as increase its capacity to accept strategic businesses.

For specific cases, facultative retrocessions, which are individually analyzed, may be used. In view of the own nature of risk transfer, retrocession operations imply an underlying credit risk (Note 2.6).

2.4.1 Monitoring of reinsurance liabilities by business line

The Company calculates the technical reserves according to the standards and guidance established by the regulatory body. The following tables show the asset and liability balances, gross of retrocession (PSL, IBNR, IBNER, PET, PPNG, PDR), broken down by business line:

	Parent company			
	Liabilities (Reinsurance)		Assets (Retrocession)	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Aviation	708,788	459,034	(441,228)	(316,006)
Motor	153,962	150,736	(24,965)	(13,092)
Mortgage	61,182	60,197	(211)	(280)
Marine	152,925	134,715	(46,793)	(46,752)
Nuclear	15,837	16,680	(13,481)	(14,354)
Property	2,208,659	2,273,185	(1,216,769)	(1,294,159)
Life	343,644	342,063	(73,246)	(68,049)
Oil & Gas	957,635	805,175	(710,528)	(584,606)
Casualty	574,408	531,140	(341,821)	(304,679)
Financial risks	620,827	579,374	(156,819)	(153,130)
Agriculture	900,968	945,217	(214,870)	(307,732)
Cargo	527,331	338,221	(325,775)	(152,182)
International risks	4,962,919	3,796,009	(489,402)	(481,935)
Total	12,189,085	10,431,746	(4,055,908)	(3,736,956)

	Consolidated			
	Liabilities (Reinsurance)		Assets (Retrocession)	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Aviation	708,788	459,034	(441,228)	(316,006)
Motor	153,962	150,736	(24,965)	(13,092)
Mortgage	61,182	60,197	(211)	(280)
Marine	152,925	134,715	(46,793)	(46,752)
Nuclear	15,837	16,680	(13,481)	(14,354)
Property	2,208,659	2,273,185	(1,216,769)	(1,294,159)
Life	343,644	342,063	(73,246)	(68,049)
Oil & Gas	957,635	805,175	(710,528)	(584,606)
Casualty	574,408	531,140	(341,821)	(304,679)
Financial risks	620,827	579,374	(156,819)	(153,130)
Agriculture	900,968	945,217	(214,870)	(307,732)
Cargo	527,331	338,221	(325,775)	(152,182)
International risks	4,962,919	3,796,009	(489,402)	(481,935)
Total	12,189,085	10,431,746	(4,055,908)	(3,736,956)

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2.4.2 Change in premiums and claims

The following tables show the changes in earned premiums and incurred claims of the Company, broken down by underwriting year.

Accumulated earned premium

• Retrocession - gross

March 31, 2020							
Underwriting year	Parent Company and Consolidated						
	2014	2015	2016	2017	2018	2019	2020
Earned premium in the year	462,929	1,274,706	1,426,685	1,619,452	2,363,010	2,653,448	178,292
One year later	2,876,630	3,775,541	4,501,413	4,272,449	5,951,425	3,972,117	-
Two years later	3,387,800	4,184,286	5,706,265	4,994,082	6,375,189	-	-
Three years later	3,496,132	4,273,066	6,098,081	5,026,174	-	-	-
Four years later	3,530,841	4,274,416	6,097,554	-	-	-	-
Five years later	3,544,791	4,289,048	-	-	-	-	-
Six years later	3,523,114	-	-	-	-	-	-
Accumulated earned premium (f)*	3,523,114	4,289,048	6,097,554	5,026,174	6,375,189	3,972,117	178,292
Earned premium in 2020	(21,677)	14,632	(527)	32,092	423,764	1,318,669	178,292
Earned premium in 2020 for years prior to 2014	-	-	-	-	-	-	27,457
Earned premium of risks in force but not issued	-	-	-	-	-	-	26,516
Earned premium - Argentina branch	-	-	-	-	-	-	48,786
Total earned premium included in the balance sheet							2,048,004

(a)

(*) Earned premium used in the loss ratio calculation, at the end of the claim triangle.

(a) Reconciled with Note 3.3 (Statements of profit or loss – Reconciliation) line items Gross written premium (a) and Changes in technical reserves - premiums (c).

December 31, 2019							
Underwriting year	Parent Company and Consolidated						
	2014	2015	2016	2017	2018	2019	Total
Earned premium in the year	462,929	1,274,706	1,426,685	1,619,452	2,363,010	2,653,448	-
One year later	2,876,630	3,775,541	4,501,413	4,272,449	5,951,425	-	-
Two years later	3,387,800	4,184,286	5,706,265	4,994,082	-	-	-
Three years later	3,496,132	4,273,066	6,098,081	-	-	-	-
Four years later	3,530,841	4,274,416	-	-	-	-	-
Five years later	3,544,791	-	-	-	-	-	-
Accumulated earned premium (g)	3,544,791	4,274,416	6,098,081	4,994,082	5,951,425	2,653,448	
Earned premium in 2019	13,951	1,350	391,815	721,632	3,588,415	2,653,448	7,370,611
Earned premium in 2019 for years prior to 2014	-	-	-	-	-	-	130,536
Earned premium of risks in force but not issued	-	-	-	-	-	-	(10,449)
Earned premium - Argentina branch	-	-	-	-	-	-	162,649
Total earned premium included in the balance sheet							7,653,347

(a)

(a) Reconciled with Note 3.3 (Statements of profit or loss – Reconciliation) line items Gross written premium (a) and Changes in technical reserves - premiums (c).

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Accumulated earned premium

• Retrocession - net

	March 31, 2020							
	Parent Company and Consolidated							
Underwriting year	2014	2015	2016	2017	2018	2019	2020	Total
Earned premium in the year	329,465	890,871	1,017,172	1,219,507	1,799,128	1,868,866	128,324	
One year later	2,047,290	2,638,664	3,209,335	3,217,313	4,531,245	2,837,477		
Two years later	2,411,088	2,924,329	4,068,349	3,760,729	4,893,833			
Three years later	2,488,187	2,986,376	4,347,699	3,788,990				
Four years later	2,512,890	2,987,319	4,348,624					
Five years later	2,522,818	2,997,847						
Six years later	2,507,664							
Accumulated earned premium (f)*	2,507,664	2,997,847	4,348,624	3,788,990	4,893,833	2,837,477	128,324	
Earned premium in 2020	(15,154)	10,528	925	28,261	362,588	968,612	128,324	1,484,083
Earned premium in 2020 for years prior to 2014								(39,251)
Earned premium of risks in force but not issued								8,341
Earned premium - Argentina branch								25,409
Total earned premium included in the balance sheet								1,478,581 (b)

(*) Earned premium used in the loss ratio calculation, at the end of the claim triangle.

(b) Reconciled with Note 3.3 (Statements of profit or loss – Reconciliation) line items Gross written premium (a), Changes in technical reserves - premiums (c), Ceded premiums in retrocession (b), and Changes in technical reserves - ceded premium (c).

December 31, 2019							
Parent Company and Consolidated							
Underwriting year	2014	2015	2016	2017	2018	2019	Total
Earned premium in the year	329,465	890,871	1,017,172	1,219,507	1,799,128	1,868,866	
One year later	2,047,290	2,638,664	3,209,335	3,217,313	4,531,245	-	
Two years later	2,411,088	2,924,329	4,068,349	3,760,729	-	-	
Three years later	2,488,187	2,986,376	4,347,699	-	-	-	
Four years later	2,512,890	2,987,319	-	-	-	-	
Five years later	2,522,818	-	-	-	-	-	
Accumulated earned premium (g)	2,522,818	2,987,319	4,347,699	3,760,729	4,531,245	1,868,866	
Earned premium in 2019	9,929	943	279,349	543,416	2,732,117	1,868,866	5,434,620
Earned premium in 2019 for years prior to 2014							45,955
Earned premium of risks in force but not issued							(2,551)
Earned premium - Argentina branch							143,977
Total earned premium included in the balance sheet							5,622,001 (b)

(b) Reconciled with Note 3.3 (Statements of profit or loss – Reconciliation) line items Gross written premium (a), Changes in technical reserves - premiums (c), Ceded premiums in retrocession (b), and Changes in technical reserves - ceded premium (c).

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Incurred Claims

• Retrocession - gross

March 31, 2020								
Parent Company and Consolidated								
Underwriting year	2014	2015	2016	2017	2018	2019	2020	Total
Claims incurred in the year	293,187	656,095	330,900	346,916	148,897	610,364	3,549	
One year later	1,331,605	2,184,610	2,118,255	1,995,763	3,395,583	1,028,475		
Two years later	1,709,391	2,588,521	3,406,882	3,505,785	3,953,046			
Three years later	1,775,186	2,811,394	4,084,719	3,783,543				
Four years later	1,876,455	2,832,059	4,232,245					
Five years later	1,924,784	2,880,647						
Six years later	1,995,298							
Current estimate of accumulated claims (a)	1,995,298	2,880,647	4,232,245	3,783,543	3,953,046	1,028,475	3,549	17,876,803
Accumulated payments until base date	(1,746,996)	(2,715,924)	(3,572,304)	(2,854,109)	(2,724,499)	(487,439)	(29)	(14,101,300)
Liabilities recognized in the balance sheet (b)	248,302	164,723	659,941	929,434	1,228,547	541,036	3,520	3,775,503
IBNER (c)	1,380	2,025	4,665	4,407	23,324	58,036	2,350	96,186
IBNR (d)	29,606	44,927	77,513	173,642	749,828	1,375,679	113,434	2,564,629
Liabilities compared to years prior to 2014 (e)								1,912,629
Total liabilities included in balance sheet (b)+(c)+(d)+(e)								8,348,946
Loss ratio (a+c+d) / (f)*	58%	68%	71%	79%	74%	62%	67%	

(*) Presented in the Earned premium triangle

(*) Liabilities compared to years prior to 2014 - Breakdown:

PSL	1,648,821
Estimate of Salvage and Reimbursements	1,462
IBNR	216,995
IBNER	45,351
Liabilities compared to years prior to 2014 recognized in the balance sheet	1,912,629

Liabilities compared to years prior to 2014 - Changes

Liabilities in 2019	1,469,888
Changes - Estimate of Salvage and Reimbursements	169,739
Compensation paid	(78,910)
Changes in PSL	341,909
Changes in IBNER	8,723
Changes in IBNR	1,280
Liabilities in March 2020	1,912,629

December 31, 2019								
Parent Company and Consolidated								
Underwriting year	2014	2015	2016	2017	2018	2019	Total	
Claims incurred in the year	293,187	656,095	330,900	346,916	148,897	610,364		
One year later	1,331,605	2,184,610	2,118,255	1,995,763	3,395,583	-		
Two years later	1,709,391	2,588,521	3,406,882	3,505,785	-	-		
Three years later	1,775,186	2,811,394	4,084,719	-	-	-		
Four years later	1,876,455	2,832,059	-	-	-	-		
Five years later	1,924,784	-	-	-	-	-		
Current estimate of accumulated claims (a)	1,924,784	2,832,059	4,084,719	3,505,785	3,395,583	610,364	16,353,294	
Accumulated payments until base date	(1,737,825)	(2,640,939)	(3,469,751)	(2,695,660)	(2,011,300)	(302,944)	(12,858,419)	
Liabilities recognized in the balance sheet (c)	186,959	191,120	614,968	810,125	1,384,283	307,420	3,494,875	
IBNER (d)	4,957	5,212	16,496	21,446	36,587	8,125	92,824	
IBNR (e)	20,590	41,942	77,948	141,273	686,757	1,033,407	2,001,917	
Liabilities compared to years prior to 2014 (f) (*)							1,469,888	
Total liabilities included in balance sheet (c)+(d)+(e)+(f)							7,059,504	
Loss ratio after exchange rate change (a+b+d+e) / (g)	55%	67%	69%	73%	69%	62%		

(*) Liabilities compared to years prior to 2014 - Breakdown:

PSL	1,385,822
Estimate of Salvage and Reimbursements	(168,278)
IBNR	215,716
IBNER	36,627
Liabilities compared to years prior to 2014 recognized in the balance sheet	1,469,888

Liabilities compared to years prior to 2014 - Changes

Liabilities in 2018	2,082,558
Changes in estimate of Salvage and Reimbursements	(168,278)
Compensation paid	(368,836)
Changes in PSL	44,848
Changes in IBNER	(49,033)
Changes in IBNR	(71,371)
Liabilities in 2019	1,469,888

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Incurred Claims

• Retrocession - net

March 31, 2020								
Underwriting year	Parent Company and Consolidated							
	2014	2015	2016	2017	2018	2019	2020	Total
Claims incurred in the year	194,043	325,364	202,896	305,449	116,046	286,304	3,455	
One year later	981,979	1,506,852	1,508,804	1,575,570	2,682,605	682,745		
Two years later	1,252,197	1,833,732	2,802,813	2,701,564	3,123,859			
Three years later	1,234,278	1,911,911	3,023,414	2,879,242				
Four years later	1,274,012	1,935,899	3,117,756					
Five years later	1,318,587	1,975,600						
Six years later	1,349,455							
Current estimate of accumulated claims (a)	1,349,455	1,975,600	3,117,756	2,879,242	3,123,859	682,745	3,455	13,132,113
Accumulated payments until base date	(1,205,870)	(1,863,307)	(2,811,099)	(2,300,832)	(2,482,266)	(242,413)	(29)	(10,905,816)
Liabilities recognized in the balance sheet (b)	143,585	112,293	306,657	578,410	641,593	440,332	3,426	2,226,297
IBNER (c)	825	1,257	2,300	2,175	11,632	26,607	1,037	45,834
IBNR (d)	17,477	24,394	51,193	104,615	566,613	1,179,880	100,285	2,044,458
Liabilities compared to years prior to 2014 (e)								1,040,333
Total liabilities included in balance sheet (b)+(c)+(d)+(e)								5,356,921
Loss ratio (a+c+d) / (f)*	55%	67%	73%	79%	76%	67%	82%	

(*) Presented in the Earned premium triangle

(*) Liabilities compared to years prior to 2014 - Breakdown:

PSL	840,328
Estimate of Salvage and Reimbursements	-
IBNR	178,363
IBNER	21,641
Liabilities compared to years prior to 2014 recognized in the balance sheet	1,040,333

Liabilities compared to years prior to 2014 - Changes

Liabilities in 2019	923,910
Changes - Estimate of Salvage and Reimbursements	14,935
Compensation paid	(37,988)
Changes in PSL	137,218
Changes in IBNER	15,016
Changes in IBNR	(12,757)
Liabilities in March 2020	1,040,333

December 31, 2019								
Underwriting year	Parent Company and Consolidated							
	2014	2015	2016	2017	2018	2019	Total	
Claims incurred in the year	194,043	325,364	202,896	305,449	116,046	286,304		
One year later	981,979	1,506,852	1,508,804	1,575,570	2,682,605	-		
Two years later	1,252,197	1,833,732	2,802,813	2,701,564	-	-		
Three years later	1,234,278	1,911,911	3,023,414	-	-	-		
Four years later	1,274,012	1,935,899	-	-	-	-		
Five years later	1,318,587	-	-	-	-	-		
Current estimate of accumulated claims (a)	1,318,587	1,935,899	3,023,414	2,701,564	2,682,605	286,304		11,948,373
Accumulated payments until base date	(1,202,225)	(1,828,395)	(2,757,998)	(2,174,094)	(1,821,468)	(125,277)		(9,909,457)
Liabilities recognized in the balance sheet (c)	116,362	107,504	265,416	527,470	861,137	161,027		2,038,916
IBNER (d)	3,030	2,800	6,912	13,736	22,426	4,193		53,097
IBNR (e)	15,094	25,222	58,318	104,506	432,760	851,204		1,487,104
Liabilities compared to years prior to 2014 (f) (*)								923,910
Total liabilities included in balance sheet (c)+(d)+(e)+(f)								4,503,027
Loss ratio after exchange rate change (a+b+d+e) / (g)	53%	66%	71%	75%	69%	61%		

(*) Liabilities compared to years prior to 2014 - Breakdown:

PSL	726,901
Estimate of Salvage and Reimbursements	(13,473)
IBNR	191,120
IBNER	19,362
Liabilities compared to years prior to 2014 recognized in the balance sheet	923,910

Liabilities compared to years prior to 2014 - Changes

Liabilities in 2018	1,120,593
Changes in estimate of Salvage and Reimbursements	(13,473)
Compensation paid	(240,918)
Changes in PSL	86,426
Changes in IBNER	(23,975)
Changes in IBNR	(4,743)
Liabilities in 2019	923,910

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2.4.3 Sensitivity Analysis

The Company used a 10.0% increase in loss ratio. The sensitivity on the loss for the quarter and equity as at March 31, 2019 is in the table below:

Gross effects	Base Case	Scenario 10.0%	Impact
Equity	3,560,953	3,406,169	(154,784)
Net income for the period	13,874	(140,909)	(154,784)
Impact on net income (%) (*)			(1,115.6)
Impact on equity (%)			(4.3)

Net retrocession effects	Base Case	Scenario 10.0%	Impact
Equity	3,560,953	3,461,628	(99,325)
Loss for the quarter	13,874	(85,451)	(99,325)
Impact on net income (%) (*)			(715.9)
Impact on equity (%)			(2.8)

(*) In view of the negative result for the period, the cases in which the analyzed impact is also negative leads to a positive ratio.

Due to the nature of the transactions accepted by IRB Brasil RE, there is no material exposure to convertibility, mortality or survival ratios.

2.5 Market risk

Market risk is defined as the risk arising from changes in prices and rates in financial markets that may cause a reduction in the value of a security or asset portfolio. The main variables linked to the market risk of the investment portfolio of IRB Brasil RE are: interest rates, exchange rates and asset liquidity.

For these variables, risk management involves different organizational units, including guidelines and strategies that Management considers appropriate and established in its governance. Value at Risk (VaR) techniques and construction of stress scenarios are used for performing preventative loss management.

2.5.1 Value at Risk Analysis

These policies establish limits, processes and tools to effectively manage market risks. In addition, the investment portfolio is monitored daily to ensure that the limits set are observed.

Value at Risk (VaR) is one of the methods used in market risk management. Measuring risk using this method estimates the maximum loss expected over a certain time horizon and specified confidence interval under normal market conditions. This measurement considers the effect of risk diversification on total portfolio. Such metrics are commonly used in the market to measure market risk. However, the model uses historical data to calculate portfolio losses, and its limitation refers to the fact that it does not measure such loss amounts above the confidence level.

According to the historical method, 95.0% confidence, a time period of 252 working days and daily returns, daily VaR of the Company's asset portfolio was estimated at approximately R\$ 8,063 thousand as at March 31, 2020, which represented an estimated maximum loss of 0.25% of the total asset portfolio.

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2.5.2 Sensitivity analysis of foreign currency

The Company executes some transactions in foreign currencies, its main exposure being to the US dollar; it also has exposure at a lower level to other currencies, such as: the pound sterling, euro, and Argentine peso.

For purposes of sensitivity analysis of changes in the R\$/US\$ exchange rate, the following scenarios were considered:

- Base case scenario: PTAX exchange rate of R\$/US\$ 5.46 on June 26, 2020.
- Probable scenario: exchange rate of R\$/US\$ 5.20 estimated for December 31, 2020 by the Market Expectation System of the Central Bank of Brazil on June 26, 2020.

The impact of the change in the exchange rate on total assets and liabilities is shown in the table below:

Group	March 31, 2020	Scenarios as at December 31, 2020				
	Base Case	Impact (R\$ '000)				
		Probable	25%-	50%-	25%+	50%+
Exchange rate	5.46	5.20	3.90	2.60	6.50	7.80
Total assets in foreign currency (*)	8,766,293	(421,875)	(2,507,979)	(4,594,084)	1,664,230	3,750,335
Total liabilities in foreign currency (*)	(9,176,619)	441,621	2,625,371	4,809,120	(1,742,128)	(3,925,877)
Impact on net income before taxes		19,747	117,392	215,036	(77,898)	(175,543)
Impact on equity (%)		0.6	3.6	6.5	(2.4)	(5.3)
Impact on net income (%) (**)		153.6	912.9	1,672.3	(605.8)	(1,365.2)

(*) The amounts include the portion of assets in foreign currency of investment funds in local currency.

(**) In view of the negative result for the period, the cases in which the analyzed impact is also negative leads to a positive ratio.

2.5.3 Sensitivity analysis of interest rates

The Company is exposed to the interest rate risk, as it has securities linked to this market risk factor.

For the sensitivity analysis of changes in the SELIC interest rate, the following scenarios were considered:

- Base case scenario: interest rate of 2.15% on June 26, 2020;
- Probable scenario: interest rate of 2.06% estimated for December 31, 2020 by the Market Expectation System of the Central Bank of Brazil on June 26, 2020.

The impact of the change in interest rate on the portfolio of financial assets is as follows:

Group	March 31, 2020	Scenarios as at December 31, 2020				
	Base Case	Impact (R\$ '000)				
		Probable	25%-	50%-	25%+	50%+
Interest rate	2.15%	2.06%	1.55%	1.03%	2.58%	3.09%
Total portfolio (*)	4,818,104	4,820,481	4,834,083	4,847,686	4,806,879	4,793,277
Impact on net income before taxes		2,377	15,979	29,582	(11,225)	(24,827)
Impact on equity (%)		0.1	0.5	0.9	(0.3)	(0.8)
Impact on net income (%) (**)		18.5	124.3	230.1	(87.3)	(193.1)

(*) The balance of total portfolio does not include checking account balance, see Note 6.1.

(**) In view of the negative result for the period, the cases in which the analyzed impact is also negative leads to a positive ratio.

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Consolidated analysis by economic stress tests

Management performed a number of international stress tests on its assets using the predictive method, considering the current correlations between several risk factors.

After analysis, the conclusion is that the most adverse scenario for the investment portfolio is the Fall 2008 (2008), which refers to the Lehman Brothers' bankruptcy followed by two consecutive interest rate cuts by the FED, and the US government takeover of Fannie May and Freddie Mac to stabilize the US mortgage market, which would cause a loss estimated at 3.5% on the investment portfolio.

