BANCO DO BRASIL
Seguridade

Conference Call – 4Q14 Earnings
February 11th, 2015

BBSEY
OTC Pink
ADR - Level I

BBSE3
NOVO MERCADO
BM&FBOVESPA

IBOVESPA
Índice Brasil 100 IBRX 100
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Disclaimer

This presentation contains statements about expectations, planned synergies, growth estimates, projections and future strategies on BB Seguridade, its affiliates and subsidiaries. Although these statements reflect management's current beliefs, they involve risks and uncertainties that are difficult to predict and may thus be consequences or results to differ from those anticipated and discussed herein. These expectations are highly dependent on market conditions, the overall economic performance of the country, sector and international markets. The information presented follow the IFRS accounting standard, unless stated during the presentation. The Company does not undertake to update any estimate contained in this presentation. Whenever comparisons with the market, both the data of BB Seguridade and industry are sourced from SUSEP. Changes are calculated based on whole numbers.

Highlights

BB Seguridade adjusted net income reached R$ 3.2 billion in 2014, 43% higher than 2013

- Adjusted ROAE of 49.8% in the year

Premiums written, pension plans contributions and premium bonds collections amounted to R$ 54 billion, growth of 25% over 2013

- Highlighting Brasilprev, with an increase of 35%

SH1 adjusted combined ratio improved in 2014

- The adjusted combined ratio reached 73% in 2014 (- 2.5 p.p. vs. 2013)

SH2 showed a decrease in the G&A ratio

- The G&A ratio reached 18% in 2014 (- 1.2 p.p. vs. 2013)

Brasilprev achieved R$ 112 billion in assets under management, 34% higher than 2013

- Net inflow reached R$ 20.5 billion in 2014, equivalent to 54% of total net inflow in the market

Brasilcap reported adjusted net income of R$ 324 million in 2014, growth of 145% when compared to 2013

- Highlighting the better operational result and financial margin

Brokerage revenues amounted to R$ 2.3 billion in 2014, growth of 31% when compared to 2013

- Highlights to revenues from pension plans (+ 38%) and insurance in SH1 (+ 37%)

Distribution of R$ 2.8 billion as dividends

- Distribution equivalent to an 80% payout

BB Seguridade and Market (11M14 vs. 11M13)

Segments	BB Seguridade	Market (ex-BB Seguridade	Market
SH1 - Premiums Written 1°			
Life[1]	**10.8%**	**-1.6%**	**0.9%**
Rural	**37.0%**	**25.9%**	**33.8%**
Mortgage Life	**20.2%**	**22.2%**	**22.0%**
TOTAL[2]	**17.1%**	**1.3%**	**4.9%**
SH2 - Premiums Written 2°			
Vehicles	**9.3%**	**10.1%**	**10.0%**
Casualties	**17.8%**	**8.8%**	**9.9%**
TOTAL[2]	**12.2%**	**9.6%**	**9.9%**
BRASILPREV 1°			
Contribution	**34.3%**	**0.3%**	**10.9%**
Net Inflow[3]	**49.2%**	**55.3%**	**52.0%**
BRASILCAP 1°			
Collection	**7.3%**	**4.2%**	**5.1%**
TOTAL 1°			
Premiums, contribution and collection	**24.2%**	**7.2%**	**11.3%**

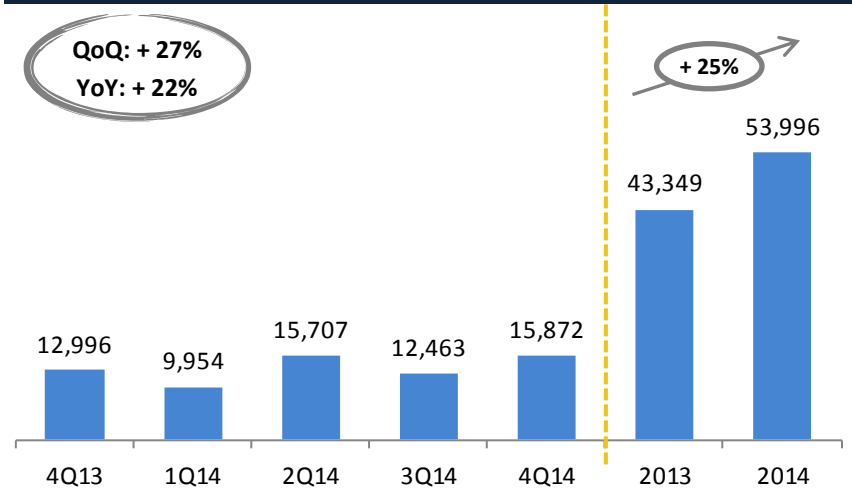
Source: SUSEP
1 – Item "Life" includes the segments life and credit life
2 – Excluding the segment "Other" (Affinity, DPVAT and others)
3 – Total net inflow of 2014

Extraordinary Events

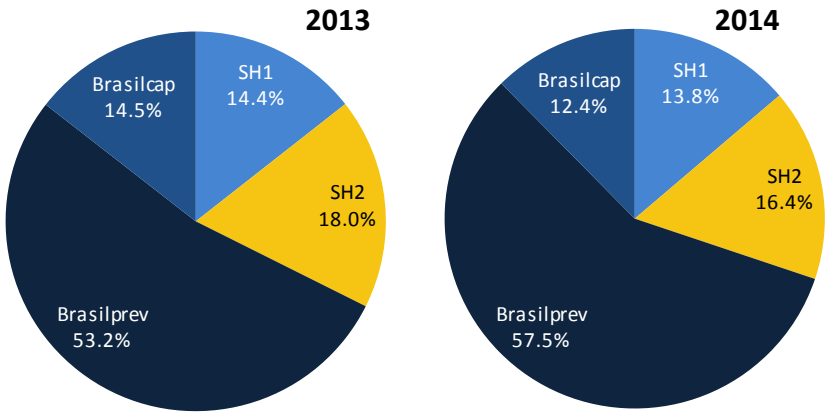
R$ MM Adjustments	4Q13	3Q14	4Q14	2013	2014
Net Income	**904**	**822**	**1,140**	**2,474**	**3,457**
SH1: REFIS	83	-	-	83	-
SH1: IBNER	(22)	-	-	(22)	-
SH2: REFIS	108	-	-	108	-
SH2: IBNER	(13)	-	-	(13)	-
BB Corretora: new comissions	-	-	-	(30)	-
BB Corretora: tax expenses on new commissions	-	-	-	2	-
BB Corretora: REFIS - Operating Revenues	74	-	-	74	-
BB Corretora: REFIS - Financial Expenses	(68)	-	-	(68)	-
Tax effects REFIS	6	-	-	6	-
Brasilprev: Reversal of Provisions	-	-	196	-	196
Brasilcap: changes in the accounting method	-	-	-	35	-
IRB: PIS/COFINS - Revaluation of provision	27	-	39	27	39
Tax effects on extraordinary events	-	-	-	9	-
Adjusted Net Income	**707**	**822**	**906**	**2,260**	**3,223**

BB Seguridade Performance

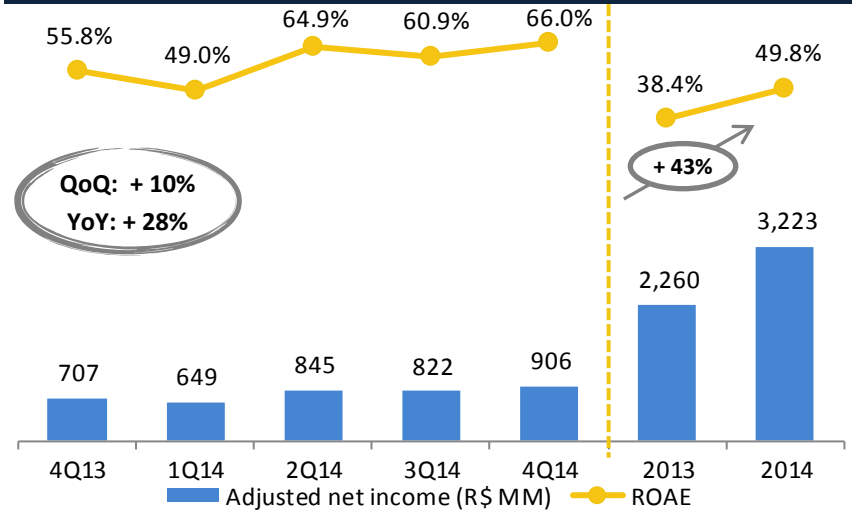
PREMIUMS, CONTRIBUTIONS AND COLLECTIONS[1] (R$ MM)



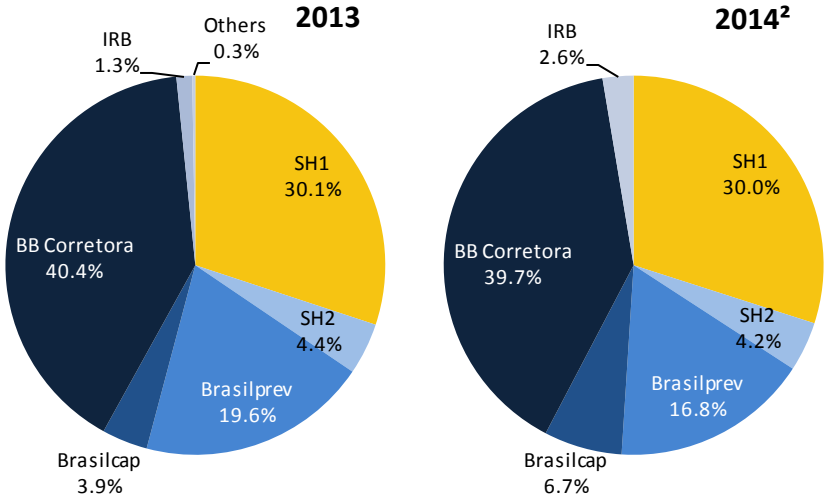
BREAKDOWN OF PREMIUMS, CONTRIBUTIONS AND COLLECTIONS[1]



