Financial Statements

1st Quarter 2017



INDEX

Management comments on performance **01**

Consolidated Financial Statements **03**
Statement of Income 03
Statement of Comprehensive Income 04
Balance Sheet 05
Statement of Cash Flows 06
Statement of Changes in Equity 07
Statement of Value Added 08

Notes to the Consolidated Financial Statements **09**
Note 1 – Operations 09
Note 2 – Acquisitions, Disposals and Corporate Reestructurings 09
Note 3 – Presentation of Financial Statements 10
Note 4 – Significant Accounting Practices 12
Note 5 – Risk Management 13
Note 6 – Information by Segment 32
Note 7 – Cash and Cash Equivalents 36
Note 8 – Financial Instruments 36
Note 9 – Investment in Associates 38
Note 10 – Dividends/Interest on Equity Capital Receivable 46
Note 11 – Taxes 47
Note 12 – Commissions receivable 49
Note 13 – Other Assets 49
Note 14 – Dividends Payable 49
Note 15 – Provisions and Contingent Liabilities 49
Note 16 – Unearned Commissions 51
Note 17 – Other Liabilities 51
Note 18 – Equity 51
Note 19 – Financial Income 55
Note 20 – Personnel Expenses 56
Note 21 – Administrative Expenses 56
Note 22 – Other Operating Income/(Expense) 56
Note 23 – Commissions Income 57
Note 24 – Related Party Transactions 57
Note 25 – Other Information 59

Report of Independent Auditors for Financial Statements

Members of the Management Bodies

BANCO DO BRASIL
Seguridade

ITR – Management Comments on Performance

Dear Shareholders,

BB Seguridade Participações S.A. reported a net income of R$992.8 million in the first quarter of 2017, 3.7% higher year-over-year, driven by the increase in the equity income.

Equity Income

	Parent		
	1Q16	1Q17	Var%
EQUITY INCOME	**966,901**	**997,857**	**3.2**
BB MAPFRE SH1	284,536	293,619	3.2
MAPFRE BB SH2	25,248	(2,285)	(109.1)
Brasilprev	167,105	186,277	11.5
Brasilcap	90,040	69,085	(23.3)
IRB Brasil-RE	40,720	45,945	12.8
BB Corretora	370,508	404,875	9.3
Brasildental	612	1,477	141.3
Other	(11,868)	(1,136)	-90.4

In the first quarter of 2017, the equity income amounted to R$997.9 million, 3.2% higher year-over-year, explained mainly by:

(i) the 9.3% growth in the equity income from BB Corretora, driven by higher brokerage revenues arising from BB MAPFRE SH1 and Brasilprev;
(ii) the 11.5% increase in the equity income from Brasilprev, as a result of higher revenues with management fees; and
(iii) the 3.2% growth in the equity income from BB MAPFRE SH1, explained by the improvement in the combined ratio.

On the other hand, the improvement described in the aforementioned items was partially offset by the decline in the equity income arising from Brasilcap and MAPFRE BB SH2, mostly explained by the reduction of the net investment income of these two companies.

RELATIONSHIP WITH INDEPENDENT AUDITORS

According to the CVM Rule 381/03, we hereby inform that during the first quarter of 2017 BB Seguridade used the independent audit services provided by KPMG Auditores Independentes through a contract maintained by its controlling shareholder Banco do Brasil S.A.

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

In the first quarter of 2017, the contract maintained by Banco do Brasil S.A. with KPMG Auditores Independentes was amended extending the end term and increasing the total fee. Below is the information of the contract after the signature of the amendment:

Company	Start	End	Services	Total Fee (R$)
Banco do Brasil S.A.	03/17/2016	03/21/2018	Independent audit on the financial statements of Banco do Brasil Conglomerate, prepared in accordance with IFRS and Brazilian accounting practices.	28,158,560.33

Regarding to BB Seguridade's subsidiaries and affiliates, the Company reports the following contract, which began in the first quarter of 2017:

Company	Start	End	Services	Total Fee (R$)
Brasildental Operadora de Planos Odontológicos S.A.	03/28/2017	03/31/2017	Audit report of the Cash Flow Statement	10,000.00

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

STATEMENT OF INCOME

R$ thousand (except earnings per share)

	Note	Parent		Consolidated	
		1st Quarter/2017[t]	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
OPERATING INCOME		**997,857**	**966,901**	**1,285,921**	**1,239,828**
Commissions income	[23]	--	--	691,803	631,567
Equity income	[09]	997,857	966,901	594,118	608,261
OTHER OPERATING INCOME/EXPENSES		**(5,054)**	**(9,217)**	**(80,129)**	**(92,740)**
Interest earnings of financial instruments	[19]	19,020	9,235	89,130	70,771
Personnel expenses	[20]	(5,068)	(11,898)	(12,547)	(12,059)
Administrative expenses	[21]	(7,637)	(2,128)	(46,545)	(49,664)
Tax expenses	[11]	(2,478)	(5,985)	(87,098)	(64,883)
Other operating income/(expense)	[22]	(8,891)	1,559	(23,069)	(36,905)
INCOME BEFORE TAXES AND EQUITIES		**992,803**	**957,684**	**1,205,792**	**1,147,088**
INCOME TAX AND SOCIAL CONTRIBUTION	**[11]**	**--**	**--**	**(212,989)**	**(189,404)**
NET INCOME FOR THE PERIOD		**992,803**	**957,684**	**992,803**	**957,684**
EARNINGS PER SHARE	**[18]**				
Number of shares		2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Weighted average number of shares - basic and diluted		1,996,607,444	1,996,858,541	1,996,607,444	1,996,858,541
Basic and diluted earnings per share (R$)		0.50	0.48	0.50	0.48

See the accompanying notes to the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

R$ thousand

	Parent		Consolidated	
	1st Quarter/2017[1]	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
NET INCOME FOR THE PERIOD	**992.803**	**957.684**	**992.803**	**957.684**
Share of comprehensive income/(loss) of associates and joint ventures	**7.411**	**21.890**	**7.411**	**21.890**
Gains/(losses) on financial assets available for sale	13.472	39.981	13.472	39.981
Variation in the relative share	(186)	(48)	(186)	(48)
Other comprehensive income	(5.875)	(18.043)	(5.875)	(18.043)
Tax effect				
	1.000.214	979.574	1.000.214	979.574
TOTAL COMPREHENSIVE INCOME	**992.803**	**957.684**	**992.803**	**957.684**

See the accompanying notes to the financial statements.

BALANCE SHEET

R$ thousand

	Note	Parent		Consolidated	
		Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
CURRENT ASSETS					
Cash and cash equivalents	[07]	950,556	665,538	1,595,001	2,174,914
Financial assets available for sale	[08]	--	--	65	59
Dividends/interest on equity receivable	[10]	--	1,273,950	98,554	6,302
Current tax assets		60,456	49,018	182,834	232,809
Commissions receivable	[12]	--	--	806,215	824,624
Other assets	[13]	2,678	2,885	90	63
NON-CURRENT ASSETS					
Financial assets at fair value through profit or loss	[08]	--	--	391,004	379,153
Financial assets held to maturity	[08]	--	--	443,516	430,008
Investments in associates	[09]	8,279,587	7,974,319	7,639,083	8,243,803
Intangible	[25]	4,493	3,784	4,493	3,784
Deferred tax assets	[11]	--	--	68,672	67,817
Other assets	[13]	--	--	182,499	178,970
TOTAL ASSETS		**9,297,770**	**9,969,494**	**11,412,026**	**12,542,306**
CURRENT LIABILITIES					
Dividends payable	[14]	785	1,670,810	785	1,670,810
Contingent liabilities	[15]	--	--	14,993	14,052
Current tax liabilities		599	901	243,852	614,318
Unearned commissions	[16]	--	--	719,344	776,254
Other liabilities	[17]	7,107	8,718	25,457	29,676
NON-CURRENT LIABILITIES					
Deferred tax liabilities	[11]	--	--	273,977	273,977
Unearned commissions	[16]	--	--	844,339	874,154
TOTAL LIABILITIES		**8,491**	**1,680,429**	**2,122,747**	**4,253,241**
EQUITY	[18]				
Capital		5,646,768	5,646,768	5,646,768	5,646,768
Capital reserves		1,300	1,004	1,300	1,004
Income reserves		2,737,363	2,737,363	2,737,363	2,737,363
Other accumulated comprehensive income		(5,453)	(12,864)	(5,453)	(12,864)
Retained earnings		992,803	--	992,803	--
Treasury shares		(83,502)	(83,206)	(83,502)	(83,206)
TOTAL EQUITY		**9,289,279**	**8,289,065**	**9,289,279**	**8,289,065**
TOTAL LIABILITIES AND EQUITY		**9,297,770**	**9,969,494**	**11,412,026**	**12,542,306**