The international stress tests analyzed were the following: Mexican Crisis (1995), Asian Crisis (1997), Russian Devaluation (1998), Tech Wreck (2000), Sept 11th (2001), Fall 2008 (2008).

Futures contracts for currencies

The Company's investment policy establishes the purchase of contracts to provide currency hedging for events of surplus of assets and liabilities in foreign currency.

2.6 Credit risk

IRB Brasil RE understands that the main source of its credit risk comprises retrocession operations. To mitigate this risk, the Company adopted the policy of making retrocession transactions with companies with ratings equal to or higher than A- (S&P, Fitch and AM Best) or A3 (Moody's) in the international scale. IRB Brasil RE's exposure is mitigated by the adoption of retrocession limits (individual and aggregate) for counterparties, which are reviewed and approved at least once a year by the Security Committee. The following table shows the breakdown of retrocession assets by rating. Retrocession assets comprise reserves for claims, deferred premiums, and other reserves (Note 9).

Rating of retrocession assets

March 31, 2020						
% of retrocession assets						
Rating range (*)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	3.0	0.1	-	0.4	3.5
AA or equivalent	0.3	40.2	3.4	-	4.4	48.3
A or equivalent	-	10.3	28.0	-	3.9	42.2
BBB or equivalent	-	-	-	-	0.2	0.2
Without rating	0.4	-	-	1.2	4.2	5.8
	0.7	53.5	31.5	1.2	13.1	100.0

December 31, 2019						
% of retrocession assets						
Rating range (*)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	2.8	0.1	-	0.4	3.3
AA or equivalent	0.2	37.8	3.0	-	3.8	44.8
A or equivalent	-	9.9	32.3	-	4.5	46.7
BBB or equivalent	-	-	-	-	0.1	0.1
Without rating	0.4	-	-	1.0	3.7	5.1
	0.6	50.5	35.4	1.0	12.5	100.0

(*) The ratings are assigned by the following agencies: Standard & Poor's (S&P), Moody's, A.M. Best and Fitch.

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The receivables from reinsurance and retrocession operations mainly comprise the balances receivable from the Company's operations, including written premiums, the respective commissions, and compensation for claims. The table below shows the breakdown of receivables from reinsurance and retrocession operations by rating scale.

Rating of receivables from operations

March 31, 2020						
% of exposure by rating range						
Rating range (*)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	0.3	0.4	-	1.0	3.5
AA or equivalent	0.1	11.9	1.8	-	3.0	48.2
A or equivalent	0.1	0.9	2.1	-	8.8	42.3
BBB or equivalent	0.2	-	0.1	-	1.7	0.2
Without rating	0.6	0.4	0.2	10.5	56.1	5.8
	1.0	13.5	4.6	10.5	70.6	100.0

December 31, 2019						
% of exposure by rating range						
Rating range (*)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	0.3	0.4	-	1.0	1.7
AA or equivalent	0.1	11.9	1.8	-	3.0	16.8
A or equivalent	0.1	0.9	2.0	-	8.8	11.8
BBB or equivalent	0.2	-	0.1	-	1.8	2.1
Without rating	0.6	0.4	0.2	11.8	54.6	67.6
	1.0	13.5	4.5	11.8	69.2	100.0

(*) The ratings are assigned by the following agencies: Standard & Poor's (S&P), Moody's, A.M. Best and Fitch.

The credit risk of funds and financial instruments is limited because the counterparties are represented by banks with high credit rating assigned by international rating agencies.

The following techniques are used for controlling and mitigating credit risks: setting of retrocession limits by entity; monitoring of credit risk exposure; monitoring of changes and trends in the insurance, reinsurance and financial markets; and preventative loss management.

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Exposure to credit risk

The total exposure to credit risk of several categories of assets of the Company is shown in the table below. It also shows the maturity of past due assets.

	Parent company							
	March 31, 2020							
	Assets past due and not impaired							
Portfolio breakdown by class and accounting category	Assets not past due and not impaired	Less than 30 days past due	From 31 to 60 days past due	From 61 to 120 days past due	From 121 to 180 days past due	Over 181 days past due	Carrying amount	Accounting balance December 31, 2019
Cash and cash equivalents	80,773						80,773	24,895
At fair value through profit or loss								
Corporate	98,777						98,777	113,414
Government	630,845						630,845	340,640
Foreign	256,324						256,324	124,538
Available for sale								
Corporate	612,017						612,017	920,070
Government	2,868,569						2,868,569	2,757,409
Foreign	268,022						268,022	166,242
Receivables from transactions with insurers and reinsurers	2,544,342	161,763	86,242	76,505	29,724	84,796	2,983,372	2,462,568
Total financial assets and insurance and reinsurance contract assets	7,359,669	161,763	86,242	76,505	29,724	84,796	7,798,699	6,909,776

	Consolidated							
	March 31, 2020							
	Assets past due and not impaired							
Portfolio breakdown by class and accounting category	Assets not past due and not impaired	Less than 30 days past due	From 31 to 60 days past due	From 61 to 120 days past due	From 121 to 180 days past due	Over 181 days past due	Carrying amount	Accounting balance December 31, 2019
Cash and cash equivalents	110,306						110,306	35,864
At fair value through profit or loss								
Corporate	164,600						164,600	145,852
Government	631,163						631,163	340,850
Foreign	256,324						256,324	124,538
Available for sale								
Corporate	629,425						629,425	944,280
Government	2,868,570						2,868,570	2,757,411
Foreign	268,022						268,022	166,242
Receivables from transactions with insurers and reinsurers	2,544,342	161,763	86,242	76,505	29,724	84,796	2,983,372	2,462,568
Total financial assets and insurance and reinsurance contract assets	7,472,752	161,763	86,242	76,505	29,724	84,796	7,911,782	6,977,605

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2.7 Liquidity risk

Liquidity risk is associated with the Company's risk, even when solvent, of not having funds available to meet its obligations in a timely manner or to meet them only by selling assets on conditions that may be unfavorable, implying financial losses.

To manage this risk, the Company seeks to allocate assets to highly liquid funds, to meet short-term cash needs. This risk is continuously monitored by following the cash flows of assets and liabilities over time, as shown in the following table.

	March 31, 2020			
	Parent company		Consolidated	
	Assets (*)	Liabilities (**)	Assets (*)	Liabilities (**)
Flow from 0 to 12 months	7,111,947	3,615,643	7,137,349	3,615,643
Flow from 12 to 24 months	1,197,899	3,622,175	1,198,221	3,622,175
Flow from 24 to 36 months	785,060	2,104,980	785,409	2,104,980
Flow from 36 to 48 months	294,035	943,509	294,242	943,509
Flow above 48 months	1,068,496	1,902,778	1,071,749	1,902,778
	10,457,437	12,189,085	10,486,970	12,189,085

(*) The flow of assets comprises the sum of cash flows arising from assets available for guarantee, cash and cash and cash equivalents, and retrocession assets and receivables.

(**) The flow of liabilities comprises technical reserves for reinsurance.

2.8 Valuation techniques and assumptions applied to measure fair value

The measurement of fair value of financial assets and liabilities is as follows:

- (a) The fair value of financial assets and liabilities under standard terms and conditions and traded in active markets is measured based on the prices observed in such markets.
- (b) The fair value of derivative instruments is calculated using quoted prices. Futures contracts for currency are measured based on the exchange rates and yield curves obtained based on quotation and for the same contractual terms.

The fair value of other financial assets and liabilities (except those described above) is measured according to generally-accepted pricing models based on discounted cash flow analyses.

2.9 Fair value measurements recognized in the balance sheet

The following table shows an analysis of the financial instruments that are measured at fair value after initial recognition, grouped into Levels 1 and 2 based on the observable level of fair value.

- (a) Level 1 fair value measurements are obtained from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 fair value measurements are obtained through variables other than quoted prices included within Level 1, observable for assets and liabilities either directly (as prices), or indirectly (based on prices).
- (c) Level 3 fair value measurements are obtained through valuation techniques that include inputs for assets or liabilities, but they are not based on observable market data (unobservable data).

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			Parent company		Consolidated	
			March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Financial assets at fair value through profit or loss						
Financial Treasury Bills	Level 1	139,020	137,716	139,020	137,716	
Repurchase agreements	Level 1	491,825	202,924	492,143	203,134	
Shares in investment funds - non-exclusive	Level 2	58,051	37,331	123,591	69,493	
Time deposits	Level 2	227,240	111,364	227,240	111,364	
Derivatives	Level 2	-	-	1,949	-	
Shares in Brazilian companies	Level 1	56,177	42,101	46,308	42,101	
Debentures	Level 1	-	3,466	-	3,466	
Inepar debentures	Level 3	11,858	11,858	11,858	11,858	
Market index funds	Level 1	-	31,555	9,869	31,555	
Foreign government bonds	Level 1	-	-	-	-	
Other	Level 2	1,775	277	109	553	
Total		985,946	578,592	1,052,087	611,240	
Available-for-sale financial assets						
Financial Treasury Bills	Level 1	2,060,566	1,930,028	2,060,567	1,930,028	
National Treasury Notes	Level 1	620,750	625,672	620,750	625,672	
Shares in fixed-income funds - non-exclusive	Level 2	-	-	18,500	22,154	
Debentures	Level 1	40,114	47,468	40,114	47,468	
Sovereign bonds	Level 1	522,853	827,118	522,853	827,118	
Financial bills	Level 2	47,958	47,540	47,958	47,540	
Repurchase agreements	Level 1	187,253	201,709	187,253	201,711	
Other	Level 2	1,092	(2,056)	-	-	
Foreign government bonds	Level 1	264,305	157,890	264,305	157,890	
American Depositary Receipts (ADR)	Level 1	3,717	8,352	3,717	8,352	
Fixed-income securities abroad	Level 1	-	-	-	-	
Total		3,748,608	3,843,721	3,766,017	3,867,933	

To provide comparability between the insurance companies that adopted the IFRS 9/CPC 48 as of January 1, 2018 and IRB Brasil RE, Management, in accordance with the additional disclosure requirements established in the amendments to IFRS 4/CPC 11, evaluated all of its financial assets to identify those which contractual terms give rise, on specific dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The chart below separately shows the fair value at the end of the year of the financial statements and the change in fair value during this period for the financial assets which passed the SPPI test and other financial assets. These give rise, on specific dates, to cash flows that are solely payments of principal and interest on principal amount outstanding, which meet the definition of held for trading provided in IFRS 9/CPC 48, or that is managed and which performance is assessed based on fair value.

Fair value of financial assets at the end of the year

			Consolidated
		Fair value as at March 31, 2020	Change in fair value between December 31, 2019 and March 31, 2020
Financial assets - SPPIs		11,483,063	195,349
Cash and cash equivalents		110,276	-
Trade and other receivables		420,696	-
Receivables from operations			
Insurers and Reinsurers		6,339,977	(13,785.00)
Fixed-income securities - Government			
Financial Treasury Bills (I)		2,247,545	138,796
National Treasury Notes		620,750	51,073
Repurchase agreements		679,396	-
Sovereign bonds		787,158	7,613
Variable-income securities			
Shares in Brazilian companies		46,308	-
Marketable securities abroad			
American Deposits Receipt		3,717	11,652
Time deposit abroad		227,240	-
Other financial assets		214,353	2,061
Shares in investment funds			
Index contracts		9,869	-
Shares in non-exclusive funds		121,384	(338.00)
Fixed-income securities - Corporate			
Debentures		51,972	2,399
Shares in real estate investment funds			
Shares in non-exclusive investment funds		29,084	-
Other		2,044	-
Total		11,697,416	197,410

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Fair value of financial assets at the end of the previous year

	Consolidated	
	Change in fair value	
	Fair value as at	between December 31,
	December 31, 2019	2018 and December 31,
		2019
Financial assets - SPPIs	11,242,936	27,527
Cash and cash equivalents	35,864	-
Receivables from operations		
Insurers and Reinsurers	5,605,638	24,298
Trade and other receivables	1,308,808	-
Fixed-income securities - Government		
Financial Treasury Bills (i)	2,067,744	526
National Treasury Notes	625,672	12,730
Repurchase agreements	404,845	-
Sovereign bonds	985,008	9,249
Fixed-income securities - Corporate		
Financial bills	47,540	85
Variable-income securities		
Shares in Brazilian companies	42,101	-
Marketable securities abroad		
American Deposits Receipt	8,352	863
Time deposit abroad	111,364	-
Other financial assets	196,928	132,316
Shares in investment funds		
Shares in fixed-income funds	47,478	-
Index contracts	31,555	-
Shares in non-exclusive funds	13,727	-
Fixed-income securities - Corporate		
Debentures	62,792	320
Shares in real estate investment funds		
Exclusive real estate funds	41,376	4,935
Total	11,439,864	159,843

For all the financial assets that passed the SPPI tests, Management assessed the exposure to credit risk, including significant credit risk concentrations. The following chart contains these assets classified by credit risk, and their respective carrying amounts, and for those which Management understands that the credit risk is higher than low, the respective fair value as well.

Classification of credit risk level

	Consolidated	
	Credit risk	Carrying amount as at
		March 31, 2020
Financial assets - SPPIs		
Cash and cash equivalents	low	110,276
Trade and other receivables	low	420,696
Receivables from operations		
Insurers and reinsurers	moderate	6,339,977
Fixed-income securities - Government		
Financial Treasury Bills (i)	low	2,247,545
National Treasury Notes	low	620,750
Repurchase agreements	low	679,396
Sovereign bonds	low	787,158
Variable-income securities		
Shares in Brazilian companies	low	46,308
Marketable securities abroad		
Time deposit abroad (iv)	low	227,240
American Deposits Receipt (ii)	low	3,717
Shares in investment funds		
Shares in non-exclusive funds	low	150,468
Debentures	low	51,972
Index contracts	low	9,869
Total		11,695,372

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Classification of credit risk level

		Consolidated
	Credit risk	Carrying amount as at December 31, 2019
Financial assets - SPPIs		
Cash and cash equivalents	low	35,864
Receivables from operations		
Insurers and Reinsurers		5,426,224
		179,414
Trade and other receivables	moderate	1,308,808
Fixed-income securities - Government		
Financial Treasury Bills (i)	low	2,067,744
National Treasury Notes	low	625,672
Repurchase agreements	low	404,845
Sovereign bonds	low	985,008
Fixed-income securities - Corporate		
Financial bills	low	47,540
Variable-income securities		42,101
Marketable securities abroad		
Time deposit abroad (iv)	low	111,364
American Deposits Receipt (ii)	low	8,352
Shares in investment funds		92,760
Shares in non-exclusive funds		
Debentures	low	62,792
Shares in real estate investment funds		
Exclusive real estate funds	low	41,376
Total		11,439,864

2.9.1 Methods and assumptions used for estimating the fair value of assets

All methods and assumptions for measuring based on the yield curve and market, after categorizing each asset, apply techniques in the asset pricing manuals of IRB Brasil RE, which are fully compatible with the pricing manuals of custodians, who provide services and are responsible for measurement, based on either market or curve.

When pricing to the benchmark curve, the purchase price of financial instruments is used as a reference to calculate interest over the tenure of the marketable security, recognizing the financial asset gain on pro-rata basis. This considers the purchase price of the security plus the daily accrual of interest, proportional to the time elapsed since the security was issued, accrued daily. Mark-to-market adjustments do not imply losses, unless realized. As the calculation always consider the purchase price plus daily accrual of interest, the yield is always positive. The rule on pricing to a benchmark curve has final effects similar to "mark to the market", provided that the security does not have to be sold before maturity.

For mark to the market, the curves of expected future rates are required to calculate the present values of each security. In such cases, when the term structure of interest rates is required, such mapping is performed according to market expectations on interest rates over different terms, and curves are traced based on the observed prices for fixed-income instruments over fixed terms, considering all liquid vertices (traded on the latest business day) and mainly using the prices released by ANBIMA. This mapping, although continuous, can only be observed for specific periods. Therefore, it is necessary to estimate the interest rate curve for terms that do not have rates assigned or traded in the market, which in IRB Brasil RE is performed using exponential interpolation.

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2.10 Minimum capital, risk-based capital and liquidity in relation to capital

CNSP Resolution 321/2015 and further amendments establish the methodology for calculating risk capital based on underwriting, credit, operational and market risks, calculating adjusted equity, as well as the liquidity and solvency assessment criteria.

For the effects of the above-mentioned resolution, the following concepts apply:

I Minimum capital requirement: the amount of capital a local reinsurer is required to have, at any time, to operate, being equivalent to the higher of core capital and risk-based capital.

II Core capital: fixed amount of capital, in the amount of R\$ 60,000, that a local reinsurer is required to have at any time.

III Risk-based capital: the variable amount of capital that a local reinsurer is required to have, at any time, to be able to guarantee the risks inherent in its operations, as provided in specific regulation.

IV Net assets: all assets accepted by the National Monetary Council in up to 100.0% for coverage of technical reserves.

V Liquidity in relation to risk-based capital: situation characterized by the reporting of total net assets in excess of the requirement for coverage of reserves, above 20.0% of risk-based capital without considering, in the calculation of market risk-based capital, the flows of unrecorded transactions.

2.10.1 Calculation of minimum capital requirement

The Company has sufficient adjusted equity in relation to minimum capital requirement calculated considering the methodology established by the regulatory body, as at the reporting date March 31, 2020. The calculation results are shown in the following table:

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Risk-based capital - underwriting risk	974,412	958,942
Risk-based capital - credit risk	431,958	349,537
Risk-based capital - operational risk	49,975	46,089
Risk-based capital - market risk	325,974	325,974
Risk diversification benefit	(356,680)	(331,973)
Total risk-based capital	1,425,639	1,348,569
Core capital	60,000	60,000
Minimum capital requirement (*)	1,425,639	1,348,569
Adjusted equity (**)	2,542,300	2,653,677
Sufficiency of adjusted equity	1,116,661	1,305,108

(*) The higher between total risk-based capital and core capital.

(**) Equity used for determining solvency.

	March 31, 2020	December 31, 2019
Equity	3,560,953	3,945,150
Deductions		
Prepaid expenses	(24,846)	(8,674)
Ownership interests	(425,275)	(832,360)
Deferred tax assets – tax loss	(455,093)	(388,200)
Intangible assets	(51,515)	(44,400)
Receivables/payables of branches abroad	(83,431)	(86,127)
Deferred tax assets (***)	(107,496)	(60,715)
Other deductions	(50)	(50)
Economic adjustment	129,053	129,053
Adjusted equity	2,542,300	2,653,677

(***) Amount related to deferred tax assets for temporary differences deducted in the calculation of adjusted equity, corresponding to the amount of deferred tax assets (Note 11.1) that is in excess of 15.0% of minimum capital requirement (CMR).

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2.10.2 Liquidity in relation to risk-based capital

The following table shows the result of the calculation of liquidity in relation to the risk-based capital as at the reporting date March 31, 2020, according to the criteria established in CNSP Resolution 321/2015.

The adjustments (Note 1.4) affected, in many cases, the increase in technical reserves and asset adjustment account balances regarding the need for technical reserve coverage. In view of the noted insufficiency in regulatory liquidity, the Company promptly moved to finding short, medium and long-term solutions, all of which are in progress and will replenish the coverage of such technical reserves by disposal of unrestricted assets, such as real estate, funding from third parties, and improvements in portfolio and operational actions. No effect was produced or is expected on the operating activities or payment flow of obligations. The Company believes the situation will be regularized by September 2020.

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Eligible assets (*) (Note 20)	4,660,927	4,364,772
Technical reserves	(12,189,085)	(10,431,746)
Retrocession assets	4,055,908	3,736,956
Asset adjustment account	(682,569)	(833,679)
Receivables	2,342,398	2,023,903
20.0% coverage of total risk-based capital (**)	(280,756)	(265,266)
Liquidity insufficiency	(2,093,177)	(1,405,060)

(*) Marketable securities related to technical reserves.

(**) As established in CSNP Resolution 321/15, the risk-based capital used for calculating liquidity shall not consider the unrecorded flows used in the market risk-based capital.

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Section C – Information by operating segment

3 Information by business segment

IRB Brasil RE's operating segments are based on its executive structure, which considers the internal financial reports on business performance in Brazil and abroad, used by Management in running the business. Net income is the main item used by Management to manage results.

