4Q15

MD&A

BB Seguridade Participações S.A

PRESENTATION

The Management Discussion and Analysis – MD&A presents the economic and financial status of BB Seguridade Participações S.A. (BB Seguridade). Directed to financial analysts, shareholders and investors, this quarterly report provides an analysis of economic and financial indicators of BB Seguridade's, stocks performance and other aspects considered relevant for the assessment of the company's performance.

Back to November 2012, Banco do Brasil S.A. (BB) announced its intention to create BB Seguridade, a wholly owned subsidiary responsible for consolidating, under a single holding company all activities related to insurance, open-end private pension plans, premium bonds, brokerage, and other. In the same document, BB disclosed its intention to promote an IPO of the holding company BB Seguridade at BM&FBovespa S.A. – Bolsa de Valores, Mercadorias e Futuros.

The bookbuilding of the aforementioned public offering was concluded on April 25th, 2013 and the price was set at R$17.00 per share. The shares started being traded on April 29th, 2013. In the offering, the controlling shareholder (Banco do Brasil) sold 675 million shares, in a transaction that involved approximately R$11.5 billion, with 500 million shares sold in the base offering, 100 million in the hot issue, and 75 million in the greenshoe. The announcement of the offering closing was published on May 17th, 2013.

The consolidated financial statements were prepared in compliance with the International Financial Reporting Standards – IFRS.

All the analyses in this report are based on IFRS Financial Statements, but are occasionally supplemented by managerial data, besides other information calculated based on accounting principles determined by the Superintendência de Seguros Privados – SUSEP (the regulator of the insurance industry in Brazil).

ON-LINE ACCESS

This MD&A is available at BB Seguridade's IR website, where additional information about the Company is also available such as: corporate structure, corporate governance, historical series for download, among other important information for shareholders and investors. The company's website can be accessed through either http://www.bancodobrasilseguridade.com.br.

This report makes references and statements about growth estimates, earnings forecasts and future strategies regarding BB Seguridade. Such statements are based on current expectations, estimates and projections of the Management about future events and financial trends that may affect the businesses that the Group is involved in.

These forward looking statements are not guarantees of future performance and involve risks and uncertainties that could overextend the control of the management, and thus can result in balances and values different from those anticipated and discussed in this report. The expectations and projections depend on market conditions (technological changes, competitive constraints on products, prices, etc.), on the country's macroeconomic performance (interest and exchange rates, political and economic changes, inflation, changes in tax rules, etc.) and on international markets.

Future expectations based on this report should consider the risks and uncertainties that involve the businesses of BB Seguridade. BB Seguridade has no responsibility to update any estimate contained either in this report or in reports published previously.

Tables and charts in this report shows, in addition to the accounting balances, financial and managerial figures. The changes of relative rates are calculated before rounding procedure in R$ million. The rounding method used follows the rules established by Resolution 886/66 of IBGE's Foundation: if the decimal number is equal or greater than 0.5, it increases by one unit, if the decimal number is less than 0.5, there is no increase.

4Q15 Earnings Conference Call

February 23th, 2016

Portuguese

Time: 10 am (Brasília time)

8 am (Eastern time)

Dial-in: Brazil +55-11-3137 8025

USA +1-786-837 9597

UK +44-20-3318 3776

Webcast: www.bancodobrasilseguridade.com.br

English

Time: 11:30 am (Brasília time)

09:30 am (Eastern time)

Dial-in: Brazil +55-11-3137 8025

USA +1-786-837 9597

UK +44-20-3318 3776

Webcast: www.bancodobrasilseguridade.com.br

Contacts

Investor Relations

☎ +55 (11) 2105-8444

✉ ri@bbseg.com.br

Rua Manuel da Nóbrega, 1280 – 9th floor
Paraíso
São Paulo – SP
04001-004

Index

1. Summary 5

2. Earnings Analysis 17

3. Balance Sheet Analysis 23

4. Underwriting and Accumulation 27

5. Distribution 101

6. Definitions 109

1. SUMMARY

Table 1 – Key figures

		Quarterly Flow				
	Unit	4Q14	1Q15	2Q15	3Q15	4Q15
Earnings Summary						
Underwritting and accumulation businesses	R$ thousand	543,964	603,964	604,994	645,754	629,938
Distribution businesses	R$ thousand	371,823	354,096	389,035	366,069	398,996
Other	R$ thousand	(9,638)	(8,945)	616	(24,165)	(15,372)
Net income	R$ thousand	1,140,257	949,115	1,215,184	1,029,571	1,013,561
Adjusted net income	R$ thousand	906,149	949,115	994,645	987,657	1,013,561
Adjusted ROAE[1]	%	66.0	67.3	68.7	65.8	66.0
Performance by segment						
Insurance - Life, Mortgage Life and Rural						
Loss ratio	%	24.6	32.8	31.2	25.6	28.7
Comission ratio	%	26.0	26.5	26.4	27.0	28.3
G&A ratio	%	19.3	10.6	12.3	13.0	14.9
Combined ratio	%	69.8	69.7	69.8	65.1	71.8
Expanded combined ratio	%	64.6	62.1	63.6	59.3	63.5
Adjusted ROAE	%	55.0	57.3	53.4	65.4	55.0
Solvency ratio	%	126.0	130.7	130.7	131.7	126.4
Insurance - Property and Casualty						
Loss ratio	%	57.6	59.5	56.9	57.2	55.3
Comission ratio	%	23.6	20.6	21.9	22.6	22.0
G&A ratio	%	17.8	19.5	19.0	21.1	23.1
Combined ratio	%	98.9	99.4	97.7	100.3	100.3
Expanded combined ratio	%	93.7	91.8	91.2	91.3	90.4
Adjusted ROAE	%	9.6	13.2	12.9	12.3	14.6
Solvency ratio	%	139.0	127.4	132.4	145.4	152.8
Pension Plans						
Assets under management	R$ million	111,922	120,328	130,872	138,062	148,247
Management fee	%	1.26	1.23	1.22	1.21	1.19
Adjusted ROAE	%	54.8	52.7	43.4	43.7	41.3
Solvency ratio	%	133.4	127.4	150.5	127.0	141.2
Premium Bonds						
Premium bonds reserves	R$ million	11,752	11,686	12,061	12,162	12,354
Spread	p.p.	3.9	5.4	5.1	3.2	5.9
Adjusted ROAE	%	148.7	149.3	123.1	83.3	163.7
Solvency ratio	%	153.2	147.8	179.2	130.4	165.0
Brokerage						
Operating margin	%	81.7	83.5	81.3	83.7	84.1
Net margin	%	57.4	58.1	57.8	59.1	60.7

[1]BB Seguridade's adjusted ROAE of 4Q15, was calculated by dividing adjusted net income by the average equity of the period, both in IFRS as disclosed by the Company in its MD&A.

The average shareholders' equity was calculated as follows:

- Figure in the beginning of the period: R$7,424 million based on shareholder's equity as of September, 2015, deducted of dividends to be distributed for the 2H15 (without interest accrual);
- Figure in the end of the period: R$7,581 million, shareholder's equity as of December, 2015.

ADJUSTED NET INCOME

Figure 1 – Adjusted net income

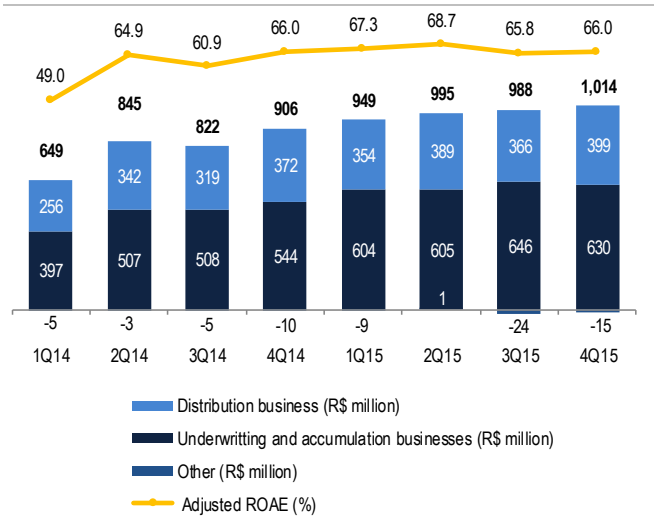
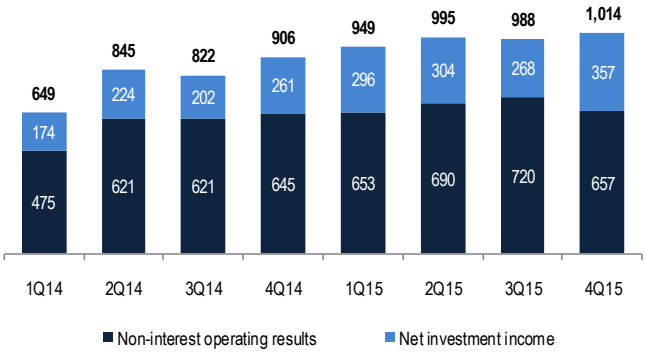


Figure 2 – Adjusted net income | Earnings breakdown[1] (R$ million)



[1]Calculated based on total non-interest operating result and net investment income of all BB Seguridade's controlled and affiliate Companies, net of income taxes, considering the effective tax rate of each Company for the period under analysis.

4Q15 ANALYSIS

In the 4Q15, the net income reached R$1.0 billion, 11.9% higher YoY, as a result of:

(i) the growth of R$96.0 million in the combined net investment income from BB Seguridade and its controlled and affiliate companies, net of taxes, driven by an increased average balance of interest earning assets and a higher average yield, due to a higher Selic rate and a better return for the inflation protected bonds; and

(ii) the increase of R$11.4 million in the combined non-interest operating result, net of taxes, driven mostly by the improvement of the G&A ratio in the reinsurance segment, higher brokerage revenues as well as lower administrative expenses in BB Corretora, and an increased volume of management fees in pension plans.

It is worth noting that the fourth quarter was impacted by the increase of the income tax rate, namely the social contribution ("CSLL"), from 15% to 20%, which affected the results of BB Seguridade's affiliate companies from September 2015 on; and by the reinstatement of the PIS/PASEP and COFINS rates of 0.65% and 4% on financial revenues earned by the holdings BB Seguridade Participações, BB Seguros Participações, BB Cor Participações, BB Mapfre SH1 Participações and Mapfre BB SH2 Participações, subject to the non-cumulative system, in force since July 1st, 2015.

The return on average equity reached 66.0% in the 4Q15, remaining flat as compared to the 4Q14.

2015 ANALYSIS

In 2015, the adjusted net income amounted to R$3.9 billion, growth of 22.4%, boosted by:

(i) the growth of R$358.4 million in the combined non-interest operating result, net of taxes, driven mostly by increased brokerage revenues and lower administrative expenses in BB Corretora, lower claims in the Life, Mortgage life and Rural segment, and higher revenues with management fees in the Pension Plans business segment; and

(ii) the increase of R$364.0 million in the combined net investment income, net of taxes, driven by the increased average balance of interest earning assets as well as the higher average yield, explained by the higher average Selic rate and by the better returns on inflation protected securities.

As previously mentioned, the fourth quarter was impacted by the increase of the income tax rate, namely the social contribution ("CSLL"), from 15% to 20%, which affected the results of BB Seguridade's affiliate companies from September 2015 on; and by the reinstatement of the PIS/PASEP and COFINS rates of 0.65% and 4% on financial revenues earned by the holdings BB Seguridade Participações, BB Seguros Participações, BB Cor Participações, BB Mapfre SH1 Participações and Mapfre BB SH2 Participações, subject to the non-cumulative system, in force since July 1st, 2015.

Figure 3 – Adjusted net income | Quarterly evolution breakdown (R$ million)

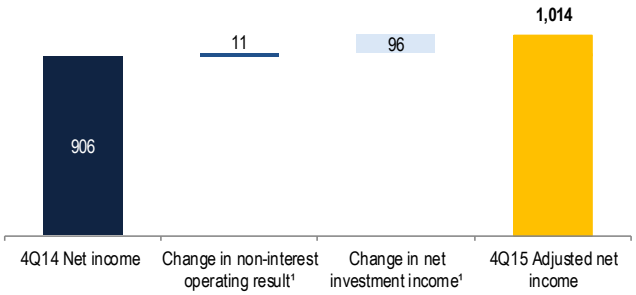
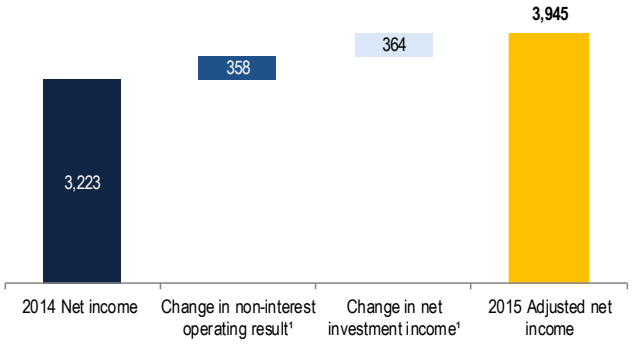


Figure 4 – Adjusted net income | Year-to-date evolution breakdown (R$ million)



¹Calculated based on total non-interest operating result and net investment income of all BB Seguridade's controlled and affiliate Companies, net of income taxes, considering the effective tax rate of each Company for the period under analysis.

UNDERWRITING AND ACCUMULATION BUSINESSES

Table 2 – Adjusted income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Equity income	**916.570**	**997.717**	**1.029.014**	**12,3**	**3,1**	**3.256.842**	**3.984.734**	**22,3**
Underwritting and accumulation businesses	543.964	645.754	629.938	15,8	(2,4)	1.956.290	2.484.650	27,0
Life, Mortgage Life and Rural	275.437	343.025	300.191	9,0	(12,5)	972.851	1.223.498	25,8
Property and Casualty	35.674	49.397	59.292	66,2	20,0	137.359	208.171	51,6
Pension Plans	150.776	166.909	156.902	4,1	(6,0)	546.512	646.003	18,2
Reinsurance	17.653	41.301	41.024	132,4	(0,7)	85.430	154.660	81,0
Premium Bonds	65.274	45.562	72.509	11,1	59,1	216.153	252.517	16,8
Dental Insurance	(850)	(441)	20	-	-	(2.015)	(200)	(90,1)
Distribution businesses	371.823	366.069	398.996	7,3	9,0	1.289.371	1.508.195	17,0
Other	783	(14.106)	80	(89,7)	-	11.181	(8.111)	-
G&A expenses	**(12.055)**	**(14.681)**	**(19.154)**	**58,9**	**30,5**	**(42.520)**	**(57.404)**	**35,0**
Personnel expenses	(10.076)	(10.649)	(15.541)	54,2	45,9	(31.520)	(43.992)	39,6
Administrative expenses	(1.966)	(2.149)	(3.474)	76,7	61,7	(10.003)	(11.568)	15,6
Tax expenses	1	(1.883)	(131)	-	(93,1)	(1.336)	(2.499)	87,1
Other operating income (expenses)	(14)	-	(8)	(42,9)	-	339	655	93,2
Net investment income	**1.634**	**4.622**	**3.702**	**126,5**	**(19,9)**	**8.253**	**17.650**	**113,9**
Financial income	1.635	40.702	3.702	126,4	(90,9)	48.190	80.688	67,4
Financial expenses	(1)	(36.080)	-	-	-	(39.937)	(63.038)	57,8
Adjusted net income	**906.149**	**987.657**	**1.013.562**	**11,9**	**2,6**	**3.222.575**	**3.944.979**	**22,4**

EXTRAORDINARY EVENTS

Table 3 – Extraordinary events

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Adjusted net income	**906.149**	**987.657**	**1.013.562**	**11,9**	**2,6**	**3.222.575**	**3.944.979**	**22,4**
Extraordinary events	**234.108**	**41.913**	**-**	**-**	**-**	**234.108**	**262.452**	**12,1**
Brasilprev: reversal of provisions	195.606	-	-	-	-	195.606	220.539	12,7
IRB: PIS/COFINS - Reassessment of provisions	38.502	-	-	-	-	38.502	-	-
SH1: Increase of the social contribution rate	-	21.970	-	-	-	-	21.970	-
SH2: Increase of the social contribution rate	-	19.944	-	-	-	-	19.944	-
Net income	**1.140.257**	**1.029.571**	**1.013.562**	**(11,1)**	**(1,6)**	**3.456.683**	**4.207.432**	**21,7**

Brasilprev – Reversal of provision: in December 2014, pursuant to resolution CNSP 281/13 and SUSEP Rule 462/13, Brasilprev recorded R$1.0 billion in reversals. The amount refers to the entire balance previously recorded in Provision for Insufficiency of Contributions and Provision for Financial Fluctuation.

Simultaneously, Brasilprev conducted its half-yearly Liability Adequacy Test, based on the financial statements of December 2014, in compliance with SUSEP rule 457/12, and recorded R$514.1 million in Supplementary Coverage Provision (PCC).

The Liability Adequacy Test assesses the obligations arising from pension plan contracts and, when found insufficient technical provisions, the company can choose either:

- by the usage of its unrealized gains (strategy adopted until June 2014); or

- to build a Supplementary Coverage Provision (strategy adopted only in December 2014).

Until June 2014, Brasilprev had been using unrealized gains to offset possible insufficiency of technical provisions identified by the Liability Adequacy Test. In December 2014, the deadline for the reversal of Other Technical Provisions (where the balances of the Provision for Insufficiency of Contributions and the Provision for Financial Fluctuations were booked), SUSEP has allowed the use of an alternative forward yield curve to minimize the inherent volatility of the original methodology. In this context, Brasilprev chose to occasionally use the constitution of Supplementary Coverage Provision to offset the insufficiency of technical provisions resulted from the Liability Adequacy Test as of December 2014.

When the Liability Adequacy Test dated as of June 2015 was carried out, Brasilprev in response to the volatility of the forward yield curve and supported by Paragraphs 2 and 3 of article 8th of SUSEP Rule 457/12, re-adopted the procedure which employs the unrealized gains of collateral assets on technical provisions held to maturity to offset a possible insufficiency resulted from the Liability Adequacy Test.

In this context, based on the Liability Adequacy Test, dated as of June 2015, the balance of R$514.1 million of Supplementary Coverage Provision was fully reversed, with a positive impact of R$ 294.1 million in Brasilprev's net income, equivalent to a net effect of R$ 220.5 million in BB Seguridade's net income.

BB Mapfre SH1 and Mapfre BB SH2 – Increase of the social contribution rate: in May 2015, the federal government issued the Provisional Measure Nr. 675 ("PM 675/15"), raising the rate of the social contribution ("CSLL") from 15% to 20% for financial institutions, insurance and premium bonds companies, among others. On October 6, 2015, the PM 675/15 was converted into a definitive Law Nr. 13,169 ("Law 13,169/15"), providing that the new rates for social contribution will be effective from September 1, 2015 to December 31, 2018, going back to 15% on January 1, 2019.

Therefore, the insurance companies BB Mapfre SH1 and Mapfre BB SH2 recalculated their respective social contribution deferred tax assets, originally registered at 15%, creating a positive impact for BB Seguridade's net income of R$21.9 million in equity income arising from BB Mapfre SH1 and of R$19.9 million in equity income from Mapfre BB SH2. Such deferred tax assets arises from: (i) temporary additions (tax credits activated by the companies, coming mainly from the constitution of provisions for loan losses and other provisions that are expected to be reversed before the end of the effectiveness of the Law 13,169/15); (ii) negative basis/accumulated fiscal losses; and goodwill (as a result of the corporate reorganization that took place during the process of structuring the partnership).

IRB – Accounting of tax credits related to PIS/COFINS: due to the process of periodic revaluations of the equity impacts arising from lawsuits in which IRB acts as complainant, plaintiff or stakeholder. In the 4Q14, BB Seguridade had a positive impact of R$ 38.5 million, regarding to the recognition of the remaining balance of the tax credits arising from the court final decision, in October 2013, for a lawsuit in which IRB was claiming the unconstitutionality of the §1, Article 3, Act 9718/1998, which was entirely approved by the RFB (Brazilian Internal Revenue Service).

Figure 5 – SH1 | Premiums written (R$ million)

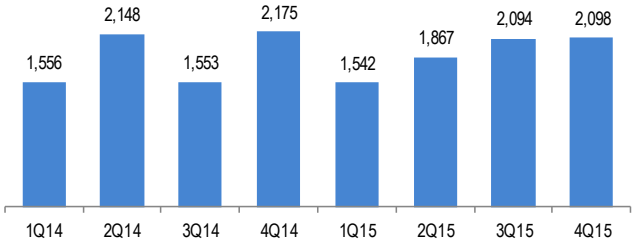
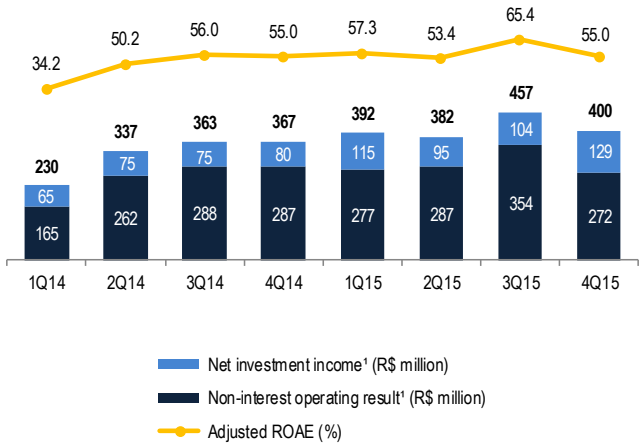


Figure 6 – SH1 | Adjusted net income and ROAE



¹Net of income taxes considering the Company's effective tax rate for the period under analysis.

4Q15 ANALYSIS

The net income from the Life, Mortgage Life and Rural insurance business segment reached R$400.3 million in the 4Q15, 9.0% up YoY. The performance was supported by the improvement in the net investment income, driven by both the higher average yield and the increased average balance of financial investments.

Premiums written totaled R$2.1 billion, 3.5% down YoY, driven mainly by the drop in the credit life insurance premiums written, partially offset by the growth in the rural insurance.

The combined ratio grew by 1.2 p.p. YoY to 73.9% in the 4Q15. The deterioration is mostly due to the higher commission ratio, mainly explained by a sales mix more concentrated in life products, which have a higher commission ratio when compared to the other products.

2015 ANALYSIS

In 2015, the adjusted net income arising from the Life, Mortgage Life and Rural business segment reached R$1.6 billion, 25.8% up. This improvement is explained by:

(i) the increase in the underwriting result, driven by the lower loss ratio; and
(ii) the growth in the net investment income, driven by both the better return and the expansion in the average balance of financial investments.

Premiums written grew by 2.3%, mostly explained by the growth in the rural insurance premiums written and the increase of 6.9% in the life insurance premiums sold in the bancassurance channel.

The combined ratio for 2015 improved 3.5 p.p., achieving 69.0%, driven by the lower loss ratio in life and in credit life.

Figure 7 – SH2 | Premiums written (R$ million)

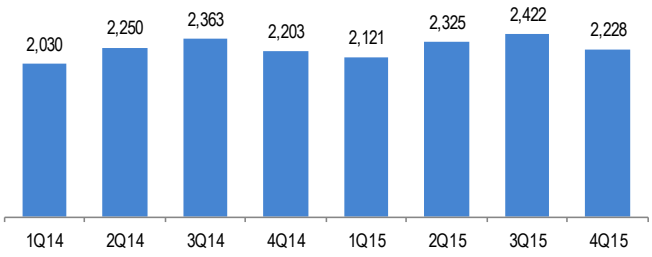
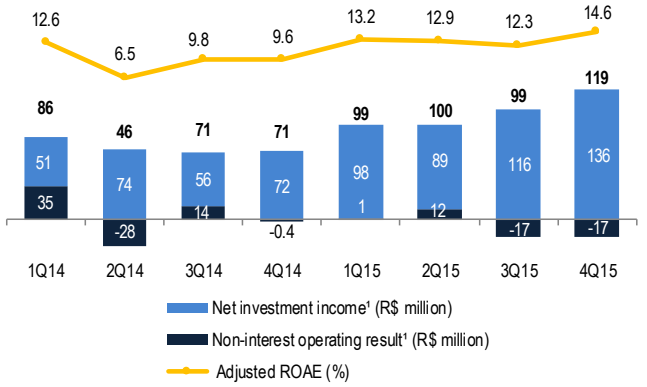


Figure 8 – SH2 | Adjusted net income and ROAE



¹Net of income taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

The net income arising from the P&C business segment reached R$118.6 million in the 4Q15, 66.2% up YoY, explained by the growth in the net investment income, boosted mainly by a higher average Selic rate and a better return on inflation protected securities, as well as by the increased average balance of financial investments.

Premiums written totaled R$2.2 billion in 4Q15, 1.1% higher YoY. The performance was sustained by the casualty segment, partially offset by the weak performance in the auto segment.

The combined ratio reached 100.3% in 4Q15, 1.4 p.p. up YoY, driven by the deterioration of 5.3 p.p. in the G&A ratio, mainly explained by the increased other operating income (expenses). This performance is explained by:

(i) strengthening provisions for loan losses related to reinsurance credits in the 4Q15 ; and
(ii) the 4Q14 comparable basis, which was positively impacted by the revenue of R$22.0 million, related to the transfer of resources between the companies within "Grupo Segurador BB Mapfre" in order to adequate the allocation of the insurance business segments.

The deterioration in the G&A ratio was partially offset by the lower loss ratio in the auto segment, as well as by the lower commission ratio in the casualty and auto segments.

2015 ANALYSIS

In 2015, the adjusted net income from the P&C business segment was 51.6% higher and reached R$416.3 million, explained by the growth in the net investment income, which was driven by the higher average Selic rate, better returns on inflation protected securities, as well as by the increase in the average balance of financial investments.

Premiums written reached R$9.1 billion in 2015, 2.8% up YoY, boosted mainly by the sales in casualty and auto segments.

The combined ratio deteriorated by 0.8 p.p., driven by the growth of 2.4 p.p. in the G&A ratio, mainly due to higher other operating expenses. As previously explained, this line was positively impacted in the 4Q14 by R$22.0 million, as a result of the transfer of resources between companies within "Grupo Segurador BB Mapfre", involving Mapfre Vida and Mapfre Seguros Gerais, in order to adequate the allocation of the insurance business segments.

By setting apart this effect, the combined ratio would have worsened by 0.4 p.p., justified mostly by the strengthening in the provision for loan losses related to reinsurance credits.

Figure 9– Brasilprev | Management fee

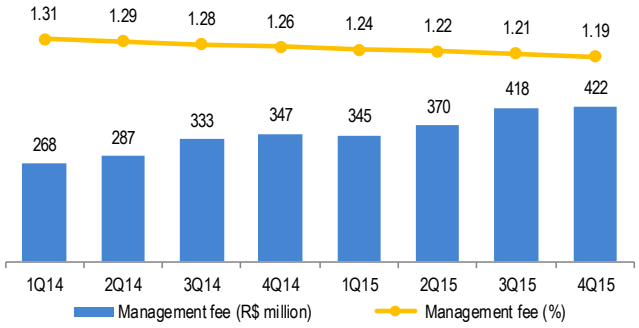
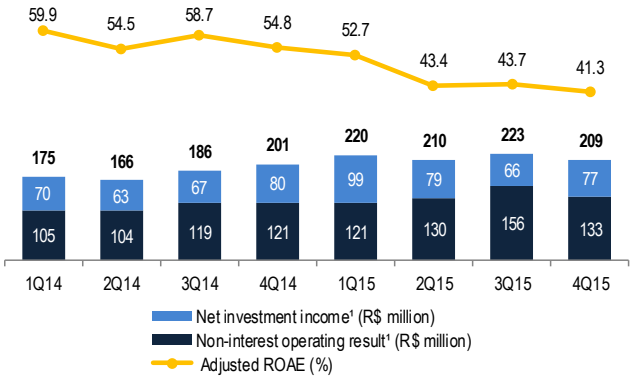


Figure 10 – Brasilprev | Adjusted net income and ROAE



¹Net of income taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

The Pension Plans business segment reported a net income of R$209.2 million in 4Q15, 4.1% up YoY. This performance was driven by the improvement in the non-interest operating result, mainly due to higher revenues with management fees.

Such increase in revenues with management fees was driven by the 32.5% growth in assets under management, which achieved R$148.2 billion by the end of December 2015.

Contributions amounted to R$9.9 billion in 4Q15, 4.5% up YoY. The growth was concentrated in VGBL plans, which increased by 4.9% and accounted for 89.5% of the total contributions in the quarter. Net inflows amounted to R$5.8 billion, 13.0% down YoY, driven by the growth of 0.2 p.p. in the redemption rate.

2015 ANALYSIS

In 2015, the adjusted net income from the Pension Plans business segment grew by 18.2%, boosted by the growth in revenues with management fees and, to a lesser extent, by the increase in the net investment income, driven by the growth in the average balance of interest earning assets.

Net inflows grew by 11.3%, to R$22.8 billion, as a consequence of the increase of 19.1% in contributions and a 0.1 p.p. lower redemption rate.

Brasilcap | Premium Bonds

Figure 11 – Brasilcap | Collections (R$ million)

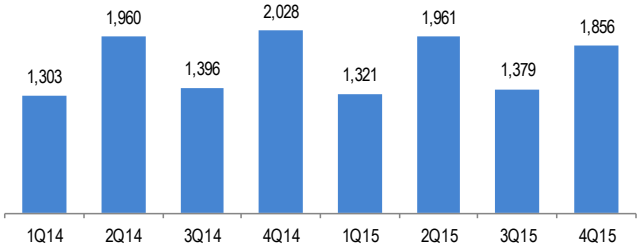
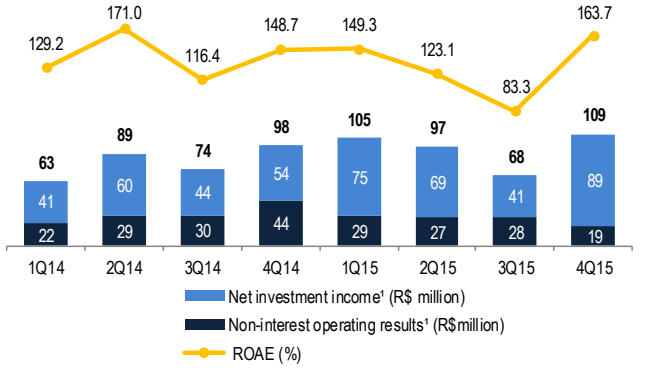


Figure 12 – Brasilcap | Net income and ROAE



¹Net of income taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

In the 4Q15, the net income for the Premium Bonds business segment reached R$108.8 million, 11.1% higher YoY, boosted by the growth of 70.9% in the net investment income, as a result of the widening spread.

The result with premium bonds fell by 52.6% YoY, justified mainly by the decrease of 8.4% in premium bonds collection and by a higher lottery ratio, partially offset by lower general and administrative expenses.

2015 ANALYSIS

In 2015, net income was 16.8% higher, achieving R$378.8 million, supported by the improvement of 39.7% in the net investment income.

Premium bonds collections decreased by 2.5%, as a result of the drop in the volume of monthly payment bonds.

IRB | Reinsurance

Figure 13 – IRB | Premiums written¹ (R$ million)

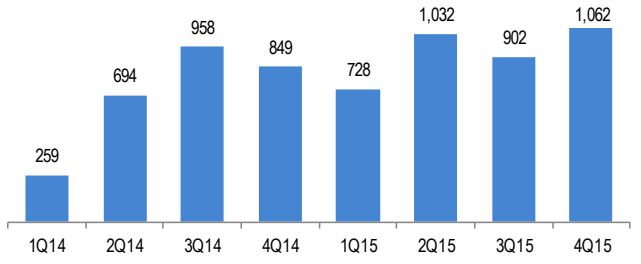
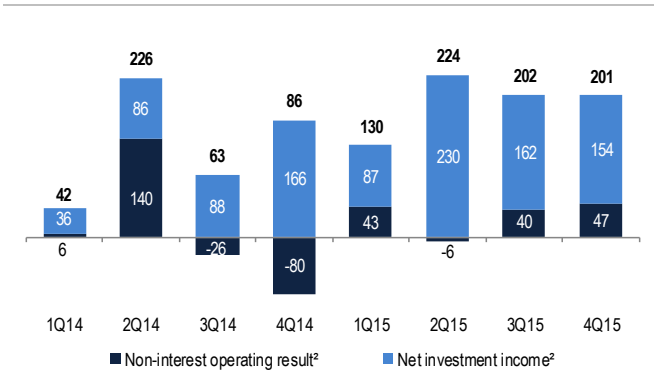


Figure 14 – IRB | Adjusted net income¹ (R$ million)



¹1Q14 figures consider only the months of January and February. March was added on the 2Q14.
²Net of income taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

In the 4Q15, the Reinsurance business segment reached a net income of R$200.8 million, 133.4% higher YoY. The improvement in the non-interest operating result, as a result of the lower loss ratio and the contraction of the G&A ratio, was the main driver for the improved performance of the net income in the quarter.

2015 ANALYSIS

In 2015, the net income grew by 81.8%, driven by a better net investment income and by the growth of the non-interest operating result, supported by lower loss and G&A ratios.

BB Corretora | Brokerage

Figure 15 – BB Corretora | Brokerage revenues (R$ million)

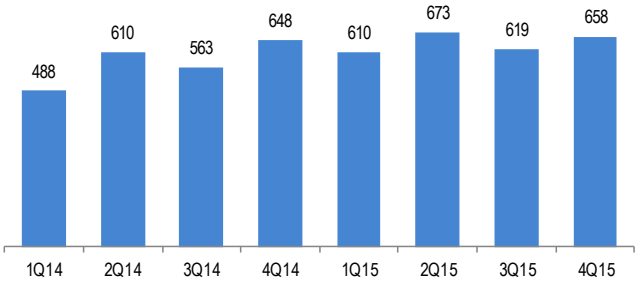
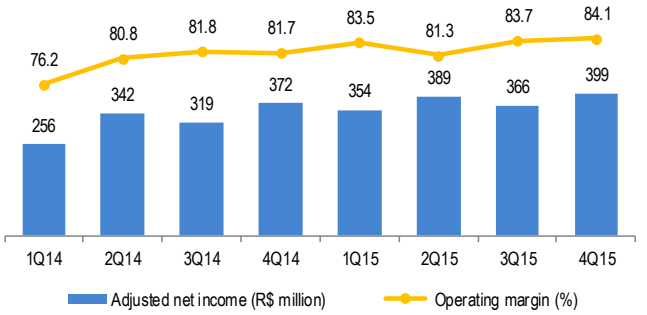


Figure 16 – BB Corretora | Adjusted net income and oeprating margin



4Q15 ANALYSIS

BB Corretora net income amounted to R$399.0 million in the 4Q15, 7.3% higher YoY, driven by:

(i) the growth of 1.5% in brokerage revenues in addition to the improvement of 2.4 p.p. in the operating margin, due to both lower administrative and personnel expenses; and
(ii) the increase of 43.8% in the net investment income, driven by both the higher average yield and volume of financial investments.

BB Corretora's net margin reached 60.7% in the quarter, 3.3 p.p. up YoY.

2015 ANALYSIS

In 2015, BB Corretora's net income grew by 17.0%, to R$1.5 billion, boosted by:

(i) the increase of 10.9% in brokerage revenues, highlighting the revenues from SH1 and Brasilprev:
(ii) the improvement of 2.8 p.p. in the operating margin, as a result of both lower administrative and personnel expenses; and
(iii) the growth of 47.3% in the net investment income, driven by both the higher average yield and volume of financial investments.

In line with these improvements, BB Corretora's net margin achieved 58.9%, 3.1 p.p. higher.

GUIDANCE 2015

The following table presents BB Seguridade's performance as compared to its Guidance for 2015.

Table 4 – Estimates 2015 vs values observed (%)

Ratio	Values observed 2015	2015 Estimates
BB Seguridade - Adjusted net income growth (R$ billion)	3.9	3.6 - 3.9
BB Mapfre SH1- Premiums written growth (%)	2.3	5 - 8
Brasilprev - PGBL and VGBL reserves growth (%)	34.7	27 - 36

a) BB Seguridade - Adjusted net income:

In 2015, the adjusted net income achieved R$3.9 billion, reaching the top of the guidance for the year.

b) BB Mapfre SH1 - Premiums written growth:

In 2015, premiums written at BB Mapfre SH1 grew by 2.3% and came below the range provided in the guidance. The main reasons for the deviation are related to the more challenging scenario for products linked to credit, as well as a lower than expected volume of life insurance premiums sold by independent brokers.

c) Brasilprev - PGBL and VGBL reserves growth:

In 2015, Brasilprev's P/VGBL reserves grew by 34.7%, within the estimated range of the Guidance.

GUIDANCE 2016

The following table presents the BB Seguridade guidance for 2016.

Table 5 – Estimates for 2016

Ratio	2016 Estimates
BB Seguridade - Adjusted net income growth (%)	8 - 12

OTHER INFORMATION

Table 6 – Market share and ranking

		Quarterly Flow				
	Unit	4Q14	1Q15	2Q15	3Q15	4Q15
Life						
Premiums written	R$ thousand	764,419	729,341	736,703	759,579	769,935
Market-share	%	15.5%	14.9%	14.6%	14.7%	14.6%
Ranking		2º	2º	3º	2º	2º
Credit life						
Premiums written	R$ thousand	978,707	431,861	666,829	350,329	656,296
Market-share	%	42.6%	12.1%	12.3%	14.9%	13.7%
Ranking		1º	1º	1º	1º	1º
Mortgage life						
Premiums written	R$ thousand	50,153	46,828	47,889	48,382	24,762
Market-share	%	7.0%	6.3%	6.3%	6.2%	2.6%
Ranking		3º	3º	4º	5º	7º
Rural						
Premiums written	R$ thousand	334,225	233,371	347,937	880,835	608,995
Market-share	%	63.4%	77.2%	74.8%	714%	82.2%
Ranking		1º	1º	1º	1º	1º
Auto						
Premiums written	R$ thousand	1,290,332	1,143,075	1,340,037	1,263,275	1,222,799
Market-share	%	15.1%	14.5%	16.2%	14.6%	14.3%
Ranking		2º	2º	2º	2º	2º
Casualties						
Premiums written	R$ thousand	720,243	745,065	780,198	955,837	805,361
Market-share	%	11.4%	12.8%	13.8%	14.7%	14.0%
Ranking		2º	1º	1º	1º	1º
Pension Plans						
Assets under management	R$ thousand	111,921,595	120,327,662	130,871,836	138,061,890	148,246,754
Market-share	%	25.9%	26.7%	27.4%	27.8%	28.2%
Ranking		2º	2º	2º	2º	2º
Contributions	R$ thousand	9,466,372	8,473,733	10,749,856	7,847,432	9,892,606
Market-share	%	35.1%	40.2%	40.6%	36.3%	33.9%
Ranking		1º	1º	1º	1º	1º
Premium Bonds						
Reserves	R$ thousand	11,752,009	11,685,681	12,060,959	12,161,846	12,354,369
Market-share	%	38.7%	38.7%	39.3%	39.4%	39.8%
Ranking		1º	1º	1º	1º	1º
Collections	R$ thousand	2,027,676	1,320,884	1,961,346	1,378,614	1,856,387
Market-share	%	34.9%	27.3%	35.3%	26.1%	32.5%
Ranking		1º	2º	1º	2º	1º

Source: Susep

[1]The ranking and market-share for 4Q15 are based on Fenaprevi's source, due to inconsistencies in SUSEP's data for December 2015.