See the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

R$ thousand

	Parent		Consolidated	
	1st Quarter/2017	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
Cash From Operations				
Earnings before income taxes	**992,803**	**957,684**	**1,205,792**	**1,147,088**
Adjustments to income (loss) before income taxes				
Equity in the earnings of subsidiaries and joint ventures	(997,857)	(966,901)	(594,118)	(608,261)
Expenses with civil and tax provisions	--	--	867	2,081
Commissions income deferred	--	--	(175,655)	(109,153)
Impairment in associates	--	--	--	--
Deferred taxes	--	--	581	--
Other adjustments	15,936	8,491	28,487	40,445
Income adjusted before income taxes	**10,882**	**(726)**	**465,954**	**472,200**
Changes in assets and liabilities				
Net change in financial assets at fair value through profit	--	--	(11,851)	(20,405)
Net change in available for sale financial assets	--	--	(6)	9
Net change in financial assets held to maturity	--	--	(13,508)	--
Income and social contribution taxes paid	--	--	(515,526)	(255,231)
Net change in current taxes	(11,740)	(8,410)	(11,208)	(7,105)
Net change in deferred taxes	--	--	(855)	(576)
Net change in unearned commissions	--	--	107,339	87,795
Net change in other assets and liabilities	(1,404)	(8,927)	(7,775)	(14,167)
Net cash from operating activities	**(2,262)**	**(18,063)**	**12,564**	**262,520**
Cash from investment activities				
Dividends received	1,992,800	1,968,457	1,113,043	928,076
Acquisition of intangible assets	(709)	--	(709)	--
Acquisition of interests in associates	--	--	--	(3,375)
Net cash from investment activities	**1,992,091**	**1,968,457**	**1,112,334**	**924,701**
Cash from financing activities				
Dividends paid	(1,704,515)	(1,672,715)	(1,704,515)	(1,672,715)
Acquisition of Treasury shares	(296)	(34,368)	(296)	(34,368)
Net cash from financing activities	**(1,704,811)**	**(1,707,083)**	**(1,704,811)**	**(1,707,083)**
Net change in cash and cash equivalents	**285,018**	**243,311**	**(579,913)**	**(519,862)**
Opening balance	665,538	59,784	2,174,914	1,561,078
Closing balance	950,556	303,095	1,595,001	1,041,216
Increase (decrease) in cash and cash equivalents	**285,018**	**243,311**	**(579,913)**	**(519,862)**

See the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

R$ thousand

Event	Note	Capital	Capital Reserves	Profit Reserves		Treasury Shares	Retained Earnings/ Accumulated Losses	Other Accumulated Comprehensive Income	Total
				Legal Reserve	Statutory Reserve				
Balances at Dec 31, 2015		**5,646,768**	**712**	**506,893**	**1,520,680**	**(48,961)**	**--**	**(45,324)**	**7,580,768**
Share-based payment transactions	[18.g]	--	415	–	--	(415)	--	--	–
Share repurchase program	[18.g]	--	--	–	--	(33,953)	--	--	(33,953)
Other accumulated comprehensive income		--	--	–	--	--	--	21,890	21,890
Net income for the period		--	--	–	--	--	957,684	--	957,684
Balances at Mar 31, 2016		**5,646,768**	**1,127**	**506,893**	**1,520,680**	**(83,329)**	**957,684**	**(23,434)**	**8,526,389**
Changes in the Period		--	415	–	--	(34,368)	957,684	21,890	945,621
Balances at Dec 31, 2016		**5,646,768**	**1,004**	**707,586**	**2,029,777**	**(83,206)**	**--**	**(12,864)**	**8,289,065**
Share-based payment transactions	[18.g]	--	296	–	--	(296)	--	--	–
Other accumulated comprehensive income		--	--	–	--	--	--	7,411	7,411
Net income for the period			–	–	-- --	--	992,803	--	992,803
Balances at Mar 31, 2017		**5,646,768**	**1,300**	**707,586**	**2,029,777**	**(83,502)**	**992,803**	**(5,453)**	**9,289,279**
Changes in the Period		**--**	**296**	**–**	**--**	**(296)**	**992,803**	**7,411**	**1,000,214**

See the accompanying notes to the financial statements.

STATEMENT OF VALUE ADDED

R$ thousand

	Note	Parent		Consolidated	
		1st Quarter/2017	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
Income		--	--	691.803	631.567
Commissions income	[23]	--	--	691.803	631.567
Input Acquired from Third Parties		**(16.528)**	**(569)**	**(69.614)**	**(86.569)**
Administrative expenses	[21]	(7.637)	(2.128)	(46.545)	(49.664)
Other income/(expenses)	[22]	(8.891)	1.559	(23.069)	(36.905)
Gross Added Value		**(16.528)**	**(569)**	**622.189**	**544.998**
Net Added Value Generated by the Entity		**(16.528)**	**(569)**	**622.189**	**544.998**
Added Value Received Through Transfer		**1.016.877**	**976.136**	**683.248**	**679.032**
Equity in the earnings of associates	[09]	997.857	966.901	594.118	608.261
Financial income	[19]	19.020	9.235	89.130	70.771
Total Added Value to Distribute		**1.000.349**	**975.567**	**1.305.437**	**1.224.030**
Distribution of Added Value		**1.000.349**	**975.567**	**1.305.437**	**1.224.030**
Personnel	[20]	5.068	11.898	12.547	12.059
Taxes, fees and contributions	[11]	2.478	5.985	300.087	254.287
Retained earnings	[18]	992.803	957.684	992.803	957.684

See the accompanying notes to the financial statements.

1 – OPERATIONS

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

BB Seguridade Participações S.A., enrolled with the CNPJ (Brazilian equivalent of IRS Registry of Legal Entities) 17.344.597/0001-94, is headquartered in Setor de Autarquias Norte, Quadra 05, Bloco B, 3rd Floor, Banco do Brasil Building, Asa Norte, Brasilia, Distrito Federal, Brazil.

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

2 – ACQUISITIONS, DISPOSALS AND CORPORATE RESTRUCTURINGS

a) Corporate Reorganization - Incorporation of BB Cor Participações S.A. by BB Corretora de Seguros e Administradora de Bens S.A.

On December 27, 2016, BB Corretora de Seguros e Administradora de Bens S.A. incorporated BB Cor Participações S.A. to its equity in accordance with the terms of the document called “Protocol and Justification of Incorporation”.

The incorporated net assets were evaluated at book value at the base date of the transaction, December 27, 2016, in the amount of R $ 26,976 thousand.

The incorporation is justified by the unnecessary maintenance of BB Cor verified in of the process of reviewing the business model in the segment of distribution of security products, as well as due to the lack of prospects that the company would develop operational activities.

Thereby a natural consequence, BB Corretora became the successor of BB Cor in a universal representation regarding of all its assets, rights and obligations, entirely taking over its assets.

Considering that BB Seguridade is the single stockholder of the merged entity on the date of the incorporation, there was no relation related to the exchange between the stocks of non-controlling stockholders of the incorporating company for stocks of the incorporating company, therefore, there is no change in the share capital of BB Seguridade.

b) Corporate Restructuring – IRB Brasil Re

In February 2016, the sellers decided to interrupt the IPO process of IRB Brasil Re, which was underway on Bovespa Stock Exchange and CVM, due to Brazilian capital market´s unfavorable conditions.

In order to optimize the management of its real states assets, the IRB´s Board approved, in 2015, the incorporation of a holding, named IRB – Investimentos e Participações Imobiliárias S.A. (“IRB-PAR”), and four SPEs (Special Purpose Entities) under the holding´s control. In 2016, the local Public Institutions granted them all the required permissions and the Companies, the holding and the SPEs, were formally incorporated.

c) Contribution to Capital – Brasildental Operadora de Planos Odontológicos S.A. (Brasildental)

Brasildental was incorporated on March 12, 2014, with capital stock of R$ 5 million, distributed in 100,000 common shares (“ON”) and 100,000 preferred shares (“PN”), with the following shareholding structure: BB Seguros holds 49.99% of “ON” shares and 100% of “PN” shares, representing 74.99% of the total capital, and Odontoprev holds 50.01% of “ON” shares, representing 25.01% of total capital.

On March 30, 2016, the Brasildental Shareholders' Meeting approved the capital increase of the company, by R$ 4,500,000. The company issued 180,000 shares, all without par value, at an issue price of R$ 25 each. This price was fixed according to § 1 of Article 170 of Brazilian law 6404/76, in proportion to the number of all existing types of shares, and each shareholder exercising the preemptive right on the same actions it was the owner.

The capital increase resulted in the acquisition by BB Seguros of 44,999 common shares and 90,000 preferred shares, totaling R$ 3,375 thousand, and by Odontoprev of 45,001 common shares in the amount of R $ 1,125 thousand. The shareholding position of BB Seguros in Brasildental remains unchanged.

3 – Presentation of Financial Statements

a) Statement of Compliance

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

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and its predecessor institutions.