As at March 31, 2020 and 2019, IRB Brasil RE's profit or loss by geographical region was as follows:

3.1 Statements of profit or loss – View by business segment

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Reinsurance premiums	1,996,209	1,763,760	1,996,209	1,763,760
Reinsurance premiums - Brazil	880,298	961,862	880,298	961,862
Reinsurance premiums - Abroad	1,115,911	801,898	1,115,911	801,898
Ceded premiums in retrocession	(286,665)	(424,082)	(286,665)	(424,082)
Ceded premiums in retrocession - Brazil	(302,320)	(325,642)	(302,320)	(325,642)
Ceded premiums in retrocession - Abroad	15,655	(98,440)	15,655	(98,440)
Retained premiums	1,709,544	1,339,678	1,709,544	1,339,678
Retained premiums - Brazil	577,978	636,220	577,978	636,220
Retained premiums - Abroad	1,131,566	703,458	1,131,566	703,458
Changes in technical reserves	(209,771)	(98,767)	(209,771)	(98,767)
Changes in technical reserves - Brazil	150,923	(8,192)	150,923	(8,192)
Changes in technical reserves - Abroad	(360,694)	(90,575)	(360,694)	(90,575)
Earned premiums	1,499,773	1,240,911	1,499,773	1,240,911
Earned premiums - Brazil	728,901	628,028	728,901	628,028
Earned premiums - Abroad	770,872	612,883	770,872	612,883
Retained claims	(1,147,548)	(959,458)	(1,147,548)	(959,458)
Retained claims - Brazil	(556,581)	(276,815)	(556,581)	(276,815)
Retained claims - Abroad	(590,967)	(682,643)	(590,967)	(682,643)
Acquisition costs	(268,414)	(238,142)	(268,414)	(238,142)
Acquisition costs - Brazil	(144,773)	(129,792)	(144,773)	(129,792)
Acquisition costs - Abroad	(123,641)	(108,350)	(123,641)	(108,350)
Other operating expenses	(36,531)	(16,100)	(36,531)	(16,100)
Other operating expenses - Brazil	(11,238)	(7,173)	(11,238)	(7,173)
Other operating expenses - Abroad	(25,293)	(8,927)	(25,293)	(8,927)
Underwriting profit or loss	47,280	27,211	47,280	27,211
Underwriting profit or loss - Brazil	16,309	214,248	16,309	214,248
Underwriting profit or loss - Abroad	30,971	(187,037)	30,971	(187,037)
Administrative expenses	(62,472)	(50,548)	(75,081)	(52,054)
Tax expenses	(36,268)	(32,663)	(41,465)	(33,912)
Finance income and share of profit of equity-accounted	59,268	201,223	121,047	209,842
Finance income	59,347	201,302	(73,060)	196,639
Share of profit of equity-accounted investees	(79)	(79)	194,107	13,203
Net income before taxes	7,808	145,223	51,781	151,087
Taxes, contributions and profit sharing	6,066	32,672	(37,907)	26,808
Net income (loss) for the quarter	13,874	177,895	13,874	177,895

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3.2 Statements of profit or loss - Business view

The Company's Management uses, for decision-making purposes, a group of accounts different from the ones presented in the statement of profit or loss, which was prepared according to the accounting practices adopted in Brazil for reinsurers, as shown below:

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Written premiums	1,996,209	1,763,760	1,996,209	1,763,760
Reinsurance premiums - Brazil (a)	880,298	961,862	880,298	961,862
Reinsurance premiums - Abroad (a)	1,115,911	801,898	1,115,911	801,898
Ceded premiums in retrocession (b)	(286,665)	(424,082)	(286,665)	(424,082)
Retained premiums	1,709,544	1,339,678	1,709,544	1,339,678
Changes in technical reserves (c)	(209,771)	(98,767)	(209,771)	(98,767)
Earned premiums	1,499,773	1,240,911	1,499,773	1,240,911
Retained claims (d)	(1,147,548)	(959,458)	(1,147,548)	(959,458)
PSL	(946,410)	(892,702)	(946,410)	(892,702)
IBNR	(201,138)	(66,756)	(201,138)	(66,756)
Acquisition costs (e)	(268,414)	(238,142)	(268,414)	(238,142)
Other operating expenses (f)	(36,531)	(16,100)	(36,531)	(16,100)
Underwriting profit or loss	47,280	27,211	47,280	27,211
Administrative expenses (g)	(62,472)	(50,548)	(75,081)	(52,054)
Tax expenses (j)	(36,268)	(32,663)	(41,465)	(33,912)
Finance income and share of profit of equity-accounted investees	59,268	201,223	121,047	209,842
Finance income	59,347	201,302	(73,060)	196,639
Share of profit of equity-accounted investees	(79)	(79)	194,107	13,203
Net income before taxes	7,808	145,223	51,781	151,087
Taxes, contributions and profit sharing (i)	6,066	32,672	(37,907)	26,808
Net income (loss) for the quarter	13,874	177,895	13,874	177,895

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3.3 Statements of profit or loss - Reconciliation

The reconciliation between the balances presented above, in the statements of profit or loss for accounting and business view (3.2):

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Reinsurance premiums, net	1,758,674	1,554,654	1,758,674	1,554,654
Gross written premiums (a)	1,996,155	1,763,101	1,996,155	1,763,101
Reinsurance commission (e)	(237,481)	(208,447)	(237,481)	(208,447)
Changes in technical reserves	50,616	(57,870)	50,616	(57,870)
Changes in technical reserves - premiums (c)	51,849	18,739	51,849	18,739
Changes in technical reserves - commission (e)	(23,063)	(31,276)	(23,063)	(31,276)
Changes in technical reserves - other reserves (c)	21,830	(45,333)	21,830	(45,333)
Earned premiums	1,809,290	1,496,784	1,809,290	1,496,784
Incurred claims (d)	(1,434,515)	(1,239,890)	(1,434,515)	(1,239,890)
Acquisition costs (e)	(48,739)	(36,147)	(48,739)	(36,147)
Profit (loss) from retrocession	(211,666)	(189,909)	(211,666)	(189,909)
Recovery of incurred claims (d)	346,871	297,455	346,871	297,455
Salvage and reimbursements to retrocessionaire (d)	1,059	(23,210)	1,059	(23,210)
IBNR recovery (d)	(33,921)	(6,269)	(33,921)	(6,269)
Ceded premiums in retrocession (b)	(286,665)	(423,724)	(286,665)	(423,724)
Commission on ceded premiums in retrocession (e)	36,049	34,946	36,049	34,946
Changes in technical reserves - ceded premium (c)	(282,758)	(72,173)	(282,758)	(72,173)
Changes in technical reserves - ceded commission (e)	4,820	3,089	4,820	3,089
Changes in technical reserves - other reserves (c)	(692)	-	(692)	-
Other profit or loss from retrocession (f)	3,571	277	3,571	277
Other acquisition costs (e)	-	(300)	-	(300)
Gross profit	114,370	30,838	114,370	30,838
Other operating expenses	(36,177)	(11,707)	(36,177)	(11,707)
Other operating income and expenses (f)	(35,645)	(11,985)	(35,645)	(11,985)
Other finance income (h)	(532)	278	(532)	278
Administrative expenses	(67,411)	(55,523)	(79,950)	(64,892)
Tax expenses (j)	(120)	(112)	(120)	(112)
Other tax expenses (i)	(415)	(496)	(416)	(496)
Other administrative expenses (g)	(62,472)	(50,548)	(75,001)	(51,973)
Other finance income (h)	53	25	44	(7,919)
Other operating income and expenses (f)	(4,457)	(4,392)	(4,457)	(4,392)
Tax expenses	(39,179)	(42,101)	(44,548)	(43,347)
Other taxes (i)	(3,260)	(9,850)	(3,432)	(9,850)
Tax expenses (j)	(35,919)	(32,251)	(41,116)	(33,497)
Other duties (h)	-	-	-	-
Operating profit	(28,397)	(78,493)	(46,305)	(89,108)
Finance income	(54,829)	172,513	(103,971)	190,291
Interest on acquisition costs (e)	-	(7)	-	(7)
Interest on ceded premiums (b)	-	(358)	-	(358)
Interest on premiums abroad (a)	53	35	53	35
Interest on domestic premiums (a)	1	624	1	624
Interest on claims (d)	(27,042)	12,456	(27,042)	12,456
Tax expenses (j)	(229)	(300)	(229)	(303)
Finance income (h)	(23,418)	166,212	(72,560)	183,993
Other finance income (i)	(4,194)	(6,149)	(4,194)	(6,149)
Share of profit of equity-accounted investees	83,165	27,572	194,015	26,273
Other share of profit of equity-accounted investees (h)	83,165	27,572	194,095	26,354
Other administrative expenses (g)	-	-	(80)	(81)
Gains on non-current assets (h)	-	7,136	-	7,136
Net income (loss) before income tax and social contribution	(61)	128,728	43,739	134,592
Taxes and contributions (i)	13,935	49,167	(29,865)	43,303
Net income (loss) for the quarter	13,874	177,895	13,874	177,895

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

Section D – The Group's structure

4 Investments

4.1 Change in investments

	Parent company	
	March 31, 2020	December 31, 2019
Opening balance	832,360	630,976
Net income from subsidiaries		
IRB Asset Management	10,645	20,999
IRB Investimentos e Participações	72,611	437,366
Dividends paid		
IRB Asset Management	(4,720)	-
IRB Investimentos e Participações	(285,000)	(277,195)
Capital reduction IRB Investimentos e Participações	(205,049)	-
Exchange rate change of investment abroad	4,166	(14,121)
Capital increase	-	14,760
Acquisition B3i	-	15,857
Equity valuation adjustment	262	6,332
Other	-	(2,614)
Ownership interests	425,275	832,360

(i) On August 5, 2019, the Company subscribed 8.93% of the capital of company B3i Services AG ("B3i"), for € 3,500 thousand. B3i is one of the major global new technology development entities serving the insurance and reinsurance industry, including the registration through a Blockchain platform. By subscribing 8.93% of the B3i's shares, IRB Brasil RE became the only company in Latin America to position itself alongside the leading global insurance and reinsurance companies. IRB Brasil RE's interest in the capital of B3i entitles it to appoint a member to the latter's Board of Directors, which currently has nine members.

Section E – Notes to the financial statements

5 Cash and cash equivalents

The balance of this account is as follows:

	Parent company		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Cash and cash equivalents in national currency	218	121	29,751	11,090
Cash and cash equivalents in foreign currency	80,555	24,774	80,555	24,774
Total	80,773	24,895	110,306	35,864

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6 Marketable securities

6.1 Breakdown of marketable securities

Parent company					
March 31, 2020					
	Fair value through profit or loss		Available for sale		Total
	Priced at the curve	Market value/ carrying amount	Priced at the curve	Market value/ carrying amount	
Fixed-income securities - Corporate					
Debentures	11,858	11,858	-	-	11,858
Shares in exclusive funds - fixed income					
Financial Treasury Bills	138,605	139,020	2,061,694	2,060,566	2,199,586
Repurchase agreements	489,074	489,074	187,253	187,253	676,327
National Treasury Notes	-	-	679,028	620,750	620,750
Debentures	-	-	42,777	40,114	40,114
Financial bills	-	-	48,493	47,958	47,958
Sovereign bonds	-	-	527,596	522,853	522,853
Other	1,714	1,714	1,092	1,092	2,806
Shares in exclusive funds - variable income					
Shares in Brazilian companies	56,177	56,177	-	-	56,177
Repurchase agreements	2,751	2,751	-	-	2,751
Other	61	61	-	-	61
Non-exclusive funds	28,967	28,967	-	-	28,967
	729,207	729,622	3,547,933	3,480,586	4,210,208
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	-	268,827	264,305	264,305
Fixed-income securities - Corporate					
American Deposits Receipt	-	-	31,232	3,717	3,717
Time deposit abroad (i)	227,240	227,240	-	-	227,240
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	29,084	29,084	-	-	29,084
	256,324	256,324	300,059	268,022	524,346
Total	985,531	985,946	3,847,992	3,748,608	4,734,554
%		20.8%		79.2%	100.0%
Current		985,946		1,003,431	1,989,377
Non-current				2,745,177	2,745,177

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1 Breakdown of marketable securities

Parent company					
December 31, 2019					
	Fair value through profit or loss		Available for sale		Total
	Priced at the curve	Market value/ carrying amount	Priced at the curve	Market value/ carrying amount	
Fixed-income securities - Corporate					
Debentures	15,324	15,324	-	-	15,324
Shares in exclusive funds - fixed income					
Financial Treasury Bills	137,732	137,716	1,930,132	1,930,028	2,067,744
Repurchase agreements	201,207	201,207	201,709	201,709	402,916
National Treasury Notes	-	-	632,876	625,672	625,672
Debentures	-	-	47,732	47,468	47,468
Financial bills	-	-	47,552	47,540	47,540
Sovereign bonds	-	-	825,055	827,118	827,118
Other	584	584	(2,056)	(2,056)	(1,472)
Shares in exclusive funds - variable income					
Shares in Brazilian companies	42,101	42,101	-	-	42,101
Repurchase agreements	1,717	1,717	-	-	1,717
Market index funds	31,555	31,555	-	-	31,555
Other	(307)	(307)	-	-	(307)
Non-exclusive funds	24,157	24,157	-	-	24,157
	454,070	454,054	3,683,000	3,677,479	4,131,533
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	-	161,605	157,890	157,890
Fixed-income securities - Corporate					
American Deposits Receipt	-	-	24,215	8,352	8,352
Time deposit abroad (i)	111,364	111,364	-	-	111,364
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	13,174	13,174	-	-	13,174
	124,538	124,538	185,820	166,242	290,780
Total	578,608	578,592	3,868,820	3,843,721	4,422,313
%		13.1%		86.9%	100.0%
Current		578,592		234,929	813,521
Non-current				3,608,792	3,608,792

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1 Breakdown of marketable securities

	Consolidated					
	March 31, 2020					
	Fair value through profit or loss		Available for sale		Average interest rate - %	Total
	Priced at the curve	Market value/ carrying amount	Priced at the curve	Market value/ carrying amount		
Fixed-income securities - Corporate						
Debentures	11,858	11,858	-	-	-	11,858
Shares in exclusive funds - fixed income						
Financial Treasury Bills	138,605	139,020	2,061,643	2,060,567	SELIC	2,199,587
Repurchase agreements	489,392	489,392	187,253	187,253	SELIC	676,645
National Treasury Notes	-	-	679,027	620,750	6.38%	620,750
Debentures	-	-	42,777	40,114	3.91%	40,114
Financial bills	-	-	48,493	47,958	3.71%	47,958
Sovereign bonds	-	-	527,596	522,853	4.88%	522,853
Other	1,949	1,949	-	-	-	1,949
Shares in exclusive funds - variable income						
Shares in Brazilian companies	46,308	46,308	-	-	-	46,308
Repurchase agreements	2,751	2,751	-	-	SELIC	2,751
Market index funds	9,869	9,869	-	-	-	9,869
Other	109	109	-	-	-	109
Shares in non-exclusive funds	94,507	94,507	18,162	18,500	-	113,007
	795,348	795,763	3,564,951	3,497,995		4,293,758
Marketable securities abroad						
Fixed-income securities - Government						
Sovereign bonds	-	-	268,827	264,305	4.88%	264,305
Fixed-income securities - Corporate						
American Deposits Receipt	-	-	31,232	3,717	-	3,717
Time deposit abroad (i)	227,240	227,240	-	-	0.45%	227,240
Shares in non-exclusive funds						
Shares in non-exclusive investment funds	29,084	29,084	-	-	-	29,084
	256,324	256,324	300,059	268,022		524,346
Total	1,051,672	1,052,087	3,865,010	3,766,017		4,818,104
%		21.8%		78.2%		100.0%
Current		1,052,087		1,002,340		2,054,427
Non-current				2,763,677		2,763,677

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1 Breakdown of marketable securities

	Consolidated					
	December 31, 2019					
	Fair value through profit or loss		Available for sale			
	Priced at the curve	Market value/ carrying amount	Priced at the curve	Market value/ carrying amount	Average interest rate - %	Total
Fixed-income securities - Corporate						
Debentures	15,324	15,324	-	-	-	15,324
Shares in exclusive funds - fixed income						
Financial Treasury Bills	137,732	137,716	1,930,132	1,930,028	SELIC	2,067,744
Repurchase agreements	201,417	201,417	201,711	201,711	SELIC	403,128
National Treasury Notes	-	-	632,876	625,672	7.14% p.a.	625,672
Debentures	-	-	47,732	47,468	110.09% of CDI	47,468
Financial bills	-	-	47,552	47,540	105.51% of CDI	47,540
Sovereign bonds	-	-	825,055	827,118	4.875% p.a.	827,118
Other	453	453	-	-	-	453
Shares in exclusive funds - variable income						
Shares in Brazilian companies	42,101	42,101	-	-	-	42,101
Repurchase agreements	1,717	1,717	-	-	SELIC	1,717
Market index funds	31,555	31,555	-	-	-	31,555
Other	100	100	-	-	-	100
Shares in non-exclusive funds	56,319	56,319	22,154	22,154	-	78,473
	486,718	486,702	3,707,212	3,701,691		4,188,393
Marketable securities abroad						
Fixed-income securities - Government						
Sovereign bonds	-	-	161,605	157,890	4.875% p.a.	157,890
Fixed-income securities - Corporate						
American Deposits Receipt	-	-	24,215	8,352	-	8,352
Time deposit abroad (i)	111,364	111,364	-	-	0.7% p.a.	111,364
Shares in non-exclusive funds						
Shares in non-exclusive investment funds	13,174	13,174	-	-	-	13,174
	124,538	124,538	185,820	166,242		290,780
Total	611,256	611,240	3,893,032	3,867,933	-	4,479,173
%		13.6%		86.4%		100.0%
Current		611,240		236,987		848,227
Non-current				3,630,946		3,630,946

(i) Time deposits - abroad

These represent time deposits with Citibank which maturities range from 7 to 30 days in US dollars.

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of marketable securities by type and maturity

	Parent company				
	March 31, 2020				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
Fair value through profit or loss					
Fixed-income securities - Corporate					
Debentures	11,858	-	-	-	11,858
Shares in exclusive funds - fixed income					
Repurchase agreements	-	489,074	-	-	489,074
Financial Treasury Bills	-	-	-	139,020	139,020
Other	1,714	-	-	-	1,714
Shares in exclusive funds - variable income					
Shares in Brazilian companies	56,177	-	-	-	56,177
Repurchase agreements	-	2,751	-	-	2,751
Market index funds	-	-	-	-	-
Other	61	-	-	-	61
Non-exclusive funds	28,967	-	-	-	28,967
Marketable securities abroad					
Fixed-income securities - Corporate					
Time deposit abroad	-	227,240	-	-	227,240
Shares in non-exclusive investment funds					
Shares in non-exclusive investment funds	29,084	-	-	-	29,084
	127,861	719,065	-	139,020	985,946
Available for sale					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	507	243	2,059,816	2,060,566
Repurchase agreements	-	187,253	-	-	187,253
National Treasury Notes	-	-	-	620,750	620,750
Debentures	-	1,200	-	38,914	40,114
Financial bills	-	22,261	-	25,697	47,958
Sovereign bonds	-	-	522,853	-	522,853
Other	1,092	-	-	-	1,092
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	264,305	-	-	264,305
Fixed-income securities - Corporate					
American Deposits Receipt	3,717	-	-	-	3,717
	4,809	475,526	523,096	2,745,177	3,748,608
Total					4,734,554

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of marketable securities by type and maturity

	Parent company				
	December 31, 2019				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
Fair value through profit or loss					
Fixed-income securities - Corporate					
Debentures	15,324	-	-	-	15,324
Shares in exclusive funds - fixed income					
Repurchase agreements	-	201,207	-	-	201,207
Financial Treasury Bills	-	-	-	137,716	137,716
Other	584	-	-	-	584
Shares in exclusive funds - variable income					
Shares in Brazilian companies	42,101	-	-	-	42,101
Repurchase agreements	-	1,717	-	-	1,717
Market index funds	31,555	-	-	-	31,555
Other	(307)	-	-	-	(307)
Non-exclusive funds	24,157	-	-	-	24,157
Marketable securities abroad					
Fixed-income securities - Corporate					
Time deposit abroad	-	111,364	-	-	111,364
Shares in non-exclusive investment funds					
Shares in non-exclusive investment funds	13,174	-	-	-	13,174
	126,588	314,288	-	137,716	578,592
Available for sale					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	3,140	219	1,926,669	1,930,028
Repurchase agreements	-	201,709	-	-	201,709
National Treasury Notes	-	-	-	625,672	625,672
Debentures	-	508	1,013	45,947	47,468
Financial bills	-	6,942	15,102	25,496	47,540
Sovereign bonds	-	-	-	827,118	827,118
Other	(2,056)	-	-	-	(2,056)
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	-	-	157,890	157,890
Fixed-income securities - Corporate					
American Deposits Receipt	8,352	-	-	-	8,352
	6,296	212,299	16,334	3,608,792	3,843,721
Total					4,422,313

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of marketable securities by type and maturity

	Consolidated				
	March 31, 2020				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
Fair value through profit or loss					
Fixed-income securities - Corporate					
Debentures	11,858	-	-	-	11,858
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	-	139,020	139,020
Repurchase agreements	-	489,392	-	-	489,392
Other	1,949	-	-	-	1,949
Shares in exclusive investment funds - variable income					
Shares in Brazilian companies	46,308	-	-	-	46,308
Repurchase agreements	2,751	-	-	-	2,751
Market index funds	9,869	-	-	-	9,869
Other	109	-	-	-	109
Shares in non-exclusive investment funds	94,507	-	-	-	94,507
Marketable securities abroad					
Fixed-income securities - Corporate					
Time deposit abroad	227,240	-	-	-	227,240
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	29,084	-	-	-	29,084
	423,675	489,392	-	139,020	1,052,087
Available for sale					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	508	243	2,059,816	2,060,567
Repurchase agreements	-	187,253	-	-	187,253
National Treasury Notes	-	-	-	620,750	620,750
Debentures	-	1,200	-	38,914	40,114
Financial bills	-	22,261	-	25,697	47,958
Sovereign bonds	-	522,853	-	-	522,853
Shares in non-exclusive investment funds				18,500	18,500
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	264,305	-	-	264,305
Fixed-income securities - Corporate					
American Deposits Receipt	3,717	-	-	-	3,717
	3,717	998,380	243	2,763,677	3,766,017
Total	427,392	1,487,772	243	2,902,697	4,818,104

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Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of marketable securities by type and maturity

	Consolidated				
	December 31, 2019				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
Fair value through profit or loss					
Fixed-income securities - Corporate					
Debentures	15,324	-	-	-	15,324
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	-	137,716	137,716
Repurchase agreements	-	201,417	-	-	201,417
Other	453	-	-	-	453
Shares in exclusive investment funds - variable income					
Shares in Brazilian companies	42,101	-	-	-	42,101
Repurchase agreements	-	1,717	-	-	1,717
Market index funds	31,555	-	-	-	31,555
Other	100	-	-	-	100
Shares in non-exclusive investment funds					
	56,319	-	-	-	56,319
Marketable securities abroad					
Fixed-income securities - Corporate					
Time deposit abroad	-	111,364	-	-	111,364
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	13,174	-	-	-	13,174
	159,026	314,498	-	137,716	611,240
Available for sale					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	3,140	219	1,926,669	1,930,028
Repurchase agreements	-	201,711	-	-	201,711
National Treasury Notes	-	-	-	625,672	625,672
Debentures	-	508	1,013	45,947	47,468
Financial bills	-	6,942	15,102	25,496	47,540
Sovereign bonds	-	-	-	827,118	827,118
Shares in non-exclusive investment funds					
				22,154	22,154
Marketable securities abroad					
Fixed-income securities - Government					
Sovereign bonds	-	-	-	157,890	157,890
Fixed-income securities - Corporate					
American Deposits Receipt	8,352	-	-	-	8,352
	8,352	212,301	16,334	3,630,946	3,867,933
Total					4,479,173

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated quarterly information as at March 31, 2020