Table 7 - Stocks | Breakdown of the shareholders' basis

	Shareholders	Shares	Participation
Banco do Brasil	**1**	**1,325,000,000**	**66.25%**
Treasury Stocks	**1**	**1,903,482**	**0.10%**
Free Float	**42,838**	**673,096,518**	**33.65%**
Foreign	1,160	524,827,855	**26.24%**
Companies	3,905	115,525,732	**5.78%**
Individuals	37,773	32,742,931	**1.64%**
Total	**42,840**	**2,000,000,000**	**100.00%**

Table 8 - Stocks | Performance

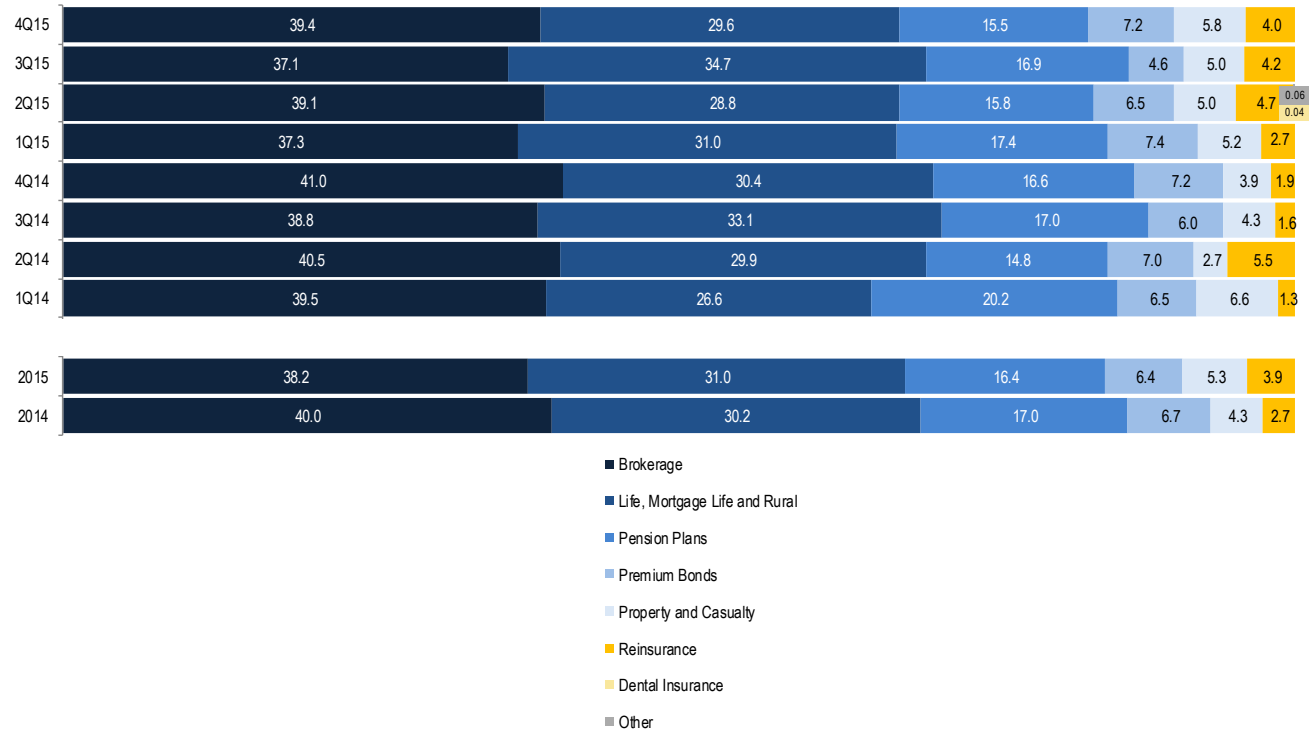
		Quarterly Flow				
	Unit	4Q14	1Q15	2Q15	3Q15	4Q15
Stock's performance						
Earnings per share	R$	0.45	0.47	0.50	0.49	0.51
Dividends per share	R$	-	0.79	-	0.87	0.00
Equity per share	R$	3.96	3.88	3.62	4.12	3.79
Closing price	R$	32.16	32.80	34.10	24.81	24.33
Annualized dividend yield[1]	%	4.16	4.78	4.16	5.79	5.84
Market capitalization	R$ million	64,320	65,600	68,200	49,620	48,660
Ratios						
P/E (12 month traling)	x	19.96	18.62	18.57	12.93	12.33
P/BV	x	8.12	8.45	9.41	6.02	6.42
Business data						
Quantity of trade carried out		753,371	826,265	861,003	945,622	980,065
Average daily volume traded	R$ million	139	165	176	148	131
Average daily volume traded - BM&FBovespa	R$ million	7,314	5,844	7,036	6,475	6,538
Share on BM&FBovespa's average volume	%	1.90	2.83	2.50	2.29	2.01

[1]Dividend yield calculated considering the dividends reported in the last 12 months divided by the average stock price in the same period.

2. EARNINGS ANALYSIS

EARNINGS BREAKDOWN

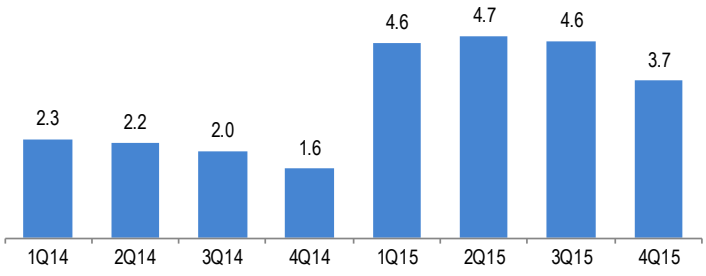
Figure 17 – Earnings Analysis | Breakdown (%)[1]



[1]Does not consider the individual results from BB Seguridade, BB Seguros and BB Cor holdings, as well as the dental plans operation when negative.

NET INVESTMENT INCOME

Figure 18 – Earnings Analysis | Net investment income (R$ million)



4Q15 ANALYSIS

In the 4Q15, BB Seguridade's net investment income grew by 126.5% when compared to 4Q14, driven by:

(i) the increase in the average Selic rate; and

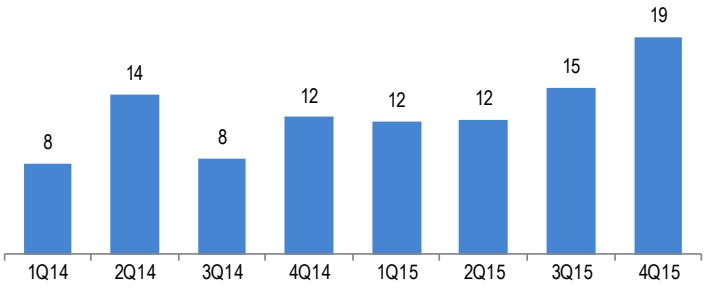
(ii) the increased average balance of interest earning assets, composed of cash and dividends receivable.

2015 ANALYSIS

In 2015, BB Seguridade's net investment income grew by 113.9% YoY, explained by the increase in the average Selic rate as well as the higher average balance of interest earning assets, composed of cash and dividends receivable.

GENERAL AND ADMINISTRATIVE EXPENSES

Figure 19 – Earnings Analysis | General and administrative expenses (R$ million)



4Q15 ANALYSIS

In the 4Q15, the G&A expenses of the holding company rose by 58.9% YoY, due to:

(i) higher personnel expenses, explained by the increase in headcount, the migration of part of BB Corretora's employees to BB Seguridade, as well as the employees collective bargaining agreement;

(ii) increased administrative expenses, as a result of the hiring of consulting services with impact in the specialized technical services line.

2015 ANALYSIS

In 2015, G&A expenses rose by 35.0% YoY, explained by:

(i) higher personnel expenses, driven by the increase in headcount, as well as the employees collective bargaining agreement; and

(ii) the increase in administrative expenses due to the hiring of consulting services in both 1Q15 and 4Q15, with impact in the specialized technical services line.

Table 9 – Earnings Analysis | General and administrative expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**(1,966)**	**(2,149)**	**(3,474)**	**76.7**	**61.7**	**(10,003)**	**(11,568)**	**15.6**
Specialized technical services	(284)	(360)	(1,800)	533.8	400.0	(914)	(4,559)	398.8
Condominium fee	(704)	(354)	(348)	(50.6)	(1.7)	(3,624)	(1,732)	(52.2)
Communication	(385)	(340)	(274)	(28.8)	(19.4)	(1,755)	(1,129)	(35.7)
Other administrative expenses	(593)	(1,095)	(1,052)	77.4	(3.9)	(3,710)	(4,148)	11.8
Personnel expenses	**(10,076)**	**(10,649)**	**(15,541)**	**54.2**	**45.9**	**(31,520)**	**(43,992)**	**39.6**
Compensation	(7,067)	(5,911)	(9,831)	39.1	66.3	(18,267)	(25,665)	40.5
Welfare benefits	(2,497)	(3,106)	(3,949)	58.1	27.1	(8,664)	(12,372)	42.8
Other compensation	64	(915)	(765)	-	(16.4)	(1,986)	(2,961)	49.1
Benefits	(576)	(717)	(996)	72.9	38.9	(2,603)	(2,994)	15.0
Tax expenses	**1**	**(1,883)**	**(131)**	**-**	**(93.1)**	**(1,336)**	**(2,499)**	**87.1**
COFINS	-	(1,595)	(114)	-	(92.9)	(21)	(1,738)	8,176.2
PIS/Pasep	-	(257)	(17)	-	(93.5)	(5)	(280)	5,500.0
IOF	-	(30)	-	-	-	(1,306)	(478)	(63.4)
Other	1	(1)	(0)	-	(71.1)	(4)	(3)	(25.0)
Other operating income (expenses)	**(14)**	**-**	**(8)**	**(42.9)**	**-**	**339**	**655**	**93.2**
G&A expenses	**(12,055)**	**(14,681)**	**(19,154)**	**58.9**	**30.5**	**(42,520)**	**(57,404)**	**35.0**

ADJUSTED NET INCOME COMPOSITION

Figure 20 – Earnings Analysis | Non-interest operating results vs net investment income (R$ million)[1]

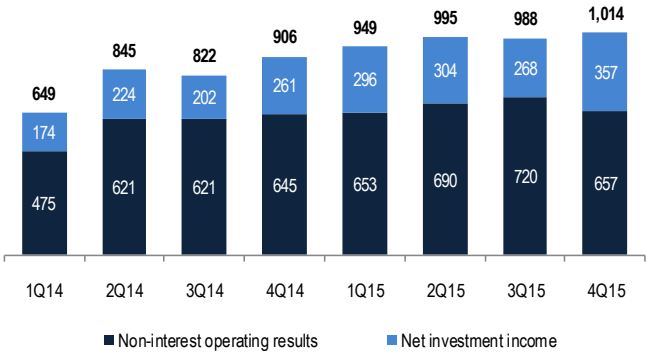
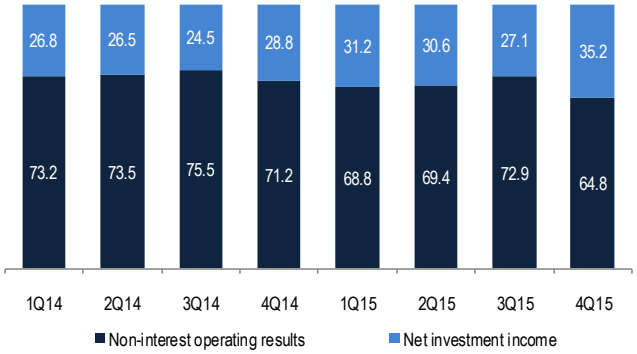


Figure 21 – Earnings Analysis | Non-interest operating results vs net investment income (%)[1]



[1]Net of taxes considering the Companies effective tax rate.

Table 10 – Earnings Analysis | Non-interest operating results vs net investment income[1]

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	**4Q14**	**3Q15**	**4Q15**	**On 4Q14**	**On 3Q15**	**2014**	**2015**	**On 2014**
Non-interest operating results	**645,125**	**719,761**	**656,554**	**1.8**	**(8.8)**	**2,361,513**	**2,719,912**	**15.2**
Life, Mortgage Life and Rural	215,307	265,235	203,811	(5.3)	(23.2)	751,817	892,021	18.6
Property and Casualty	(199)	(8,675)	(8,631)	-	(0.5)	10,648	(11,008)	-
Pension Plans	90,629	117,336	99,482	9.8	(15.2)	336,780	405,561	20.4
Premium Bonds	29,413	18,403	12,870	(56.2)	(30.1)	83,201	69,100	(16.9)
Reinsurance	(16,449)	8,111	9,658	-	19.1	8,053	25,291	214.1
Dental Insurance	(911)	(565)	(95)	(89.5)	(83.1)	(2,211)	(551)	(75.1)
Holdings and broker	327,334	319,916	339,459	3.7	6.1	1,173,226	1,339,497	14.2
Net investment income	**261,025**	**267,896**	**357,008**	**36.8**	**33.3**	**861,062**	**1,225,067**	**42.3**
Life, Mortgage Life and Rural	60,130	77,791	96,380	60.3	23.9	221,034	331,479	50.0
Property and Casualty	35,873	58,072	67,923	89.3	17.0	126,711	219,179	73.0
Pension Plans	60,148	49,573	57,420	(4.5)	15.8	209,733	240,442	14.6
Premium Bonds	35,861	27,159	59,639	66.3	119.6	132,952	183,417	38.0
Reinsurance	34,102	33,190	31,366	(8.0)	(5.5)	77,377	129,369	67.2
Dental Insurance	61	124	115	89.9	(6.8)	196	351	79.1
Holdings and broker	34,850	21,987	44,165	26.7	100.9	93,060	120,831	29.8
Adjusted net income	**906,149**	**987,657**	**1,013,562**	**11.9**	**2.6**	**3,222,575**	**3,944,979**	**22.4**

[1]Net of taxes considering the Companies effective tax rate.

NON-INTEREST OPERATING RESULT

4Q15 ANALYSIS

The combined non-interest operating results amounted to R$656.6 million in the 4Q15, R$11.4 million higher YoY, as a result of:

(i) the R$26.1 million increase in the non-interest operating result arising from the Reinsurance operation, due to the 10.4 p.p. improvement in the G&A ratio - which was positively impacted by the reversal of both the provision for loan losses and the provision for the Rural Insurance Stability Fund ("Fundo de Estabilidade do Seguro Rural – FESR") - as well as the 9.7 p.p. improvement in the loss ratio.

(ii) the R$24.1 million improvement in BB Corretora's operating result, due to higher brokerage revenues and lower administrative expenses; and

(iii) the R$8.9 million increase in the non-interest operating result arising from the Pension Plans business segment, largely explained by the 21.5% increase in revenues with management fees, driven by the growth in the average balance of assets under management.

2015 ANALYSIS

In 2015, the non-interest operating results grew by R$358.4 million, and amounted to R$2.7 billion. The improved performance was driven by:

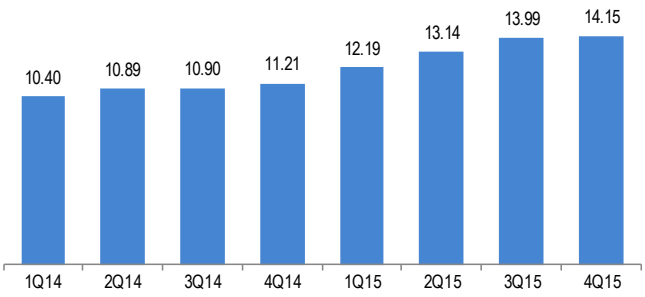
(i) the R$274.0 million increase in BB Corretora's operating result, as a result of increased brokerage revenues and lower administrative expenses;

(ii) the R$140.2 million growth in the non-interest operating result arising from the Life, Mortgage Life and Rural business segment, justified by the lower loss ratio; and

(iii) the R$68.8 million increase in the non-interest operating result coming from the Pension Plans business segment, mostly explained by the increase in revenues with management fees, as a result of the growth in the average balance of assets under management.

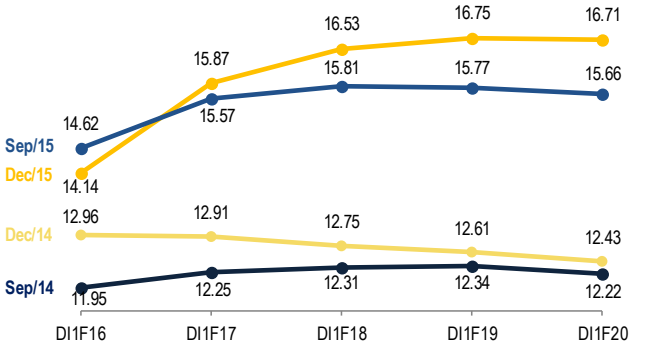
NET INVESTMENT INCOME

Figure 22 – Earnings Analysis | Average Selic rate (%)



Source: Bacen

Figure 23 – Earnings Analysis | Forward yield curve (%)



Source: ValorPro

4Q15 ANALYSIS

The combined net investment income of BB Seguridade, its controlled and affiliated companies amounted to R$357.0 million in 4Q15, R$96.0 million higher YoY. The improved performance is mainly given to the growth observed in the Life, Mortgage Life and Rural, P&C and Premium Bonds business segments, boosted by a higher average Selic rate, a higher average yield on inflation protected bonds, and an increased average balance of interest earning assets.

2015 ANALYSIS

In 2015, the combined net investment income of BB Seguridade, its controlled and affiliated companies rose R$364.0 million and amounted to R$1.2 billion. The improvement in all companies was driven by the increase in the average balance of interest earning assets as well as by the higher average yield on investments, led by the higher average Selic rate in addition to the better returns on inflation protected bonds.

Figure 24 – Earnings Analysis | Breakdown of financial investments by index[1]

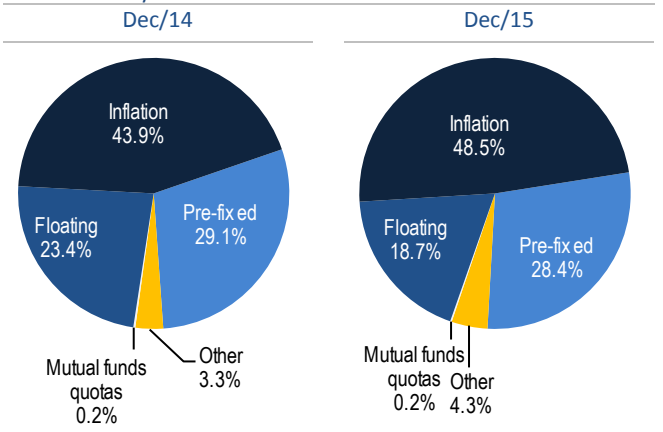
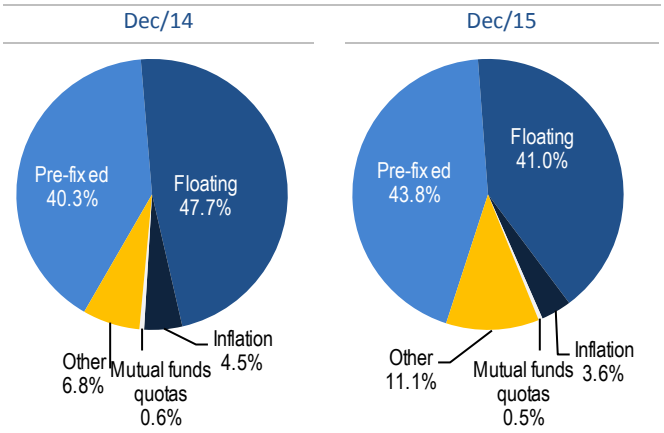


Figure 25 – Earnings Analysis | Trading portfolio by index[1]



[1]Considering the financial investments of BB Mapfre SH1, Mapfre BB SH2, Brasilprev (ex-P/VGBL) and Brasilcap weighted by BB Seguridade's economic stake in each company.

Table 11 – Earnings Analysis | Combined financial investments[1]

	Quarterly Flow			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On 4Q14	On 3Q15
Trading	**9,357,754**	**9,678,934**	**9,332,194**	**(0.3)**	**(3.6)**
Pre-fixed	3,775,406	4,600,794	4,088,909	8.3	(11.1)
Floating	4,466,103	4,144,828	3,823,109	(14.4)	(7.8)
Inflation	424,045	363,241	339,496	(19.9)	(6.5)
Mutual funds quotas	52,451	50,449	44,726	(14.7)	(11.3)
Other	639,749	519,621	1,035,954	61.9	99.4
Available for sale	**1,524,259**	**2,211,983**	**2,417,831**	**58.6**	**9.3**
Pre-fixed	204,336	114,502	136,845	(33.0)	19.5
Floating	527,433	380,592	464,348	(12.0)	22.0
Inflation	706,748	1,713,002	1,829,244	158.8	6.8
Other	85,743	3,887	(12,606)	-	-
Held to maturity	**11,104,166**	**10,897,185**	**12,095,545**	**8.9**	**11.0**
Pre-fixed	2,428,741	1,768,751	2,541,640	4.6	43.7
Floating	160,446	158,381	163,948	2.2	3.5
Inflation	8,514,979	8,970,052	9,389,957	10.3	4.7

[1]Considering the financial investments of BB Mapfre SH1, Mapfre BB SH2, Brasilprev (ex.P|VGBL), and Brasilcap weighted by BB Seguridade's economic stake in each company.

3. BALANCE SHEET ANALYSIS

Table 12 – Balance Sheet Analysis | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**8,395,890**	**8,252,827**	**9,231,340**	**10.0**	**11.9**
Cash and cash equivalents	56,385	113,739	59,784	6.0	(47.4)
Investments	6,660,086	8,109,816	7,203,271	8.2	(11.2)
Current tax assets	12,772	29,244	29,956	134.5	2.4
Dividends receivable	1,666,647	-	1,938,325	16.3	-
Other assets	-	28	4	-	(85.7)
Liabilities	**471,906**	**5,630**	**1,650,572**	**249.8**	**29,217.4**
Dividends payable	466,102	5	1,634,512	250.7	-
Current tax liabilities	-	54	134	-	148.1
Other liabilities	5,804	5,571	15,926	174.4	185.9
Shareholders' equity	**7,923,984**	**8,247,197**	**7,580,768**	**(4.3)**	**(8.1)**

CASH AND CASH EQUIVALENTS

By the end of December 2015, the balance of cash and cash equivalents reached R$59.8 million, 6.0% up YoY. The balance of cash and cash equivalents is mainly composed of repos.

INVESTMENTS

Table 13 – Balance Sheet Analysis | Direct investments

			Total ownership (%)	Investment balance		
R$ thousand	Activity	Accounting treatment	Dec/15	Dec/14	Sep/15	Dec/15
Insurance, Pension Plans and Premium Bonds						
BB Seguros Participações	*Holding*	(1)	100.0	6,613,183	7,681,984	7,141,522
Insurance Brokerage						-
BB Cor Participações	*Holding*	(1)	100.0	46,903	427,832	61,749

Note: (1) Controlled companies, fully consolidated

Table 14 – Balance Sheet Analysis | BB Seguros Participações' investments

R$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Dec/15	Dec/14	Sep/15	Dec/15
Insurance						
BB Mapfre SH1 Participações S.A.	***Holding***	**(2)**	**75.0**	**2,785,719**	**2,712,565**	**3,020,007**
Companhia de Seguros Aliança do Brasil	Insurance			-	-	-
Mapfre Vida S.A.	Insurance			-	-	-
Mapfre BB SH2 Participações S.A.	***Holding***	**(2)**	**50.0**	**2,008,260**	**2,168,558**	**2,230,688**
Aliança do Brasil Seguros S.A.	Insurance			-	-	-
Brasilveículos Companhia de Seguros	Insurance			-	-	-
Mapfre Seguros Gerais S.A.	Insurance			-	-	-
BB Mapfre Assistência S.A.	Insurance			-	-	-
Pension Plans				-	-	-
Brasilprev Seguros e Previdência	**Insurance/ Pension Plans**	**(2)**	**75.0**	**1,457,045**	**1,637,714**	**1,794,476**
Health				-	-	-
Brasildental Operadora de Planos Odontológicos S.A	**Health**	**(2)**	**75.0**	**1,733**	**1,513**	**1,533**
Premium Bonds				-	-	-
Brasilcap Capitalização	**Premium Bonds**	**(2)**	**66.7**	**396,717**	**344,956**	**405,229**
Reinsurance				-	-	-
IRB	**Reinsurance**	**(2)**	**20.4**	**617,672**	**641,136**	**663,819**

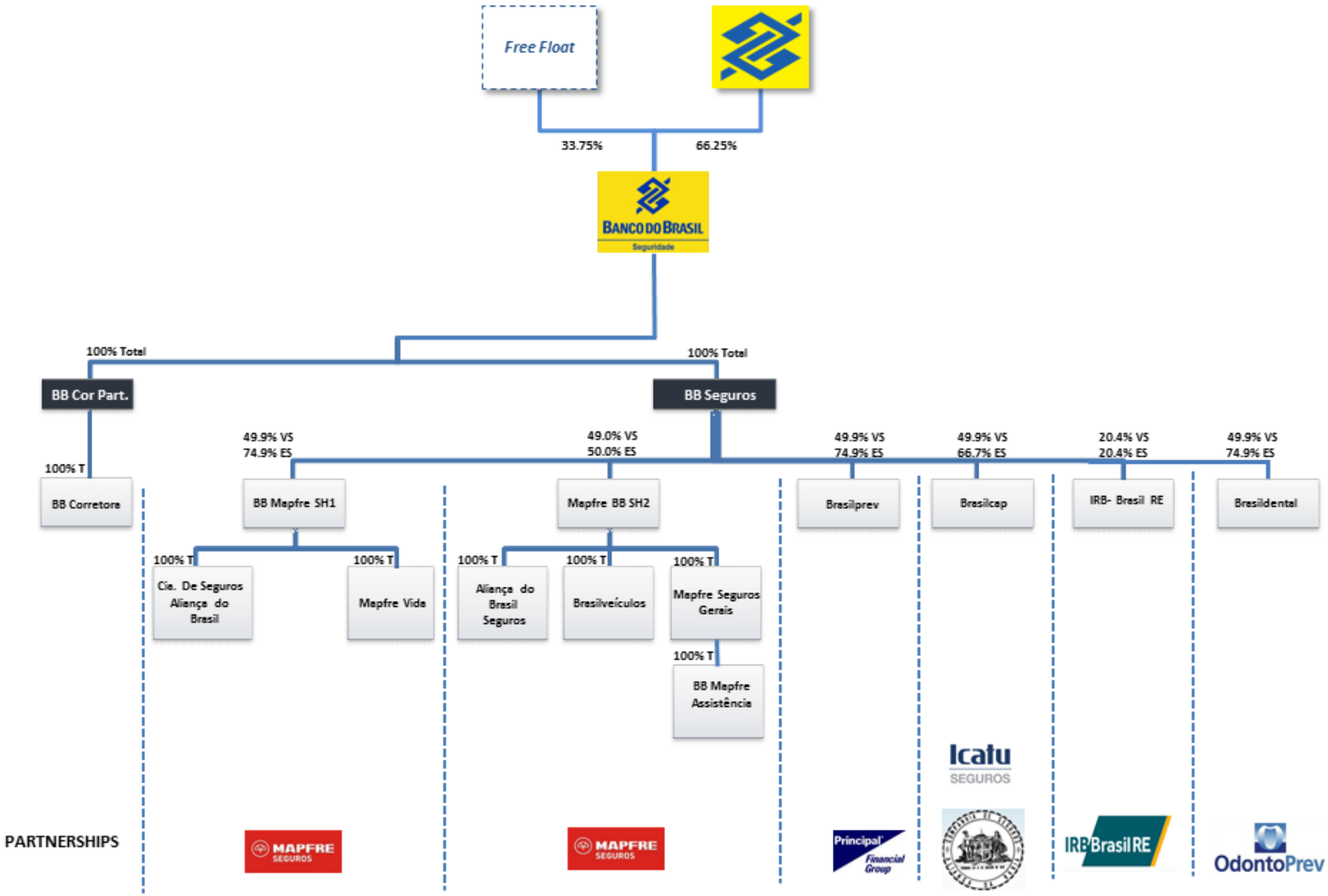
Note: (1) Controlled companies, fully consolidated
(2) Affiliated companies, booked by the equity method

Table 15 – Balance Sheet Analysis | BB Cor Participações' investments

R$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Dec/15	Dec/14	Sep/15	Dec/15
Insurance brokerage						
BB Corretora de Seguros e Adm. de Bens	**Insurance Broker**	**(1)**	**100.0**	**35,006**	**401,073**	**34,984**

Note: (1) Controlled companies, fully consolidated

Figure 26 – Balance Sheet Analysis | Ownership structure at 12/31/2015



SHAREHOLDER'S EQUITY

Shareholder's equity amounted to R$7.6 billion in December 2015, 4.3% lower YoY.

The paid-in capital, which amounts to R$5.6 billion, is divided into 2 billion common shares, without par value. The shareholders' equity of R$7.6 billion is equivalent to a book value of R$3.79 per share.

Table 16 – Balance Sheet Analysis | Statement of changes in equity

	Capital	Capital reserve	Legal and statutory reserves	Treasury stock	Retained earnings (losses)	Accumulated other comprehensive income	Total
Balance on December 31, 2013	**5,646,768**	**-**	**1,311,186**	**-**	**-**	**(16,681)**	**6,941,273**
Transactions with stock payments	-	266	-	(266)	-	-	-
Dividends	-	-	287,491	-	(2,765,346)	-	(2,477,855)
Legal and statutory reserves	-	-	691,337	-	(691,337)	-	-
Other comprehensive income	-	-	-	-	-	3,883	3,883
Net income for the period	-	-	-	-	3,456,683	-	3,456,683
Balance on December 31, 2014	**5,646,768**	**266**	**2,290,014**	**(266)**	**-**	**(12,798)**	**7,923,984**
Changes in the Period	-	266	978,828	(266)	-	3,883	982,711
Balance on December 31, 2014	**5,646,768**	**266**	**2,290,014**	**(266)**	**-**	**(12,798)**	**7,923,984**
Transactions with stock payments	-	446	-	(446)	-	-	-
Share buyback program	-	-	-	(48,249)	-	-	(48,249)
Additional dividends in 2H14	-	-	(1,103,927)	-	-	-	(1,103,927)
Legal and statutory reserves	-	-	841,486	-	(841,486)	-	-
Additional dividends proposed in 1H15	-	-	-	-	(1,731,440)	-	(1,731,440)
Additional dividends proposed in 2H15	-	-	-	-	(1,634,506)	-	(1,634,506)
Other comprehensive income	-	-	-	-	-	(32,526)	(32,526)
Net income for the period	-	-	-	-	4,207,432	-	4,207,432
Balance on December 31, 2015	**5,646,768**	**712**	**2,027,573**	**(48,961)**	**-**	**(45,324)**	**7,580,768**
Changes in the Period	**-**	**446**	**(262,441)**	**(48,695)**	**-**	**(32,526)**	**(343,216)**

4. UNDERWRITING AND ACCUMULATION

LIFE, MORTGAGE LIFE AND RURAL

BB Seguridade offers life, mortgage life and rural insurance through its affiliate company BB Mapfre SH1. This company was established by a 20-year term partnership with Mapfre in 2010, and the joint operations began in 2011. BB Seguridade holds, through BB Seguros, a 74.99% economic stake in BB Mapfre SH1, composed of 100% of the preferred shares and 49.99% of the common shares. The segments in which BB Mapfre SH1 operates is dominated by the Brazilian banks, what reflects the association of this kind of products with the bancassurance channel.

The following topics show a brief description of the main products offered by BB Mapfre SH1:

a. **Life insurance** is a product focused on individuals which assures financial protection to the beneficiaries, chosen by the policyholder, in case of death (natural or accidental), or permanent disability of the insured. If a claim occurs, the insurance company pays the amount agreed in the insurance policy to the beneficiary. Differently from the products sold in other countries, the life insurance sold by BB Mapfre SH1 is a term life insurance without accumulation. If the customer fails to make the monthly payments, the coverage is suspended without any amount being reverted to the policyholder.

b. **Credit life insurance** is a life insurance policy intended to pay off a borrower's loan in case of death or permanent disability of the insured. This type of product is designed to protect both the lender and the insured dependents, preventing them to inherit this liability. This product is already quite widespread in Brazil and it is expected to grow with the expansion of the loan portfolio. The main beneficiary of this type of product is the lender.

c. **Mortgage life insurance** is an insurance policy intended to pay off a mortgage in case of death or disability of the insured. The insurance policy gives the guarantee that his family will keep the property and the bank will receive the full payment of the mortgage debt. A mortgage life insurance also protects against physical damage to the insured property. The premium is calculated on a monthly basis and varies according to the outstanding loan balance and the borrower's age.

d. **Rural insurance** encompasses a group of three main products: (i) the crop insurance, which protects the farmers from weather hazards and falling prices of the crop; (ii) the rural lien insurance, which protects the asset given as collateral for a rural loan; and (iii) the rural producer credit life insurance, which is an insurance designed for farmers intended to pay off the rural loan in case of death of the insured.

AUTO, PROPERTY AND CASUALTIES

BB Seguridade offers auto, property and casualties insurance through its affiliate Mapfre BB SH2. This company was established by a 20-year term partnership with Mapfre Brasil signed in 2010, and the joint operations began in 2011. In this partnership BB Seguridade holds a 50.00% economic stake in Mapfre BB SH2, being 51.0% of the preferred shares and 49.0% of the common shares.

In this segment, the insurance policies for large risks and auto require a more customized assistance and selling process, which result in a higher concentration of sales in independent brokers than in the bancassurance channel.

The following paragraphs show a brief description of the main products offered by Mapfre BB SH2:

a. **Property insurance** is a type of insurance sold to individuals or companies that provides protection against risks to properties, linked or not to loans. The main products of this segment are: home insurance (covers the risks related to a private residence), business insurance (covers the risks related to a property that belongs to a company) and insurance for machinery and equipment (protection to a property that belongs either to individuals or companies).

b. **Auto insurance** is an insurance policy designed to provide protection for vehicles, of commercial or particular use, against theft, physical damage and/or bodily injury resulting from traffic collisions, besides other assistances provided to the policy holder. The auto insurance market is dynamic and competitive, what benefit the client to shop around for the best price before closing the deal. Besides that, the renewal of this kind of policies occur on an yearly basis, what makes easier for the competitors to go after the clients and makes it difficult to establish and strengthen a long term relationship with costumers, unlike other segments.

c. **DPVAT** is a mandatory insurance in Brazil that covers personal injury caused by vehicles to passengers, drivers or pedestrians. DPVAT offers coverage for three natures of damage: death, permanent disability, and reimbursement for medical and hospital expenses. DPVAT is funded by vehicles owners through annual payments. Out of the amount collected, 45% is transferred to the Ministry of Health (SUS), to fund the hospital care victims of traffic accidents across the country, and 5% are transferred to the Ministry of Cities, for exclusive use in programs directed to the prevention of traffic accidents. The remaining 50% are directed to the payment of claims.

PENSION PLANS

BB Seguridade operates in the private pension plans segment through its affiliate Brasilprev, in partnership with the American company Principal Financial Group (PFG). Brasilprev was established in 1993 as a partnership between Banco do Brasil and a group of insurance companies. After going through a series of corporate restructuring, within 1999-2000, PFG, through its subsidiary in Brazil, Principal Financial Group do Brasil, acquired an economic stake in the company and established a partnership with Banco do Brasil. In 2010, BB Seguros and PFG renewed their partnership, extending it for 23 years more. As a result of this new agreement, Banco do Brasil increased its stake in Brasilprev from 49.99% to 74.99%. Pension plans are growing in popularity in Brazil, due to increasing life expectancy, level of financial education and tax benefits for individuals.

Brasilprev has three main sources of revenue: the load fee, charged on contributions and redemptions, the management fees on assets under management, and the premiums paid to cover risks.

Nowadays, there are three types of private pension plans in Brazil: Free Benefit Generator Plan (PGBL), Free Benefit Generator Life Plan (VGBL), and traditional plans, which are no longer sold. The private pension plans in Brazil are described as follows:

a. **Free Benefit Generator Plan (PGBL)**: is recommended for people who declare income taxes in the complete form, as the contributions are tax deductible up to the limit of 12% of the annual gross taxable income. In this modality, in case of redemption or benefit received, the income taxes are calculated on the amount redeemed or income received.

   In Brazil, there are two alternatives for an individual to present the tax statements, the simple form or the complete form. In the complete form, a Brazilian citizen can inform not only the income but also deductible expenses, such as expenses with health insurance, education, investments in PGBL, and other.

   In addition, the participant may choose to be taxed either in the progressive tax system or in the regressive tax system when buying a pension plan.

   In the progressive tax system, the annuity is taxed when money is received according to the "Tabela Progressiva Mensal" (Montlhy Progressive Table) made available by the Brazilian Internal Revenue Service. The tax brackets can vary from zero to 27.5% according to the annual wages with adjustment in the income tax declaration. Redemptions are taxed at 15% regardless the amount redeemed, with adjustment in the income tax declaration according to the Monthly Progressive Table.

   In the regressive tax system, in the event of redemption or annuity received, tax is withheld and is definitive, with no possibility of adjustment in the annual tax statement. The rates are determined by the length of stay of each inflow in the plan, starting at 35%, with gradual reduction every two years, reaching a level of 10% after 10 years.

b. **Free Benefit Generator Life Plan (VGBL):** is recommended for those who declare income taxes in the simplified form or is exempt, since the contributions are not tax deductible. As in PGBL, the customer can choose either the progressive or the regressive tax system. In this modality, the tax benefit is that in case of redemption or annuity received, income tax will be charged on interest earned only. Another advantage of VGBL is the lack of spending for the transmission of inheritance, being suitable for customers who wish to make a succession planning. In this product, the customer can determine who will be the beneficiaries after his death and, unlike other assets, funds invested in VGBL are not part of the inventory. In inventories, the inheritance tax can reach up to 8% depending on the State, in addition, court costs and attorney's fees can consume from 6% to 20% of the wealth received by the heirs.

c. **Traditional Plan:** guarantees a fixed interest of 6% plus inflation (IGP-M) or Taxa Referencial (TR) per year. These plans are no longer sold and account for R$8.6 billion of the assets under management of Brasilprev.

PREMIUM BONDS

BB Seguridade offers premium bonds through its affiliate company Brasilcap, in a partnership with Icatu and Aliança da Bahia. Premium bonds are very peculiar to the Brazilian market, but there are also quite similar products in United Kingdom and in Spain.

Premium bonds are mainly sold through the bancassurance channel and it is an alternative way to accumulate reserves, with term and interest rate previously determined, entitling the bondholder to participate in lotteries. Premiums are distributed through periodic draws, being most frequent the usage of a combination of numbers in pre-determined series, based on the Brazilian Official Lottery.

Depending on the type of premium bond and the payment method chosen, the load fee and lottery quotas can exceed 10% of the amount collected. The amount intended to cover lottery, administrative expenses, and operational and acquisition costs are covered by these quotas.

In case of early redemption, the bondholder must obey a grace period (12 months in most products). Beyond the grace period, penalties will be applied if the bondholder decides for early redemption, which will decrease as the bond approaches to maturity.

REINSURANCE

The reinsurance industry in Brazil has been growing substantially since the market became opened in April 2008. With the approval of the Complementary Law No. 126/2007, the state monopoly over reinsurance ceased to exist and a 40% market reserve for reinsurers based in Brazil became effective in March 2011.

In some cases, due to contract or regulation, reinsurance becomes mandatory, and according to SUSEP data, the main risks covered today are P&C, financial, rural and transportation.

BB Seguridade operates in the reinsurance industry through IRB-Brasil Resseguros S.A.. Founded in 1939, IRB used to have a monopoly over reinsurance in Brazil until 2007.

In 2013, BB Seguridade, through its subsidiary BB Seguros Participações acquired a stake in IRB, entering the Brazilian reinsurance market. After that, IRB went through a process of privatization and capital increase. At the end of this process, BB Seguros became the holder of 20.51% of IRB's total economics, and became part of its control block, together with the Brazilian Federal Government, Bradesco Auto Re, Itaú Seguros, Itaú Vida e Previdência and Fundo de Investimentos em Participações Caixa Barcelona.

On December 29th, 2014, it was approved in Extraordinary General Meeting, the amendment of IRB's Bylaws to change the number of stocks from 1.035.663 to 1.040.000, in order to include 4.337 treasury stocks. Therefore, the BB Seguro's stake in IRB was changed from 20.51% to 20.43%.

The income statement, financial information, balance sheet and performance ratios on BB Seguridade's affiliates presented in this report, are influenced by the investor company accounting entries, e.g., changes in goodwill. Therefore, the statements are not necessarily reconcilable with those published by the Companies.

