



Financial Statements

1st Quater 2019

BB Seguridade Participações S.A.

INDEX

Management comments on performance	01
Consolidated Financial Statements	03
Statement of Income	03
Statement of Comprehensive Income	04
Balance Sheet	05
Statement of Cash Flows	06
Statement of Changes in Equity	07
Statement of Value Added	08
Notes to the Consolidated Financial Statements	09
Note 1 – Operations	09
Note 2 – Acquisitions, Disposals and Corporate Restructurings	09
Note 3 – Presentation of Financial Statements	10
Note 4 – Description of Significant Accounting Policies	12
Note 5 – Risk Management	18
Note 6 – Information by Segment	23
Note 7 – Cash and Cash Equivalents	28
Note 8 – Financial Instruments	28
Note 9 – Investment in Associates	30
Note 10 – Intangible Asset	40
Note 11 – Dividends/Interest on Equity Capital Receivable	40
Note 12 – Taxes	41
Note 13 – Commissions receivable	43
Note 14 – Other Assets	43
Note 15 – Dividends Payable	43
Note 16 – Provisions and Contingent Liabilities	44
Note 17 – Unearned Commissions	46
Note 18 – Other Liabilities	46
Note 19 – Equity	46
Note 20 – Financial Result	50
Note 21 – Personnel Expenses	50
Note 22 – Administrative Expenses	50
Note 23 – Other Operating Income/(Expense)	51
Note 24 – Commissions Income	51
Note 25 – Related Party Transactions	52
Report of Independent Auditors for Financial Statements	
Declaration of the Members of the Executive Board about the Financial Statements	
Statement of the Members of the Executive Board on the Report of the Independent Auditors	
Members of the Management Bodies	



ITR – Management Comments on Performance

Dear Shareholders,

BB Seguridade Participações S.A. ("BB Seguridade" or "Company") reported a net income of R\$1.0 billion in the first quarter of 2019, up 14.4% year-over-year, driven by the growth in equity income, as detailed below:

Equity Income

	Parent		Var%
	1Q18	1Q19	
EQUITY INCOME	878,900	1,002,039	14.0
Brasilseg ¹	247,922	226,211	(8.8%)
MAPFRE BB SH2 ²	(26,521)	-	-
Brasilprev	197,732	286,534	44.9%
Brasilcap	32,386	21,411	(33.9%)
IRB Brasil-RE	38,516	49,443	28.4%
BB Corretora	391,370	415,623	6.2%
Brasildental	3,261	4,609	41.3%
Demais participações	(5,766)	(1,792)	(68.9%)

¹New brand of BB MAPFRE SH1, after the restructuring of the partnership with MAPFRE.

² Since December 2018, MAPFRE BB SH2 is not part of BB Seguridade's results.

In the 1Q18, the equity income arising from the investment in MAPFRE BB SH2, which is no longer part of BB Seguridade's results since the restructuring of the partnership with MAPFRE concluded in November 2018, was negatively impacted in R\$20.9 million by expenses with Provisions for Judicial Claims to be Settled ("PSLJ") in that company. Setting this one-off event apart, the adjusted equity income would have grown 11.4% YoY, as detailed below:

Extraordinary effects

	Parent		Var%
	1Q18	1Q19	
EQUITY INCOME	878,900	1,002,039	14.0%
(+) EXTRAORDINARY EFFECTS	20,889	-	-
MAPFRE BB SH2: PSLJ adjustments	20,889	-	-
(=) ADJUSTED EQUITY INCOME	899,789	1,002,039	11.4%

The evolution in adjusted equity income is mainly explained by:

- (i) the 44.9% increase in the equity income from Brasilprev, justified by the net investment income growth led by the temporal mismatch of the interest accrual on earning assets and bearing liabilities related to defined benefit pension plans, which positively impacted the financial expenses due to accumulated



- deflation between December 2018 and February 2019, while the financial revenues were benefited by the higher IGP-M and IPCA inflation rates between January and March 2019;
- (ii) the 28.4% increase in the equity income arising from the investment in IRB Brasil-RE, explained by the growth in the net investment income, related to financial operations gains with foreign exchange; and
 - (iii) the 6.2% growth in BB Corretora's brokerage revenues, explained by the improvement in commercial performance.

It is worth mentioning that in the 1Q19 the results of Brasilseg, Brasilprev, Brasilcap and IRB Brasil-RE were helped by the reduction of the CSLL tax rate from 20.0% to 15.0%, starting in January 2019, which contributed to the growth in the equity income of BB Seguridade.

RELATIONSHIP WITH INDEPENDENT AUDITORS

According to the CVM Rule 381/03, we hereby inform that for the first quarter of 2019 results BB Seguridade has used the independent audit services provided by Deloitte Touche Tohmatsu Auditores Independentes ("Deloitte"), through a contract maintained by its controlling shareholder Banco do Brasil S.A., as follows:

Company	Start	End	Services	Total Fee (R\$)
Banco do Brasil S.A.	03/22/2019	03/21/2020	Accounting audit services on 2019 Financial Statements of Banco do Brasil Conglomerate, to be prepared according to the accounting practices in Brazil and in the International Accounting Standards (IFRS)	16,625,000.00

When hiring services not related to the external audit, BB Seguridade adopts procedures based on the applicable law and on international accepted principles that preserve the auditor's independence. Such principles consist of: (i) the auditor should not audit its own work; (ii) the auditor should not perform managerial activities at his client management structure; and (iii) the auditor should not promote the interests of its client.

BB Seguridade holds a non-audit service contract with Deloitte for the collection, assessment and delivery of data and information to internal and external agents through a Whistleblower Hotline. This contract also reaches the wholly owned subsidiaries, BB Corretora and BB Seguros. During the first quarter of 2019, the contract was extended for more 12-months, as described below:

Company	Start	End	Services	Total Fee (R\$)
BB Seguridade Participações S.A.	02/24/2019	02/23/2020	Collection, assessment and delivery of data and informations to internal and external agents through a Whistleblower Hotline.	33,333.43

Regarding to BB Seguridade's affiliated companies, there was no contracts with Deloitte Touche Tohmatsu Auditores Independentes being signed, changed or canceled during the 1Q19.

For more information about the performance of BB Seguridade, please refer to the MD&A, available at www.bbseguridaderi.com.br/en, section Financial Information.

STATEMENT OF INCOME

		Parent		Consolidated	
	Note	1st Quarter 2019	1st Quarter 2018	1st Quarter 2019	1st Quarter 2018
R\$ thousand (except earnings per share)					
OPERATING INCOME		1,002,039	878,900	1,348,852	1,190,575
Equity income	[09]	1,002,039	878,900	586,673	493,296
Commissions income	[24]	--	--	762,179	697,279
COST OF SERVICES PROVIDED	[22]	--	--	(43,667)	(36,306)
GROSS PROFIT		1,002,039	878,900	1,305,185	1,154,269
OTHER INCOME AND EXPENSES		(2,985)	(5,830)	(119,334)	(103,142)
Personnel expenses	[21]	(2,481)	(3,020)	(13,128)	(13,493)
Administrative expenses	[21]	(569)	(918)	(5,110)	(3,124)
Tax expenses	[11]	(1,730)	(1,851)	(98,444)	(85,949)
Other	[22]	1,795	(41)	(2,652)	(576)
INCOME BEFORE FINANCIAL REVENUE AND EXPENSES		999,054	873,070	1,185,851	1,051,127
FINANCIAL RESULT		20,044	17,416	50,691	46,720
Financial revenue	[19]	33,828	39,820	64,547	69,189
Financial expenses	[19]	(13,784)	(22,404)	(13,856)	(22,469)
INCOME BEFORE TAXES AND EQUITIES		1,019,098	890,486	1,236,542	1,097,847
INCOME TAX AND SOCIAL CONTRIBUTION	[11]	(5,340)	(3,987)	(222,784)	(211,348)
NET INCOME FOR THE PERIOD		1,013,758	886,499	1,013,758	886,499
EARNINGS PER SHARE	[18]				
Number of shares		2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Weighted average number of shares - basic and diluted		1,996,597,404	1,996,595,437	1,996,597,404	1,996,595,437
Basic and diluted earnings per share (R\$)		0.51	0.44	0.51	0.44
See the accompanying notes to the financial statements.					

STATEMENT OF COMPREHENSIVE INCOME

	Parent		Consolidated		R\$ thousand
	1st Quarter 2019	1st Quarter 2018	1st Quarter 2019	1st Quarter 2018	
NET INCOME FOR THE PERIOD	1,013,758	886,499	1,013,758	886,499	
Share of comprehensive income/(loss) of associates and joint ventures	(52,088)	10,442	(52,088)	10,442	
Gains/(losses) on financial assets available for sale	(24,570)	18,913	(24,570)	18,913	
Other comprehensive income	(70,215)	23	(70,215)	23	
Tax effect	42,697	(8,494)	42,697	(8,494)	
TOTAL COMPREHENSIVE INCOME	961,670	896,941	961,670	896,941	

See the accompanying notes to the financial statements.

BALANCE SHEET

		R\$ thousand			
	Note	Parent		Consolidated	
		Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
CURRENT ASSETS		1,662,282	5,005,551	3,754,090	7,194,996
Cash and cash equivalents	[07]	1,585,968	4,428,956	2,671,568	6,056,247
Dividends/interest on equity receivable	[11]	–	515,602	108,796	9,971
Current tax assets		71,700	55,662	159,746	121,797
Commissions receivable	[13]	–	–	813,969	1,006,939
Other assets	[14]	4,614	5,331	11	42
NON-CURRENT ASSETS		6,140,660	5,891,640	6,459,335	6,485,127
Financial assets at fair value through profit or loss	[08]	2,037	1,208	443,525	435,975
Financial assets measured at amortised cost	[08]	–	–	501,400	493,531
Investments in associates	[09]	6,117,185	5,867,234	5,278,043	5,326,316
Intangible	[10]	5,464	5,620	5,464	5,620
Deferred tax assets	[12]	15,974	17,578	29,103	29,897
Other assets	[14]	–	–	201,800	193,788
TOTAL ASSETS		7,802,942	10,897,191	10,213,425	13,680,123
CURRENT LIABILITIES		10,887	4,066,806	1,136,270	5,621,695
Dividends payable	[15]	345	4,052,523	345	4,052,523
Contingent liabilities	[16]	–	–	11,099	19,064
Current tax liabilities		4,550	5,481	253,503	642,836
Unearned commissions	[17]	–	–	816,478	858,846
Other liabilities	[18]	5,992	8,802	54,845	48,426
NON-CURRENT LIABILITIES		–	–	1,285,100	1,228,043
Contingent liabilities	[16]	–	–	8,708	–
Deferred tax liabilities	[12]	–	–	230,452	230,452
Unearned commissions	[17]	–	–	1,045,940	997,591
TOTAL LIABILITIES		10,887	4,066,806	2,421,370	6,849,738
EQUITY	[19]	7,792,055	6,830,385	7,792,055	6,830,385
Capital		5,646,767	5,646,767	5,646,767	5,646,767
Capital reserves		1,117	1,262	1,117	1,262
Income reserves		1,265,575	1,265,575	1,265,575	1,265,575
Other accumulated comprehensive income		(51,856)	232	(51,856)	232
Retained earnings		1,013,758	–	1,013,758	–
Treasury shares		(83,306)	(83,451)	(83,306)	(83,451)
TOTAL EQUITY		7,792,055	6,830,385	7,792,055	6,830,385
TOTAL LIABILITIES AND EQUITY		7,802,942	10,897,191	10,213,425	13,680,123

See the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter 2019	1st Quarter 2018	1st Quarter 2019	1st Quarter 2018
Cash From Operations				
Net income for the period	1,013,758	886,499	1,013,758	886,499
Adjustment to net income:				
Equity income	(1,002,039)	(878,900)	(586,673)	(493,296)
Expenses with civil and tax provisions	--	--	743	(1,003)
Net increase in dividends and interest on shareholders' equity	7,892	17,914	13,379	21,864
Other adjustments	156	148	156	150
Adjustment to net income	19,767	25,661	441,363	414,214
Equity variations				
Financial assets at fair value through profit or loss	(829)	(5)	(7,549)	(6,717)
Current tax assets and deferred tax assets	(14,434)	(5,850)	(37,154)	(12,566)
Commissions receivable	--	--	192,970	49,730
Other assets	717	1,850	(7,984)	(2,156)
Unearned commissions	--	--	5,982	(30,225)
Current tax liabilities and deferred tax liabilities	(931)	404	(389,333)	(316,707)
Other liabilities	(2,810)	(1,768)	6,419	1,900
Net cash from operating activities	1,480	20,292	204,714	97,473
Cash from investment activities				
Dividends received	1,221,089	1,045,499	484,033	490,078
Interest on equity received	--	--	--	10,308
Financial assets measured at amortised cost	--	--	(7,869)	(7,807)
Acquisition of intangible assets	--	(359)	--	(359)
Net cash from investment activities	1,221,089	1,045,140	476,164	492,220
Cash from financing activities				
Dividends paid	(4,065,557)	(1,911,871)	(4,065,557)	(1,911,871)
Net cash from financing activities	(4,065,557)	(1,911,871)	(4,065,557)	(1,911,871)
Net change in cash and cash equivalents	(2,842,988)	(846,439)	(3,384,679)	(1,322,178)
Opening balance	4,428,956	2,429,600	6,056,247	3,644,179
Closing balance	1,585,968	1,583,161	2,671,568	2,322,001
Increase (decrease) in cash and cash equivalents	(2,842,988)	(846,439)	(3,384,679)	(1,322,178)
Complementary information on operations				
Paid income tax	--	--	418,105	371,461
Social contribution paid	1,769	--	168,445	146,506
Total tax paid	1,769	--	586,550	517,967

See the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

Event	Note	Capital	Capital Reserves			Profit Reserves		Treasury Shares	Retained Earnings/ Accumulated Losses	Other Accumulated Comprehensive Income	Total
						Legal Reserve	Statutory Reserve				
R\$ thousand											
Balances at Dec 31, 2017		5,646,767	1,277		910,048	2,427,150	(83,478)	--		(3,294)	8,898,470
Share-based payment transactions	[19.b]	--	98		--	--	(98)	--		--	--
Other accumulated comprehensive income	[19.e]	--	--		--	--	--	--		10,442	10,442
Net income for the period		--	--		--	--	--	--	886,499	--	886,499
Balances at Mar 31, 2018		5,646,767	1,375		910,048	2,427,150	(83,576)		886,499	7,148	9,795,411
Changes in the Period		--	98		--	--	(98)		886,499	10,442	896,941
Balances at Dec 31, 2018		5,646,767	1,262		1,087,026	178,549	(83,451)	--		232	6,830,385
Share-based payment transactions	[19.b]	--	(145)		--	--	145	--		--	--
Other accumulated comprehensive income	[19.e]	--	--		--	--	--	--		(52,088)	(52,088)
Net income for the period		--	--		--	--	--	--	1,013,758	--	1,013,758
Balances at Mar 31, 2019		5,646,767	1,117		1,087,026	178,549	(83,306)		1,013,758	(51,856)	7,792,055
Changes in the Period		--	(145)		--	--	145		1,013,758	(52,088)	961,670

See the accompanying notes to the financial statements.

STATEMENT OF VALUE ADDED

R\$ thousand					
	Note	Parent		Consolidated	
		1st Quarter 2019	1st Quarter 2018	1st Quarter 2019	1st Quarter 2018
Income		--	--	762,179	697,279
Commissions income	[24]	--	--	762,179	697,279
Input Acquired from Third Parties		1,226	(959)	(51,429)	(40,006)
Administrative expenses diverse	[22]	(569)	(918)	(5,110)	(3,124)
Cost of services provided		--	--	(43,667)	(36,306)
Other income/(expenses)	[23]	1,795	(41)	(2,652)	(576)
Gross Added Value		1,226	(959)	710,750	657,273
Net Added Value Generated by the Entity		1,226	(959)	710,750	657,273
Added Value Received Through Transfer		1,035,867	918,720	651,220	562,485
Equity in the earnings of associates	[09]	1,002,039	878,900	586,673	493,296
Financial income	[20]	33,828	39,820	64,547	69,189
Total Added Value to Distribute		1,037,093	917,761	1,361,970	1,219,758
Distribution of Added Value		1,037,093	917,761	1,361,970	1,219,758
Personnel	[21]	2,481	3,020	13,128	13,493
Taxes, fees and contributions	[12]	7,070	5,838	321,228	297,297
Financial expenses	[20]	13,784	22,404	13,856	22,469
Remuneration of equity	[19]	1,013,758	886,499	1,013,758	886,499

See the accompanying notes to the financial statements.