In thousands of reais, except when otherwise stated

6.2 Change in marketable securities

Parent company			
	Fair value through profit or loss	Available for sale	Total
Balances as at December 31, 2018	2,332,966	3,545,989	5,878,955
Marketable securities	7,188,525	3,829,320	11,017,845
Interest call	(33,226)	(349,751)	(382,977)
Principal call	(8,933,685)	(3,412,436)	(12,346,121)
Finance income	49,126	211,000	260,126
Adjustment to market value	-	(1,608)	(1,608)
Exchange-rate change	(43,399)	21,207	(22,192)
Transfers and other	18,285	-	18,285
Balances as at December 31, 2019	578,592	3,843,721	4,422,313
	Fair value through profit or loss	Available for sale	Total
Balances as at December 31, 2019	578,592	3,843,721	4,422,313
Marketable securities	1,083,386	499,183	1,582,569
Interest call	(1,035)	(50,986)	(52,021)
Principal call	(691,904)	(676,989)	(1,368,893)
Finance income	(20,097)	181,785	161,688
Adjustment to market value	-	(74,285)	(74,285)
Exchange-rate change	36,604	26,179	62,783
Transfers and other	400	-	400
Balances as at March 31, 2020	985,946	3,748,608	4,734,554

Consolidated			
	Fair value through profit or loss	Available for sale	Total
Balances as at December 31, 2018	2,371,374	3,590,488	5,961,862
Marketable securities	7,219,737	4,189,826	11,409,563
Interest call	(33,226)	(349,751)	(382,977)
Principal call	(8,923,351)	(3,794,691)	(12,718,042)
Finance income	41,915	212,462	254,377
Adjustment to market value	-	(1,608)	(1,608)
Exchange-rate change	(43,399)	21,207	(22,192)
Transfers and other	(21,810)	-	(21,810)
Balances as at December 31, 2019	611,240	3,867,933	4,479,173
	Fair value through profit or loss	Available for sale	Total
Balances as at December 31, 2019	611,240	3,867,933	4,479,173
Marketable securities	1,091,380	1,095,112	2,186,492
Interest call	(1,035)	(50,986)	(52,021)
Principal call	(691,904)	(1,279,610)	(1,971,514)
Finance income	6,067	181,674	187,741
Adjustment to market value	-	(74,285)	(74,285)
Exchange-rate change	36,604	26,179	62,783
Transfers and other	(265)	-	(265)
Balances as at March 31, 2020	1,052,087	3,766,017	4,818,104

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7 Receivables from reinsurance and retrocession operations

Receivables from reinsurance and retrocession operations mainly comprise balances receivable from the operations of insurance and reinsurance companies in Brazil and abroad, plus written premiums receivable, the respective commissions, claim compensation receivable, and the receivables from businesses arising from the London branch's operations in the past, as shown below:

7.1 Breakdown

	Parent company		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Current				
Transactions with insurers (7.2)	4,346,687	3,781,669	4,346,687	3,781,669
Transactions with reinsurers (7.2)	2,008,729	1,688,579	2,008,729	1,688,579
Other receivables (7.2)	135,399	135,390	135,399	135,390
Allowance for doubtful accounts (7.3)	(42,039)	(33,811)	(42,039)	(33,811)
	6,448,776	5,571,827	6,448,776	5,571,827

7.2 Changes

The Company has reinsurance contracts with premiums recorded using estimated (Estimated Premium and RVNE Premium) or actual (Actual Premiums) bases. The proportional contracts are issued using estimates (estimated premiums) and adjusted after receiving the accounts rendered from cedants, when the estimated premium is reversed as contra-entry to the actual premium. The non-proportional contracts have a minimum premium (actual premiums), which may be adjusted later on. Meanwhile, facultative contracts are recorded based on the amount agreed between the parties (actual premiums).

The settlement of proportional contracts and respective receipt of premiums occurs when the account rendered by cedants is submitted to the Company according to the terms agreed between them.

Parent Company and Consolidated						
	Actual premium	Estimated premium	RVNE Premium	Claim	Other receivables	Total
Balances as at December 31, 2018	1,280,979	2,410,085	458,013	277,508	38,014	4,464,599
Written premiums(*)	8,337,425	3,774,903	4,629	-	-	12,116,957
Write-off for account rendered (*)	-	(3,602,863)	-	-	-	(3,602,863)
Commission on written premiums(*)	(1,200,516)	(759,360)	2,700	-	-	(1,957,176)
Reversal of estimated commission (*)	-	781,133	-	-	-	781,133
Premium received	(6,873,485)	-	-	-	-	(6,873,485)
Commission payments	625,214	-	-	-	-	625,214
Prepayment to settle claims	-	-	-	22,249	-	22,249
Exchange rate change	(112,708)	61,500	12,330	(7,196)	(26,870)	(72,944)
Other receivables	(13,337)	-	-	(8,955)	124,246	101,954
Balances as at December 31, 2019	2,043,572	2,665,398	477,672	283,606	135,390	5,605,638

Parent Company and Consolidated						
	Actual premium	Estimated premium	RVNE Premium	Claim	Other receivables	Total
Balances as at December 31, 2019	2,043,572	2,665,398	477,672	283,606	135,390	5,605,638
Written premiums(*)	2,163,733	1,211,532	1,575	-	-	3,376,840
Write-off for account rendered (*)	-	(1,380,685)	-	-	-	(1,380,685)
Commission on written premiums(*)	(233,618)	(195,389)	1,043	-	-	(427,964)
Reversal of estimated commission (*)	-	190,483	-	-	-	190,483
Premium received	(1,945,558)	-	-	-	-	(1,945,558)
Commission payments	210,014	-	-	-	-	210,014
Prepayment to settle claims	-	-	-	36,894	-	36,894
Exchange rate change	250,783	455,565	80,249	(51,896)	14,091	748,792
Other receivables	-	-	-	-	76,361	76,361
Balances as at March 31, 2020	2,488,926	2,946,904	560,539	268,604	225,842	6,490,815

(*) Statements of profit or loss – Reconciliation, line items Gross written premium (a) and Reinsurance commission (e) (Note 3.3)

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7.3 Aging of receivables from reinsurance and retrocession operations

The aging analysis of receivables from reinsurance and retrocession operations is as follows:

Parent Company and Consolidated					
March 31, 2020					
Aging	Receivables	Payables	Net receivables	Provision for credit risks	Total
Falling due	2,544,342	(871,722)	1,672,620	(30,050)	1,642,570
Past due	439,030	(144,159)	294,871	(11,989)	282,882
Less than 30 days past due	161,763	(21,396)	140,367	(4,572)	135,795
From 31 to 60 days past due	86,242	(22,994)	63,248	(1,575)	61,673
From 61 to 120 days past due	76,505	(8,207)	68,298	(1,738)	66,560
From 121 to 180 days past due	29,724	(16,647)	13,077	(1,123)	11,954
Over 181 days past due	84,796	(74,915)	9,881	(2,981)	6,900
Total	2,983,372	(1,015,881)	1,967,491	(42,039)	1,925,452

For the net balances of trade payables and receivables - actual (actual premium, claim and other receivables) past due and falling due - in the amount of R\$ 1,967,491, an allowance for doubtful accounts was recognized in the amount of R\$ 42,039. The assumptions that based the calculation of the allowance are described in Note 23.2 (d).

8 Third-party deposits

The amounts received by cedants related to receivables not fully written-off (reconciliation) are recorded in this line item. For proportional contracts, the amounts received, recorded in this line item, are deducted for commissions and, occasionally, claim prepayments.

Third-party deposits by age of deposit are as follows.

Parent Company and Consolidated		
	March 31, 2020	December 31, 2019
Up to 30 days	92,576	135,868
Between 31 and 60 days	49,800	55,409
Between 61 and 120 days	85,109	60,575
Between 121 and 180 days	41,609	45,149
Between 181 and 365 days	63,711	39,408
Over 365 days	1,889	
	334,694	336,409

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9 Retrocession assets - technical reserves
9.1 Claims - retrocession (breakdown)

Claims pending payment and claims incurred but not reported (IBNR) are as follows:

Parent Company and Consolidated					
March 31, 2020					
	Claims pending payment	Claims pending payment in court dispute	Reimbursement estimate	Claims incurred but not reported	Total
Aviation	326,699	3,127	-	81,811	411,637
Motor	1,740	-	-	12,561	14,301
Mortgage	46	-	-	51	97
Marine	18,044	391	-	9,573	28,008
Property	589,202	87,377	(201)	164,423	840,801
Life	25,595	837	-	19,253	45,685
Oil & Gas	466,257	-	-	28,252	494,509
Casualty	187,261	3,626	-	70,792	261,679
Financial risks	111,212	6,861	(163)	19,999	137,909
Agriculture	127,025	999	-	78,745	206,769
Cargo	234,687	603	(210)	21,048	256,128
International risks	242,206	-	-	52,296	294,502
Total	2,329,974	103,821	(574)	558,804	2,992,025

Parent Company and Consolidated					
December 31, 2019					
	Claims pending payment	Claims pending payment in court dispute	Reimbursement estimate	Claims incurred but not reported	Total
Aviation	209,759	2,354	-	75,664	287,777
Motor	1,763	-	-	7,317	9,080
Mortgage	56	-	-	39	95
Marine	14,579	292	-	8,558	23,429
Property	667,369	58,654	(195)	136,982	862,810
Life	21,631	796	-	17,160	39,587
Oil & Gas	352,482	-	-	5,553	358,035
Casualty	171,260	3,741	-	51,776	226,777
Financial risks	101,301	4,564	(127)	17,701	123,439
Agriculture	144,960	982	-	153,569	299,511
Cargo	216,844	61	(155,079)	26,855	88,681
International risks	199,020	-	-	38,235	237,255
Total	2,101,024	71,444	(155,401)	539,409	2,556,476

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9.1.1 Changes

	Parent company	
	March 31, 2020	December 31, 2019
Previous balance - Total	2,556,476	2,058,843
PSL - previous balance	2,017,067	1,648,729
PSL - Recognition of retrocession claims	437,394	3,054,151
PSL - Reversal of retrocession claims	(318,451)	(1,219,564)
PSL - Estimate of salvage and reimbursements	188,716	(182,665)
PSL - Claim recovery	(287,445)	(1,255,941)
PSL - Interest, inflation adjustment and exchange rate change	395,940	(27,643)
PSL - Change in assets	416,154	368,338
PSL - Closing balance	2,433,221	2,017,067
	March 31, 2020	December 31, 2019
IBNR - previous balance	539,409	410,114
IBNR - Recognition of retrocession claims	51,440	354,536
IBNR - Reversal of retrocession claims	(85,503)	(233,199)
IBNR - Exchange rate change	53,458	7,958
IBNR - Change in assets	19,395	129,295
IBNR - Closing balance	558,804	539,409
Closing balance - Total	2,992,025	2,556,476

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9.2 Deferred retrocession premiums

Parent Company and Consolidated							
March 31, 2020							
	Unearned premium reserve			Deferred reinsurance commission			Total
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	
Aviation	28,261	767	1,572	(1,026)	(33)	(70)	29,471
Motor	1,111	9,481	-	(14)	(320)	-	10,258
Mortgage	61	47	9	-	(2)	-	115
Marine	14,540	1,558	3,244	(378)	(75)	(122)	18,767
Nuclear	12,703	-	1,883	(953)	-	(152)	13,481
Property	266,425	86,592	40,984	(13,148)	(6,197)	(2,059)	372,597
Life	14,824	11,878	1,277	(446)	(488)	(102)	26,943
Oil & Gas	173,635	1,723	48,489	(6,249)	(217)	(1,361)	216,020
Casualty	53,490	35,244	2,686	(6,006)	(5,494)	(163)	79,757
Financial risks	9,878	6,649	2,009	(294)	(1,191)	(114)	16,937
Agriculture	2,196	4,200	365	(46)	(5)	(37)	6,673
Cargo	35,996	28,443	9,457	(900)	(2,416)	(1,551)	69,029
International risks	187,784	7,143	1,218	(963)	(668)	(101)	194,413
Total	800,904	193,725	113,193	(30,423)	(17,106)	(5,832)	1,054,461
Current							1,004,368
Non-current							50,093

Parent Company and Consolidated							
December 31, 2019							
	Unearned premium reserve			Deferred reinsurance commission			Total
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	
Aviation	26,443	1,794	799	(588)	(251)	(28)	28,169
Motor	2,439	1,406	-	(32)	(18)	-	3,795
Mortgage	122	58	7	-	(2)	-	185
Marine	20,478	1,101	2,441	(565)	(45)	(96)	23,314
Nuclear	14,056	-	1,471	(1,054)	-	(119)	14,354
Property	318,753	90,767	41,184	(11,708)	(7,606)	(2,005)	429,385
Life	15,729	11,320	1,365	(540)	(370)	(108)	27,396
Oil & Gas	196,541	2,283	33,919	(4,899)	(142)	(1,131)	226,571
Casualty	43,912	43,072	2,303	(2,861)	(8,687)	(138)	77,601
Financial risks	21,421	6,682	1,710	(166)	(1,089)	(97)	28,461
Agriculture	2,272	4,171	403	(150)	(13)	(40)	6,643
Cargo	24,623	33,235	10,697	(974)	(2,551)	(2,256)	62,774
International risks	235,679	10,196	1,320	(1,906)	(1,128)	(96)	244,065
Total	922,468	206,085	97,619	(25,443)	(21,902)	(6,114)	1,172,713
Current							1,143,675
Non-current							29,038

9.2.1 Changes

Parent Company and Consolidated							
	Unearned premium reserve			Deferred reinsurance commission			Total
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	
Balances as at December 31, 2018	794,692	128,367	81,142	(27,118)	(12,760)	(6,378)	957,945
Recognition	702,898	212,650	17,757	(17,759)	(17,101)	(616)	897,829
Deferral by risk	(601,544)	(134,786)	(3,103)	19,950	7,876	1,015	(710,592)
Exchange rate change	26,422	(146)	1,823	(516)	83	(135)	27,531
Balances as at December 31, 2019	922,468	206,085	97,619	(25,443)	(21,902)	(6,114)	1,172,713
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	Total
Balances as at December 31, 2019	922,468	206,085	97,619	(25,443)	(21,902)	(6,114)	1,172,713
Recognition (*)	52,119	22,409	-	(7,901)	(2,234)	-	64,393
Deferral by risk (*)	(311,915)	(44,025)	(1,346)	6,167	7,555	1,233	(342,331)
Exchange rate change	138,232	9,256	16,920	(3,246)	(525)	(951)	159,686
Balances as at March 31, 2020	800,904	193,725	113,193	(30,423)	(17,106)	(5,832)	1,054,461

(*) Refers to Note 3.3 Statements of profit or loss - Reconciliation, lines of Changes in technical reserves - ceded premium (c) and Changes in technical reserves - ceded commission (e).

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9.3 Other technical reserves

The reserve for technical surplus guarantees the amounts allocated to the distribution of excess amounts arising from technical surplus in the operationalization of contracts, and the reserve for related expenses comprise the coverage for claim-related expenses.

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Aviation	119	59
Motor	406	217
Marine	17	9
Property	3,369	1,962
Life	618	1,065
Oil & Gas	-	-
Casualty	384	303
Financial risks	1,973	1,230
Agriculture	1,427	1,577
Cargo	619	727
International risks	490	618
Total	9,422	7,767

10 Trade and other receivables

	Parent company		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Current				
Amounts from real estate investment portfolio	27,715	27,712	291,168	387,426
Amounts receivable from court settlements	4,469	4,272	4,469	4,272
Advance to suppliers	173	116	173	116
Advance to employees	3,149	985	3,205	985
Dividends receivable	4,720	21,272	-	21,272
Reimbursement receivable	20,615	-	20,615	-
Other	733	756	14,829	5,321
Total current	61,574	55,113	334,459	419,392
Non-current				
Amounts receivable from Caixa Econômica Federal	16,099	16,099	16,099	16,099
Amounts receivable - Previdência	215,066	215,066	215,066	215,066
Amounts receivable - estimated reimbursement (a)	70,124	81,233	70,124	44,085
Amounts receivable from settlements	-	-	8,048	-
Corporate bonds - Corporations	359,987	359,987	359,987	419,108
Corporate bonds - Collateral for real estate	251,581	195,058	251,581	195,058
Total non-current	912,857	867,443	920,905	889,416
	974,431	922,556	1,255,364	1,308,808

- (a) Pursuant to SUSEP Circular 575 of August 17, 2018, as at January 1, 2019, the line item Salvage and reimbursement – Estimated, included in the balance sheet in the line item Trade and other receivables was created. The following chart shows the changes in reimbursements and the timing of the expected realization of balances as at December 31, 2019.

Parent Company and Consolidated		
	March 31, 2020	December 31, 2019
Opening balance	81,233	-
Recognition	-	81,233
Write-off of reserve	(11,109)	-
Closing balance	70,124	81,233

Expected realization	
July-20	6,663
January-22	10,285
April-22	1,348
May-22	10,742
August-22	10,277
August-22	1,656
November-22	2,042
March-23	3,819
September-23	8,438
January-24	4,196
May-28	10,658
Total	70,124

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11 Tax credits and deferred tax assets

11.1 Tax credits and deferred tax assets

	Parent company	
	March 31, 2020	December 31, 2019
Current		
Overpaid contributions and taxes to be recovered (*)	69,072	205,762
Withholding income tax	228,453	42,723
Tax loss carryforwards/recoverable	40,405	52,841
	337,930	301,326
Non-current		
Overpaid contributions and taxes to be recovered	45,107	44,726
Deferred tax assets for temporary differences (ii)	652,683	587,972
Exchange rate change - deferred assets - London	83,232	10,942
	781,022	643,640
	1,118,952	944,966

	Consolidated	
	March 31, 2020	December 31, 2019
Current		
Overpaid contributions and taxes to be recovered (*)	89,667	205,762
Withholding income tax	276,084	44,297
Tax loss carryforwards/recoverable	40,481	52,882
	406,232	302,941
Non-current		
Overpaid contributions and taxes to be recovered	45,096	44,713
Deferred tax assets for temporary differences (ii)	653,238	529,744
Exchange rate change - deferred assets - London	83,232	10,942
	781,566	585,399
	1,187,798	888,340

(i) Refers to over paid PIS taxes (R\$ 68,604), arising from lawsuit over the increase in the tax base, which final and unappealable decision was awarded on October 29, 2013, and the application for tax refund was registered on December 19, 2013. To measure and recognize these amounts, only the credits for which there is no doubt or dispute regarding their tax bases were considered. These credits have been used by the Company to settle monthly direct tax debits (PIS and COFINS).

(ii) Of the recognition of Deferred Tax Assets for loss recognized in branch abroad, pursuant to SUSEP Circular 517/05, with new wording provided by Circular 544/2016. Based on their realization, in the maximum term of 10 years, the projections of results were prepared for realization of deferred tax assets.

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11.1.1 Deferred tax assets for temporary differences

Deferred income tax and social contribution for temporary differences comprise the following:

	Parent company			
	March 31, 2020		December 31, 2019	
	Income tax	Social contribution	Income tax	Social contribution
Non-current				
Provisions for labor lawsuits and post-employment benefit (a)	496,692	496,692	474,597	474,597
Provision for profit sharing	-	-	-	-
Allowance for doubtful accounts (b)	248,169	248,169	193,629	193,629
Provision for tax and social security contingencies (c)	196,660	196,660	193,899	193,899
Adjustment to market value - available-for-sale securities	99,384	99,384	25,099	25,099
Actuarial gains and losses - post-employment benefit	(30,610)	(30,610)	(26,233)	(26,233)
Provision for labor contingencies (c)	48,916	48,916	47,502	47,502
Adjustment to market value - investment	416	416	416	416
Adjustment of court deposits - Tax/labor lawsuits	(256,612)	(256,612)	(251,887)	(251,887)
Tax loss and social contribution loss carryforwards	15,922	15,922	-	-
Deferred tax assets (*)	365,887	365,887	365,887	365,887
Other provisions (**)	654,965	654,965	474,376	474,377
Tax base	1,839,788	1,839,788	1,497,285	1,497,286
Current nominal rate	25.0%	15.0%	25.0%	15.0%
Deferred tax assets for temporary differences	459,947	275,968	374,321	224,593

	Consolidated			
	March 31, 2020		December 31, 2019	
	Income tax	Social contribution	Income tax	Social contribution
Non-current				
Provisions for labor lawsuits and post-employment benefit (a)	496,692	496,692	474,597	474,597
Provision for profit sharing	-	-	-	-
Allowance for doubtful accounts (b)	248,169	248,169	193,629	193,629
Provision for tax and social security contingencies (c)	196,660	196,660	193,899	193,899
Adjustment to market value - available-for-sale securities	99,477	99,477	(120,472)	(120,472)
Actuarial gains and losses - post-employment benefit	(30,610)	(30,610)	(26,233)	(26,233)
Provision for labor contingencies (c)	48,916	48,916	47,502	47,502
Adjustment to market value - investment	416	416	416	416
Adjustment of court deposits - Tax/labor lawsuits	(256,612)	(256,612)	(251,887)	(251,887)
Tax loss and social contribution loss carryforwards	15,922	15,922	-	-
Deferred tax assets (*)	365,887	365,887	365,887	365,887
Other provisions (**)	656,257	656,257	474,377	474,377
Tax base	1,841,174	1,841,174	1,351,715	1,351,715
Current nominal rate	25.0%	15.0%	25.0%	15.0%
Deferred tax assets for temporary differences	460,294	276,176	337,929	202,757

(*) Deferred tax assets recognized in relation to the Company's branch in London, according to article 87 of Law 12,973 of 2014, the Company being able to deduct, in the proportion of its ownership interest, the income tax paid abroad, levied on the positive amounts computed in the determination of the Company's taxable profit in Brazil, within the limit of the income taxes levied in Brazil on such amounts.

(**) Deferred tax assets recognized abroad related to the balances of tax loss carryforwards arising from the Company's operations recognized at the rate and legislation of each country and with authorizations for use in the country of origin, in accordance with article 38 of Regulatory Instruction 1,520 of 2014.

The deferred tax assets of income tax and social contribution for temporary differences were recognized based on the 25.0% rate for the deferred tax and 15.0% rate for recognizing the deferred social contribution.