These financial statements were approved and authorized to be issued by the Board of Directors on May 05, 2017.

b) Continuity

Management evaluated that the Group has the resources to continue their business in the future and normally operate. The Management is not aware of any material uncertainty that might generate significant doubts about the companies ability to continue as a going concern.

c) Measurement Basis of Assets and Liabilities

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

d) Functional and Presentation Currency

The financial statements are presented in Brazilian Reais (R$), the functional and presentation currency of the BB Seguridade. Except as otherwise indicated, the quantitative financial information is presented in thousands of Reais (R$ thousand). BB Seguridade did not have transactions in foreign currencies for the period presented.

e) Consolidation Basis

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

Company	Activity	Country of constitution	% Share	
			Mar 31, 2017	Dec 31, 2016
BB Seguros Participações S.A.	Holding	Brazil	100%	100%
BB Corretora de Seguros e Administradora de Bens S.A.	Brokerage	Brazil	100%	100%

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

f) Changes in Accounting Policies

The accounting policies and methods used in preparing these financial statements are equivalent to those applied to the financial statements for the year ended December 31, 2016.

g) Seasonality of Operations

BB Seguridade and its owned subsidiaries consider the nature of their transactions as non-seasonal and non-cyclical, taking into account the activities carried out by the Group. Consequently, no specific disclosures are provided in these notes on the first quarter of 2017.

h) Main Judgments and Accouting Estimates

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

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

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

i) Correlation between Notes disclosed in the Complete Annual Financial Statements and the Interim Financial Statements

Number of notes		Titles notes
1st quarter/2017	Exercise/2016	
01	01	Operations
02	02	Acquisitions, Disposals and Corporate Restructuring
03	03 e 05	Presentation of Financial Statements
04	04	Significant Accounting Practices
05	06	Risk management
06	07	Information by Segment
07	08	Cash and cash equivalents
08	09	Financial instruments
09	10	Investments in Associates
10	11	Dividends/ Interest on Capital Receivable
11	12	Tax
12	13	Commissions receivable
13	14	Other Assets
14	15	Dividends payable
15	16	Provisions and Contingent Liabilities
16	17	Unearned commissions
17	18	Other liabilities
18	19	Equity
19	20	Financial income
20	21	Personnel expenses
21	22	Administrative expenses
22	23	Other operating income/Expenses
23	24	Commissions income
24	25	Related party transactions
25	26	Other Information

j) Information for comparability purposes

For comparability purposes in order to better show the nature of operations the following reclassifications in the income Statement in the first quarter of 2016:

- From the grouping Administrative expenses to Tax expenses – R$ 40 thousand in the consolidated and R$ 11 thousand in the controller.

Statement of Income

R$ thousand

	Parent			Consolidated		
1st quarter/2016	Original Report	Reclassification	Adjusted Balances	Original Report	Reclassification	Adjusted Balances
Administrative expenses	(2,139)	11	(2,128)	(49,704)	40	(49,664)
Tax expenses	(5,974)	(11)	(5,985)	(64,843)	(40)	(64,883)

4 – SIGNIFICANT ACCOUNTING PRACTICES

a) Improvements to IFRS and Pronouncements Recently Issued

Improvements to IFRS are amendments issued by the IASB and comprise amendments that result in accounting changes for recognition, measurement and disclosure related to several IFRS standards. A summary of certain amendments, as well as interpretations and pronouncements recently issued by the IASB which will become effective after December 31, 2016:

IFRS 9 – Financial Instruments: Recognition and Measurement – IFRS 9 is the first standard issued as part of a larger project to replace IAS 39, as many financial statements' users and other stakeholders considered that requirements included in IAS 39 were difficult to understand, apply and interpret. To answer several requests to improve financial instruments' accounting, IAS 39 replacement project was divided into three main stages: (i) classification and measurement of financial assets and liabilities; (ii) impairment; and (iii) hedge accounting.

Accordingly, in November, 2009, IFRS 9 chapters related to the classification and measurement of financial assets were issued and, in October 2010, requirements related to the classification and measurement of financial liabilities was added.

IFRS 9 simplifies the model of measurement for financial assets and establishes two main categories of measurement: (i) amortized cost and (ii) fair value. Classification basis depends on the business model of the entity and the contractual characteristics of financial asset cash flows. In relation to financial liabilities measurement and classification requirements, the most significant effect refers to the accounting of variations in the fair value of a financial liability measured at fair value through income. Changes to fair values of said liabilities attributable to changes in credit risks are now recognized in Other comprehensive income, unless the recognition of these changes increases or creates an income accounting mismatch.

In November, 2013, the IASB introduced new requirements for hedge accounting on IFRS 9. The requirement has the objective to align the hedge accounting with the risk management.

In July, 2014, the IASB concluded the substitution project of the IAS 39.

These amendments to IFRS 9 are effective for annual periods beginning on or after January 01, 2018.

The referred pronouncement will take effects for periods after the date of these Financial Statements and they were not adopted in advance. The possible impacts resulting from the adoption of this standard has been evaluated and will be completed through its effective date.

IFRS 15 — Revenue from Contracts with Customers – in May, 2014, the IASB published a new standard that specifies how and when an IFRS reporter will recognize revenues as well as requiring such entities to provide user of financial statements with more informative and relevant data.

IFRS 15 is effective for annual periods beginning on or after January 01, 2018, with allowed anticipated application.

Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures – In September 2014, the IASB issued amendments to IFRS 10 and to IAS 28 that address an acknowledged inconsistency between the requirements of these two standards, dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The date these amendments will be effective was postponed and it will still be determined and issued by the IASB.

Amendment to IFRS 2 – Share-based Payment – In April 2016, the IASB issued an amendment that clarifies the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled.

The changes are effective for annual periods beginning on January 1, 2018, with early adoption permitted.

BB Seguridade decided not to early adopt beforehand all these changes mentioned above. The possible impacts from the adoption of these standards or amendments are being assessed and will be concluded until the maturity date of each standard.

5 – RISK MANAGEMENT

BB Seguridade's Risk Management Policy, approved by the Board of Directors, defines as relevant the risks that, given the current position of the Company, are able to threaten its business model, future performance, solvency or liquidity, whether originated inside the Company, at its subsidiaries or at its affiliates.

The corporate risk management at BB Seguridade, its subsidiaries and affiliates covers the seven risk categories, declared as relevant by the Company: credit, market, liquidity, operational, reputational, strategy and underwriting, being the exposure to the latter originated specifically through insurance, reinsurance, pension plans, premium bonds and dental care plans operations conducted by affiliated companies.

BB Seguridade has a technical area of risk management and control segregated from business areas and Internal Audit, responsible for providing fundamentals and supporting the execution of the risk management process at the Company and its subsidiaries, as well as for the achievement of risk governance in the other companies in which it holds interest, because recognizes that its exposure to the relevant risks is also originated from the operation of the affiliated companies.

a) Risk management at BB Seguridade and its subsidiaries

The risk management framework adopted by BB Seguridade is structured in lines of defense, which includes integrated action by operational managers (risk owners), Superintendence of Risk and Controls, Internal and External Audit, Supervisory Board, Audit Committee and Senior Management.

As the first line of defense, the risk owner manages the risks and is responsible for implementing corrective and preventive actions to address identified process and controls deficiencies.

At the second line of defense, the Superintendence of Risk and Controls assists and monitors the risk owner in developing processes and controls in order to adjust them to the Company's risk appetite.

In a third line of defense, Internal Audit, with high independence level, provides governance bodies assessments of the risk management and controls effectiveness.

In addition to the three lines of defense, the Company has two Technical Committees, the Reputational Risk Committee and the Finance Committee which, though not statutory, advise the Executive Board on issues concerning the management and control, respectively, of the reputational risk and the risks arising from the financial asset portfolio of the Company and its subsidiaries.

In compliance with the best practices, risk management framework and processes in the Company include, among others: segregation of duties; evaluation of effectiveness of internal control; joint decisions; Risk Management Policy, Preventing and Combating Money Laundering, Terrorist Financing and Corruption Policy, Code of Ethics and Conduct and an Integrity Program in line with Law 12,846/2016 (Anti-Corruption Law) and Decree 8,420/2015, documents disclosed internally and also to the public, in addition to internal standardization of risk management and controls.

The governance framework of BB Seguridade also includes the Audit Committee, a statutory advisory body to the Board of Directors, which is responsible for assessing and monitoring the Company's risk exposures. Information related to risk management is reported periodically to the Collegiate Board and to the Board of Directors and also taken to knowledge of the Supervisory Board.

Credit, market and liquidity risks

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

The exposures of the Company and its subsidiaries in their financial investments are concentrated in repurchase agreements backed by government securities and corporate bonds, with Banco do Brasil as the seller, fixed income long-term mutual fund and financial bills (Note 6 and Note 7.a).

On March 31, 2017, the VaR (Value at Risk for 1 day, calculated by historical simulation of 150 days with 95% confidence) of the fixed income long-term investment fund was 0.0032% (0.0042% in December 2016).

Liquidity management considers the classification of financial investments in two categories, differentiated by the type of assets and risk exposure admitted and the expected time horizon for consumption.

As also stated in the Financial Investment Policy, BB Seguridade and its subsidiaries maintain a minimum level of assets with a high degree of conversion in cash to cover liabilities and other planned destinations for consumption in the short term (up to 365 days). The amount of available resources for financial investments with long-term profile is set after the conclusion of the Company and its subsidiaries' capital budget.

b) Risk governance

Similar to BB Seguridade and its subsidiaries, the affiliated companies have technical areas segregated and independent from business areas and Internal Audit that support risk management, integrating the structure of risk management of these companies. The results of the work performed by these structures provide inputs to the achievement of continuous assessment and monitoring performed by BB Seguridade over the relevant risks at the affiliated companies.

In this context, although BB Seguridade has distinct risk management, the Company seeks, through governance, ensure the adoption of best risk management practices by the affiliates. As a governance mechanism for risk management, BB Seguridade appoints representatives in committees focused on financial management and risk management at these companies.

At the affiliated companies, risk management is supported by statistical tools as liability adequacy testing, sensitivity analysis, calculation of Value at Risk (VaR), capital adequacy indicators, among others. To these tools, add the qualitative portion of risk management, with the results of risks self-assessment, gathering of information about loss and the analysis of control tests and audits results.

The following details the main risks which BB Seguridade's affiliates are exposed to.

c) Underwriting Risk

Underwriting risk is the possibility of loss contrary to the expectations of a company that operates in the segments of insurance, reinsurance, pension plans, premium bonds or dental care plans, associated, directly or indirectly, to technical and actuarial basis used to calculate prizes, contributions and technical provisions.