1 – OPERATIONS

BB Seguridade Participações S.A. ("BB Seguridade") was incorporated as a subsidiary of Banco do Brasil S.A. on December 20, 2012, in accordance with Brazilian law. The purpose of the Group is to participate in insurance companies, capitalization, open private pension funds, health insurance companies, reinsurance companies, as well as other companies whose corporate purpose is to broker and facilitate business involving personal, health, property and vehicle insurance, offer capitalization plans, private pension plans and asset management.

BB Seguridade, enrolled with the CNPJ (Brazilian equivalent of IRS Registry of Legal Entities) 17.344.597/0001-94, is headquartered in Setor de Autarquias Norte, Quadra 05, Lot B, 3rd Floor, Banco do Brasil Building, Asa Norte, Brasília, Distrito Federal, Brazil. It is a publicly traded corporation and its shares are traded in the Novo Mercado segment of B3 SA (Brasil, Bolsa, Balcão), under the code "BBSE3" and its ADRs (American Depositary Receipts) in the USA over-the-counter market, under the code "BBSEY".

The Group's operations are conducted through its wholly owned subsidiaries BB Corretora de Seguros e Administradora de Bens S.A. (BB Corretora) and BB Seguros Participações S.A. (BB Seguros), which are under common administrative and management control.

2 – ACQUISITIONS, DISPOSALS AND CORPORATE RESTRUCTURINGS

a) Partnership Restructuring of Grupo Segurador Mapfre

Pursuant to Material Fact released on June 26, 2018 and Information to the Market on November 30th, BB Seguros Participações S.A. ("BB Seguros") and Banco do Brasil S.A., signed of a Partnership Restructuring Agreement ("Agreement") with MAPFRE S.A., MAPFRE Internacional S.A. and MAPFRE Brasil Participações S.A. ("MAPFRE Brasil"), which comprises the following corporate acts:

- (i) Partial spin-off of BB MAPFRE SH1 ("SH1") through the segregation of the equity corresponding to the investment in MAPFRE Vida S.A. to be then incorporated by MAPFRE BB SH2 ("SH2").
- (ii) Partial spin-off of SH2 through the segregation of the equity corresponding to the investment in Aliança do Brasil Seguros S.A. ("ABS") to be then incorporated by SH1. After the incorporation, ABS should refrain from renewing and selling large risks insurance policies, remaining only with the run-off portfolio (no renewals/ hirings).
- (iii) On November 30th, 2018, immediately after the corporate reorganization described in the items (i) and (ii) aforementioned, BB Seguros sold to MAPFRE Brasil the totality of its investment in SH2 for R\$2.4 billion, which was reduced by dividends and interest on capital distributed as well as by the capital reductions carried out by the insurance companies involved on the reorganization. After these deductions, BB Seguros received from MAPFRE, on that date, the amount of R\$ 2.3 billion.

The deal resulted, after the deductions of expenses related to the financial advisors and tax effects, in a capital release amounting to R\$2.1 billion to be distributed to shareholders.

The deal also resulted in a negative impact on BB Seguridade's 4Q18 earnings amounting to roughly R\$25 million due to tax effects and the expenses with the financial advisors.

The valuation, at book value, of the assets spun off by BB Mapfre SH1 and Mapfre BB SH2 was supported by a report issued by a specialized company and signed by three experts registered in the CRC, pursuant to Article 8th of the Brazilian Corporate Law. Such study, contracted by BB Mapfre SH1 and Mapfre BB SH2, was used to show movements defined in articles 229 (split) and 227 (incorporation) of the same Law. Finally, as determined by article 224, the report based the conditions presented in the Protocol of Justification of the Cisions, having been approved, as required by article 225 of the Brazilian Corporation Law, at general meetings of SHs that deliberated the effective spin-off movements.

In the new partnership model, the payment of additional compensation is provided by the Company of Insurance Aliança do Brasil SA ("Aliança do Brasil") to BB Corretora de Seguros and Administradora de Bens SA ("BB Corretora") for the sale of portfolio insurance Lender and Rural Producer Life in the distribution channels of Banco do Brasil, in compliance with the provisions of the 2nd Amendment to the Operational Agreement for the Insurance Segment and its annexes ("Operational Agreement" or "Agreement") of which Aliança do Brasil and BB Corretora have been signatories since 11.30.2018.



Among other provisions, the Agreement establishes minimum parameters related to the volume of sales of Lenders and Rural Life Producer through the distribution channels of Banco do Brasil. If the volume of sales at the end of each year exceeds the minimum parameter established in the Agreement, the Brazilian Alliance shall pay an additional remuneration to BB Corretora. The calculation will be carried out at the end of each year, starting on the base date of 12.31.2018.

In addition, there is a price adjustment mechanism for the assets of Brasilveículos sold to Mapfre, with calculation, monthly provisioning and annual payments, based on the achievement of goals in the sales of auto insurance. The mechanism provides for the possibility of earn in or earn out, that is, payment from MAPFRE Brasil to BB Seguros or from BB Seguros to MAPFRE Brasil.

b) Ciclic Corretora de Seguros S.A.

BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), BB Seguridade's wholly-owned subsidiary and PFG do Brasil 2 Participações Ltda. ("PFG2"), a subsidiary of PFG do Brasil Ltda. ("PFG"), after the approval of regulatory and supervisory authorities, celebrated in August 10th, 2018, the Shareholders Agreement with term until October 27th, 2032, for joint action focused initially on the distribution of private pension products in the digital channel, through Ciclic Corretora de Seguros SA.

After the signing of the Shareholders Agreement, the capital of Ciclic was increased by R\$26,997,600.00 (twenty-six million, nine hundred and ninety-seven thousand and six hundred reais) through the issuance of 13,498,300 new common shares ("ON shares") and 13,499,300 new preferred shares ("PN shares"), with an investment by BB Corretora amounting to R\$20,247,600.00 (twenty million, two hundred and forty-seven thousand and six hundred reais) to buy 6,748,300 ON shares and 13,499,300 PN shares.

Considering the increase of capital and the acquisition of shares by BB Corretora, the Ciclic's total capital is now composed of 26,998,600 shares distributed as follows:

Shareholder	ON Shares		PN Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
BB Corretora de Seguros e Administradora de Bens S.A.	6,748,300	49.990	13,499,300	100.000	20,247,600	74.995
PFG do Brasil 2 Participações Ltda	6,751,000	50.010	--	--	6,751,000	25.005
Total	13,499,300	100.000	13,499,300	100.000	26,998,600	100.000

3 – Presentation of Financial Statements

a) Statement of Compliance

The individual financial statements have been prepared in accordance with the accounting guidelines derived from Brazilian corporation law and are presented in compliance with accounting practices adopted in Brazil, including pronouncements issued by the Comitê de Pronunciamentos Contábeis – CPC (Accounting Pronouncements Committee), approved by Conselho Federal de Contabilidade – CFC (Federal Accounting Council).

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

There are no divergences in accounting practices adopted for these individual and consolidated financial statements, given that the conformity between of the accounting standards adopted in Brazil and those issued by the IASB

All the relevant information specific to the financial statements are evidenced and correspond to those used by Management in its management.

These financial statements were approved and authorized for issue by the Board of Directors on 03.05.2019.

b) Continuity

Management evaluated the capacity of BB Seguridade to continue normally operating and it is convinced that it has the resources to continue its business in the future. In addition, Management is not aware of any material uncertainties that



could generate significant doubts about its ability to continue operating. Accordingly, these consolidated financial statements were prepared based on the assumption of operating continuity

c) Measurement Basis of Assets and Liabilities

These individual and consolidated financial statements have been prepared using historical cost as a measurement basis, except for the following items: (i) financial assets and liabilities held for trading, and (ii) financial assets at amortized cost.

d) Functional and Presentation Currency

The financial statements are presented in Brazilian Reais (R\$), the functional and presentation currency of BB Seguridade. BB Seguridade did not carry out operations in foreign currency

e) Consolidation Basis

The consolidated financial statements of the Group include the consolidation of assets and liabilities from BB Seguridade and its controlled entities, as follows:

Company	Activity	Country of constitution	% Share	
			Mar 31, 2019	Dec 31, 2018
BB Seguros Participações S.A.	Holding	Brazil	100%	100%
BB Corretora de Seguros e Administradora de Bens S.A.	Brokerage	Brazil	100%	100%

The intra-group balances and transactions, such as any unrealized income or expenses on transactions between companies of the consolidated, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity method investments are eliminated against the investment to the extent of the BB Seguridade equity interest in the investee.

f) Seasonality of Operations

BB Seguridade and its owned subsidiaries consider the nature of their transactions as non-seasonal and non-cyclical, taking into account the activities carried out by the Group. Consequently, no specific disclosures are provided in these notes.

g) Main Judgments and Accounting Estimates

The preparation of the financial statements in accordance with CPCs and IFRS requires that the Management make judgments and estimates affecting the recognized amounts referring to assets, liabilities, income and expenses. Estimates and assumptions adopted are analyzed on a continuous basis, and revisions are carried out and recognized in the period in which the estimate is reevaluated, with prospective effects. The actual results obtained may be different from estimates used herein.

Taking into consideration that there are certain alternatives to accounting treatments, the results that are disclosed could be different, in the event a different treatment had been chosen. Management considers that the choices made are appropriate and that the financial statements fairly present the consolidated financial position of BB Seguridade and the result of its operations in all material aspects.

Significant assets and liabilities subject to these estimates and assumptions encompass items for which an evaluation at fair value is necessary. The most relevant applications of the exercise on estimates judgments and usage occur in: Fair value of Financial Instruments, Impairment of Financial Assets Available for Sale, Impairment of Non-Financial Assets, Income Taxes, Deferred Taxes and Provisions and Contingent Liabilities.

h) Information for Effect of Comparability

In order to improve the presentation of the Statement of Cash Flows, a review of this statement was carried out, in accordance with CPC 03 - Cash Flow Statement, in order to allow better disclosure of the net cash flow generated or consumed in operating activities, adjusted for expenses and revenues that do not have a cash effect, for activities that do not belong to operating activities, as well as for changes in assets and liabilities related to the company's operating activities.

Based on the equity variations, it is possible to capture the effects of any deferrals or appropriations by competence on past or future cash receipts or cash payments.

The main changes in the presentation of the Cash Flow Statement are:

- i) Change in the beginning of the cash flow from the "Net income for the period" in the place of "Income before income tax and social contribution";
- ii) Presentation of income tax and social contribution paid as supplementary information of operations;
- iii) Reclassification of the dividend and interest on capital paid and received from the operating activities grouping for the respective investment and financing activities.

Following the review, the following reclassifications were made for comparability purposes, without any change in amounts previously shown in the net change in Cash and Cash Equivalents.

Statement of Cash Flows

1st Quarter/2018	R\$ thousand					
	Parent			Consolidated		
	Previous disclosure	Reclassification	Current balance	Previous disclosure	Reclassification	Current balance
Net cash from operating activities	20,381	(89)	20,292	98,394	(921)	97,473
Net cash from investment activities	1,045,287	(147)	1,045,140	491,535	685	492,220
Net cash from financing activities	(1,912,107)	236	(1,911,871)	(1,912,107)	236	(1,911,871)
Net change in cash and cash equivalents	(846,439)	--	(846,439)	(1,322,178)	--	(1,322,178)

4 – DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are the basics, principles, conventions, rules and the specific practices applied by BB Seguridade when preparing and presenting financial statements. BB Seguridade applied the policies described below in a consistent manner to all the financial statements prepared.

The accounting policies applied to the preparation of these intermediary financial statements are the same applied to the statements of the fiscal year up to 12.31.2018 and, therefore, should be read in conjunction with these financial statements.

a) Revenue and Expense Recognition

The profits and losses are assessed by an accrual basis and reported in the financial statements of the related fiscal years. The profits represent the financial income during the year, originated during from the regular activities of the company as cash flow and increase of the assets or decrease of the liabilities that generate increase of the net equity of the company, and that are not related to contributions of the parties included in such equity.

This concept is applied to the main forms of revenue originated from the activities of BB Seguridade and its subsidiary companies, as follows:

a.1) Revenue from investments of corporate interests – Income from the equity accounting method for evaluation of the investments in corporate interests are incorporated according to the investment interest of BB Seguridade in the results originated from the companies in which it was invested, according to CPC 18 (R2) – Investment in Controlled Companies and Affiliated and Joint Ventures.

a.2) Commission Revenue – The income originated from commissions are incorporated when its amount and the related costs and process of conclusion of the operation can be measured in reliable manner and when its related economic benefits are likely to be made, according to CPC 47 – Client Agreement Revenue.

In order to assess its revenue, BB Seguridade uses a five-stage model concept to determine when to incorporate a type of revenue: i) identification of the agreement; ii) identification of the performance obligations; iii) evaluation of the price of the operation; iv) measurement of the operation price and v) revenue assessment

The commission revenue are incorporated when the Company meets (or as the Company meets) its performance obligation when transferring goods and services (in other words, assets) agreed with the client. The commission income



comes from the segments of people insurance, basic lines, vehicles, pension plans, capitalization and health insurance. These revenues are recognized over time (annual products), where the performance obligation is diluted linearly over the lifetime of the product / insurance, or at a specific time (monthly products), where the performance obligation occurs monthly, according to the characteristics of the products.

In cases of return of premium to the insured, the broker returns to the insurer the commission received in proportion to the amount returned or not received by the insurer in function of the remaining period of the policy.

For insurance whose expiry is not objectively defined (monthly insurance), the monthly payment of the payments is decisive for the continuity of the policies, and, in general, there are no refund of commissions.

a.3) Financial income and expenses – Income and expenses from financial instruments originated from assets and liabilities that generate and pay interest are incorporated, as well as the amounts related to the fair value adjustment, in the revenue for that fiscal year on the accrual basis, using the effective interest rate method, according to CPC 48 - Financial Instruments.

In the case of instruments measured at fair value through profit or loss (in accordance with item c.3 below), the fair value is determined as described in item c.4.

The effective interest rate method is the rate that discounts estimated future cash receipts or cash payments over the expected life of the financial asset or financial liability in relation to the gross carrying amount of the financial asset or the amortized cost of the financial liability. When calculating the effective interest rate, the company should estimate the expected cash flows, taking into account all contractual terms of the financial instrument, but should not consider expected credit losses.

b) Cash and cash equivalents

Cash and cash equivalents are represented by cash equivalents in local currency, short-term fund investments, investments of sales and purchase agreements with high net value and insignificant risk of change in value, with a maturity of 90 days or less.

c) Financial instruments

The financial instruments are classified according to the business model and the contractual characteristics of the cash flows of the instruments according to CPC 48.

Financial assets and liabilities are initially incorporated on the trade date, i.e., the date on which the Group becomes a party to the provisions of the instrument. The classification of the financial assets and liabilities is determined on the date of initial recognition.

Financial instruments are initially measured at fair value plus the transaction cost, except when financial assets and liabilities are recorded at fair value through profit or loss.

Financial assets and liabilities can be classified into one of the categories: i) financial instrument measured at fair value through profit or loss, financial instrument measured at amortized cost and financial instrument measured at fair value through other comprehensive income. BB Seguridade currently does not use derivative financial instruments.

The main financial instruments of the Group are securities mainly held by Banco do Brasil (short- and long-term investment funds, financial bills and sales and purchase agreements).

The BB Seguridade Group holds interests in insurance companies, for which CPC 48 is not applied. When there is a divergence in accounting practice in investments in equity investments, it is necessary to adjust the accounting practices for standardization. However, the CPC Technical Pronouncements Review no. 12/2017 allowed, subject to an exemption for insurers, that the entity apply the CPC without need for standardization in relation to the affiliated companies (until January 1, 2021).

c.1) Amortized Cost - These are financial assets held by BB Seguridade (i) for the purpose of receiving their agreed cash flow rather than for sale with profit or loss and (ii) whose terms of the agreement generates cash flows at specified dates exclusively for primary payments and interest payments on the primary amount outstanding.