(a) The use of the deferred tax asset is based on the actuarial calculation of realization of labor provisions and considers Management's expectations about asset realization.

(b) The realization of the tax credit on the allowance for doubtful accounts is related to administrative or judicial recovery of credit or Management's resolution to write-off as loss.

(c) The realization of tax credit on provision for labor, tax and social security contingencies depends on the final and unappealable decision on the date these lawsuits are settled.

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12 Deferred acquisition costs

	Parent Company and Consolidated							
	March 31, 2020				December 31, 2019			
	Actual	Estimated	RVNE	Total	Actual	Estimated	RVNE	Total
Aviation	2,704	46	731	3,481	2,753	39	426	3,218
Motor	122	54	65	241	111	45	72	228
Mortgage	428	-	118	546	79	4	82	165
Marine	2,144	41	781	2,966	2,683	33	670	3,386
Property	20,718	1,565	3,120	25,403	21,309	1,401	2,823	25,533
Life	1,007	81	410	1,498	1,348	66	437	1,851
Oil & Gas	11,044	-	2,309	13,353	7,451	-	1,662	9,113
Casualty	2,780	111	355	3,246	2,537	89	283	2,909
Financial risks	537	495	42	1,074	529	435	29	993
Agriculture	281	207	191	679	360	128	212	700
Cargo	4,098	227	3,167	7,492	3,109	188	2,989	6,286
International risks	57,936	16,726	9,444	84,106	28,913	12,586	7,048	48,547
Total	103,799	19,553	20,733	144,085	71,182	15,014	16,732	102,929
Current				132,447				93,044
Non-current				11,638				9,885

12.1 Changes

	Parent Company and Consolidated			
	Actual	Estimated	RVNE	Total
Balance as at December 31, 2018	42,786	11,376	16,132	70,294
Recognition of acquisition cost	46,383	6,515	3,954	56,852
Reversal of acquisition cost	(18,948)	(2,965)	(3,209)	(25,122)
Exchange rate change	962	88	(145)	905
Balance as at December 31, 2019	71,183	15,014	16,732	102,929

	Parent Company and Consolidated			
	Actual	Estimated	RVNE	Total
Balance as at December 31, 2019	71,183	15,014	16,732	102,929
Recognition of acquisition cost	19,375	1,145	637	21,157
Reversal of acquisition cost	(3,495)	(198)	-	(3,693)
Exchange rate change	16,736	3,592	3,364	23,692
Balances as at March 31, 2020	103,799	19,553	20,733	144,085

13 Investment property

	Parent company
	Shopping Centers
Cost of investment property, gross	
Balance as at December 31, 2018	7,879
Balance as at December 31, 2019	7,879
Accumulated depreciation	
Balance as at December 31, 2018	(2,364)
Depreciation	(315)
Balance as at December 31, 2019	(2,679)
Accounting balance, net	5,200
Cost of investment property, gross	
Balance as at December 31, 2019	7,879
Balances as at March 31, 2020	7,879
Accumulated depreciation	
Balance as at December 31, 2019	(2,679)
Depreciation	(79)
Balances as at March 31, 2020	(2,758)
Accounting balance, net	5,121

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13 Investment property

	Consolidated			
	Land	Buildings	Interest in Shoppings Centers	Total
Cost of investment property, gross				
Balance as at December 31, 2018	16,302	17,226	546,028	579,556
Acquisition	-	-	80,079	80,079
Disposal	-	(8,946)	(108,390)	(117,336)
Balance as at December 31, 2019	16,302	8,280	517,717	542,299
Accumulated depreciation				
Balance as at December 31, 2018	-	(772)	(23,522)	(24,294)
Depreciation	-	(206)	(2,880)	(3,086)
Disposal	-	8	16,517	16,525
Balance as at December 31, 2019	-	(772)	(6,916)	(10,855)
Accounting balance, net	16,302	7,508	510,801	531,444
Cost of investment property, gross				
Balance as at December 31, 2019	16,302	8,280	517,717	542,299
Acquisition	-	-	-	-
Disposal	-	-	(460,831)	(460,831)
Balances as at March 31, 2020	16,302	8,280	56,886	81,468
Accumulated depreciation				
Balance as at December 31, 2019	-	(772)	(6,916)	(7,688)
Depreciation	-	(107)	(79)	(186)
Disposal	-	-	7,206	7,206
Balances as at March 31, 2020	-	(879)	211	(668)
Accounting balance, net	16,302	7,401	57,097	80,800

In this quarter, the sale of Empreendimentos Parkshopping and Parkshopping Corporate was completed for the agreed sale prices of R\$ 225,000 and R\$ 110,303. The capital gain of this transaction, net of taxes, was R\$ 110,303.

In addition, the Company transferred 94% of the shares it held in IRB International Fundo de Investimento Imobiliário, holder of Shopping Internacional de Guarulhos, for the amount of R\$ 308,006. This transaction gave a rise to a loss of R\$ 59,124, net of tax.

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14 Trade payables

	Parent company		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Suppliers	5,931	5,001	9,452	33,737
Lease liabilities (*)	11,320	10,415	11,320	10,415
Payables for purchase of securities	-	1,244	-	43,545
Dividends	1,817	1,817	1,817	1,817
Interest on shareholders' equity	77,929	28,872	77,929	28,872
Profit sharing	24,431	24,431	24,431	24,431
Key management personnel compensation	-	-	-	-
Other	3,228	7,214	27,150	10,828
Total	124,656	78,994	152,099	153,645
Current	115,199	69,345	142,642	101,694
Non-current	9,457	9,649	9,457	51,951

(*) In view of the adoption of IFRS 16 as of January 1, 2019, the Company recognized in its balance sheet the total residual value payable related to its lease contracts for vehicle and head office in São Paulo, recognized as at March 31, 2020 in the amount of R\$ 11,320, of which R\$ 384 refer to interest payable and recognized as finance cost until March 31, 2020.

15 Payables for reinsurance and retrocession operations

Payables for reinsurance and retrocession operations mainly comprise balances payable from the operations of insurance and reinsurance companies, in Brazil and abroad, plus payable premiums, the respective commissions, claim compensation payable, and the payables from businesses arising from the London branch's operations in the past, as shown below:

15.1 Breakdown

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Current		
Transactions with insurers	2,210	2,095
Transactions with reinsurers	1,338,573	1,411,102
Brokers of reinsurance, retrocession and other	202,203	143,298
Other payables	38,212	29,730
	1,581,198	1,586,225
Non-current		
Other payables	789	789
	1,581,987	1,587,014

15.2 Changes

	Parent Company and Consolidated						
	Actual premium	Estimated premium	RVNE Premium	Claims	Commissions	Other	Total
Balance as at December 31, 2018	929,706	161,799	146,456	25,586	105,788	36,247	1,405,582
Premiums for ceding risks to be transferred	1,969,578	482,738	5,759	-	-	-	2,458,075
Write-off for account rendered	-	(377,417)	-	-	-	-	(377,417)
Transfer of premiums for ceding risks	(1,945,472)	-	-	-	-	-	(1,945,472)
Commissions and interest on retrocession payable	(121,181)	(14,447)	-	-	-	-	(135,628)
Reversal of estimated commission	-	28,731	-	-	-	-	28,731
Commissions and interest on retrocession paid	127,820	-	-	-	-	-	127,820
Reinsurance claim payable	-	-	-	3,489	-	-	3,489
Reinsurance claim paid	-	-	-	(28,422)	-	-	(28,422)
Brokerage commission payable	-	-	-	-	189,637	-	189,637
Brokerage commission paid	-	-	-	-	(152,789)	-	(152,789)
Other payable	31,077	-	-	-	-	-	31,077
Other paid	-	-	-	-	-	(3,149)	(3,149)
Exchange rate change	(18,304)	(587)	4,106	2,182	662	(2,579)	(14,520)
Balance as at December 31, 2019	973,224	280,817	156,321	2,835	143,298	30,519	1,587,014
Premiums for ceding risks to be transferred	270,482	104,537	2,483	-	-	-	377,502
Write-off for account rendered	-	(90,837)	-	-	-	-	(90,837)
Transfer of premiums for ceding risks	(499,735)	-	-	-	-	-	(499,735)
Commissions and interest on retrocession payable	(31,830)	(43,230)	-	-	-	-	(75,060)
Reversal of estimated commission	-	36,999	2,010	-	-	-	39,009
Commissions and interest on retrocession paid	36,096	-	-	-	-	-	36,096
Reinsurance claim paid	-	-	-	(2,835)	-	-	(2,835)
Brokerage commission payable	-	-	-	-	65,693	-	65,693
Brokerage commission paid	-	-	-	-	(38,238)	-	(38,238)
Other payable	28,017	-	-	-	-	987	29,004
Exchange rate change	74,270	11,540	29,619	-	31,450	7495	154,374
Balances as at March 31, 2020	850,524	299,826	190,433	-	202,203	39,001	1,581,987

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16 Technical reserves

16.1 Unearned premium reserve and acquisition costs

							Parent Company and Consolidated
							March 31, 2020
	Unearned premium reserve			Deferred reinsurance commission			Total
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	
Aviation	36,427	2,144	7,276	(1,129)	(407)	(73)	44,238
Motor	5,289	15,081	919	(1,063)	(1,569)	-	18,657
Mortgage	7,386	1,653	2,086	(2)	(81)	-	11,042
Marine	27,068	3,191	9,774	(344)	(632)	(51)	39,006
Nuclear	14,437	-	2,010	(794)	-	(57)	15,596
Property	585,812	182,238	95,337	(24,257)	(34,186)	(1,450)	803,494
Life	31,747	25,988	9,984	(1,075)	(3,787)	-	62,857
Oil & Gas	318,974	1,725	59,136	(2,340)	(246)	(194)	377,055
Casualty	78,188	41,787	5,751	(6,033)	(7,194)	(88)	112,411
Financial risks	182,386	94,826	6,580	(70,902)	(38,802)	(523)	173,565
Agriculture	192,848	111,910	11,823	(46,880)	(29,492)	(325)	239,884
Cargo	79,163	56,498	46,895	(1,665)	(10,030)	(2,597)	168,264
International risks	776,566	885,801	92,171	(53,462)	(161,938)	(1,684)	1,537,454
Total	2,336,291	1,422,842	349,742	(209,946)	(288,364)	(7,042)	3,603,523
Current							3,278,644
Non-current							324,879

							Parent Company and Consolidated
							December 31, 2019
	Unearned premium reserve			Deferred reinsurance commission			Total
	Actual	Estimated	RVNE	Actual	Estimated	RVNE	
Aviation	30,663	4,460	4,641	(881)	(653)	(36)	38,194
Motor	5,875	6,714	1,022	(851)	(1,379)	-	11,381
Mortgage	6,421	1,164	1,570	-	(141)	-	9,014
Marine	34,195	2,423	7,825	(585)	(442)	(25)	43,391
Nuclear	15,975	-	1,570	(879)	-	(45)	16,621
Property	657,164	174,428	92,625	(28,018)	(30,824)	(1,471)	863,904
Life	35,502	20,135	10,366	(816)	(1,568)	-	63,619
Oil & Gas	341,733	2,285	45,854	(1,806)	(104)	(142)	387,820
Casualty	65,237	48,641	4,863	(3,066)	(9,880)	(77)	105,718
Financial risks	206,123	82,834	5,253	(83,193)	(33,252)	(406)	177,359
Agriculture	190,561	201,615	11,565	(47,301)	(52,136)	(251)	304,053
Cargo	59,872	57,987	41,659	(3,827)	(9,006)	(2,548)	144,137
International risks	410,881	660,682	64,064	(39,418)	(122,843)	(1,476)	971,890
Total	2,060,202	1,263,368	292,877	(210,641)	(262,228)	(6,477)	3,137,101
Current							2,904,439
Non-current							232,662

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16.1.1 Changes

	Parent Company and Consolidated					
	Unearned premium reserve			Deferred reinsurance commission		
	Actual	Estimated	RVNE	Actual	Estimated	RVNE
Balances as at December 31, 2018	1,352,702	1,057,043	265,222	(126,526)	(234,812)	(7,786)
Recognition	1,058,630	656,404	41,989	(163,344)	(137,729)	(299)
Deferral by risk	(408,558)	(467,315)	(20,403)	81,018	113,128	1,759
Exchange rate change	57,429	17,236	6,067	(1,790)	(2,815)	(149)
Balances as at December 31, 2019	2,060,203	1,263,368	292,875	(210,642)	(262,228)	(6,475)
	Unearned premium reserve			Deferred reinsurance commission		
	Actual	Estimated	RVNE	Actual	Estimated	RVNE
	Actual	Estimated	RVNE	Actual	Estimated	RVNE
Balances as at December 31, 2019	2,060,203	1,263,368	292,875	(210,642)	(262,228)	(6,475)
Recognition (*)	95,439	66,898	9,547	(6,973)	(11,553)	-
Deferral by risk (*)	(121,601)	(101,523)	(609)	20,704	20,454	432
Exchange rate change	302,250	194,099	47,929	(13,035)	(35,037)	(999)
Balances as at March 31, 2020	2,336,291	1,422,842	349,742	(209,946)	(288,364)	(7,042)

(*) Refers to Note 3.3 Statements of profit or loss - Reconciliation, line items Changes in technical reserves – premiums (c) and Changes in technical reserves – commission (e).

16.2 Outstanding claim and IBNR reserve

March 31, 2020					
	Parent Company and Consolidated				
	Outstanding claims	Outstanding claims in court dispute	Reimbursement estimate	Claims incurred but not reported	Total
	Reinsurance	Reinsurance	Reinsurance	Reinsurance	Reinsurance
Aviation	515,339	3,190	1,428	139,542	659,499
Motor	72,168	10,984	(52)	50,242	133,342
Mortgage	26,907	125	-	9,358	36,390
Marine	67,869	1,088	(3)	44,043	112,997
Nuclear	3	-	-	-	3
Property	962,728	161,603	(725)	264,847	1,388,453
Life	139,797	4,968	-	114,011	258,776
Oil & Gas	543,763	-	-	36,818	580,581
Casualty	310,186	23,257	-	126,485	459,928
Financial risks	301,672	15,581	(2,299)	70,182	385,136
Agriculture	275,835	2,092	-	353,336	631,263
Cargo	309,507	3,802	(797)	39,936	352,448
International risks	1,823,511	-	(6,204)	1,532,824	3,350,131
	5,349,285	226,690	(8,652)	2,781,624	8,348,947

December 31, 2019					
	Parent Company and Consolidated				
	Outstanding claims	Outstanding claims in court dispute	Reimbursement estimate	Claims incurred but not reported	Total
	Reinsurance	Reinsurance	Reinsurance	Reinsurance	Reinsurance
Aviation	285,138	2,401	(63)	129,628	417,104
Motor	83,242	10,524	(6)	43,860	137,620
Mortgage	29,844	123	-	7,254	37,221
Marine	50,127	949	(2)	39,392	90,466
Nuclear	2	-	-	-	2
Property	1,045,198	112,123	(717)	236,125	1,392,729
Life	108,979	4,686	-	124,411	238,076
Oil & Gas	409,994	-	-	7,362	417,356
Casualty	294,282	21,415	-	107,744	423,441
Financial risks	277,378	10,646	(5,752)	65,769	348,041
Agriculture	249,038	2,079	-	355,965	607,082
Cargo	309,323	2,260	(173,409)	50,090	188,264
International risks	1,717,605	-	(5,537)	1,050,033	2,762,101
	4,860,150	167,206	(185,486)	2,217,633	7,059,503

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16.2.1 Changes

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Previous balance - Total	7,059,503	6,719,356
PSL - previous balance	4,841,870	4,720,288
PSL - Recognition of reserve for claim reporting	1,954,228	7,750,172
PSL - Reversal of reserve for estimate revision	(684,679)	(1,747,019)
PSL - Estimate of salvage and reimbursements	212,026	(200,192)
PSL - Write-off for settlement	(1,321,729)	(5,650,157)
PSL - Interest, inflation adjustment and exchange rate change	565,607	(31,222)
PSL - Changes in liabilities	725,453	121,582
PSL - Closing balance	5,567,323	4,841,870
	March 31, 2020	December 31, 2019
IBNR - previous balance	2,217,633	1,999,068
IBNR - Recognition of reserve	149,190	181,010
IBNR - Exchange rate change	414,801	37,555
IBNR - Changes in liabilities	563,991	218,565
IBNR - Closing balance	2,781,624	2,217,633
Closing balance - Total	8,348,947	7,059,503

16.2.2 Claims in court dispute

As at March 31, 2020 and December 31, 2019, outstanding claims comprises balances payable related to claims under court dispute, mainly related as to whether the coverage under contractual conditions is appropriate, or divergence between the amounts claimed by insured parties and the evaluation of legal advisors, internal legal counsel and/or technical area of the Reinsurer.

The actuarially calculated percentages by likelihood of loss and the corresponding recognized reserve are shown below:

Parent Company and Consolidated						
March 31, 2020						
Likelihood	Quantity	Total exposure amount	%	Outstanding claim	Retrocession	Net
Probable	212	206,762	35%	72,367	(36,629)	35,738
Possible	217	430,726	35%	150,754	(65,169)	85,585
Remote	64	178,506	2%	3,569	(2,024)	1,545
	493	815,994		226,690	(103,822)	122,868
Parent Company and Consolidated						
December 31, 2019						
Likelihood	Quantity	Total exposure amount	%	Outstanding claim	Retrocession	Net
Probable	257	187,779	35%	65,723	(32,570)	33,153
Possible	252	279,697	35%	97,894	(37,259)	60,635
Remote	69	179,474	2%	3,589	(1,616)	1,973
	578	646,950		167,206	(71,445)	95,761

These legal claims are recognized in liabilities in the line item outstanding claims, and the amounts recoverable related to retrocession are classified in the group of "retrocession assets - technical reserves", in the line item claims - retrocession.

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IRB-Brasil RE, in view of the long time it operates in the Brazilian reinsurance market, has a stock of lawsuits which tends to significantly decrease over the years, particularly considering the enactment of Complementary Law 126, of January 15, 2007, which revoked the provisions of Decree Law 73, of November 21, 1966, establishing that the reinsurer is not mandatorily required to be party to the lawsuit. Additionally, it should be noted that the disputes in the insurance and reinsurance market are increasingly submitted to alternative solutions, like the arbitration procedure.

16.2.2.1 Aging of legal claims

Aging	Parent Company and Consolidated		
	March 31, 2020		
	Retrocession - gross	Retrocession	Retrocession - net
From 0 to 30 days	-	-	-
From 91 to 120 days	136,308	(68,746)	67,562
From 181 to 365 days	26,799	(6,987)	19,812
Over 365 days	63,583	(28,089)	35,494
	226,690	(103,822)	122,868

16.3 Other reserves

The reserve for technical surplus was set up in 2009, to guarantee the amounts allocated to the distribution of excess amounts arising from technical surplus in the operationalization of contracts, and the reserve for related expenses, recognized to cover claim expenses.

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Aviation	5,052	3,735
Motor	1,964	1,735
Mortgage	13,750	13,962
Marine	922	859
Nuclear	239	56
Property	16,713	16,550
Life	22,011	40,369
Oil & Gas	-	-
Casualty	2,068	1,980
Financial risks	62,125	53,974
Agriculture	29,821	34,081
Cargo	6,619	5,819
International risks	75,331	62,022
	236,615	235,142

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17 Guarantee of technical reserves

Pursuant to CMN Resolution 4,444, of November 13, 2015 and its amendments according to CMN Resolutions 4,633/18 and 4,670/18, the Reinsurer's technical reserves had the following coverage:

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Technical reserves - reinsurance	12,189,085	10,431,746
(-) Retrocession assets	4,055,908	3,736,956
(-) Asset adjustment account - PPNG	689,853	837,891
(-) Asset adjustment account - acquisition cost	7,284	4,212
(-) Receivables	2,342,398	2,023,903
Amount to be guaranteed	6,473,348	5,504,566
Assets available for guarantee:		
Shares in investment funds	4,169,382	4,092,052
Time deposits	227,240	111,364
Sovereign bonds	264,305	157,890
Debentures	-	3,466
Total assets	4,660,927	4,364,772

18 Related parties

The main transactions made by the Reinsurer with related parties (shareholders) at arm's length are as follows:

	Parent Company and Consolidated					
	March 31, 2020		December 31, 2019		March 31, 2020	March 31, 2019
	Receivable	Payable	Receivable	Payable	Profit or loss	Profit or loss
With share in the Reinsurer						
Premiums	34,353	-	136,506	-	15,386	90,313
Retrocessions	-	(134)	-	502	(664)	(26,868)
Retained premium					14,722	63,445
Changes in technical reserves	-	-	-	-	8,524	81,751
Earned premium					23,246	145,196
Claim compensation and expenses	4,471	58	5,833	1,523	(1,059)	(117,482)
Commissions	-	(2,701)	-	22,255	790	(55,497)
Other	-	2,838	-	575	(2,449)	417
	38,824	61	142,339	24,855	20,528	(27,366)

They refer to reinsurance and retrocession transactions with insurance companies which are shareholders of the Reinsurer, which amounts are included in the group "receivables from reinsurance and retrocession operations" and "payables for reinsurance and retrocession operations" in the balance sheet and respective accounts in the statements of profit or loss.