PROFITABILITY



EARNINGS BREAKDOWN

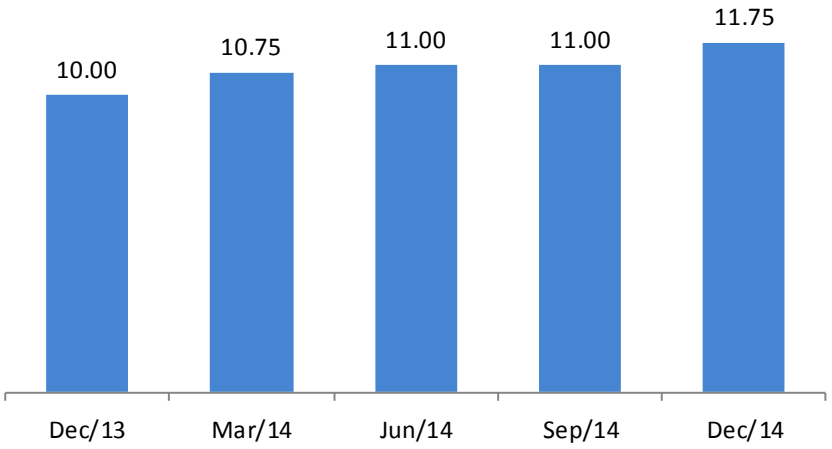


1. Premiums written, pension plans contributions and premium bonds collections

2. Excluding the results related to Brasildental and Holding's revenues and expenses

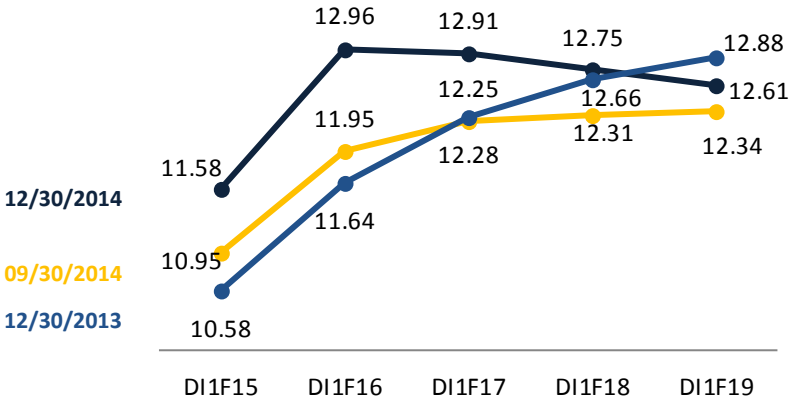
Net Investment Income

SELIC RATE (%)



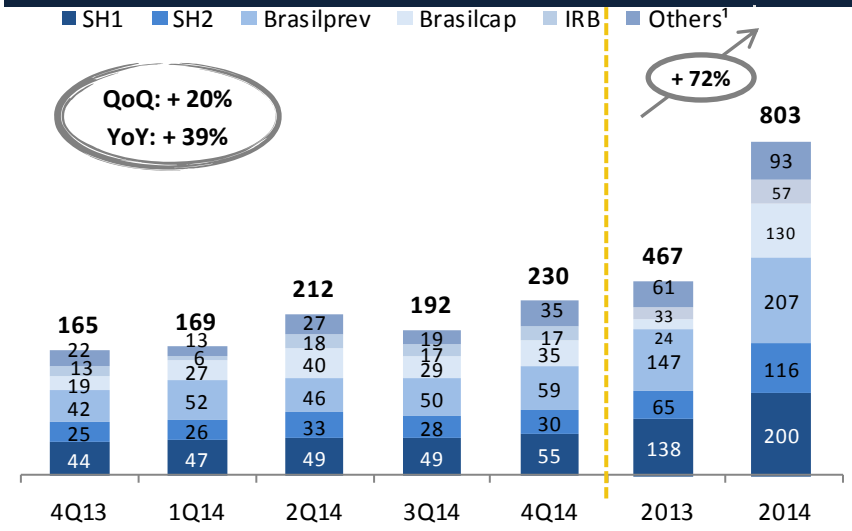
Source: Focus - Bacen do Brasil

FORWARD YIELD CURVE (%)



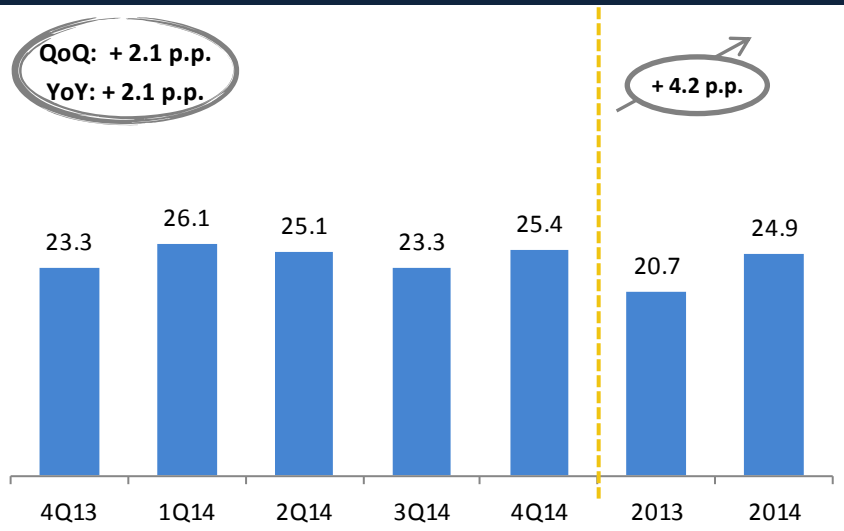
Source: ValorPro

NET INVESTMENT INCOME (R$ MM)



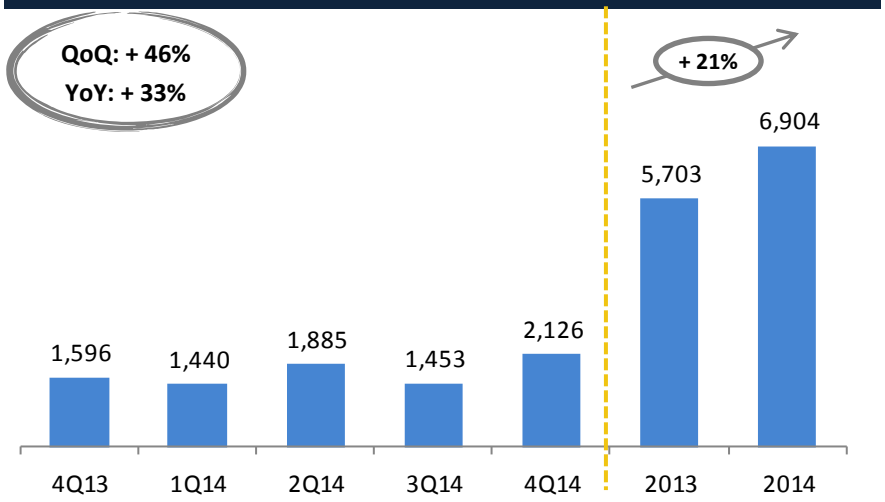
1 - BB Corretora + Holding

CONTRIBUTION OF NET INVESTMENT INCOME IN THE EARNINGS (%)



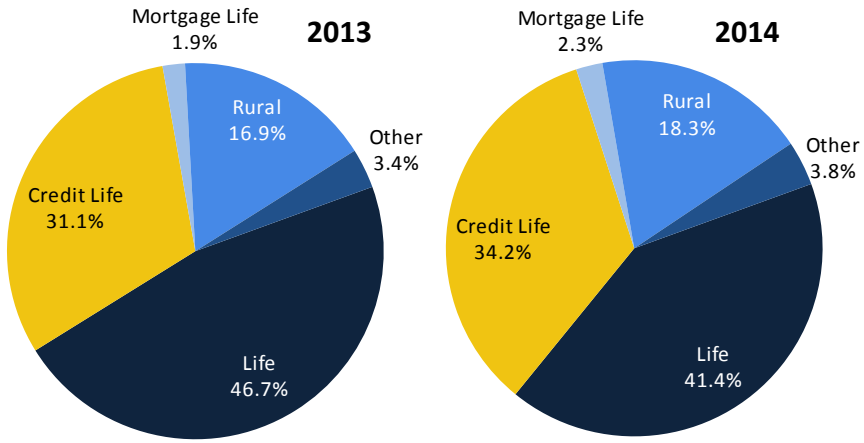
BB Mapfre SH1

RETAINED PREMIUMS[1] (R$ MM)