BB Seguridade is indirectly exposed to underwriting risks because of the operating activities of its affiliated companies. Technical provisions of these companies are calculated according to technical notes and rules established by the Private Insurance Superintendence (Susep), the National Council of Private Insurance (CNSP) and the National Health Agency (ANS). To present the impact in these provisions and in the results of the companies in which BB Seguridade holds interest due to reasonably possible changes in the relevant variables of underwriting risk, where applicable, sensitivity analysis is used.

Limitations of sensitivity analysis

Sensitivity analysis demonstrates the effect of a change in an important premise while the other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that

these sensitivities are not linear, therefore larger or smaller impacts should not be interpolated or extrapolated from these results.

c.1) INSURANCE GROUP BB MAPFRE

In the insurance market, where the theory of probability is applied to pricing and provisioning, insurers understand that the main risk transferred to them is the risk that reported claims and benefit payments resulting from these events exceed the value of the liabilities of insurance contracts. These situations occur in practice when the frequency and/or severity of claims and benefits to policyholders are higher than previously estimated, according to the calculation method of these liabilities.

Reinsurance programs

To reduce these risks, risk diversification strategies and reinsurance programs with high quality credit risk rating reinsures are used, so that the adverse outcome of atypical and major events is minimized. Nevertheless, part of the underwriting risk which insurance companies are exposed is minimized due to the fact that the minority of accepted risks represent large insured amounts.

The following are the amounts of net written premiums, with details of the amount of ceded reinsurance and the retention percentage.

BB MAPFRE SH1

R$ thousand

Group of lines	1st quarter/2017			1st quarter/2016		
	Net written premium(1)	Ceded reinsurance	Retention	Net written premium(1)	Ceded reinsurance	Retention
Life group	945,597	2,451	100%	960,382	2,860	100%
Rural	562,016	186,459	67%	373,412	105,073	72%
Other	59,029	5,021	91%	52,476	4,806	91%
Total	**1,566,642**	**193,931**	**88%**	**1,386,270**	**112,739**	**92%**

(1) Net written premium of coinsurance and cancellations.

On March 31, 2017, total recoverable reinsurance assets were R$ 246,082 thousand (R$ 199,946 thousand on December 31, 2016).

MAPFRE BB SH2

R$ thousand

Group of lines	1st quarter/2017			1st quarter/2016		
	Net written premium(1)	Ceded reinsurance	Retention	Net written premium(1)	Ceded reinsurance	Retention
Vehicle	1,029,146	--	100%	1,035,998	790	100%
Property	491,043	232,921	53%	409,980	188,924	54%
Transportation	52,318	4,101	92%	59,909	1,953	97%
Marine/Aviation	82,624	64,890	21%	132,965	116,964	12%
Rural	84,829	18,741	78%	69,774	11,319	84%
Other	400,352	115,210	71%	336,155	96,764	71%
Total	**2,140,312**	**435,863**	**87%**	**2,044,781**	**416,714**	**80%**

(1) Net written premium of coinsurance and cancellations.

On March 31, 2017, total recoverable reinsurance assets were R$ 448,697 thousand (R$ 422,526 thousand on December 31, 2016).

Sensitivity analysis

Technical provisions represent a significant amount of the liability and correspond to the various future financial commitments of insurance companies with their customers. Depending on the relevance of the financial amount and the uncertainties involved in the estimates of provisions, relevant variables for each type of business were considered in the sensitivity analysis, being evaluated as changes in selected risk factors impact insurers' result and equity:

- Provision for Incurred But Not Reported (IBNR) claims: simulated as a possible and reasonable increase in the delay between the date of occurrence of claims and the date of report to the insurer could affect the balance of

the IBNR reserve. The considered aggravations are based on the application of IBNR factors calculated on the basis of the variation observed in the claims report behavior between periods.

- Complementary Reserve for Coverage (PCC) for long-term insurance (Ouro Vida Revisado), incorporated in Companhia de Seguros Aliança do Brasil to support the expected claims against the aging of the insured group and the sealing of new entrants (discontinued marketing): simulated as a 5% grievance on the mortality and as a reduction of 100 bps in the discount rate used to calculate the PCC could affect the balance of this provision.
- Loss ratio: simulated as an increase in the loss ratio by 5% on the last 12 months portfolio could impact the result and equity of insurance companies.

BB MAPFRE SH1

R$ thousand

Risk factor	Sensitivity analysis	Impact on Equity/Profit			
		Mar 31, 2017	Equity (%)	Dec 31, 2016	Equity (%)
a. Technical Provisions	**Change in the main assumptions for technical provisions**	**(204,509)**	**(10,15)**	**(259,499)**	**(11,70)**
a1.IBNR	Application of Incurred But Not Reported (IBNR) factors	(18,928)	(0,94)	(23,715)	(1,07)
a2.Long-term PCC(1)	5% increase in mortality	(36,075)	(1,79)	(45,517)	(2,05)
	100 bps reduction in discount rate	(149,506)	(7,42)	(190,267)	(8,58)
b. Loss ratio	**5% increase in the loss ratio**	**(109,890)**	**(5,45)**	**(108,779)**	**(4,90)**

(1) Reserve constituted specifically in Companhia de Seguros Aliança do Brasil.

MAPFRE BB SH2

R$ thousand

Risk factor	Sensitivity analysis	Impact on Equity/Profit			
		Mar 31, 2017	Equity (%)	Dec 31, 2016	Equity (%)
a. Technical Provisions	**Change in the main assumptions for technical provisions**	**(19,143)**	**(0,57)**	**(22,234)**	**(0,64)**
a1. IBNR	Application of Incurred But Not Reported (IBNR) factors	(19,143)	(0,57)	(22,234)	(0,64)
b. Loss ratio	**5% increase in the loss ratio**	**(221,404)**	**(6,55)**	**(220,401)**	**(6,30)**

c.2) IRB BRASIL RE

In the reinsurance market as a way to reduce its underwriting risk exposure, the IRB Brasil RE works with a diverse reinsurance portfolio. The evolution of risk is monitored, as the accompaniment of technical provisions, constant review of actuarial assumptions and underwriting policies and risk acceptance are carried out. In addition, the IRB Brasil RE uses retrocession as risk transfer technique to other reinsurers, in order to mitigate and control the underwriting risk.

Business line reinsurance liabilities monitoring

The table below shows liabilities - Reserve for Unsettled Losses (PSL); Incurred But Not Reported (IBNR); Incurred But Not Enough Reported (IBNER); Provision of Technical Surpluses (PET); Unearned Premium Reserve (PPNG); and Reserve of Related Expenses (PDR) - gross and their retrocession of assets by business line.

R$ thousand

Group	Mar 31, 2017		Dec 31, 2016	
	Reinsurance liabilities	Retrocession assets	Reinsurance liabilities	Retrocession assets
Property	2,621,078	(1,461,337)	2,854,614	(1,580,183)
Special risks	250,089	(183,304)	272,867	(186,980)
Responsibilities	677,642	(325,924)	682,678	(307,028)
Vessel	478,303	(414,261)	573,658	(492,687)
Vehicles	219,747	(8,860)	221,898	(9,184)
Transportation	375,164	(208,738)	366,205	(202,982)
Financial risks	546,459	(228,260)	609,563	(285,372)
Credit	24,501	(16,869)	25,816	(18,828)
Staff	219,535	(55,085)	209,738	(48,973)
Housing	49,634	(420)	45,375	(385)
Rural	479,935	(42,545)	451,758	(23,709)
Marine	172,984	(40,539)	143,560	(31,409)
Aviation	318,797	(214,701)	402,417	(284,260)
Run-off (London)	165,104	--	172,061	--
Other	1,035,000	(59,273)	947,803	(120,673)
Total	**7,633,972**	**(3,260,116)**	**7,980,011**	**(3,592,653)**

Sensitivity analysis

Due to the nature of the operations accepted by IRB Brasil RE, there is no material exposure to indexes of conversion, mortality or survival rates. Therefore, the sensitivity analysis considered only the worsening in the loss ratio, represented in the test by a rise of 5% in reported claims in the period.

R$ thousand

Risk factor	Sensitivity analysis	Impact on Equity/Profit			
		1st quarter / 2017	Equity (%)	1st quarter / 2016	Equity (%)
Loss ratio	5% increase(1)	(22,637)	(0.73)	(26,843)	(0.93)

(1) The reference used for calculation is the value of retained claims in the period.

c.3) BRASILCAP CAPITALIZAÇÃO S.A.

As defined in CNSP Resolution 321/2015, to premium bonds companies the underwriting risk is divided into the following categories:

a) Draws to be held risk, due to the variance in the values of draws against expected values used to calculate the reserves;
b) Profitability assurance risk, according to the product conditions and indexes defined in the granting of the premium bond plan; and
c) Risk of fluctuations in premium bond plans administrative expenses.

All these risks are managed by Brasilcap during the product development process and throughout the life of the premium bond plans.

c.4) BRASILPREV SEGUROS E PREVIDÊNCIA S.A.

Underwriting risks considered here are those related to formation of liabilities (technical provisions) of operations, and the main business risk is the possibility of accumulated reserves turn into continued incomes.

Brasilprev monitors and assesses the exposure to underwriting risk with underwriting standards that are periodically reviewed and approved by the Executive Board. Consistency tests are performed on the provisions, which aim to verify, on a certain date, if such provisions are appropriate.