4.1 LIFE, MORTGAGE LIFE AND RURAL

EARNINGS ANALYSIS

Table 17 – Life, Mortgage Life and Rural |Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**2,174,770**	**2,094,321**	**2,097,889**	**(3.5)**	**0.2**	**7,431,542**	**7,601,088**	**2.3**
Changes in technical reserves - premiums	(529,260)	(430,502)	(465,337)	(12.1)	8.1	(1,185,848)	(1,121,709)	(5.4)
Earned premiuns	**1,645,510**	**1,663,819**	**1,632,552**	**(0.8)**	**(1.9)**	**6,245,694**	**6,479,379**	**3.7**
Revenue of policies issuance	1,375	6,261	1,644	19.5	(73.7)	8,531	14,567	70.7
Claims incurred	(491,251)	(435,294)	(557,491)	13.5	28.1	(2,171,399)	(2,276,785)	4.9
Acquisition costs	(387,354)	(428,657)	(427,394)	10.3	(0.3)	(1,488,272)	(1,643,203)	10.4
Result with reinsurance	(30,150)	(46,192)	2,006	-	-	(169,481)	79,841	-
Administrative expenses	(82,396)	(85,757)	(126,387)	53.4	47.4	(295,977)	(355,733)	20.2
Tax expenses	(53,967)	(55,376)	(58,935)	9.2	6.4	(192,625)	(216,924)	12.6
Other operating income (expenses)	(152,031)	(64,749)	(39,711)	(73.9)	(38.7)	(377,928)	(199,542)	(47.2)
Underwriting result	**449,736**	**554,055**	**426,284**	**(5.2)**	**(23.1)**	**1,558,543**	**1,881,600**	**20.7**
Net investment income	**121,911**	**156,684**	**197,139**	**61.7**	**25.8**	**444,438**	**679,029**	**52.8**
Financial income	158,949	195,454	239,262	50.5	22.4	584,058	838,979	43.6
Financial expenses	(37,038)	(38,770)	(42,123)	13.7	8.6	(139,620)	(159,950)	14.6
Equity income	(8,119)	(7,646)	(7,641)	(5.9)	(0.1)	(30,910)	(30,457)	(1.5)
Operating result	**563,528**	**703,093**	**615,782**	**9.3**	**(12.4)**	**1,972,071**	**2,530,172**	**28.3**
Gains or losses on non-current assets	(50)	(4,196)	4,277	-	-	(8)	84	-
Earnings before taxes and profit sharing	**563,478**	**698,897**	**620,059**	**10.0**	**(11.3)**	**1,972,063**	**2,530,256**	**28.3**
Taxes	(192,858)	(236,180)	(215,814)	11.9	(8.6)	(659,619)	(881,847)	33.7
Profit sharing	(3,321)	(5,289)	(3,937)	18.5	(25.6)	(15,136)	(16,861)	11.4
Adjusted net income	**367,299**	**457,428**	**400,308**	**9.0**	**(12.5)**	**1,297,308**	**1,631,548**	**25.8**
One-off events	**-**	**29,297**	**-**	**-**	**-**	**-**	**29,297**	**-**
Increase of the social contribution rate	-	29,297	-	-	-	-	29,297	-
Net income	**367,299**	**486,725**	**400,308**	**9.0**	**(17.8)**	**1,297,308**	**1,660,845**	**28.0**

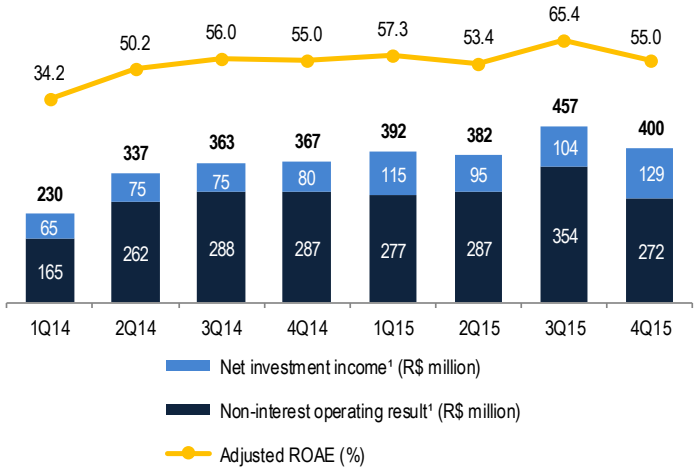
To provide a better analysis, the following table shows a managerial view built considering the reallocation of the result with reinsurance to the other accounts that compose the Income Statement. This reallocation allows the analysis of the performance ratios already considering the reinsurance effects.

Table 18 – Life, Mortgage Life and Rural | Managerial income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**2,174,770**	**2,094,321**	**2,097,889**	**(3.5)**	**0.2**	**7,431,542**	**7,601,088**	**2.3**
Premiums ceded reinsurance	(49,040)	(336,097)	(164,004)	234.4	(51.2)	(527,998)	(594,461)	12.6
Retained premiums	**2,125,730**	**1,758,225**	**1,933,885**	**(9.0)**	**10.0**	**6,903,547**	**7,006,627**	**1.5**
Changes in technical reserves - premiums	(634,844)	(168,891)	(423,460)	(33.3)	150.7	(1,234,668)	(931,696)	(24.5)
Retained earned premiuns	**1,490,887**	**1,589,334**	**1,510,425**	**1.3**	**(5.0)**	**5,668,881**	**6,074,931**	**7.2**
Revenue of policies issuance	1,375	6,261	1,644	19.6	(73.7)	8,531	14,567	70.8
Claims retained	(366,776)	(406,999)	(433,357)	18.2	6.5	(1,764,066)	(1,792,495)	1.6
Acquisition costs	(387,354)	(428,657)	(427,394)	10.3	(0.3)	(1,488,272)	(1,643,203)	10.4
Administrative expenses	(82,396)	(85,757)	(126,387)	53.4	47.4	(295,977)	(355,733)	20.2
Tax expenses	(53,967)	(55,376)	(58,935)	9.2	6.4	(192,625)	(216,924)	12.6
Other operating income (expenses)	(152,031)	(64,749)	(39,711)	(73.9)	(38.7)	(377,928)	(199,542)	(47.2)
Underwriting result	**449,738**	**554,056**	**426,284**	**(5.2)**	**(23.1)**	**1,558,544**	**1,881,600**	**20.7**
Net investment income	**121,911**	**156,684**	**197,139**	**61.7**	**25.8**	**444,438**	**679,029**	**52.8**
Financial income	158,949	195,454	239,262	50.5	22.4	584,058	838,979	43.6
Financial expenses	(37,038)	(38,770)	(42,123)	13.7	8.6	(139,620)	(159,950)	14.6
Equity income	(8,119)	(7,646)	(7,641)	(5.9)	(0.1)	(30,910)	(30,457)	(1.5)
Operating result	**563,530**	**703,094**	**615,782**	**9.3**	**(12.4)**	**1,972,071**	**2,530,172**	**28.3**
Gains or losses on non-current assets	(50)	(4,196)	4,277	-	-	(8)	84	-
Earnings before taxes and profit sharing	**563,479**	**698,898**	**620,059**	**10.0**	**(11.3)**	**1,972,063**	**2,530,256**	**28.3**
Taxes	(192,858)	(236,180)	(215,814)	11.9	(8.6)	(659,619)	(881,847)	33.7
Profit sharing	(3,321)	(5,289)	(3,937)	18.5	(25.6)	(15,136)	(16,861)	11.4
Adjusted net income	**367,299**	**457,429**	**400,308**	**9.0**	**(12.5)**	**1,297,308**	**1,631,548**	**25.8**

Retained premiums = Premiums written + premiums ceded to reinsurance
Changes in technical provisions = Changes in technical provisions + changes in technical provisions on reinsured operations
Retained claims = Claims incurred + recovery of indemnity claims + recovery of claims expenses + changes in provisions for claims IBNR + salvages and reimbursed assets + changes in provision for claims IBNER provisions for claims to be settled + changes of expenses related to IBNR + changes in estimates for salvages and reimbursed assets + provisions for claims to be settled

Figure 27 – Life, Mortgage Life and Rural | Adjusted net income and ROAE



¹Net of taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

In the 4Q15, the net income arising from the Life, Mortgage Life and Rural insurance business segment amounted to R$400.3 million, a growth of 9.0% YoY, supported by the increase in the net investment income. The improvement in the financial results was a result of the higher return on financial investments along with the growth in the average volume of financial investments.

The annualized return on average equity achieved 55.0%, remaining stable as compared to the same period of 2014.

2015 ANALYSIS

In 2015, the adjusted net income from the Life, Mortgage Life and Rural segment rose 25.8% to R$1.6 billion. The performance was driven by:

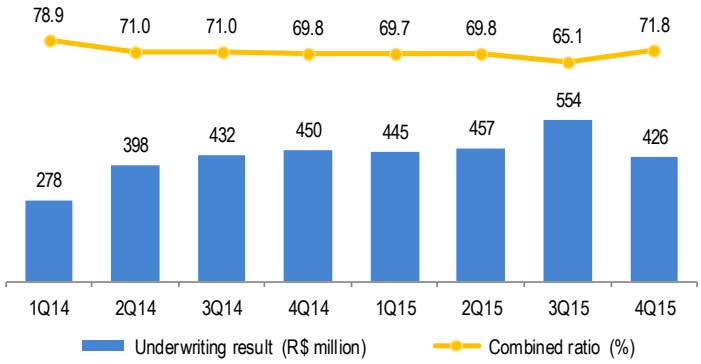
(i) the increase in non-interest operating result, given mainly the lower loss ratio; and
(ii) the growth in the net investment income, explained by the higher yield on financial investments as well as by the growth in the average balance of financial investments.

Table 19 – Life, Mortgage Life and Rural | Managerial performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Performance ratios								
Loss ratio	24.6	25.6	28.7	4.1	3.1	31.1	29.5	(1.6)
Commission ratio	26.0	27.0	28.3	2.3	1.3	26.3	27.0	0.8
G&A ratio	19.3	13.0	14.9	(4.4)	1.9	15.3	12.7	(2.6)
Combined ratio	69.8	65.1	71.8	1.9	6.6	72.5	69.0	(3.5)
Expanded combined ratio	64.6	59.3	63.5	(1.1)	4.2	67.2	62.1	(5.1)
Income tax rate	34.2	33.8	34.8	0.6	1.0	33.4	34.9	1.4
Adjusted ROAE	55.0	65.4	55.0	(0.1)	(10.5)	41.4	46.5	5.2

UNDERWRITING RESULT

Figure 28 – Life, Mortgage Life and Rural | Underwriting result



4Q15 ANALYSIS

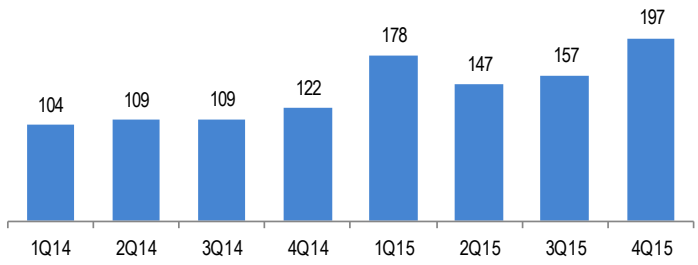
In the 4Q15, the underwriting result decreased 5.2% YoY, explained by the deterioration of 1.9 p.p. in the combined ratio. The worsening performance of the combined ratio was driven by the increase in the commission ratio, as a result of the sales mix more concentrated in life products, which have a higher commission ratio as compared to other products.

2015 ANALYSIS

In 2015, the underwriting result grew by 20.7%, driven by the improvement in the combined ratio, arising primarily from the decrease in the loss ratios of the life and credit life segments.

NET INVESTMENT INCOME

Figure 29 – Life, Mortgage Life and Rural | Net investment income (R$ million)



4Q15 ANALYSIS

In the 4Q15, the net investment income grew by 61.7% YoY, justified by both the better returns on financial investments, as a result of the higher average Selic rate, and the expansion in the average volume of financial investments.

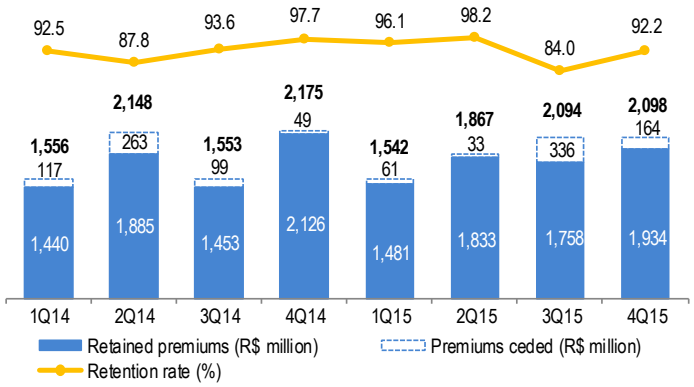
2015 ANALYSIS

In 2015, the net investment income grew by 52.8%, supported by the increase in the average Selic rate and a higher yield on inflation protected bonds, as well as by an increased average balance of financial investments.

UNDERWRITING RESULT ANALYSIS

PREMIUMS WRITTEN

Figure 30 – Life, Mortgage Life and Rural | Premiums written



4Q15 ANALYSIS

In the 4Q15, premiums written amounted to R$2.1 billion, 3.5% down YoY, justified mainly by lower premiums in credit life insurance, partially offset by the growth in rural insurance.

2015 ANALYSIS

In 2015, premiums written rose by 2.3%, driven by a higher volume of premiums in rural insurance as well as the 6.9% increase in life insurance premiums sold through the bancassurance channel.

Figure 31 – Life, Mortgage Life and Rural | Premiums written in the bancassurance channel (R$ million)

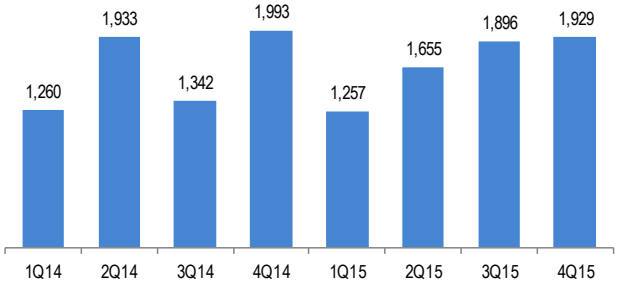


Figure 32 – Life, Mortgage Life and Rural | Premiums written in other channels (R$ million)

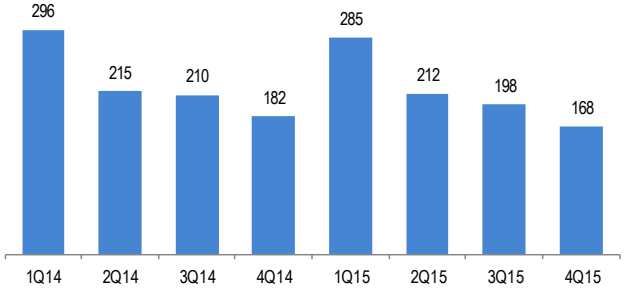


Table 20 – Life, Mortgage Life and Rural | Breakdown of premiums written

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Life	764,419	759,579	769,935	0.7	1.4	2,876,461	2,995,558	4.1
Credit Life	978,707	350,329	656,296	(32.9)	87.3	2,360,426	2,105,315	(10.8)
Mortgage Life	50,153	48,382	24,762	(50.6)	(48.8)	181,514	167,861	(7.5)
Rural	334,225	880,835	608,995	82.2	(30.9)	1,748,748	2,071,138	18.4
DPVAT	37,967	54,880	37,527	(1.2)	(31.6)	254,834	260,083	2.1
Other	9,299	31.6	374	(96.0)	18.3	9,560	1,132	(88.2)
Total	**2,174,770**	**2,094,321**	**2,097,889**	**(3.5)**	**0.2**	**7,431,542**	**7,601,088**	**2.3**

Figure 33 – Life, Mortgage Life and Rural | Breakdown of premiums written (%)

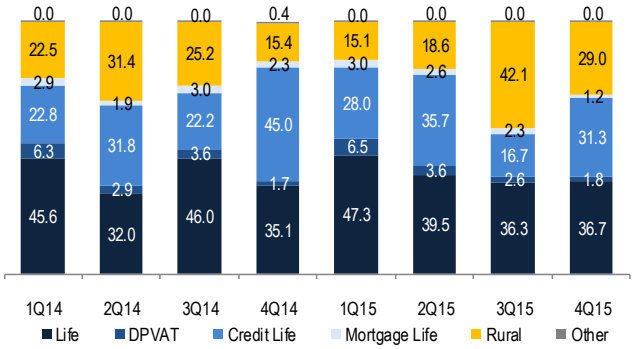
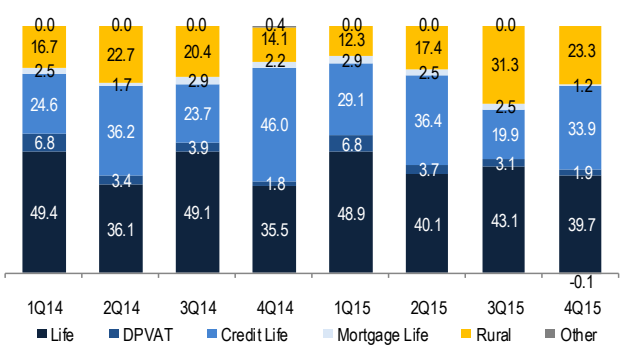


Figure 34 – Life, Mortgage Life and Rural | Breakdown of retained premiums (%)



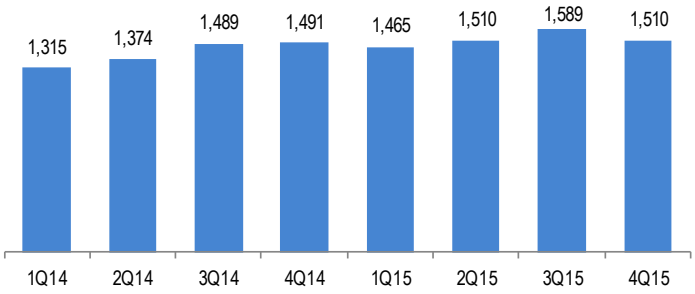
CHANGES IN TECHNICAL RESERVES - PREMIUMS

Table 21 – Life, Mortgage Life and Rural | Changes in technical reserves – premiums

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Provision for unearned premiums	(532,201)	(392,986)	(428,944)	(19.4)	9.1	(1,170,813)	(999,733)	(14.6)
Provision for benefits to be granted (except VGBL and VRGP)	-	(16)	16	-	-	8,700	(276)	-
Provision for administrative expenses - DPVAT	833	200	1,335	60.2	568.0	(1,261)	(139)	(89.0)
Provision for technical surplus	12,339	5,790	6,006	(51.3)	3.7	57,713	6,336	(89.0)
Complementary provisions of contributions	-	-	(87,115)	-	-	-	(87,115)	-
Other provisions (except VGBL and VRGP)	(10,232)	(43,490)	43,365	-	-	(80,187)	(40,781)	(49.1)
Change in technical reserves - premiums	**(529,260)**	**(430,502)**	**(465,337)**	**(12.1)**	**8.1**	**(1,185,848)**	**(1,121,709)**	**(5.4)**

RETAINED EARNED PREMIUMS

Figure 35 – Life, Mortgage Life and Rural | Retained earned premiums (R$ million)



4Q15 ANALYSIS

In the 4Q15, retained earned premiums grew by 1.3% YoY, explained by the increase in earned premiums from credit life and rural insurances.

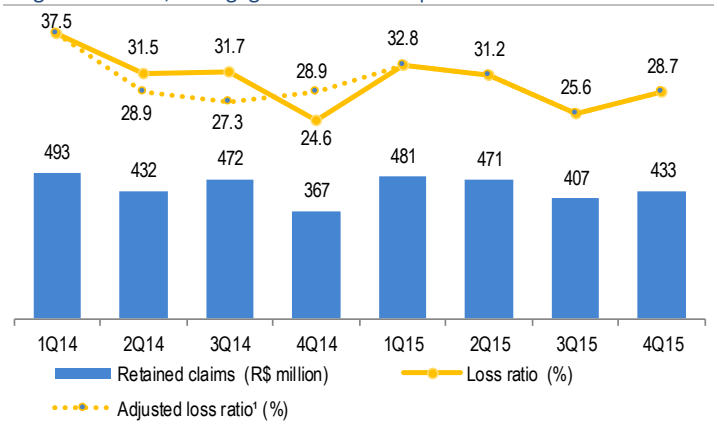
2015 ANALYSIS

In 2015, retained earned premiums grew by 7.2% YoY boosted by credit life, rural and life insurances.

Table 22 – Life, Mortgage Life and Rural | Breakdown of retained earned premiums

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Life	720,943	748,512	714,595	(0.9)	(4.5)	2,773,543	2,830,764	2.1
Credit Life	377,707	400,627	381,773	1.1	(4.7)	1,307,676	1,527,321	16.8
Mortgage Life	38,474	44,575	24,176	(37.2)	(45.8)	144,886	167,202	15.4
Rural	299,791	340,243	352,134	17.5	3.5	1,173,861	1,290,094	9.9
DPVAT	38,800	55,080	38,862	0.2	(29.4)	253,572	259,944	2.5
Other	15,171	296	(1,116)	-	-	15,342	(395)	-
Total	**1,490,887**	**1,589,334**	**1,510,425**	**1.3**	**(5.0)**	**5,668,881**	**6,074,931**	**7.2**

Figure 36 – Life, Mortgage Life and Rural | Retained claims



¹Segregates the effects of the reversal of provisions for claims incurred but not enough reported (IBNER), the accounting of reported claims related to previous periods in the non-contributory product in the credit life product and the reversal of provisions for technical surplus.

4Q15 ANALYSIS

In the 4Q15, the loss ratio rose by 4.1 p.p. YoY. This increase was concentrated in the life and rural segments. It is worth noting that the comparable basis in the 4Q14 was positively impacted by the reversal of provisions for claims incurred but enough reported (IBNER), which amounted to R$57.7 million. Segregating this effect, the loss ratio for the 4Q14 would have been of 28.9%, 0,2 p.p. higher as compared to 4Q15.

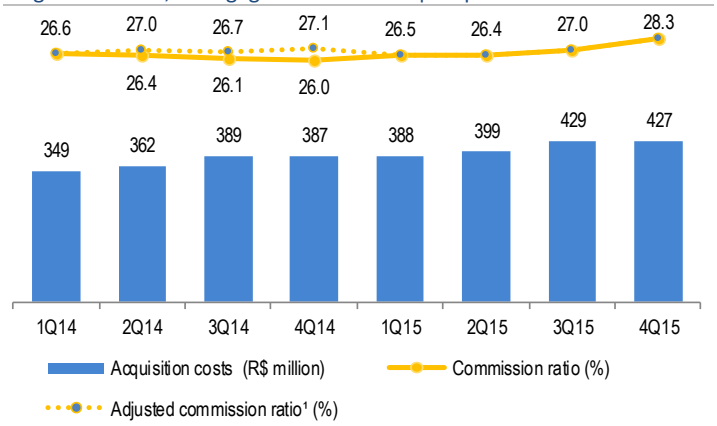
2015 ANALYSIS

The loss ratio improved by 1.6 p.p. in 2015, driven by lower claims in life and credit life, partially offset by the increase in the loss ratio of the rural segment.

Table 23 – Life, Mortgage Life and Rural | Breakdown of retained claims

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Claims incurred	**(491,251)**	**(435,294)**	**(557,491)**	**13.5**	**28.1**	**(2,171,399)**	**(2,276,785)**	**4.9**
Expenses with claims	(595,541)	(477,827)	(594,684)	(0.1)	24.5	(2,348,968)	(2,363,881)	0.6
Changes in provisions for claims IBNR	13,935	874	(5,246)	-	-	(599)	(57,966)	9,581.9
Changes in provisions for claims IBNER	57,539	548	5,693	(90.1)	939.2	62,355	4,717	(92.4)
Recovery of claims - Coinsurance	39,450	44,969	43,288	9.7	(3.7)	135,275	162,214	19.9
Recovery of claims - Reinsurance	124,476	28,295	124,134	(0.3)	338.7	407,333	484,290	18.9
Salvage	(3,213)	936	482	-	(48.5)	122	1,790	1,368.8
Reimbursements	608	108	78	(87.2)	(27.6)	628	198	(68.5)
Assistance services	(7,478)	(7,164)	(6,661)	(10.9)	(7.0)	(23,663)	(26,783)	13.2
Other	3,450	2,263	(440)	-	-	3,450	2,926	(15.2)
Retained claims	**(366,776)**	**(406,999)**	**(433,357)**	**18.2**	**6.5**	**(1,764,066)**	**(1,792,495)**	**1.6**

Figure 37 – Life, Mortgage Life and Rural | Acquisition costs



[1]Segregates the effects of the reversal of provisions related to acquisition costs in the segment other and the reversal of provisions for technical surplus

4Q15 ANALYSIS

The commission ratio reached 28.3% in the 4Q15, 2.3 p.p. higher as compared to the 4Q14, mainly due to the higher ratio observed in the credit life product. It is worth noting that the 4Q14 was benefited by the reversal of R$10.9 million in provisions related to acquisition costs in the segment other, which positively impacted the commission ratio. Setting apart this effect, the commission ratio would have presented an increase of 1.2 p.p., mostly explained by a higher participation of term life products in the mix of retained premiums, which have a higher commission ratio as compared to the other products in the portfolio.

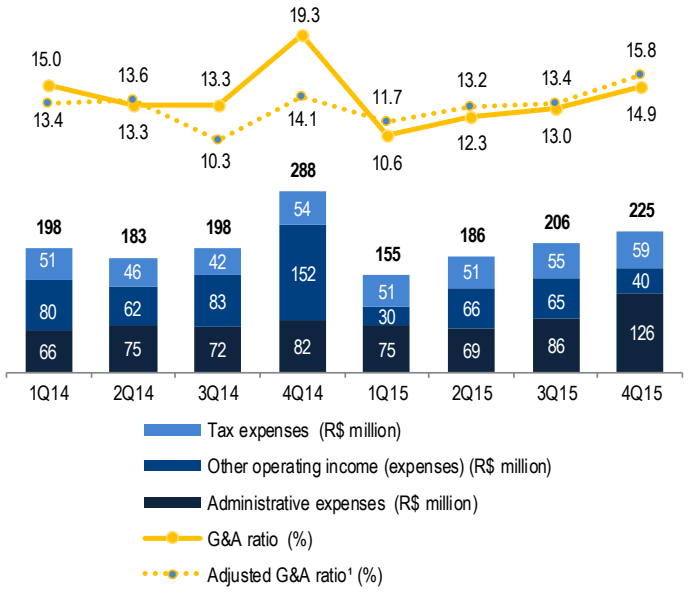
2015 ANALYSIS

In 2015, the commission ratio rose 0.8 p.p., to 27.0%, driven by the growth in credit life, in which comparable basis was benefited by the reversal of R$85.6 million in the technical surplus provision, which impacted total earned premiums. Adjusting for this effect and for the reversal of provisions related to acquisition costs in the 4Q14, the commission ratio for 2015 would have grown 0.2 p.p.

Table 24 – Life, Mortgage Life and Rural | Acquisition costs

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Commission charged on premiums written	(582,273)	(439,423)	(526,859)	(9.5)	19.9	(1,797,977)	(1,822,918)	1.4
Agency commission	9,778	(1,879)	(2,204)	-	17.3	2,244	(12,871)	-
Commissions recovered - Coinsurance	4,521	5,654	5,667	25.3	0.2	17,258	20,930	21.3
Change in deferred acquisition costs	215,147	37,314	131,451	(38.9)	252.3	389,919	299,972	(23.1)
Other acquisition costs	(34,528)	(30,324)	(35,449)	2.7	16.9	(99,717)	(128,316)	28.7
Acquisition costs	**(387,354)**	**(428,657)**	**(427,394)**	**10.3**	**(0.3)**	**(1,488,272)**	**(1,643,203)**	**10.4**

Figure 38 – Life, Mortgage Life and Rural | G&A expenses



¹Segregates the effects of the transfer of resources between Grupo Segurador BB MAPFRE's companies in order to adequate the allocation of the insurance segments, the constitutions and reversals of provisions for loan losses, the reinforcement in contributions to the Rural Insurance Stability Fund (FESR) and the reversal of provisions for technical surplus.

4Q15 ANALYSIS

In the 4Q15, the G&A ratio dropped by 4.4 p.p. YoY, driven by lower other operating income (expenses) as a result of: (i) the additional provision for loan losses in 4Q14, with a negative impact of R$59.8 million, and a reversal of the same provision in the 4Q15, with a positive impact of R$14.3 million; and (ii) the transfer of resources between insurance companies within Grupo Segurador BB Mapfre, in order to adequate the allocation of the insurance segments, with a negative impact of R$22.0 million in the 4Q14. Setting apart these events, the G&A ratio for the 4Q15 would have been of 15.8%, 1.7 p.p. higher as compared to the 4Q14 ratio.

2015 ANALYSIS

In 2015, the G&A ratio dropped by 2.6 p.p., driven by:

(i) lower expenses with contributions for the Rural Insurance Stability Fund (FESR) due to the lower underwriting margin for the crop insurance; and

(ii) the reversal of provision for loan losses booked in the impairment line, with a positive impact of R$51.0 million in 2015. In 2014 there were built additional provisions, with a negative impact of R$59.8 million; and

(iii) the transfer of resources between insurance companies within Grupo Segurador BB Mapfre in the 4Q14, as mentioned before.

Setting apart these events, the G&A ratio for 2015 would be 13.6%, 0.7 p.p. higher as compared to the adjusted ratio for 2014.

Table 25 – Life, Mortgage Life and Rural | General & Administrative expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**(82,396)**	**(85,757)**	**(126,387)**	**53.4**	**47.4**	**(295,977)**	**(355,733)**	**20.2**
Personnel	(32,707)	(39,573)	(32,677)	(0.1)	(17.4)	(128,800)	(139,678)	8.4
Outsourcing	(17,574)	(22,292)	(22,900)	30.3	2.7	(69,115)	(83,348)	20.6
Location and operation	(10,119)	(11,975)	(24,066)	137.8	101.0	(36,040)	(56,458)	56.7
Institutional advertisement and publicity	(5,894)	(4,156)	(9,031)	53.2	117.3	(26,276)	(18,931)	(28.0)
Releases	(126)	(43)	(66)	(47.4)	53.2	(731)	(609)	(16.6)
Other administrative expenses	(18,693)	(4,335)	(33,949)	81.6	683.1	(28,545)	(44,657)	56.4
DPVAT administrative expenses	2,717	(3,382)	(3,699)	-	9.4	(6,471)	(12,051)	86.2
Other operating income (expenses)	**(152,031)**	**(64,749)**	**(39,711)**	**(73.9)**	**(38.7)**	**(377,928)**	**(199,542)**	**(47.2)**
FESR contributions	(38,175)	(40,807)	(30,599)	(19.8)	(25.0)	(171,707)	(122,858)	(28.4)
Charging expenses	(5,625)	(4,801)	(3,298)	(41.4)	(31.3)	(19,766)	(19,016)	(3.8)
Civil contingencies	(8,036)	(1,047)	(3,327)	(58.6)	217.8	(24,844)	(18,390)	(26.0)
Events expenses	(169)	(2,197)	(1,660)	884.5	(24.5)	(1,813)	(8,083)	345.8
Endomarketing	(1,866)	(3,184)	(3,184)	70.7	0.0	(7,496)	(12,747)	70.1
Social contributions	(176)	(145)	(141)	(19.6)	(2.4)	(904)	(565)	(37.5)
Impairment	(60,539)	7,629	13,602	-	78.3	(83,602)	47,293	-
Other operating income (expenses)	(37,446)	(20,197)	(11,105)	(70.3)	(45.0)	(67,798)	(65,176)	(3.9)
Tax expenses	**(53,967)**	**(55,376)**	**(58,935)**	**9.2**	**6.4**	**(192,625)**	**(216,924)**	**12.6**
COFINS	(45,138)	(46,087)	(49,083)	8.7	6.5	(157,517)	(180,688)	14.7
PIS	(7,343)	(7,541)	(8,339)	13.6	10.6	(25,604)	(29,862)	16.6
Inspection fee	(1,162)	(1,062)	(1,567)	34.8	47.6	(4,649)	(4,730)	1.7
Other tax expenses	(323)	(687)	54	-	-	(4,853)	(1,644)	(66.1)
G&A	**(288,394)**	**(205,882)**	**(225,033)**	**(22.0)**	**9.3**	**(866,531)**	**(772,198)**	**(10.9)**

Table 26 – Life Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**764,419**	**759,579**	**769,935**	**0.7**	**1.4**	**2,876,461**	**2,995,558**	**4.1**
Premiums ceded to reinsurance	(9,712)	(1,967)	(1,557)	(84.0)	(20.9)	(17,211)	(10,660)	(38.1)
Retained premiums	**754,707**	**757,612**	**768,378**	**1.8**	**1.4**	**2,859,250**	**2,984,898**	**4.4**
Changes in technical reserves - premiums	(33,763)	(9,100)	(53,783)	59.3	491.0	(85,707)	(154,134)	79.8
Earned premiuns	**720,943**	**748,512**	**714,595**	**(0.9)**	**(4.5)**	**2,773,543**	**2,830,764**	**2.1**
Retained claims	(178,119)	(239,608)	(213,143)	19.7	(11.0)	(927,777)	(923,708)	(0.4)
Acquisition costs	(239,828)	(237,785)	(237,200)	(1.1)	(0.2)	(901,203)	(915,634)	1.6
Underwriting margin	**302,997**	**271,119**	**264,252**	**(12.8)**	**(2.5)**	**944,563**	**991,422**	**5.0**

4Q15 ANALYSIS

In the 4Q15, life insurance premiums achieved R$769.9 million, 0.7% up YoY. The performance was driven by the bancassurance channel, which grew by 1.5%, while life premiums distributed in the independent broker channel were 2.7% down.

2015 ANALYSIS

In 2015, life insurance premiums written grew by 4.1%, to R$3.0 billion. This growth was totally concentrated in the bancassurance channel, which increased by 6.9%, while premiums written in the independent broker channel dropped by 5.5%.

Figure 39 – Life Insurance | Premiums written (R$ million)

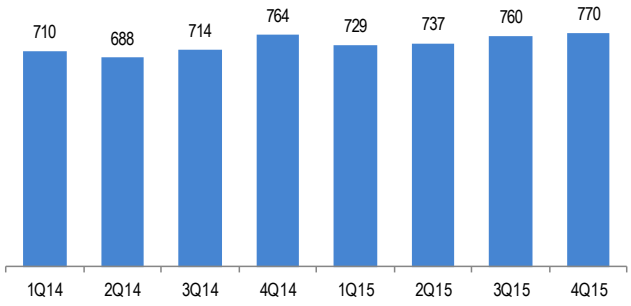


Figure 40 – Life Insurance | Breakdown of premiums written (%)

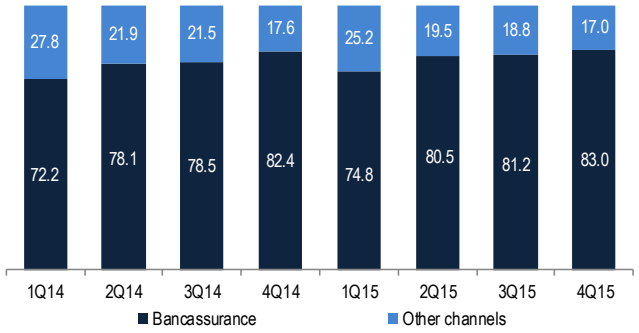


Figure 41 – Life Insurance | Premiums written in bancassurance channel (R$ million)

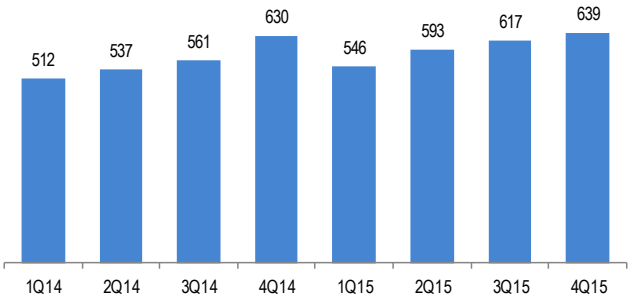


Figure 42 – Life Insurance | Premiums written in other channels (R$ million)

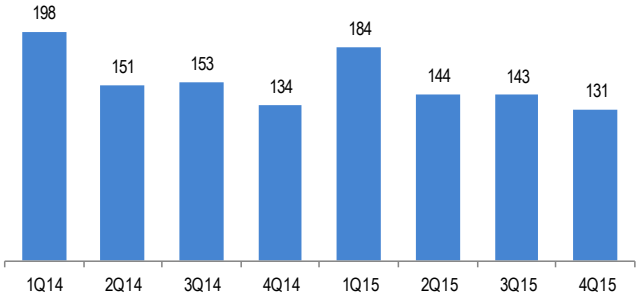


Figure 43 – Life Insurance | Underwriting margin (R$ million)

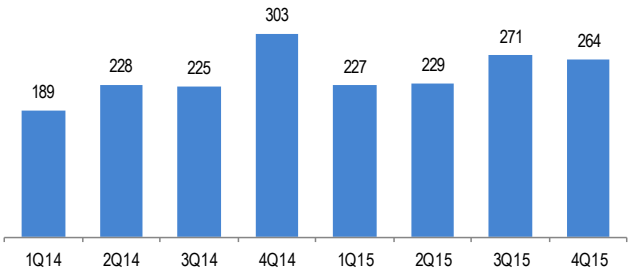
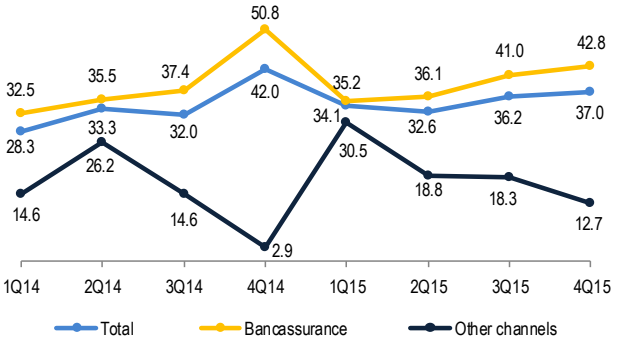


Figure 44 – Life Insurance | Underwriting margin by distribution channel (%)



4Q15 ANALYSIS

Life insurance underwriting margin achieved 37.0% in the 4Q15, 5.0 p.p. down YoY. The retraction is explained by the comparable basis effect, since the 4Q14 was positively impacted by a reversal of provisions for claims incurred but not enough reported (IBNER) favoring the loss ratio for that period. Setting apart this effect, the 4Q15 underwriting margin would be 3.0 p.p. higher as compared to the 4Q14.

2015 ANALYSIS

In 2015, the underwriting margin in the life segment rose 1.0 p.p. to 35.0%, as a result of the improvement of 0.8 p.p. in the loss ratio. Setting apart the same effect of reversal of provisions mentioned before, the underwriting margin in 2015 would be 3.0 p.p. higher as compared to 2014, with a 2.9 p.p. improvement in the loss ratio.