Short-term financial instruments are recognized as financial assets measured at amortized cost. Changes in these assets are recognized in income for the period in financial income or expense, depending on the result obtained.



c.2) Fair value through other comprehensive income - VJORA - These are financial assets held by BB Seguridade (i) both for the receipt of its cash flow by agreement and for disposal with realization of profits or losses and (ii) the agreement terms of which generates cash flows at specified dates exclusively for primary payments and interest payments on the primary amount outstanding

BB Seguridade currently does not have financial assets classified in this category.

c.3) Fair value through profit or loss (VJR) - Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are classified in this category.

c.4) Determination of fair value - Fair value is the price that would be received for the sale of an asset or would be paid by the transfer of a liability in a non-forced transaction between market participants at the measurement date.

The fair value of financial instruments traded in active markets on the balance sheet date is based on the quoted market price or the over-the-counter price (selling price for long positions or purchase price for long positions), without any deduction of transaction cost.

In situations where there is no market price for a particular financial instrument, its fair value is estimated on the basis of valuation methods commonly used in the financial markets that are appropriate to the specific characteristics of the instrument and capture the various risks to which it is exposed. The valuation methods include: the discounted cash flow method, comparison to similar financial instruments for which there is a market with observable prices, option pricing model, credit models and other known valuation models.

These models are adjusted to encapsulate the variation of the purchase and sale prices, the settlement cost of the position, to serve as counterpart of the credit and liquidity variations, and, mainly, to overcome the theoretical limitations inherent in the models.

The internal pricing models may involve some level of estimation and judgment by the Administration whose intensity will depend, among other factors, on the complexity of the financial instrument.

c.5) Financial liabilities - An instrument is classified as a financial liability when there is a contractual obligation that its settlement is made through the delivery of money or other financial asset, regardless of its legal form. Financial liabilities include short-term and long-term debt that are initially measured at fair value, which is the amount received net of costs incurred in the transaction and subsequently at amortized cost.

d) Write-off of Financial Assets and Financial Liabilities

d.1) Financial assets - A financial asset is written off when: (i) the contractual rights related to the respective cash flows expire; (ii) the Group transfers most of the risks and benefits associated with the asset to third parties; or (iii) when control over the asset is transferred, even the Group having withheld part of the risks and benefits associated with its detention.

The rights and obligations retained in the transfer are incorporated separately as assets and as liabilities, when appropriate. If the control over the asset is retained, the Group continues to incorporate it in the extent of its continuing involvement, which is determined by the extent to which it remains exposed to changes in the value of the transferred asset.

d.2) Financial liabilities - A financial liability is written off when its obligation is eliminated, canceled or prescribed. If an existing financial liability is replaced by another of the same creditor in substantially different terms, or the terms of the existing liability are substantially modified, such modification is treated as a write-off of the original liability and recognition of a new liability, and the difference between the accounting values is recognized in profit or loss.

e) Reduction in the recoverable value of financial assets - Impairment

For impairment of financial assets (impairment), CPC 48, considers the expected credit losses, which are a weighted estimate of the probability of credit losses (that is, the present value of all cash deficits) over the expected life of the financial instrument.

The cash deficit is the difference between the cash flows due to the entity under the contract and the cash flows that the entity expects to receive. As the expected credit losses consider the value and timing of the payments, the credit loss occurs even if the entity expects to be paid in full, but after the due date stipulated by the contract.



For the impairment of commissions receivable, the simplified approach allowed by CPC 48 was used for commercial receivables in which the recognition of expected credit losses follows the model for the entire life of the instrument.

Annually is assessed at BB Seguridade if there is any objective evidence of impairment of its financial assets, according to CPC 48 - Financial Instruments.

f) Offsetting of financial assets and liabilities

Financial assets and liabilities are presented at net value if, and only if, there is a legal right to compensate them with one another and if there is an intention to liquidate them in this way, or to realize an asset and settle a liability simultaneously. In other situations they are presented separately.

g) Business Combination

The acquisition of a subsidiary company through a business combination is registered on the date of acquisition, that is, on the date the control is transferred to BB Seguridade, by applying the acquisition method. Under this method, identified assets (including intangible assets not previously recognized), liabilities assumed and contingent liabilities are recognized at fair value at the date of acquisition. Any positive differences between the acquisition cost and the fair value of the net identifiable assets acquired are recognized as goodwill (goodwill). In the event of a negative difference (a gain on an advantageous purchase), the amount identified is incorporated in the income statement for the period in Other Income.

The transaction costs incurred by BB Seguridade in a business combination, except for costs related to the issuance of debt or equity instruments, are registered in the income statement for the period when incurred. Any contingent consideration payable will be measured at fair value on the date of acquisition.

The profits and losses of the subsidiary companies acquired during the accounting period are included in the financial statements from the date of acquisition until the end of the period. Accordingly, the profits and losses of subsidiary companies sold during that period are included in the financial statements from the beginning of the period up to the date of disposal, or until the date on which BB Seguridade ceases to exercise control.

h) Change of Corporate Interest in Subsidiaries

Changes in corporate interest in a subsidiary that do not result in loss of control are accounted for as equity transactions (ie, transactions with owners in the capacity of owners). Consequently, no premium is recognized as a result of such transactions.

In such circumstances, the carrying amounts of the interests of the parent and subsidiary companies will be adjusted to reflect changes in their relative interests in the subsidiary company. Any difference between the value by which the interests of subsidiary companies are adjusted and the fair value of the consideration paid or received will be recognized directly in equity and attributed to the owners of the parent company.

i) Loss of Control

In accordance with CPC 36 (IFRS 10), in the event of loss of control of a subsidiary company, BB Seguridade no longer recognizes, at the date control is lost: (i) assets, including premiums, and liabilities of the subsidiary company at its book value; and (ii) the carrying amount of any interests of subsidiaries in the former subsidiary, including any components of other comprehensive income attributed to it.

In addition, BB Seguridade recognizes at the date of loss of control: (i) the fair value of the consideration received, if any, originated from the transaction, event or circumstances that resulted in the loss of control; (ii) the distribution of shares of the subsidiary to the owners, if the transaction that resulted in the loss of control involves a distribution of shares; (iii) any investment retained in the former subsidiary at its fair value; and (iv) any resulting difference as a gain or loss in profit or loss attributable to the parent.

j) Non-Monetary Contributions to Associates and Joint Ventures

Pursuant to CPC 18 (IAS 28), when BB Seguridade contributes non-monetary assets in exchange for a shareholding in a related or joint venture, the gain or loss in the transaction is recognized to the extent of investors in the associate or joint venture. No gain or loss is incorporated if the transaction has no commercial substance.



k) Goodwill and Other Intangible Assets

The goodwill generated on the acquisition of investments of corporate interests is accounted considering the fair value of the identifiable assets and the assumed liabilities of the acquiring company on the acquisition date and, in accordance with the applicable standards, is not amortized. However, it is tested, at least annually, for impairment purposes. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangible assets are incorporated separately from goodwill when they are separable or arise from contractual rights or other legal rights, their fair value can be measured reliably and it is probable that the expected future economic benefits will be transferred to BB Seguridade. The cost of intangible assets acquired in a business combination is its fair value at the acquisition date. The intangible assets acquired independently are initially measured at cost.

The useful life of intangible assets is considered to be definite or indefinite. Intangible assets with defined useful lives are amortized over the course of their economic life. They are initially registered at cost, less accumulated amortization and impairment losses. Intangible assets with indefinite useful lives are recorded at cost less any impairment losses.

The costs incurred related to the acquisition, production and development of software are capitalized and registered as intangible assets. Expenses from the research phase are registered as expenses.

Intangible assets with definite useful lives are amortized on a straight-line basis over the estimated useful life. The amortization method and period of an intangible asset with a definite useful life are reviewed at least annually. Changes in the expected useful life or proportion of expected use of the future benefits incorporated in the asset are recognized through changes in the amortization period or method, when appropriate, and treated as changes in accounting estimates.

The amortization expense of intangible assets with defined useful lives is incorporated in the statement of income for amortization of intangible assets. Losses due to reduction to the recoverable amount are incorporated as adjustment expenses to recoverable amount (Other expenses) in the Consolidated Income Statement.

l) Decrease in the recoverable value of non-financial assets - Impairment

Annually, it is evaluated, based on internal and external sources of information, if there is any indication that a non-financial asset may be with recoverability problems. If there is such indication, the asset's recoverable amount is estimated. The recoverable value of the asset is the higher of its fair value less costs to sell it or its value in use.

Whether there was any indication of loss in the recoverable amount the impairment test of intangible assets with indefinite useful life is annually performed, including premium acquired in a business combination, or an intangible asset not yet available for use. This test can be performed at any time during an annual period, provided it is performed at the same time each year.

In the event that the recoverable value of the asset is lower than its carrying amount, the carrying amount of the asset is reduced to its recoverable value by an impairment loss, the consideration of which is incorporated in the income statement for that year, in Other (expenses) / operating revenues.

Annually, it is assessed whether there is any indication that a loss by reduction to recoverable value incorporated in prior periods for an asset other than premium for expected future profitability, it might no longer exist or may have decreased. If there is such indication, the asset's recoverable amount is estimated. The reversal of a loss for impairment of an asset will be registered immediately in the income statement for the period, as a rectifier of the balance of Other (expenses) / operating income.

m) Investments in Corporate Interests

Under the equity method, the investment is initially measured at cost and subsequently adjusted by the investor's recognition of changes in the net assets of the invested company. In addition, the portion of the investor's income in the results generated by the invested company must be included in the profit and losses of the investor's period, according to CPC 18 (R2) - Investment in Affiliate, Subsidiary and Joint Venture.

In situations where the investees use different accounting practices in events and transactions of the same nature in similar circumstances, the necessary adjustments are made to adjust the financial statements of the investees to the accounting practices adopted by the investor.



n) Provisions, Contingent Liabilities and Legal Obligations

The incorporation, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria defined in CPC 25 - Provisions, Contingent Liabilities and Contingent Assets.

Contingent liabilities are recognized in the financial statements when, based on the analysis of legal advisers and the Administration, the risk of loss of a legal or administrative action is considered probable, with a probable outflow of funds for the settlement of the obligations and when the amounts involved are measured with sufficient certainty, being quantified at the time of service and reviewed monthly in an individualized manner, thus considering the cases related to cases considered unusual or whose value is considered relevant under the analysis of legal counsel, considering the amount of indemnity estimated.

Contingent liabilities classified as possible losses are not recognized in the accounting statements, and they should only be disclosed in the explanatory notes, and those classified as remote do not require provision or disclosure.

Tax legal obligations are derived from tax obligations under the law, irrespective of the probability of success of lawsuits in progress and their amounts are fully recognized in the financial statements.

o) Taxes

Taxes are calculated based on the rates shown in the table below:

Taxes	Tax Rate
Income Tax (IRPJ) ⁽¹⁾	25%
Social Contribution on Net Income (CSLL)	9%
Contribution to PIS (Social Integration Program) / Pasep (Investment Program for Civil Servants)	1.65%
Contribution for the financing of Social Security (COFINS)	7.60%
Contribution to PIS / Pasep ⁽²⁾	0.65%
Contribution for the financing of Social Security (COFINS) ⁽²⁾	4%
Municipal services tax- ISS	Up to 5%

(1) Includes basic rate (15%) and additional (10%)

(2) Interest rate on financial investments.

The deferred tax assets and deferred tax liabilities are constituted by the application of the current tax rates on their respective bases. For constitution, maintenance and write-off of deferred tax assets, the criteria established by CPC 32 - Taxes on Profit are observed, and are supported by a realization capacity study.

p) Segment Disclosure

CPC 22 - Information by Segment (IFRS 8) requires the disclosure of financial information of the entity's operating segments based on the internal disclosures that are used by Management to allocate resources and to evaluate its financial and economic performance

q) Interest on Shareholder's Capital and Dividends

Brazilian companies may assign a nominal interest expense, deductible for tax purposes, on their own capital. The amount of interest on shareholders' equity is considered as a dividend and, when applicable, presented in these consolidated financial statements as a direct reduction in stockholders' equity.

Under the current dividends policy, BB Seguridade distributes to shareholders as mandatory dividend a portion corresponding to at least 25% of adjusted net income with the deductions and increases provided for in Art. 202 of Law 6,404 / 76, which are recognized as a liability and deducted from shareholders' equity when allocating the result of the period.

r) Earning per share

The earnings per share disclosure is made in accordance with the criteria defined in CPC 41 - Earning per Share. The basic and diluted earning per share of BB Seguridade was calculated by dividing net income attributable to shareholders by the weighted average number of total common shares, excluding treasury shares. BB Seguridade has no option, subscription bonus or its equivalents that give its holder the right to acquire shares. Thus, basic and diluted earnings per share are the same.



s) Leasing operations

The recognition, measurement and disclosure of leases are carried out in accordance with the criteria defined in CPC 06 (R2) - Leasing Operations, effective as of January 1, 2019.

BB Seguridade and its subsidiaries do not have leasing operations, but they have investments in insurance companies, for which the SUSEP has not yet approved the adoption of the new standard. When there is a divergence in the accounting practice adopted by the investor in relation to the investee companies, adjustment procedures are necessary for standardization purposes. Considering the current leasing operations of the investees, the necessary adjustments were made in the investments to standardize the practices.

t) Improvements to IFRS and Recently Issued Pronouncements

Improvements to IFRS are amendments issued by the IASB and comprise changes in recognition, measurement and disclosure rules related to various IFRS. We present a summary of some amendments as well as the interpretations and pronouncements recently issued by the IASB and CPC, which will come into effect after this period:

IFRS 17 - Insurance Contracts - In May 2017, the IASB issued a new standard aimed at the insurance market with the aim of standardizing globally the accounting of insurance contracts.

IFRS 17 replaces IFRS 4, which was brought as an intermediary standard in 2004. IFRS 4 provided the waiver of companies to continue accounting for insurance contracts using national accounting standards, resulting in different approaches. The new standard requires all insurance contracts to be accounted for consistently, benefiting both investors and insurance companies.

The IFRS becomes effective on January 1, 2022, with anticipated application permitted.

To this date, the CPC has not issued an equivalent standard.

The possible impacts resulting from its adoption in the group companies will be evaluated and concluded by the date of entry into force of the standard.

Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures - In September 2014, the IASB issued amendments to IFRS 10 and IAS 28 that address the inconsistencies generated by the two standards in accounting for transactions between investors and their associates and joint ventures.

The date for implementation of these amendments to IFRS 10 and IAS 28 has been postponed, even without a date defined by the IASB.

5 – RISK MANAGEMENT

The risk management at BB Seguridade respects the guidelines established in its Risk Management, Internal Control and Compliance Policy, approved by the Board of Directors and available to the public at the investors relations website.

The Company understands that its risk exposure is originated as well in its affiliated Companies, hence the Policy contemplates two dimensions: risks arising from BB Seguridade and its subsidiaries operations and risks originated from the affiliates (risk governance).

By means of its Risk Appetite Statement, approved by the Board of Directors, the Company defines the maximum levels of risks that it accepts to incur in the fulfillment of its objectives.

The risk management process at BB Seguridade is based on the steps of setting the context, identifying, analyzing, evaluating, treating, monitoring, and communicating and consulting the risks. This process is internally documented in the Company's Risk Management Model.

BB Seguridade has a technical area dedicated to risk management, Internal Control and Compliance, segregated from business areas and Internal Audit. The area is responsible for providing fundamentals and supporting the execution of the risk management process at the Company and its subsidiaries, as well as for the achievement of risk governance concerning the affiliates.



a) Risk management at BB Seguridade and its subsidiaries

The risk management framework adopted by BB Seguridade, as defined in its Risk Management, Internal Control and Compliance Policy, is structured in a three-line of defense model: in the first line, the process managers (risk owners) are responsible for implementing actions that ensure the compliance of its processes and the adequate management of associated risks and respective controls; in the second line, the Superintendence of Risk and Controls assists and monitors the risk owner in managing risks, internal controls and compliance in order to adjust them to the Company's risk appetite; and in the third line, Internal Audit, provides governance bodies assessments of the risk management and internal controls effectiveness.

Risk management framework and processes in the Company still include, among others: segregation of duties; joint decisions; Information Security Policy, Preventing and Combating Money Laundering, Terrorist Financing and Corruption Policy, Code of Ethics and Conduct and an Integrity Program in line with Law 12,846/2013 (Anti-Corruption Law) and Decree 8,420/2015 (documents disclosed internally and also to the public, available at the investors relations website); internal standardization of risk management, internal controls and compliance, in addition to internal communication program on risk management, internal controls and compliance, continuously promoting the acculturation of the whole company in these subjects.