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18.1 Compensation of key management personnel

The total compensation of executive officers and other board and committee members of the Company as at March 31, 2020 is as follows:

Parent Company and Consolidated				
	Short-term benefits to management	Long-term benefits to management (*)	Post-employment benefit	Total
Payables				
December 31, 2019	-	-	-	-
March 31, 2020	-	61	-	61
Profit or loss				
March 31, 2019	1,589	5,166	-	6,755
March 31, 2020	2,911	-	177	3,088

19 Court deposits, other lawsuits and tax liabilities

Parent Company and Consolidated			
March 31, 2020			
	Court deposits	Other payables	Tax liabilities
Tax	506,177	-	453,851
COFINS	8,767	-	-
PIS	4,501	-	-
Social contribution	477,295	-	453,851
Income tax	14,334	-	-
ISS	1,280	-	-
Social security	128,026	-	-
INSS (social security contribution)	126,846	-	-
FGTS (government severance fund for employees)	1,180	-	-
Labor and civil	61,535	49,254	-
Labor lawsuits	25,540	48,913	-
Civil lawsuits	35,995	341	-
	695,738	49,254	453,851

Parent Company and Consolidated			
December 31, 2019			
	Court deposits	Other payables	Tax liabilities
Tax	503,144	-	451,090
COFINS	8,711	-	-
PIS	4,472	-	-
Social contribution	474,473	-	451,090
Income tax	14,217	-	-
ISS	1,271	-	-
Social security	127,174	-	-
INSS (social security contribution)	125,994	-	-
FGTS (government severance fund for employees)	1,180	-	-
Labor and civil	64,267	47,977	-
Labor lawsuits	25,627	47,499	-
Civil lawsuits	38,640	478	-
	694,585	47,977	451,090

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19.1 Civil, labor, tax and social security lawsuits

The Company is party to the following lawsuits, shown by nature, likelihood of loss, amounts at risk, and provisioned:

Parent Company and Consolidated				
March 31, 2020				
	Quantity	Amount at risk	Other payables	Tax liabilities
Tax				
Probable	1	453,851	-	453,851
Possible	19	356,205	-	-
Remote	1	200	-	-
	21	810,256	-	453,851
Social security				
Possible	11	74,893	-	-
Remote	1	10,774	-	-
	12	85,667	-	-
Labor and civil				
Probable	39	49,254	49,254	-
Possible	151	312,947	-	-
Remote	3	86	-	-
	193	362,287	49,254	-

Parent Company and Consolidated				
December 31, 2019				
	Quantity	Amount at risk	Other payables	Tax liabilities
Tax				
Probable	1	451,090	-	451,090
Possible	19	355,516	-	-
Remote	1	200	-	-
	21	806,806	-	451,090
Social security				
Possible	11	74,579	-	-
Remote	1	10,755	-	-
	12	85,334	-	-
Labor and civil				
Probable	43	47,977	47,977	-
Possible	153	97,027	-	-
Remote	4	1,394	-	-
	200	146,398	47,977	-

The provisions recognized in the line item "tax liabilities" refer to the Company's legal obligations in the amount of R\$ 453,851 (R\$ 451,090 in 2019), which are currently disputed in court, and, accordingly, their settlement depends on court decisions that are not yet final and unappealable. For these legal obligations, the Company records a provision equivalent to 100.0% of the amounts at risk.

The amount of R\$ 356,405 (sum of amounts of tax proceedings which likelihood of loss is considered possible - R\$ 356,205 and remote - R\$ 200) and R\$ 355,716 in 2019, which is the difference between the provision for legal obligations and total tax proceedings of the Company, is not provisioned because it follows the guidance of CPC 25 - "Provisions, Contingent Liabilities and Contingent Assets". According to the technical pronouncement, the obligations whose risk of loss is considered possible and remote are not provisioned, because it is not yet confirmed whether the entity's obligation exists, or a sufficiently reliable estimate about such obligation is lacking.

The provisions recognized as "Other payables - civil and labor contingencies" refer to issues of interpretation that meet the concept of contingent liability according to CPC 25, and, accordingly, the recognition of the amounts at risk is only made for cases whose likelihood of loss is considered probable. The cases for which loss is considered possible, such standard only requires the disclosure in the notes. The cases for which loss is considered remote, there is no disclosure requirement.

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19.2 Changes in legal obligations and lawsuits

Parent Company and Consolidated					
	December 31, 2018	Additions	Inflation adjustments	Write-offs	December 31, 2019
Tax	435,264	-	15,826	-	451,090
Social contribution (22.3.3)	435,264	-	15,826	-	451,090
Labor and civil	58,645	2,258	9,178	(22,104)	47,977
Labor claims (22.3.2)	58,213	2,212	9,141	(22,066)	47,500
Civil lawsuits	432	46	37	(38)	477
Closing balance of the year	493,909	2,258	25,004	(22,104)	499,067

	December 31, 2019	Additions	Inflation adjustments	Write-offs	March 31, 2020
Tax	451,090	-	2,761	-	453,851
Social contribution (22.3.3)	451,090	-	2,761	-	453,851
Labor and civil	47,977	-	1,432	(155)	49,254
Labor claims (22.3.2)	47,500	-	1,431	(17)	48,914
Civil lawsuits	477	-	1	(138)	340
Closing balance of the quarter	499,067	-	4,193	(155)	503,105

19.3 Tax proceedings

19.3.1 INSS and ISS

Following inspections by the National Institute of Social Security (INSS) and the Attorney's Office of the Municipality of Rio de Janeiro (ISS – Service Tax), tax assessment notices were issued and tax foreclosure proceedings were filed in 1999 and 1989, respectively, based on alleged differences in the tax and social security classifications adopted by the Company.

The Company filed administrative appeals for cancellation of such penalties. The adjusted amount in dispute is R\$ 54,071 related to the assessment notices issued by the INSS related to the 2.5% surtax payable by companies considered equivalent to financial institutions.

In relation to the court dispute related to the 2.5% INSS surtax, on April 30, 2010, the Company was ordered to make a court deposit of the amounts then in dispute (R\$ 23,291), having complemented such deposit on May 28, 2010 to include legal charges (R\$ 4,666). The INSS-related amounts in dispute are deposited in court and the adjusted amount is R\$ 54,071.

At present, the award of the decision on the bill of review against the decision that denied the continuance of the extraordinary appeal filed by IRB Brasil RE is pending.

In relation to the ISS Foreclosure, which main dispute is about the alleged debits of ISS on brokerage, consortia management, asset management services and amount differences related to data processing for the period from April 1984 to January 1989, the attorneys handling this case consider that the likelihood of loss is possible.

19.3.2 Social Contribution on Net Income

With the publication of the Provisional Measure 413/08, converted into Law 11,727 of June 23, 2008, the CSLL rate increased from 9% to 15% for private insurance companies, financial institutions and equivalent companies, effective as of May 2008.

In June 2008, the Company filed a Writ of Mandamus, questioning the constitutionality of this rate increase, provisioning and depositing in court the disputed amounts. As at March 31, 2020, the amount deposited in court, adjusted for payment of CSLL, totals R\$ 477,295 (Note 21).

After decisions unfavorable to IRB Brasil RE's thesis in the trial and appellate courts were awarded, an extraordinary appeal was filed, which continuance was denied through a higher court decision awarded by the Federal Regional Court of Rio de Janeiro. At present, the deferral of the conversion of a portion of the deposited amount into income for the federal government and the survey of the refund portion to which IRB is entitled are pending.

As for the Writ of Mandamus 0134273-19.2015.4.02.5101, the 4th Panel of the Federal Regional Court (TRF) 2nd Region rendered a court decision dismissing the appeal filed by IRB Brasil RE, and not accepting the counter appeals by the Company, thus upholding the decision that denied the protection claimed in the records. We are currently awaiting a decision on the extraordinary appeal.

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19.4 Labor claims/ Civil lawsuits

The Company is party to labor claims filed by current, retired and former employees, for, among other equally relevant claims, uniform salary and career plans, with the consequent payment of salary differences, as well as salary equalization and readmission claims. The Company's Management, after analyzing each case, recognized a provision when the likelihood of loss is considered probable, considering that for labor provision recognition, only those which are in the decision execution and award calculation phase are included.

The Company's external legal counsel estimates that the adjusted amount of such claims is R\$ 49,254, and considers the likelihood of loss as probable. Labor claims and civil lawsuits which losses are considered possible totaled R\$ 312,947. The increment in relation to December is due to the "EURE" claim, explained in item 19.4.2.

19.4.1 Public Civil Action SINTRES

It refers to the public civil action being analyzed by the 75th Labor Court of Rio de Janeiro, filed by the National Reinsurance Workers' Union (SINTRES) and the National Federation of Insurance Professionals (FENESPIC) against the Company, claiming the reinstatement of all the benefits and use of costing methods under the previous health plan, operated by self-management, based on the argument that unilateral changes were allegedly introduced which were prejudicial to the Company's employees and pensioners. In addition to reinstating the original conditions, they are claiming damages for pain and suffering to the substituted employees and to the unions.

At present, the award of the decision on the extraordinary appeal filed by IRB Brasil RE against the trial-court decision, which was unfavorable to the Company's thesis, is pending.

The Company's legal counsel estimates that the amount at risk in this process is R\$ 18,888 and classify the likelihood of loss as possible.

19.4.2 EURE

EURE/GGF, managed by IRB Brasil RE until 2010, used to be held by Fundo EURE/GGF (the "Fund"), in which the premiums related to eligible insurance were deposited and from which funds were taken to compensate the respective claims.

In December 2010, after several message exchanges between IRB Brasil RE and the National Treasury Secretariat (STN), the parties reached a formal agreement on the transfer of the total accumulated balance over more than 18 years, in the amount of approximately R\$ 760,718 from IRB Brasil RE to the STN. In view of such transfer made on December 30, 2010, IRB Brasil RE, upon STN's formal agreement, withheld a portion of such total accumulated balance, as management fee, of 0.45% of the Fund's net assets, adjusted by SELIC, which then corresponded to R\$ 81,166.

Three years later, the Office of the Federal Controller General (CGU) reviewed the administrative act that authorized the above-mentioned withholding, due to supposed lack of legal support, and started to ask IRB Brasil RE for refund on the amount withheld in 2010, as compensation, for Fund management.

In view of this context, IRB Brasil RE applied for a Writ of Mandamus, filed under # 1008401-29.2016.4.01.3400, still in progress in the Federal Regional Court of the First Region, which decision made null and void the refund claimed by STN and is currently on appeals phase.

However, after the federal government/STN made some attempts to collect such amount from IRB Brasil RE through arbitrary administrative proceedings, and before any final and unappealable decision was issued in the records of such Writ of Mandamus regarding the possibility that the federal government continued to collect the debt, the federative entity included the Company in executable tax debts, and commenced a tax foreclosure action, which is in progress in the Fifth Federal Court of Tax Foreclosures of Rio de Janeiro, filed under # 5063414-48.2019.4.02.5101.

At present, after the assurance from the court and stays of execution, followed by the federal government's rejection, a reply will be submitted by the Company.

The Company's legal counsel estimates that the amount at risk in this process is R\$ 213,949 and classify the likelihood of loss as possible.

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20 Equity

20.1 Capital

On September 19, 2019, at the 64th Extraordinary Shareholders' Meeting of IRB Brasil RE, the shareholders approved the stock split of the common shares of the Company in the 3-for-1 ratio, without changing the capital stock, which is now represented by 936,000,000 common shares and one (1) special class preferred share, belonging to the federal government.

As at March 31, 2020, IRB Brasil RE's shareholding was as follows:

Shareholder	Common shares	% shares in capital outstanding
Bradesco Seguros S.A.	142,560,639	15.4%
Itaú Seguros S.A.	104,284,743	11.3%
BlackRock	47,868,096	5.2%
Other	628,684,840	68.1%
	923,398,318	100.0%

20.2 Treasury shares

In the meeting held on February 19, 2020, the Board of Directors approved the share repurchase program, aimed at acquiring the shares issued by the Company for holding them in treasury and performing their disposal or cancellation later on without capital reduction, thus maximizing the generation of value to shareholders.

The program is in effect from February 19, 2020 to August 18, 2021, and the number of shares to be acquired is limited to 41,898,920 (forty one million eight hundred ninety eight thousand nine hundred and twenty) registered book-entry common shares, with no par value, of the Company.

As at March 31, 2020, the number of shares held in treasury acquired by the Company totaled 7,850,000 common shares, at the average price of R\$ 34.51 per share, the minimum and maximum prices being R\$ 30.81 and R\$ 38.00, respectively, totaling R\$ 270,870.

The changes in treasury shares were as follows:

	Treasury shares (R\$ thousand)	Quantity
Balance as at December 31, 2019	12,956	4,753,800
Repurchases	270,870	7,850,000
Transfer	-	2,118
Balances as at March 31, 2020	283,826	12,601,682

As at March 31, 2020, the Company has 12,601,682 treasury shares, representing a total of R\$ 283,826.

According to the material fact, without the knowledge of the Board of Directors, the repurchase of the Company's shares by the former management exceeded the authorized quantities by 2,850,000 shares.

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20.3 Equity valuation adjustment

The change is as follows

	Parent Company and Consolidated	
	March 31, 2020	March 31, 2019
Opening balance of the quarter	(191,071)	(113,381)
Losses on fair value of available-for-sale financial assets in the quarter	(74,285)	(376)
Unrealized gains (losses) on securities - Subsidiaries	241	(5,575)
Remeasurement of post-employment benefit obligations	(24,281)	(5,404)
Income tax and social contribution on the change in measurement of available-for-sale assets at fair value	29,714	151
Income tax and social contribution on the change in remeasurement of post-employment benefit obligations	9,713	3,951
Exchange differences on translation of assets of operations abroad (i)	(18,551)	(33,938)
Closing balance of the quarter	(268,520)	(154,572)

- (i) The exchange differences on translation of the net assets of the Company's operations abroad, their functional currencies into the Company's presentation currency, are recognized in equity and accumulated in the cumulative translation adjustments.

20.4 Earnings (loss) per share - basic and diluted

As required by the Technical Pronouncement CPC 41 – "Earnings per Share", the following tables show the reconciliation between the net income (loss) for the quarter and the amounts used for calculating basic and diluted earnings per share.

Basic earnings (loss) per share is computed by dividing the net income (loss) for the quarter by the weighted average shares outstanding in the quarter. The basic earnings (loss) per share calculation were as follows:

	Parent Company and Consolidated	
	March 31, 2020	March 31, 2019
		(Restated)
Numerator		
Net income (loss) for the quarter	13,874	177,895
Denominator (number of shares in units)		
Weighted average number of common shares outstanding	923,398,318	931,246,200
Earnings (loss) per share	0.02	0.19

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21 Breakdown of profit or loss accounts

As at March 31, 2020 and 2019, the earned premiums for the main lines were as follows:

21.1 Earned premiums - main groups (Retrocession - gross)

Parent Company and Consolidated						
March 31, 2020						
	Written premiums, gross	Reinsurance commission	Changes in technical reserves - premium	Changes in technical reserves - commission	Other technical reserves	Earned premiums
Aviation	15,583	(217)	3,057	(261)	10	18,172
Motor	17,154	(2,253)	(7,678)	402	(261)	7,364
Mortgage	14,076	(905)	(1,970)	(58)	204	11,347
Marine	12,030	(480)	12,439	(97)	(33)	23,859
Nuclear	(12)	-	5,413	(297)	(182)	4,922
Property	247,957	(22,457)	107,398	(1,734)	1,530	332,694
Life	97,123	(11,611)	(1,079)	2,478	18,364	105,275
Oil & Gas	43,384	(655)	106,468	176	-	149,373
Casualty	43,276	(5,367)	1,315	262	21	39,507
Financial risks	62,635	(22,737)	11,596	(6,722)	(4,945)	39,827
Agriculture	236,435	(57,555)	87,161	(22,991)	4,254	247,304
Cargo	90,657	(7,976)	(8,647)	(1,576)	(532)	71,926
International risks	1,115,857	(105,268)	(263,624)	7,355	3,400	757,720
Total	1,996,155	(237,481)	51,849	(23,063)	21,830	1,809,290

Parent Company and Consolidated						
March 31, 2019						
	Written premiums, gross	Reinsurance commission	Changes in technical reserves - premium	Changes in technical reserves - commission	Other technical reserves	Earned premiums
Aviation	26,970	(1,849)	(5,361)	342	(264)	19,838
Motor	6,532	(1,746)	(400)	545	1	4,932
Mortgage	24,261	(1,496)	(6,182)	(139)	(742)	15,702
Marine	26,253	(626)	(2,668)	(2)	(22)	22,935
Nuclear	521	-	4,026	-	127	4,674
Property	337,678	(17,029)	(14,803)	(1,390)	72	304,528
Life	106,818	(5,905)	(1,302)	(461)	2,301	101,451
Oil & Gas	115,528	(133)	(12,159)	(120)	-	103,116
Casualty	27,145	(1,132)	6,318	(984)	(43)	31,304
Financial risks	76,884	(28,375)	(5,800)	234	(16,835)	26,108
Agriculture	144,766	(36,299)	166,407	(40,797)	(17,110)	216,967
Cargo	67,881	(7,850)	(983)	(737)	(46)	58,265
International risks	801,864	(106,007)	(108,354)	12,233	(12,772)	586,964
Total	1,763,101	(208,447)	18,739	(31,276)	(45,333)	1,496,784

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21.2 Incurred claims - main groups (Retrocession - gross)

Parent Company and Consolidated					
March 31, 2020					
	Direct claims	Salvage and reimbursements	Change in IBNR	Change in PDR	Incurred claims
Aviation	(153,549)	(6,936)	24,286	(490)	(136,689)
Motor	7,591	2	(6,354)	(73)	1,166
Mortgage	(601)	-	(2,104)	(52)	(2,757)
Marine	(18,406)	1,768	(1,362)	16	(17,984)
Property	(85,561)	1,303	(15,661)	(2,324)	(102,243)
Life	(120,951)	62	10,430	(84)	(110,543)
Oil & Gas	(14,705)	-	(27,554)	-	(42,259)
Casualty	(7,956)	-	(15,126)	(428)	(23,510)
Financial risks	(71,716)	(8,443)	(4,343)	(3,203)	(87,705)
Agriculture	(126,787)	3	2,636	(7)	(124,155)
Cargo	(220,322)	5,089	14,236	239	(200,758)
International risks	(456,586)	(2,218)	(128,274)	-	(587,078)
	(1,269,549)	(9,370)	(149,190)	(6,406)	(1,434,515)

Parent Company and Consolidated					
March 31, 2019					
(Restated)					
	Direct claims	Salvage and reimbursements	Change in IBNR	Change in PDR	Incurred claims
Aviation	(38,546)	37	5,725	193	(32,591)
Motor	1,316	-	7,282	(79)	8,519
Mortgage	(3,364)	-	1,041	(22)	(2,345)
Marine	(827)	30	1,538	16	757
Property	(305,636)	106,298 (*)	10,017	(900)	(190,221)
Life	(73,327)	7	448	(105)	(72,977)
Oil & Gas	(51,069)	-	1,326	1	(49,742)
Casualty	(13,435)	17	(7,702)	(50)	(21,170)
Financial risks	12,788	819	(9,757)	(951)	2,899
Agriculture	(146,381)	12	(5,612)	5	(151,976)
Cargo	(16,945)	3,203	2,268	(122)	(11,596)
International risks	(665,312)	412	(54,547)	-	(719,447)
	(1,300,738)	110,835	(47,973)	(2,014)	(1,239,890)

(*) In the quarterly information as at March 31, 2019, the reported downward adjustment of the PSL was R\$ 105,855, related to estimated reimbursement, which claims had already been paid, affecting the line item Direct claims in the statements of profit or loss for the quarter. From December 31, 2019, pursuant to SUSEP determination, the Company started to present these reimbursements in assets instead of downward adjustments of PSL, and the respective recognition in the line item Salvage and reimbursements in the statements of profit or loss for the year. For improving the comparability of the figures reported as at March 31, 2020, the Company applied the same concept in the comparative period as at March 31, 2019 in this quarterly information.