Figure 45 – Life Insurance | Loss ratio (%)

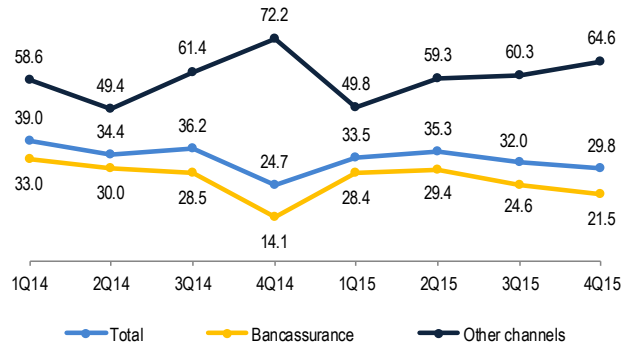
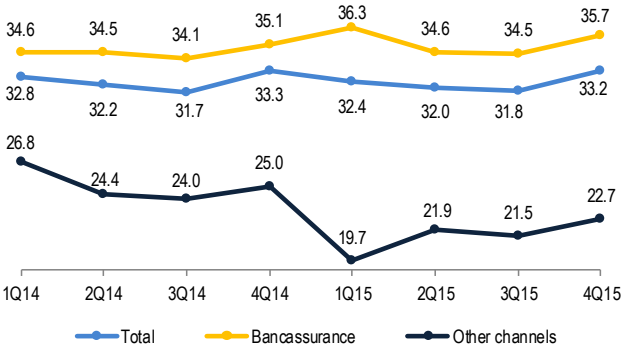


Figure 46 – Life Insurance | Commission ratio (%)



Credit Life Insurance

Table 27 – Credit Life Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**978,707**	**350,329**	**656,296**	**(32.9)**	**87.3**	**2,360,426**	**2,105,315**	**(10.8)**
Premiums ceded to reinsurance	(1,713)	(1)	(330)	(80.7)	43,682.7	(2,618)	(674)	(74.2)
Retained premiums	**976,995**	**350,329**	**655,966**	**(32.9)**	**87.2**	**2,357,809**	**2,104,641**	**(10.7)**
Changes in technical reserves - premiums	(599,287)	50,299	(274,193)	(54.2)	-	(1,050,133)	(577,320)	(45.0)
Earned premiuns	**377,707**	**400,627**	**381,773**	**1.1**	**(4.7)**	**1,307,676**	**1,527,321**	**16.8**
Retained claims	(79,766)	(64,541)	(82,464)	3.4	27.8	(369,775)	(295,395)	(20.1)
Acquisition costs	(91,315)	(114,838)	(113,024)	23.8	(16)	(340,338)	(443,125)	30.2
Underwriting margin	**206,626**	**221,248**	**186,285**	**(9.8)**	**(15.8)**	**597,564**	**788,801**	**32.0**

4Q15 ANALYSIS

Credit life premiums written amounted to R$656.3 million in the 4Q15, 32.9% down YoY. The underwriting margin reached 48.8% in the quarter, 5.9 p.p. lower as compared to 4Q14, explained by the comparable basis effect, since the 4Q14 was positively impacted by the R$20.7 million reversal of the technical surplus provision, which increased the total amount of earned premiums and, as a result, benefited both loss and commission ratios in that period. Setting apart this effect, the underwriting margin for the 4Q15 would have presented a 3.3 p.p. decrease as compared to the adjusted underwriting margin of the 4Q14, explained by a higher commission ratio (29.6% in the 4Q15 vs. an adjusted commission ratio of 25.6% for the 4Q14), partially offset by the improvement of the loss ratio (21.6% in the 4Q15 vs. an adjusted loss ratio of 22.3% for the 4Q14).

2015 ANALYSIS

In 2015, credit life premiums written dropped 10.8% to R$2.1 billion. The underwriting margin achieved 51.6%, an improvement of 5.9 p.p. as compared to 2014. It is worth noting that the periods are not directly comparable, since 2014 was negatively impacted by the accounting of reported claims related to previous periods in the non-contributory product, in a total amount of R$118.6 million, partially offset by the reversal of provisions for technical surplus of R$85.6 million. Setting apart these effects, the underwriting margin for 2015 would be flat YoY, with a higher commission ratio (29.0% in 2015 vs. 27.8% in 2014), offset by the improvement in the loss ratio (19.3% in 2015 vs. an adjusted loss ratio of 20.6% for 2014).

Figure 47 – Credit Life Insurance | Premiums written (R$ million)

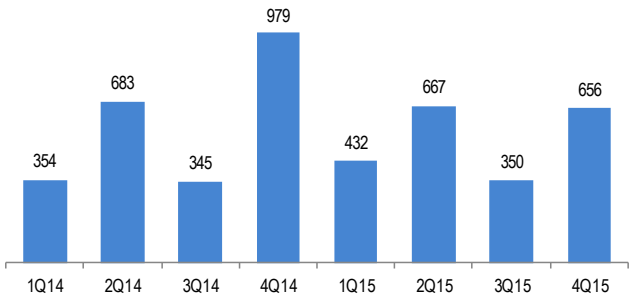


Figure 48 – Credit Life Insurance | Underwriting margin

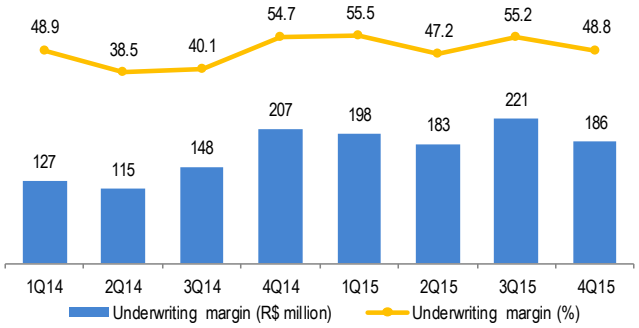


Figure 49 – Credit Life Insurance | Loss ratio (%)

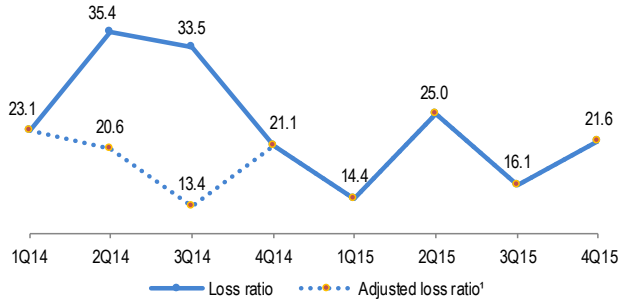
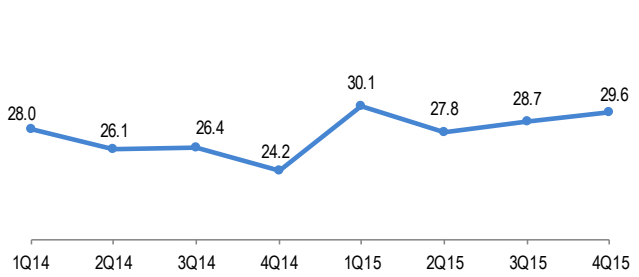


Figure 50 – Credit Life Insurance | Commission ratio (%)



¹Segregates the effects of the accounting of the accounting of reported claims related to previous periods in the non-contributory product

Rural Insurance

Table 28 – Rural Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**334,225**	**880,835**	**608,995**	**82.2**	**(30.9)**	**1,748,748**	**2,071,138**	**18.4**
Premiums ceded to reinsurance	(33,765)	(330,444)	(159,085)	371.1	(51.9)	(483,579)	(569,863)	17.8
Retained premiums	**300,459**	**550,390**	**449,910**	**49.7**	**(18.3)**	**1,265,169**	**1,501,275**	**18.7**
Changes in technical reserves - premiums	(669)	(210,147)	(97,776)	14,525.0	(53.5)	(91,308)	(211,181)	131.3
Earned premiuns	**299,791**	**340,243**	**352,134**	**17.5**	**3.5**	**1,173,861**	**1,290,094**	**9.9**
Retained claims	(68,149)	(51,055)	(97,445)	43.0	90.9	(226,633)	(320,470)	41.4
Acquisition costs	(61,486)	(70,233)	(73,449)	19.5	4.6	(237,734)	(261,802)	10.1
Underwriting margin	**170,156**	**218,956**	**181,240**	**6.5**	**(17.2)**	**709,495**	**707,822**	**(0.2)**

4Q15 ANALYSIS

In the 4Q15, rural premiums written amounted to R$609.0 million, 82.2% up YoY. The crop insurance was the one that presented the highest growth rate, as a consequence of the release, starting in July, of the working capital loans for farmers regarding to the summer crop 2015/2016, following the regular dynamics of the Brazilian crop cycle, while in 2014 it was anticipated to the first half of that year.

2015 ANALYSIS

In 2015, rural premiums written amounted to R$2.1 billion, 18.4% up YoY. The credit life for farmers was the main highlight of the year with a 47.8% growth. Premiums written in rural lien grew by 9.7% and crop insurance grew 7.7% under the same comparable basis.

Crop insurance accounted for 37.4% of premiums written and 19.8% of retained premiums. The rural lien accounted for 30.7% of the premiums written and 36.5% of retained premiums, while the credit life for farmers, which is the product with the greater retention rate, was responsible for 31.0% of premiums written and 42.8% of the retained premiums.

Figure 51 – Rural Insurance | Premiums written (R$ million)

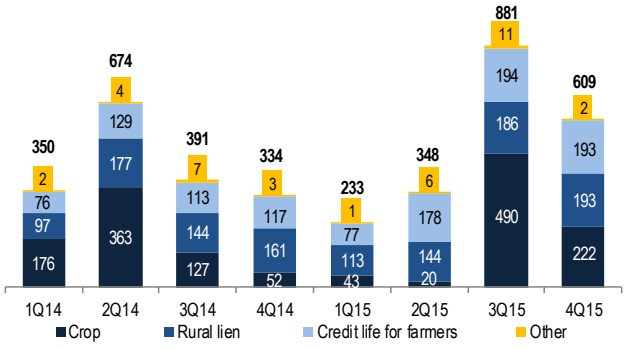


Figure 52 – Rural Insurance | Breakdown of premiums written (%)

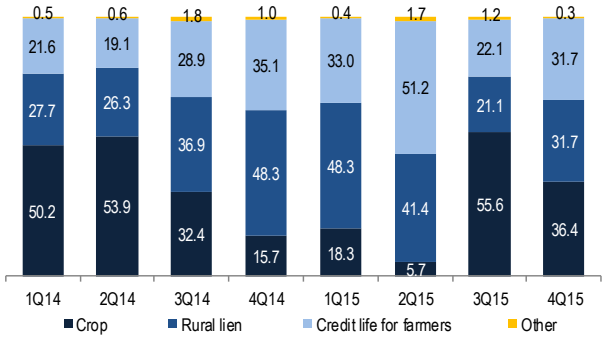


Figure 53 – Rural Insurance | Underwriting margin

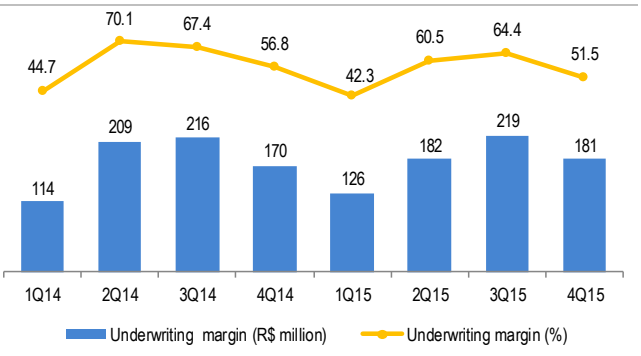
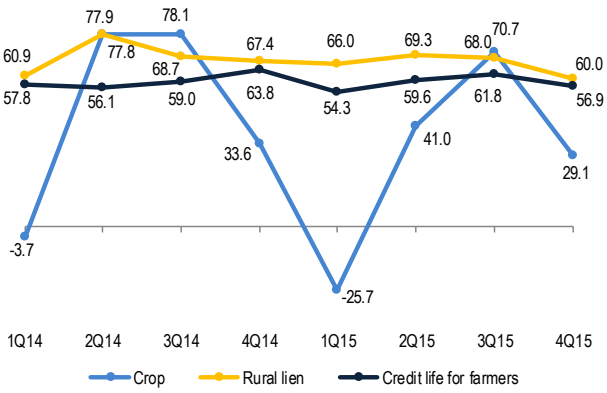


Figure 54 – Rural Insurance | Underwriting margin by product (%)



4Q15 ANALYSIS

Rural insurance underwriting margin reached 51.5% in the 4Q15, 5.3 p.p. down YoY, explained by the increase in the loss ratio, which was mainly driven by higher claims in crop and rural lien due to the frost and hailstorm in the South of Brazil.

2015 ANALYSIS

In 2015, rural insurance underwriting margin dropped 5.6 p.p. to 54.9%, as a result of the higher loss ratio in the crop insurance, explained by:

(i) the drought that affected the Midwest and part of South and Southwest regions in the 1Q15;
(ii) the claims occurred in areas of later harvest, with higher relevance in coffee and soybean cultures in the 2Q15; and
(iii) the frost and hailstorm in the Southern States of Brazil throughout the second semester of 2015.

Figure 55 – Rural Insurance | Loss ratio (%)

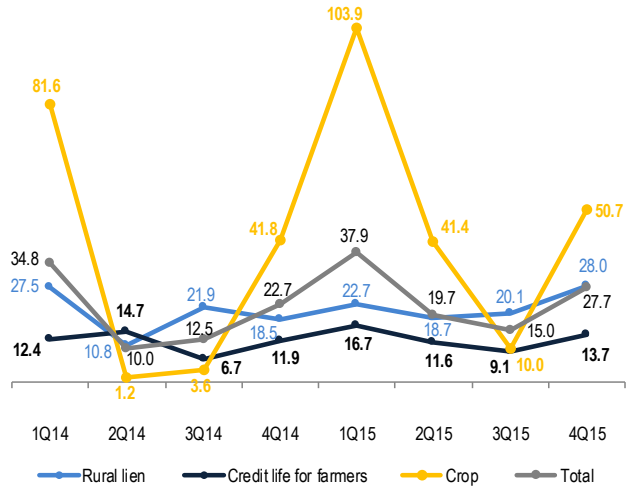
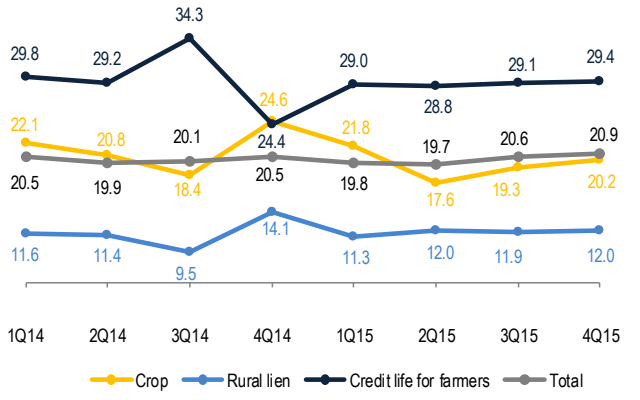


Figure 56 – Rural Insurance | Commission ratio (%)



Mortgage Life Insurance

Table 29 – Mortgage Life Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**50,153**	**48,382**	**24,762**	**(50.6)**	**(48.8)**	**181,514**	**167,861**	**(7.5)**
Premiums ceded to reinsurance	(3,847)	(3,664)	(1,573)	(59.1)	(57.1)	(24,586)	(11,763)	(52.2)
Retained premiums	**46,306**	**44,719**	**23,189**	**(49.9)**	**(48.1)**	**156,927**	**156,099**	**(0.5)**
Changes in technical reserves - premiums	(7,832)	(144)	987	-	-	(12,042)	11,103	-
Earned premiuns	**38,474**	**44,575**	**24,176**	**(37.2)**	**(45.8)**	**144,886**	**167,202**	**15.4**
Retained claims	(5,328)	(4,553)	(8,027)	50.7	76.3	(15,042)	(27,337)	81.7
Acquisition costs	(4,602)	(4,883)	(3,144)	(31.7)	(35.6)	(15,743)	(18,496)	17.5
Underwriting margin	**28,544**	**35,139**	**13,005**	**(54.4)**	**(63.0)**	**114,101**	**121,369**	**6.4**

4Q15 ANALYSIS

In the 4Q15, mortgage life premiums written amounted to R$24.8 million, 50.6% down YoY, explained by the reversal of premiums from risks underwritten but not issued (RVNE) in a total amount of R$18.0 million. The underwriting margin reached 53.8% in the quarter, 20.4 p.p. down YoY. It is worth noting that the reversal of premiums from risks underwritten but not issued (RVNE) had a negative impact in the volume of earned premiums and impacted the underwriting margin. Adjusted by this effect, the underwriting margin would be 73.5% for the 4Q15, 0.7 p.p. lower as compared to the 4Q14, due to higher loss ratio (+5.2 p.p. on an adjusted basis), partially offset by the improvement of the commission ratio (-4.5 p.p. on an adjusted basis).

2015 ANALYSIS

In 2015, mortgage life premiums written dropped 7.5%, and amounted to R$167.9 million. Setting apart the effect of the reversal of premiums mentioned in the quarterly analysis, the volume of premiums written would be 2.4% higher as compared to 2014. The underwriting margin dropped 6.2 p.p. and reached 72.6%. Considering the adjustment of the reversal of premiums, the underwriting margin would be 75.3%, 3.5 p.p. lower as compared to 2014, justified by the increase in claims, as a result of the hard comp basis in 2014, which was positively impacted by the higher volume of claims recovered from reinsurance, mainly concentrated in the beginning of that year.

Figure 57 – Mortgage Life Insurance | Premiums written (R$ million)

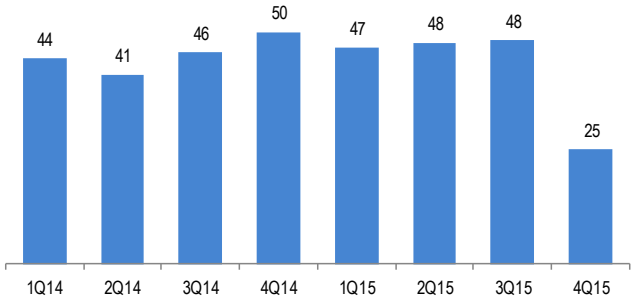


Figure 58 – Mortgage Life Insurance | Underwriting margin

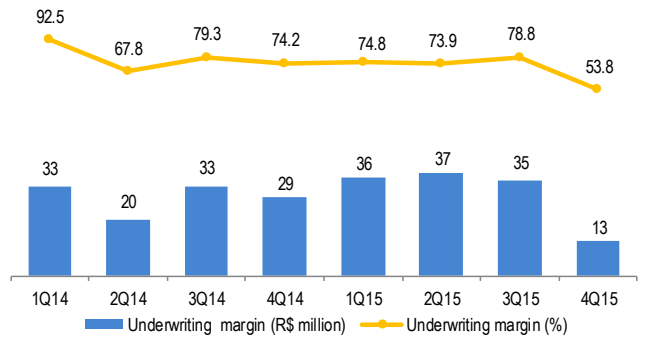


Figure 59 – Mortgage Life Insurance | Loss ratio (%)

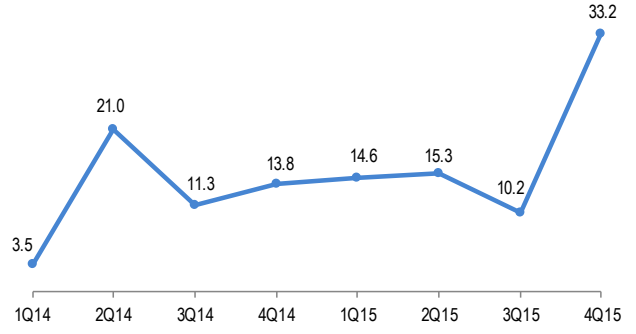
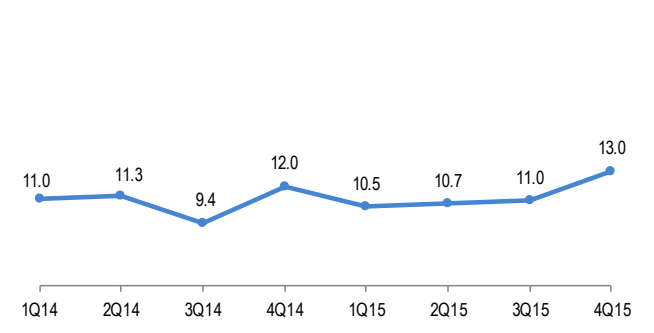


Figure 60 – Mortgage Life Insurance | Commission ratio (%)



DPVAT

Table 30 – DPVAT | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**37,967**	**54,880**	**37,527**	**(1.2)**	**(31.6)**	**254,834**	**260,083**	**2.1**
Retained premiums	**37,967**	**54,880**	**37,527**	**(1.2)**	**(31.6)**	**254,834**	**260,083**	**2.1**
Changes in technical reserves - premiums	833	200	1,335	60.2	568.0	(1,261)	(139)	(89.0)
Earned premiuns	**38,800**	**55,080**	**38,862**	**0.2**	**(29.4)**	**253,572**	**259,944**	**2.5**
Retained claims	(32,374)	(47,435)	(32,072)	(0.9)	(32.4)	(221,659)	(225,495)	17
Acquisition costs	(517)	(783)	(517)	(0.0)	(34.0)	(3,630)	(3,674)	12
Underwriting margin	**5,909**	**6,861**	**6,274**	**6.2**	**(8.6)**	**28,283**	**30,774**	**8.8**

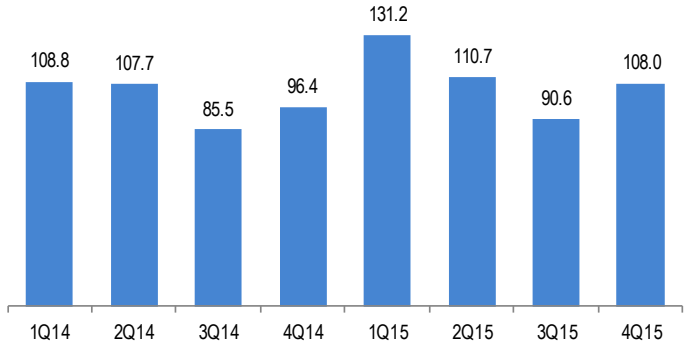
Other

Table 31 – Other | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**9,299**	**316**	**374**	**(96.0)**	**18.3**	**9,560**	**1,132**	**(88.2)**
Premiums ceded to reinsurance	(3)	(21)	(1,459)	57,877.9	6,798.7	(3)	(1,502)	59,571.0
Retained premiums	**9,296**	**295**	**(1,086)**	**-**	**-**	**9,557**	**(369)**	**-**
Changes in technical reserves - premiums	5,874	1	(31)	-	-	5,785	(28)	-
Earned premiuns	**15,171**	**296**	**(1,116)**	**-**	**-**	**15,342**	**(395)**	**-**
Retained claims	(3,039)	193	(206)	(93.2)	-	(3,180)	(90)	(97.2)
Acquisition costs	10,393	(136)	(60)	-	(56.0)	10,375	(470)	-
Underwriting margin	**22,525**	**354**	**(1,382)**	**-**	**-**	**22,537**	**(955)**	**-**

NET INVESTMENT INCOME

Figure 61 – Life, Mortgage Life and Rural | Financial investments return over the CDI[1] (%)



[1]Change calculated based on the daily Selic rate and the daily return measured on the company´s financial investments, net of management fee.

4Q15 ANALYSIS

In the 4Q15, the net investment income grew by 61.7% YoY, driven by the higher average yield on financial investments, as a result of the higher average Selic rate and a better return on inflation protected bonds, along with the growth in the average volume of financial investments. The return on financial investments reached 108.0% of the CDI in the 4Q15, while in the 4Q14 it was of 96.4%.

2015 ANALYSIS

In 2015, the net investment income grew by 52.8%, supported by the increase in the average Selic rate, by the higher return on inflation protected bonds, and by the increase in the average volume of financial investments.

Figure 62 – Life, Mortgage Life and Rural | Breakdown of financial investments by index (%)

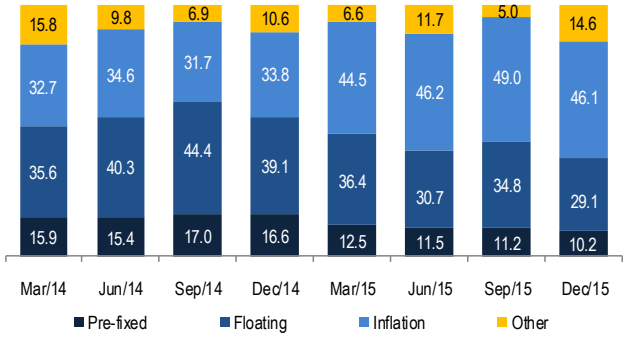


Figure 63 – Life, Mortgage Life and Rural | Breakdown of mark to market financial investments by index (%)

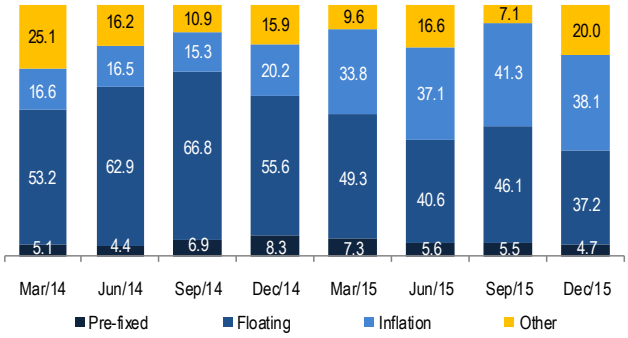


Table 32 – Life, Mortgage Life and Rural | Financial investment portfolio

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Trading	**2,351,372**	**2,140,924**	**2,524,542**	**7.4**	**17.9**
Pre-fixed	189,372	177,621	172,451	(8.9)	(2.9)
Floating	1,581,455	1,635,553	1,347,973	(14.8)	(17.6)
Inflation	18,365	737	774	(95.8)	5.0
Other	562,180	327,013	1,003,344	78.5	206.8
Available for sale	**1,387,571**	**1,939,508**	**2,203,347**	**58.8**	**13.6**
Pre-fixed	119,855	47,835	49,236	(58.9)	2.9
Floating	497,379	247,241	412,020	(17.2)	66.6
Inflation	738,345	1,682,699	1,798,946	143.6	6.9
Other	31,992	(38,267)	(56,855)	-	48.6
Held to maturity securities	**1,891,310**	**1,703,455**	**1,764,219**	**(6.7)**	**3.6**
Pre-fixed	625,699	424,994	437,726	(30.0)	3.0
Floating	119,989	127,228	131,700	9.8	3.5
Inflation	1,145,622	1,151,232	1,194,793	4.3	3.8
Total	**5,630,253**	**5,783,887**	**6,492,108**	**15.3**	**12.2**

BALANCE SHEET ANALYSIS

Table 33 – Life, Mortgage Life and Rural | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**13,532,373**	**14,213,258**	**15,390,229**	**13.7**	**8.3**
Cash	68,695	50,336	122,338	78.1	143.0
Financial assets	5,630,253	5,783,887	6,492,108	15.3	12.2
Receivables from insurance and reinsurance operations	3,018,478	3,315,769	3,419,282	13.3	3.1
Reinsurance and retrocession - technical reserves	363,763	490,479	606,072	66.6	23.6
Securities and credits receivable	1,661,647	1,590,280	1,603,658	(3.5)	0.8
Other	5,561	3,269	5,402	(2.9)	65.2
Prepaid expenses	9,822	9,545	3,750	(618)	(60.7)
Deferred costs	1,374,594	1,543,114	1,674,565	21.8	8.5
Investments	657,955	657,951	657,935	(0.0)	(0.0)
Fixed assets	19,960	34,185	61,148	206.4	78.9
Intangible	721,645	734,444	743,973	3.1	1.3
Liabilities	**10,180,778**	**10,959,214**	**11,726,209**	**15.2**	**7.0**
Accounts payable	861,239	835,001	989,513	14.9	18.5
Obligations with insurance and reinsurance operations	1,608,859	1,737,765	1,761,367	9.5	1.4
Technical reserves - insurance	6,939,172	7,654,877	8,212,096	18.3	7.3
Third party deposits	182,142	99,983	120,500	(33.8)	20.5
Other liabilities	589,366	631,588	642,734	9.1	1.8
Shareholders' equity	**3,351,595**	**3,254,044**	**3,664,020**	**9.3**	**12.6**

Table 34 – Life, Mortgage Life and Rural | Receivables from insurance and reinsurance operations

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Receivable premiums	2,531,122	2,723,651	2,898,681	14.5	6.4
Operations with insurance companies	24,734	38,583	50,720	105.1	31.5
Premiums	-	14,491	9,676	-	(33.2)
Claims paid	-	20,319	37,136	-	82.8
Other receivables	-	3,772	3,909	-	3.6
Operations with reinsurance companies	440,522	574,134	498,715	13.2	(13.1)
Premiums	2,021	-	-	-	-
Claims paid	389,373	409,416	416,999	7.1	1.9
Other receivables	49,128	164,718	81,715	66.3	(50.4)
Other operating receivables	140,142	63,282	41,874	(70.1)	(33.8)
Impairment	(118,042)	(83,880)	(70,708)	(40.1)	(15.7)
Receivables from insurance and reinsurance operations	**3,018,478**	**3,315,769**	**3,419,282**	**13.3**	**3.1**

Table 35 – Life, Mortgage Life and Rural | Reinsurance and retrocession – technical reserves

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Deferred premiums - PPNG	180,009	314,546	344,519	91.4	9.5
Deferred premiums - RVNE	17,546	7,647	7,988	(54.5)	4.5
Other deferred premiums	(37)	(146)	(145)	294.9	(0.2)
IBNR claims	18,549	25,594	21,727	17.1	(15.1)
Pending claims	132,164	103,112	180,771	36.8	75.3
Provision for related expenses	2,174	2,761	2,684	23.5	(2.8)
Other provision	13,358	36,965	48,528	263.3	31.3
Reinsurance and retrocession - technical reserves	**363,763**	**490,479**	**606,072**	**66.6**	**23.6**

Table 36 – Life, Mortgage Life and Rural | Securities and credit receivable

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Securities and credits receivable	385,653	280,492	268,112	(30.5)	(4.4)
Other tax and social security receivables	104,421	138,460	131,843	26.3	(4.8)
Receivable tax and social security - tax loss	179,601	191,053	188,956	5.2	(1.1)
Receivable tax and social security - temporary adjustements	244,944	202,525	199,946	(18.4)	(1.3)
Prepaid income tax and social contributions	-	-	-	-	-
Tax and judicial deposits	713,551	756,890	794,203	11.3	4.9
Other receivables	39,517	25,659	20,637	(47.8)	(19.6)
Impairment	(6,040)	(4,800)	(40)	(99.3)	(99.2)
Securities and credits receivable	**1,661,647**	**1,590,280**	**1,603,658**	**(3.5)**	**0.8**

Table 37 – Life, Mortgage Life and Rural | Accounts payable

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Payable liabilities	116,977	103,218	130,142	11.3	26.1
Deferred taxes	289,175	281,501	278,943	(3.5)	(0.9)
Social securities and taxes payable	18,764	16,994	16,689	(11.1)	(1.8)
Labor charges	11,835	15,312	10,784	(8.9)	(29.6)
Taxes and contributions	414,885	399,882	514,881	24.1	28.8
Other accounts payable	9,603	18,093	38,075	296.5	110.4
Accounts payable	**861,239**	**835,001**	**989,513**	**14.9**	**18.5**

Table 38 – Life, Mortgage Life and Rural | Obligations with insurance and reinsurance operations

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Premiums to return	24,988	25,937	91,956	268.0	254.5
Operations with insurance companies	17,855	22,731	24,424	36.8	7.5
Operations with reinsurance companies	734,867	745,904	795,118	8.2	6.6
Insurance and reinsurance brokers	734,405	740,564	745,555	1.5	0.7
Other operating obligations	96,745	202,630	104,313	7.8	(48.5)
Obligations with insurance and reinsurance operations	**1,608,859**	**1,737,765**	**1,761,367**	**9.5**	**1.4**

SOLVENCY

Table 39 – Life, Mortgage Life and Rural | Solvency[1]

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Mapfre Vida					
Adjusted shareholders' equity (a)	**296,527**	**300,503**	**269,135**	**(9.2)**	**(10.4)**
Minimum capital required (b)	**176,097**	**172,942**	**173,523**	**(1.5)**	**0.3**
Additional capital for underwritting risk	163,185	154,700	155,309	(4.8)	0.4
Additional capital for credit risk	19,422	28,770	28,750	48.0	(0.1)
Additional capital for operating risk	2,384	2,030	2,022	(15.2)	(0.4)
Benefit of correlation between risks	(8,895)	(12,559)	(12,558)	41.2	(0.0)
Capital adequacy (a) - (b)	**120,430**	**127,561**	**95,612**	**(20.6)**	**(25.0)**
Solvency ratio (a) / (b) - %	**168.0**	**173.8**	**155.1**	**-12.9 p.p.**	**-18.7 p.p.**
Aliança do Brasil					
Adjusted shareholders' equity (a)	**1,493,671**	**1,641,767**	**1,390,720**	**(6.9)**	**(15.3)**
Minimum capital required (b)	**1,245,907**	**1,301,768**	**1,291,516**	**3.7**	**(0.8)**
Additional capital for underwritting risk	1,092,882	1,179,537	1,177,520	7.7	(0.2)
Additional capital for credit risk	224,905	182,779	170,246	(24.3)	(6.9)
Additional capital for operating risk	24,937	21,022	20,294	(18.6)	(3.5)
Benefit of correlation between risks	(96,817)	(81,570)	(76,544)	(20.9)	(6.2)
Capital adequacy (a) - (b)	**247,765**	**339,999**	**99,204**	**(60.0)**	**(70.8)**
Solvency ratio (a) / (b) - %	**120.0**	**126.1**	**107.7**	**-12.3 p.p.**	**-18.4 p.p.**
Total BB Mapfre SH1					
Adjusted shareholders' equity (a)	**1,790,198**	**1,942,270**	**1,659,855**	**(7.3)**	**(14.5)**
Minimum capital required (b)	**1,421,700**	**1,474,672**	**1,464,973**	**3.0**	**(0.7)**
Additional capital for underwritting risk	1,256,067	1,334,237	1,332,829	6.1	(0.1)
Additional capital for credit risk	244,327	211,549	198,996	(18.6)	(5.9)
Additional capital for operating risk	27,322	23,052	22,316	(18.3)	(3.2)
Benefit of correlation between risks	(106,016)	(94,167)	(89,167)	(15.9)	(5.3)
Capital adequacy (a) - (b)	**368,499**	**467,560**	**194,881**	**(47.1)**	**(58.3)**
Solvency ratio (a) / (b) - %	**126.0**	**131.7**	**113.3**	**-12.7 p.p.**	**-18.4 p.p.**

[1] Information based on the accounting principles of SUSEP (SUSEP GAAP).

4.2 PROPERTY AND CASUALTY

EARNINGS ANALYSIS

Table 40 – Property and Casualty | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**2,202,733**	**2,421,506**	**2,227,592**	**1.1**	**(8.0)**	**8,845,681**	**9,094,358**	**2.8**
Changes in technical reserves - premiums	(125,010)	(191,661)	(35,465)	(71.6)	(81.5)	(702,662)	(305,741)	(56.5)
Earned premiuns	**2,077,724**	**2,229,845**	**2,192,127**	**5.5**	**(1.7)**	**8,143,019**	**8,788,617**	**7.9**
Revenue of policies issuance	1,164	11,087	2,696	131.6	(75.7)	5,137	18,793	265.9
Claims incurred	(1,256,447)	(1,266,829)	(1,590,097)	26.6	25.5	(4,916,424)	(5,529,890)	12.5
Acquisition costs	(427,755)	(419,590)	(416,873)	(2.5)	(0.6)	(1,638,384)	(1,644,875)	0.4
Result with reinsurance	(52,663)	(166,568)	243,844	-	-	(183,181)	(23,382)	(87.2)
Administrative expenses	(213,843)	(225,734)	(242,453)	13.4	7.4	(860,735)	(914,571)	6.3
Tax expenses	(47,626)	(40,485)	(60,017)	26.0	48.2	(185,258)	(196,320)	6.0
Other operating income (expenses)	(61,145)	(126,838)	(135,040)	120.9	6.5	(260,766)	(452,992)	73.7
Underwriting result	**19,409**	**(5,112)**	**(5,813)**	**-**	**13.7**	**103,409**	**45,380**	**(56.1)**
Net investment income	**100,066**	**183,367**	**206,252**	**106.1**	**12.5**	**386,935**	**684,043**	**76.8**
Financial income	204,725	448,878	176,139	(14.0)	(60.8)	648,601	1,102,119	69.9
Financial expenses	(104,659)	(265,511)	30,113	-	-	(261,666)	(418,076)	59.8
Equity income	(1,620)	(1,485)	(1,612)	(0.5)	8.5	(6,330)	(6,227)	(1.6)
Operating result	**117,855**	**176,770**	**198,827**	**68.7**	**12.5**	**484,013**	**723,196**	**49.4**
Gains or losses on non-current assets	(176)	755	70	-	(90.7)	(208)	214	-
Earnings before taxes and profit sharing	**117,679**	**177,525**	**198,897**	**69.0**	**12.0**	**483,805**	**723,410**	**49.5**
Taxes	(33,306)	(65,081)	(67,896)	103.9	4.3	(172,341)	(259,750)	50.7
Profit sharing	(13,024)	(13,649)	(12,416)	(4.7)	(9.0)	(36,748)	(47,318)	28.8
Adjusted net Income	**71,349**	**98,795**	**118,585**	**66.2**	**20.0**	**274,716**	**416,343**	**51.6**
One-off events	**-**	**39,887**	**-**	**-**	**-**	**-**	**39,887**	**-**
Increase of the social contribution rate	-	39,887	-	-	-	-	39,887	-
Net income	**71,349**	**138,682**	**118,585**	**66.2**	**(14.5)**	**274,716**	**456,230**	**66.1**

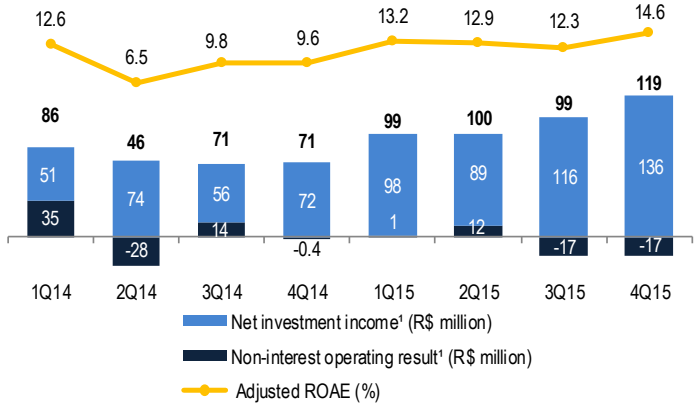
To provide a better analysis, the following table shows a managerial view built considering the reallocation of the result with reinsurance to the other accounts that compose the Income Statement. This reallocation allows the analysis of the performance ratios already considering the reinsurance effects.

Table 41 – Property and Casualty | Managerial income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	**4Q14**	**3Q15**	**4Q15**	**On 4Q14**	**On 3Q15**	**2014**	**2015**	**On 2014**
Premiums written	**2,202,733**	**2,421,506**	**2,227,592**	**1.1**	**(8.0)**	**8,845,681**	**9,094,358**	**2.8**
Premiums ceded reinsurance	(233,218)	(481,454)	(337,115)	44.5	(30.0)	(1,197,607)	(1,413,918)	18.1
Retained premiums	**1,969,515**	**1,940,052**	**1,890,477**	**(4.0)**	**(2.6)**	**7,648,075**	**7,680,440**	**0.4**
Changes in technical reserves - premiums	(158,683)	(79,750)	353	-	-	(510,478)	(118,027)	(76.9)
Retained earned premiuns	**1,810,833**	**1,860,303**	**1,890,831**	**4.4**	**1.6**	**7,137,596**	**7,562,412**	**6.0**
Revenue of policies issuance	1,164	11,087	2,696	131.6	(75.7)	5,137	18,793	265.9
Claims retained	(1,042,220)	(1,063,857)	(1,044,957)	0.3	(1.8)	(4,094,183)	(4,327,070)	5.7
Acquisition costs	(427,755)	(419,590)	(416,873)	(2.5)	(0.6)	(1,638,384)	(1,644,875)	0.4
Administrative expenses	(213,843)	(225,734)	(242,453)	13.4	7.4	(860,735)	(914,571)	6.3
Tax expenses	(47,626)	(40,485)	(60,017)	26.0	48.2	(185,258)	(196,320)	6.0
Other operating income (expenses)	(61,145)	(126,838)	(135,040)	120.9	6.5	(260,766)	(452,992)	73.7
Underwriting result	**19,409**	**(5,112)**	**(5,813)**	**-**	**13.7**	**103,409**	**45,380**	**(56.1)**
Net investment income	**100,066**	**183,367**	**206,252**	**106.1**	**12.5**	**386,935**	**684,043**	**76.8**
Financial income	204,725	448,878	176,139	(14.0)	(60.8)	648,601	1,102,119	69.9
Financial expenses	(104,659)	(265,511)	30,113	-	-	(261,666)	(418,076)	59.8
Equity income	(1,620)	(1,485)	(1,612)	(0.5)	8.5	(6,330)	(6,227)	(1.6)
Operating result	**117,855**	**176,770**	**198,828**	**68.7**	**12.5**	**484,013**	**723,196**	**49.4**
Gains or losses on non-current assets	(176)	755	70	-	(90.7)	(208)	214	-
Earnings before taxes and profit sharing	**117,679**	**177,525**	**198,898**	**69.0**	**12.0**	**483,805**	**723,410**	**49.5**
Taxes	(33,306)	(65,081)	(67,896)	103.9	4.3	(172,341)	(259,750)	50.7
Profit sharing	(13,024)	(13,649)	(12,416)	(4.7)	(9.0)	(36,748)	(47,318)	28.8
Adjusted net income	**71,349**	**98,795**	**118,585**	**66.2**	**20.0**	**274,716**	**416,343**	**51.6**

Retained premiums = Premiums written + premiums ceded to reinsurance
Changes in technical provisions = Changes in technical provisions + changes in technical provisions on reinsured operations
Retained claims = Claims incurred + recovery of indemnity claims + recovery of claims expenses + changes in provisions for claims IBNR + salvages and reimbursed assets + changes in provision for claims IBNER provisions for claims to be settled + changes of expenses related to IBNR + changes in estimates for salvages and reimbursed assets provisions for claims to be settled.