The risks of mortality and morbidity as well as their accumulation by participants and policyholders are mitigated through the hiring of excess responsibility and catastrophe reinsurance. Longevity risk is monitored by adopting, in

the calculation of technical provisions and product design, improvement assumptions on expected future life of the population insured and assisted by Brasilprev.

The risk of redemptions is managed via frequent monitoring of Brasilprev's experience, having established a guideline to improve, when appropriate, withholding of resources and customers.

c.5) BRASILDENTAL

Brasildental's business model is based on charging customers fees in medium and long term contracts, and is exposed to underwriting risk and dental care cost fluctuation. In the dental care plans industry these risks are limited by the frequency of use of the services provided by accredited network and the low cost of the treatments.

In accordance with Resolution 322/13 issued by ANS, Brasildental constitutes in current liabilities the Unearned Premium or Contribution Reserve (PPCNG), recognizing revenue according to the contractual period.

d) Credit risk

Credit risk is the possibility of loss associated to non-fulfillment, by a borrower or a counterparty, of its corresponding financial obligations according to negotiated terms, and/or to the devaluation of receivables due to a drop in the borrower or counterparty's risk rating.

With regard to insurance operations, there is a reduced exposure to credit risk with respect to payment obligations of premiums and contributions. However, considering the business portfolio characteristics and profile of the customer base, credit risk is present more intensely in financial investments and in reinsurance and retrocession operations made by companies in which the BB Seguridade holds interest.

d.1) INSURANCE GROUP BB MAPFRE

In the insurance business, the credit risk has been associated to the counterparty of reinsurance operations carried out by insurance companies. This risk is managed through assignment rules, consolidated exposure limits for each business, assignment limits per rating and credit limits per reinsurer, still respecting regulatory limits.

Also in relation to reinsurance operations, insurers are exposed to risk concentration with individual reinsurers due to the nature of the reinsurance market and the strict range of reinsurers that have acceptable credit ratings issued by rating agencies such as Standard & Poor's, AM Best, Fitch Ratings and Moody's. For the local reinsurer MAPFRE RE Brazil Reinsurance Company was considered the rating of MAPFRE RE Spain.

Credit risk exposure in reinsurance operations per reinsurer rating

BB MAPFRE SH1

R$ thousand

Rating(1)	1st quarter/2017			1st quarter/2016		
	Local	Admitted	Total	Local	Admitted	Total
AA-	(89)	--	**(89)**	--	--	**--**
A / A-	152,746	41,274	**194,020**	90,427	22,312	**112,739**
Total	**152,657**	**41,274**	**193,931**	**90,427**	**22,312**	**112,739**

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

MAPFRE BB SH2

R$ thousand

Rating(1)	1st quarter/2017				1st quarter/2016			
	Local	Admitted	Eventual	Total	Local	Admitted	Eventual	Total
AAA	--	--	--	**--**	8,277	5,178	285	**13,740**
AA+ / AA / AA-	7,715	7,049	1,172	**15,936**	9,832	3,344	4,240	**17,416**
A+ / A / A-	331,809	82,229	4,626	**418,664**	267,407	106,613	9,826	**383,846**
BrAA-	--	--	--	**--**	1,223	--	--	**1,223**
BrA+ / BrA / BrA-	1,263	--	--	**1,263**	489	--	--	**489**
Total	**340,787**	**89,278**	**5,798**	**435,863**	**287,228**	**115,135**	**14,351**	**416,714**

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

Exposure to credit risk in financial assets

Credit risk management related to financial instruments includes monitoring exposures to credit risk of individual counterparties in relation to their credit ratings. The investment policy of Insurance Group BB Mapfre provides for the diversification of the investment portfolio (financial assets), by establishing exposure limits per issuer with high credit quality, reflected in the ratings assigned by rating agencies, such as Fitch Ratings, Standard & Poor's and Moody's.

BB MAPFRE SH1

R$ thousand

Financial securities – Rating (1)	Mar 31, 2017							
	AAA	AA+	AA	AA-	A+	CCC+	No rating	Total
Fixed income Brazilian Treasury Securities	--	--	--	5,919,307	--	--	--	**5,919,307**
Debentures	44,825	15,803	31,544	39,823	1,038	9,432	--	**142,465**
Financial bills	--	--	2,670	94,795	--	--	--	**97,465**
Other	47,520	--	--	--	--	--	112	**47,632**
Total	**92,345**	**15,803**	**34,214**	**6,053,925**	**1,038**	**9,432**	**112**	**6,206,869**

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

R$ thousand

Financial securities – Rating (1)	Dec 31, 2016							
	AAA	AA+	AA-	A+	BBB+/BBB	CCC+	No rating	Total
Fixed income Brazilian Treasury Securities	--	--	6,906,518	--	--	--	--	**6,906,518**
Debentures	43,360	15,200	45,216	3,515	31,704	9,280	--	**148,275**
Financial bills	2,582	--	2,582	--	--	--	--	**5,164**
Other	49,243	2,651	--	--	--	--	112	**52,006**
Total	**95,185**	**17,851**	**6,954,316**	**3,515**	**31,704**	**9,280**	**112**	**7.111.963**

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

MAPFRE BB SH2

R$ thousand

Financial securities – Rating (1)	Mar 31, 2017							
	AAA	AA+	AA	AA-	A+	BB+	No Rating	Total
Fixed income Brazilian Treasury Securities	--	--	--	4,213,591	--	--	--	**4,213,591**
Debentures	4,980	26,363	5,257	9,653	8,339	19,755	--	**74,347**
Financial bills	--	--	4,894	15,127	--	--	--	**20,021**
Other	42,845	--	--	37,952	--	--	1,068	**81,865**
Total	**47,825**	**26,363**	**10,151**	**4,276,323**	**8,339**	**19,755**	**1,068**	**4,389,824**

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

R$ thousand

Financial securities – Rating (1)	Dec 31, 2016						
	AAA	AA+	AA-	A+	BBB+	No rating	Total
Fixed income Brazilian Treasury Securities	--	--	4,172,518	--	--	--	**4,172,518**
Debentures	4,817	25,279	30,406	17,295	31,150	--	**108,947**
Financial bills	4,734	--	4,734	--	--	--	**9,468**
Other	44,385	--	26,303	--	10,532	1,068	**82,288**
Total	**53,936**	**25,279**	**4,233,961**	**17,295**	**41,682**	**1,068**	**4,373,221**

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

d.2) IRB BRASIL RE

In the reinsurance business, credit risk arises mainly from retrocession operations. The counterparty credit risk exposure of IRB Brasil RE originated by credit applications in corporate bonds is limited, given the small representation of these securities in the portfolio compared to the volumes invested in government bonds.

The credit risk associated with mutual funds and derivative financial instruments, as well as in securities issued by financial institutions is limited because the counterparties are represented by banks with high credit ratings rated by international agencies.

In order to mitigate this risk, IRB Brasil RE adopts a policy of having retrocession operations with companies that have, at least, half of the recorded ratings equal or higher than A- (S&P, Fitch and AM Best) or A3 (Moody's) and evaluates its retrocessionaires through an own classification model. The reinsurer's exposure is mitigated by the adoption of retrocession limits for the counterparties, which are reviewed and approved at least annually by the Security Committee. The quality of the retrocession partners of the protection treaties of IRB Brasil RE is as follows.

Rating	(%) Reinsurers participating in protection treaties in force on Mar 31, 2017			
	Local	Admitted	Eventual	Total
AAA or equivalent	--	5.57	0.41	**5.98**
AA or equivalent	--	37.85	5.08	**42.93**
A or equivalent	0.21	14.30	35.76	**50.27**
BBB+ or equivalent	0.06	--	--	**0.06**
No rating	0.22	0.15	0.39	**0.76**
Total	**0.49**	**57.87**	**41.64**	**100.00**

Rating	(%) Reinsurers participating in protection treaties in force on Dec 31, 2016			
	Local	Admitted	Eventual	Total
AAA or equivalent	--	1.07	0.41	**1.48**
AA or equivalent	--	37.45	7.09	**44.54**
A or equivalent	0.01	17.87	35.36	**53.24**
BBB+ or equivalent	--	--	0.07	**0.07**
No rating	0.15	0.14	0.38	**0.67**
Total	**0.16**	**56.53**	**43.31**	**100.00**

d.3) BRASILCAP CAPITALIZAÇÃO S.A.

Brasilcap has a specific policy approved by the Board of Directors, structured to meet legal restrictions and management of the assets portfolio, which applies to all businesses that involve credit risk. As defined in its document Investment and Risk Management Policies and Guidelines, Brasilcap has also set out limits for exposure to credit risk considering counterparties, sector, rating and tranches issued.

R$ thousand

Financial securities – Rating	Mar 31, 2017								
	AAA	AA	A	BBB	BB	B	CCC	Market risk exposure(1)	Total
Fixed income Brazilian Treasury Securities	--	7,965,143	--	--	--	--	--	--	**7,965,143**
Debentures	229,408	295,753	20,412	--	2,792	11,961	23,999	--	**584,325**
Financial bills	1,523,523	51,710	78,860	35,401	--	--	--	--	**1,689,494**
Other	16,804	217,910	--	--	--	21,900	--	79,707	**336,321**
Total	**1,769,735**	**8,530,516**	**99,272**	**35,401**	**2,792**	**33,861**	**23,999**	**79,707**	**10,575,283**

(1) It refers to the funds BB CAP Ações, BB CAP Ibovespa Indexado and BB Curto Prazo 600 mil.