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21.3 Acquisition costs

	Parent Company and Consolidated					
	March 31, 2020			March 31, 2019		
	Acquisition costs	Change in deferred acquisition costs	Total	Acquisition costs	Change in deferred acquisition costs	Total
Aviation	(1,087)	(427)	(1,514)	(1,843)	642	(1,201)
Motor	(103)	13	(90)	(120)	44	(76)
Mortgage	(659)	381	(278)	(656)	392	(264)
Marine	(449)	(1,119)	(1,568)	(3,395)	1,896	(1,499)
Property	(5,697)	(1,275)	(6,972)	(9,108)	4,578	(4,530)
Life	(263)	(355)	(618)	(917)	(208)	(1,125)
Oil & Gas	(5,302)	1,206	(4,096)	(4,302)	1,160	(3,142)
Casualty	(970)	(19)	(989)	(396)	(129)	(525)
Financial risks	(361)	82	(279)	(263)	(26)	(289)
Agriculture	(86)	(21)	(107)	(2)	(188)	(190)
Cargo	(2,865)	378	(2,487)	(2,566)	(288)	(2,854)
International risks	(48,362)	18,621	(29,741)	(27,092)	6,640	(20,452)
	(66,204)	17,465	(48,739)	(50,660)	14,513	(36,147)

21.4 Profit or Loss on retrocession

	Parent Company and Consolidated	
	March 31, 2020	March 31, 2019
		(Restated)
Revenue from retrocession	312,948	286,195
Recovery of incurred claims	346,869	292,462
IBNR recovery	(33,921)	(6,267)
Expense for retrocession	(529,244)	(457,862)
Ceded premiums in retrocession	(286,665)	(423,725)
Commission on ceded premiums in retrocession	36,052	34,946
Changes in technical reserves - ceded premium	(283,451)	(72,172)
Changes in technical reserves - ceded commission	4,820	3,089
Salvage and reimbursements to retrocessionaire	1,059	(18,220)
Other profit or loss from retrocession	3,571	(22)
Total profit or loss from retrocession	(211,666)	(189,909)

21.5 Other operating income and expenses

	Parent Company and Consolidated	
	March 31, 2020	March 31, 2019
Profit sharing - reinsurance and retrocession	(21,936)	(9,265)
Reversal of provision for credit risks	(8,229)	(40)
Recovery of other reinsurance income	(298)	(7)
Expense for risk inspection	(662)	(696)
Other operating income and expenses	(5,052)	(1,699)
	(36,177)	(11,707)

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21.6 Administrative expenses

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Own personnel	(42,504)	(26,370)	(53,294)	(27,495)
Profit sharing	-	-	-	(8,405)
Third-party services	(6,822)	(8,151)	(7,587)	(20,663)
Location and operation	(16,674)	(18,514)	(16,707)	(1,726)
Advertising and publicity	(869)	(1,726)	(876)	(102)
Court fees	(53)	(102)	(110)	(6,501)
Other expenses	(487)	(660)	(1,374)	-
	(67,409)	(55,523)	(79,948)	(64,892)

21.7 Tax expenses

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
PIS/ COFINS	(32,950)	(26,296)	(37,515)	(27,111)
Other taxes and fees	(6,229)	(15,805)	(7,033)	(16,236)
	(39,179)	(42,101)	(44,548)	(43,347)

21.8 Finance income

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Finance income	387,103	208,558	520,993	372,325
Marketable securities	199,433	86,345	225,486	236,277
Reinsurance operations - interest and inflation adjustment PSL Legal	-	79,659	-	79,659
Exchange-rate change	175,556	34,393	175,556	34,394
Inflation adjustment and other finance income	12,114	8,161	119,951	21,995
Finance costs	(441,932)	(36,045)	(624,964)	(182,034)
Marketable securities	(37,745)	(2,456)	(37,745)	(143,722)
Reinsurance operations - interest and inflation adjustment PSL Legal	(9,106)	-	(9,106)	-
Exchange-rate change	(389,794)	(27,085)	(389,794)	(27,085)
Other finance costs	(5,287)	(6,504)	(188,319)	(11,227)
	(54,829)	172,513	(103,971)	190,291

21.9 Share of profit of equity-accounted investees

	Parent company		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Direct operating income (expenses) from investment properties	(79)	(79)	194,107	13,203
Adjustment of investments in subsidiaries (share of profit)	83,256	14,581	-	-
Provision for investment impairment	-	8,439	-	8,439
Other share of profit	(12)	4,631	(92)	4,631
	83,165	27,572	194,015	26,273

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In thousands of reais, except when otherwise stated

21.10 Income tax and social contribution

(a) Reconciliation of income tax and social contribution

	Parent company			
	March 31, 2020		March 31, 2019	
			(Restated)	
	Income tax	Social contribution	Income tax	Social contribution
Profit (loss) before provision for income tax/social contribution	(61)	(61)	128,728	128,728
Current nominal rates	25.0%	15.0%	25.0%	15.0%
Income tax and social contribution at nominal rate	15	9	(32,182)	(19,309)
Permanent additions and exclusions	8,826	5,085	74,990	25,668
Interest on shareholders' equity	12,389	7,434	17,479	10,488
Tax incentives	(100)	(60)	(249)	(149)
Deduction - current income tax - incentives/adjustments	-	-	595	-
Ownership interests / branches (*)	4,864	2,918	26,580	15,948
Loss allowance (pre-68 health plan)	(1,094)	(657)	(1,006)	(603)
Agriculture insurance	-	-	31,608	-
Other adjustments	(271)	(163)	(17)	(16)
Prior year adjustments	(6,962)	(4,387)	-	-
Income tax and social contribution in the statements of profit or loss	8,841	5,094	42,808	6,359
Current	(6,959)	(4,387)	61,659	17,670
Deferred	15,800	9,481	(18,851)	(11,311)

	Consolidated			
	March 31, 2020		March 31, 2019	
			(Restated)	
	Income tax	Social contribution	Income tax	Social contribution
Profit (loss) before provision for income tax/social contribution	43,739	43,739	134,592	134,592
Current nominal rates	25.0%	15.0%	25.0%	15.0%
Income tax and social contribution at nominal rate	(31,598)	(11,335)	(33,648)	(20,189)
Permanent additions and exclusions	8,237	4,831	72,149	24,991
Interest on shareholders' equity	12,389	7,434	17,479	10,488
Tax incentives	(100)	(60)	(249)	(149)
Deduction - current income tax - incentives/adjustments	-	-	595	-
Ownership interests / branches (*)	4,858	2,916	26,580	15,948
Loss allowance (pre-68 health plan)	(1,094)	(657)	(1,006)	(603)
Agriculture insurance	-	-	31,608	-
Other adjustments	1,133	301	(2,858)	(693)
Non-deductible administrative expenses	(1,988)	(716)	-	-
Prior year adjustments	(6,961)	(4,387)	-	-
Income tax and social contribution in the statements of profit or loss	(23,361)	(6,504)	38,501	4,802
Current	(82,498)	(31,583)	57,808	16,278
Deferred	59,137	25,079	(19,307)	(11,476)

(*) This line item refers to the branch abroad and the recognition of deferred tax assets on loss determined in the branch abroad, pursuant to SUSEP Circular 517/05, with new wording provided by Circular 544/2016.

Based on their realization, over the maximum term of 10 years, the projections of results were prepared for realization of deferred tax assets.

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated quarterly information
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In thousands of reais, except when otherwise stated

(b) Changes in deferred IRPJ and CSLL accounts

	Parent Company and Consolidated					
	December 31, 2019	Additions	Write- offs	Recognized in profit or loss	Recognized in comprehensive income	March 31, 2020
Deferred tax assets						
Labor provisions	189,839	8,838	-	8,838	-	198,677
Provision for profit sharing	-	-	-	-	-	-
Allowance for doubtful accounts	77,448	21,816	-	21,816	-	99,264
Provision for tax and social security contingencies	77,559	1,104	-	1,104	-	78,663
Adjustment to market value - available-for-sale securities	10,039	29,713	-	-	29,713	39,752
Actuarial gains or losses - post-employment benefit	(10,490)	(1,752)	-	(11,463)	9,712	(12,242)
Provision for labor contingencies	19,003	-	565	565	-	19,568
Adjustment to market value - investment	167	-	-	-	-	167
Tax loss and social contribution loss carryforwards	-	6,369	-	6,369	-	6,369
Other provisions (i)	336,106	72,238	-	(53)	-	408,344
Total deferred tax assets	699,671	138,326	565	27,176	39,425	838,562
	December 31, 2019	Additions	Write- offs	Recognized in profit or loss	Recognized in comprehensive income	March 31, 2020
Deferred tax liabilities						
Adjustment of court deposits	(100,757)	(1,890)	-	(1,890)	-	(102,647)
Total deferred tax liabilities	(100,757)	(1,890)	-	(1,890)	-	(102,647)
Total parent company, net	598,914	136,436	565	25,286	39,425	735,915
Adjustment to market value	(58,228)	-	58,783	58,783	-	555
Total consolidated, net	540,686	136,436	59,348	84,069	39,425	736,470

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In thousands of reais, except when otherwise stated

(b) Changes in deferred IRPJ and CSLL accounts

	Parent Company and Consolidated					
	December 31, 2018	Additions	Write-offs	Recognized in profit or loss	Recognized in comprehensive income	March 31, 2019
Deferred tax assets						
Labor provisions	180,753	3,640	-	3,640	-	184,393
Provision for investment devaluation						-
Provision for profit sharing	5,510	2,067	-	2,067	-	7,577
Allowance for doubtful accounts	82,388		(6,063)	(6,063)	-	76,325
Provision for tax and social security contingencies	71,229	1,640	-	1,640	-	72,869
Adjustment to market value - available-for-sale securities	9,396	151	-	-	151	9,547
Actuarial gains or losses - post-employment benefit	(12,583)	(1,610)	-	(5,561)	3,951	(14,193)
Provision for labor contingencies	23,288	(537)	-	(537)	-	22,751
Adjustment to market value - investment	2,141	-	-	-	-	2,141
Other provisions (i)	148,791	-	(22,793)	(22,793)	-	125,998
Total deferred tax assets	510,913	5,351	(28,856)	(27,607)	4,102	487,408
	December 31, 2018	Additions	Write-offs	Recognized in profit or loss	Recognized in comprehensive income	March 31, 2019
Deferred tax liabilities						
Adjustment of court deposits	(91,159)	(2,556)		(2,556)		(93,715)
Total deferred tax liabilities	(91,159)	(2,556)	-	(2,556)	-	(93,715)
Total parent company, net	419,754	2,795	(28,856)	(30,163)	4,102	393,693
Adjustment to market value	(33,539)			(621)		(34,160)
Total consolidated, net	386,215	2,795	(28,856)	(30,784)	4,102	359,533

(i) Substantially represented by the deferred tax asset of the London branch.

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(c) Estimate of realization of deferred tax assets

March 31, 2020					
	Parent company		Consolidated		
	Provision for deferred taxes and contributions	%	Provision for deferred taxes and contributions	%	
2020	39,401	5%	39,898	5%	
2021	64,316	9%	64,371	9%	
2022	171,829	23%	171,829	23%	
2023	52,280	7%	52,280	7%	
2024	59,870	8%	59,870	8%	
After 2024	348,219	48%	348,222	48%	
Total	735,915	100%	736,470	100%	

The projections of future taxable income include operations estimates, exchange rate, volume of future transactions, among others, which may change in relation to actual data and amounts.

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22 Retirement and pension plans and other employee benefits

The Company sponsors Fundação de Previdência dos Servidores do Instituto de Resseguros do Brasil (PREVIRB), which assures its participants and dependents private pension benefits.

It offers defined benefit (employer) and variable contribution (personal) plans, using the “fully funded regime” in the actuarial valuations, for retirement benefits.

The Company offers the following benefits:

- Payment of full cost of private pension and death benefits.
- Health contribution plan for current and retired employees.
- Funeral benefit.
- Life insurance.

The main adopted actuarial assumptions are the following:

Economic assumptions	Post-employment benefit plan managed by PREVIRB		Post-employment benefit plan managed by IRB	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Actual discount rate (*)	4.00%	3.25%	4.00%	3.25%
Nominal rate of expected return on assets	INPC + 4.00%	INPC + 3.25%	INPC + 4.00%	INPC + 3.25%
Projection of real growth in salary	Plan A: Not adopted Plan B: 2.15%	Plan A: Not adopted Plan B: 1%	Health Plan: 0% Other Plans: Not applicable	Health Plan: 0% Other Plans: Not applicable
Projection of real growth in the highest salary of the INSS beneficiary	Zero	Zero	Not applicable	Not applicable
Projection of real growth in plan benefits	Zero	Zero	Not applicable	Not applicable
Assumptions on future generations of new entrants	Not adopted	Not adopted	Not applicable	Not applicable
Turnover assumption	Plan A: Not adopted Plan B: 5.3%	Plan A: Not adopted Plan B: 5.3%	Health Plan: 5.3% Other Plans: Not applicable	Health Plan: 5.3% Other Plans: Not applicable
Determining factors of real value over time, INSS and plan benefits	Not adopted	Not adopted	Not applicable	Not applicable
Demographic assumptions				
Life table: Pré-68 Plan	Not applicable	Not applicable	AT-83	AT-83
Life table: Other Plans	PLAN A: AT-2000 reduced by 10% / PLAN B: AT-2000 M&F (reduced by 10%) (D10)	PLAN A: AT-2000 reduced by 10% / PLAN B: AT-2000 M&F (reduced by 10%) (D10)	AT-2000 reduced by 10%	AT-2000 reduced by 10%
Disability entry table	MI 85	MI 85	MI 85	MI 85
Disability entry table	ÁLVARO VINDAS	ÁLVARO VINDAS	ÁLVARO VINDAS	ÁLVARO VINDAS

(*) The discount rate was determined pursuant to CVM Instruction 695, using the rate for Brazilian Federal Government bonds (NTN-B) as a base, indexed over expected post-employment benefits obligations periods.

It should also be stressed that the medical inflation rate was calculated considering the plan data over the past four years. The Health Care Cost Trend Rate (HCCTR) found was 4.9% p.a., above the Aging Factor of 2.0% p.a. and the overall inflation of 4.0% p.a.. This rate is uniformly applied over the first nine years, remaining at 1.0% p.a. from the 10th year.

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In thousands of reais, except when otherwise stated

22.1 Variable contribution plans

The Company sponsors the B Pension Plan (variable contribution plan from 2004). The plan assets recorded are separated from the Company's in funds controlled by trustees.

The contributions made by the Company to PREVIRB in 2020, including the Pré-68 Plan (benefits paid to the employees hired until December 31, 1968), totaled R\$ 7,698 (R\$ 32,872 as at December 31, 2019).

This actuarial valuation established a technical surplus of R\$ 19,458 (R\$ 30,023 as at December 31, 2019) in PREVIRB which, according to the accounting practices adopted in Brazil and the IFRS, was not recognized in the sponsor.

The change in the present value of the Plan B's actuarial liabilities in the current period is as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	160,254	113,512
Cost of current services	51	169
Interest rate cost	2,777	8,609
Actuarial loss	4,150	43,474
Paid benefits	(2,628)	(5,510)
Present value of actuarial liabilities	164,604	160,254

The change in the fair value of the Plan B's actuarial assets in the current period is as follows:

	March 31, 2020	December 31, 2019
Initial fair value of the plan's assets	190,277	165,289
Return on investments	3,127	14,382
Employer contributions	2,451	12,674
Contributions of the plan's participants	2,809	14,686
Paid benefits	(2,628)	(5,510)
Return on assets	(11,974)	(11,244)
Closing fair value of the plan's assets	184,062	190,277

The amount recognized in the balance sheet arising from the company's obligations related to this defined benefit plan was as follows:

	March 31, 2020	December 31, 2019
Present value of sponsored defined benefit liability	(164,604)	(160,254)
Fair value of the plan's assets	184,062	190,277
Financial condition	19,458	30,023
Asset ceiling effect	(19,458)	(30,023)
Net asset from defined benefit liability	-	-

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22.2 Defined benefit plans

The Company grants defined benefit plans (Benefit Plan A and Pré-68 Plan) to eligible employees. According to these plans, employees are entitled to additional benefits based on monthly salary, determined on retirement date.

Plan A

The Company did not paid the contributions in this quarter (the amount paid as at December 31, 2019 was R\$ 25).

A technical surplus of R\$ 511,757 (R\$ 529,438 as at December 31, 2019) was established which, according to the accounting practices adopted in Brazil and the IFRS, was not recognized in the sponsor.

The change in the present value of the Plan A's actuarial liabilities in the current period is as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	1,566,266	1,371,117
Interest rate cost	24,769	114,280
Actuarial gain (loss)	(164,495)	194,259
Paid benefits	31,956	(113,390)
Present value of actuarial liabilities	1,458,496	1,566,266

The change in the fair value of the Plan A's actuarial assets in the current period is as follows:

	March 31, 2020	December 31, 2019
Initial fair value of the plan's assets	2,095,704	2,194,797
Return on investments	34,446	190,967
Employer contributions	-	25
Contributions of the plan's participants	-	25
Paid benefits	31,956	(113,390)
Return on assets	(191,853)	(176,720)
Closing fair value of the plan's assets	1,970,253	2,095,704

The amount recognized in the balance sheet arising from the company's obligations related to this defined benefit plan was as follows:

	March 31, 2020	December 31, 2019
Present value of sponsored defined benefit liability	1,458,496	1,566,266
Fair value of the plan's assets	(1,970,253)	(2,095,704)
Financial condition	(511,757)	(529,438)
Asset ceiling effect	511,757	529,438
Net asset from defined benefit liability	-	-

The Funds that Guarantee the Plan A's Reserves of PREVIRB are as follows:

	March 31, 2020	December 31, 2019
Cash	59	61
Receivables from investments		
Government securities	157,651	163,270
Corporate bonds and deposits	183,423	202,966
Shares	129,364	391,310
Investment funds	1,634,711	1,594,662
Real estate investments	82,799	83,218
Loans and financing	6,501	6,285
	2,194,508	2,441,772
Payables for investments		
Other payables (IOF) / Rent and Income	(9)	(6)
	(9)	(6)
Investment contingent liabilities	(25,359)	(25,359)
Guarantee funds	2,169,140	2,416,407

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Pré-68 Plan

The Company has a technical reserve to cover liabilities under the above-mentioned benefits, which were applicable to 203 members as at March 31, 2020 (208 as at December 31, 2019), consisting of 193 retirees with an average age of 85.31 years (85.18 years as at March 31, 2020) and 10 pensioners with an average age of 83.9 years (83.65 years as at December 31, 2019).

The benefits paid by the Company to these participants/beneficiaries during the current quarter, under the plan rules, amounted to R\$ 5,246 (R\$ 20,174 as at December 31, 2019).

In this actuarial valuation, the reserve amount recognized was R\$ 125,733 (R\$ 135,780 as at December 31, 2019), according to the accounting practices adopted in Brazil.

It should be clarified that the debt agreement signed between IRB Brasil RE and PREVIRB in December 2015, for transferring the administrative responsibility for the payment of pension benefits under the Pré-68 Plan, was adjusted, reaching R\$ 137,158 (R\$ 138,424 as at December 31, 2019).

As this group of participants is part of the Foundation's Plan A, the profit or loss of the Pré-68 Plan could be included in the profit or loss of Plan A; however, they are reported in this Note separately only to facilitate the understanding of the process.

The change in the present value of the defined benefit plan's actuarial liabilities in the current period was as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	135,780	137,867
Interest rate cost	2,795	11,180
Actuarial loss	(7,596)	6,906
Paid benefits	(5,246)	(20,173)
Present value of actuarial liabilities	125,733	135,780

The change in the fair value of the plan assets in the current period is as follows:

	March 31, 2020	December 31, 2019
Employer contributions	5,246	20,173
Paid benefits	(5,246)	(20,173)
Closing fair value of the plan's assets	-	-

The amounts calculated in the profit or loss in March 2020 and the projected amounts for such quarter in 2021 were as follows:

	March 31, 2021	March 31, 2020
Interest rate cost	8,575	8,316
Expense at the end of the quarter	8,575	8,316

The amount recognized in the balance sheet arising from the company's obligations related to this plan was as follows:

	March 31, 2020	December 31, 2019
Present value of defined benefit liability	125,733	135,780
Financial condition	125,733	135,780
Restriction of contracted deficit	11,423	2,644
Net amount of defined benefit liability	137,156	138,424

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22.3 Other employee benefits
Health and dental care

The change in the present value of the Health Insurance Plan's liabilities in the current period was as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	330,448	297,745
Cost of current services	43	174
Interest rate cost	6,057	24,218
Actuarial loss	23,511	28,618
Paid benefits	(5,831)	(20,307)
Present value of actuarial liabilities	354,228	330,448

The change in the fair value of the Health Insurance Plan's assets in the current period is as follows:

	March 31, 2020	December 31, 2019
Employer contributions	4,984	14,636
Contributions of the plan's participants	847	5,671
Paid benefits	(5,831)	(20,307)
Closing fair value of the plan's assets	-	-

The amounts calculated in the profit or loss in March 2020 and the projected amounts for such quarter in 2021 were as follows:

	March 31, 2021	March 31, 2020
Cost of current services	159	156
Interest rate cost	24,260	20,387
Expected contribution of employees	(3,472)	(5,814)
Expense at the end of the quarter	20,947	14,729

The amount recognized in the balance sheet arising from the company's liabilities related to this plan was as follows:

	March 31, 2020	December 31, 2019
Present value of sponsored defined benefit liability	(354,228)	(330,448)
Net asset from defined benefit liability	(354,228)	(330,448)

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Funeral benefit

The change in the present value of the Funeral benefit's liabilities in the current period was as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	2,190	1,943
Interest rate cost	41	164
Actuarial gain (loss)	(245)	120
Paid benefits	(11)	(37)
Present value of actuarial liabilities	1,975	2,190

The change in the fair value of the Funeral Benefit's assets in the current period was as follows:

	March 31, 2020	December 31, 2019
Employer contributions	11	37
Paid benefits	(11)	(37)
Closing fair value of the plan's assets	-	-

The amounts calculated in the profit or loss in March 2020 and the projected amounts for such quarter in 2021 were as follows:

	March 31, 2021	March 31, 2020
Interest rate cost	141	140
Expense at the end of the quarter	141	140

The amount recognized in the balance sheet arising from the company's liabilities related to this plan (funeral benefit) was as follows:

	March 31, 2020	December 31, 2019
Present value of sponsored defined benefit liability	(1,975)	(2,190)
Net asset from defined benefit liability	(1,975)	(2,190)

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Group life insurance

The change in the present value of the life insurance's liabilities in the current period was as follows:

	March 31, 2020	December 31, 2019
Present value of actuarial liabilities at the beginning of the year	3,117	1,879
Interest rate cost	38	154
Actuarial gain (loss)	(168)	1,688
Paid benefits	(72)	(604)
Present value of actuarial liabilities	2,915	3,117

The change in the fair value of the life insurance's assets in the current period is as follows:

	March 31, 2020	December 31, 2019
Employer contributions	72	604
Paid benefits	(72)	(604)
Closing fair value of the plan's assets	-	-

The amounts calculated in the profit or loss in March 2020 and the projected amounts for such quarter in 2021 were as follows:

	March 31, 2021	March 31, 2020
Interest rate cost	202	194
Expense at the end of the quarter	202	194

The amount recognized in the balance sheet arising from the company's liabilities related to this plan was as follows:

	March 31, 2020	December 31, 2019
Present value of sponsored defined benefit liability	(2,915)	(3,117)
Net asset from defined benefit liability	(2,915)	(3,117)

22.4 Total obligations of IRB Brasil RE

The reserve for post-employment benefit of IRB Brasil RE in current and non-current is as follows:

	Parent Company and Consolidated	
	March 31, 2020	December 31, 2019
Current		
Private retirement and pension plans (i)	19,956	19,989
Health and dental insurance plan (ii)	23,263	19,427
Health and dental insurance plan - reserve for incurred but not reported events (ii)	418	418
Group life insurance (iii)	328	331
Funeral benefit (iv)	102	104
	44,067	40,269
Non-current		
Private retirement and pension plans (i)	117,200	118,435
Health and dental insurance plan (ii)	330,965	311,021
Group life insurance (iii)	2,587	2,786
Funeral benefit (iv)	1,873	2,086
	452,625	434,328

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22.5 Consolidation of effects – Post-employment benefit

The consolidated amounts of employee benefits, as well as the adopted accounting procedures, are as follows:

The amounts recognized in profit or loss for the quarter and equity - other comprehensive income were as follows:

Total amounts recognized in profit or loss for the quarter:

	Defined benefit		Other benefits		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Cost of service	-	-	43	41	43	41
Interest rate cost	2,795	2,795	6,136	6,133	8,931	8,928
Paid contributions	-	7	2,451	2,205	2,451	2,212
Other changes	-	-	-	-	-	-
Total recognized amounts	2,795	2,802	8,630	8,379	11,425	11,181

Total amounts recognized in the statement of comprehensive income:

	Defined benefit		Other benefits		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Actuarial gains (losses)	(7,596)	2,594	23,098	10,991	15,502	13,585
Other changes	8,779	(3,708)	-	-	8,779	(3,708)
Total recognized amounts	1,183	(1,114)	23,098	10,991	24,281	9,877

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22.6 Sensitivity Analysis

According to CPC 33 – “Employee Benefits”, the Management’s sensitivity analysis related to critical financial and actuarial assumptions is as follows:

Sensitivity to discount rate

PLAN A	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	1,532,127	1,494,830	1,424,607	1,391,535
	Impact on main scenario	73,630	36,332	(33,890)	(66,962)
PLAN B	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	166,722	165,639	163,615	162,669
	Impact on main scenario	2,119	1,035	(989)	(1,934)
PRE 68	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	129,558	127,620	123,895	122,103
	Impact on main scenario	3,825	1,887	(1,838)	(3,630)
Health Insurance	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	403,709	392,935	372,752	363,294
	Impact on main scenario	49,482	38,708	18,526	9,067
Funeral Benefit	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	2,107	2,039	1,912	1,853
	Impact on main scenario	133	65	(62)	(120)
Life Insurance	Actual rate	3.5%	3.8%	4.3%	4.5%
	Nominal rate (*)	6.8%	7.1%	7.6%	7.9%
	Defined benefit liability	3,021	2,967	2,864	2,814
	Impact on main scenario	107	53	(51)	(100)

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Sensitivity to mortality table

PLAN A	Nominal rate (*)	7.3%	7.3%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	1,417,865	1,521,197
	Impact on main scenario	(40,633)	62,699
PLAN B	Nominal rate (*)	7.3%	7.3%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	163,059	164,689
	Impact on main scenario	(1,545)	85
PRE 68	Nominal rate (*)	7.3%	7.3%
	Table	AT-49	BR-EMS 2015
	Defined benefit liability	103,167	141,262
	Impact on main scenario	(22,566)	15,529
Health Insurance	Nominal rate (*)	7.3%	7.3%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	342,621	374,311
	Impact on main scenario	(11,606)	20,085
Funeral Benefit	Nominal rate (*)	7.3%	7.3%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	2,023	1,900
	Impact on main scenario	50	(74)
Life Insurance	Nominal rate (*)	7.3%	7.3%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	2,823	3,053
	Impact on main scenario	(92)	139

(*) Considers inflation

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23 Amendments to new standards and critical accounting estimates and assumptions

23.1 New standards in effect

The following amendments to standards were issued by the IASB and are effective beginning on January 1, 2020. The Company adopted these standards, but without material impacts.