Figure 64 – Property and Casualty | Adjusted net income and ROAE



¹Net of taxes considering the Company's effective tax rate.

4Q15 ANALYSIS

The net income from the Property and Casualty business segment achieved R$118.6 million in the 4Q15, a growth of 66.2% YoY.

The performance was driven by the increase in the net investment income, as a result of the higher average Selic rate and the higher return on inflation protected securities, besides the increase in the volume of financial investments.

The annualized return on average equity reached 14.6% in the 4Q15, 4.9 p.p. higher YoY.

2015 ANALYSIS

In 2015, the adjusted net income for the P&C business segment rose by 51.6%, and amounted to R$416.3 million. The better performance is explained by the increase in the net investment income, supported by a higher average Selic rate, by better returns on inflation protected bonds, and by the increase in the average balance of financial investments.

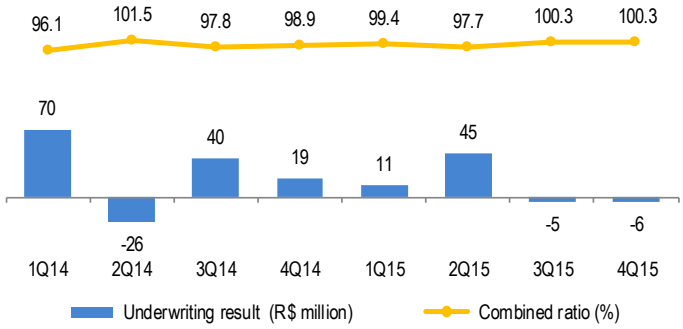
The annualized return on average equity reached 12.8%, 3.6 p.p. up YoY.

Table 42 – Property and Casualty | Managerial performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Performance ratios								
Loss ratio	57.6	57.2	55.3	(2.3)	(1.9)	57.4	57.2	(0.2)
Commission ratio	23.6	22.6	22.0	(1.6)	(0.5)	23.0	21.8	(1.2)
G&A ratio	17.8	21.1	23.1	5.3	2.0	18.3	20.7	2.4
Combined ratio	98.9	100.3	100.3	1.4	0.0	98.6	99.4	0.8
Expanded combined ratio	93.7	91.3	90.4	(3.3)	(0.8)	93.5	91.2	(2.3)
Income tax rate	28.3	36.7	34.1	5.8	(2.5)	35.6	35.9	0.3
Adjusted ROAE	9.6	12.3	14.6	4.9	2.3	9.2	12.8	3.6

UNDERWRITING RESULT

Figure 65 – Property and Casualty | Underwriting result



4Q15 ANALYSIS

The underwriting result reported a loss of R$5.8 million in the 4Q15, compared to a positive result of R$19.4 million in the 4Q14, which resulted in the 1.4 p.p. deterioration in the combined ratio. The performance in the quarter was driven by the increase of 5.3 p.p. in the G&A ratio, mostly explained by higher other operating expenses, due to: (i) strengthening provisions for loan losses; and (ii) the 4Q14 comparable basis, which was positively impacted by the income of R$22.0 million, related to the transfer of resources between companies within Grupo Segurador BB Mapfre, in order to adequate the allocation of insurance segments.

The G&A ratio deterioration was partially offset by the drop in claims in the auto segment, and also by the lower commission ratio in casualty and auto segments.

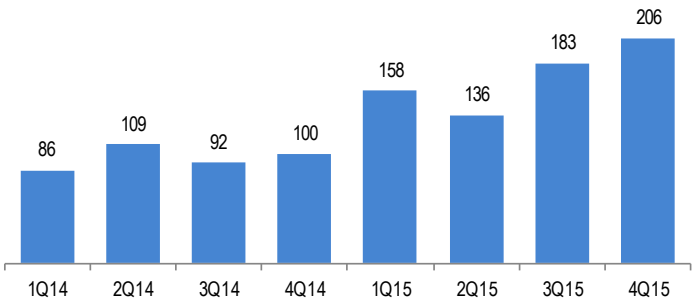
2015 ANALYSIS

Underwriting result dropped by 56.1%, and amounted to R$45.4 million in 2015, explained by the increase of 0.8 p.p. in the combined ratio. The deterioration in the combined ratio was due to the growth of 2.4 p.p. in the G&A ratio, highlighting the growth of other operating expenses. As previously explained, this line had been benefited in the 4Q14 by a R$22.0 million income related to the transfer of resources between companies within Grupo Segurador BB Mapfre, involving Mapfre Vida and Mapfre Seguros Gerais, in order to adequate the allocation of the insurance segments.

Segregating this effect, the deterioration of the combined ratio would have been of 0.4 p.p., mostly explained by the movement of strengthening provisions for loan losses.

NET INVESTMENT INCOME

Figure 66 – Property and Casualty | Net investment income (R$ million)



4Q15 ANALYSIS

In the 4Q15, net investment income grew by 106.1% YoY, justified by a higher average yield, as a result of the higher Selic rate and the better return on inflation protected securities, along with the increase in the average volume of financial investments.

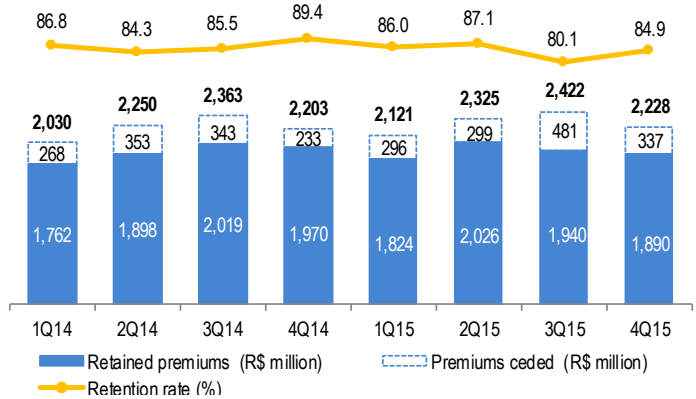
2015 ANALYSIS

In 2015, net investment income grew by 76.8%, driven by the higher average Selic rate as well as higher returns on inflation protected securities, in addition to the increase in the average balance of financial investments.

UNDERWRITING RESULT ANALYSIS

PREMIUMS WRITTEN

Figure 67 – Property and Casualty | Premiums written



4Q15 ANALYSIS

Premiums written totaled R$2.2 billion in the 4Q15, 1.1% up YoY. The growth was supported by the casualty segment, partially offset by the weaker performance in the auto insurance.

The retention rate dropped 4.5 p.p. YoY, due to the increased share of the casualty segment in the sales mix of the quarter, which normally presents a higher volume of premiums ceded to reinsurance.

2015 ANALYSIS

In 2015, P&C premiums written amounted to R$9.1 billion, 2.8% up YoY, boosted by the growth in both casualty and auto segments. Retained premiums totaled R$ 7.7 billion, 0.4% up YoY.

Figure 68 – Property and Casualty | Premiums written in the bancassurance channel (R$ million)

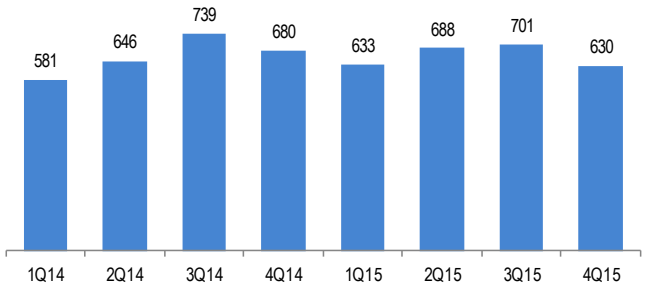


Figure 69 – Property nd Casualty | Premiums written in other channels (R$ million)

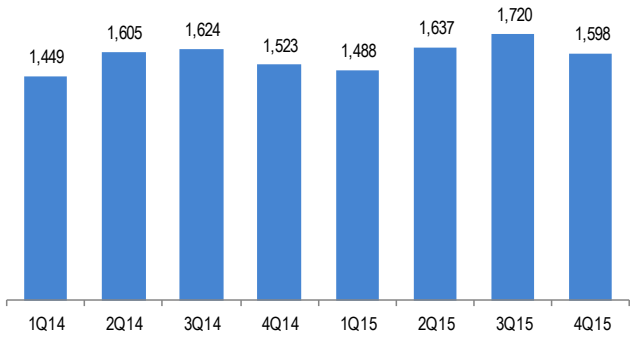


Table 43 – Property and Casualty | Breakdown of premiums written

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Auto	1,290,332	1,263,275	1,222,799	(5.2)	(3.2)	4,879,463	4,969,186	1.8
Casualties	720,243	955,837	805,361	11.8	(15.7)	2,965,473	3,286,462	10.8
DPVAT	48,704	69,769	47,726	(2.0)	(31.6)	327,331	325,472	(0.6)
Other	143,454	132,625	151,706	5.8	14.4	673,413	513,239	(23.8)
Total	**2,202,733**	**2,421,506**	**2,227,592**	**1.1**	**(8.0)**	**8,845,681**	**9,094,358**	**2.8**

Figure 70 – Property and Casualty | Breakdown of premiums written (%)

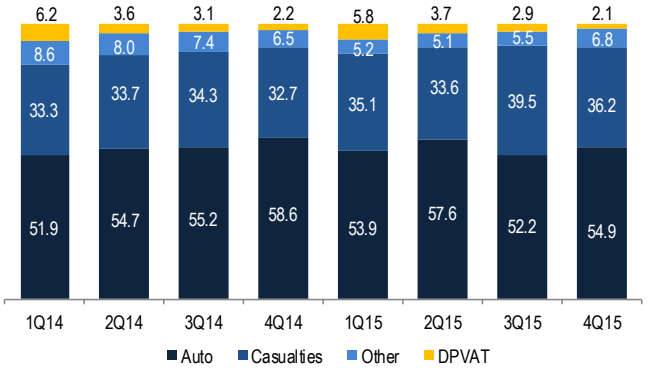
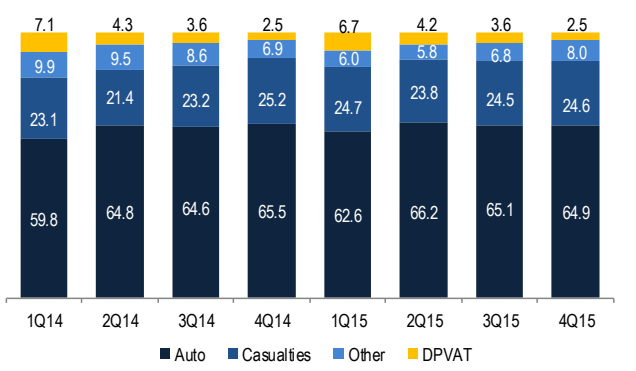


Figure 71 – Property and Casualty | Breakdown of retained premiums (%)



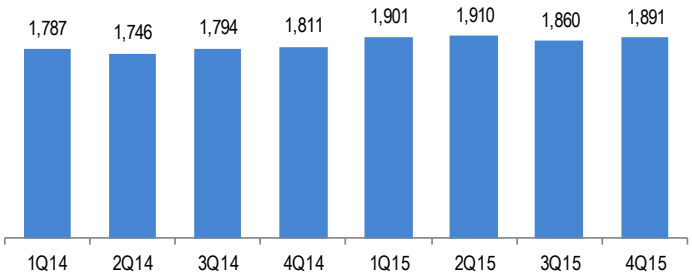
CHANGES IN TECHNICAL RESERVERS - PREMIUMS

Table 44 – Property and Casualty | Changes in technical reserves – premiums

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2,015	On 2014
Provision for unearned premiums	(127,032)	(198,205)	(34,720)	(72.7)	(82.5)	(697,325)	(307,965)	(55.8)
Provision for administrative expenses - DPVAT	257	51	180	(30.0)	255.4	(392)	(239)	(39.1)
Provision for technical surplus	1,765	6,492	(926)	-	-	(4,945)	2,462	-
Change in technical reserves - premiums	**(125,010)**	**(191,661)**	**(35,465)**	**(71.6)**	**(81.5)**	**(702,662)**	**(305,741)**	**(56.5)**

RETAINED EARNED PREMIUMS

Figure 72 – Property and Casualty | Retained earned premiums (R$ million)



4Q15 ANALYSIS

Retained earned premiums grew by 4.4% YoY, explained by the increase in earned premiums from auto and casualty segments.

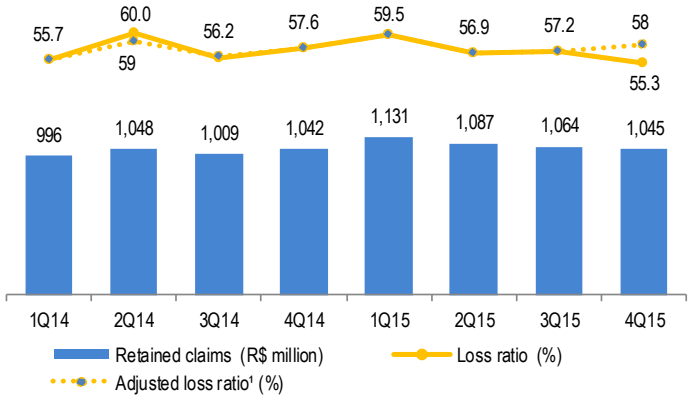
2015 ANALYSIS

In 2015, retained earned premiums increased 6.0%, boosted by the increase in both auto and casualty segments.

Table 45 – Property and Casualty | Breakdown of retained earned premiums

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Auto	1,186,860	1,203,178	1,238,225	4.3	2.9	4,535,435	4,871,417	7.4
Casualties	428,824	464,437	468,503	9.3	0.9	1,576,870	1,858,059	17.8
DPVAT	48,961	69,819	47,906	(2.2)	(31.4)	326,939	325,233	(0.5)
Other	146,188	122,870	136,197	(6.8)	10.8	698,352	507,704	(27.3)
Total	**1,810,833**	**1,860,303**	**1,890,831**	**4.4**	**1.6**	**7,137,596**	**7,562,412**	**6.0**

Figure 73 – Property and Casualty | Retained claims



[1]Adjustments segregate the effects from the strengthening and reversions of IBNR and IBNER provisions.

4Q15 ANALYSIS

In the 4Q15, the loss ratio improved by 2.3 p.p. YoY, driven by lower claims in the auto segment, partially offset by higher claims in the casualty segment.

It is worth noting that the improvement in the loss ratio was positively impacted by the reversion of R$52.1 million of the IBNR and IBNER provisions in the quarter. Setting apart this effect, the loss ratio would have been of 58.0%, 0.4 p.p. higher YoY.

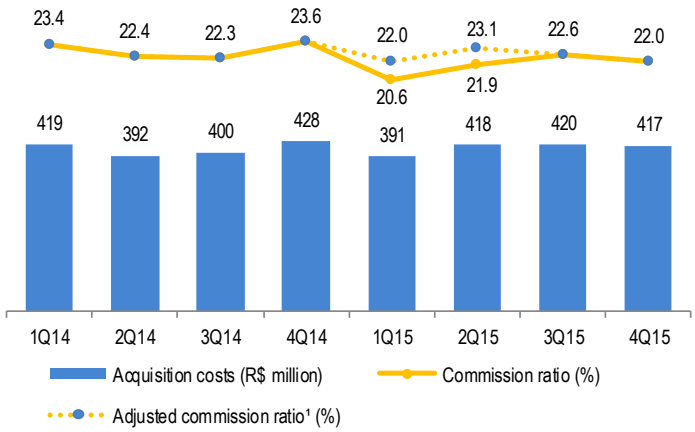
2015 ANALYSIS

In 2015, the loss ratio dropped by 0.2 p.p. and reached 57.2%, explained by the improvement in the auto and others, partially offset by higher claims in the casualty segment.

Table 46 – Property and Casualty | Breakdown of retained claims

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Claims incurred	**(1,256,447)**	**(1,266,829)**	**(1,590,097)**	**26.6**	**25.5**	**(4,916,424)**	**(5,529,890)**	**12.5**
Expenses with claims	(1,304,202)	(1,334,815)	(1,769,019)	35.6	32.5	(5,191,550)	(5,832,626)	12.3
Changes in provisions for claims IBNR	2,753	4,918	29,846	984.3	506.9	(65,387)	(11,501)	(82.4)
Changes in provisions for claims IBNER	2,696	(11,521)	42,086	1,461.2	-	23,083	(1,165)	-
Changes of expenses related to IBNR	(338)	(214)	(307)	(9.1)	43.6	(1,594)	(420)	(73.7)
Recovery of claims - Coinsurance	(4,664)	5,325	66,206	-	1,143.3	32,318	94,197	191.5
Recovery of claims - Reinsurance	214,227	202,972	545,140	154.5	168.6	822,241	1,202,820	46.3
Retrocessions	-	-	-	-	-	11	-	-
Retrocessions - expenses	-	-	-	-	-	(6)	-	-
Salvage	74,678	89,721	75,754	1.4	(15.6)	384,525	318,410	(17.2)
Reimbursements	32,225	29,861	32,873	2.0	10.1	130,939	113,552	(13.3)
Change in estimates of salvaged and reimbursement	(4,371)	7,492	(261)	(94.0)	-	(4,920)	33,952	-
Assistance services	(55,223)	(57,597)	(67,275)	21.8	16.8	(223,844)	(244,289)	9.1
Retained claims	**(1,042,220)**	**(1,063,857)**	**(1,044,957)**	**0.3**	**(1.8)**	**(4,094,183)**	**(4,327,070)**	**5.7**

Figure 74 – Property and Casualty | Acquisition costs



¹Adjustments segregate the effects from the accounting reclassification of expenses with sales representatives, from "acquisition costs" to "other operating income (expenses)".

4Q15 ANALYSIS

In the 4Q15, commission ratio dropped by 1.6 p.p. YoY, driven mainly by lower commission ratios for the casualty and the auto segments.

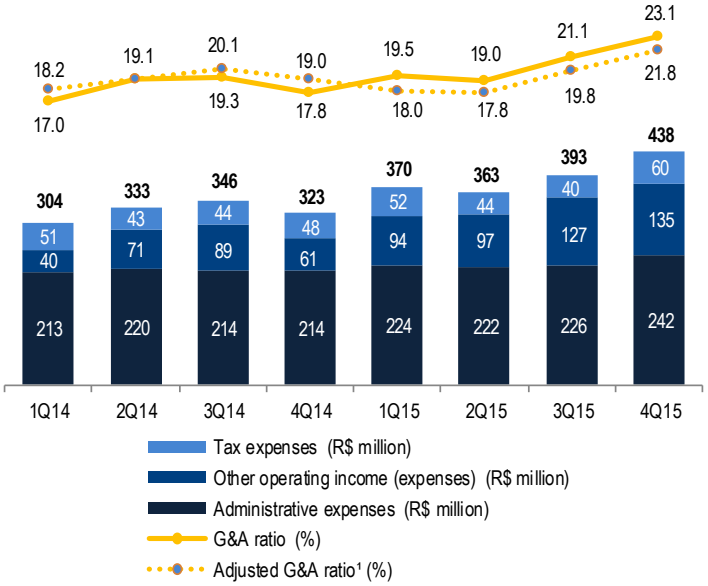
2015 ANALYSIS

In 2015, commission ratio decreased by 1.2 p.p.. It is noteworthy that the bases are not directly comparable, due to the accounting reclassification, that has been in force since the 3Q14, of expenses with sales representatives, from "acquisition costs" to "other operating income (expenses)", which benefited the segment other, which refers mainly to the affinity channel. Segregating this effect, the commission ratio would have dropped by 0.6 p.p. to 23.1%.

Table 47 – Property and Casualty | Acquisition costs

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Comission charged on premiums written	(381,826)	(343,127)	(342,367)	(10.3)	(0.2)	(1,451,321)	(1,336,375)	(7.9)
Agency commission	(34,223)	(39,858)	(42,697)	24.8	7.1	(119,314)	(149,220)	25.1
Commissions recovered - Coinsurance	2,005	(32)	1,044	(47.9)	-	6,308	2,951	(53.2)
Change in deferred acquisition costs	24,500	7,969	7,653	(68.8)	(4.0)	68,953	10,536	(84.7)
Other acquisition costs	(38,211)	(44,540)	(40,506)	6.0	(9.1)	(143,009)	(172,766)	20.8
Acquisition costs	**(427,755)**	**(419,590)**	**(416,873)**	**(2.5)**	**(0.6)**	**(1,638,384)**	**(1,644,875)**	**0.4**

Figure 75 – Property and Casualty | G&A expenses



4Q15 ANALYSIS

The G&A ratio rose by 5.3 p.p. as compared to the 4Q14, explained mainly by the increase in the other operating income (expenses) line, due to:

(i) the additional provisions for loan losses related to reinsurance credits in the 4Q15, which amounted to R$25.6 million, after the revision of the portfolio of claims to be recovered; and

(ii) the R$22.0 million income related to the transfer of resources between the insurance companies within Grupo Segurador BB Mapfre, in order to adequate the allocation of the insurance segments, which positively impacted the 4Q14.

[1]Adjustments segregate the effects from the reclassification of expenses with sales representatives, the reversals and strengthening of provision for loan losses and the reallocation of the insurance segments.

2015 ANALYSIS

In 2015, the G&A ratio rose by 2.4 p.p., reaching 20.7%. The following items have impacted the comparable basis:

(i) the reversal of the provision for loan losses related to reinsurance credits, booked in the impairment line, which had a positive impact of R$34.9 million in 2014. In 2015, the same provision was strengthened, with a negative impact of R$49.5 million;

(ii) the reclassification of expenses with sales representatives, from “acquisition costs” to “other operating income (expenses)”, according to the rules in force since 3Q14, which amounted to R$105.7 million in 2015; and

(iii) the transfer of resources between the companies within Grupo Segurador BB Mapfre, involving Mapfre Seguros Gerais and Mapfre Vida, in order to adequate the allocation of the insurance segments, with a positive impact of R$22.0 million in 2014.

The adjusted G&A ratio, setting apart the aforementioned events, would have been 18.6% in 2015, 0.3 p.p. higher as compared with the adjusted ratio of 2014.

Table 48 – Property and Casualty | General & Administrative expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**(213,843)**	**(225,734)**	**(242,453)**	**13.4**	**7.4**	**(860,736)**	**(914,571)**	**6.3**
Personnel	(111,480)	(120,423)	(122,850)	10.2	2.0	(452,540)	(484,726)	7.1
Outsourcing	(42,133)	(42,496)	(42,318)	0.4	(0.4)	(174,815)	(177,826)	1.7
Location and operation	(49,222)	(57,662)	(61,943)	25.8	7.4	(199,423)	(222,234)	11.4
Institutional advertisement and publicity	(8,484)	(4,149)	(5,650)	(33.4)	36.2	(24,201)	(16,785)	(30.6)
Releases	(159)	(49)	(86)	(46.3)	75.6	(986)	(967)	(1.9)
Other administrative expenses	(2,364)	(956)	(9,606)	306.4	905.3	(8,770)	(12,033)	37.2
Other operating income (expenses)	**(61,145)**	**(126,838)**	**(135,040)**	**120.9**	**6.5**	**(260,766)**	**(452,992)**	**73.7**
FESR contributions	6,134	363	928	(84.9)	155.9	(36)	1,290	-
Charging expenses	(10,933)	(8,520)	(10,060)	(8.0)	18.1	(37,038)	(33,781)	(8.8)
Civil contingencies	(6,870)	(9,262)	(2,582)	(62.4)	(72.1)	(15,227)	(15,485)	1.7
Events expenses	(1,431)	(3,580)	(2,652)	85.3	(25.9)	(8,141)	(13,244)	62.7
Endomarketing	(2,513)	(4,580)	(14,433)	474.3	215.1	(10,935)	(22,697)	107.6
Social contributions	(1,123)	(681)	(565)	(49.6)	(17.0)	(4,605)	(2,612)	(43.3)
Impairment	1,624	(27,181)	(20,259)	-	(25.5)	22,177	(61,005)	-
Other operating income (expenses)	(46,033)	(73,395)	(85,417)	85.6	16.4	(206,960)	(305,457)	47.6
Tax expenses	**(47,626)**	**(40,485)**	**(60,017)**	**26.0**	**48.2**	**(185,258)**	**(196,320)**	**6.0**
COFINS	(37,387)	(30,936)	(47,491)	27.0	53.5	(145,294)	(153,813)	5.9
PIS	(6,274)	(5,160)	(8,454)	34.7	63.8	(24,210)	(26,033)	7.5
Inspection fee	(2,711)	(2,112)	(2,779)	2.5	31.6	(10,526)	(9,116)	(13.4)
Other tax expenses	(1,254)	(2,276)	(1,293)	3.1	(43.2)	(5,227)	(7,358)	40.8
G&A	**(322,613)**	**(393,057)**	**(437,509)**	**35.6**	**11.3**	**(1,306,759)**	**(1,563,883)**	**19.7**

Table 49 – Auto Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**1,290,332**	**1,263,275**	**1,222,799**	**(5.2)**	**(3.2)**	**4,879,463**	**4,969,186**	**1.8**
Premiums ceded to reinsurance	(771)	(8)	4,186	-	-	(1,904)	2,766	-
Retained premiums	**1,289,561**	**1,263,267**	**1,226,985**	**(4.9)**	**(2.9)**	**4,877,560**	**4,971,952**	**1.9**
Changes in technical reserves - premiums	(102,701)	(60,090)	11,240	-	-	(342,125)	(100,535)	(70.6)
Earned premiuns	**1,186,860**	**1,203,178**	**1,238,225**	**4.3**	**2.9**	**4,535,435**	**4,871,417**	**7.4**
Retained claims	(776,676)	(783,657)	(757,931)	(2.4)	(3.3)	(2,914,024)	(3,089,290)	6.0
Acquisition costs	(213,983)	(210,529)	(216,046)	1.0	2.6	(756,281)	(827,658)	9.4
Underwriting margin	**196,201**	**208,992**	**264,248**	**34.7**	**26.4**	**865,129**	**954,469**	**10.3**

4Q15 ANALYSIS

Auto insurance premiums written amounted to R$1.2 billion, 5.2% down YoY, dragged by the bancassurance channel, which decreased by 13.7%, while the sales in the independent broker channel grew by 0.7%.

2015 ANALYSIS

In 2015, premiums written rose 1.8%, to R$5.0 billion, boosted by the sales in the independent broker channel which have increased by 3.3%.

Figure 76 – Auto Insurance | Premiums written (R$ million)

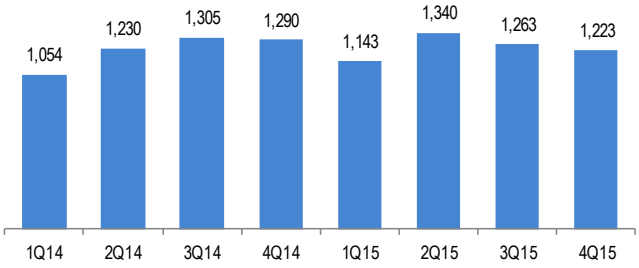


Figure 77 – Auto Insurance | Insured fleet (thousand)

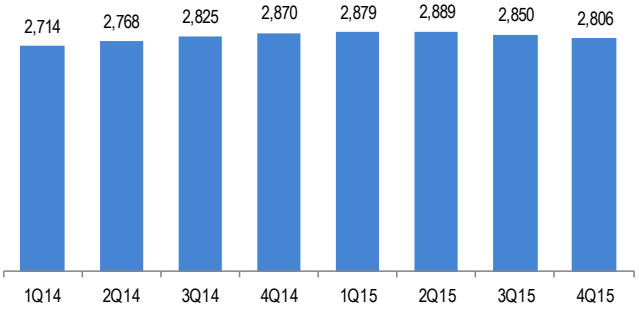


Figure 78 – Auto Insurance | Premiums written in bancassurance channel (R$ million)

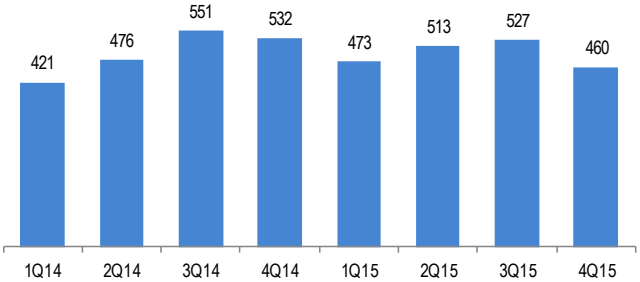


Figure 79 – Auto Insurance | Premiums written in other channels (R$ million)

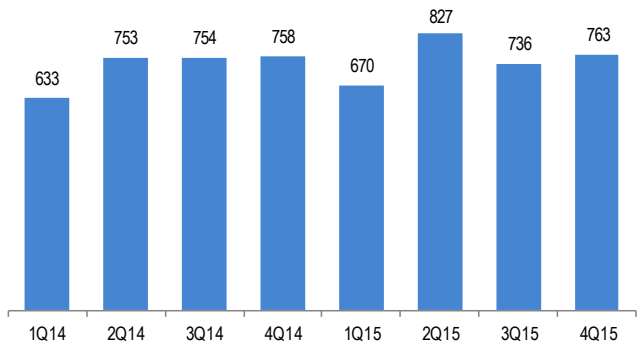


Figure 80 – Auto Insurance | Underwriting margin (R$ million)

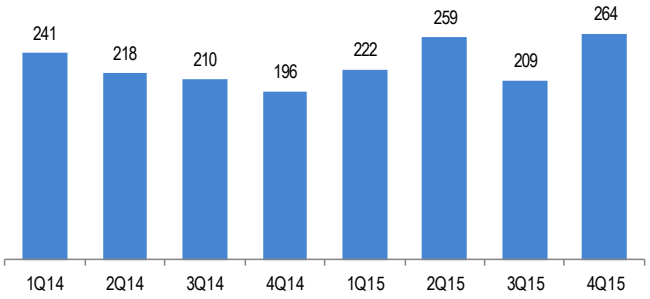
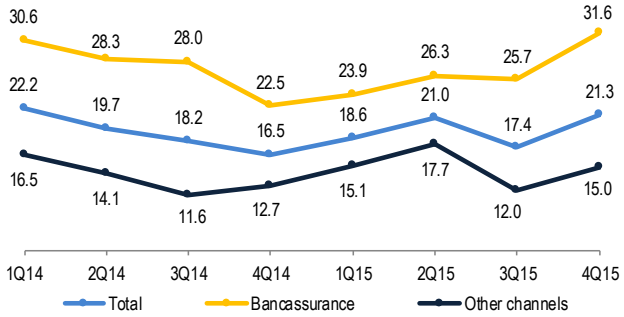


Figure 81 – Auto Insurance | Underwriting margin by distribution channel (%)



4Q15 ANALYSIS

The underwriting margin in the auto segment rose 4.8 p.p. YoY, driven by a 4.2 p.p. lower loss ratio, as a result of the improved performance in the bancassurance channel. The commission ratio dropped by 0.6 p.p. in the quarter, with a reduction in both distribution channels.

2015 ANALYSIS

In 2015, the underwriting margin in the auto segment improved 0.5. p.p., to 19.6%, explained by the decrease in claims in both channels, partially offset by the growth of 0.3 p.p. in the commission ratio, concentrated in the bancassurance channel.

Figure 82 – Auto Insurance | Loss ratio (%)

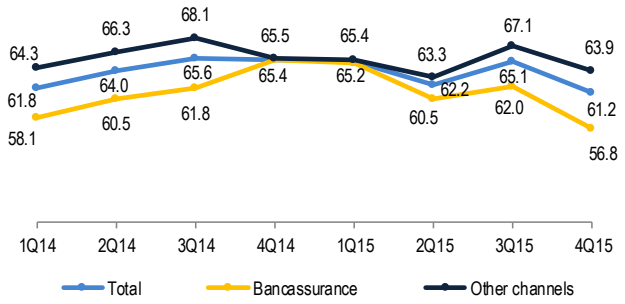


Figure 83 – Auto Insurance | Commission ratio (%)

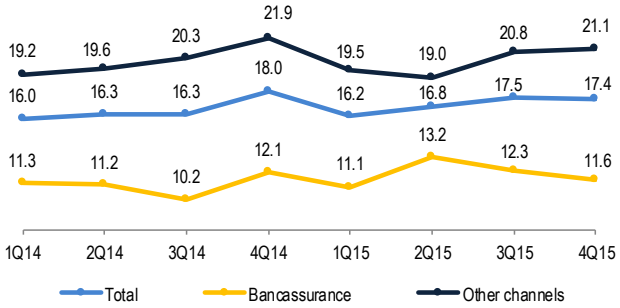


Table 50 – Casualty Insurance | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**720,243**	**955,837**	**805,361**	**11.8**	**(15.7)**	**2,965,473**	**3,286,462**	**10.8**
Premiums ceded to reinsurance	(224,053)	(480,951)	(340,895)	52.1	(29.1)	(1,186,778)	(1,414,745)	19.2
Retained premiums	**496,189**	**474,887**	**464,467**	**(6.4)**	**(2.2)**	**1,778,695**	**1,871,716**	**5.2**
Changes in technical reserves - premiums	(67,366)	(10,450)	4,037	-	-	(201,825)	(13,658)	(93.2)
Earned premiuns	**428,824**	**464,437**	**468,503**	**9.3**	**0.9**	**1,576,870**	**1,858,059**	**17.8**
Retained claims	(186,806)	(187,419)	(216,029)	15.6	15.3	(635,591)	(820,999)	29.2
Acquisition costs	(154,866)	(172,148)	(156,747)	1.2	(8.9)	(590,631)	(647,082)	9.6
Underwriting margin	**87,152**	**104,870**	**95,728**	**9.8**	**(8.7)**	**350,648**	**389,977**	**11.2**

4Q15 ANALYSIS

Casualty insurance premiums written amounted to R$805.4 million in the 4Q15, 11.8% up YoY, as a result of the improved sales performance in both distribution channels. The independent broker channel grew by 10.7% and was responsible for 79.5% of total premiums in the quarter, while the bancassurance channel grew by 16.1% YoY, and accounted for 20.5% of total premiums written.

2015 ANALYSIS

In 2015, premiums written rose 10.8% and reached R$3.3 billion, mainly concentrated in the independent broker channel, which have increased by 13.3%. Over the same comparable basis, premiums written in the bancassurance channel grew by 2.2%.

Figure 84 – Casualty Insurance | Premiums written (R$ million)

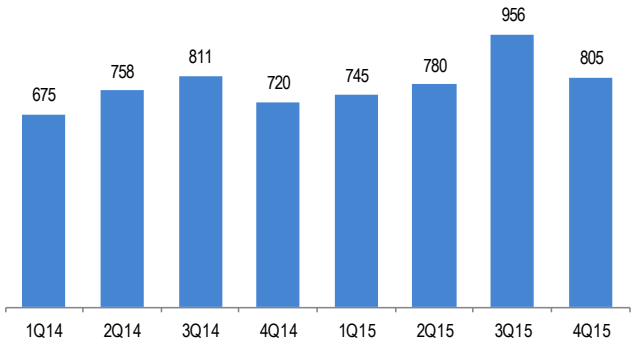


Figure 85 – Casualty Insurance | Breakdown of premiums written (%)

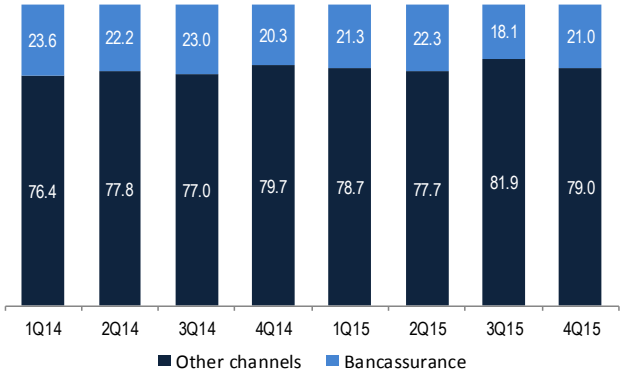


Figure 86 – Casualty Insurance | Premiums written in bancassurance channel (R$ million)

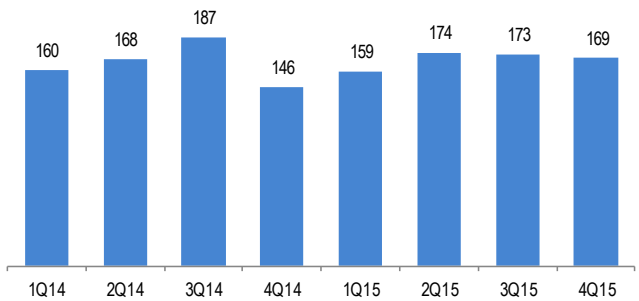


Figure 87 – Casualty Insurance | Premiums written in other channels (R$ million)

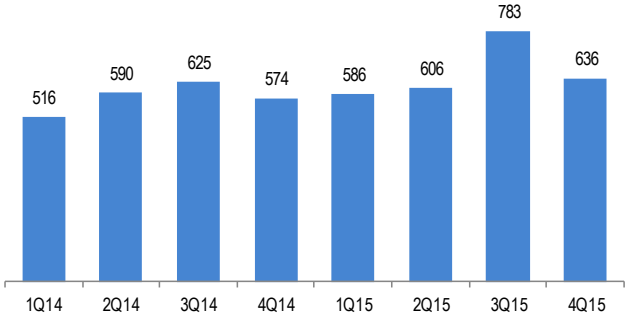
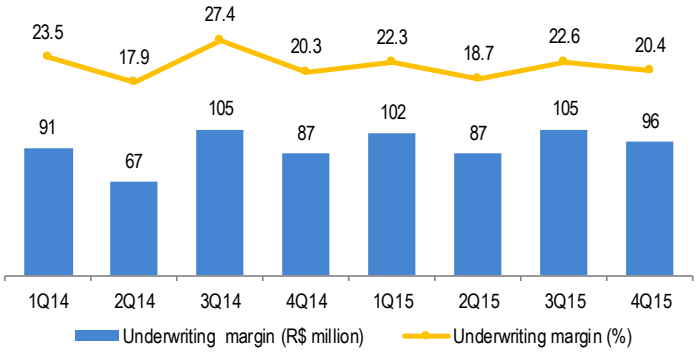


Figure 88 – Casualty Insurance | Underwriting margin



4Q15 ANALYSIS

Underwriting margin in the casualty segment achieved 20.4%, 0.1 p.p. up YoY, as a result of the 2.7 p.p. lower commission ratio, partially offset by the increase in the loss ratio, concentrated in the bancassurance channel, driven by the higher frequency of claims in home and corporate insurance due to climate hazards (rain, hailstorm and windstorms).

2015 ANALYSIS

In 2015, the underwriting margin declined 1.2 p.p., to 21.0%, explained by the increase of 3.9 p.p. in the loss ratio, partially offset by the decrease of 2.6 p.p. in the commission ratio.