The Executive Board counts on two non-statutory technical committees: the Reputational Risk Committee and the Finance and Investment Committee, which advise on issues concerning the management and control, respectively, of the reputational risk and the risks arising from the financial asset portfolio of the Company and its subsidiaries.

The governance structure of the Company also includes the Audit Committee, a statutory body advising the Board of Directors, which is responsible for evaluating and monitoring the Company's risk exposures.

Information related to risk management are periodically reported to the Executive Board and to the Board of Directors and are also taken to the attention of the Fiscal Council.

a.1) Risks associated with investments in financial assets

In addition to the Risk Management Policy, the Company has a Financial Investment Policy, approved by the Board of Directors and applicable to its subsidiaries, that sets out the criteria relating to the nature, duration and acceptable risks of the financial investments. The current policy allows the investment of funds only in fixed income securities and, in case of corporate bonds, the counterparty must have a minimum rating classification of "investment grade", issued by at least one of the following agencies: Moody's, Standard & Poor's and Fitch Ratings. Operations with assets that result in foreign currency risk, equity risk or leverage are prohibited, as well as the trading of derivative securities, unless through mutual funds and for the sole purpose of protection (hedge).

The financial investments of the Company and its subsidiaries, categorized as cash equivalents, are concentrated in repurchase agreements backed by Federal Government Bonds and Corporate Bonds, with Banco do Brasil as the seller (Note 7). Financial assets categorized as financial instruments are fixed income long-term mutual fund and financial bills (Note 8).

a.2) Market Risk

Market risk is defined by the Company as the possibility of negative impacts resulting from fluctuation of market values of positions held, including the risks of transactions subject to foreign exchange rate, interest rates, stock prices and commodity prices. At BB Seguridade and its subsidiaries, the exposure to this risk arises from the investment portfolio in financial assets.

The management of the market risk is executed based in the Financial Investment Policy, that defines which assets may compose the portfolio and the VaR (Value at Risk) limit, calculated for 21 working days, with the portfolio volatility estimated using exponentially weighted moving average (EWMA) and 95% confidence level. The indicator is monitored by the Finance and Investment Committee and by the Executive Board.



Market risk exposure in financial assets

R\$ thousand								
Impact on the portfolio								
	Parent				Consolidated			
	Mar 31, 2019	%	Dec 31, 2018	%	Mar 31, 2019	%	Dec 31, 2018	%
Value at Risk (VaR)	0	0.00	0	0.00	13	0.00	19	0.00

Sensitivity analysis on market risk factors

On March 31, 2019, BB Seguridade and its subsidiaries held derivative instruments only via fixed income mutual funds directly. Its exposure and of its subsidiaries to market risk factors was due to its financial assets, almost totality DI or Selic prefixed financial instruments. Based on this, there is no relevant exposure to market risk factors.

a.3) Credit Risk

The credit risk is defined by the Company as the possibility of negative impacts associated to non-fulfillment, by a borrower or a counterparty, of its corresponding financial obligations according to negotiated terms, and/or to the devaluation of receivables due to a drop in the borrower or counterparty's risk rating. At BB Seguridade and its subsidiaries, the exposure to this risk arises from the investment portfolio in financial assets, which is composed by Corporate Bonds.

Due to the nature of the Company's operation, there is no relevant credit risk coming from the payment of brokerage for products distributed by BB Corretora, because these values are received by Banco do Brasil and passed on directly to BB Corretora.



Credit risk exposure in financial assets

Financial securities ⁽¹⁾	Parent				Consolidated			
	Mar 31, 2019		Dec 31, 2018		Mar 31, 2019		Dec 31, 2018	
		%		%		%		%
Federal Government Bonds ⁽²⁾	1,585,968	100.00	4,428,956	100.00	2,807,987	77.69	6,197,662	88.73
Corporate Bonds	--	--	--	--	806,475	22.31	786,889	11.27
Other ⁽³⁾	--	--	--	--	(6)	(0.00)	(5)	(0.00)
Total	1,585,968	100.00	4,428,956	100.00	3,614,456	100.00	6,984,546	100.00

(1) Does not include the amount invested at Brasil Aceleradora de Startups fund. Total amount in the fund is R\$ 2,037 thousand in Mar 31, 2019 (R\$ 1,208 thousand in Dec 31, 2018)

(2) Includes repurchase agreements backed by Federal Government Bonds.

(3) Includes cash, cash equivalents, amounts payable and receivable from mutual funds.

R\$ thousand												
Consolidated												
Corporate Bonds— Rating ⁽¹⁾	Mar 31, 2019						Dec 31, 2018					
	Debentures	Financial bills	Repurchase Agreements ⁽²⁾	FIDC ⁽³⁾	Other ⁽⁴⁾	Total	Debentures	Financial bills	Repurchase Agreements ⁽²⁾	FIDC ⁽³⁾	Other ⁽⁴⁾	Total
AAA	11,625	15,758	--	--	--	27,383	10,236	14,425	--	--	--	24,661
AA+ / AA / AA-	10,379	588,495	166,577	--	2,535	767,986	9,721	573,785	164,082	--	2,748	750,336
A+ / A / A-	1,316	--	--	--	--	1,316	1,682	--	--	--	--	1,682
BBB+ / BBB / BBB-	524	--	--	--	--	524	548	--	--	--	--	548
BB+ / BB / BB-	2,223	--	--	--	--	2,223	2,385	--	--	--	--	2,385
B+ / B / B-	158	--	--	--	--	158	202	--	--	--	--	202
CCC+ / CCC / CCC-	--	--	--	--	73	73	4	--	--	--	117	121
CC / C / D ⁽⁵⁾	280	--	--	--	--	280	293	--	--	--	--	293
No Rating	1,355	--	--	3,860	1,317	6,532	1,427	--	--	3,913	1,318	6,658
Total	27,860	604,253	166,577	3,860	3,925	806,475	26,498	588,210	164,082	3,913	4,183	786,886

(1) Standard & Poor's was used as the basis for conversion of ratings from other agencies, all national scale ratings.

(2) Considers investment in Repurchase agreements backed by corporate bonds (leasing companies' debentures) and the rating considered is of the bank which has the repurchase commitment.

(3) Receivables Investment Funds (FIDC).

(4) Includes Guaranteed Time-Deposit assets (DPGE), mortgage bills, time-deposits (CDB) and Commercial Papers.

(5) It is not included part of the amount invested in debentures emitted by Oi Sa, present in mutual funds, because this amount is provisioned by the fund due to the judicial reorganization of this company. The amount for this provision is R\$408 thousand on Mar 31, 2019 (R\$429 thousand on Dec 31, 2018).

a.4) Liquidity Risk and capital management

The liquidity risk is defined by the Company as the possibility of the company not be able to efficiently meet its expected and unexpected obligations, current and future, without affecting its daily operations and without incurring significant losses; or not be able to negotiate a position at the market price, due to its sheer size in relation to the volume usually transacted or due to any discontinuity in the market.

BB Seguridade and its subsidiaries maintain assets with a high degree of conversion in cash to cover liabilities and other planned destinations for consumption in the short term. The parameters used are stated in Financial Investment Policy, Capital Management Policy and the Capital Plan.

The Capital Plan, elaborated for a three-year horizon, presents the financial fluxes projected from the operational activity, such as remuneration from received commissions, equity stakes, expenses inherent to the Company's activities and those resulting from strategic movements, as strategic investments, divestitures and disposals. The elaboration of Capital Plan considers maintenance of liquidity margin in order to keep the financial balance in case of non-predictive events.

The Company and its subsidiaries' main liabilities are administrative costs, tribute and dividends payment, as presented below.

R\$ thousand				
Parent				
Liquidity Risk	Mar 31, 2019		Dec 31, 2018	
	Until 1 year	More than 1 year	Until 1 year	More than 1 year
ASSETS				
Cash and cash equivalents	1,585,968	--	4,428,956	--
Financial assets measured at amortised cost	--	--	--	--
Financial assets at fair value through profit or loss	--	2,037	--	1,208
Commissions receivable	--	--	--	--
LIABILITIES				
Dividends payable	345	--	4,052,523	--
Current tax liabilities	4,550	--	5,481	--
Unearned commissions	--	--	--	--
Other liabilities	5,992	--	8,802	--

R\$ thousand				
Consolidated				
Liquidity Risk	Mar 31, 2019		Dec 31, 2018	
	Until 1 year	More than 1 year	Until 1 year	More than 1 year
ASSETS				
Cash and cash equivalents	2,671,568	--	6,056,247	--
Financial assets measured at amortised cost	--	501,400	--	493,531
Financial assets at fair value through profit or loss	--	443,525	--	435,975
Commissions receivable	813,969	--	1,006,939	--
LIABILITIES				
Dividends payable	345	--	4,052,523	--
Current tax liabilities	253,503	--	642,836	--
Unearned commissions	816,478	1,045,940	858,846	997,591
Other liabilities	54,845	--	48,426	--

b) Risk Governance applied to Affiliated Companies

The affiliated companies have own risk management framework. The results of the work performed by these structures provide inputs to the achievement of continuous assessment and monitoring performed by BB Seguridade over the relevant risks at the affiliated companies. BB Seguridade seeks, through governance, ensure the adoption of best risk management practices by the affiliates.

The risk management framework in the companies regulated by Superintendence of Private Insurance (Susep) is based in minimum regulatory statements, according to Susep Circular 521/2015.

b.1) Liquidity, solvency and capital management

For the companies regulated by Susep, the main indicator for capital management is the Solvency Capital Requirement (CMR), which represents the total amount a company must maintain, at any time, to operate, and intends to assure the risks inherent of their operations, as regulated by CNSP Resolution 321/2015.

CMR is composed of portions relating to underwriting, credit, operational and market risks and the solvency capital requirement adequacy is measured using the Adjusted Net Equity (PLA) of the entity, which must be equal to or above the calculated CMR.

CNSP Resolution 321/2015 also establishes technical provisions calculation models and demands a minimal liquidity above the provisioned amounts.



For Brasildental, National Agency of Supplementary Health (ANS) sets rules for establishment of technical provisions, Minimum Adjusted Equity (PMA) criteria and Solvency Margin criteria according to Normative Resolution 209/2009.

On March 31, 2019, all affiliated companies in which BB Seguridade holds interest and must maintain minimum regulatory capital presented capital and solvency adequacy, in accordance with applicable regulation.

6 – INFORMATION BY SEGMENT

The information by segment was prepared considering the criteria used by the Administration to evaluate the performance in decision making regarding the allocation of funds for investment and other purposes, the regulatory environment and the similarities between goods and services.

The operations of BB Seguridade are divided into two segments: (i) insurance (insurance and reinsurance, pension plans, health and capitalization) and (ii) brokerage.

a) Insurance

In this segment, products and services offered are related to life, property and vehicle insurance, property and vehicle insurance, rural, special risks and financial, transport, hooves, and housing people, private pension plans, dental plans and capitalization plans, private pension plans and capitalization plans-reinsurance.

The profit of this segment comes mainly from revenues of insurance and reinsurance issued premiums, contributions for private pension plans, contributions for dental plans, capitalization bonds and investments in securities, net of commercialization expenses, technical provisions and expenses related to claims.

The recording of these results is made through equity investments in subsidiaries.

b) Brokerage

In this segment, products and services offered are related to brokerage and management, fulfillment, promotion and facilitation of business insurance and reinsurance casualty and life and capitalization, private pension plans, dental plans and health insurance. Includes the balances of BB Corretora.



c) Financial Information by Reportable Segment

	R\$ thousand							
	1st Quarter 2019				1st Quarter 2018			
	Insurance	Brokerage	Intersegment transactions	Total	Insurance	Brokerage	Intersegment transactions	Total
OPERATING INCOME	1,590,246	760,645	(1,002,039)	1,348,852	1,372,196	697,279	(878,900)	1,190,575
Equity income	1,590,246	(1,534)	(1,002,039)	586,673	1,372,196	--	(878,900)	493,296
Commissions income	--	762,179	--	762,179	--	697,279	--	697,279
COST OF SERVICES PROVIDED	--	(43,667)	--	(43,667)	--	(36,306)	--	(36,306)
GROSS PROFIT	1,590,246	716,978	(1,002,039)	1,305,185	1,372,196	660,973	(878,900)	1,154,269
OTHER INCOME AND EXPENSES	(9,624)	(109,710)	--	(119,334)	(11,639)	(91,503)	--	(103,142)
Personnel expenses	(5,066)	(8,062)	--	(13,128)	(6,028)	(7,465)	--	(13,493)
Administrative expenses	(1,297)	(3,813)	--	(5,110)	(1,567)	(1,557)	--	(3,124)
Tax expenses	(3,137)	(95,307)	--	(98,444)	(3,967)	(81,982)	--	(85,949)
Other	(124)	(2,528)	--	(2,652)	(77)	(499)	--	(576)
INCOME BEFORE FINANCIAL REVENUE AND EXPENSES	1,580,622	607,268	(1,002,039)	1,185,851	1,360,557	569,470	(878,900)	1,051,127
FINANCIAL RESULT	29,445	21,246	--	50,691	24,515	22,205	--	46,720
Financial revenue	43,235	26,799	(5,487)	64,547	46,922	26,218	(3,951)	69,189
Financial expenses	(13,790)	(5,553)	5,487	(13,856)	(22,407)	(4,013)	3,951	(22,469)
INCOME BEFORE TAXES AND EQUITIES	1,610,068	628,513	(1,002,039)	1,236,542	1,385,072	591,675	(878,900)	1,097,847
INCOME TAX AND SOCIAL CONTRIBUTION	(9,894)	(212,890)	--	(222,784)	(11,043)	(200,305)	--	(211,348)
NET INCOME FOR THE PERIOD	1,600,174	415,623	(1,002,039)	1,013,758	1,374,029	391,370	(878,900)	886,499



d) Balance sheet by segment

	Mar 31, 2019				Dec 31, 2018			
	Insurance	Brokerage	Intersegment transactions	Total	Insurance	Brokerage	Intersegment transactions	Total
Current assets	2,299,973	1,458,726	(4,609)	3,754,090	5,786,665	1,929,239	(520,908)	7,194,996
Non-current assets	11,404,681	1,171,839	(6,117,185)	6,459,335	11,202,404	1,149,957	(5,867,234)	6,485,127
Total assets	13,704,654	2,630,565	(6,121,794)	10,213,425	16,989,068	3,079,196	(6,388,141)	13,680,123
Current liabilities	27,493	1,122,094	(4,609)	1,144,978	4,107,905	2,034,698	(520,908)	5,621,695
Non-current liabilities	230,452	1,045,940	–	1,276,392	230,452	997,591	–	1,228,043
Equity	12,444,670	462,531	(5,115,146)	7,792,055	12,650,711	46,908	(5,867,234)	6,830,385
Total liabilities and equity	12,702,615	2,630,565	(5,119,755)	10,213,425	16,989,068	3,079,196	(6,388,141)	13,680,123

e) Insurance Segment Subdivision

Insurance Segment results are evaluated considering the following lines of business: (i) Insurance, (ii) Reinsurance, (iii) Private Pension Plans, (iv) Capitalization Plans and (v) Health.

Insurance - The sub segment comprises insurance products offered through BB Mapfre SH1 and Mapfre BB SH2 until November 2018. It is formed by the life, mortgage life and rural insurance and property and casualty insurance. After the restructuring carried out in November 2018, the property insurance was migrated to BB Mapfre SH1.

Insurance – Life, Mortgage Life and Rural - Life, mortgage life and rural comprise the products offered by BB Mapfre SH1 (personal, property and rural insurance). Income arises mainly from insurance premiums revenues and investments in securities, net of selling expenses, technical provisions and claims expenses.

Insurance – Property and Casualty - Property and casualty insurance comprise the products offered by Mapfre BB SH2 until November 2018 (casualty and vehicle insurance). After the restructuring carried out in November 2018, the property insurance was migrated to BB Mapfre SH1. Income and expenses are recorded by the equity method and arise, mainly, from insurance premiums revenues and investments in securities, net of selling expenses, technical provisions and claims expenses.

Reinsurance - Reinsurance comprises the products offered by IRB Brasil Re (reinsurance operations). Income and expenses are recorded by the equity method and arise, mainly, from reinsurance premiums issued in the country and abroad revenues and investments in securities, net of selling expenses, technical provisions and claims expenses.

Private Pension Plans - Pension plans are offered in plans marketed by Brasilprev. Income arises mainly from administration fees and investments in securities, net of selling expenses, technical provisions and expenses with benefits and redemption.