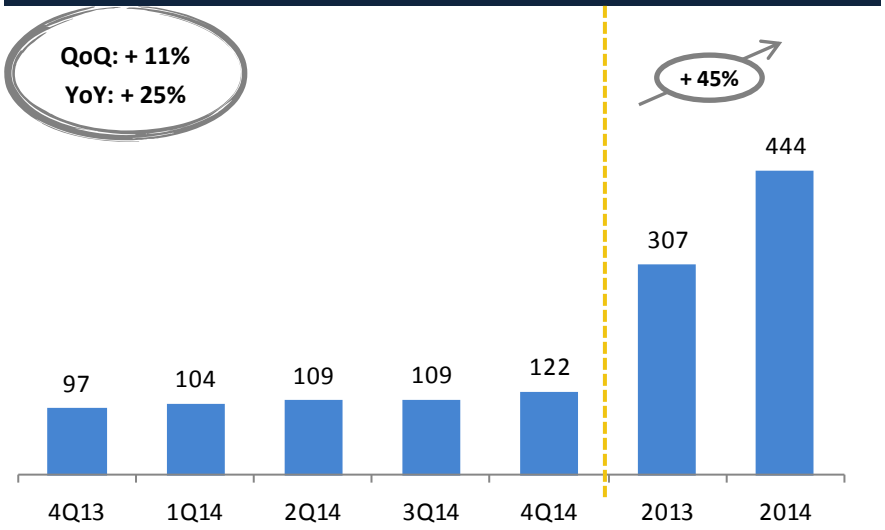


1 – Net of premiums ceded to reinsurance

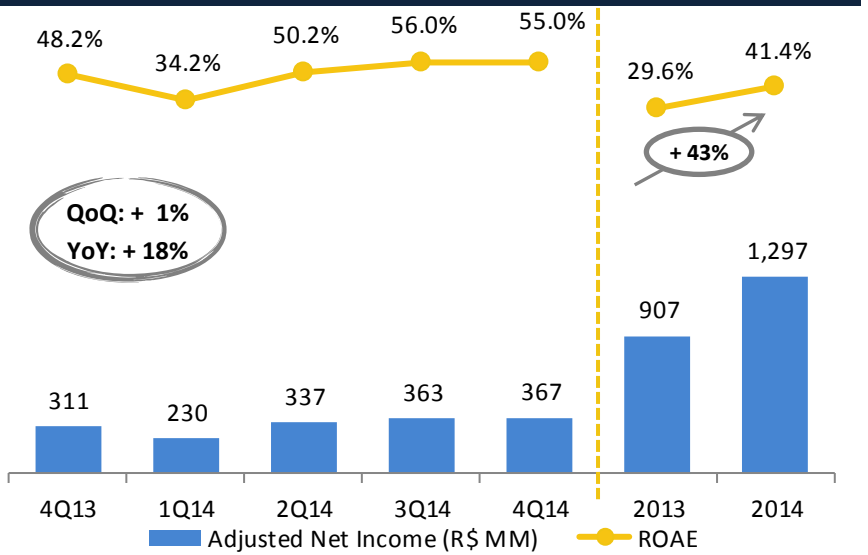
BREAKDOWN OF RETAINED PREMIUMS



NET INVESTMENT INCOME (R$ MM)

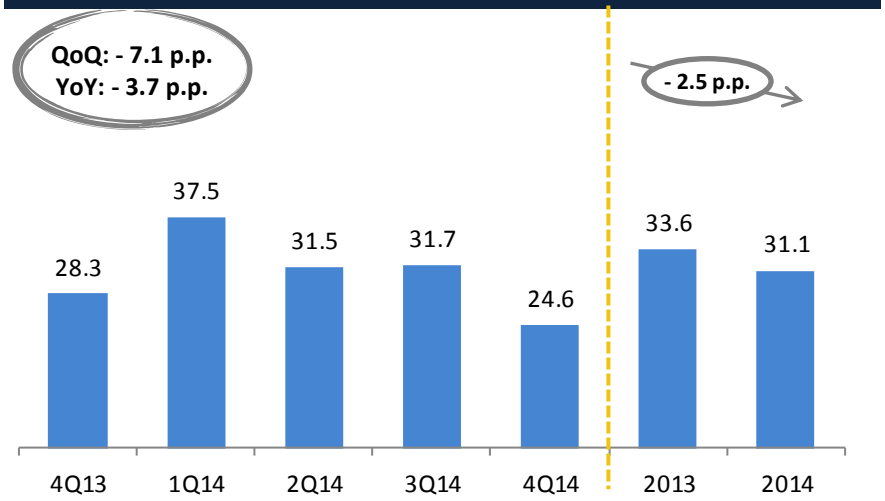


PROFITABILITY

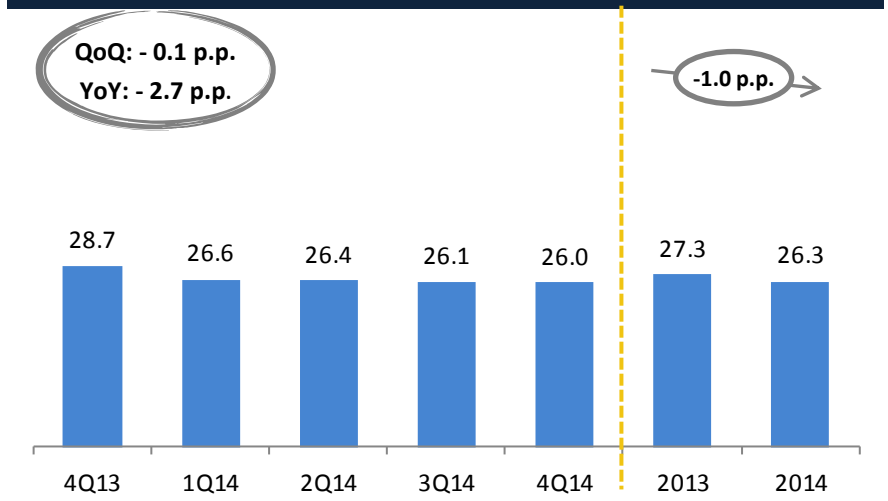


BB Mapfre SH1 – Performance Ratios [1]

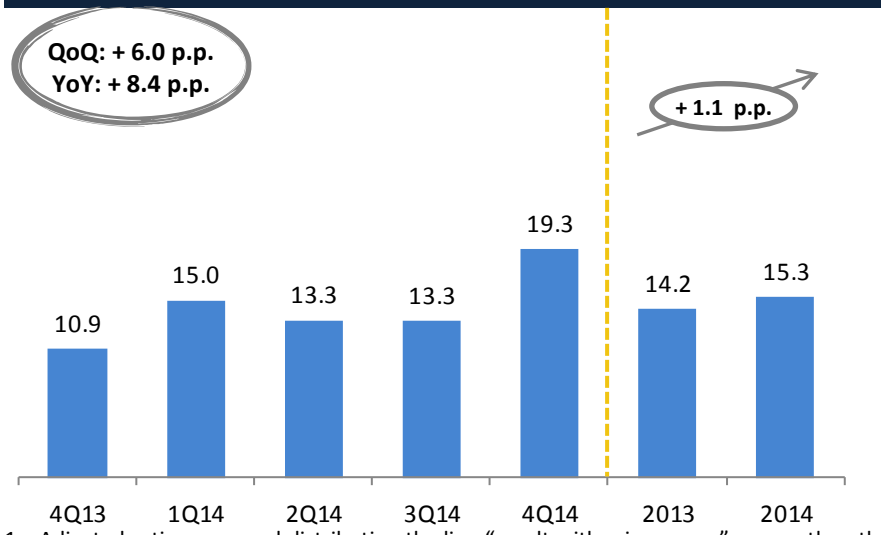
LOSS RATIO (%)



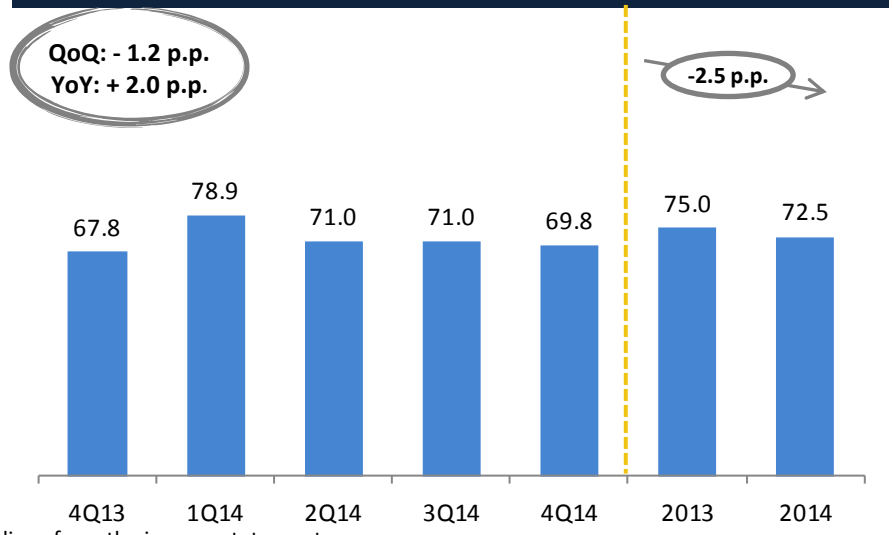
COMISSION RATIO (%)



G&A RATIO (%)



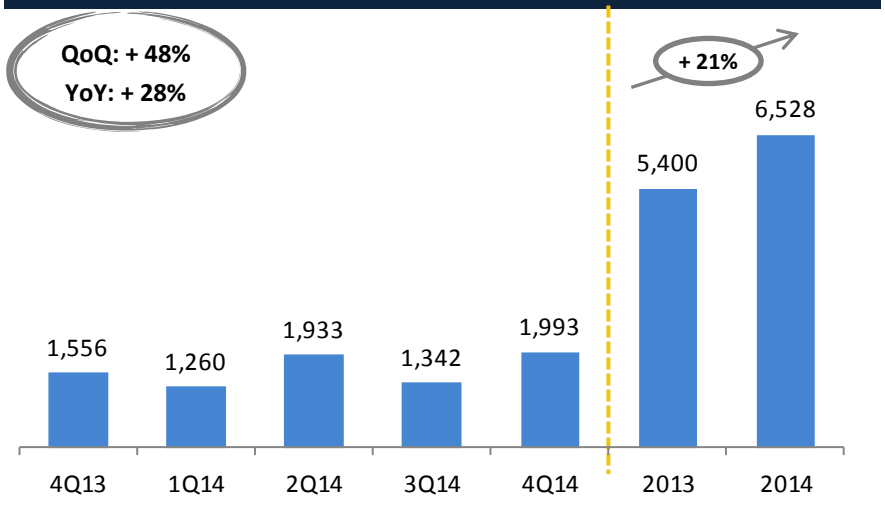
COMBINED RATIO (%)