.Conceptual Framework: in March 2018, IASB issued the revision of The Conceptual Framework for Financial Reporting, substituting the previous version, issued in 2010. The main changes were the following:

- . greater prominence of management in the objective of financial reporting;
- . reestablishment of prudence as a component of neutrality;
- . definition of entity;
- . revision of asset and liability definitions;
- . removal of the probability threshold for recognition and inclusion of instructions on derecognition;
- . inclusion of instructions on different measurement bases; and
- . statement that profit or loss is the main performance indicator and that, in principle, income and expenses included in other comprehensive income should be recycled when doing so provides more relevant information or a more faithful representation of the financial statements.

Amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors": in October 2018, IASB issued the definition of "material" and pertinent amendments to IAS 1 and IAS 8, which revised version's effective date is as of January 1, 2020. The definition of "material" helps entities to determine whether the information on an item, transaction or other event should be provided to the users of financial statements. However, this definition is not always objective, being required to make judgments about materiality in the preparation of the financial statements. The changes made align the wording of the material definition in all IFRS, including the Conceptual Framework.

Amendments to IFRS 3 "Business Combinations": in October 2018, IASB issued the amendment to IFRS 3 about the definition of "business", effective beginning on January 1, 2020.

The change made (i) confirms that a business should include inputs and relevant processes applied to those inputs that together significantly contribute to the creation of outputs; (ii) provides a test to assists with the assessment of whether a company acquired a group of assets rather than a business; and (iii) narrows the definition of outputs, which focus shifts to the generation income from provision of goods and services to customers, excluding the generation of income as a way to reduce costs and other economic benefits.

There is no other IFRS or IFRIC which is not yet in effect that could have significant impact on the financial statements of the Company, other those already disclosed in the financial statements for 2019.

23.2 Key accounting estimates and assumptions

The accounting policies are those that are important to present the financial position and profit or loss. Some of these policies often require more subjective or complex judgment by Management, as a result of the need to make estimates which have impact on issues that are inherently uncertain.

The judgments become more subjective and complex as the number of variables and assumptions increase.

In the preparation of the parent company and consolidated financial statements, the Reinsurer adopted variables and assumptions based on its past experience and many other factors that it believes to be reasonable and relevant. Significant items whose amounts are determined based on estimates include: securities stated at market value, provisions for adjustment of assets to realizable or recovery amount; revenue from premium and corresponding acquisition costs, related to risks in force which policies are not yet issued, technical reserves, and the provisions involving amounts being disputed in court. We particularly highlight the use of estimates in the valuation of reinsurance liabilities, described in item (a), the estimates and judgments used in the valuation of provisions for tax, civil and labor contingencies, described in item (b), the estimates used in the calculation of the recoverability (impairment) of financial assets, described in item (c), the estimates used in the calculation of the provision for credit risks described in item (d), the fair value estimates of financial instruments, described in item (e), the estimates and judgments in the determination of retirement benefits, described in item (f) below.

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Changes in such assumptions, or their differences in relation to reality may cause impacts on current estimates and judgments. Such estimates and assumptions are periodically revised. The revisions of accounting estimates are recognized in the year when they are performed, as well as in the affected future years.

(a) Estimates and judgments used in the valuation of reinsurance liabilities

The estimates used in the recognition of reinsurance liabilities of the Reinsurer represent the area where the Reinsurer applies the most critical accounting estimates to the preparation of the consolidated financial statements in accordance with the CPC. There are many sources of uncertainties that have to be considered in the estimate of the liabilities the Reinsurer will ultimately settle. The sensitivity analysis related to this critical estimate is shown in Note 2.4.3.

As to the Liability Adequacy Test, the assumptions considered critical in such study are the term structure of interest rate used to discount the current estimates of cash flows to present value and the estimates of loss ratio used for future claim flows.

Based on the Company's information and experience, the actuarial team establishes the assumptions that enable to obtain the best liability estimate to be recognized. Such estimates are periodically reviewed to ensure that when the Reinsurer's obligations are settled, these amounts differ as little as possible from those initially recognized, from the statistical-actuarial perspective.

(b) Estimates and judgments used in the valuation of the provisions for tax, civil and labor contingencies

The Reinsurer is party to labor, tax and civil lawsuits in progress at the reporting date of the consolidated financial statements. When determining and recording the accounting estimates, the Reinsurer is supported by the opinion of its legal counsel specialized in each area, case progress, and the status of judgment of each specific case. The Reinsurer also uses its best judgments about these cases.

(c) Estimates used in the measurement of the recoverability (impairment) of financial assets

The Reinsurer applies the rules on the analysis of the impairment of financial assets measured at amortized cost. In this area, the Reinsurer applies a high judgment level to determine the level of uncertainty associated with the realization of estimated contractual flows of financial assets, mainly premiums receivable.

The Reinsurer follows the guidelines of CPC 38 – "Financial Instruments: Recognition and Measurement" to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. For this judgment, the Reinsurer evaluates, among other factors, the period and extent to which the fair value of an investment is lower than its cost, the financial condition and short-term business prospects of the counterparty, including factors such as: sector and segment performance and the cash flow from operating and financing activities.

(d) Estimate of the provision for credit risks

As shown in Note 7.3, the Company adopts its own methodology considering the history of customer default, based on the breakdown of business partners by the origin of their operations, in Brazil or abroad, and related parties, rating by payment history, customers with outstanding liability balances and special treatment for customers in negotiation.

(e) Fair value estimate of financial instruments

As described in Note 2.8, the fair values of financial instruments quoted in an active market are based on current trading prices. For financial assets without active market or publicly quoted prices, the fair value is set through valuation techniques. These techniques include the use of recent transactions with third parties, benchmarking with other instruments which are substantially similar, the analysis of discounted cash flows and the pricing models that make the maximum use as possible of information generated by the market and rely as minimum as possible on the information provided by the Management of the Company. Note 6 provides detailed information on the key assumptions used in the determination of fair value of financial instruments, as well as the sensitivity analysis of such assumptions.

(f) Estimates and judgments used in the determination of retirement benefits

The cost of retirement plans with post-employment defined benefits and the present value of retirement liability are determined using actuarial valuation. The actuarial valuation involves the use of assumptions about the discount rates, expected return rates on assets, future salary increases, mortality and disability rates, and future increases in retirement and pension benefits. Defined benefit liabilities are highly sensitive to changes in such assumptions. All assumptions are reviewed at the end of each quarter. When determining the appropriate discount rate, Management considers the risk-free interest rates. The mortality rate is based on mortality tables released in the country. Future increases in salaries and retirement and pension benefits are based on future inflation rates expected for the country. The sensitivity analyses related to this key estimate are disclosed in Note 22, as well as further details on the adopted assumptions.

(g) Estimates of receipt of salvage and reimbursements

As shown in Note 10, the Company has an actuarial technical note with the methodology for recognition of the estimate of

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receipt of salvage and reimbursements, which is a downward adjustment to the claim reserve. This estimate only comprises that of salvage and reimbursements not yet recognized in assets, because after recognizing it in assets, keeping the estimate of receipt as a downward adjustment to the reserve would imply double recognition, as the amount is already recognized in the Company's assets.

Based on the rules and guidance issued by SUSEP, the portion of the expected receipt of salvage and reimbursements related to claims already settled may not be considered as an adjustment to the PSL, being recognized in assets. In the case of partial settlement, the expected receipt is limited to the amount of the claim portion still pending payment. The Company also has data history sufficient to analyze the consistency of the recognized amounts, as determined by SUSEP for recognizing and monitoring this estimate.

24 Events after the balance sheet date

24.1 Developments of the investigation regarding the shareholding

On March 4, 2020, IRB Brasil RE's Board of Directors determined the establishment of a fact-finding procedure for identifying the exact circumstances under which the disclosure of information by the Company concerning its shareholding had occurred. On June 26, 2020, the independent investigation conducted by KPMG Assessores Ltda. and Felsberg Advogados into the disclosure of information on the Company's shareholding was concluded. This investigation found those responsible for disseminating untrue information on the Company's shareholding - particularly regarding Berkshire Hathaway -, who performed these irregular acts, individually, with expired terms of offices and without regular management powers.

The Company submitted the conclusions from all of the above-mentioned procedures to the Federal Public Attorney's Office, the Brazilian Securities Commission (CVM) and the Superintendence of Private Insurance (SUSEP). The Company will cooperate with the investigations that may be conducted by the pertinent authorities, providing the required clarifications, information and documents deemed necessary. The Company will also take the appropriate legal measures for recovering from any loss incurred by improper conduct engaged by the involved individuals.

All of these operations were performed without the knowledge of the Board of Directors, and those who were primarily responsible for the irregularities found, who have already been identified, are no longer employed by the Company.

24.2 Internal survey of accounting information

Considering the signs of the above-mentioned dissemination of untrue information, the Company's Management, as approved by the Board of Directors, adopted additional procedures for collecting data and information, supported by external forensic advisory experts, to check whether there was any manipulation of information and accounting data in the audited parent company and consolidated financial statements for the years ended December 31, 2019 and 2018 and previous quarters. The works have been substantially completed on June 26, 2020, and resulted in the following actions which were or are being taken:

- Corporate Governance: revision of the By-laws, aimed to improve the best practices; increase in the number of independent members and elimination of alternates; increase in the number of statutory officers and clearer specification of the respective responsibilities; revision of the Committees supporting the Board of Directors and their rules, establishing the participation of external experts.
- Personnel: substitution of the executives who performed key duties, including the executive and statutory board; removal of employees; analysis of the Company's organization chart; reformulation of the bonus policy and other benefits tied to the individual performance of employees and executives, with greater emphasis on meritocracy and the specific attributions of each duty.
- Internal controls: (i) survey of internal processes to identify and correct any internal control vulnerability that could have enabled the performance of manipulations; (ii) analysis and reformulation, when applicable, of the internal accounting and actuarial policies that require critical judgments, particularly those related to technical reserves; (iii) survey of the information technology policies and procedures, particularly those related to the revision of controls over access and segregation of duties; (iv) correction of vulnerabilities of the reporting channels;
- Financial statements: Correction of financial statement balances and respective disclosures, as described in Note 1.4.

Some of the above-described actions are in progress and will be completed by the first half of 2021. The Company will continue to work on fraud and manipulation prevention, by adopting a strict policy on ethics and conduct to be disseminated among employees, customers and partners. IRB Re is an historic, solid, traditional institution with high solvency levels and consistent operational performance, and will continue to affirm its commitment to operate with responsibility and integrity to its customers, shareholders and the market in general.

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24.3 SUSEP's special inspection

According to the Material Fact notice disclosed to the market on May 11, 2020, the Company received a notification from SUSEP, informing about the decision of initiating a Special Inspection, under the terms of article 89 of Decree-Law 73/66 ("Decision"), in view of the reported insufficiency in assets guaranteeing Technical Reserves and, consequently, regulatory liquidity. The Decision may be reversed as soon as the coverage of Technical Reserves complies with the rules in effect, at SUSEP's discretion. The Management's plan for reversing this situation is described in Note 2.10.2 - Liquidity in relation to risk-based capital.

24.4 Amendment to By-laws

On June 23, 2020, the Company issued a Material Fact notice on the following amendments to its by-laws, as approved at the Extraordinary Shareholders' Meeting:

- The possibility of the Board of Directors taking resolutions on capital increases, within the authorized capital limit, enabling the Company to adopt, with greater flexibility and speed, measures related to its capitalization;
- Greater flexibility in the composition of the Executive Board, which may have between four and seven Statutory Officers, which enables setting the size according to the Company's needs and following corporate governance principles. The new configuration of the Executive Board includes, besides the existing positions, a Vice-President Executive Officer of Reinsurance and up to three Statutory Officers without specific designation;
- Setting up of a Statutory Profit Reserves. The purposes of this reserve, to be formed with up to 100% of the Company's net income after the mandatory allocations to the legal reserve and payment of mandatory dividend, are the following: (i) assure that the Company complies with the regulatory requirements related to the maintenance of the regulatory solvency margin and other capital and liquidity requirements; (ii) guarantee funds for the Company to support operating expenses and make investments; and (iii) enable the Company to maintain a flow of regular and constant earnings distribution to shareholders, subject to the Company's financial condition.

24.5 Impacts caused by COVID-19

On March 11, 2020, the World Health Organization (WHO) declared that the new coronavirus (COVID-19) as a pandemic. Strict social distancing measures have caused a substantial economic impact.

Aligned with the recommendations from the WHO and the Ministry of Health, the Company implemented work from home protocols for the great majority of collaborators and continually discloses, through the internal communication channels, the measures for preventing COVID-19.

With the purpose of supporting studies on the effectiveness of drugs in the COVID-19 treatment, the Company made a donation to Fundação Oswaldo Cruz ("Fiocruz"), leader of the "Unidos contra a COVID-19" (united against COVID-19) campaign.

In view of the possible implications for the Company's operations, a Crisis Task Force was formed to anticipate the next stages of the crisis and prepare a strategic action plan. The Task Force addresses the economic, competition, commercial, regulatory, legal and strategic matters with potential impact on the Company's operations and positioning.

As a result of the Task Force, the Company launched in May 2020 a partnership with Aon Resseguros, a unique tool that analyzes the pandemic risks and enables insurers to technically analyze and estimate the possible losses from COVID-19-related claims.

The reports prepared by the Crisis Task Force and released to the operational area aim to enable assessments to identify the impacts on the Company. The Company understands that the impacts will appear from the third quarter of 2020, upon the recognition of the effects arising from COVID-19 that affected customers, mostly from April 2020 (second quarter).

Among the main impacts, the following have been noted, shown by business line:

a) Life

The pandemic is a risk excluded from the Company's contracts. As the formal employment rate drops, will generate a drop in demand and the corporate contracts affected. There are also bills being proposed to amend Law 10,406/02 (Civil Code) to include in life insurance coverage the events arising from epidemics or pandemics. An increase in the demand for the life insurance products has been noted over recent months. The market is signaling a significant reduction in claims arising from accidents, which may alleviate the impacts of COVID-19 on loss ratio.

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b) Property

Reinsurance revenue changes according to the reinsured amounts based on the prices of the assets of companies. When prices of such assets fall, the reinsured amount is lower, and may affect the written premium of the business line. With the decrease in the production and revenue of companies, the reinsured amounts based on their profits will be impacted, and the written premium of such business line may be impacted.

In relation to the loss ratio of this segment, according to contractual conditions, property damage must have been caused to incur a claim. There are movements afoot seeking to the inclusion of loss of income claims from the pandemic through court; this will be determined at the judicial level.

Major engineering projects have been substantially postponed, affecting the reinsurance revenue of the business lines that depend on them.

Meanwhile, price adjustments are evident in the property segment. The average increase in renewal rates has been in the order of 20%, however, COVID-19 is not directly correlated with this factor, but rather based mainly on market limitations in view of the reduction in the international market supply capacity and increment to the retrocession market costs.

c) Agriculture

The agriculture insurance may not be materially impacted. The agriculture business line is one of the least affected by the pandemic. The Brazilian agriculture segment expects a record harvest, with estimates of reaching 245 million tons, that is, up 3.7 million tons on 2019. This good news may positively affect the insurance market.

d) Oil & Gas

In view of COVID-19, the price of oil has fallen, postponing the recovery of the Oil & Gas market. The oil crisis, aggravated by the drop in demand caused by the new Coronavirus pandemic, has forced major O&G companies to reduce costs and cut investments, which may lead to the non-renewal of some significant contracts, together with the possibility of bankruptcies.

e) Marine

COVID-19 caused the economic activity to slow, directly affecting the volume of goods to be transported, basically limiting these to essential items, such as food, certain inputs and drugs. The marine insurance business is closely correlated to the Oil & Gas sector, impacted by the fall in the price of oil.

f) Aviation

The global economy has been severely affected by the pandemic contagion and one of the hardest hit sectors has been the aviation industry. The sector recorded a sharp drop in passenger transportation since the outbreak was forced to reduce flights and cancel routes. The insurance/reinsurance industry of this segment will thus be directly impacted.

g) Financial risks

The expected economic downturn represents lower direct and indirect investments, affecting the need for guarantees, from both government and corporate sectors. The postponement and/or cancellation of privatizations, concessions and Public-Private Partnerships will affect the government sector, and investment projects will affect the corporate sector, thus impacting the insurance and reinsurance premiums.

The sharp drop in demand and loss of revenue caused by Coronavirus prompted a wave of renegotiation of concession contracts. The Office of the General Counsel for the Federal Government (AGU) acknowledges that concessionaires are entitled to economic-financial rebalancing of road, port and airport contracts affected by the pandemic advancement. Based on this opinion, AGU acknowledges that the pandemic is a "force majeure" or "Act of God" event. The concessionaires are discussing with the government and their counsel the best way to recover damages caused by the crisis.

In the quarter, no significant Coronavirus effects were noted on the Company's operations. However, the coming quarters will likely see non-renewal of some contracts in the Oil & Gas segment, hit by the oil price crisis and aggravated by the drop in demand as major O&G companies reduce costs and cut investments.

As to the Company's retrocession program, the market is reportedly tighter, with lower capacity for aggregated contracts, significant price increments and review of conditions.

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h) Finance income

In the quarter, the Company's results were affected by the significant depreciation of the Real, particularly against the US dollar.

The Company has not noted to this date any significant impacts from COVID-19 on its operations that would lead to changes in accounting estimates.

* * *

Antônio Cássio dos Santos
Acting CEO

Werner Romera Süffert
Deputy CEO, Chief Financial and Investor Relations Officer

Wilson Toneto
Risk and Compliance Vice-President Executive Officer

Thays Vargas Ferreira da Cunha
Accountant
CRC 117013/O-9

Rodrigo de Valnisio
Actuary
MIBA 1573

Fiscal Council's Opinion

THE FISCAL COUNCIL OF IRB-BRASIL RESSEGUROS S.A., fulfilling its legal and statutory duty, examined the Quarterly Information (ITR) related to the first quarter of 2020. Based on this examination and in the light of the unqualified review report issued by PricewaterhouseCoopers Auditores Independentes, dated June 29, 2020, we are of the opinion that the above-mentioned documents present fairly the equity, financial position and the operations performed by the company in the period.

Rio de Janeiro, June 29, 2020

Reginaldo José Camilo
President

Gabriela Soares Pedercini
Effective Member

Otávio Ladeira de Medeiros
Effective Member

Pedro Bramont
Effective Member

IRB-Brasil Resseguros S.A.

Statement of Executive Officers on the Financial Statements

Statement of Executive Officers on the Financial Statements

The Executive Officers of IRB Brasil Resseguros S.A. ("Company") state, for the purposes of paragraph 1, article 25, item VI, of CVM Instruction 480, of December 7, 2009, that they reviewed and discussed and agree with the parent company and consolidated interim financial statements of IRB Brasil RE, contained in the Quarterly Information Form (ITR), related to the quarter ended March 31, 2020.

Rio de Janeiro, June 29, 2020

Antônio Cássio do Santos
Acting CEO and Chairman of the Board of Directors

Werner Romera Süffert
Deputy CEO, Chief Financial and Investor Relations Officer

Statement of Executive Officers on the Independent Auditor Report

The Officers of IRB Brasil Resseguros S.A. ("Company") state, for the purposes of paragraph 1, article 25, item V, of CVM Instruction 480, of December 7, 2009, that they reviewed, discussed and agree with the conclusion expressed in the unmodified Review Report of the Quarterly Information ITR), issued by PricewaterhouseCoopers Auditores Independentes for the quarter ended March 31, 2020.

Rio de Janeiro, June 29, 2020

Antônio Cássio do Santos
Acting CEO and Chairman of the Board of Directors

Werner Romera Süffert
Deputy CEO, Chief Financial and Investor Relations Officer