Capitalization Plans - Brasilcap primarily responsible for offering capitalization plans. Income and expenses are recorded by the equity method and arise, mainly, from insurance premiums issued revenues and investments in securities, net of selling expenses, technical provisions and expenses with redemption and lottery.

Health - Reinsurance comprises the products offered by Brasil dental Operadora de Planos Odontológicos, (operation of private dental plans). Income and expenses are recorded by the equity method and arise, mainly, from health dental plans/ retained premiums and investments in securities, net of selling expenses and technical provisions.

f) Combined Statement of Income by Sub Segment

	1st Quarter 2019					R\$ thousand
	Life, Mortgage, Rural and Property	Reinsurance	Private Pension Plans	Capitalization Plans	Health	
Insurance income						
Earned premiums	1,944,698	1,496,784	--	--	--	
Retained premiums	1,862,934	1,554,654	--	--	--	
Change in technical provisions	81,764	(57,870)	--	--	--	
Income/expenses insurance	6,100	--	--	--	--	
Retained claims	(1,306,117)	(967,397)	--	--	--	
Costs acquisition	(601,194)	(36,147)	--	--	--	
Result from reinsurance income	466,720	(174,837)	--	--	--	
Reinsurance income	689,945	286,195	--	--	--	
Reinsurance expenses	(223,225)	(461,032)	--	--	--	
Private pension plans income						
Retained contributions	--	--	8,103,360	--	--	
Benefits provision	--	--	(8,098,145)	--	--	
Change in technical provisions	--	--	(21,172)	--	--	
Income from management fees	--	--	671,348	--	--	
Benefits and redemption expenses	--	--	(1,710)	--	--	
Retained benefits	--	--	3,139	--	--	
Risk contributions	--	--	45,185	--	--	
Selling expenses	--	--	(166,205)	--	--	
Capitalization plans income						
Net securities capitalization	--	--	--	171,415	--	
Fundraising with bonds	--	--	--	1,222,376	--	
Change in provision for redemption	--	--	--	(1,050,961)	--	
Change in technical provisions	--	--	--	(6,182)	--	
Raffle results	--	--	--	(12,249)	--	
Selling expenses	--	--	--	(113,036)	--	
Health income						
Health dental plans income	--	--	--	--	17,226	
Other operation income (expenses)						
Other operation income (expenses)	(92,470)	(11,706)	(17,085)	922	(1,826)	
Administrative expenses	(98,172)	(56,960)	(104,449)	(20,662)	(5,211)	
Taxes expenses	(55,379)	(33,500)	(49,849)	(8,096)	(812)	
Result from interest income	198,776	184,477	274,599	43,313	25	
Interest income	185,048	277,991	4,749,433	243,992	491	
Interest expenses	13,728	(93,514)	(4,474,834)	(200,679)	(466)	
Equity in earnings	--	23,984	--	(5)	--	
Operating results	462,962	424,698	639,016	55,420	9,402	
Non-current assets results	(6)	7,136	(10)	(2)	--	
Income before taxes	462,956	431,834	639,006	55,418	9,402	
Interest taxes	(152,963)	(81,628)	(253,326)	(22,087)	(3,188)	
Results participation	(3,882)	--	(3,609)	(1,211)	(68)	
Net income	306,111	350,206	382,071	32,120	6,146	
Attributable to Group BB Seguridade	229,553	53,339	286,534	21,411	4,609	
Other adjustments	(3,343)	(3,897)	--	--	--	
Equity income	226,210	49,442	286,534	21,411	4,609	
Attributable to other stockholders'	76,558	296,867	95,537	10,709	1,537	
Total assets	13,999,797	16,100,124	267,448,435	10,399,538	45,831	
Total liabilities	11,936,113	12,439,186	264,480,893	9,997,701	25,825	
Total Equity	2,063,684	3,660,938	2,967,542	401,837	20,006	
Attributable to Group BB Seguridade	1,547,557	557,592	2,225,508	267,865	15,004	
Other adjustments	548,926	10,137	(22,831)	110,748	--	
Book balance of investment	2,096,483	567,729	2,202,677	378,613	15,004	

	R\$ thousand					
	1st Quarter 2018					
	Life, Mortgage and Rural	Property and Casualty	Reinsurance	Private Pension Plans	Capitalization Plans	Health
Insurance income						
Earned premiums	1,844,181	2,087,412	1,171,493	--	--	--
Retained premiums	1,710,243	2,238,433	1,191,282	--	--	--
Change in technical provisions	133,938	(151,021)	(19,789)	--	--	--
Income/expenses insurance	5,830	8,571	--	--	--	--
Retained claims	(655,173)	(1,388,435)	(316,286)	--	--	--
Costs acquisition	(534,538)	(440,131)	(29,322)	--	--	--
Result from reinsurance income	(20,009)	(56,130)	(546,314)	--	--	--
Reinsurance income	218,429	308,482	19,321	--	--	--
Reinsurance expenses	(238,438)	(364,612)	(565,635)	--	--	--
Private pension plans income	--	--	--	51,890	--	--
Retained contributions	--	--	--	7,631,889	--	--
Benefits provision	--	--	--	(7,579,999)	--	--
Change in technical provisions	--	--	--	(10,832)	--	--
Income from management fees	--	--	--	628,029	--	--
Benefits and redemption expenses	--	--	--	(2,353)	--	--
Retained benefits	--	--	--	(10,204)	--	--
Risk contributions	--	--	--	47,792	--	--
Selling expenses	--	--	--	(161,940)	--	--
Capitalization plans income						
Net securities capitalization	--	--	--	--	161,170	--
Fundraising with bonds	--	--	--	--	1,151,234	--
Change in provision for redemption	--	--	--	--	(990,064)	--
Change in technical provisions	--	--	--	--	(10,495)	--
Raffle results	--	--	--	--	(12,857)	--
Selling expenses	--	--	--	--	(97,004)	--
Health income						
Health dental plans income	--	--	--	--	--	15,667
Other operation income (expenses)						
Other operation income (expenses)	(55,927)	(87,641)	(6,309)	(13,211)	979	--
Administrative expenses	(95,474)	(225,628)	(54,708)	(96,225)	(18,738)	(7,637)
Taxes expenses	(57,046)	(38,589)	(29,985)	(48,649)	(7,409)	(1,457)
Result from interest income	82,264	68,031	122,379	85,788	87,331	105
Interest income	132,539	108,978	221,549	4,857,561	273,561	444
Interest expenses	(50,275)	(40,947)	(99,170)	(4,771,773)	(186,230)	(339)
Equity in earnings	5	190	10,180	--	(26)	--
Operating results	514,113	(72,350)	321,128	470,085	102,951	6,678
Non-current assets results	(20)	62	--	(6)	--	--
Income before taxes	514,093	(72,288)	321,128	470,079	102,951	6,678
Interest taxes	(177,291)	36,304	(69,027)	(203,453)	(46,194)	(2,330)
Results participation	(930)	(7,858)	--	(2,966)	(1,237)	--
Net income	335,872	(43,842)	252,101	263,660	55,520	4,348
Attributable to Group BB Seguridade	251,870	(21,921)	38,397	197,732	37,010	3,261
Other adjustments	(3,948)	(4,600)	119	--	(4,624)	--
Equity income	247,922	(26,521)	38,516	197,732	32,386	3,261
Attributable to other stockholders'	84,002	(21,921)	213,704	65,928	18,510	1,087
Total assets	13,847,817	14,059,794	14,220,961	245,228,068	11,202,283	43,446
Total liabilities	11,172,308	10,704,444	10,884,111	242,496,502	10,836,823	25,927
Total Equity	2,675,509	3,355,350	3,336,850	2,731,566	365,460	17,519
Attributable to Group BB Seguridade	2,006,364	1,677,675	508,230	2,048,538	243,616	13,139
Other adjustments	643,404	331,603	307	(22,831)	110,748	--
Book balance of investment	2,649,768	2,009,278	508,537	2,025,707	354,364	13,139



7 – CASH AND CASH EQUIVALENTS

	R\$ thousand			
	Parent		Consolidated	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Cash	--	--	--	--
Short-term fund	485	1,650	10,575	12,584
Repurchase agreements ⁽¹⁾	1,585,483	4,427,306	2,660,993	6,043,663
Total	1,585,968	4,428,956	2,671,568	6,056,247

(1) Refers to investments in repurchase agreements with Banco do Brasil S.A., backed by federal government securities or corporate bonds issued by BB Leasing S.A. (Consolidated), company of Banco do Brasil's conglomerate, with daily liquidity and insignificant risk of change in fair value.

Financial investments in short-term funds and cash equivalents are classified as financial assets at fair value through profit or loss.

8 – FINANCIAL INSTRUMENTS

a) Financial Assets at Fair Value through Profit or Loss

	Parent						R\$ thousand	
	Dec 31, 2018			Mar 31, 2019				
	Cost Value	Market Value/ Book Value	Applications	Redemptions	Profitability	Cost Value	Market Value/Book Value	
Long-term fund ⁽¹⁾	1,767	1,208	393	--	436	2,161	2,037	
Total	1,767	1,208	393	--	436	2,161	2,037	

	Consolidated						R\$ thousand	
	Dec 31, 2018			Mar 31, 2019				
	Cost Value	Market Value/ Book Value	Applications	Redemptions	Profitability	Cost Value	Market Value/Book Value	
Long-term fund ⁽²⁾	331,431	435,975	393	--	7,156	331,824	443,525	
Total	331,431	435,975	393	--	7,156	331,824	443,525	

(1) Refers to the "Brasil Aceleradora de Startups" fund whose policy provides for investments of at least 90% of its Shareholders'Equity in the acquisition of shares and debentures issued by Startups companies convertible into shares.

(2) Of the total of R\$ 443,525 thousand, R\$ 441,488 thousand refers to the investment fund "BB Renda Fixa Longo Prazo Corporativo 10 Milhões", whose investment policy provides for investments in investment funds with a portfolio composed, alone or cumulatively, of securities, public or Private, pre-fixed and / or post-fixed, repurchase operations, any and all financial assets and / or operating modalities available in the financial market, according to regulation. The fund must maintain 80% of the portfolio in federal government securities and / or assets with low credit risk related to the domestic interest rate, price indices or both. Strategies that imply foreign currency, variable income or leverage risk are not allowed.

b) Financial Assets Available Held to Amortized Costs

	Consolidated							R\$ thousand	
	Counterparty rating	Mar 31, 2019			Dec 31, 2018				
		Cost Value	Book Value	Updated cost	Cost Value	Book Value	Updated cost		
Short-Term Financial bills ⁽¹⁾	AA-	485,400	501,400	502,239	485,400	493,531	494,100		
Total		485,400	501,400	502,239	485,400	493,531	494,100		

(1) Refers to investments in post-fixed Short-Term Financial bills with varying maturity dates, with the first maturity occurring on Aug 17, 2020.

There is no balance of financial assets available held to maturity securities in the Parent.



c) Fair Value Hierarchy

The Company classifies financial instruments into three levels of subjectivity in determining fair value. The different levels are defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices);
- Level 3: Assumptions for the asset or liability that are not based on observable market data (unobservable inputs).

	R\$ thousand					
	Parent					
	Mar 31, 2019			Dec 31, 2018		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Long-term fund	2.037	--	2.037	1.208	--	1.208
Cash and cash Equivalents	1.585.968	--	1.585.968	4.428.956	--	4.428.956
Short-Term Financial bills	--	--	--	--	--	--
Total	1.588.005	--	1.588.005	4,430,164	--	4,430,164

	R\$ thousand					
	Consolidated					
	Mar 31, 2019			Dec 31, 2018		
	Nível 1	Nível 2	Total	Nível 1	Nível 2	Total
Long-term fund	443,525	--	443,525	435,975	--	435,975
Cash and cash Equivalents	2,671,568	--	2,671,568	6,056,247	--	6,056,247
Short-Term Financial bills	--	502,239	502,239	--	494,100	494,100
Total	3,115,093	502,239	3,617,332	6,492,222	494,100	6,986,322

9 – INVESTMENTS IN ASSOCIATES

a) Information about Investment in Associates

Company	Parent					Consolidated				R\$ thousand
	Capital	Stockholders' equity adjusted ⁽¹⁾	Carrying amount	Moviments from Dec 31, 2018 to Mar 31, 2019			Share of profit	Carrying amount		
				Dividends	Equity valuation adjustments	Other events			Share of profit	
			Dec 31, 2018			Mar 31, 2019	1st Quarter/2019	Mar 31, 2019	Dec 31, 2018	
BB Seguros Participações S.A.	4,210,872	5,654,654	5,820,326	(700,000)	(52,088)	--	586,416	5,654,654	--	
BB Mapfre SH1 Participações S.A. (Brasilseg) ⁽²⁾	1,422,278	2,133,474	2,174,718	(258,333)	(46,113)	--	226,211	2,096,483	2,174,718	
Brasilprev Seguros e Previdência S.A.	1,402,269	2,967,542	2,133,724	(218,098)	517	--	286,534	2,202,677	2,133,724	
IRB-Brasil RE S.A. ⁽³⁾	1,953,080	3,660,938	623,603	(98,825)	(6,492)	--	49,443	567,729	623,603	
Brasilcap Capitalização S.A. ⁽⁴⁾	231,264	401,837	364,804	(7,602)	--	--	21,411	378,613	364,804	
Brasilental Operadora de Planos Odontológicos S.A.	9,500	20,006	10,395	--	--	--	4,609	15,004	10,395	
BB Corretora de Seguros e Administradora de Bens S.A.	36,211	462,531	46,908	--	--	--	415,623	462,531	--	
Cíclic Corretora de Seguros S.A.	26,999	23,386	19,072	--	--	--	--	17,537	19,072	
Total das participações			5,867,234	(700,000)	(52,088)	--	1,002,039	6,117,185	5,326,316	

(1) Stockholders' equity not adjusted by the percentage of equity interest held by the Group.

(2) This includes in the value of the investment as of March 31, 2019 intangible assets in the net amount of amortizations of R\$ 209,921 thousand, goodwill allocated in the amount of R\$ 339,004 thousand, arising from the partnership agreement with Mapfre and R\$ 52,335 thousand of adjustments for purposes of standardization of divergence of accounting practice adopted by the investee.

(3) This includes in the value of the investment at March 31, 2019 intangible assets in the net amount of amortizations of R\$ 5,279 thousand.

(4) Includes the goodwill of the investment on March 31, 2019 the goodwill of R\$ 110,749 thousand, on the acquisition of the Sulacap stake in BB Seguros, held on July 22, 2011.

Company	Capital	Stockholders' equity ⁽¹⁾	Parent					Consolidated			R\$ thousand
			Carrying amount	Moviments from Dec 31, 2017 to Mar 31, 2018	Share of profit	Carrying amount	Share of profit	Carrying amount	Share of profit	Carrying amount	
			Dec 31, 2017	Dividends	Equity valuation adjustments	Other events	Share of profit	Mar 31, 2018	1st Quarter/2018	Mar 31, 2018	
BB Seguros Participações S.A.	4,210,872	7,685,816	7,887,845	(700,000)	10,442	--	487,530	7,685,816	--	--	--
BB Mapfre SH1 Participações S.A. (Brasilseg) ⁽²⁾	2,050,198	2,675,510	2,697,271	(302,403)	6,978	--	247,922	2,649,768	247,922	2,649,768	2,697,271
Mapfre BB SH2 Participações S.A. ⁽³⁾	1,968,380	3,355,349	2,050,969	(17,760)	2,590	--	(26,521)	2,009,278	(26,521)	2,009,278	2,050,969
Brasilprev Seguros e Previdência S.A.	1,193,539	2,731,566	1,974,632	(146,984)	327	--	197,732	2,025,707	197,732	2,025,707	1,974,632
IRB-Brasil RE S.A. ⁽⁴⁾	1,953,080	3,336,852	545,855	(76,381)	547	--	38,516	508,537	38,516	508,537	545,855
Brasilcap Capitalização S.A. ⁽⁵⁾	231,264	365,460	352,293	(30,315)	--	--	32,386	354,364	32,386	354,364	352,293
Brasilental Operadora de Planos Odontológicos S.A.	9,500	17,519	12,341	(2,463)	--	--	3,261	13,139	3,261	13,139	12,341
BB Corretora de Seguros e Administradora de Bens S.A.	36,211	438,444	47,074	--	--	--	391,370	438,444	--	--	--
Total			7,934,919	(700,000)	10,442	--	878,900	8,124,260	483,296	7,560,793	7,633,361

(1) Stockholders' equity not adjusted by the percentage of equity interest held by the Group.