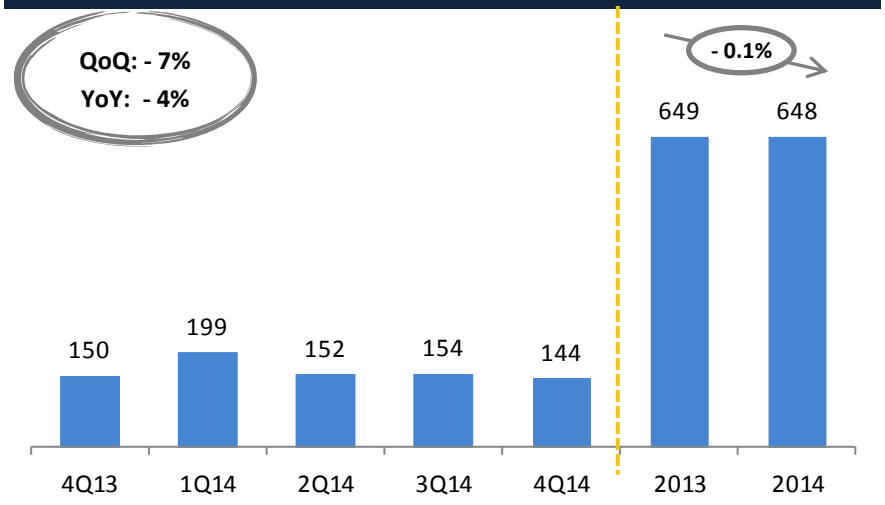
1 – Adjusted ratios prepared distributing the line "result with reinsurance" among the other lines from the income statement

BB Mapfre SH1

PREMIUMS WRITTEN BANCASSURANCE (R$ MM)

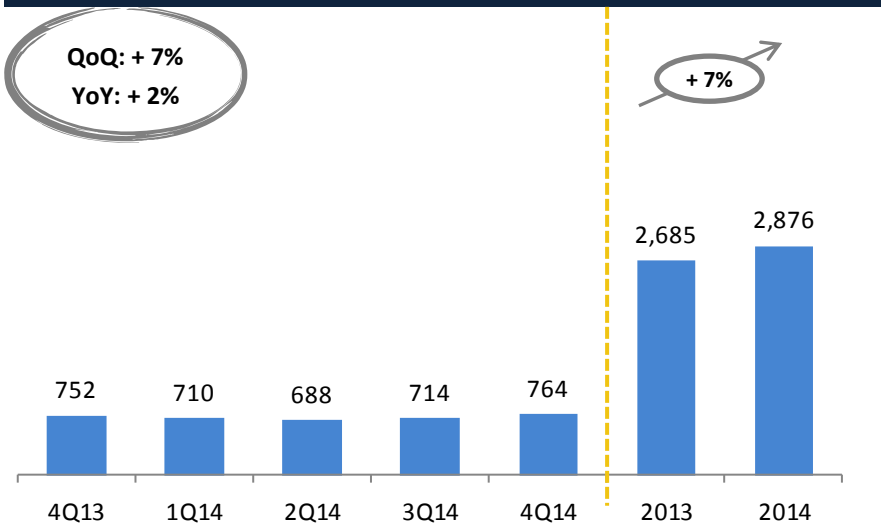


PREMIUMS WRITTEN OTHER CHANNEL[1] (R$ MM)



1 – Excluding DPVAT

PREMIUMS WRITTEN | LIFE (R$ MM)

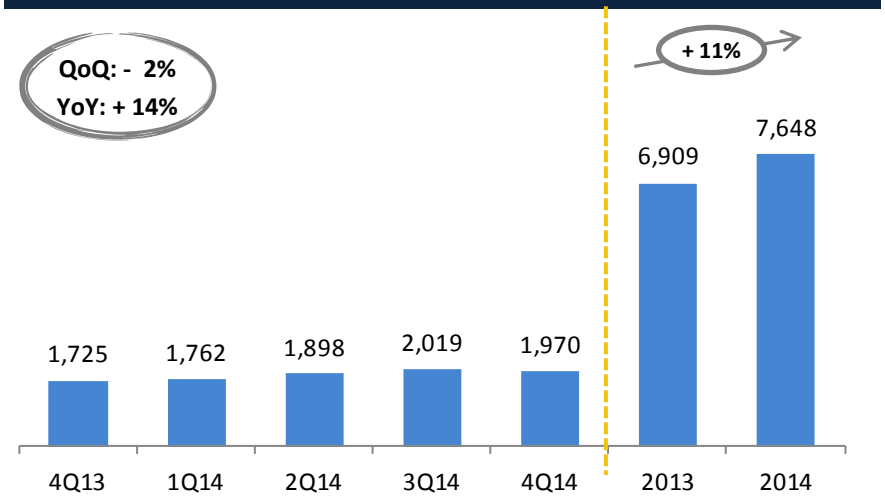


PREMIUMS GROWTH | LIFE (R$ BI) – SH1 vs. MARKET



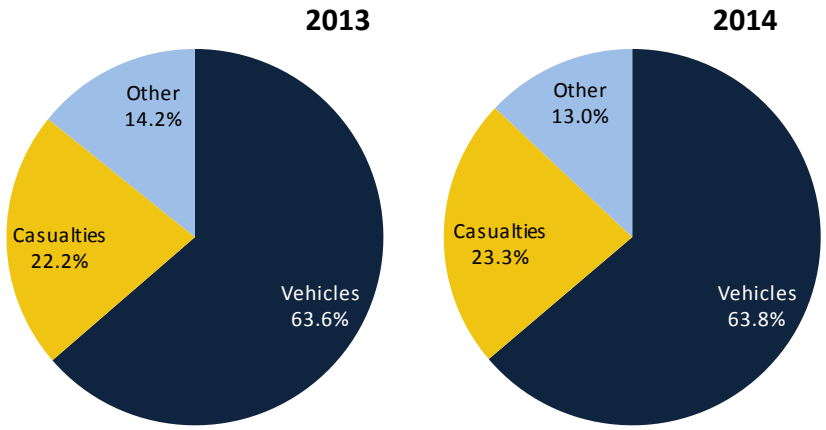
Mapfre BB SH2

RETAINED PREMIUMS[1] (R$ MM)

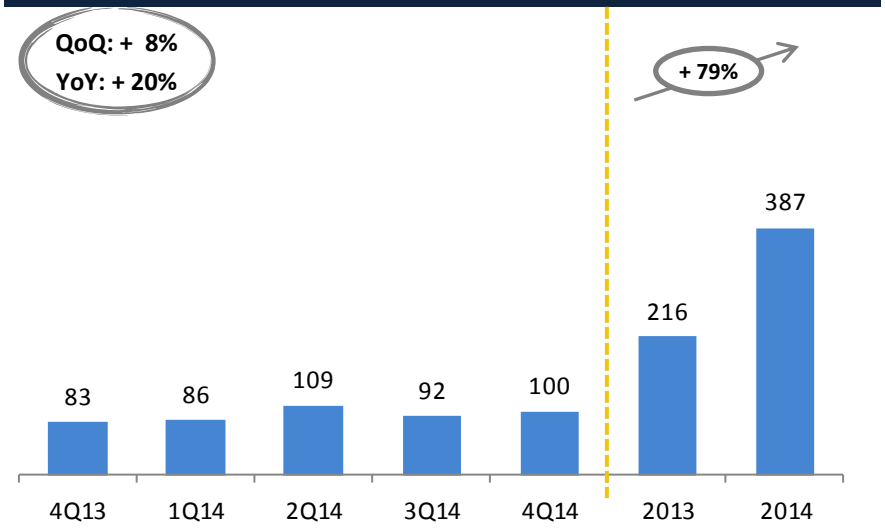


1 – Net of premiums ceded to reinsurance

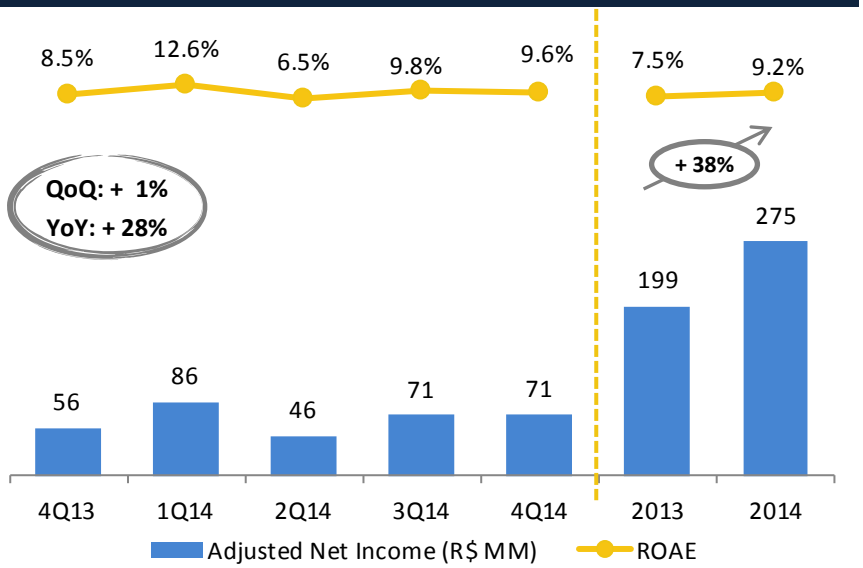
BREAKDOWN OF RETAINED PREMIUMS



NET INVESTMENT INCOME (R$ MM)