R$ thousand

Financial securities – Rating	Dec 31, 2016								
	AAA	AA	A	BBB	BB	B	CCC	Market risk exposure(1)	Total
Fixed income Brazilian Treasury Securities	--	8,549,147	--	--	--	--	--	--	**8,549,147**
Debentures	221,985	296,530	26,220	--	2,871	14,821	24,002	--	**586,429**
Financial bills	--	1,441,659	76,276	34,300	--	--	--	--	**1,552,235**
Other	17,250	555,266	--	--	--	23,940	--	73,793	**670,249**
Total	**239,235**	**10,842,602**	**102,496**	**34,300**	**2,871**	**38,761**	**24,002**	**73,793**	**11,358,060**

(1) It refers to the funds BB CAP Ações, BB CAP Ibovespa Indexado and BB Curto Prazo 600 mil.

d.4) BRASILPREV SEGUROS E PREVIDÊNCIA S.A.

In the private pension plans segment, the exposure to credit risk arises principally from the assets of technical reserves and free shareholder resources. Through its Investment Policy and General Guidelines, Brasilprev defines the objectives, parameters and rules for managing these assets.

In order to mitigate credit risk associated with these exposures, Brasilprev has as guidelines the diversification of private counterparties, through the establishment of concentration limits by counterparty and economic sector and the acquisition of assets only from counterparties that have minimum credit rating of "investment grade", assigned by Moody's, Standard & Poor's or Fitch Ratings.

The table below includes all financial assets held by Brasilprev distributed according to the credit ratings informed by rating agencies. The assets classified as "Other" include substantially repurchase agreements backed by government bonds, equity assets and other receivable and payable amounts recorded in mutual funds.

R$ Thousand

Financial Securities – Rating	Mar 31, 2017									
	AAA	AA	A	BBB	BB	B	CCC	Market risk exposure	No Rating(1)	Total
Fixed income Brazilian Treasury Securities	--	183,013,510	--	--	--	--	--	--	--	**183,013,510**
Debentures	1,200,625	1,947,972	211,228	79,744	620,259	70,087	199,994	--	--	**4,329,909**
Financial bills	1,701,029	11,221,713	--	--	--	--	--	--	--	**12,922,742**
Other	359,163	290,816	23,984	--	--	--	--	1,294,822	7,819,816	**9,788,601**
Total	**3,260,817**	**196,474,011**	**235,212**	**79,744**	**620,259**	**70,087**	**199,994**	**1,294,822**	**7,819,816**	**210,054,762**

(1) Repurchase agreements backed by government bonds and other receivable and payable amounts recorded in mutual funds.

R$ thousand

Financial Securities – Rating	Dec 31, 2016									
	AAA	AA	A	BBB	BB	B	CCC	Market risk exposure	No Rating(1)	Total
Fixed income Brazilian Treasury Securities	--	170,447,815	--	--	--	--	--	--	--	**170,447,815**
Debentures	1,163,531	1,819,597	353,785	384,718	24,205	76,008	459,863	--	--	**4,281,707**
Financial bills	1,649,908	14,267,990	--	--	--	--	--	--	--	**15,917,898**
Other	375,598	306,393	30,015	--	--	--	--	1,142,217	6,652,568	**8,506,791**
Total	**3,189,037**	**186,841,795**	**383,800**	**384,718**	**24,205**	**76,008**	**459,863**	**1,142,217**	**6,652,568**	**199,154,211**

(1) Repurchase agreements backed by government bonds and other receivable and payable amounts recorded in mutual funds.

d.5) BRASILDENTAL

At Brasildental, exposure to credit risk arises from the possibility of not receiving amounts from plan premiums or out-dated services and from the allocation of financial assets, the latter being considered the risk of greater materiality. All the financial assets applications are represented by fixed-income mutual fund, as shown in the table below:

R$ thousand

Mutual fund	Balance	
	Mar 31, 2017	Dec 31, 2016
Fixed income mutual fund	14,822	13,507

e) Market risk

Market risk is the possibility of loss resulting from fluctuation of market values of positions held, including the risks of transactions subject to foreign exchange rate, interest rates, stock prices and commodity prices.

To present the impacts on market value of the positions held by companies in which BB Seguridade holds interest due to factors related to market risk, when applicable, sensitivity analyses are used.

Limitations of sensitivity analysis

Sensitivity analysis demonstrates the effect of a change in an important premise while the other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are not linear, larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analyses do not take into account that assets and liabilities are highly managed and controlled. In addition, the financial position may vary at the time that any market movement occurs. For example, the risk management strategy aims to manage exposure to fluctuations in the market. As investment markets move through various levels, management actions could include selling investments, changing portfolio allocation, among other protective measures.

Other limitations on sensitivity analysis include the use of hypothetical market variations to demonstrate a potential risk that only represents the Company's view of possible changes in the market in the near future, which cannot be forecasted with any certainty, and the assumption that all interest rates vary on an identical basis.

e.1) INSURANCE GROUP BB MAPFRE

At Insurance Group BB Mapfre, financial investments are actively managed with an approach balanced between quality, diversification, liquidity and investment return. The main objective of the investment process is to optimize the relationship between risk and yield, aligning investments to liabilities cash flows. To this end, strategies used take into account the acceptable risk levels, duration, profitability, sensitivity, liquidity and concentration limits per issuer and credit risk.

Insurance Group BB Mapfre has adopted a conservative market risk policy. The risk is calculated using stress testing scenario, historical series and Value at Risk (VaR). The result of VaR is monitored daily by the Finance Executive Board and is periodically reported to the Finance Committee, aiming to identify the need for portfolio relocation. The methodology used to determine VaR is the historical series of 150 days, with 95% confidence level and 1 business day time horizon.

R$ thousand

Company	Index	Possibility of loss estimated by VaR model for 1 day			
		Mar 31, 2017	%	Dec 31, 2016	%
Companhia de Seguros Aliança do Brasil	Inflation indexes and fixed interest rate	5,237	0.10	6,644	0.12
Aliança do Brasil Seguros S.A.	Inflation indexes and fixed interest rate	301	0.10	385	0.12
Brasilveículos Companhia de Seguros	Inflation indexes and fixed interest rate	980	0.11	1,254	0.13
MAPFRE Vida S.A.	Inflation indexes and fixed interest rate	16	0.00	1,837	0.28
MAPFRE Seguros Gerais	Inflation indexes and fixed interest rate	9,784	0.39	12,654	0.53

Sensitivity analysis on interest rate

This analysis considers the following risk factors: (i) interest rates and (ii) coupons of securities indexed to inflation indexes (INPC, IGP-M and IPCA), depending on their relevance in the companies' asset positions and liabilities.

The definition of quantitative parameters used in the sensitivity analysis - 100 basis points for interest rates and inflation coupons - was based on the analysis of historical changes in interest rates in recent times and the premise

of not changing on the inflation expectation curves, reflecting on their coupons in the same magnitude of the interest rate. The sensitivity analysis considers financial instruments outstanding on the record date of the quarter, except DPVAT position.

BB MAPFRE SH1

R$ thousand

Risk factor	Sensitivity analysis	Impact on portfolio			
		Mar 31, 2017	%	Dec 31, 2016	%
Interest rate and inflation index coupons	100 bps increase	(215,386)	(3.73)	(212,275)	(3.17)
Interest rate and inflation index coupons	100 bps reduction	226,796	3.93	222,155	3.32

MAPFRE BB SH2

R$ thousand

Risk factor	Sensitivity analysis	Impact on portfolio			
		Mar 31, 2017	%	Dec 31, 2016	%
Interest rate and inflation index coupons	100 bps increase	(181,880)	(4.72)	(151,210)	(3.94)
Interest rate and inflation index coupons	100 bps reduction	200,893	5.22	167,031	4.35

e.2) IRB BRASIL RE

The market risk measurement is accomplished through the daily VaR of the IRB Brasil RE asset portfolio, according to the historical method with 95% confidence level and mobile observation window of 252 days, considering the market volatilities and the risk diversification.

R$ thousand

	Impact on portfolio[1]			
	Mar 31, 2017	%	Dec 31, 2016	%
Value at Risk (VaR)	3,310	0.07	2,578	0.05

(1) Includes financial investments and balance of current accounts.

Sensitivity analysis on foreign currency

IRB Brazil Re is exposed mainly to the US dollar, with, however, exposure in a lesser extent to other foreign currencies such as the pound, the euro and the Argentine peso. For sensitivity analysis to changes on the exchange rate R$/US$, it was considered a likely scenario for the end of 2017. To define this scenario, it was adopted as reference the Market Expectations System of Brazil's Central Bank on March 31, 2017, when the estimated exchange rate R$/US$ for the end of 2017 was 3.27.

R$ thousand

Likely Scenario	Projected impact on the investment portfolio	% of total portfolio
Surplus' variation in U.S. Dollars	(948)	(0.02)
Surplus' variation in Pounds Sterling	--	--
Surplus' variation in Euros	206	0.00
Surplus' variation in Argentine Pesos	5,303	0.11
Surplus' variation in Reais	--	--
Result	**4,561**	**0.09**

Sensitivity analysis on interest rate

IRB Brasil Re is exposed to interest rate risk since it has securities linked to this market risk factor. For sensitivity analysis on interest rate (BM&F Bovespa DI Futures curve on March 31, 2017), the following scenarios were considered: an 100 bps elevation and decrease (absolute) at each vertex of the curve.