(2) This includes in the value of the investment as of March 31, 2019 intangible assets in the net amount of amortizations of R\$ 209,921 thousand, goodwill allocated in the amount of R\$ 339,004 thousand, arising from the partnership agreement with Mapfre and R\$ 52,335 thousand of adjustments for purposes of standardization of divergence of accounting practice adopted by the investee.

(3) On November 30, 2018 BB Seguros sold all of the shares held in Mapfre BB SH2 Participações S.A. to Mapfre Brasil Participações S.A. (Note 2.a).

(4) This includes in the value of the investment at March 31, 2019 intangible assets in the net amount of amortizations of R\$ 5,279 thousand.

(5) Includes the goodwill of the investment on March 31, 2019 the goodwill of R\$ 110,749 thousand, on the acquisition of the Sulacap stake in BB Seguros, held on July 22, 2011.

b) Other Information

Dividends/Interest on equity capital receivable and interest on equity received from investments in Parent were R\$ 1,221,089 thousand (R\$ 5,376,958 thousand of December 31, 2018) and in consolidated R\$ 484,033 thousand (R\$ 1,884,885 thousand as of December 31, 2018).

The shares of the investments mentioned above are not regularly traded on stock exchanges, except for the investment in IRB-Brasil RE S.A, due to the IPO occurred in 2017.

Any of investments mentioned above presented significant restrictions to transfer resources in dividends by cash or to repay loans or advances.

The investees are valued using the equity method and there is no indication of operating discontinuity.

Investments in shareholdings in the companies BB Seguros Participações S.A. and BB Corretora de Seguros e Gestão de Bens S.A are evaluated as investments in subsidiaries.

The investments in equity interests in the companies BB Mapfre SH1 Participações S.A, Brasilprev Seguros e Previdência S.A, IRB-Brasil RE S.A, Brasilcap Capitalização S.A, Brasilental Operadora de Planos Odontológicos S.A and Ciclic Corretora de Seguros S.A. are evaluated as investments associates and joint ventures.



c) Description of the Operational Context of Equity Investments, by Business Segment

Segment/Line of business	Description	% of total share	
		March 31, 2019	
		Total	Common
Insurance, Private Pension Plans and Capitalization Segment			
Insurance – Life, Mortgage life, Rural and Property and ⁽¹⁾ Casualty			
BB Mapfre SH1 Participações S.A.	Acting as a holding company for the other companies which deal with life, real state and agricultural insurance.	74.99	49.99
Companhia de Seguros Aliança do Brasil	Acting in the personal risk segment, rural and housing insurance.	74.99	49.99
Aliança do Brasil Seguros S.A.	Acting in the life insurance segment in general.	74.99	49.99
Reinsurance			
IRB Brasil RE S.A.	Acting in the reinsurance segment in the country and abroad.	15.23	15.23
Capitalization			
Brasilcap Capitalização S.A.	Deals with capitalization plans and other products and services that capitalization companies are allowed to provide.	66.66	49.99
Private Pension Plans			
Brasilprev Seguros e Previdência S.A.	Deals with life insurance with survivor coverage and with private retirement and benefit plans.	74.99	49.99
Health Segment			
Brasil dental Operadora de Planos Odontológicos S.A.	Selling plans of odontological assistance.	74.99	49.99
Brokerage Segment			
BB Corretora de Seguros e Adm. de Bens S.A.	Brokerage of health, life and non-life insurance, capitalization plans, private retirement plans and asset management.	100.00	100.00
Cíclic Corretora de Seguros S.A.	Brokerage of private pension products, travel insurance and residential assistance in the digital channel.	74.99	49.99
(1) After recognition of the effects of the corporate movements resulting from the restructuring agreement of the BB Mapfre Group, BB Seguros sold all of the shares held in Mapfre BB SH2 Participações S.A. to Mapfre Brasil Participações S.A as of November 30, 2018, (Notes 2.a).			

(1) After recognition of the effects of the corporate movements resulting from the restructuring agreement of the BB Mapfre Group, BB Seguros sold all of the shares held in Mapfre BB SH2 Participações S.A. to Mapfre Brasil Participações S.A. as of November 30, 2018, (Notes 2.a).



d) Summarised Income Information of Investments in Accordance with International Financial Report Standards

d.1) BB Mapfre SH1 (Brasilseg)

	R\$ thousand		
1st quarter 2019	Aliança do Brasil Seguros	Cia, de Seguros Aliança do Brasil	BB Mapfre SH1 (Brasilseg) ⁽¹⁾
Income	137,314	1,725,620	1,862,934
Interest income	3,665	64,947	68,612
Interest expense	4,419	20,105	24,524
Depreciation and amortization	(2,044)	(10,574)	(12,618)
Income tax and social contribution	(13,528)	(140,109)	(152,963)
Net income for the period	20,346	286,830	306,111
Other comprehensive income	1	(16,889)	(33,775)
Comprehensive income in the period	20,347	269,941	272,336
Net income attributable to BB Seguridade	15,257	215,094	229,553
Adjustments of the business combination	--	--	(3,342)
Equity income	15,257	215,094	226,211

(1) It presents the consolidated balances of BB Mapfre SH1.

	R\$ thousand		
1st quarter 2018	Mapfre Vida S.A.	Cia, de Seguros Aliança do Brasil	BB Mapfre SH1 (Brasilseg) ⁽¹⁾
Income	245,488	1,464,755	1,710,243
Interest income	4,349	22,265	26,614
Interest expense	(4,121)	(9,533)	(13,654)
Depreciation and amortization	(1,987)	(10,861)	(12,848)
Income tax and social contribution	(10,176)	(165,526)	(177,291)
Net income for the period	12,236	320,534	335,872
Other comprehensive income	1,549	7,757	18,612
Comprehensive income in the period	13,785	328,291	354,484
Net income attributable to BB Seguridade	9,176	240,368	251,870
Adjustments of the business combination	--	--	(3,948)
Equity income	9,176	240,368	247,922

(1) It presents the consolidated balances of BB Mapfre SH1.

d.2) Mapfre BB SH2 (Mapfre Participações)

	R\$ thousand				
1st quarter 2018	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2 (Mapfre Participações) ⁽¹⁾
Income	149,520	358,630	1,730,283	--	2,238,433
Interest income	5,742	3,901	27,019	10	41,572
Interest expense	(70)	(4,078)	(4)	--	(4,152)
Depreciation and amortization	(3,036)	(5,680)	(16,703)	--	(25,419)
Income tax and social contribution	(5,251)	(9,020)	52,586	(102)	36,304
Net income for the period	6,364	16,154	(65,182)	218	(43,842)
Other comprehensive income	1	73	5,108	--	10,363
Comprehensive income in the period	6,365	16,227	(60,074)	218	(33,479)
Net income attributable to BB Seguridade	3,182	8,077	(32,591)	109	(21,921)
Adjustments of the business combination	--	--	--	--	(4,600)
Equity income	3,182	8,077	(32,591)	109	(26,521)

(1) It presents the consolidated balances of Mapfre BB SH2 sold in November 2018.



d.3) IRB Brasil RE

	R\$ thousand	
IRB Brasil RE	1st quarter 2019	1st quarter 2018
Income	1,554,654	1,191,282
Interest income	277,991	221,549
Interest expense	(93,514)	(99,170)
Depreciation and amortization	(10,765)	(10,999)
Income tax and social contribution	(71,778)	(69,027)
Net income for the period	350,206	252,101
Other comprehensive income	(41,192)	3,181
Comprehensive income in the period	309,014	255,282
Net income attributable to BB Seguridade	53,339	38,397
Other adjustments	(3,896)	119
Equity income	49,443	38,516

d.4) Brasilcap Capitalização

	R\$ thousand	
Brasilcap Capitalização	1st quarter 2019	1st quarter 2018
Income	1,222,376	1,151,233
Interest income	243,992	273,560
Interest expense	(200,679)	(186,229)
Depreciation and amortization	(290)	(450)
Income tax and social contribution	(22,087)	(46,194)
Net income for the period	32,120	55,520
Other comprehensive income	--	--
Comprehensive income in the period	32,120	55,520
Net income attributable to BB Seguridade	21,411	37,010
Other adjustments	--	(4,624)
Equity income	21,411	32,386

d.5) Brasilprev Seguros e Previdência

	R\$ thousand	
Brasilprev Seguros e Previdência	1st quarter 2019	1st quarter 2018
Income	1,218,575	1,080,484
Interest income	537,286	391,683
Interest expense	(79,974)	(27,094)
Depreciation and amortization	(1,992)	(1,750)
Income tax and social contribution	(253,326)	(203,453)
Net income for the period	382,071	263,660
Other comprehensive income	689	435
Comprehensive income in the period	382,760	264,095
Net income attributable to BB Seguridade	286,534	197,732
Other adjustments	--	--
Equity income	286,534	197,732



d.6) Brasildental Operadora de Planos Odontológicos

	R\$ thousand	
Brasildental Operadora de Planos Odontológicos	1st quarter 2019	1st quarter 2018
Income	16,931	14,663
Interest income	491	444
Interest expense	(466)	(339)
Depreciation and amortization	(5)	(11)
Income tax and social contribution	(3,188)	(2,330)
Net income for the period	6,146	4,348
Other comprehensive income	--	--
Comprehensive income in the period	6,146	4,348
Net income attributable to BB Seguridade	4,609	3,261
Other adjustments	--	--
Equity income	4,609	3,261

d.7) BB Corretora de Seguros e Administradora de Bens

	R\$ thousand	
BB Corretora de Seguros e Administradora de Bens	1st quarter 2019	1st quarter 2018
Income	793,100	725,909
Interest income	26,799	26,218
Interest expense	(5,553)	(4,013)
Depreciation and amortization	(126)	(109)
Income tax and social contribution	(212,890)	(200,305)
Net income for the period	415,623	391,370
Other comprehensive income	--	--
Comprehensive income in the period	415,623	391,370
Net income attributable to BB Seguridade	415,623	391,370
Other adjustments	--	--
Equity income	415,623	391,370

d.8) Ciclic Corretora de Seguros

	R\$ thousand	
Ciclic Corretora de Seguros	1st quarter 2019	1st quarter 2018
Income	5,129	--
Interest income	431	--
Interest expense	--	--
Depreciation and amortization	(78)	--
Income tax and social contribution	--	--
Net income for the period	(1,859)	--
Other comprehensive income	--	--
Comprehensive income in the period	(1,859)	--
Net income attributable to BB	(1,394)	--
Other adjustments	(141)	--
Equity income	(1,535)	--



e) Summarised Balance Sheet Information of Investments in Accordance with International Financial Report Standards

e.1) BB Mapfre SH1 (Brasilseg)

	R\$ thousand		
Mar 31, 2019	Aliança do Brasil Seguros	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1 (Brasilseg)
Current assets	7,758,246	664,757	8,426,442
Cash and cash equivalents	16,833	23,661	40,548
Financial applications	4,244,480	239,933	4,486,417
Other assets	3,496,933	401,163	3,899,477
Non-current assets	4,669,363	330,666	5,573,355
Current liabilities	6,540,205	601,201	7,141,389
Financial liabilities	191,736	26,247	217,966
Technical provisions	5,101,378	473,611	5,574,989
Other liabilities	1,247,091	101,343	1,348,434
Non-current liabilities	4,375,246	141,491	4,794,724
Financial liabilities	4,522	1	236,072
Technical provisions	3,717,746	124,663	3,888,847
Other non-current liabilities	652,978	16,827	669,805
Adjusted net equity	1,512,158	252,731	2,063,684
Attributable to BB Seguridade	1,133,967	189,523	1,547,557
Adjustments of the business combination	--	--	548,926
Book balance of investment	--	--	2,096,483

	R\$ thousand		
Dec 31, 2018	Mapfre Vida S.A.	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1
Current assets	657,192	6,981,960	7,671,417
Cash and cash equivalents	13,051	18,307	31,373
Financial applications	278,835	3,844,430	4,141,693
Other assets	365,306	3,119,223	3,498,351
Non-current assets	316,951	5,369,040	6,051,119
Current liabilities	590,712	6,510,300	7,115,798
Financial liabilities	33,066	486,022	533,874
Technical provisions	457,164	4,519,384	4,976,548
Other liabilities	100,482	1,504,894	1,605,376
Non-current liabilities	147,847	4,295,336	4,443,182
Financial liabilities	--	19,367	19,367
Technical provisions	131,194	3,627,492	3,758,686
Other non-current liabilities	16,653	648,477	665,129
Adjusted net equity	235,584	1,545,364	2,163,556
Attributable to BB Seguridade	176,664	1,158,868	1,622,451
Adjustments of the business combination	--	--	552,267
Book balance of investment	--	--	2,174,718



e.2) Mapfre BB SH2 (Mapfre Participações)

According to Note 2, Mapfre BB SH2 was sold in November 2018.

e.3) IRB Brasil RE

IRB Brasil RE	R\$ thousand	
	Mar 31, 2019	Dec 31, 2018
Current assets	9,422,980	10,398,240
Cash and cash equivalents	20,463	42,985
Financial applications	1,181,259	2,599,015
Other assets	8,221,258	7,756,240
Non-current assets	6,677,144	5,451,225
Current liabilities	11,499,901	10,845,366
Financial liabilities	2,532,690	1,992,108
Technical provisions	8,967,211	8,853,258
Other liabilities	--	--
Non-current liabilities	939,285	910,198
Financial liabilities	442,139	415,870
Technical provisions	497,146	--
Other non-current liabilities	--	494,328
Adjusted net equity	3,660,938	4,093,901
Attributable to BB Seguridade	557,592	623,535
Other adjustments	10,137	68
Book balance of investment	567,729	623,603

e.4) Brasilcap Capitalização

Brasilcap Capitalização	R\$ thousand	
	Mar 31, 2019	Dec 31, 2018
Current assets	4,726,547	4,743,778
Cash and cash equivalents	55	55
Financial applications	4,683,209	4,726,105
Other assets	43,283	17,618
Non-current assets	5,672,992	5,843,134
Current liabilities	8,891,737	9,123,088
Financial liabilities	--	--
Technical provisions	8,842,223	9,043,319
Other liabilities	49,514	79,769
Non-current liabilities	1,105,965	1,082,703
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	1,105,965	1,082,703
Adjusted net equity	401,837	381,121
Attributable to BB Seguridade	267,865	254,056
Other adjustments	110,748	110,748
Book balance of investment	378,613	364,804



e.5) Brasilprev Seguros e Previdência Segmento Seguridade: Previdência Complementar

	R\$ thousand	
Brasilprev Seguros e Previdência	Mar 31, 2019	Dec 31, 2018
Current assets	254,342,206	248,519,619
Cash and cash equivalents	7,129	3,174
Financial applications	253,684,617	247,862,332
Other assets	650,460	654,113
Non-current assets	13,106,229	12,899,679
Current liabilities	33,222,263	32,413,432
Financial liabilities	462,835	630,452
Technical provisions	32,599,990	31,673,299
Other liabilities	159,438	109,681
Non-current liabilities	231,258,630	226,130,268
Financial liabilities	--	--
Technical provisions	230,182,922	225,092,578
Other non-current liabilities	1,075,708	1,037,690
Adjusted net equity	2,967,542	2,875,598
Attributable to BB Seguridade	2,225,508	2,156,555
Other adjustments	(22,831)	(22,831)
Book balance of investment	2,202,677	2,133,724

e.6) Brasildental Operadora de Planos Odontológicos

	R\$ thousand	
Brasildental Operadora de Planos Odontológicos	Mar 31, 2019	Dec 31, 2018
Current assets	44,768	40,219
Cash and cash equivalents	2,106	2,136
Financial applications	33,819	29,877
Other assets	8,843	8,206
Non-current assets	1,064	1,129
Current liabilities	24,142	25,843
Financial liabilities	--	--
Technical provisions	15,035	16,124
Other liabilities	9,107	9,719
Non-current liabilities	1,684	1,645
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	1,684	1,645
Adjusted net equity	20,006	13,860
Attributable to BB Seguridade	15,004	10,395
Other adjustments	--	--
Book balance of investment	15,004	10,395



e.7) BB Corretora de Seguros e Adm. de Bens Segmento Corretagem

	R\$ thousand	
BB Corretora de Seguros e Adm. de Bens	Mar 31, 2019	Dec 31, 2018
Current assets	1,458,726	1,929,239
Cash and cash equivalents	559,079	877,938
Commissions receivable	813,969	1,006,939
Other current assets	85,678	44,362
Non-current assets	1,171,839	1,149,957
Financial applications	942,888	928,298
Other non-current assets	228,951	221,659
Current liabilities	1,122,094	2,034,697
Financial liabilities	--	--
Dividends payable	--	515,602
Unearned commissions	816,478	858,845
Other liabilities	305,616	660,250
Non-current liabilities	1,045,940	997,591
Financial liabilities	--	--
Unearned commissions	1,045,940	997,591
Adjusted net equity	462,531	46,908
Book balance of investment	462,531	46,908

e.8) Ciclic Corretora de Seguros

	R\$ thousand	
Ciclic Corretora de Seguros	Mar 31, 2019	Dec 31, 2018
Current assets	26,254	32,833
Cash and cash equivalents	70	61
Financial applications	24,481	31,308
Other assets	1,703	1,464
Non-current assets	1,220	1,301
Current liabilities	4,089	8,703
Financial liabilities	3,155	--
Technical provisions	934	--
Other liabilities	--	8,703
Non-current liabilities	--	--
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	--	--
Adjusted net equity	23,385	25,431
Attributable to BB Seguridade	17,537	19,072
Book balance of investment	17,537	19,072