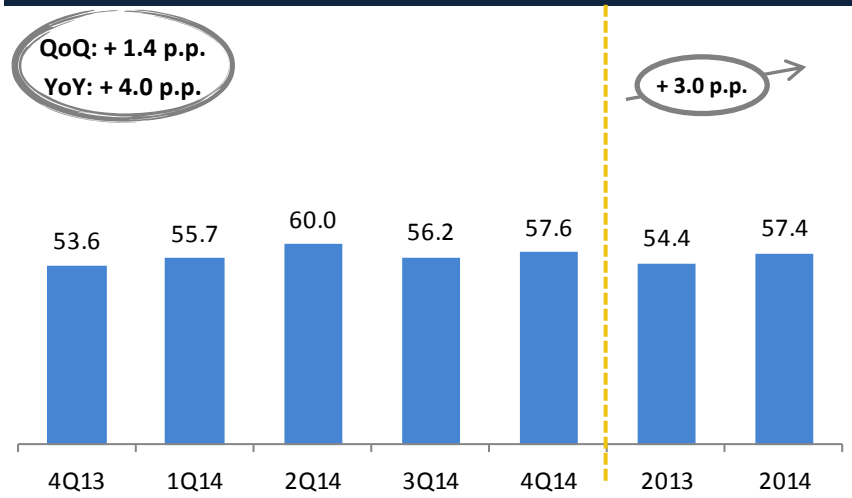


PROFITABILITY

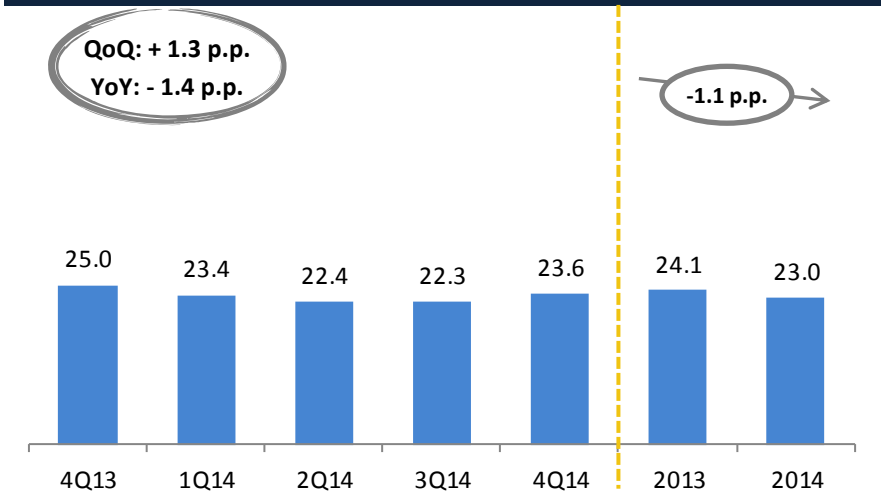


Mapfre BB SH2 – Performance Ratios[1]

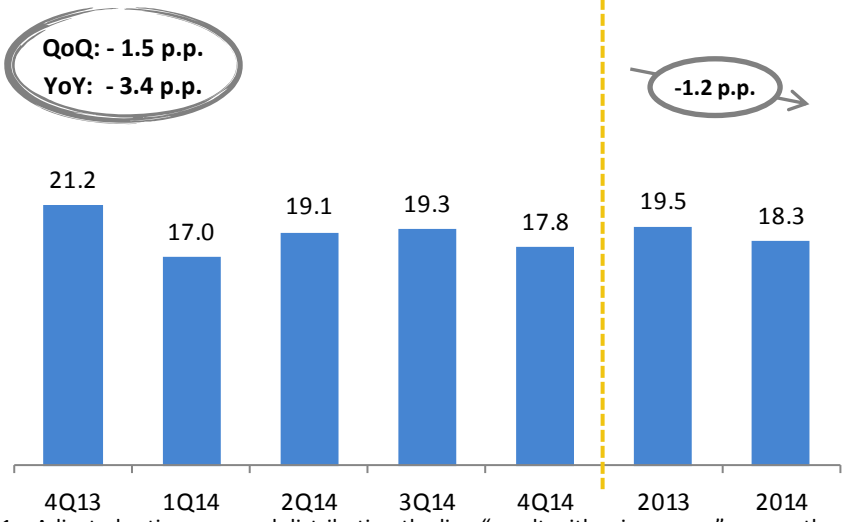
LOSS RATIO (%)



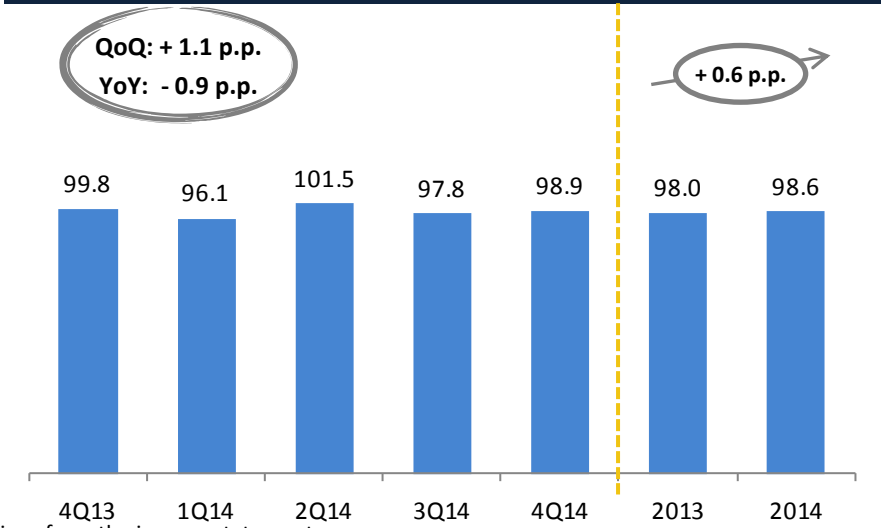
COMISSION RATIO (%)



G & A RATIO (%)



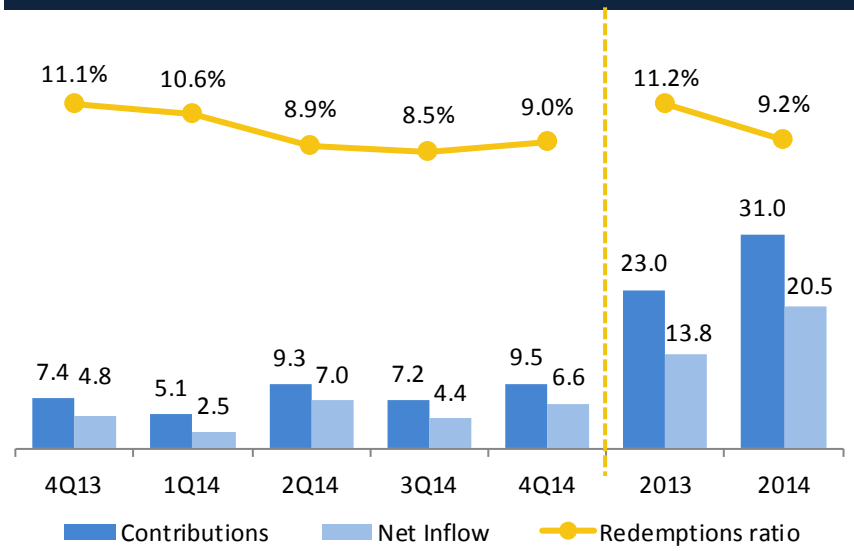
COMBINED RATIO (%)



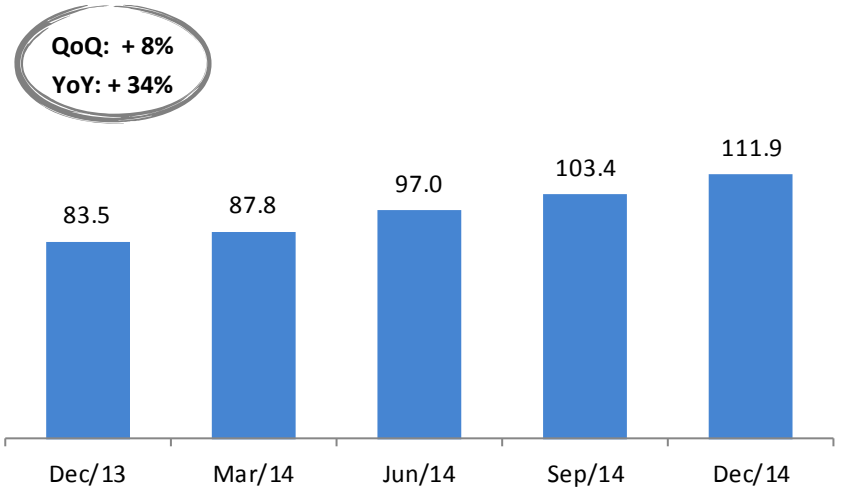
1 – Adjusted ratios prepared distributing the line "result with reinsurance" among the other lines from the income statement

Brasilprev

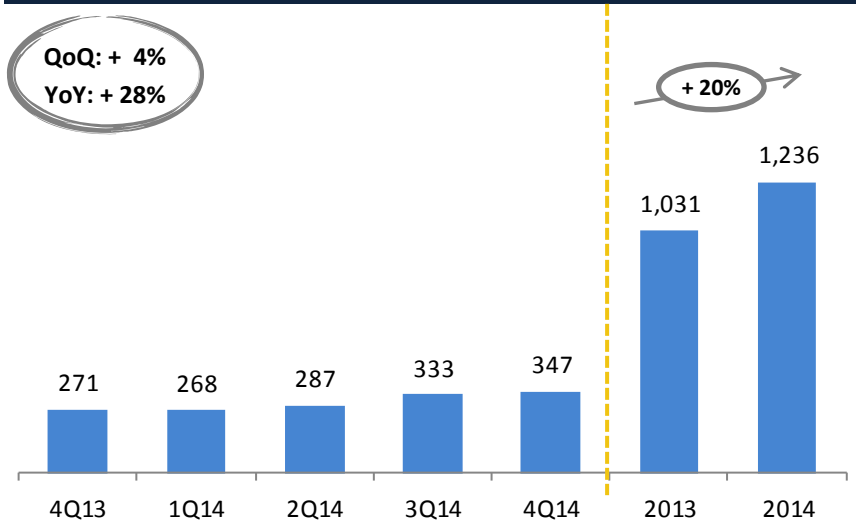
CONTRIBUTIONS & NET INFLOW (R$ BI)