Figure 89 – Casualty Insurance | Loss ratio (%)

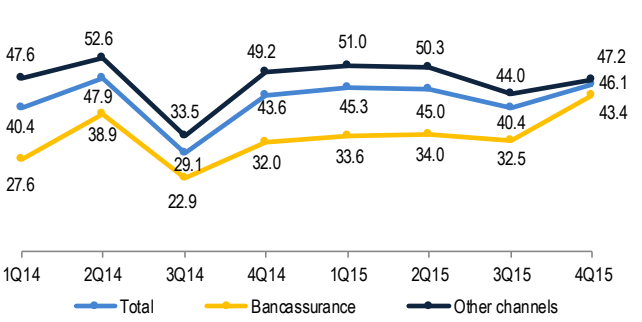
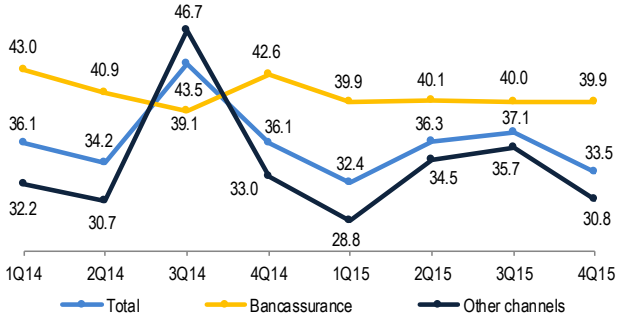


Figure 90 – Casualty Insurance | Commission ratio (%)



DPVAT

Table 51 – DPVAT | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	**4Q14**	**3Q15**	**4Q15**	**On 4Q14**	**On 3Q15**	**2014**	**2015**	**On 2014**
Premiums written	**48,704**	**69,769**	**47,726**	**(2.0)**	**(31.6)**	**327,331**	**325,472**	**(0.6)**
Premiums ceded to reinsurance	-	-	-	-	-	-	-	-
Retained premiums	**48,704**	**69,769**	**47,726**	**(2.0)**	**(31.6)**	**327,331**	**325,472**	**(0.6)**
Changes in technical reserves - premiums	257	50	180	(30.0)	262.5	(392)	(239)	(39.1)
Earned premiuns	**48,961**	**69,819**	**47,906**	**(2.2)**	**(31.4)**	**326,939**	**325,233**	**(0.5)**
Retained claims	(40,897)	(60,139)	(39,315)	(3.9)	(34.6)	(286,687)	(282,254)	(1.5)
Acquisition costs	(666)	(996)	(657)	(1.4)	(34.0)	(4,644)	(4,594)	(1.1)
Underwriting margin	**7,398**	**8,684**	**7,934**	**7.2**	**(8.6)**	**35,609**	**38,385**	**7.8**

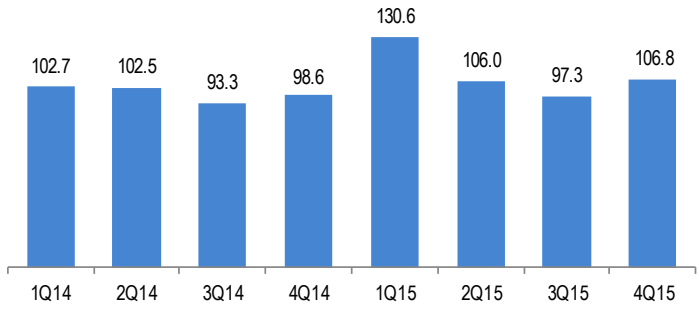
Other

Table 52 – Other | Key figures

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	**4Q14**	**3Q15**	**4Q15**	**On 4Q14**	**On 3Q15**	**2014**	**2015**	**On 2014**
Premiums written	**143,454**	**132,625**	**151,706**	**5.8**	**14.4**	**673,413**	**513,239**	**(23.8)**
Premiums ceded to reinsurance	(8,393)	(495)	(407)	(95.2)	(17.9)	(8,926)	(1,940)	(78.3)
Retained premiums	**135,061**	**132,129**	**151,299**	**12.0**	**14.5**	**664,487**	**511,299**	**(23.1)**
Changes in technical reserves - premiums	11,127	(9,258)	(15,102)	-	63.1	33,865	(3,592)	-
Earned premiuns	**146,189**	**122,870**	**136,197**	**(6.8)**	**10.8**	**698,352**	**507,704**	**(27.3)**
Retained claims	(37,841)	(32,642)	(31,682)	(16.3)	(2.9)	(257,881)	(134,527)	(47.8)
Acquisition costs	(58,240)	(35,917)	(43,424)	(25.4)	20.9	(286,829)	(165,541)	(42.3)
Underwriting margin	**50,107**	**54,311**	**61,091**	**21.9**	**12.5**	**153,643**	**207,635**	**35.1**

NET INVESTMENT INCOME

Figure 91 – Property and Casualty | Financial investments return over the CDI[1] (%)



[1]Change calculated based on the daily Selic rate and the daily return measured on the company´s financial investments, net of management fee.

4Q15 ANALYSIS

In the 4Q15, net investment income grew by 106.1% YoY, driven by the higher yield on financial investments, due to the higher average Selic rate and the better return on inflation protected bonds, in addition to the higher average balance of financial investments. The return on financial investments reached 106.8% of the CDI, as compared to 98.6% in the 4Q14.

2015 ANALYSIS

In 2015, the net investment income grew by 76.8%, driven by the higher average Selic rate, by a better return on inflation protected securities, and by the increase in the average balance of financial investments.

Figure 92 – Property and Casualty | Breakdown of financial investments by index (%)

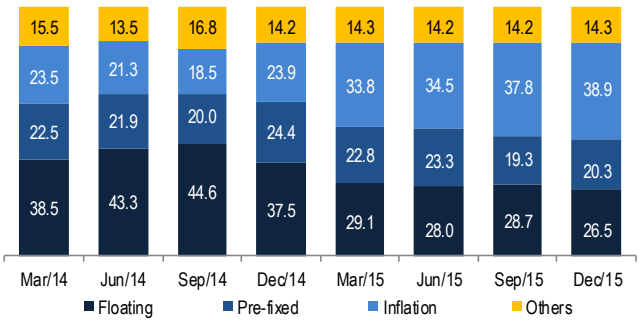


Figure 93 – Property and Casualty | Breakdown of mark to market financial investments by index (%)

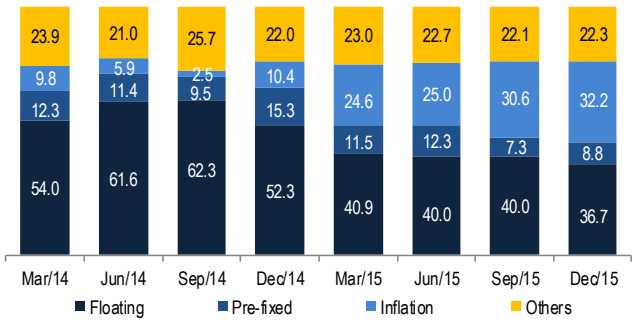


Table 53 – Property and Casualty | Financial investments portfolio

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Trading	**1,627,890**	**1,313,733**	**1,336,116**	**(17.9)**	**1.7**
Pre-fixed	159,239	45,420	46,975	(70.5)	3.4
Floating	1,021,257	719,896	722,381	(29.3)	0.3
Inflation	11,944	439	462	(96.1)	5.1
Other	435,451	547,978	566,298	30.0	3.3
Available for sale	**914,034**	**1,462,211**	**1,475,829**	**61.5**	**0.9**
Pre-fixed	228,913	157,261	199,847	(12.7)	27.1
Floating	308,896	390,372	310,749	0.6	(20.4)
Inflation	252,720	849,409	905,175	258.2	6.6
Other	123,503	65,168	60,058	(514)	(7.8)
Held to maturity securities	**1,385,696**	**1,529,907**	**1,574,107**	**13.6**	**2.9**
Pre-fixed	571,548	627,817	644,685	12.8	2.7
Floating	140,932	125,946	130,373	(7.5)	3.5
Inflation	673,216	776,145	799,049	18.7	3.0
Total	**3,927,620**	**4,305,851**	**4,386,052**	**11.7**	**1.9**

BALANCE SHEET ANALYSIS

Table 54 – Property and Casualty | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**13,389,418**	**14,866,178**	**15,165,950**	**13.3**	**2.0**
Cash	160,284	209,349	169,502	5.8	(19.0)
Financial assets	3,927,620	4,305,851	4,386,052	11.7	1.9
Receivables from insurance and reinsurance operations	3,881,607	4,388,770	4,375,597	12.7	(0.3)
Reinsurance and retrocession - technical reserves	1,856,200	2,315,378	2,487,775	34.0	7.4
Securities and credits receivable	1,585,079	1,587,463	1,733,502	9.4	9.2
Other	350,396	364,540	348,892	(0.4)	(4.3)
Prepaid expenses	13,167	22,696	12,902	(2.0)	(43.2)
Deferred costs	943,698	956,194	790,076	(16.3)	(17.4)
Investments	265,100	264,843	264,741	(0.1)	(0.0)
Fixed assets	89,017	117,585	108,059	21.4	(8.1)
Intangible	317,250	333,509	488,852	54.1	46.6
Liabilities	**10,292,176**	**11,448,371**	**11,733,896**	**14.0**	**2.5**
Accounts payable	617,002	750,840	1,006,949	63.2	34.1
Obligations with insurance and reinsurance operations	1,521,836	1,754,450	1,613,964	6.1	(8.0)
Technical reserves - insurance	7,324,987	8,016,577	8,220,696	12.2	2.5
Third party deposits	238,998	288,067	237,066	(0.8)	(17.7)
Other liabilities	589,353	638,437	655,221	11.2	2.6
Shareholders' equity	**3,097,242**	**3,417,807**	**3,432,054**	**10.8**	**0.4**

Table 55 – Property and Casualty | Receivables from insurance and reinsurance operations

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Receivable premiums	3,257,051	3,389,533	3,334,714	2.4	(1.6)
Operations with insurance companies	147,031	129,442	131,628	(10.5)	1.7
Premiums	-	81,074	81,939	-	1.1
Claims paid	-	22,795	32,583	-	42.9
Other receivables	-	25,573	17,106	-	(33.1)
Operations with reinsurance companies	422,102	834,583	910,265	115.7	9.1
Premiums	338	-	-	-	-
Claims paid	322,858	704,398	752,235	133.0	6.8
Other receivables	98,906	130,185	158,030	59.8	21.4
Other operating receivables	152,664	156,083	173,882	13.9	11.4
Impairment	(97,242)	(120,870)	(174,891)	79.9	44.7
Receivables from insurance and reinsurance operations	**3,881,607**	**4,388,770**	**4,375,597**	**12.7**	**(0.3)**

Table 56 – Property and Casualty | Reinsurance and retrocession – technical reserves

	Balance			Chg. %	
R$ thousand	**Dec/14**	**Sep/15**	**Dec/15**	**On Dec/14**	**On Sep/15**
Deferred premiums - PPNG	593,710	769,767	754,379	27.1	(2.0)
Deferred premiums - RVNE	136,863	135,167	136,501	(0.3)	1.0
IBNR claims	91,432	96,260	99,623	9.0	3.5
Pending claims	1,021,697	1,291,888	1,473,424	44.2	14.1
Provision for related expenses	12,498	22,296	23,848	90.8	7.0
Reinsurance and retrocession - technical reserves	**1,856,200**	**2,315,378**	**2,487,775**	**34.0**	**7.4**

Table 57 – Property and Casualty | Securities and credit receivable

	Balance			Chg. %	
R$ thousand	**Dec/14**	**Sep/15**	**Dec/15**	**On Dec/14**	**On Sep/15**
Securities and credits receivable	272,369	171,039	283,411	4.1	65.7
Other tax and social security receivables	12,742	40,757	84,844	565.9	108.2
Receivable tax and social security - tax loss	334,966	344,631	339,346	1.3	(1.5)
Receivable tax and social security - temporary adjustements	260,599	268,229	289,841	11.2	8.1
Tax and judicial deposits	675,868	703,180	717,464	6.2	2.0
Other receivables	37,622	67,698	26,666	(29.1)	(60.6)
Impairment	(9,088)	(8,072)	(8,072)	(11.2)	(0.0)
Securities and credits receivable	**1,585,079**	**1,587,463**	**1,733,502**	**9.4**	**9.2**

Table 58 – Property and Casualty | Accounts payable

	Balance			Chg. %	
R$ thousand	**Dec/14**	**Sep/15**	**Dec/15**	**On Dec/14**	**On Sep/15**
Payable liabilities	239,404	327,738	361,736	51.1	10.4
Deferred taxes	54,260	52,682	162,274	199.1	208.0
Social securities and taxes payable	194,292	213,429	231,394	19.1	8.4
Labor charges	31,402	48,771	35,141	11.9	(27.9)
Taxes and contributions	31,077	52,374	93,817	201.9	79.1
Other accounts payable	66,567	55,847	122,587	84.2	119.5
Accounts payable	**617,002**	**750,840**	**1,006,949**	**63.2**	**34.1**

Table 59 – Property and Casualty | Obligations with insurance and reinsurance operations

	Balance			Chg. %	
R$ thousand	**Dec/14**	**Sep/15**	**Dec/15**	**On Dec/14**	**On Sep/15**
Premiums to return	4,010	25,833	39,809	892.7	54.1
Operations with insurance companies	147,571	100,117	146,834	(0.5)	46.7
Operations with reinsurance companies	939,931	1,155,602	968,086	3.0	(16.2)
Insurance and reinsurance brokers	353,225	336,867	310,829	(12.0)	(7.7)
Other operating obligations	77,099	136,031	148,405	92.5	9.1
Obligations with insurance and reinsurance operations	**1,521,836**	**1,754,450**	**1,613,964**	**6.1**	**(8.0)**

SOLVENCY

Table 60 – Property and Casualty | Solvency[1]

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Brasilveículos					
Adjusted shareholders' equity (a)	**480,342**	**555,657**	**540,949**	**12.6**	**(2.6)**
Minimum capital required (b)	**449,091**	**482,280**	**480,808**	**7.1**	**(0.3)**
Additional capital for underwritting risk	404,253	433,709	431,746	6.8	(0.5)
Additional capital for credit risk	58,460	64,237	64,943	11.1	1.1
Additional capital for operating risk	12,662	13,142	13,196	4.2	0.4
Benefit of correlation between risks	(26,284)	(28,809)	(29,077)	10.6	0.9
Capital adequacy (a) - (b)	**31,250**	**73,377**	**60,141**	**92.5**	**(18.0)**
Solvency ratio (a) / (b) - %	**107.0**	**115.2**	**112.5**	**5.5 p.p.**	**-2.7 p.p.**
Aliança do Brasil Seguros					
Adjusted shareholders' equity (a)	**162,068**	**225,465**	**208,805**	**28.8**	**(7.4)**
Minimum capital required (b)	**130,761**	**125,925**	**124,423**	**(4.8)**	**(1.2)**
Additional capital for underwritting risk	108,370	106,891	105,680	(2.5)	(1.1)
Additional capital for credit risk	30,227	24,825	24,376	(19.4)	(1.8)
Additional capital for operating risk	4,534	4,699	4,680	3.2	(0.4)
Benefit of correlation between risks	(12,369)	(10,491)	(10,313)	(16.6)	(1.7)
Capital adequacy (a) - (b)	**31,307**	**99,540**	**84,382**	**169.5**	**(15.2)**
Solvency ratio (a) / (b) - %	**123.9**	**179.0**	**167.8**	**43.9 p.p.**	**-11.2 p.p.**
Mapfre Seguros Gerais					
Adjusted shareholders' equity (a)	**1,506,124**	**1,600,169**	**1,594,675**	**5.9**	**(0.3)**
Minimum capital required (b)	**966,574**	**1,029,891**	**1,030,967**	**6.7**	**0.1**
Additional capital for underwritting risk	859,696	884,573	881,773	2.6	(0.3)
Additional capital for credit risk	128,435	185,959	190,860	48.6	2.6
Additional capital for operating risk	35,989	39,162	39,882	10.8	1.8
Benefit of correlation between risks	(57,546)	(79,803)	(81,548)	41.7	2.2
Capital adequacy (a) - (b)	**539,550**	**570,279**	**563,708**	**4.5**	**(1.2)**
Solvency ratio (a) / (b) - %	**155.8**	**155.4**	**154.7**	**-1.1 p.p.**	**-0.7 p.p.**
Total Mapfre BB SH2					
Adjusted shareholders' equity (a)	**2,148,533**	**2,381,291**	**2,344,429**	**9.1**	**(1.5)**
Minimum capital required (b)	**1,545,955**	**1,637,734**	**1,636,198**	**5.8**	**(0.1)**
Additional capital for underwritting risk	1,372,318	1,425,173	1,419,199	3.4	(0.4)
Additional capital for credit risk	217,123	275,021	280,179	29.0	1.9
Additional capital for operating risk	53,185	57,003	57,758	8.6	1.3
Benefit of correlation between risks	(96,671)	(119,464)	(120,938)	25.1	1.2
Capital adequacy (a) - (b)	**602,578**	**743,558**	**708,231**	**17.5**	**(4.8)**
Solvency ratio (a) / (b) - %	**139.0**	**145.4**	**143.3**	**4.3 p.p.**	**-2.1 p.p.**

[1] Information based on the accounting principles adopted by SUSEP.

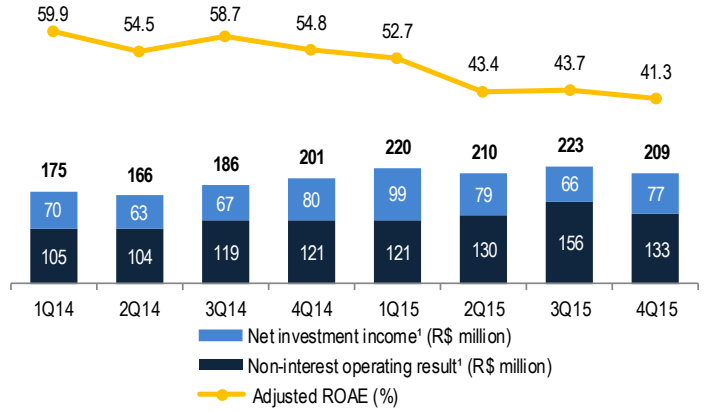
4.3 PENSION PLANS

EARNINGS ANALYSIS

Table 61 – Pension Plans | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Income and premiums contribution	**9,466,372**	**7,847,432**	**9,892,606**	**4.5**	**26.1**	**31,031,637**	**36,963,628**	**19.1**
Provision for benefits to be granted	(9,426,268)	(7,801,764)	(9,843,581)	4.4	26.2	(30,892,185)	(36,785,382)	19.1
Net revenue with contributions and VGBL premiums	**40,104**	**45,668**	**49,025**	**22.2**	**7.4**	**139,452**	**178,246**	**27.8**
Management fee	347,224	418,124	421,916	21.5	0.9	1,236,016	1,555,048	25.8
Changes in other technical reserves	(30,485)	(6,097)	(23,803)	(21.9)	290.4	(60,558)	(58,134)	(4.0)
Expenses with benefits, redemptions and claims	(4,970)	(16,016)	(12,044)	142.4	(24.8)	(57,932)	(65,333)	12.8
Acquisition costs	(85,585)	(103,079)	(105,752)	23.6	2.6	(303,731)	(399,033)	31.4
Earned premiuns	**48,914**	**48,973**	**48,572**	**(0.7)**	**(0.8)**	**194,098**	**197,335**	**1.7**
Contributions to cover risks	49,819	49,535	50,028	0.4	1.0	195,905	199,242	1.7
Changes in technical reserves -premiuns	(905)	(562)	(1,457)	60.9	159.3	(1,807)	(1,907)	5.5
Gross income	**315,202**	**387,573**	**377,915**	**19.9**	**(2.5)**	**1,147,345**	**1,408,128**	**22.7**
Administrative expenses	(82,467)	(75,352)	(97,662)	18.4	29.6	(272,364)	(318,547)	17.0
Tax expenses	(27,892)	(34,753)	(34,909)	25.2	0.4	(101,101)	(129,258)	27.9
Other operating income (expenses)	(5,287)	(7,961)	(7,381)	39.6	(7.3)	(23,967)	(28,261)	17.9
Result with pension plans and insurance	**199,555**	**269,507**	**237,962**	**19.2**	**(11.7)**	**749,912**	**932,062**	**24.3**
Net investment income	**130,098**	**111,931**	**133,503**	**2.6**	**19.3**	**459,287**	**538,511**	**17.2**
Financial income	2,442,318	3,113,778	4,535,436	85.7	45.7	8,757,651	14,384,304	64.2
Financial expenses	(2,312,220)	(3,001,847)	(4,401,933)	90.4	46.6	(8,298,365)	(13,845,793)	66.8
Equity income	163	-	-	-	-	2,260	-	-
Operating result	**329,816**	**381,439**	**371,465**	**12.6**	**(2.6)**	**1,211,460**	**1,470,574**	**21.4**
Gains or losses on non-current assets	(64)	(38)	(8)	(86.7)	(77.6)	(47)	21	-
Earnings before taxes and profit sharing	**329,752**	**381,401**	**371,457**	**12.6**	**(2.6)**	**1,211,413**	**1,470,594**	**21.4**
Taxes	(126,454)	(156,148)	(158,410)	25.3	1.4	(473,818)	(596,362)	25.9
Profit sharing	(2,266)	(2,693)	(3,831)	69.1	42.3	(8,880)	(12,859)	**44.8**
Adjusted net income	**201,031**	**222,560**	**209,216**	**4.1**	**(6.0)**	**728,715**	**861,374**	**18.2**
One-off events	**260,842**	**-**	**-**	**-**	**-**	**260,842**	**294,091**	**12.7**
Reversal of technical provisions	58,744	-	-	-	-	58,744	514,056	775.1
Reversal of technical provisions - impact on financial results	375,302	-	-	-	-	375,302	-	-
Tax expenses on one-off events	(3,073)	-	-	-	-	(3,073)	(23,904)	677.9
Taxes on one-off events	(170,130)	-	-	-	-	(170,130)	(196,061)	15.2
Net income	**461,874**	**222,560**	**209,217**	**(54.7)**	**(6.0)**	**989,557**	**1,155,466**	**16.8**

Figure 94 – Pension Plans | Adjusted net income and ROAE



¹ Net of taxes considering the effective tax rate

4Q15 ANALYSIS

Net income for the Pension Plans operation reached R$209.2 million in the 4Q15, 4.1% higher YoY. This increase was a consequence of the improvement in the non-interest operating result, driven mainly by the growth in revenues with management fees.

The annualized return on average equity reached 41.3% in the 4Q15, 13.5 p.p. lower YoY, explained by the higher earnings retention to face the capital requirements for the market risk, to be implemented in 2016 and 2017, which boosted the basis for the average equity calculation in comparison to the same periods in 2014.

2015 ANALYSIS

The adjusted net income for 2015 grew by 18.2%, boosted by the growth of revenues with management fees, as a result of the increased volume of the assets under management, and to a lesser extent, by the increase in the net investment income, driven by the increase in the average balance of investments.

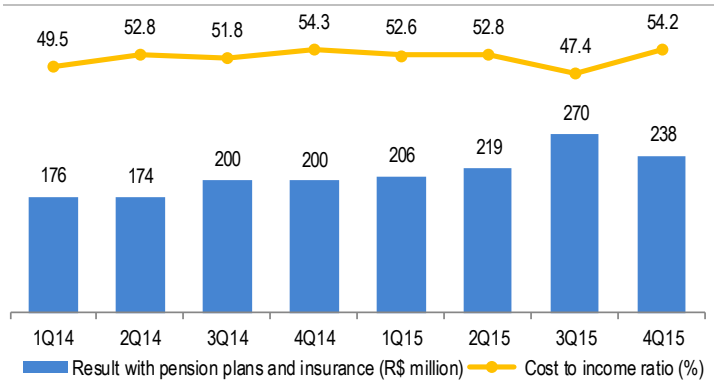
The annualized return on average equity dropped by 3.4 p.p. to 39.2%, impacted by increased earnings retention related to the market risk regulation, as previously explained.

Table 62 – Pension Plans | Performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Commission ratio	0.9	1.3	1.1	0.2	(0.2)	1.0	1.1	0.1
Load fee	0.4	0.6	0.5	0.1	(0.1)	0.4	0.5	0.0
Management fee	1.26	1.21	1.19	(0.07)	(0.02)	1.28	1.21	(0.07)
Redemption ratio	9.3	9.2	9.5	0.2	0.3	9.4	9.3	(0.1)
Cost to income ratio	54.3	47.4	54.2	(0.1)	6.8	52.2	51.7	(0.5)
Income tax rate	38.3	40.9	42.6	4.3	1.7	39.1	40.6	1.4
Adjusted ROAE	54.8	43.7	41.3	(13.5)	(2.4)	42.6	39.2	(3.4)

RESULT WITH PENSION PLANS AND INSURANCE

Figure 95 – Pension Plans | Result with pension plans and insurance and Cost to income ratio



4Q15 ANALYSIS

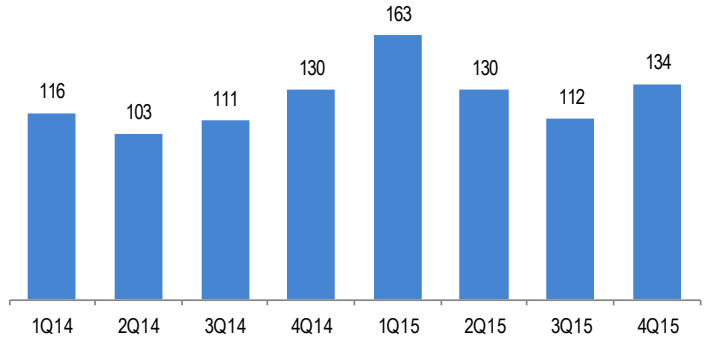
Result with pension plans and insurance grew by 19.2% YoY, driven mainly by the increase of 21.5% in revenues with management fees, as a result of the expansion in the volume of assets under management.

2015 ANALYSIS

In 2015, the result with pension plans and insurance grew by 24.3%. This increase was driven mainly by the growth of 25.8% in the management fees, which is explained by the expansion of 32.5% in assets under management.

NET INVESTMENT INCOME

Figure 96 – Pension Plans | Net investment income (R$ million)



4Q15 ANALYSIS

Net investment income increased by 2.6% YoY, driven by the expansion in the average balance of interest earning assets as well as by the growth of 0.2 p.p. in the spread between the Company's proprietary assets and its interest bearing liabilities.

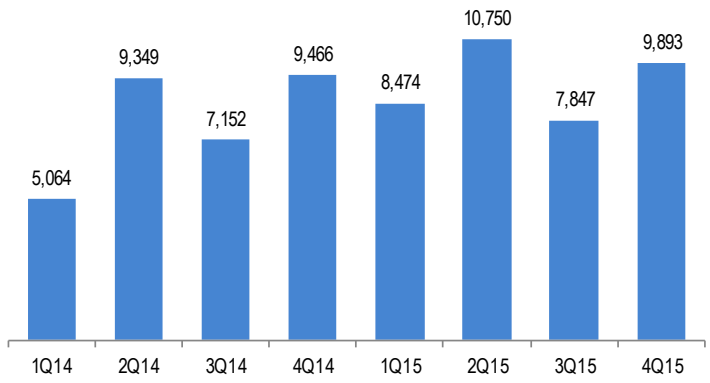
2015 ANALYSIS

In 2015, the net investment income grew by 17.2%, driven by the higher average volume of interest earning assets, partially offset by the reduction of 0.4 p.p. in the spread between the proprietary assets and interest bearing liabilities.

RESULT WITH PENSION PLANS AND INSURANCE ANALYSIS

INCOME AND PREMIUMS CONTRIBUTION

Figure 97 – Pension Plans | Income and premiums contribution (R$ million)



4Q15 ANALYSIS

Pension plans contributions rose 4.5% YoY, reaching R$9.9 billion in the 4Q15. This increase was concentrated in VGBL plans, which increased by 4.9% and accounted for 89.5% of the total contributions in the quarter.

2015 ANALYSIS

In 2015, total contributions grew by 19.1%, driven by VGBL plans. Sales of sporadic plans showed a solid growth in its share of total plans outstanding throughout the year, moving from 18.2% in December 2014 to 21.7% at the end of December 2015.

Figure 98 – Pension Plans | Contributions breakdown (%)

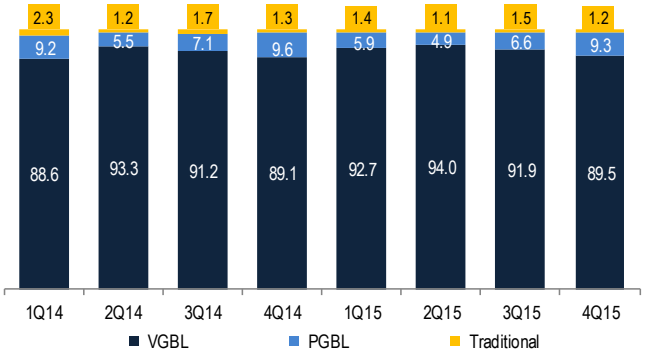
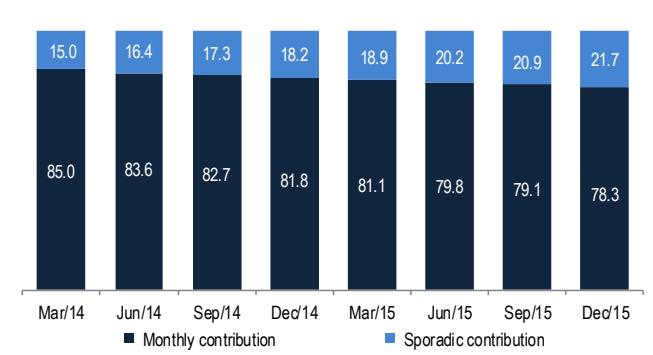


Figure 99 – Pension Plans | Pension plans outstanding (%)



NET INFLOWS

Figure 100 – Pension Plans | Net inflows and redemption ratio

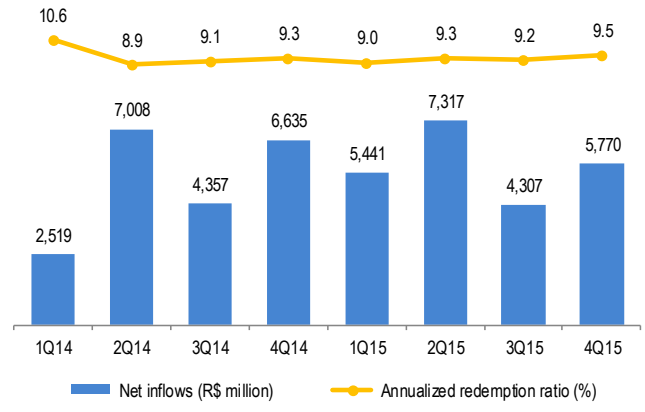
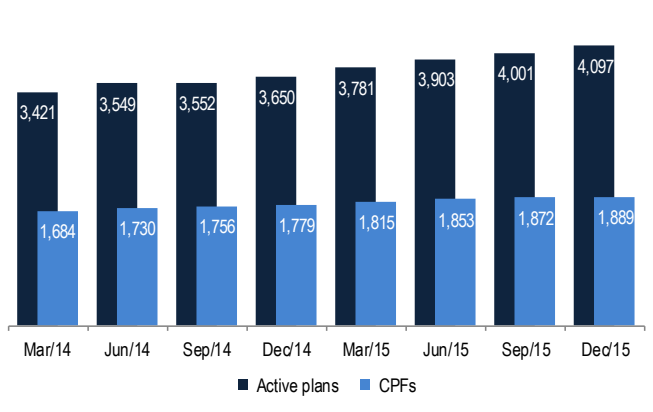


Figure 101 – Pension Plans | Active plans and CPFs (thousand)



4Q15 ANALYSIS

In the 4Q15, net inflows achieved R$5.8 billion, 13.0% lower YoY, explained by the increase of 0.2 p.p. in the redemption ratio.

2015 ANALYSIS

In 2015, net inflows amounted to R$22.8 billion, an increase of 11.3%, driven by the 19.1% higher contributions and the 0.1 p.p. lower redemption ratio.

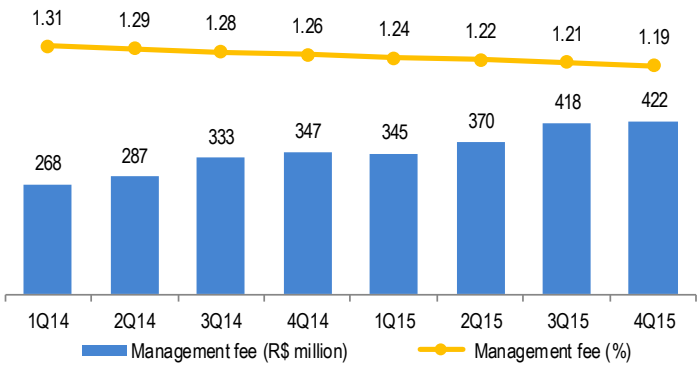
Table 63 – Pension Plans | Changes in technical reserves and provisions for insurance and pension plans

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Benefits to be granted					
Initial balance	**100,002,785**	**128,076,672**	**135,113,719**	**35.1**	**5.5**
Constitution	6,665,654	4,012,319	5,819,953	(12.7)	45.1
Reversal	(71,026)	75,802	(69,082)	(2.7)	-
Restatement	2,274,911	2,948,926	4,299,077	89.0	45.8
Final balance	**108,872,324**	**135,113,719**	**145,163,667**	**33.3**	**7.4**
Benefits granted					
Initial balance	**1,559,539**	**1,774,277**	**1,861,728**	**19.4**	**4.9**
Constitution	208,583	358,571	215,159	3.2	(40.0)
Reversal	(205,147)	(328,748)	(192,214)	(6.3)	(41.5)
Restatement	47,423	57,629	96,635	103.8	67.7
Final balance	**1,610,398**	**1,861,728**	**1,981,309**	**23.0**	**6.4**
Other provisions					
Initial balance	**1,874,841**	**1,020,887**	**1,086,442**	**(42.1)**	**6.4**
Constitution	722,158	134,085	54,670	(92.4)	(59.2)
Reversal	(1,172,807)	(85,055)	(61,573)	(94.7)	(27.6)
Restatement	14,681	16,526	22,239	51.5	34.6
Final balance	**1,438,874**	**1,086,442**	**1,101,778**	**(23.4)**	**1.4**
Total Provisions	**111,921,595**	**138,061,890**	**148,246,754**	**32.5**	**7.4**

Table 64 – Pension Plans | Changes in technical reserves and provisions for insurance and pension plans by product

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
P|VGBL Reserves					
Initial balance	**95,030,487**	**122,792,109**	**129,829,787**	**36.6**	**5.7**
Constitution	6,879,179	4,412,214	5,992,008	(12.9)	35.8
Reversal	(304,744)	(142,172)	(153,455)	(49.6)	7.9
Restatement	2,108,315	2,767,636	4,013,528	90.4	45.0
Final balance	**103,713,236**	**129,829,787**	**139,681,869**	**34.7**	**7.6**
Traditional Reserves					
Initial balance	**8,406,680**	**8,079,727**	**8,232,103**	**(2.1)**	**1.9**
Constitution	617,172	92,760	97,774	(84.2)	5.4
Reversal	(1,029,915)	(195,829)	(169,413)	(83.6)	(13.5)
Restatement	214,422	255,444	404,422	88.6	58.3
Final balance	**8,208,359**	**8,232,103**	**8,564,886**	**4.3**	**4.0**
Total Provisions	**111,921,595**	**138,061,890**	**148,246,754**	**32.5**	**7.4**

Figure 102 – Pension Plans | Management fee[1,2]



[1]Management fee annualized considering the total of 252 working days.
[2]Working days calculated based on ANBIMA data.

4Q15 ANALYSIS

Revenues with management fees grew by 21.5% YoY, driven by the increase of 32.5% in assets under management.

The average management fee dropped by 0.07 p.p., as a result of the continuous growth in VGBL plans, which normally charge a lower management fee, besides the decreased share of traditional plans, which charge a higher fee.

2015 ANALYSIS

In 2015, revenues with management fees rose 25.8%. The average management fee dropped by 0.07 p.p., impacted by the higher concentration in VGBL plans, which normally have a lower management fee, along with the decrease in the share of traditional plans, which charge a higher management fee.

Figure 103 – Pension Plans | Technical reserves (R$ billion)

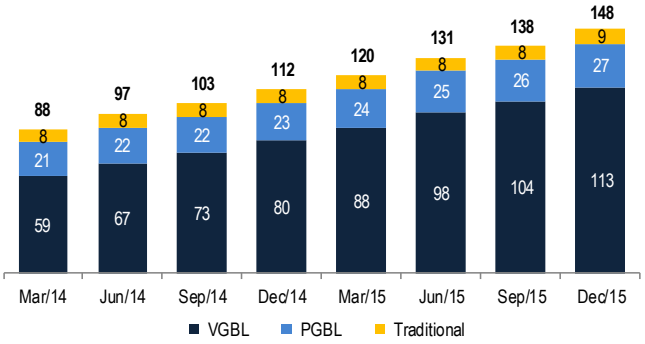
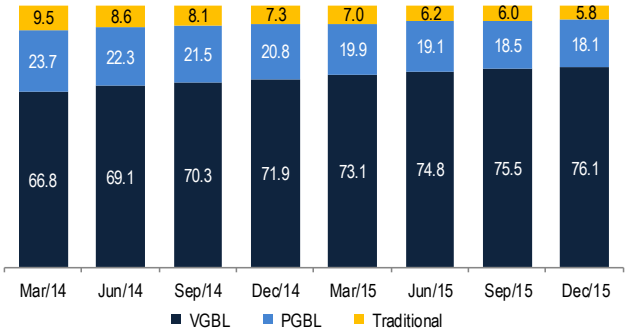


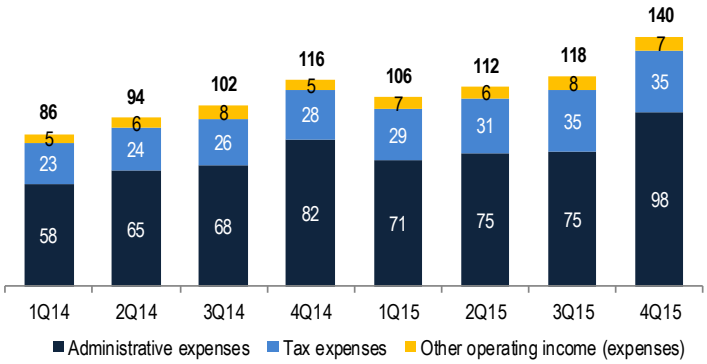
Figure 104 – Pension Plans | Technical reserves (%)



By the end of December 2015, technical reserves achieved R$148.2 billion, a growth of 32.5%, with a higher concentration in VGBL plans. Assets under management from PGBL and VGBL plans grew by 34.7% and reached R$139.7 billion.

GENERAL & ADMINISTRATIVE EXPENSES

Figure 105 – Pension Plans | G&A expenses (R$ million)



4Q15 ANALYSIS

The G&A expenses grew by 21.0% YoY, driven mainly by: (i) higher marketing expenses, due to publicity campaigns and sponsorships in the quarter; (ii) the increase of outsourcing expenses; and (iii) the growth in tax expenses, which was in line with the increase in revenues.

2015 ANALYSIS

In 2015, the G&A expenses grew by 19.8%, mainly due to the growth of:

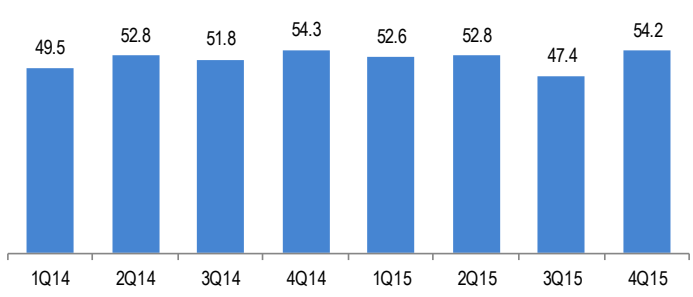
(i) tax expenses, in line with the growth in revenues;
(ii) outsourcing expenses;
(iii) personnel expenses, as a result of the adjustments in salary and benefit plans; and
(iv) location and operation expenses, explained by the comparable basis that was positively impacted in the 1Q14, due to the reversal of expenses with depreciation /amortization, as a result of the appraisal report of Brasilprev Nosso Futuro, previously named Mapfre Nossa Caixa Vida e Previdência.