10 – INTANGIBLE ASSET

a) ERP - Enterprise Resource Planning

R\$ thousand						
	Parent and Consolidated					
	Dec 31, 2018	1st Quarter 2019		Mar 31, 2019		
	Book value	Acquisitions	Amortization	Cost value	Accumulated amortization	Book value
Software – ERP ⁽¹⁾	5,620	--	(156)	6,224	(760)	5,464

(1) In January 2018, the amortization of Enterprise Resource Planning (ERP) began, according to CPC 04 (IAS 38) - Intangible Assets in which the amortization period of intangible assets with a defined useful life is 10 years and amortization is calculated at the annual rate of 10% and recognized to the income statement on a straight-line method.

a.1) Estimate for amortization

R\$ thousand						
	2019	2020	2021	2022	After 2022	Total
Amounts to be amortized	624	624	624	624	3,124	5,620

11 – DIVIDENDS / INTEREST ON EQUITY CAPITAL RECEIVABLE

R\$ thousand				
	Parent ⁽¹⁾		Consolidated ⁽²⁾	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Dividends receivable	--	515,602	88,176	--
Interest on equity capital receivable	--	--	20,620	9,971
Total	--	515,602	108,796	9,971

(1) On Dec 31, 2018, R\$ 515,602 thousand refers to dividends receivable from BB Corretora de Seguros e Administradora de Bens S.A.

(2) On Mar 31, 2019, R\$ 108,796 thousand refers to dividends and interest on equity capital receivable from IRB Brasil Re S.A. On Dec 31, 2018, R\$ 9,971 thousand refers to interest on equity capital receivable from IRB Brasil Re S.A.



12 – TAXES

a) Breakdown of income tax (IR) and social contribution expenses (CSLL)

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Current values	(5,340)	(3,987)	(223,594)	(212,121)
Domestic income tax and social contribution	(5,340)	(3,987)	(223,594)	(212,121)
Deferred values				
Deferred tax assets	--	--	810	773
Temporary differences	--	--	810	773
Total	(5,340)	(3,987)	(222,784)	(211,348)

b) Reconciliation of Income Tax and Social Contribution Expenses

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Profit before tax and profit sharing	1,019,098	890,486	1,236,542	1,097,847
Total charges of IR (25%) and CSLL (9%)	(346,493)	(302,765)	(420,424)	(373,268)
Effect on the tax calculation:				
Equity in earnings of subsidiaries and associates - nontaxable	340,693	298,826	199,469	167,721
Other amounts – net non-deductible expenses of nontaxable income	460	(48)	(1,829)	(5,801)
Income tax and social contribution	(5,340)	(3,987)	(222,784)	(211,348)

c) Tax Expenses

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Cofins	(1,479)	(1,582)	(61,610)	(57,360)
ISS	--	--	(23,555)	(12,293)
PIS/Pasep	(247)	(256)	(13,223)	(16,214)
IOF	--	--	--	(17)
Other	(4)	(13)	(56)	(64)
Total	(1,730)	(1,851)	(98,444)	(85,949)

d) Deferred Tax Assets

				R\$ thousand
	Parent			
	Mar 31, 2019	Addition	Derecognition	Dec 31, 2018
Temporary differences	15,974	--	(1,604)	17,578
Tax losses/negative bases	15,974	--	(1,604)	17,578
Total deferred tax assets	15,974	--	(1,604)	17,578
Income tax	11,782	--	(1,143)	12,925
Social contribution	4,192	--	(461)	4,653

				R\$ thousand
	Consolidated			
	Mar 31, 2019	Addition	Derecognition	Dec 31, 2018
Temporary differences	29,103	1,233	(2,027)	29,897
Tax losses/negative bases	15,974	--	(1,604)	17,578
Liabilities provision	10,076	1,233	(423)	9,266
Amortization of goodwill	3,053	--	--	3,053
Total deferred tax assets	29,103	1,233	(2,027)	29,897
Income tax	22,243	907	(1,454)	22,790
Social contribution	6,860	326	(573)	7,107

e) Realization Expectative

					R\$ Thousand
	Parent		Consolidated		
	Non Value	Present Value	Non Value	Present Value	
In 2019	--	--	--	--	--
In 2020	3,339	2,955	6,666	5,897	
In 2021	2,833	2,314	5,122	4,187	
In 2022	2,672	2,018	4,820	3,634	
In 2023	2,794	1,946	4,176	2,909	
After 2023	5,940	3,642	9,113	5,572	
Total	17,578	12,875	29,897	22,199	

The expected realization of deferred tax assets (tax credits), is supported by a technical study prepared on Dec 31, 2018, and is calculated based on the average funding rate present value.

During the first quarter of 2019, there was the realization of tax credits in the amount of R\$ 2,027 thousand, surpassing the forecast for use in the period.

f) Deferred Tax Liabilities

	R\$ thousand	
	Mar 31, 2019	Dec 31, 2018
From partnership with MAPFRE ⁽¹⁾	223,387	223,387
Arising from amortization of Brasilcap's goodwill	4,647	4,647
Bargain purchase	1,887	1,887
Other timing differences	531	531
Total	230,452	230,452

There is no balance of deferred tax liabilities in the Controller.

13 – COMMISSIONS RECEIVABLE

	R\$ thousand	
	Consolidated	
	Mar 31, 2019	Dec 31, 2018
BB Mapfre SH1 (Brasilseg) ⁽¹⁾	735,845	907,369
Mapfre BB SH2	65,748	91,102
Brasilprev	9,435	7,780
Others	2,941	688
Total	813,969	1,006,939

(1) On 03.31.2019, R\$ 73 million refers to the additional commission. On 12.31.2018, R\$ 276 million refers to the additional commission received in March 2019, according to the restructuring agreement described in Note 2.

There are no amount of commissions receivable in parent.

Commissions Receivables are classified as financial assets at amortized cost, as described in Note 4.

14 – OTHER ASSETS

	R\$ thousand			
	Parent		Consolidated	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Current Assets	4,614	5,331	11	42
Receivables from related companies	4,609	5,305	--	--
Other	5	26	11	42
Non-Current Assets	--	--	201,800	193,788
Judicial deposits	--	--	201,800	193,788
Total	4,614	5,331	201,811	193,830

15 – DIVIDENDS PAYABLE

	R\$ thousand			
	Parent		Consolidated	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Dividends payable ⁽¹⁾	345	4,052,523	345	4,052,523

(1) On Dec 31, 2018, the amount of R\$ 445 thousand refers to unpaid dividends of previous years.

(2) On Dec 05, 2018, the distribution of extraordinary dividends in the amount of R\$ 2,700,000 thousand was approved due to the restructuring of the partnership with MAPFRE, paid in January 2019.



16 – PROVISIONS AND CONTINGENT LIABILITIES

Contingent assets

There are no contingent assets recognized in the consolidated financial statements.

Tax Lawsuits

Tax lawsuits derived mainly from assessments of municipal/district tax and refer to ISS (Service Tax),

Civil Lawsuits

The most significant civil lawsuits are the indemnity claims (material damage, moral damage etc.), disputes regarding the payment of claims and applicability of the consumer's protection code.

Labor Lawsuits

The contingencies arise from actions in which the alleged labor rights related to business insurance distributed by BB Corretora are discussed.

a) Provision

In accordance with CPC 25 (IAS 37), the BB Seguridade recognizes provisions for civil, tax and labor lawsuits classified as "probable".

Provisions for civil, tax and labor lawsuits classified as probable

	R\$ thousand	
	Consolidated ⁽¹⁾⁽²⁾	
	1 st quarter/2019	1 st quarter/2018
Tax lawsuits		
Initial balance	939	881
Addition	14	15
Reversal of the provision	--	--
Derecognition of provisions	--	--
Closing balance	953	896
Civil lawsuits		
Initial balance	18,125	17,721
Addition	1,975	1,215
Reversal of the provision	(716)	(1,268)
Derecognition of provisions	(530)	(772)
Closing balance	18,854	16,896
Labor lawsuits		
Initial balance	--	193
Addition	--	2
Reversal of the provision	--	(195)
Derecognition of provisions	--	--
Closing balance	--	--
Total	19,807	17,792

(1) Related, mainly, to contingents recorded in BB Corretora.

(2)) On March 31, 2018 and March 2019 there are no provisions for civil, tax and labor lawsuits classified as probable in Parent.



Expected outflows of economic benefits

	R\$ thousand			
	Labor lawsuits	Tax lawsuits	Civil lawsuits	Total
Up to 5 years	--	952	18,511	19,463
More than 5 years and up to 10 years	--	1	337	338
Over 10 years	--	--	6	6
Total	--	953	18,854	19,807

Given the uncertainties regarding the duration of the proceedings, and the possibilities of changes in recurrent court decisions, the expected outflows of economic benefits have been estimated based on the best available information.

b) Contingent Liabilities

The tax and civil lawsuits classified as “possible” are not recorded in the balance sheet but disclosed based on CPC 25 (IAS 37),

Balances of contingent liabilities classified as possible

	R\$ thousand	
	Consolidated	
	Mar 31, 2019	Dec 31, 2018
Labor lawsuits	--	42
Tax lawsuits ⁽¹⁾	196,193	175,698
Civil lawsuits	4,133	4,772
Total	200,326	180,512

(1) Refers, mainly, to tax lawsuit aiming to annul the administrative decision that not endorsed statements to offset negative average of IRPJ with owned taxes. There are deposits in guarantee for the mentioned tax lawsuit as shown in item “c” below.

There is no contingent liabilities classified as possible in the parent.

BB Seguridade has no contingent liabilities of associates shared jointly with other investors and is not jointly liable for all or part of the liabilities of its affiliates.

c) Deposits in Guarantee of Funds

Guarantee deposits are deposits of amounts of money and are made at the Banco do Brasil or in another official financial institution as a means of payment or as a means of securing the payment of convictions, indemnities, agreements and other expenses created from lawsuits. The values are shown in the balance sheet in Other Assets.

Balances of escrow deposits formed for provisions and contingent liabilities

	R\$ thousand			
	Parent		Consolidated	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Labor lawsuits	--	--	10	10
Tax lawsuits ⁽¹⁾	--	--	196,922	189,005
Civil lawsuits	--	--	4,867	4,773
Total	--	--	201,799	193,788

(1) Refers, mainly, to tax lawsuit aiming to annul the administrative decision that not endorsed statements to offset negative average of IRPJ with owned taxes. The value of this deposit is R\$ 144.664 thousand (R\$ 139,468 thousand as of December 31, 2017), related to BB Corretora, updated by SELIC index.

17 – UNEARNED COMMISSIONS

	R\$ thousand	
	Consolidated	
	Mar 31, 2019	Dec 31, 2018
Current Liabilities	816,478	858,846
BB Mapfre SH1 (Brasilseg)	726,283	711,763
Mapfre BB SH2	89,944	146,799
Outras	251	284
Non-Current Liabilities	1,045,940	997,591
BB Mapfre SH1 (Brasilseg)	1,008,537	959,086
Mapfre BB SH2	37,402	38,504
Outras	1	1
Total	1,862,418	1,856,437

There are no amount of unearned commissions in parent.

18 – OTHER LIABILITIES

	R\$ thousand			
	Parent		Consolidated	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Amounts payable to related companies	5,041	4,811	49,171	44,435
Annual variable remuneration program of the Executive Board	780	3,281	780	3,281
Other	171	710	4,894	710
Total	5,992	8,802	54,845	48,426

19 – EQUITY

a) Capital

The capital of the Group BB Seguridade amounted to R\$ 5,646,767 thousand as of Mar 31, 2019 and Dec 31, 2018 and it is divided into 2,000,000,000 (two billion) shares as of Mar 31, 2019 and Dec 31, 2018. The shareholders' equity amounted R\$ 7,792,055 thousand (R\$ 6,830,385 thousand as of Dec 31, 2018), corresponding a book value per share of R\$ 3.90 (R\$ 3.42 per share as of Dec 31, 2018).



b) Capital and Profit Reserves

	R\$ thousand	
	Parent and Consolidated	
	Mar 31, 2019	Dec 31, 2018
Capital Reserves	1,117	1,262
Profit Reserves	1,265,575	1,265,575
Legal Reserve	1,087,026	1,087,026
Statutory reserve	178,549	178,549

c) Earnings per Share

	Parent and Consolidated	
	1st Quarter/2019	1st Quarter/2018
Net income attributable to shareholders of the Bank (R\$ thousand)	1,013,758	886,499
Weighted average of ordinary and dilutive potential ordinary shares outstanding	1,996,597,404	1,996,600,005
Earnings per share – basic and diluted (R\$)	0.51	0.44

The basic earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding in each of the periods presented.

The diluted earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding, including the effect of all dilutive potential ordinary shares.

The BB Seguridade has no option, bonus of subscription or its equivalents which provide their holder the right to acquire shares. Thus, the basic and diluted earnings per share are equal.

d) Dividends BB Seguridade follows the Dividend Policy available on the Investor Relations website.

BB Seguridade follows the Dividend Policy available on the Investor Relations website of BB Seguridade.

The Policy is reviewed annually or, extraordinarily, at any time, and submitted to the Board of Directors of group for approval.

The dividends declared in the 2nd half of 2018 were paid February, 2019 restated by the Selic rate.

e) Other Accumulated Comprehensive Income

The other accumulated comprehensive income mainly derived from gains and losses related to fair value adjustments, net of tax effects, of securities classified as fair value through other comprehensive income.

Considering that the BB Seguridade does not have any securities classified as fair value through other comprehensive income, the constant values in his statements are a reflection of the existing values in associates and affiliates in which the BB Seguridade holds participation.



f) Shareholdings (number of shares)

Stockholders	Mar 31, 2019		Dec 31, 2018	
	Shares	% Total	Shares	% Total
Banco do Brasil	1,325,000,000	66.25	1,325,000,000	66.25
Other stockholders	671,601,167	33.58	671,597,083	33.58
Treasury shares	3,398,833	0.17	3,402,917	0.17
Total	2,000,000,000	100.00	2,000,000,000	100.00
Locals	1,428,870,961	71.44	1,423,718,339	71.19
Foreign	571,129,039	28.56	576,281,661	28.81

g) Treasury shares

g.1) Share-Based Payment – Variable Wage Program

The Variable Wage Program Board of BB Seguridade determined that, of the total amount allocated to the payment of variable compensation, 50% will be made in shares of BB Seguridade (BBSE3). From the total paid in shares, 20% will be immediately transferred to the beneficiary ownership and 80% will be deferred for a period of four years.

On November 13, 2014, the Brazilian Securities and Exchange Commission (CVM) authorized BB Seguridade to make annually the private trading of its own shares, in order to fund, through these shares, part of the payment of the variable remuneration compensation of its Executive Board members, without the need to submit, every year, that commission new requests, in the case therefore of permanent authorization.