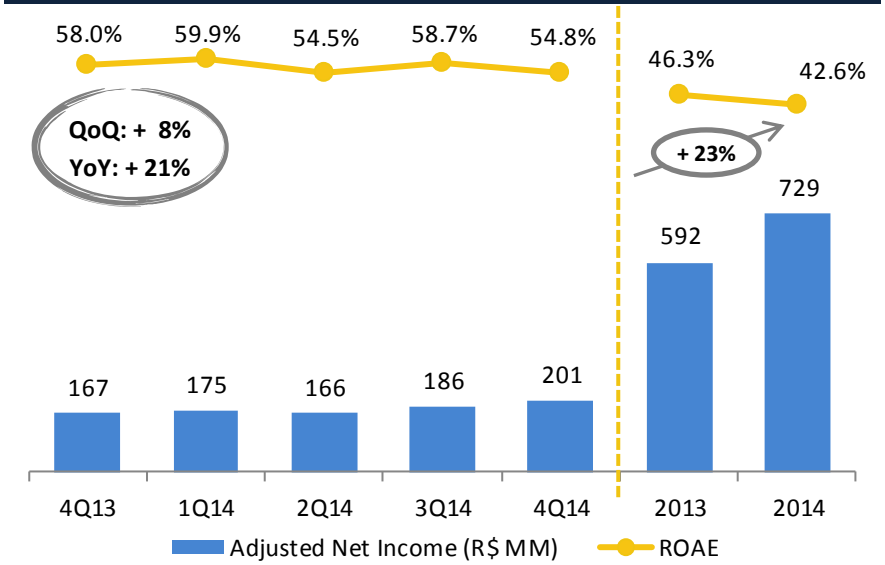
RESERVES (R$ BI)



MANAGEMENT FEE (R$ MM)

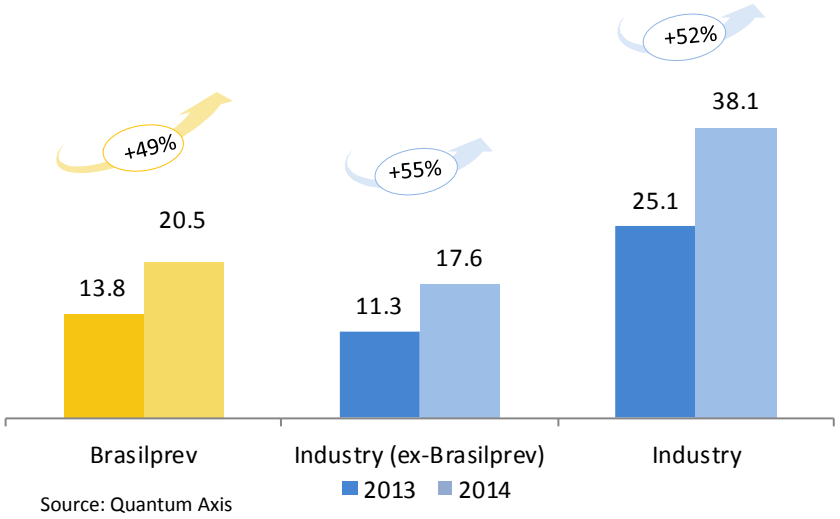


PROFITABILITY



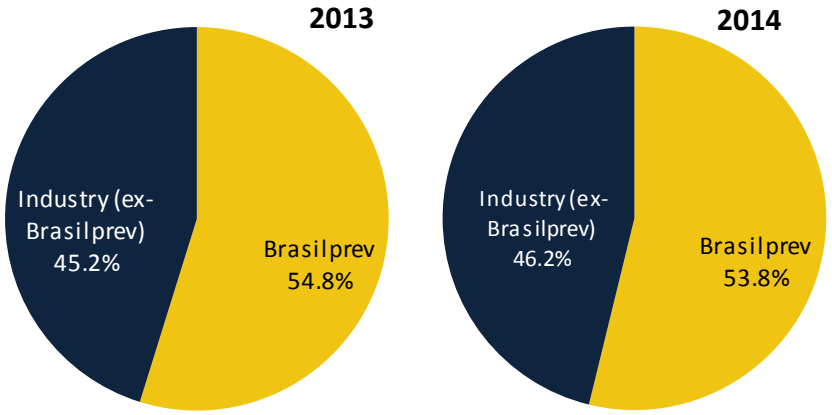
Brasilprev vs. Market

NET INFLOW (R$ BI)

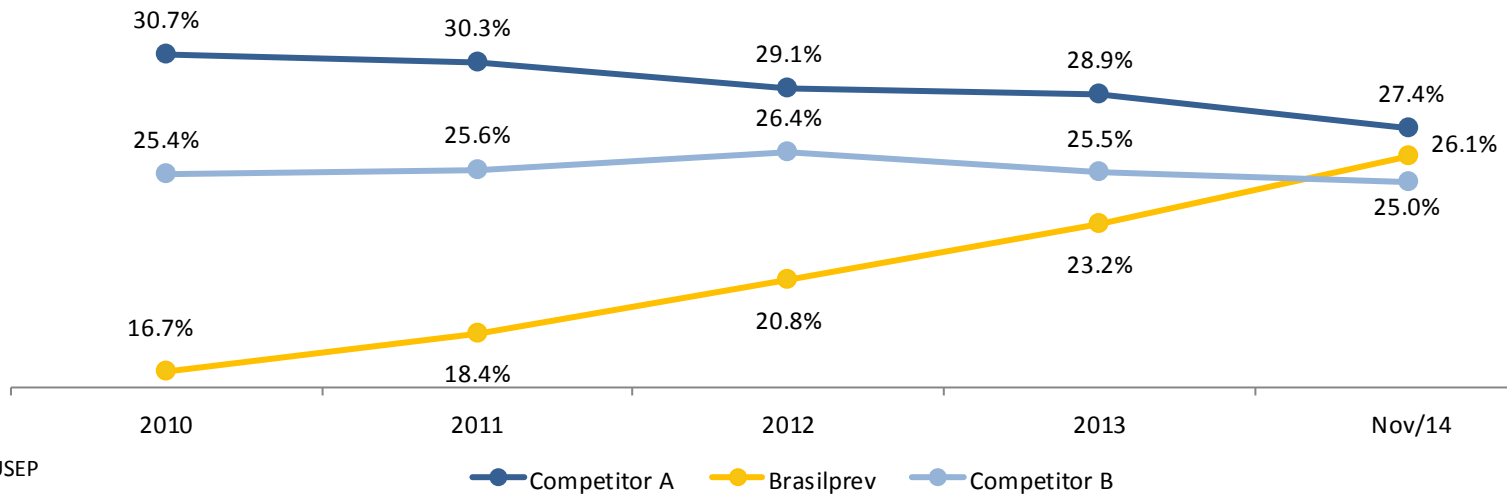


Source: Quantum Axis

MARKET SHARE – NET INFLOW



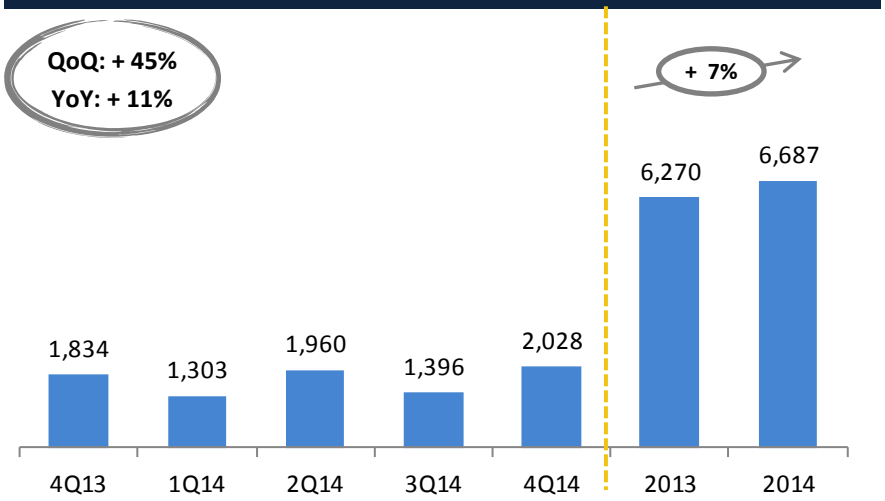
MARKET SHARE ASSET UNDER MANAGEMENT | P/VGBL (%)



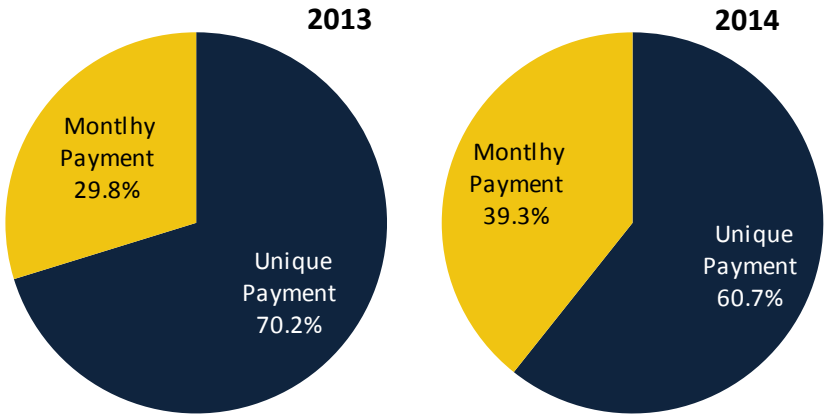
Source: SUSEP

Brasilcap

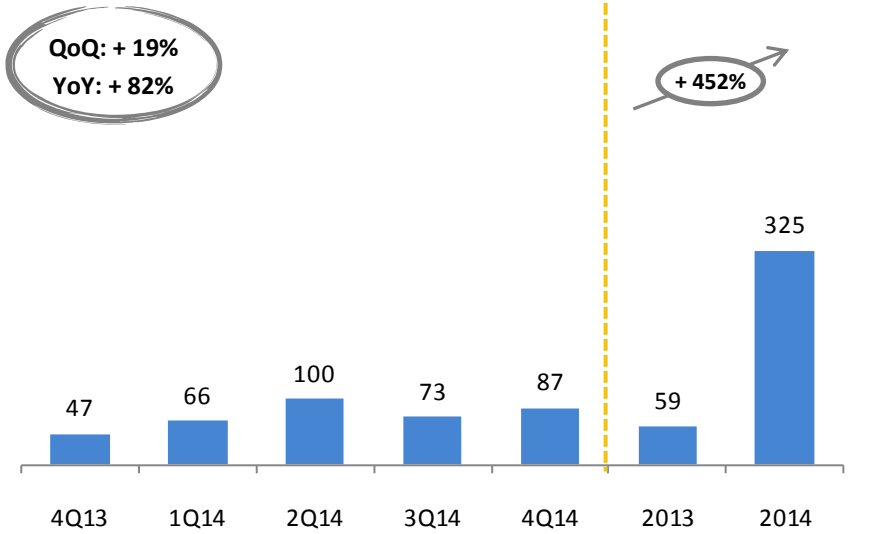
PREMIUM BONDS COLLECTION (R$ MM)