R$ thousand

Risk fator		Mar 31, 2017	% of portifolio	Dec 31, 2016	% of portifolio
Interest rate and inflation coupons[1]	100 bps increase	(27,519)	(0.55)	(20,609)	(0.41)
Interest rate and inflation coupons[1]	100 bps reduction	33,276	0.67	21,562	0.43

(1) Assuming for conservatism that the real interest rate (NTN- B coupon) evolved proportionally to the Selic rate.

e.3) BRASILCAP CAPITALIZAÇÃO S.A.

The market risk is monitored daily through the VaR calculated by historical simulation of 150 days, for one day with 95% confidence level. In addition, sensitivity analyses and stress tests are performed on marked-to-market assets.

R$ thousand

Risk factor	Portfolio's exposure to market risk factors			
	Mar 31, 2017	%	Dec 31, 2016	%
Pre-fixed interest rate	6,912,789	65.87	7,298,720	64.70
Derivatives for hedging (adjustments)	33	0.00	--	0.00
Post-fixed interest rate	2,379,971	22.68	2,779,941	24.64
IPCA coupons	1,201,849	11.45	1,186,251	10.52
Assets TR	180	0.00	219	0.00
Cash/1-day repos	79	0.00	15,296	0.14
Total	**10,494,901**	**100.00**	**11,280,427**	**100.00**

Hedge effects on market risk exposure

Part of the assets exposed to pre-fixed interest rates is hedged against market changes through derivative securities transactions, which alter the portfolio's exposure to market risk factors, as shown in the following table:

R$ thousand

Risk factor	Mar 31, 2017	%	Dec 31, 2016	%
Pre-fixed interest rate	6,912,789	65.87	7,298,720	64.70
Hedge effects on pre-fixed exposure	(1,602,922)	(15.27)	--	--
Total exposure to pre-fixed interest rate risk	**5,309,867**	**50.59**	**7,298,720**	**64.70**
Post-fixed interest rate	2,379,971	22.68	2,779,941	24.64
Hedge effects on post-fixed exposure	1,602,922	15.27	--	--
Total exposure to post-fixed interest rate risk	**3,982,893**	**37.95**	**2,779,941**	**24.64**

Sensitivity analysis

Brasilcap condutcs the sensitivity analysis of liability and asset positions, considering the possibility of an eventual scenario in which the basic interest rate and interest rate coupons of securities indexed to inflation rates would increase or reduce by 100 basis points.

R$ thousand

Risk factor	Mar 31, 2017		Dec 31, 2016	
	100 bps interest rate increase	100 bps interest rate reduction	100 bps interest rate increase	100 bps interest rate reduction
Pre-fixed interest rate	(25,856)	26,528	(59,513)	60,941
Post-fixed interest rate	138	(141)	138	(142)
IPCA coupons	(15,815)	16,468	(29,796)	31,071
Liabilities TR (premium bonds)	47,196	(50,814)	102,457	(105,049)
Total	**5,663**	**(7,959)**	**13,286**	**(13,179)**

e.4) BRASILPREV SEGUROS E PREVIDÊNCIA S.A.

To control market risk, the Company uses the most appropriate set of metrics for each fund or portfolio. The Company defines limits for Tracking Error, Duration and ad hoc volatility analysis considering the peer group in the portfolio linked to the accumulation phase of private pension plans PGBL e VGBL.

Moreover, in portfolios where the Company assures interest rate (annuities and traditional plans), there is a model and a structured process for managing assets and liabilities (Asset Liability Management - ALM) in which are evaluated the matching of interest rates, short-term and long-term cash flows as well as reinvestment simulations that take into account changes in economic scenarios.

Sensitivity analysis

This analysis considers the following risk factors: (i) interest rates and (ii) coupons of securities linked to inflation index (IGP–M and IPCA) due to their importance for the Brasilprev's assets and liabilities. The definition of quantitative parameters used in the sensitivity analysis (100 basis points for interest rates and inflation coupons) was based on the analysis of the historical variations in interest rates in a recent period, as well as the assumption of non-variation in inflation expectations curves, which affect the relevant coupons as much as the interest rates.

The sensitivity analysis considers the isolated effects of each risk factor. The ''sensitivity analysis" column indicates a change index that was deemed to be possible for the assumptions selected. The preparation of the sensitivity analysis conducted by Brasilprev was based on the best estimates of changes in these assumptions considering usual market scenarios and conditions.

This analysis takes into account only the securities classified as "fair value through income" and "trading securities", which are marked-to-market according to the pricing and risk calculation methodologies used by Brasilprev. All active plans, except PGBL and VGBL plans in accumulation phase, were considered in this analysis.

R$ thousand

Risk factor	Sensitivity analysis	Mar 31, 2017	%	Dec 31, 2016	%
Interest rate (1)	100 bps increase	139	0.01	360	0.01
Interest rate (1)	100 bps reduction	(139)	(0.01)	(360)	(0.01)
Coupon	100 bps increase	(13,203)	(0.63)	(14,990)	(0.64)
Coupon	100 bps reduction	13,203	0.63	14,990	0.64

(1) The impact considered for the interest rate is equivalent to the effects of a tax adjustment of 100 bps on earnings for one day, especially due to the impact from this effect on assets with immediate liquidity.

e.5) BRASILDENTAL

Brasildental invests its funds in fixed-income mutual fund. In March, 2017, the fund showed 0.0015% VaR (0.0017% on December 2016), using historical simulation of 150 days and 95% confidence level for the horizon of 1 day.

f) Liquidity Risk

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

To mitigate this risk, the companies in which BB Seguridade holds interest often conduct studies of expected financial transactions flows in various scenarios, evaluating conservatively minimum limits of liquid resources to be maintained in each period.

f.1) INSURANCE GROUP BB MAPFRE

Liquidity risk management involves a set of controls, principally in regard to the establishment of technical limits, with ongoing evaluation of the taken positions and financial instruments used. Each year the Executive Board approves minimum liquidity levels to be maintained, as well as the instruments that may be used to manage liquidity, on the basis of the assumptions contained in the Investment Policy, which is approved by the Board of Directors.

BB MAPFRE SH1

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Assets								
Cash	4,497	--	--	**4,497**	2,056	--	--	**2,056**
Cash equivalents	11,603	--	--	**11,603**	22,643	--	--	**22,643**
Securities[1]	3,146,866	1,590,256	1,038,027	**5,775,149**	3,729,814	1,865,007	1,113,466	**6,708,287**
Receivables from insurance and reinsurance operations	1,631,421	989,802	--	**2,621,223**	1,744,356	1,103,527	--	**2,847,883**
Reinsurance assets – technical provisions[3]	313,428	320,920	58,538	**692,886**	225,332	267,748	33,282	**526,362**
Other operational credits	71,448	--	--	**71,448**	150,494	--	--	**150,494**
Receivables[2]	107,225	374	--	**107,599**	58,047	483	--	**58,530**
Other	795	--	--	**795**	760	--	--	**760**
Prepaid expenses	29,113	--	--	**29,113**	16,498	--	--	**16,498**
Deferred acquisition costs	650,688	859,193	--	**1,509,881**	732,168	873,058	--	**1,605,226**
Other assets	--	112	--	**112**	--	112	--	**112**
Total Assets	**5,967,084**	**3,760,657**	**1,096,565**	**10,824,306**	**6,682,168**	**4,109,935**	**1,146,748**	**11,938,851**
Liabilities								
Insurance technical provisions[3]	3,141,200	3,614,608	1,147,126	**7,902,934**	3,136,467	3,771,015	1,005,796	**7,913,278**
Accounts payable	301,616	6,093	--	**307,709**	720,514	1,402	--	**721,916**
Obligations with insurance and reinsurance operations	1,441,347	--	--	**1,441,347**	1,352,791	--	--	**1,352,791**
Third party deposits	111,919	--	--	**111,919**	90,313	--	--	**90,313**
Total Liabilities	**4,996,082**	**3,620,701**	**1,147,126**	**9,763,909**	**5,300,085**	**3,772,417**	**1,005,796**	**10,078,298**

(1) At financial investments were considered the maturity dates of bonds and securities. Financial assets and technical provisions related to DPVAT, amounting to R$ 431,608 thousand (R$ 403,564 thousand in 2016), and R$ 431,564 thousand (R$ 403,474 thousand in 2016) respectively, were not classified in the table above since they were not under company's management.

(2) Financial assets related to legal and tax deposits, amounting to R$ 875,353 thousand (R$ 864,476 thousand in 2016), and financial liabilities of the legal provisions, amounting of R$ 644,209 thousand (R$ 630,690 thousand in 2016), were not classified in the table above due the uncertain expected resolution date(s). Tax and pension credits, amounting R$ 492,606 thousand (R$ 515,449 thousand in 2016) were not ranked in the table above.

(3) In relation to the outflow of reserves for claims and reinsurance assets related to claims it was considered the historical experience observed in the payment pattern.