We present the statement of acquired shares, its distribution and its transfer schedule:

	Total Program Shares	Minimum cost	Average cost	Maximum cost	Shares Distributed	Shares to Distribute	Estimated Schedule Transfers
2014 Program	19,500	32.74	32.81	32.85	19,500	--	--
Total shares to be distributed						--	--
2015 Program	21,476	28.50	28.50	28.50	17,183	4,293	March 2020
Total shares to be distributed						4,293	
2016 Program	25,703	28.59	28.70	28.99	15,427	5,138	March 2020
						5,138	March 2021
Total shares to be distributed						10,276	
2017 Program	19,359	28.92	29.02	29.15	7,749	3,870	March 2020
						3,870	March 2021
						3,870	March 2022
Total shares to be distributed						11,610	
2018 Program	16,393	27.78	27.78	27.80	3,289	3,289	March 2020
						3,289	March 2021
						3,289	March 2022
						3,289	March 2023
Total shares to be distributed						13,104	

g.2) Repurchase Program

On October 15, 2015, the Board of Directors approved the Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date in accordance with the limit set forth by CVM Instruction 567. This program was in effect until October 15, 2016, and 3,360,000 shares were acquired, amounting to R\$ 82,201 thousand, minimum, average and maximum cost per share are respectively R\$ 21.09, R\$ 24.46 e R\$ 27.76.



On October 27, 2016, the Board of Directors approved the second Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. This program was concluded on October 26, 2017 and there was no acquisition of shares by said Program.

On October 26, 2017, the Board of Directors approved the third Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. This program was concluded on October 25, 2018 and there was no acquisition of shares by said Program.

On November 01, 2018, the Board of Directors approved the fourth Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. Until December 31, 2018, there was no acquisition of shares by said Program.

g.2.1) Extraordinary Share Awards

On December 21, 2018, 450 treasury shares from the 2015 Repurchase Program, were distributed to all active employees of BB Seguridade (disregarding statutory), the awarding title, regardless of the hierarchical level, being that each employee received three common shares.

The securities are held in the Banco do Brasil and may only be marketed by the employee after the termination of the relationship maintained with BB Seguridade (end of the assignment resulting from the Availability Agreement signed between Banco do Brasil and BB Seguridade).

The transferred shares totaled R\$ 12 thousand. For the attribution of its price, it was adopted the criterion of the average price of the week prior to the payment.

g.3) Number of Treasury Shares

Descrição	Mar 31, 2018	Dec 31, 2017
Variable Wage Program	39,283	43,367
Repurchase Program	3,359,550	3,359,550
Total	3,398,833	3,402,917

The market value of treasury shares, calculated based on the closing price of March 29, 2019, is R\$ 90,137 thousand.



20 – FINANCIAL RESULT

	R\$ Thousand			
	Parent		Consolidated	
	1st Quarter/2019 ⁽¹⁾	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Financial Income	33,828	39,820	64,547	69,189
Financial investments	27,606	35,030	62,037	66,552
Monetary adjustment of judicial deposits	--	--	1,771	1,797
Monetary adjustment of taxes	727	831	731	831
Monetary adjustment of dividends and interest on equity capital	5,487	3,951	--	--
Other financial income	8	8	8	9
Financial Expenses	(13,784)	(22,404)	(13,856)	(22,469)
Monetary adjustment of dividends and interest on equity capital	(13,379)	(21,864)	(13,379)	(21,864)
Financial system services	(387)	(383)	(452)	(441)
Financial investments	(18)	(157)	(18)	(157)
Other financial expenses	--	--	(7)	(7)
Financial Result	20,044	17,416	50,691	46,720

21 – PERSONNEL EXPENSES

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019 ⁽¹⁾	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Salaries	(1,377)	(1,580)	(7,480)	(7,573)
Social security costs	(693)	(829)	(3,704)	(3,890)
Fees	(220)	(335)	(901)	(933)
Benefits	(172)	(246)	(943)	(966)
Training	(19)	(30)	(100)	(131)
Total	(2,481)	(3,020)	(13,128)	(13,493)

(1) The lower costs of expenses is due to the periodic review of BB Seguridade allocation model for BB Seguros and BB Corretora, which started to bear higher expenses related to their respective consumption of the structure.

22 – ADMINISTRATIVE COSTS AND EXPENSES

a) Costs of provided services

	R\$ thousand	
	Consolidated	
	1st Quarter/2019	1st Quarter/2018
Operational support cost	(19,184)	(18,320)
Administrative cost of products	(19,633)	(12,497)
Cost of data processing	(4,850)	(5,489)
Total	(43,667)	(36,306)

There are no service costs provided in Parent.

b) Administrative expenses various

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Rent expenses and Condominium fee	(225)	(211)	(1,120)	(1,019)
Donation and sponsorship expenses	--	(11)	(2,000)	(469)
Specialized technical services	(62)	(130)	(509)	(379)
Data processing	(136)	(77)	(616)	(364)
Travel service	(62)	(124)	(278)	(333)
Communication expenses	(31)	(159)	(215)	(192)
Promotions and public relations	(2)	(87)	(13)	(87)
Out sourced services	(6)	(24)	(35)	(46)
Publications	(2)	--	(18)	(3)
Other	(43)	(95)	(306)	(232)
Total	(569)	(918)	(5,110)	(3,124)

23 – OTHER INCOME/EXPENSE

	R\$ thousand			
	Parent		Consolidated	
	1st Quarter/2019	1st Quarter/2018	1st Quarter/2019	1st Quarter/2018
Income/(expense) earn in earn out - Brasilveiculos ⁽¹⁾	--	--	(1,892)	--
(Addition)/Reversal of provisions for labor, tax and civil lawsuits	--	--	(743)	1,003
Depreciation/amortization expense	(39)	(47)	(213)	(196)
Other ⁽²⁾	1,834	6	195	(1,383)
Total	1,795	(41)	(2,652)	(576)

(1) Refers to the price adjustment mechanism of the assets of the Brasilveiculos (Note 2.a).

(2) In 1st Quarter/2018 - Consolidated, R\$ 247 thousand (R\$ 2,605 thousand in 2017) refers to income the tax benefit of BB Corretora as a result of joining the Programa Especial de Regularização Tributária (PERT) according to Medida Provisória 783/2017 e Instrução Normativa RFB 1,711/2017 and R\$ 1,638 refers to the expense of provision of brokerages to be returned to Brasilprev.

24 – COMMISSIONS INCOME

	R\$ thousand	
	Consolidated	
	1st quarter/2019	1st quarter/2018
BB Mapfre SH1 (Brasilseg)	528,905	469,705
Brasilprev	105,308	90,337
Mapfre BB SH2	39,210	67,318
Brasilcap	86,582	67,754
Other companies	2,174	2,165
Total	762,179	697,279

There are no amount of commissions income in parent.



25 – RELATED PARTY TRANSACTIONS

The costs of salaries and other benefits granted to key management personnel of the BB Seguridade (Executive Board, Audit Committee, Board of Directors and Fiscal Council):

	R\$ thousand	
	1st Quarter/2019	1st Quarter/2018
Short-term benefits	1,428	1,875
Fees and social charges	1,129	1,434
Executive Board	863	1,185
Audit Committee	136	109
Board of Directors	65	73
Fiscal Council	65	67
Variable Remuneration	227	344
Other ⁽¹⁾	72	97
Variable Wage Program⁽²⁾	772	669
Total	2,200	2,544

(1) Benefits considered: medical care, health assessment, life insurance, removal advantage and supplementary pension plan of the administrators.

(2) Refers to the cost of shares relating to the installments of the share-based payment programs for 2013, 2014, 2015, 2016 and 2017.

According to the variable remuneration policy of BB Seguridade, established in accordance with Law 6,404/1976, Article 152 and Accounting Pronouncements Committee 10 (CPC 10 - Share-based Payment), the part of variable remuneration of the Executive Board is paid in shares.

BB Seguridade does not provide post-employment benefits to its key management personnel, except for those that are part of the staff of Banco do Brasil S.A, (controller).

The Group trades banking transactions with its Controller, Banco do Brasil S.A., such as current account deposits (unpaid), corporate cards, financial applications, service deliveries and warranty in conditions equivalent to those available to other customers.

Additionally, BB Seguridade and its wholly owned subsidiaries have agreements signed with Banco do Brasil S.A, to apportion and/or reimbursement of expenses direct and indirect costs and resulting from the use of personnel, materials, technological and administrative resources required for maintenance of companies activities and, in particular, product marketing in the banking channel. The agreement aims to capture synergies resulting from the sharing of resources and its terms forecast that the reimbursement follows apportionment criterias according to the effective utilization of resources.

The Group does not grant loans to its Directors, Fiscal Council members, Board of Directors and Audit Committee.

The schedules below introduce the main transactions involving the companies within the effective utilization of resources:



a) Summary of related party transactions

BB Seguridade – Controller

	R\$ thousand			
	Mar 31, 2019		Dec 31, 2018	
	Controller ⁽¹⁾	Subsidiaries ⁽²⁾	Controller ⁽¹⁾	Subsidiaries ⁽²⁾
Assets				
Cash and cash equivalents	1,585,968	--	4,428,956	--
Dividends/interest on equity receivable	--	--	--	515,602
Receive with related parties	--	4,609	--	5,305
Liabilities				
Dividends payable	--	--	2,684,797	--
Obligations with related parties	5,041	--	4,810	--

	R\$ thousand			
	1st Quarter/2019		1st Quarter/2018	
	Controller ⁽¹⁾	Subsidiaries ⁽²⁾	Controller ⁽¹⁾	Subsidiaries ⁽²⁾
Income				
Interest earnings of financial instruments	27,152	--	35,030	--
Personnel expenses	(2,481)	--	(3,020)	--
Administrative expenses ⁽⁴⁾	(435)	--	(394)	--
Monetary assets changes	--	5,487	--	3,951
Monetary liabilities changes	(8,864)	--	(14,485)	--

BB Seguridade – Consolidated

	R\$ thousand			
	Mar 31, 2019		Dec 31, 2018	
	Controller ⁽¹⁾	Associates and joint Ventures ⁽³⁾	Controller ⁽¹⁾	Associates and joint Ventures ⁽³⁾
Assets				
Cash and cash equivalents	2,671,568	--	6,056,247	--
Financial assets held to maturity	--	--	--	--
Financial assets at fair value through profit or loss	441,405	--	435,975	--
Dividends/interest on equity receivable	--	108,796	--	9,971
Commissions to be received	--	813,969	--	1,006,939
Liabilities				
Dividends payable	--	--	2,684,797	--
Obligations with related parties	17,824	31,346	24,175	20,260
Unearned Commissions	--	1,862,418	--	1,856,437



	1st Quarter/2019		1st Quarter/2018	
	Controller ⁽¹⁾	Associates and joint ventures ⁽³⁾	Controller ⁽¹⁾	Associates and joint ventures ⁽³⁾
Income				
Interest earnings of financial instruments	53,715	--	66,552	--
Income from commission	--	762,179	--	697,279
Personnel expenses	(13,128)	--	(13,493)	--
Administrative expenses/costs of services provided ⁽⁴⁾	(41,462)	--	(38,631)	--
Monetary liabilities changes	(8,864)	--	(14,485)	--

(1) Banco do Brasil S.A.,

(2) BB Seguros S.A. BB Corretora.

(3) Related companies BB MAPFRE SH1 Participações S.A, (Brasilseg) and its subsidiaries, MAPFRE BB SH2 Participações S.A and its subsidiaries, Brasilprev Seguros e Previdência S.A, and Brasilcap Capitalização S.A, Brasidentat S.A, and IRB-Brasil.

(4) Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Bank, BB Seguridade, BB Corretora and BB Seguros.

b) Compensation Paid to Employees and Directors

On April 15, 2016, an agreement of assignment of employees of Banco do Brasil S.A, to BB Seguridade, for the office of Director levels, Management and other positions of trust was signed. The assignment of employees are given in the form of availability, without charge. The Banco do Brasil S.A, continues to process the payroll of the transferred employees, receiving a monthly repayment of all current costs from BB Seguridade.

c) Remuneration of employees and managers

Monthly wages paid to employees and Directors of the BB Seguridade S.A. (in Reais):

	Mar, 31 2019	Dec, 31 2018
Lowest salary	6,968.88	6,968.88
Highest salary	36,362.88	36,362.88
Average salary	14,403.04	14,556.40
Management		
Director-President	61,564.83	61,564.83
Director	52,177.45	52,177.45
Council members		
Board of Directors	5,906.80	5,906.80
Fiscal Council	5,906.80	5,906.80
Audit Committee - Member	9,868.90	9,868.90

(Convenience Translation into English from
the Original Previously Issued in Portuguese)

BB Seguridade Participações S.A.

Individual and Consolidated
Interim Financial Statements for
the Three-month Period Ended
March 31, 2019, and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of
BB Seguridade Participações S.A.
Brasília - DF

We have reviewed the accompanying individual and consolidated interim financial statements of BB Seguridade Participações S.A. ("Company"), which comprises the individual and consolidated balance sheet as at March 31, 2019, and the related individual and consolidated statements of income, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, and a summary of significant accounting practices and other explanatory notes.

Management is responsible for the preparation of these individual and consolidated interim financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial statements (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 financial statements 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 standards on auditing and, consequently, does 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 about the individual and consolidated interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned accompanying individual and consolidated interim financial statements do not present, in all material respects, the individual and consolidated financial position of BB Seguridade Participações S.A. as at March 31, 2019, its individual and consolidated financial performance and its individual and consolidated cash flows for the three-month period then ended, in conformity with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB).

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 286,200 professionals make an impact that matters, please connect with us on Facebook, LinkedIn or Twitter.

Other matters

Individual and consolidated interim statements of value added

We have also reviewed the individual and consolidated interim statements of value added ("DVA") for the three-month period ended March 31, 2019, prepared under the responsibility of the Company's Management and presented as supplementary information. These statements were subject to the same review procedures described above, and, based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the individual and consolidated interim financial statements taken as a whole.

Corresponding amounts related to the prior year and corresponding amounts related to the first quarter review of the prior year

The amounts corresponding to the financial information for the year ended December 31, 2018 and to the three-month period ended March 31, 2018, presented for comparison purposes, were audited and reviewed, by other independent auditors, who reissued their reports, without any modifications, on February 8, 2019 and May 4th 2018, respectively.

The accompanying individual and consolidated interim financial statements have been translated into English for the convenience of readers outside Brazil.

Brasília, May 3, 2019

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Roberto Paulo Kenedi
Engagement Partner



Declaration of the Members of the Executive Board about the Financial Statements

In accordance with article 25 of CVM Rule 480, dated December 07, 2009, I declare that I have reviewed the Financial Statements for the period ended in March 31, 2019 of the BB Seguridade Participações S.A. and, based on subsequent discussions, I agree that such statements reflect fairly, in all material respects, the financial position for the period presented.

Brasília (DF), May 03, 2019.

Bernardo de Azevedo Silva Rothe
Chief Executive Officer

Reinaldo Kazufumi Yokoyama
Chief Commercial Officer

Pedro Bramont
Chief Strategy Officer

Werner Romera Suffert
Chief Financial Officer



Statement of the Members of the Executive Board on the Report of the Independent Auditors

In accordance with Article 25 of CVM Rule No. 480, dated 12.07.2009, I declare that based on my knowledge, the planning submitted by the auditors and the subsequent discussions on the audit results, I agree with the opinions expressed in the Deloitte Touche Tohmatsu Independent Auditors' report, dated 05.03.2019, related to the financial statements of BB Seguridade Participações S.A. for the fiscal year ended 03.31.2019 there being no disagreement.

Brasília (DF), May 03, 2019.

Bernardo de Azevedo Silva Rothe
Chief Executive Officer

Reinaldo Kazufumi Yokoyama
Chief Commercial Officer

Pedro Bramont
Chief Strategy Officer

Werner Romera Suffert
Chief Financial Officer

BB SEGURIDADE PARTICIPAÇÕES S.A.**MEMBERS OF THE MANAGEMENT BODIES****DIRECTOR-PRESIDENT**

Bernardo de Azevedo Silva Rothe

DIRECTORS

Pedro Bramont

Reinaldo Kazufumi Yokoyama

Werner Romera Süffert

BOARD OF DIRECTORS

Marcelo Augusto Dutra Labuto (President)

Adalberto Santos de Vasconcelos

Arnaldo José Vollet

Bernardo de Azevedo Silva Rothe

Isabel da Silva Ramos

Nerylson Lima da Silva

FISCAL COUNCIL

Luis Felipe Vital Nunes Pereira

Lucinéia Possar

Giorgio Bampi

AUDIT COMMITTEE

Luiz Claudio Moraes

Artemio Bertholini

Arnaldo José Vollet

Roberto Lamb

ACCOUNTANT

Pedro Kiefer Braga

CRC-DF 020.786/O-0

CPF 027.782.029-43