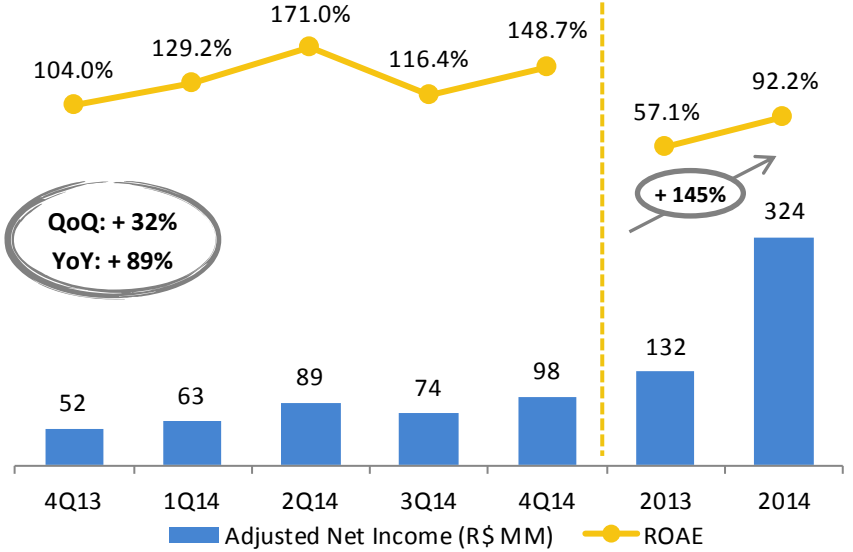
BREAKDOWN OF COLLECTION



NET INVESTMENT INCOME (R$ MM)

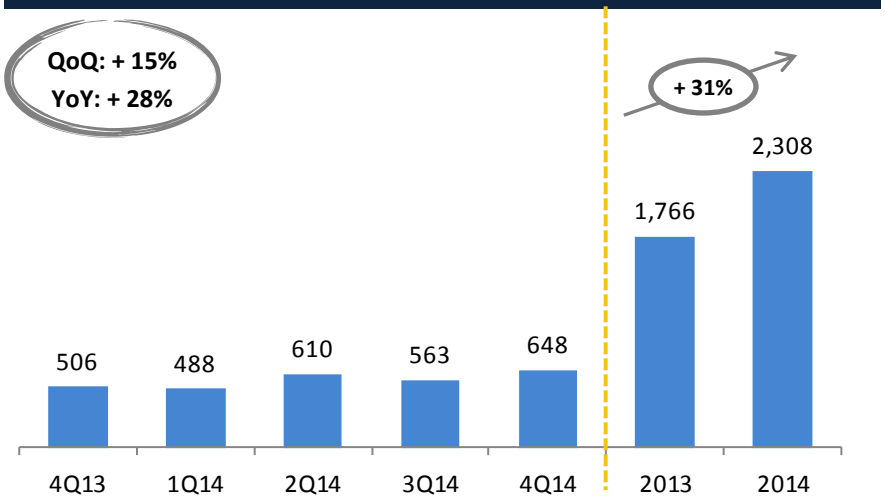


PROFITABILITY

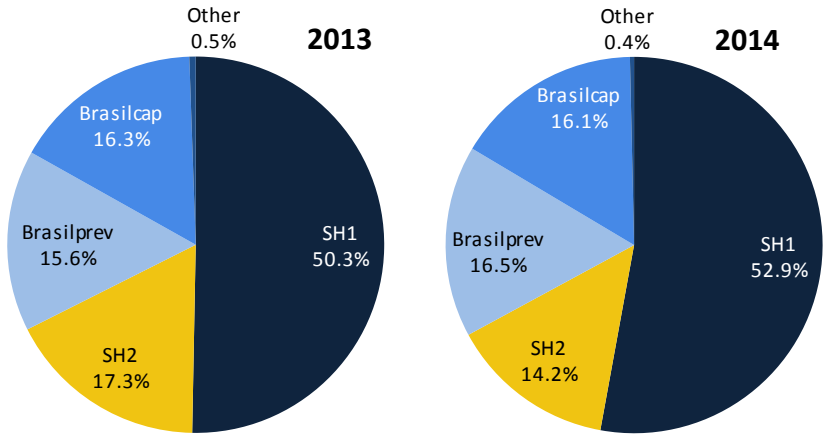


BB Corretora

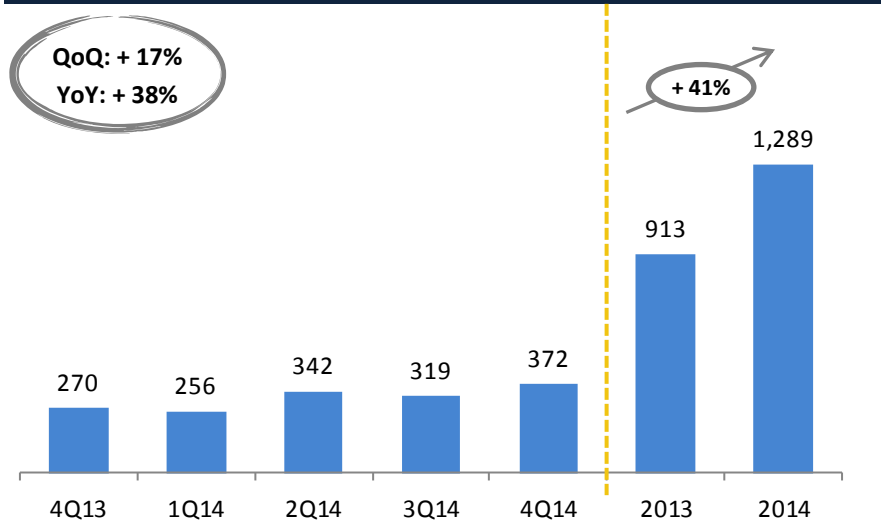
INCOME BROKERAGE (R$ MM)



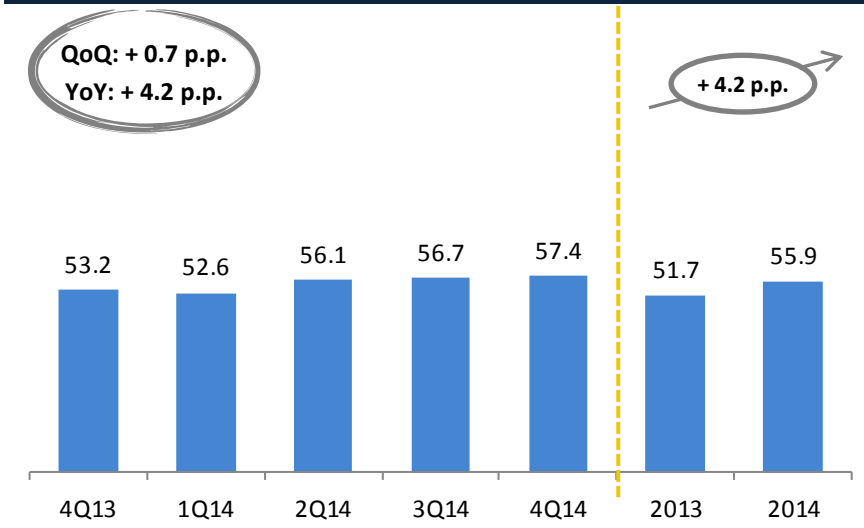
BREAKDOWN OF INCOME BROKERAGE



ADJUSTED NET INCOME (R$ MM)



ADJUSTED NET MARGIN (%)



Guidance 2014

Ratio	2014 Estimates	2014 Performance
BB Seguridade - Adjusted ROAE	44% - 49%	49.8%
Premiums written growth - BB Mapfre SH1	24% - 32%	19.0%
Premiums written growth - Mapfre BB SH2	12% - 15%	13.5%
Contribution growth - Pension Plans	33% - 47%	34.7%
Collection growth - Premium Bonds	3% - 6%	6.7%

1 – Adjusted ROAE calculated by deducting the total distribution of dividends .