Table 65 – Pension Plans | G&A expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**82,467**	**75,352**	**97,662**	**18.4**	**29.6**	**272,363**	**318,547**	**17.0**
Personnel	25,758	27,224	28,135	9.2	3.3	97,156	109,740	13.0
Outsourcing	31,548	33,496	35,997	14.1	7.5	116,380	129,816	11.5
Location and operation	9,091	9,993	10,058	10.6	0.7	27,974	39,720	42.0
Marketing	8,638	4,336	17,740	105.4	309.1	21,859	32,701	49.6
Other	7,432	304	5,731	(22.9)	1,788.0	8,994	6,568	(27.0)
Other operating income (expenses)	**5,288**	**7,961**	**7,381**	**39.6**	**(7.3)**	**23,968**	**28,261**	**17.9**
Expenses on sales incentive	1,371	2,470	1,801	31.4	(27.1)	7,383	8,530	15.5
Charging expenses	2,987	3,513	3,646	22.1	3.8	10,308	13,635	32.3
Contingencies	551	1,662	994	80.5	(40.2)	2,341	4,092	74.8
Provision for loan losses	(81)	(24)	40	-	-	(86)	185	-
Other operating income (expenses)	460	340	901	96.0	165.1	4,022	1,819	(54.8)
Tax expenses	**27,892**	**34,753**	**34,909**	**25.2**	**0.5**	**101,102**	**129,258**	**27.8**
Federal and municipal taxes	7,168	8,593	8,694	21.3	1.2	25,551	32,026	25.3
COFINS	16,699	21,806	21,584	29.3	(1.0)	61,869	80,373	29.9
PIS	3,213	3,543	3,507	9.2	(1.0)	10,553	13,055	23.7
Inspection fee	811	811	1,124	38.6	38.6	3,409	3,558	4.4
Other tax expenses	1	(1)	0	(100.0)	-	(279)	247	-
General and administrative expenses	**115,647**	**118,066**	**139,953**	**21.0**	**18.5**	**397,433**	**476,066**	**19.8**

COST TO INCOME RATIO

Figure 106 – Pension Plans | Cost to income ratio (%)



4Q15 ANALYSIS

Cost to income ratio reached 54.2% in the 4Q15, an improvement of 0.1 p.p. YoY.

2015 ANALYSIS

In 2015, the cost to income ratio improved by 0.5 p.p., to 51.7%, as a result of the increase in revenues, highlighting the revenues with management fees, besides the strict control of the administrative expenses.

NET INVESTMENT INCOME

Figure 107 – Pension Plans| Net investment income (R$ million)

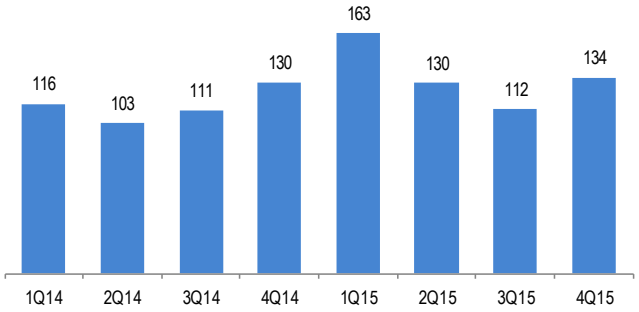
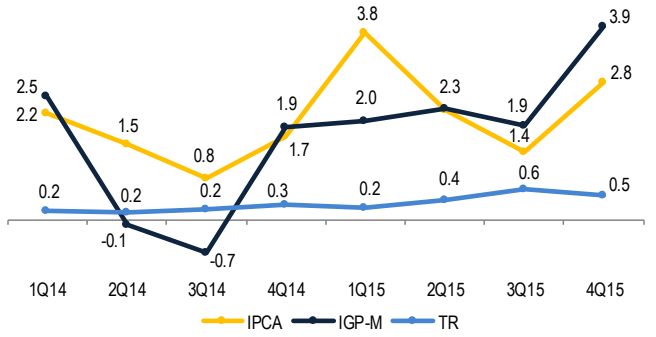


Figure 108 – Pension plans | Inflation and TR rates (%)



Source: Banco Central do Brasil

4Q15 ANALYSIS

In the 4Q15, the net investment income grew by 2.6% YoY. The improvement was driven by both the expansion of the average balance of interest earnings assets and the growth of 0.2 p.p. in the spread between the Company's proprietary interest earning assets and its interest bearing liabilities.

2015 ANALYSIS

In 2015, the net investment income rose 17.2%. The increase was driven by the higher volume of interest earning assets, partially offset by the contraction of 0.4 p.p. in the spread between the Company's proprietary assets and its liabilities, as a result of the higher yield on liabilities, mostly derived from the IGP-M and TR rates.

Table 66 – Pension Plans | Financial income and expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Adjusted interest revenues	**341,099**	**355,728**	**536,801**	**57.4**	**50.9**	**1,105,938**	**1,707,051**	**54.4**
Revenues with mark to market financial investments	9,173	4,621	17,488	90.6	278.5	36,326	46,632	28.4
Revenues with held to maturity financial investments	331,926	351,107	519,312	56.5	47.9	1,069,612	1,660,419	55.2
Adjusted interest expenses	**(211,001)**	**(243,797)**	**(403,299)**	**91.1**	**65.4**	**(646,651)**	**(1,168,542)**	**80.7**
Interest accrual on technical reserves	(211,001)	(243,797)	(403,299)	911	65.4	(646,651)	(1,168,542)	80.7
Net investment income	**130,098**	**111,931**	**133,502**	**2.6**	**19.3**	**459,287**	**538,509**	**17.2**

4Q15 ANALYSIS

Adjusted interest revenues rose 57.4% YoY, explained by the increase of 7.7 p.p. in the average yield on interest earning assets, along with the increased volume of investments classified as held to maturity. Regarding the average yield, the increase was mostly due to higher IGP-M and IPCA rates, the main indexes used for the accrual on the held to maturity portfolio.

Adjusted interest expenses grew by 91.1% YoY, as a result of the increase of 7.5 p.p. in the average yield, along with the expansion in the volume of the interest bearing liabilities. The higher yield was mainly due to the increase in the IGP-M rate, which is the main index of the Brasilprev's interest bearing liabilities.

2015 ANALYSIS

Adjusted interest revenues grew by 54.4%, driven by the growth of 5.1 p.p. in the average yield in addition to the increase in the average balance of interest earning assets classified as held to maturity.

Adjusted interest expenses rose by 80.7%, due to the increase in the average yield along with the growth in the average balance of interest bearing liabilities.

Table 67 – Pension Plans | Quarterly figures - Volume and rate analysis

R$ thousand	4Q15/4Q14 Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	(5,551)	13,865	8,315
Held to maturity financial investments	53,979	133,408	187,386
Total[1]	**36,299**	**159,402**	**195,701**
Interest bearing liabilities			
Technical reserves	(28,043)	(164,254)	(192,297)
Total	**(28,043)**	**(164,254)**	**(192,297)**

[1] Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 68 – Pension Plans | Quarterly figures - Earning assets - average balance and interest rates[1]

R$ million	4Q14 Average balance	Interest revenues	Annualized rate (%)	4Q15 Average balance	Interest revenues	Annualized rate (%)
Earning assets						
Mark to market financial investments	1,347	9	2.7	1,020	17	7.0
Held to maturity financial investments	8,710	332	15.6	9,731	519	23.1
Total	**10,056**	**341**	**13.8**	**10,750**	**537**	**21.5**

[1]Guaranteeing assets and free assets of Traditional plans and guaranteeing assets of the P/VGBL plans in the granting stage.

Table 69 – Pension Plans | Quarterly figures - Interest bearing liabilities - average balance and interest rates[1]

R$ million	4Q14 Average balance	Interest expenses	Annualized rate (%)	4Q15 Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves	8,879	(211)	8.9	9,212	(403)	16.4
Total	**8,879**	**(211)**	**8.9**	**9,212**	**(403)**	**16.4**

[1] Technical reserves of Traditional and P/VGBL plans in the granting stage.

Table 70 – Pension Plans | Yearly figures - Volume and rate analysis

R$ thousand	2015/2014		
	Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	(4,080)	14,386	10,306
Held to maturity financial investments	145,127	445,680	590,807
Total[1]	**118,337**	**482,776**	**601,113**
Interest bearing liabilities			
Technical reserves	(52,278)	(469,612)	(521,890)
Total	**(52,278)**	**(469,612)**	**(521,890)**

[1] Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 71 – Pension Plans | Yearly figures - Earning assets - average balance and interest rates[1]

R$ million	2014			2015		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earning assets						
Mark to market financial investments	1,185	36	3.1	1,089	47	4.3
Held to maturity financial investments	8,623	1,070	12.4	9,448	1,660	17.7
Total	**9,807**	**1,106**	**11.2**	**10,538**	**1,707**	**16.3**

[1]Guaranteeing assets and free assets of Traditional plans and guaranteeing assets of the P/VGBL plans in the granting stage.

Table 72 – Pension Plans | Yearly figures - Interest bearing liabilities - average balance and interest rates[1]

R$ million	2014			2015		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves	8,681	(647)	7.4	9,087	(1,169)	13.0
Total	**8,681**	**(647)**	**7.4**	**9,087**	**(1,169)**	**13.0**

[1] Technical reserves of Traditional and P/VGBL plans in the granting stage.

Table 73 – Pension Plans | Financial investments portfolio breakdown (except PGBL and VGBL funds)

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Held to maturity securities	**8,930,427**	**9,495,452**	**9,966,356**	**11.6**	**5.0**
Pre-fixed	103,610	93,464	96,248	(7.1)	3.0
Inflation	8,826,817	9,401,988	9,870,108	11.8	5.0
Mark to market securities	**1,238,640**	**1,098,879**	**940,226**	**(24.1)**	**(14.4)**
Pre-fixed	592,701	136,952	139,089	(76.5)	1.6
Floating	334,211	636,145	494,051	47.8	(22.3)
Inflation	311,729	325,783	307,086	(1.5)	(5.7)
Total	**10,169,067**	**10,594,331**	**10,906,582**	**7.3**	**2.9**

Figure 109 – Pension Plans | Financial investments breakdown by index- except PGBL and VGBL funds (%)

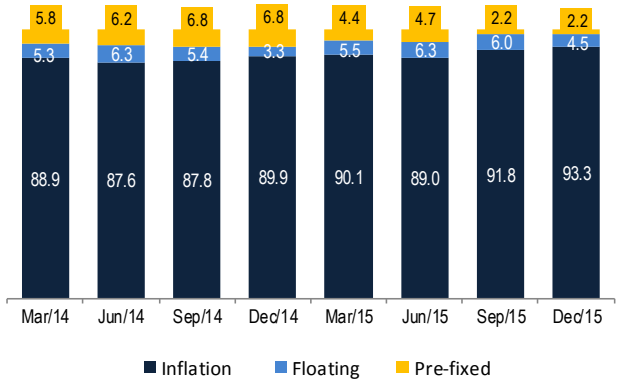
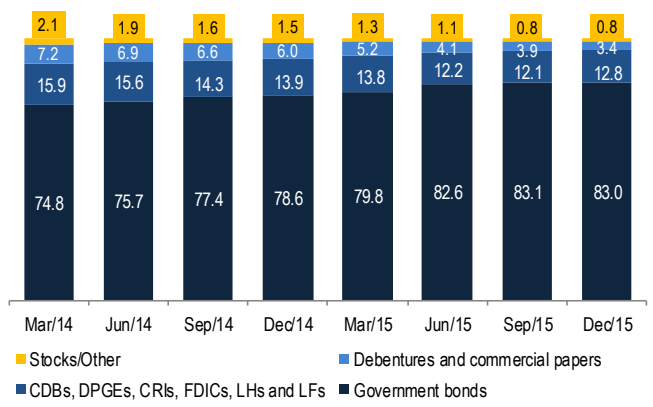


Figure 110 – Pension Plans | Assets allocation (%)



BALANCE SHEET ANALYSIS

Table 74 – Pension Plans | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**114,565,256**	**141,168,955**	**151,421,352**	**32.2**	**7.3**
Cash and cash equivalents	99	5,870	62	(36.7)	(98.9)
Financial assets	113,330,578	139,646,129	149,738,598	32.1	7.2
Receivables from insurance and reinsurance operations	1,648	2,314	1,940	17.7	(16.2)
Securities and credits receivable	348,270	454,839	557,126	60.0	22.5
Prepaid expenses	43	836	34	(21.3)	(95.9)
Deferred costs	694,432	866,935	925,596	33.3	6.8
Credits from private pension transactions	195	1,227	561	187.8	(54.2)
Fixed assets	16,192	14,133	16,414	1.4	16.1
Intangible	173,799	176,672	181,021	4.2	2.5
Liabilities	**112,591,959**	**138,954,749**	**148,998,116**	**32.3**	**7.2**
Accounts payable	288,636	321,154	234,862	(18.6)	(26.9)
Obligations with insurance and reinsurance operations	6,954	5,804	8,447	21.5	45.5
Debts from private pension transactions	3,142	1,054	3,343	6.4	217.2
Third party deposits	36,587	125,816	22,563	(38.3)	(82.1)
Technical reserves - insurance	80,446,156	104,265,155	112,776,407	40.2	8.2
Technical reserves - private pension	31,475,439	33,796,735	35,470,347	12.7	5.0
Other liabilities	335,045	439,029	482,146	43.9	9.8
Shareholders' equity	**1,973,297**	**2,214,206**	**2,423,237**	**22.8**	**9.4**

SOLVENCY

Table 75 – Pension Plans | Solvency

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Adjusted shareholder's equity (a)	**1,758,060**	**2,036,697**	**2,242,182**	**27.5**	**10.1**
Minimum capital (b)	**1,317,830**	**1,603,626**	**1,716,327**	**30.2**	**7.0**
Minimum capital requirement - Susep's rule	**1,143,075**	**1,257,413**	**1,312,400**	**14.8**	**4.4**
Base capital	15,000	15,000	15,000	-	-
Additional capital for underwritting risk	1,023,649	1,114,508	1,161,702	13.5	4.2
Additional capital for credit risk	52,442	62,366	61,800	17.8	(0.9)
Additional capital for operating risk	92,222	110,450	118,597	28.6	7.4
Correlation risk reduction	(25,239)	(29,911)	(29,700)	17.7	(0.7)
Minimum capital requirement - internal rule (6 -3 -1)	**1,317,830**	**1,603,626**	**1,716,327**	**30.2**	**7.0**
Capital adequacy (a) - (b)	**440,230**	**433,071**	**525,854**	**19.4**	**21.4**
Solvency ratio (a) / (b) - %	**133.4**	**127.0**	**141.2**	**7.8 p.p.**	**14.2 p.p.**

Minimum capital corresponds to the higher value between the minimum capital required by the regulation in force and the minimum capital required by the internal rule determined by Brasilprev. The internal rule consists on applying a weight of 6% on the Provision for Benefits Granted, 3% on the Provision for Accrued Benefits of traditional plans, and 1% on Provision for Accrued Benefits of PGBL and VGBL plans. In December 2015, the excess between the minimum capital required and the adjusted shareholder´s equity reached R$525.9 million. Considering the minimum capital required by the regulator, the capital surplus would be even higher, at R$929.8 million.

4.4 PREMIUM BONDS

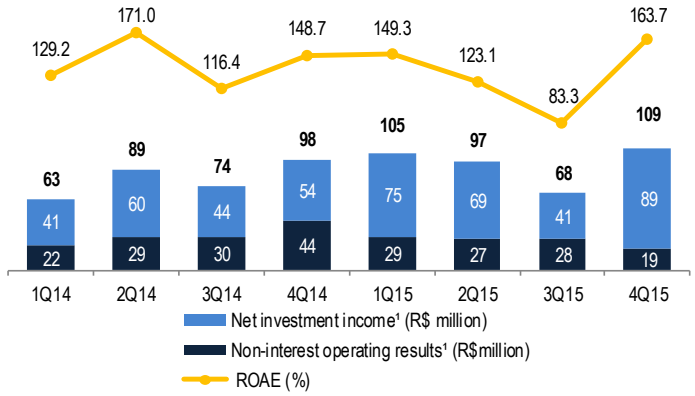
EARNINGS ANALYSIS

Table 76 – Premium Bonds | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premium bonds collection	**2,027,676**	**1,378,614**	**1,856,387**	**(8.4)**	**34.7**	**6,686,686**	**6,517,231**	**(2.5)**
Changes in provisions for redemption	(1,662,729)	(1,150,357)	(1,546,895)	(7.0)	34.5	(5,538,803)	(5,383,740)	(2.8)
Net revenue with premium bonds	**364,947**	**228,257**	**309,492**	**(15.2)**	**35.6**	**1,147,883**	**1,133,491**	**(1.3)**
Changes in technical reserves	2,073	4,409	(9,848)	-	-	(23,560)	(29,467)	25.1
Result with lottery	(70,992)	(43,333)	(74,029)	4.3	70.8	(224,545)	(230,179)	2.5
Acquisition costs	(173,959)	(108,009)	(145,173)	(16.5)	34.4	(544,623)	(537,508)	(1.3)
Administrative expenses	(28,801)	(22,259)	(30,993)	7.6	39.2	(88,066)	(96,992)	10.1
Tax expenses	(14,841)	(9,880)	(11,841)	(20.2)	19.8	(45,360)	(45,192)	(0.4)
Other operating income (expenses)	(5,849)	(2,349)	(3,223)	(44.9)	37.2	(12,262)	(15,786)	28.7
Result with premium bonds	**72,578**	**46,836**	**34,384**	**(52.6)**	**(26.6)**	**209,467**	**178,366**	**(14.8)**
Net investment income	**86,544**	**66,704**	**147,899**	**70.9**	**121.7**	**325,001**	**453,898**	**39.7**
Financial income	315,281	352,198	422,126	33.9	19.9	1,135,803	1,490,900	31.3
Financial expenses	(228,737)	(285,494)	(274,228)	19.9	(3.9)	(810,802)	(1,037,003)	27.9
Equity income	97	90	110	13.8	22.7	201	393	95.7
Operating result	**159,219**	**113,630**	**182,393**	**14.6**	**60.5**	**534,669**	**632,657**	**18.3**
Earnings before taxes and profit sharing	**159,219**	**113,630**	**182,393**	**14.6**	**60.5**	**534,669**	**632,657**	**18.3**
Taxes	(60,306)	(44,232)	(72,054)	19.5	62.9	(206,444)	(249,041)	20.6
Profit sharing	(973)	(1,048)	(1,563)	60.6	49.1	(3,821)	(4,801)	25.6
Net income	**97,940**	**68,350**	**108,776**	**11.1**	**59.1**	**324,404**	**378,815**	**16.8**

NET INCOME

Figure 111 – Premium Bonds | Net income and ROAE



¹Net of taxes considering the Company's effective income tax rate.

4Q15 ANALYSIS

In the 4Q15, the net income for the Premium Bonds segment reached R$108.8 million, 11.1% up YoY, boosted by the 70.9% growth in the net investment income.

2015 ANALYSIS

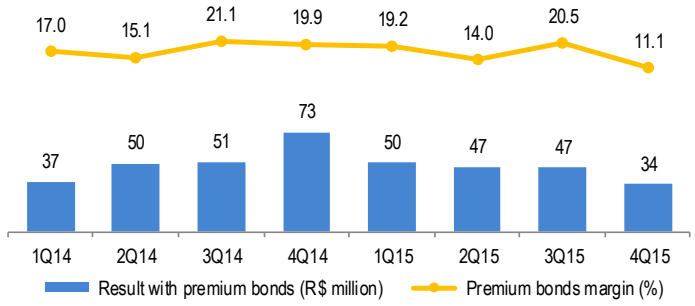
In 2015, the net income reached R$378.8 million, a growth of 16.8%, supported by the 39.7% increase in the net investment income.

Table 77 – Premium Bonds | Performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Spread	3.9 p.p.	3.2 p.p.	5.9 p.p.	2.0	2.6	3.5 p.p.	4.1p.p.	0.6
Lottery ratio	19.5	19.0	23.9	4.5	4.9	19.6	20.3	0.7
Commission ratio	47.7	47.3	46.9	(0.8)	(0.4)	47.4	47.4	(0.0)
G&A ratio	13.6	15.1	14.9	1.3	(0.2)	12.7	13.9	1.2
Premium bonds margin	19.9	20.5	11.1	(8.8)	(9.4)	18.2	15.7	(2.5)
Income tax rate	37.9	38.9	39.5	1.6	0.6	38.6	39.4	0.8
ROAE	148.7	83.3	163.7	15.0	80.4	92.2	87.0	(5.1)

RESULT WITH PREMIUM BONDS

Figure 112 – Premium Bonds | Result with premium bonds and margin



4Q15 ANALYSIS

The result with premium bonds fell by 52.6% as compared to 4Q14, as a result of:

(i) the 8.4% decrease in premium bonds collection; and
(ii) the reduction of 8.8 p.p. in the premium bonds margin, justified by the increase in the average reserve quote, in addition to higher G&A and lottery ratios, partially offset by the reduction of 0.8 p.p. in the commission ratio.

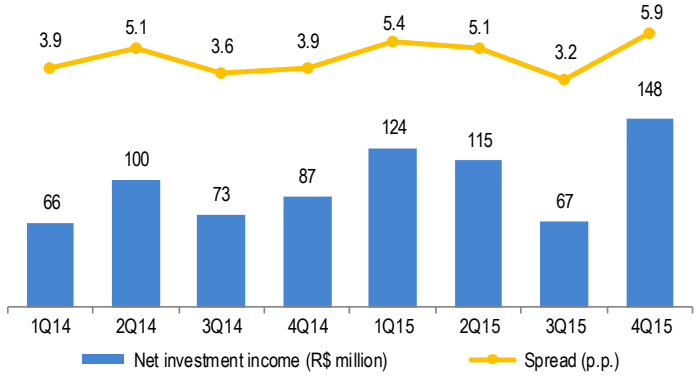
2015 ANALYSIS

In 2015, the result with premium bonds fell by 14.8%, explained by:

(i) the drop of 2.5% in premium bonds collection; and
(ii) the reduction of 2.5 p.p. in the premium bonds margin, as a result of increased G&A and lottery ratios.

NET INVESTMENT INCOME

Figure 113 – Premium Bonds | Net investment income and spread



4Q15 ANALYSIS

The net investment income rose by 70.9% YoY, driven by a 2.0 p.p. increase in the spread in addition to the higher average balance of interest earning assets.

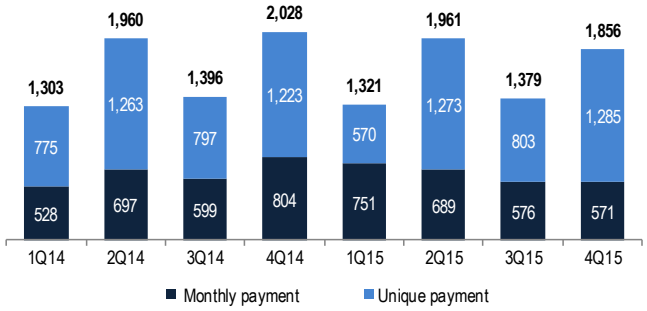
2015 ANALYSIS

In 2015, the net investment income grew by 39.7%. The performance is explained by the increase of 0.6 p.p. in the spread, along with the growth of the average balance of interest earning assets.

RESULT WITH PREMIUM BONDS ANALYSIS

PREMIUM BONDS COLLECTION

Figure 114 – Premium Bonds | Collection (R$ million)



4Q15 ANALYSIS

In the 4Q15, premium bonds collection dropped by 8.4% YoY, due to the decrease in collections with monthly payment bonds, which dropped by 29.0%, partially offset by a growth of 5.1% in the collection with unique payment bonds.

2015 ANALYSIS

In the year, premium bonds collection fell by 2.5%. The number of outstanding bonds rose 9.2%, more concentrated in unique payment bonds. Setting apart the Postalcap bonds, the outstanding bonds would have grown 4.1%.

Figure 115 – Premium Bonds | Collections by product (%)

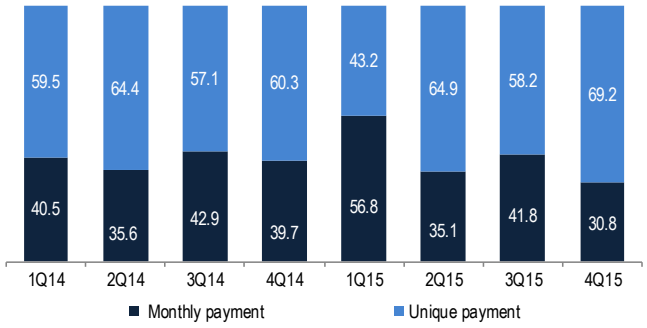
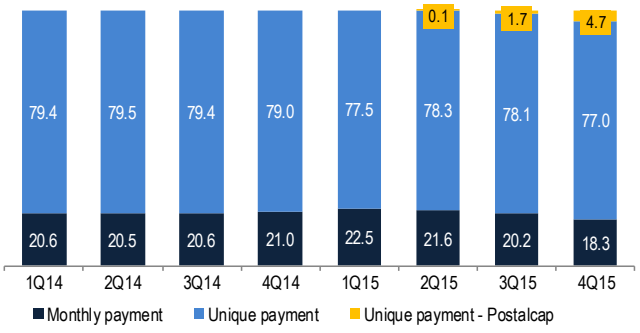
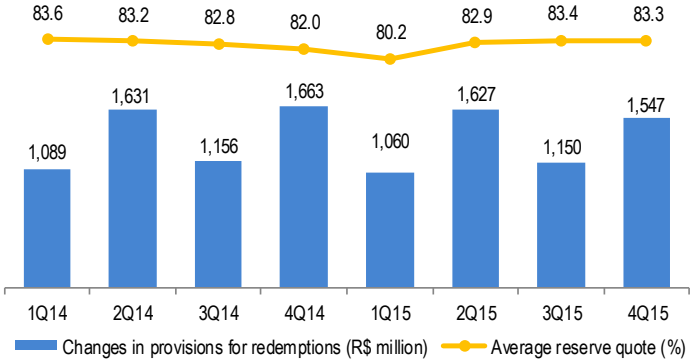


Figure 116 – Premium Bonds | Bonds outstanding by product (%)



By the end of 2015, the unique payment bonds accounted for 81.7% of the bonds outstanding, while in 2014 its share was of 79.0%. The increase is mostly explained by the launch of the Postalcap, which is a low cost unique payment bond that has been sold in the Post Office branches since May 2015.

Figure 117 – Premium Bonds | Changes in provisions for redemption and average reserve quote



4Q15 ANALYSIS

In the 4Q15, changes in provisions for redemptions fell by 7.0% YoY as a result of the drop in collections. In the same comparison basis, the average reserve quote grew by 1.3 p.p., as a result of the increased share of the unique payment bonds in the mix of new sales, which has higher reserve quotes when compared to the first installments of monthly payment bonds.

2015 ANALYSIS

In 2015, changes in provisions for redemption fell by 2.8%, driven by the reduction of 2.5% in collections, besides the 0.2 p.p. drop in the average reserve quote. The contraction in the average reserve quote is largely explained by the launch of the product "Ourocap Torcida Brasil" in July 2014, which has lower reserve quotes as compared to the previous portfolio.

Table 78 – Premium Bonds | Changes in premium bonds provision

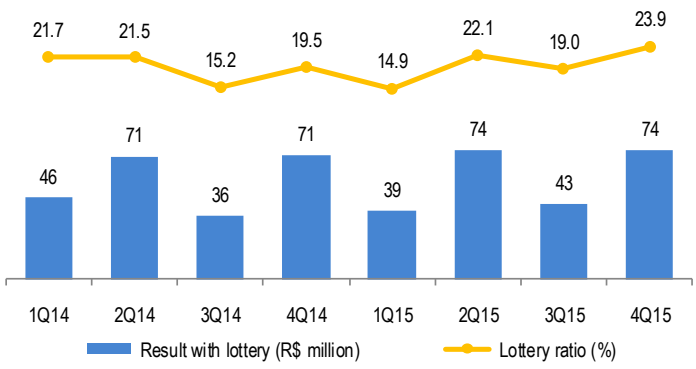
	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Premium bonds provision					
Initial balance	**10,460,971**	**11,401,519**	**11,475,304**	**9.7**	**0.6**
Constitution	1,674,974	1,158,455	1,556,121	(7.1)	34.3
Cancellations	(11,866)	(7,674)	(8,912)	(24.9)	16.1
Transfers	(1,135,209)	(1,303,656)	(1,574,653)	38.7	20.8
Interest accrual	179,789	226,660	222,535	23.8	(1.8)
Final balance	**11,168,659**	**11,475,304**	**11,670,395**	**4.5**	**1.7**

Table 79 – Premium Bonds | Changes in provisions for redemption[1]

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Provision for redemption					
Initial balance	**211,959**	**282,107**	**327,696**	**54.6**	**16.2**
Constitution	1,134,027	1,302,742	1,574,369	38.8	20.9
Transfers	6,618	7,664	9,663	46.0	26.1
Payments	(1,113,308)	(1,266,002)	(1,618,124)	45.3	27.8
Interest accrual	609	1,735	1,690	177.5	(2.6)
Premium bonds expiration	(507)	(550)	(1,029)	103.0	87.2
Final balance	**239,398**	**327,696**	**294,265**	**22.9**	**(10.2)**

[1] Provision's flow does not pass through income statement

Figure 118 – Premium Bonds | Result with lottery



4Q15 ANALYSIS

The expenses related to the result with lottery grew by 4.3% YoY, which led to an increase of 4.4 p.p. in the lottery ratio. The increase in the result with lottery is explained by the higher concentration of sales in unique payment bonds, which have a higher lottery reserve quote when compared to monthly payment bonds.

2015 ANALYSIS

Throughout the year, expenses related to the result with lottery grew by 2.5%, with a lottery ratio 0.7 p.p. higher, explained by an increased concentration of collections in unique payment bonds in addition to the launch of the "Ourocap Torcida Brasil". Both bonds allocate a higher percentage of the collections to the lottery reserve.

Table 80 – Premium Bonds | Result with lottery

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Result with lottery	**(70,992)**	**(43,333)**	**(74,029)**	**4.3**	**70.8**	**(224,545)**	**(230,180)**	**2.5**
Lottery provision reversal	46,167	70,468	54,103	17.2	(23.2)	238,675	233,170	(2.3)
Lottery provision constitutions	(78,137)	(57,976)	(80,413)	2.9	38.7	(253,675)	(263,752)	4.0
Lottery expenses	(39,022)	(55,826)	(47,719)	22.3	(14.5)	(209,545)	(199,599)	(4.7)

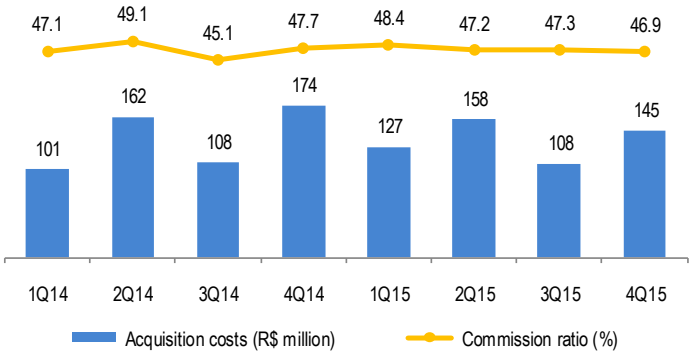
Table 81 – Premium Bonds | Changes in provision for lottery to be held

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Provision for lottery to be held					
Initial balance	**218,256**	**279,301**	**272,402**	**24.8**	**(2.5)**
Constitution	78,716	58,385	80,936	2.8	38.6
Reversal	(46,167)	(70,468)	(54,102)	17.2	(23.2)
Cancellations	(585)	(409)	(524)	(10.4)	28.1
Interest accrual	3,809	5,593	5,592	46.8	(0.0)
Final balance	**254,029**	**272,402**	**304,304**	**19.8**	**11.7**

Table 82 – Premium Bonds | Changes in provision for draws to be paid

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Provision for draws to be paid					
Initial balance	**16,548**	**12,068**	**12,546**	**(24.2)**	**4.0**
Constitution	38,985	55,825	47,671	22.3	(14.6)
Payments	(44,739)	(55,426)	(49,000)	9.5	(11.6)
Interest accrual	24	80	108	350.0	35.0
Premium bonds expiration	(1)	(1)	(4)	300.0	300.0
Final balance	**10,817**	**12,546**	**11,321**	**4.7**	**(9.8)**

Figure 119 – Premium Bonds | Acquisition costs



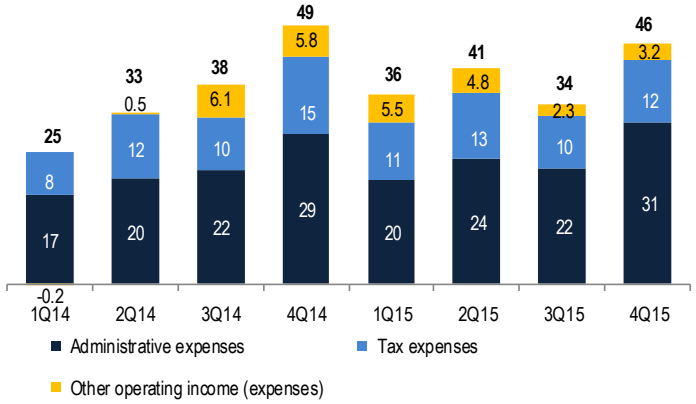
4Q15 ANALYSIS

In the 4Q15, the acquisition costs dropped 16.5% as compared to 4Q14, due to the reduction in collections as well as to the higher concentration of sales in unique payment bonds, which charge a lower commission when compared to the first installments of a monthly payment bond. In the same comparison basis, the commission ratio decreased by 0.8 p.p..

2015 ANALYSIS

In 2015, the acquisition costs dropped by 1.3%. The result was a consequence of both the lower premium bonds collection and the higher concentration of sales in unique payment bonds, which present lower percentage of commission when compared to the first installments of monthly payment bonds.

Figure 120 – Premium Bonds | G&A expenses (R$ million)[1]



[1]Does not includes BB Capitalização

4Q15 ANALYSIS

In the 4Q15, G&A expenses fell by 6.8% YoY, largely explained by lower operating and tax expenses.

2015 ANALYSIS

In 2015, G&A expenses grew by 8.7%, driven by:

(i) the R$17.4 million expenses booked in other operating income (expenses), as a result of the provisions for the payment to the shareholder Icatu Cap related to the transfer of rights to sell premium bonds products on branches formerly owned by Banco Nossa Caixa, which relies on the result arising from the sales in those branches;

(ii) the growth of 10.4% in administrative expenses, mainly due to higher personnel expenses as well as increased expenses with location and operation and institutional advertisement and publicity.

Table 83 – Premium Bonds | General & Administrative expenses[1]

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**(28,744)**	**(22,259)**	**(30,993)**	**7.8**	**39.2**	**(87,822)**	**(96,992)**	**10.4**
Personnel	(9,291)	(10,024)	(10,748)	15.7	7.2	(35,677)	(39,964)	12.0
Location and operation	(4,232)	(4,054)	(3,924)	(7.3)	(3.2)	(15,553)	(17,031)	9.5
Outsourcing	(5,767)	(3,917)	(7,864)	36.4	100.8	(17,082)	(17,964)	5.2
Institutional advertisement and publicity	(675)	(1,787)	(287)	(57.5)	(83.9)	(3,864)	(5,072)	31.3
Leasing	(374)	(605)	(606)	62.0	0.2	(1,620)	(2,431)	50.1
Other	(8,405)	(1,872)	(7,564)	(10.0)	304.1	(14,026)	(14,531)	3.6
Other operating income (expenses)	**(5,849)**	**(2,349)**	**(3,223)**	**(44.9)**	**37.2**	**(12,262)**	**(15,786)**	**28.7**
Operating expenses	(5,711)	(2,838)	(3,574)	(37.4)	25.9	(9,031)	(17,364)	92.3
Printing and mailing	(387)	(87)	(451)	16.5	418.4	(4,195)	(1,001)	(76.1)
Legal provisions	12	16	(59)	-	-	24	(62)	-
Other operating income (expenses)	(297)	-	(154)	(48.1)	-	(803)	(219)	(72.7)
Revenue with premium bonds prescription	534	560	1,015	90.1	81.3	1,743	2,860	64.1
Tax expenses	**(14,825)**	**(9,880)**	**(11,841)**	**(20.1)**	**19.8**	**(45,294)**	**(45,192)**	**(0.2)**
COFINS	(12,338)	(8,112)	(9,729)	(21.1)	19.9	(37,427)	(37,208)	(0.6)
PIS	(2,005)	(1,318)	(1,581)	(21.1)	20.0	(6,082)	(6,046)	(0.6)
Inspection fee	(406)	(406)	(488)	20.2	20.2	(1,569)	(1,705)	8.7
Other tax expenses	(76)	(44)	(43)	(43.4)	(2.3)	(216)	(233)	7.9
G&A Expenses	**(49,418)**	**(34,488)**	**(46,057)**	**(6.8)**	**33.5**	**(145,378)**	**(157,970)**	**8.7**

[1]Does not includes BB Capitalização

NET INVESTMENT INCOME

Figure 121 – Premium Bonds | Net investment income (R$ million)

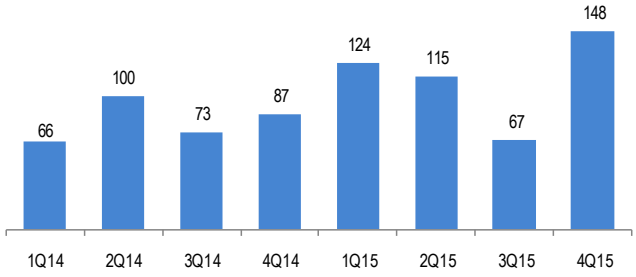
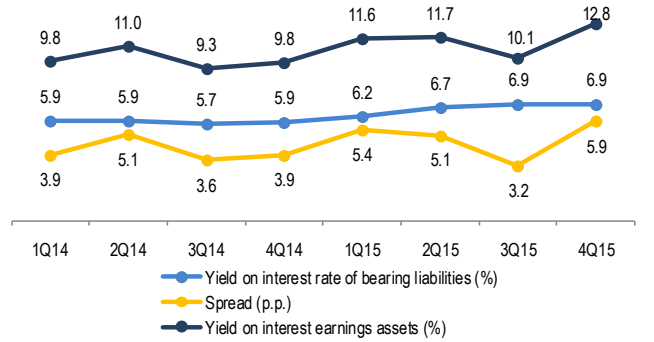


Figure 122 – Premium Bonds | Annualized average interest rates and spread[1]



[1]Does not includes BB Capitalização

Table 84 – Premium Bonds | Financial income and expenses

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	**4Q14**	**3Q15**	**4Q15**	**On 4Q14**	**On 3Q15**	**2014**	**2015**	**On 2014**
Interest revenues	**301,299**	**333,796**	**410,928**	**36.4**	**23.1**	**1,097,595**	**1,440,892**	**31.3**
Revenues with mark to market financial investments	227,796	287,316	310,562	36.3	8.1	738,800	1,138,457	54.1
Expenses with mark to market financial investments	(13,883)	(18,402)	(11,198)	(19.3)	(39.1)	(37,694)	(50,008)	32.7
Revenues with held to maturity financial investments	86,972	64,510	111,134	27.8	72.3	395,018	350,467	(11.3)
Interest accrual on judicial deposits	414	372	430	3.9	15.6	1,471	1,976	34.3
Interest expenses	**(185,455)**	**(235,267)**	**(250,073)**	**34.8**	**6.3**	**(668,083)**	**(884,394)**	**32.4**
Interest accrual on technical reserves	(184,251)	(234,069)	(229,924)	24.8	(1.8)	(663,601)	(859,949)	29.6
Other	(1,204)	(1,198)	(20,149)	1,573.4	1,581.9	(4,482)	(24,445)	445.4
Net interest income	**115,844**	**98,529**	**160,855**	**38.9**	**63.3**	**429,512**	**556,498**	**29.6**

4Q15 ANALYSIS

In the 4Q15, the net interest income grew by 38.9% YoY, justified by the expansion of 2.0 p.p. in the spread as well as by the increase in the average volume of interest earning assets.

Interest revenues grew by 36.4% YoY, as a result of:

(i) the increase of 3.0 p.p. in the average yield on interest earning assets, due to a higher average Selic rate and the higher return on inflation protected securities; and
(ii) the growth of 8.6% in the average balance of interest earning assets.