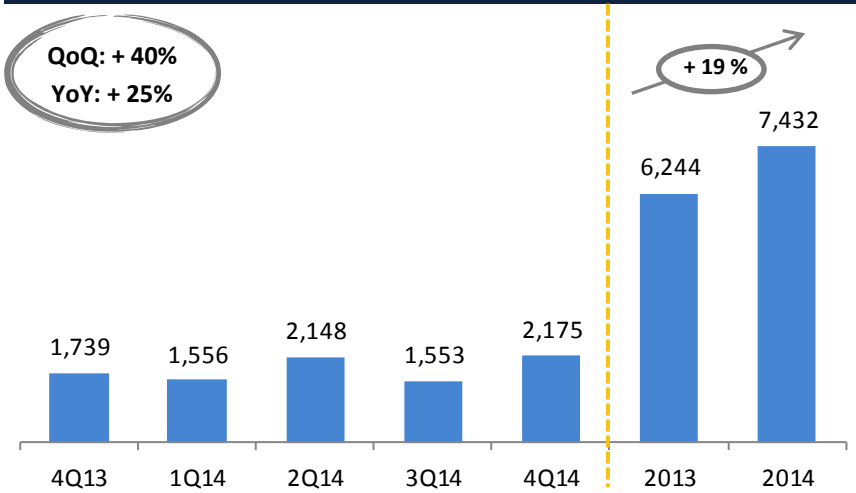
Guidance 2015

Ratio	2015 Estimates
BB Seguridade - Adjusted Net Income (R$ MM)	3.600 - 3.900
Premiums written growth - BB Mapfre SH1	15% - 21%
Reserves P/VGBL - Brasilprev	27% - 36%

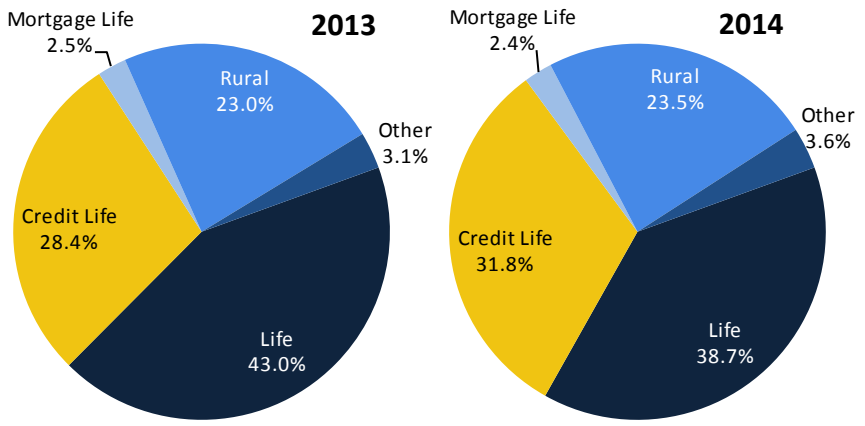
Appendix

BB Mapfre SH1

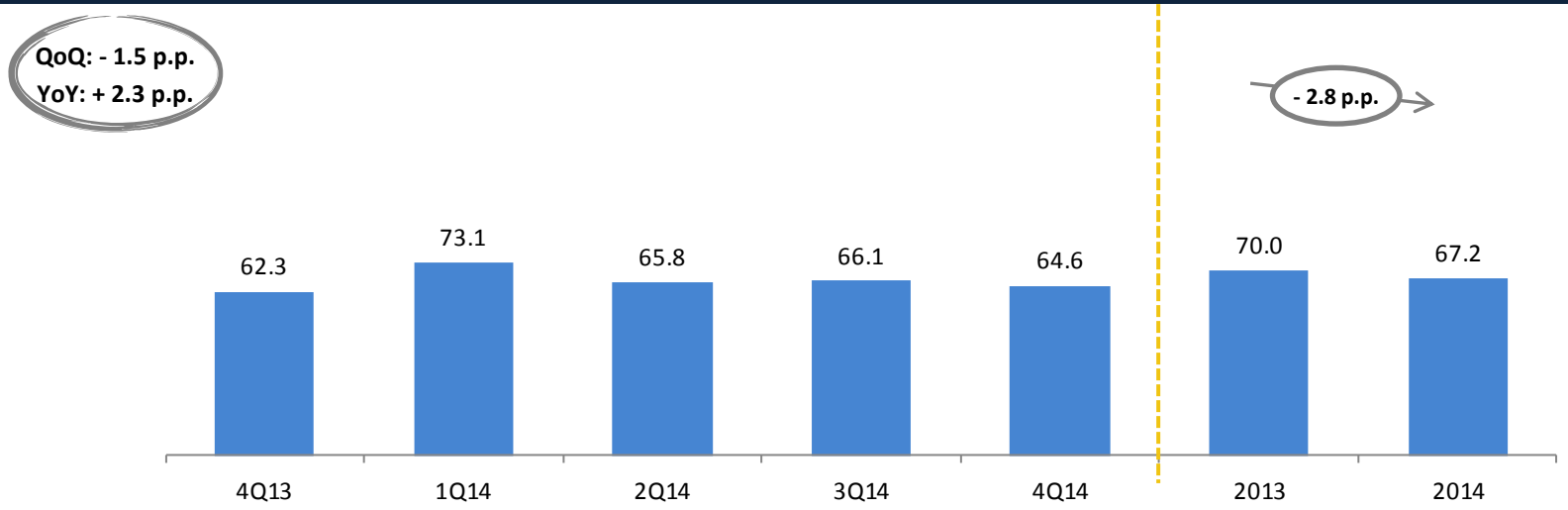
PREMIUMS WRITTEN (R$ MM)



BREAKDOWN OF PREMIUMS WRITTEN

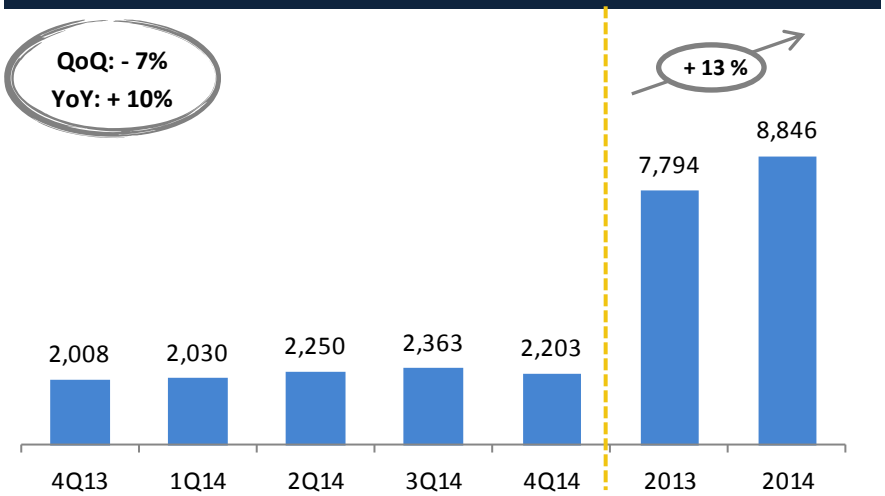


EXPANDED ADJUSTED COMBINED RATIO[1] (%)

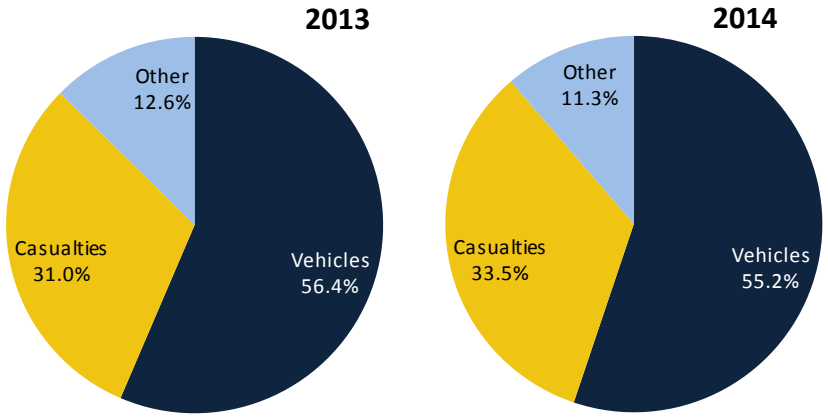


Mapfre BB SH2

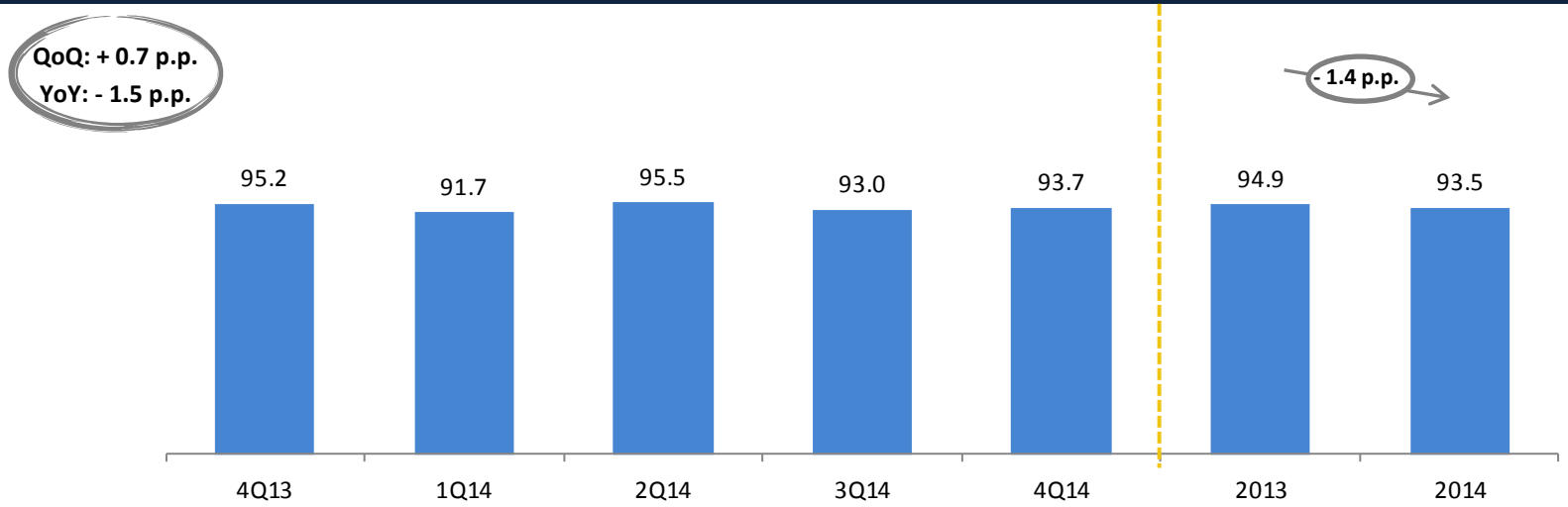
PREMIUMS WRITTEN (R$ MM)



BREAKDOWN OF PREMIUMS WRITTEN



EXPANDED COMBINED RATIO[1] (%)



1 – Adjusted ratio prepared distributing the line "result with reinsurance" among the other lines from the income statement

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