Interest expenses rose by 34.8% YoY, due to:

(i) the increase of 1.0 p.p. in the average yield on interest bearing liabilities, largely explained by the higher average yield on the technical reserve provisions. This effect is primarily explained by the increase of the TR rate, which is the yield that applies to a significant portion of the premium bonds portfolio, in addition to the launch of the "Ourocap Torcida Brasil", a premium bond product that offers a higher yield to the costumer and is increasing its share in the reserves balance; and
(ii) the growth of 8.7% in the average balance of interest bearing liabilities.

2015 ANALYSIS

In 2015, the net interest income grew by 29.6%, due to the 0.6 p.p. increase in the spread and the expansion of the average balance of interest earning assets.

Interest revenues grew by 31.3%, explained by:

(i) the increase of 1.5 p.p. in the average yield on interest earning assets, as a result of the higher average Selic rate, and the higher return on inflation protected bonds; and
(ii) the 14.7% increase in the average balance of interest earning assets.

Interest expenses grew by 32.4%, driven by:

(i) the increase of 0.9 p.p. in the average yield on interest bearing liabilities, largely explained by the higher yield on the technical reserve provision. This effect is largely explained by the increase in the TR rate, which is the yield that applies to a significant portion of the premium bonds portfolio, in addition to the launch of the product "Ourocap Torcida Brasil", a premium bond that offers a higher yield to the costumer and which is increasing its share in reserves balance;

(ii) the growth of 14.2% in the average balance of interest bearing liabilities.

Table 85 – Premium Bonds | Quarterly figures – Volume and rate analysis[1]

	4Q15/4Q14		
R$ thousand	Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	10,571	74,880	85,451
Held to maturity financial investments	9,541	14,621	24,162
Judicial deposits	88	(72)	16
Total[2]	**24,075**	**85,554**	**109,629**
Interest bearing liabilities			
Technical reserves - premium bonds	(11,210)	(34,463)	(45,673)
Other[3]	(378)	(210)	(588)
Total	**(13,686)**	**(32,575)**	**(46,261)**

[1] Does not include BB Capitalização;
[2] Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.
[3] Includes: (i) interest expenses related to interest accrual of the payment made to Icatu Cap for the transfer of its rights to market premium bonds products in the branches formerly owned by Banco Nossa Caixa starting in May 2014 and (ii) interest accrual of legal provisions.

Table 86 – Premium Bonds | Quarterly figures - Earning assets average balance and interest rates[1]

	4Q14			4Q15		
R$ thousand	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earnings assets						
Mark to market financial investments	8,141,602	213,913	10.6	9,533,908	299,364	13.2
Held to maturity financial investments	3,660,446	86,972	9.5	3,184,270	111,134	14.7
Judicial deposits	589,108	414	0.3	740,876	430	0.2
Total	**12,391,156**	**301,299**	**9.8**	**13,459,053**	**410,928**	**12.8**

[1] Does not include BB Capitalização.

Table 87 – Premium Bonds | Quarterly figures - Interest bearing liabilities average balance and interest rates[1]

	4Q14			4Q15		
R$ thousand	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves - premium bonds	11,373,731	(184,251)	6.1	12,258,108	(229,924)	7.3
Other[2]	641,401	(1,204)	0.7	807,348	(1,792)	0.9
Total	**12,015,132**	**(185,455)**	**5.9**	**13,065,456**	**(231,716)**	**6.9**

[1] Does not include BB Capitalização;
[2] Includes: (i) interest expenses related to interest accrual of the payment made to Icatu Cap for the transfer of its rights to market premium bonds products in the branches formerly owned by Banco Nossa Caixa starting in May 2014 and (ii) interest accrual of legal provisions.

Table 88 – Premium Bonds | Yearly figures - Volume and rate analysis[1]

R$ thousand	2015/2014		
	Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	38,435	348,908	387,343
Held to maturity financial investments	30,088	(74,639)	(44,551)
Judicial deposits	403	102	505
Total[2]	**84,416**	**258,881**	**343,297**
Interest bearing liabilities			
Technical reserves - premium bonds	(41,928)	(154,420)	(196,348)
Other[3]	(1,285)	(321)	(1,606)
Total	**(51,150)**	**(146,805)**	**(197,954)**

[1] Does not include BB Capitalização;
[2] Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.
[3] Includes: (i) interest expenses related to interest accrual of the payment made to Icatu Cap for the transfer of its rights to market premium bonds products in the branches formerly owned by Banco Nossa Caixa starting in May 2014 and (ii) interest accrual of legal provisions.

Table 89 – Premium Bonds | Yearly figures - Earning assets - average balance and interest rates[1]

R$ thousand	2014			2015		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earnings assets						
Mark to market financial investments	7,191,863	701,106	9.7	8,978,472	1,088,449	12.2
Held to maturity financial investments	3,825,502	395,018	10.3	3,605,693	350,467	9.8
Judicial deposits	548,745	1,471	0.3	679,271	1,976	0.3
Total	**11,566,110**	**1,097,595**	**9.5**	**13,263,435**	**1,440,892**	**11.0**

[1] Does not include BB Capitalização.

Table 90 – Premium Bonds | Year-to-date figures - Interest bearing liabilities - average balance and interest rates[1]

R$ thousand	2014			2015		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves - premium bonds	10,620,354	(663,601)	6.2	12,053,189	(859,949)	7.2
Other[2]	604,090	(4,482)	0.7	760,345	(6,088)	0.8
Total	**11,224,443**	**(668,083)**	**5.9**	**12,813,534**	**(866,037)**	**6.8**

[1] Does not include BB Capitalização;
[2] Includes: (i) interest expenses related to interest accrual of the payment made to Icatu Cap for the transfer of its rights to market premium bonds products in the branches formerly owned by Banco Nossa Caixa starting in May 2014 and (ii) interest accrual of legal provisions.

Table 91 – Premium Bonds | Mark to market and derivatives effect[1]

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Mark to market	(24,142)	(101,275)	11,228	-	-	(4,834)	(99,398)	1,956.3
Derivatives	20,792	40,111	7,191	(65.4)	(82.1)	24,833	64,572	160.0
Net income	**(3,349)**	**(61,164)**	**18,418**	**-**	**-**	**19,999**	**(34,827)**	**-**

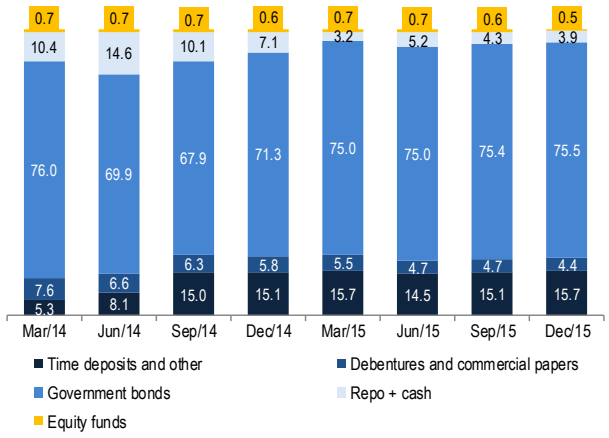
[1] Does not include BB Capitalização

Table 92 – Premium Bonds | Financial investments portfolio breakdown[1]

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Mark to market securities	**8,817,101**	**9,927,972**	**9,139,843**	**3.7**	**(7.9)**
Pre-fixed	4,663,732	6,512,954	5,747,410	23.2	(11.8)
Floating	3,778,187	3,121,845	3,120,721	(17.4)	(0.0)
Inflation	295,842	216,896	204,031	(31.0)	(5.9)
Equity funds	78,673	75,670	67,086	(14.7)	(11.3)
Other	667	608	596	(10.6)	(2.0)
Held to maturity securities	**3,443,974**	**2,601,128**	**3,767,412**	**9.4**	**44.8**
Pre-fixed	2,393,967	1,598,997	2,728,170	14.0	70.6
Inflation	1,050,007	1,002,131	1,039,242	(1.0)	3.7
Total	**12,261,074**	**12,529,100**	**12,907,255**	**5.3**	**3.0**

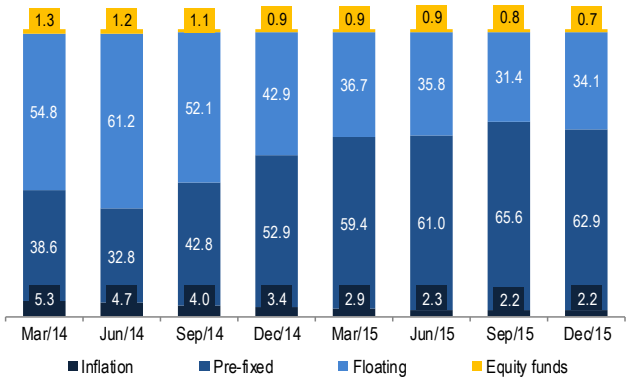
[1] Does not include BB Capitalização.

Figure 123 – Premium Bonds | Asset allocation[1] (%)



[1] Does not include BB Capitalização.

Figure 124 – Premium Bonds | Breakdown of mark to market financial investments by index[1] (%)



[1] Does not include BB Capitalização.

BALANCE SHEET ANALYSIS

Table 93 – Premium Bonds | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**13,000,125**	**13,420,725**	**13,818,201**	**6.3**	**3.0**
Available	174	558	817	369.7	46.5
Financial assets	12,261,074	12,529,100	12,907,255	5.3	3.0
Securities and credits receivable	721,780	872,874	897,342	24.3	2.8
Prepaid expenses	1,383	6,401	1,388	0.3	(78.3)
Investments	1,250	1,233	1,228	(17)	(0.4)
Fixed assets	6,035	3,390	2,885	(52.2)	(14.9)
Intangible	5,994	4,008	3,728	(37.8)	(7.0)
Other assets	2,435	3,161	3,558	46.1	12.6
Liabilities	**12,571,130**	**13,069,380**	**13,376,435**	**6.4**	**2.3**
Accounts payable	165,587	126,264	181,231	9.4	43.5
Premium bonds operations debits	2,555	6,996	10,844	324.4	55.0
Technical reserves - premium bonds	11,752,009	12,161,846	12,354,369	5.1	1.6
Other liabilities	650,979	774,274	829,992	27.5	7.2
Shareholders' equity	**428,995**	**351,345**	**441,765**	**3.0**	**25.7**

SOLVENCY

Table 94 – Premium Bonds | Solvency[1]

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Adjusted shareholders' equity (a)	**421,613**	**340,931**	**436,643**	**3.6**	**28.1**
Minimum capital required (b)	**275,229**	**261,391**	**264,643**	**(3.8)**	**1.2**
Additional capital for underwritting risk	51,149	49,287	44,367	(13.3)	(10.0)
Additional capital for credit risk	227,853	213,358	219,630	(3.6)	2.9
Additional capital for operating risk	17,959	19,592	19,796	10.2	1.0
Benefit of correlation between risks	(21,733)	(20,846)	(19,150)	(11.9)	(8.1)
Capital adequacy (a) - (b)	**146,384**	**79,540**	**172,000**	**17.5**	**116.2**
Solvency ratio (a) / (b) - %	**153.2**	**130.4**	**165.0**	**11.8 p.p.**	**34.6 p.p.**

[1] Information based on the accounting principles adopted by SUSEP. Does not include BB Capitalização.

4.5 REINSURANCE

EARNINGS ANALYSIS

Table 95 – Reinsurance | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Premiums written	**848,872**	**901,542**	**1,061,516**	**25.1**	**17.7**	**2,759,394**	**3,723,512**	**34.9**
Changes in technical reserves - premiums	(5,476)	41,786	43,584	-	4.3	190,259	20,158	(89.4)
Earned premiuns	**843,396**	**943,328**	**1,105,100**	**31.0**	**17.1**	**2,949,653**	**3,743,670**	**26.9**
Claims incurred	(671,140)	(599,703)	(771,922)	15.0	28.7	(2,213,423)	(2,285,680)	3.3
Acquisition costs	(23,870)	(33,106)	(12,361)	(48.2)	(62.7)	(79,549)	(95,430)	20.0
Other operating income (expenses)	(10,935)	(48,351)	88,625	-	-	(98,905)	8,546	-
Administratives expenses	(63,934)	(33,549)	(85,591)	33.9	155.1	(238,793)	(238,786)	(0.0)
Tax expenses	(35,875)	(12,669)	(33,331)	(7.1)	163.1	(76,841)	(92,756)	20.7
Result with reinsurance	(75,372)	(161,455)	(231,452)	207.1	43.4	(122,102)	(835,670)	584.4
Net investment income	**139,097**	**196,793**	**211,373**	**52.0**	**7.4**	**465,586**	**845,266**	**81.5**
Financial income	1,270,264	12,569,604	539,651	(57.5)	(95.7)	3,149,102	19,028,486	504.3
Financial expenses	(1,131,166)	(12,372,811)	(328,278)	(71.0)	(97.3)	(2,683,515)	(18,183,220)	577.6
Equity income	6,940	1,995	10,483	51.1	425.5	49,343	4,488	(90.9)
Operating result	**108,307**	**253,283**	**280,923**	**159.4**	**10.9**	**634,969**	**1,053,648**	**65.9**
Gains or losses on non-current assets	-	9	(4)	-	-	27	21	(22.1)
Earnings before taxes and profit sharing	**108,307**	**253,292**	**280,919**	**159.4**	**10.9**	**634,996**	**1,053,669**	**65.9**
Taxes	21,157	(44,195)	(76,876)	-	73.9	(175,083)	(273,466)	56.2
Profit sharing	(43,402)	(6,885)	(3,196)	(92.6)	(53.6)	(43,402)	(23,000)	(47.0)
Adjusted net income	**86,062**	**202,212**	**200,847**	**133.4**	**(0.7)**	**416,510**	**757,203**	**81.8**
One-off events	**187,721**	**-**	**-**	**-**	**-**	**187,721**	**-**	**-**
PIS/COFINS - Tax expenses	150,829	-	-	-	-	150,829	-	-
PIS/COFINS - Financial expenses	162,039	-	-	-	-	162,039	-	-
PIS/COFINS - Taxes	(125,147)	-	-	-	-	(125,147)	-	-
Net income	**273,783**	**202,212**	**200,847**	**(26.6)**	**(0.7)**	**604,231**	**757,203**	**25.3**

Table 96 – Reinsurance | Managerial performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Performance ratios								
Loss ratio	79.6	63.6	69.9	(9.7)	6.3	75.0	61.1	(14.0)
Commission ratio	2.8	3.5	1.1	(1.7)	(2.4)	2.7	2.5	(0.1)
Underwriting margin	8.7	15.8	8.1	(0.6)	(7.7)	18.1	14.1	(4.0)
G&A ratio	13.1	10.0	2.7	(10.4)	(7.3)	14.1	8.6	(5.4)
Combined ratio	104.5	94.2	94.7	(9.8)	0.4	95.9	94.6	(1.4)
Expanded combined ratio	89.7	78.0	79.5	(10.2)	1.5	82.9	77.1	(5.7)
Net margin	10.2	21.4	18.2	8.0	(3.3)	14.1	20.2	6.1
ROAE	12.4	29.0	27.8	15.4	(1.1)	14.6	24.4	9.8

BALANCE SHEET ANALYSIS

Table 97 – Reinsurance | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**12,965,380**	**14,787,557**	**14,501,793**	**11.9**	**(1.9)**
Cash and cash equivalents	9,511	170,328	13,952	46.7	(91.8)
Financial assets	5,427,382	6,240,988	6,247,276	15.1	0.1
Receivables from insurance and reinsurance operations	1,947,785	2,423,650	2,129,814	9.3	(12.1)
Reinsurance and retrocession - technical reserves	3,654,549	4,126,647	4,212,755	15.3	2.1
Securities and credits receivable	1,513,464	1,550,071	1,622,708	7.2	4.7
Prepaid expenses	871	2,428	1,247	43.2	(48.6)
Defered costs	86	-	-	-	-
Investments	250,138	122,627	126,040	(49.6)	2.8
Fixed assets	32,880	36,016	35,905	9.2	(0.3)
Intangible	128,714	114,802	112,096	(12.9)	(2.4)
Liabilities	**9,978,394**	**11,673,077**	**11,274,946**	**13.0**	**(3.4)**
Accounts payable	788,163	692,813	727,341	(7.7)	5.0
Obligations with insurance and reinsurance operations	897,591	1,337,149	977,916	8.9	(26.9)
Technical reserves - reinsurance	7,829,151	9,164,070	9,093,387	16.1	(0.8)
Third party deposits	16,988	18,032	2,917	(82.8)	(83.8)
Other liabilities	446,501	461,013	473,385	6.0	2.7
Shareholders' equity	**2,986,986**	**3,114,480**	**3,226,847**	**8.0**	**3.6**

SOLVENCY

Table 98 – Reinsurance | Solvency

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Adjusted shareholders' equity (a)	**2,798,385**	**2,920,108**	**3,034,998**	**8.5**	**3.9**
Minimum capital required (b)	**785,672**	**960,866**	**1,028,097**	**30.9**	**7.0**
Additional capital for underwritting risk	476,048	512,608	620,443	30.3	21.0
Additional capital for credit risk	392,777	553,262	522,245	33.0	(5.6)
Additional capital for operating risk	32,096	37,573	37,282	16.2	(0.8)
Benefit of correlation between risks	(115,249)	(105,003)	(151,873)	31.8	44.6
Capital adequacy (a) - (b)	**2,012,713**	**1,959,242**	**2,006,901**	**(0.3)**	**2.4**
Solvency ratio (a) / (b) - %	**356.2**	**303.9**	**295.2**	**(61.0) p.p.**	**(8.7) p.p.**

4.6 DENTAL INSURANCE

EARNINGS ANALYSIS

Table 99 – Dental Insurance | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Operating revenues	**20**	**3,457**	**4,700**	**23,402.3**	**36.0**	**25**	**11,967**	**47,769.8**
Health assistance plans revenues	20	3,457	4,700	23,402.3	36.0	25	11,967	47,769.8
Administratives expenses	(1,232)	(3,970)	(4,572)	271.1	15.2	(2,971)	(12,499)	320.7
Tax expenses	(2)	(241)	(255)	12,650.0	5.8	(2)	(904)	45,100.0
Operating result	**(1,214)**	**(754)**	**(127)**	**(89.6)**	**(83.2)**	**(2,948)**	**(1,436)**	**(51.3)**
Net investment income	**81**	**165**	**154**	**89.9**	**(6.8)**	**261**	**427**	**63.5**
Financial revenues	87	226	201	131.4	(10.9)	293	567	93.6
Financial expenses	(6)	(61)	(47)	675.2	(23.8)	(32)	(140)	336.0
Earnings before taxes and profit sharing	**(1,133)**	**(589)**	**27**	**-**	**-**	**(2,687)**	**(1,009)**	**(62.5)**
Taxes	-	-	-	-	-	-	742	-
Net income	**(1,133)**	**(589)**	**27**	**-**	**-**	**(2,687)**	**(267)**	(90.1)

BALANCE SHEET ANALYSIS

Table 100 – Dental Insurance | Balance sheet

	Balance			Chg. %	
R$ thousand	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**2,759**	**9,226**	**9,699**	**251.5**	**5.1**
Cash and cash equivalents	79	117	139	75.9	18.8
Financial assets	2,519	6,252	5,896	134.1	(5.7)
Receivables from insurance and reinsurance operations	12	393	601	4,908.3	52.9
Tax assets	54	1,738	1,974	3,555.6	13.6
Other assets	95	726	1,089	1,046.3	50.0
Liabilities	**446**	**7,209**	**7,654**	**1,616.1**	**6.2**
Technical reserves	4	4,523	4,322	107,950.0	(4.4)
Tax liabilities	86	207	388	351.2	87.4
Other liabilities	356	2,479	2,944	727.0	18.8
Shareholders' equity	**2,313**	**2,017**	**2,045**	**(11.6)**	**1.4**

5. DISTRIBUTION

BANCASSURANCE

The main role of an insurance broker (either an individual or an entity) is to intermediate the insurance business between insurance companies and their clients. The insurance intermediation in Brazil is not required by law, but the brokerage payment is mandatory for all insurance contracts, regardless the involvement of a broker. According to the law 6,317 as of 1975, in case no broker is involved, the amount supposed to be paid as brokerage shall be directed to the Fund for Developing the Insurance Culture, managed by the National Insurance School – Funenseg.

BB Seguridade distributes its products through its own broker, BB Corretora, which has a captive agreement with Banco do Brasil to explore the bancassurance channel.

The brokerage business in the bancassurance channel is not a complex business model, as it does not have underwriting risk and it has low capital needs. These factors are added to the vast footprint and the strong franchise of Banco do Brasil.

5.1 BB CORRETORA

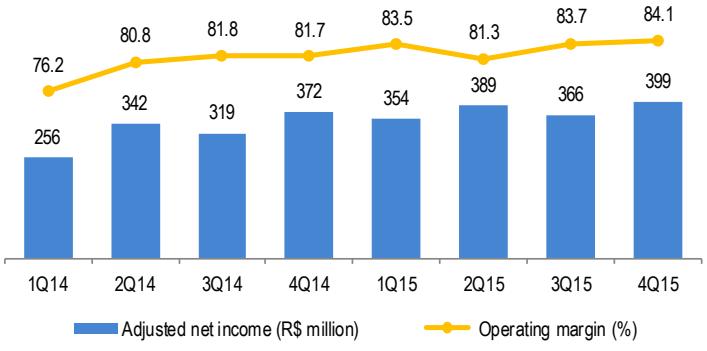
EARNINGS ANALYSIS

Table 101 – Brokerage | Income statement

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Brokerage revenues	**647,734**	**619,299**	**657,517**	**1.5**	**6.2**	**2,308,045**	**2,559,078**	**10.9**
Administrative expenses	(67,147)	(52,332)	(52,073)	(22.4)	(0.5)	(269,254)	(232,313)	(13.7)
Personnel expenses	(2,121)	(307)	202	-	-	(7,859)	(1,976)	(74.9)
Other operating income (expenses)	(49,368)	(48,120)	(52,400)	6.1	8.9	(177,233)	(197,043)	11.2
Operating result	**529,098**	**518,541**	**553,245**	**4.6**	**6.7**	**1,853,699**	**2,127,746**	**14.8**
Net investment income	**33,749**	**33,729**	**48,527**	**43.8**	**43.9**	**100,089**	**147,412**	**47.3**
Financial income	33,764	49,229	48,536	43.7	(1.4)	118,064	174,801	48.1
Financial expenses	(15)	(15,500)	(9)	(42.4)	(99.9)	(17,975)	(27,388)	52.4
Earnings before taxes	**562,847**	**552,270**	**601,772**	**6.9**	**9.0**	**1,953,788**	**2,275,158**	**16.4**
Taxes	(191,024)	(186,201)	(202,777)	6.2	8.9	(664,416)	(766,962)	15.4
Net income	**371,824**	**366,069**	**398,996**	**7.3**	**9.0**	**1,289,371**	**1,508,196**	**17.0**

ADJUSTED NET INCOME

Figure 125 – BB Corretora | Adjusted net income



4Q15 ANALYSIS

BB Corretora reported a net income of R$399.0 million in 4Q15, 7.3% higher YoY explained by:

(i) the growth of 1.5% in brokerage revenues in addition to the increase of 2.4 p.p. in the operating margin, as a result of lower administrative and personnel expenses;

(ii) the 43.8% growth in the net investment income, due to an increased average balance of financial investments and the higher average yield on these assets.

BB Corretora's net margin reached 60.7% in the 4Q15, 3.3 p.p. up YoY.

2015 ANALYSIS

In 2015, the net income reached R$1.5 billion, 17.0% higher YoY, driven by:

(i) the 10.9% growth in brokerage revenues, driven by those arising from SH1 and Brasilprev;

(ii) the improvement of 2.8 p.p. in the operating margin, as a result of lower administrative and personnel expenses; and

(iii) the 47.3% growth in the net investment income, as a result of the increase in the average balance of financial investments and a higher average yield.

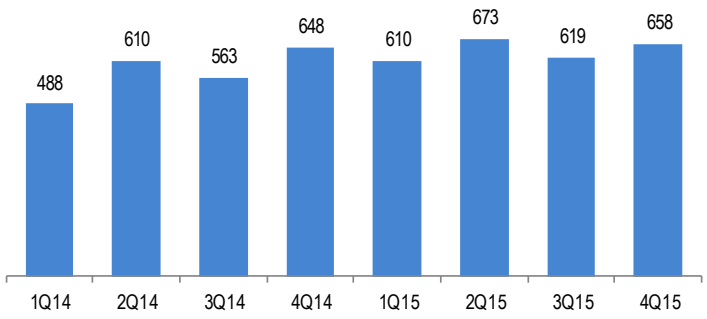
In line with the improvement in these indicators, the full year net margin reached 58.9%, 3.1 p.p. higher as compared to 2014.

Table 102 – BB Corretora | Managerial performance ratios

	Quarterly Flow			Chg. (p.p.)		Annual Flow		Chg. (p.p.)
%	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
G&A expenses	18.3	16.3	15.9	(2.5)	(0.4)	19.7	16.9	(2.8)
Tax expenses	7.5	7.4	7.5	(0.0)	0.1	7.4	7.4	0.0
Operating margin	81.7	83.7	84.1	2.5	0.4	80.3	83.1	2.8
Income tax rate	33.9	33.7	33.7	(0.2)	(0.0)	34.0	33.7	(0.3)
Net margin	57.4	59.1	60.7	3.3	1.6	55.9	58.9	3.1

BROKERAGE REVENUES

Figure 126 – BB Corretora | Brokerage revenues (R$ million)



4Q15 ANALYSIS

Brokerage revenues amounted to R$657.5 million in 4Q15, 1.5% up YoY, explained by:

(i) the 9.2% increase in brokerage revenues arising from SH1, driven by increased sales of rural and life insurance, in addition to the accrual of unearned commissions; and

(ii) the 3.5% growth in brokerage revenues arising from Brasilprev, in line with the increase in pension plans contributions.

2015 ANALYSIS

Brokerage revenues reached R$2.6 billion in 2015, 10.9% higher YoY, driven by:

(i) the 16.1% improvement in brokerage revenues arising from SH1, mainly due to the increase in sales of life and rural insurance, in addition to the accrual of unearned commissions; and

(ii) the 18.7% growth in brokerage revenues arising from Brasilprev, in line with the increase in pension plans contributions.

Table 103 – BB Corretora | Brokerage revenues breakdown

	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
SH1	329,959	370,929	360,455	9.2	(2.8)	1,220,159	1,416,987	16.1
SH2	83,402	80,685	80,415	(3.6)	(0.3)	328,214	325,281	(0.9)
Brasilprev	110,334	94,821	114,227	3.5	20.5	380,242	451,464	18.7
Brasilcap	120,330	70,805	99,153	(17.6)	40.0	371,289	357,296	(3.8)
Other	3,710	2,059	3,266	(12.0)	58.6	8,142	8,050	(1.1)
Total	**647,734**	**619,299**	**657,517**	**1.5**	**6.2**	**2,308,045**	**2,559,078**	**10.9**

Figure 127 – BB Corretora | Brokerage revenues breakdown (%)

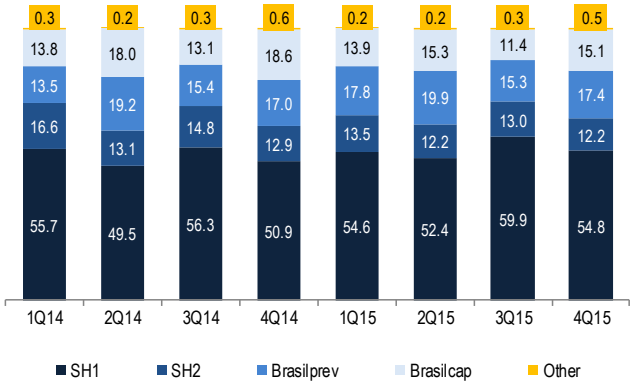


Figure 128 – BB Corretora | Unearned commissions breakdown (%)

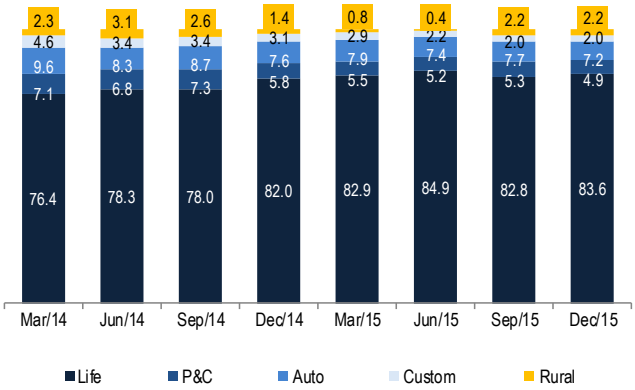
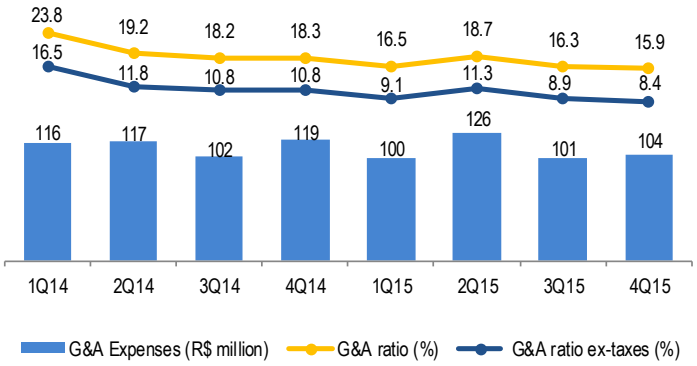


Figure 129 – BB Corretora | G&A expenses



4Q15 ANALYSIS

In the 4Q15, G&A expenses dropped by 12.1% YoY, driven by the 22.4% decrease in administrative expenses, largely explained by lower administrative cost of products, partially offset by the increase in expenses with reimbursement of operational support.

On the same comparable basis, personnel expenses presented a positive balance of R$202 thousand in 4Q15, against a negative R$2.1 million in 4Q14, explained by the migration of part of BB Corretora's staff to BB Seguridade holding. Tax expenses grew by 1.5%, in line with the increase in the brokerage revenues in the period.

2015 ANALYSIS

G&A expenses decreased by 5.1% in 2015 as a result of:

(i) the reduction of 13.7% in administrative expenses, due to lower expenses with administrative cost of products and with reimbursements of IT and operational support; and

(ii) the decrease of 74.9% in personnel expenses, explained by the migration of BB Corretora's staff to BB Seguridade holding.

In 2015, tax expenses grew by 11.1%, in line with the increase in brokerage revenues.

Table 104 – BB Corretora | General & Administrative expenses

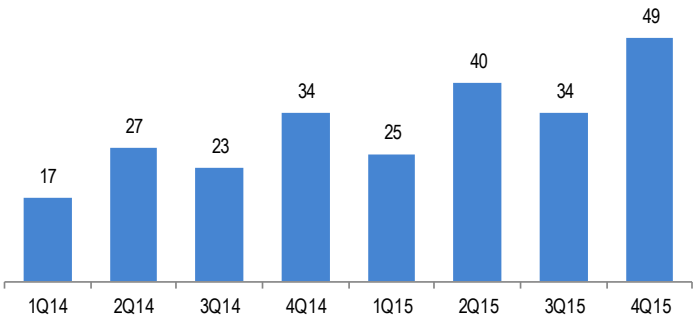
	Quarterly Flow			Chg. %		Annual Flow		Chg. %
R$ thousand	4Q14	3Q15	4Q15	On 4Q14	On 3Q15	2014	2015	On 2014
Administrative expenses	**(67,146)**	**(52,332)**	**(52,073)**	**(22.4)**	**(0.5)**	**(269,254)**	**(232,313)**	**(13.7)**
Administrative cost of products	(28,063)	(17,018)	(17,209)	(38.7)	1.1	(100,800)	(87,963)	(12.7)
Operational support	(24,171)	(27,058)	(26,613)	10.1	(1.6)	(116,727)	(108,711)	(6.9)
Information technology	(10,221)	(8,144)	(8,233)	(19.5)	1.1	(46,295)	(35,150)	(24.1)
Other	(4,692)	(112)	(18)	(99.6)	(83.9)	(5,432)	(489)	(91.0)
Tax expenses	**(48,406)**	**(45,677)**	**(49,133)**	**1.5**	**7.6**	**(170,652)**	**(189,513)**	**11.1**
Personnel expenses	**(2,121)**	**(307)**	**202**	**-**	**-**	**(7,859)**	**(1,976)**	**(74.9)**
Other operating income (expenses)	**(962)**	**(2,442)**	**(3,267)**	**239.7**	**33.8**	**(6,610)**	**(7,530)**	**13.9**
G&A Expenses	**(118,636)**	**(100,758)**	**(104,271)**	**(12.1)**	**3.5**	**(454,375)**	**(431,333)**	**(5.1)**

Table 105 – BB Corretora | Banco do Brasil distribution network

	Dec/14		Sep/15		Dec/15	
	Number of branches	Market share (%)	Number of branches	Market share (%)	Number of branches	Market share (%)
Banco do Brasil distribution network	**5,524**	**23.9**	**5,424**	**23.6**	**5,429**	**23.7**
Northeast	1,187	32.4	1,134	31.3	1,134	31.3
North	328	28.9	320	27.9	320	27.9
Midwest	494	26.7	482	26.3	482	26.3
South	1,084	24.8	1,064	24.5	1,064	24.7
Southeast	2,431	20.1	2,424	20.1	2,429	20.3

Source: Banco Central do Brasil

Figure 130 – BB Corretora | Net investment income (R$ million)



4Q15 ANALYSIS

In the 4Q15, the net investment income grew by 43.8% YoY, due to the increased average balance of interest earning assets in addition to the higher average yield on financial investments.

Financial income grew by 43.7%, driven by:

(i) the 2.9 p.p. increase in the yield on interest earning assets, driven by the higher average Selic rate; and
(ii) the 15.5% increase in the average balance of financial investments.

2015 ANALYSIS

In 2015, net investment income grew by 47.3% YoY explained by the increase in the average balance of interest earning assets in addition to the higher average yield on financial investments.

Financial income increased by 48.1% YoY, driven by:

(i) the 1.7 p.p. increase in the yield on interest earning assets, as a result of the higher average Selic rate; and
(ii) the 23.9% expansion in the average balance of financial investments.

Financial expenses grew by 52.4%, as a result of the increase in the average balance of dividends payable as well as the higher average Selic rate in the period, which is the rate used for the interest accrual on this liability.

Table 106 – BB Corretora | Quarterly figures – Earning assets average balance and interest rates

	4Q14			4Q15		
R$ thousand	Average balance	Revenues	Annualized rate (%)	Average balance	Revenues	Annualized rate (%)
Earning assets						
Cash and financial instruments	1,206,264	31,013	10.3	1,409,134	45,188	13.5
Other assets	144,960	2,751	7.6	155,208	3,348	8.9
Current tax assets	61,521	-	-	67,430	-	-
Total	**1,412,745**	**33,764**	**9.6**	**1,631,771**	**48,536**	**12.4**

Table 107 – BB Corretora | Quarterly figures – Interest bearing liabilities average balance and interest rates

	4Q14			4Q15		
R$ thousand	Average balance	Expenses	Annualized rate (%)	Average balance	Expenses	Annualized rate (%)
Interest bearing liabilities						
Dividends payable	345,344	-	-	382,533	-	-
Other liabilities	989	(15)	5.8	391	(9)	8.5
Total	**346,333**	**(15)**	**0.0**	**382,924**	**(9)**	**0.0**

Table 108– BB Corretora | Yearly figures – Earning assets average balance and interest rates

R$ thousand	2014			2015		
	Average balance	Revenues	Annualized rate (%)	Average balance	Revenues	Annualized rate (%)
Earning assets						
Cash and financial instruments	1,228,533	107,414	8.7	1,544,385	162,036	10.6
Other assets	140,109	10,380	7.4	150,597	12,582	8.4
Current tax assets	51,037	270	0.5	63,810	183	0.3
Total	**1,419,679**	**118,064**	**8.3**	**1,758,793**	**174,801**	**10.0**

Table 109 – BB Corretora | | Yearly figures – Interest bearing liabilities average balance and interest rates

R$ thousand	2014			2015		
	Average balance	Expenses	Annualized rate (%)	Average balance	Expenses	Annualized rate (%)
Interest bearing liabilities						
Dividends payable	595,337	(17,931)	3.0	727,876	(27,345)	3.8
Other liabilities	965	(43)	4.2	407	(23)	10.8
Total	**596,303**	**(17,974)**	**3.0**	**728,284**	**(27,368)**	**3.8**

BALANCE SHEET ANALYSIS

Table 110– Brokerage | Balance sheet

R$ thousand	Balance			Chg. %	
	Dec/14	Sep/15	Dec/15	On Dec/14	On Sep/15
Assets	**2,423,853**	**2,279,025**	**2,768,782**	**14.2**	**21.5**
Cash and cash equivalents	1,433,471	403,146	1,020,762	(28.8)	153.2
Securities	649	760,473	633,970	97,584.1	(16.6)
Current tax assets	105,548	116,256	112,319	6.4	(3.4)
Commission receivable	740,535	845,502	843,796	13.9	(0.2)
Other assets	143,650	153,648	157,935	9.9	2.8
Liabilities	**2,388,847**	**1,877,952**	**2,733,798**	**14.4**	**45.6**
Dividends payable	690,688	-	765,065	10.8	-
Provision	12,240	8,780	9,360	(23.5)	6.6
Current tax liabilities	209,570	201,473	221,503	5.7	9.9
Unearned commissions	1,451,940	1,646,721	1,717,550	18.3	4.3
Other liabilities	24,409	20,978	20,320	(16.8)	(3.1)
Shareholders' equity	**35,006**	**401,073**	**34,984**	**(0.1)**	**(91.3)**

6. DEFINITIONS

COMMON RATIOS

Adjusted ROAE[1] = adjusted net income / average equity;

Average volume = net Change - average rate

Average rate = (current period interest / current period balance) x (previous period balance) - (previous period interest)

Net change = current period interest - previous period interest

Assets annualized rate = interest revenues / average earning assets balance

Liabilities annualized rate = interest expenses / average interest bearing liabilities

[1] Annualized ratios.

INSURANCE

Loss Ratio = claims incurred / earned premiums;

Commission Ratio = acquisition costs / earned premiums;

Technical Margin = (earned premiums + policies issuance revenue + claims incurred + acquisition costs + result with reinsurance) / earned premiums;

G&A Ratio = (administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Combined Ratio = (policies issuance revenue + claims incurred + acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Expanded combined ratio = (policies issuance revenue + claims incurred + acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / (earned premiums + net investment income).

MANAGERIAL

Earned Premiums = premiums written – premiums written in raw reinsurance – changes in technical reserves – changes in expenses with reinsurance provisions;

Retained claims = claims incurred – indemnity claims (recovery) – claims expenses (recovery) – changes in claims provision IBNR – salvages assets – changes in claim provision IBNER PSL – change of expenses related of IBNR;

Commission = Acquisition costs – Commission return;

G&A expenses = administrative expenses + tax expenses + other operating income (expenses);

PENSION PLANS

Commission Ratio = acquisition cost / income and premiums contributions

Cost to income = (changes in other technical reserves + expenses with benefits, redemptions and claims + acquisition costs + administrative expenses + tax expenses + other operating income (expenses)) / (net revenues with contributions and VGBL premiums + revenues with management fee + earned premiums)

PREMIUM BONDS

Lottery Ratio = lottery results / net revenue with premium bonds;

Commission Ratio = acquisition costs / net revenue with premium bonds;

G&A Ratio = (administrative expenses + tax expenses + other operating income (expenses)) / net revenue with premium bonds;

Reserve quote = change in provision for redemption / premium bonds collection

Premium Bond Margin = result with premium bonds / net revenue with premium bonds;

Net Margin = adjusted net income / net revenue with premium bonds.

Spread = average yield on interest earning assets – average yield on interest bearing liabilities

REINSURANCE

Claim Ratio = claims incurred / earned premiums;

Commission Ratio = acquisition costs / earned premiums;

Technical Margin = (claims incurred + acquisition costs + result with reinsurance) / earned premiums;

G&A Ratio = (administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Combined Ratio = (claims incurred + acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Expanded combined ratio = (claims incurred + acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / (earned premiums + net investment income).

BROKERAGE

Adjusted Operational Margin = operational results / brokerage revenues;

Adjusted Net Margin = adjusted net income / brokerage revenues.