MAPFRE BB SH2

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Assets								
Cash	71,607	--	--	**71,607**	92,453	--	--	**92,453**
Cash equivalents	9,076	--	--	**9,076**	61,697	--	--	**61,697**
Securities(1)	1,097,850	1,673,472	998,279	**3,769,601**	1,053,601	1,739,942	999,418	**3,792,961**
Receivables from insurance and reinsurance operations	3,007,476	45,619	--	**3,053,095**	3,160,356	40,697	--	**3,201,053**
Reinsurance assets – technical provisions(3)	1,187,769	679,127	97,831	**1,964,727**	1,053,877	573,041	147,660	**1,774,578**
Other operational credits	197,309	--	--	**197,309**	157,053	--	--	**157,053**
Receivables(2)	261,185	--	--	**261,185**	265,972	--	--	**265,972**
Other	314,025	--	--	**314,025**	328,089	--	--	**328,089**
Prepaid expenses	28,422	--	--	**28,422**	12,453	--	--	**12,453**
Deferred acquisition costs	636,768	97,352	--	**734,120**	639,173	91,896	--	**731,069**
Other assets	342	--	726	**1,068**	342	--	726	**1,068**
Total Assets	**6,811,829**	**2,495,570**	**1,096,836**	**10,404,235**	**6,825,066**	**2,445,576**	**1,147,804**	**10,418,446**
Liabilities								
Insurance technical provisions(3)	4,691,075	2,054,914	244,061	**6,990,050**	4,454,628	1,873,420	384,377	**6,712,425**
Accounts payable	484,539	906	--	**485,445**	719,766	2,366	--	**722,132**
Obligations with insurance and reinsurance operations	831,858	--	--	**831,858**	935,933	--	--	**935,933**
Third party deposits	119,018	--	--	**119,018**	61,977	--	--	**61,977**
Total Liabilities	**6,126,490**	**2,055,820**	**244,061**	**8,426,371**	**6,172,304**	**1,875,786**	**384,377**	**8,432,467**

(1) At financial investments were considered the maturity dates of bonds and securities. Financial assets and technical provisions related to DPVAT, amounting to R$ 619,155 thousand (R$ 579,192 thousand in 2016), and R$ 619,091 thousand (R$ 471,374 thousand in 2016) respectively, were not classified in the table above since they were not under company's management.

(2) Financial assets related to legal and tax deposits, amounting to R$ 794,205 thousand (R$ 779,410 thousand in 2016), and financial liabilities of the legal provisions, amounting to R$ 671,429 thousand (R$ 656,563 thousand in 2016), were not classified in the table above due the uncertain expected resolution date(s). Tax and pension credits, amounting R$ 854,735 thousand (R$ 858,454 thousand in 2016) were not ranked in the table above.

(3) In relation to the outflow of reserves for claims and reinsurance assets related to claims it was considered the historical experience observed in the payment pattern.

f.2) IRB BRASIL RE

To mitigate liquidity risk, IRB Brasil RE seeks to allocate a minimum reserve in highly liquid funds (repurchase agreements backed by government bonds) to cover short-term cash needs. Liquidity risk is monitored continuously by comparing forecasted and observed cash flows, and by matching the maturity profiles of financial assets and liabilities over time.

R$ thousand

Reinsurance liabilities (technical provisions)	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
PSL Total	363,605	2,009,947	1,753,617	**4,127,169**	468,325	2,133,592	1,762,222	**4,364,134**
PPNG RVE	191,727	906,342	28,323	**1,126,392**	742,615	337,984	21,030	**1,101,629**
PPNG-EPI	118,788	262,189	--	**380,977**	343,230	15,184	--	**358,414**
IBNR + IBNER	579,479	690,464	448,466	**1,718,409**	671,116	837,521	357,805	**1,866,442**
PPNG RVNE	168,305	5,299	--	**173,604**	185,176	3,744	--	**188,920**
PET	6,532	73,475	--	**80,007**	3,877	62,715	--	**66,592**
PDR	3,639	12,932	10,843	**27,414**	5,199	16,363	12,313	**33,875**
Total	**1,432,075**	**3,960,648**	**2,241,249**	**7,633,972**	**2,419,538**	**3,407,103**	**2,153,370**	**7,980,011**

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Assets								
Cash equivalents	295,570	--	--	**295,570**	217,575	--	--	**217,575**
Securities	1,603,160	2,976,466	1,288,889	**5,868,515**	861,473	3,487,594	1,247,574	**5,596,641**
Receivables from insurance and reinsurance operations	2,633,258	--	--	**2,633,258**	2,222,321	149,019	--	**2,371,340**
Retrocession assets – technical provisions	479,030	1,619,097	1,161,989	**3,260,116**	1,113,914	1,526,968	951,771	**3,592,653**
Receivables	205,750	1,205,127	--	**1,410,877**	124,402	1,127,123	--	**1,251,525**
Other	11,247	293,847	--	**305,094**	6,784	31,859	455,119	**493,762**
Prepaid expenses	2,249	--	--	**2,249**	3,320	--	--	**3,320**
Total Assets	**5,230,264**	**6,094,537**	**2,450,878**	**13,775,679**	**4,549,789**	**6,322,563**	**2,654,464**	**13,526,816**
Liabilities								
Technical provisions	1,432,075	3,960,648	2,241,249	**7,633,972**	2,419,538	3,407,103	2,153,370	**7,980,011**
Accounts payable	720,790	920,592	--	**1,641,382**	209,314	796,833	--	**1,006,147**
Obligations with reinsurance and retrocession operations	1,338,965	789	--	**1,339,754**	1,211,652	789	--	**1,212,441**
Third party deposits	69,511	--	--	**69,511**	--	--	--	--
Total Liabilities	**3,561,341**	**4,882,029**	**2,241,249**	**10,684,619**	**3,840,504**	**4,204,725**	**2,153,370**	**10,198,599**

f.3) BRASILCAP CAPITALIZAÇÃO S.A.

Brasilcap liquidity risk management uses the Asset Liability Management - ALM analysis - as a tool to assess the level of maturity mismatch and exposure between the assets and liabilities.

The redemption terms of premium bonds issued by Brasilcap are compared with the terms of the assets included in the portfolio that guarantees these certificates, identifying possible mismatching points. For this purpose of liquidity risk studies, the early projected redemptions were considered with the same distributions observed in the history of each premium bond product and the assets are considered cash on their respective maturity.

A significant portion of the assets included in the portfolio that guarantees premium bonds issued by Brasilcap has active market that enables its sale before maturity, allowing the Company to cover any cash requirements. Although realistic, the hypothesis of anticipated sale of financial assets was not considered in the analysis shown in this note.

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Assets cash flow	4,136,140	7,765,757	1,048	**11,902,945**	5,356,802	7,181,477	1,973	**12,540,252**
Cash receipts of other plots	1,620,548	1,320,238	--	**2,940,786**	1,774,701	1,529,850	--	**3,304,551**
Cash flow liabilities	(5,996,604)	(8,508,112)	(99,227)	**(14,603,943)**	(5,907,926)	(10,065,127)	(213,338)	**(16,186,391)**
Primary net cash	**(239,916)**	**577,883**	**(98,179)**	**239,788**	**1,223,577**	**(1,353,800)**	**(211,365)**	**(341,588)**
Cash remuneration	48,495	425,883	137,026	**611,404**	79,117	433,392	54,159	**566,668**
Cash balance (1)	**(191,421)**	**812,345**	**851,192**	**851,192**	**1,302,694**	**382,286**	**225,080**	**225,080**

(1) Considers the projection of financial assets flows and expenditure accounts, necessary for Brasilcap maintenance in a possible run off scheme.
(2) The amounts of any negative flows are duly provided by the Fixed income Brazilian Treasury Securities, classified in the category available-for-sale financial assets, considered as Liquid Assets by the Regulator, according to CNSP Resolution 321/2015, Chapter V, Art. 65, item IV, and with CMN Resolution 4,444 / 2015, Section II, Subsection I, Art, 8, item Ia.

f.4) BRASILPREV SEGUROS E PREVIDÊNCIA S.A.

Combined with conservative assessment strategy of the thresholds of highly liquid funds to be kept, Brasilprev searches reinvestment options that permit maximize the available resources.

To mitigate the liquidity risk, studies concerning expected financial transactions are often performed using various scenarios, conservatively evaluating the minimum limits of liquid assets to be kept.

The assets in coverage of technical provisions amounting to R$ 210,054 million (R$ 199,154 million in 2016) will be reinvested at maturity according to the maturity of actuarial liabilities. The table below presents all financial assets and liabilities held by Brasilprev classified according to the maturities of the expected cash flows.

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Asset								
Securities	20,459,050	147,699,336	41,896,376	**210,054,762**	21,038,443	123,503,804	54,611,964	**199,154,211**
Credits from insurance and reinsurance transactions	2,475	--	--	**2,475**	1,506	--	--	**1,506**
Pension plan credits	452	--	--	**452**	136	--	--	**136**
Receivables	32,886	677,853	--	**710,739**	50,941	546,033	--	**596,974**
Prepaid expenses	3,984	--	--	**3,984**	1,265	--	--	**1,265**
Deferred acquisition costs	532,135	753,919	--	**1,286,054**	512,495	753,623	--	**1,266,118**
Total asset	**21,030,982**	**149,131,108**	**41,896,376**	**212,058,466**	**21,604,786**	**124,803,460**	**54,611,964**	**201,020,210**
Liability								
Technical provisions – insurance and pension plans	28,650,499	45,111,104	134,716,769	**208,478,372**	27,075,920	42,760,504	127,697,134	**197,533,558**
Accounts payable	321,889	--	--	**321,889**	578,804	--	--	**578,804**
Debts from insurance transactions	10,956	--	--	**10,956**	13,785	--	--	**13,785**
Pension plan debts	1,024	--	--	**1,024**	3,203	--	--	**3,203**
Third party deposits	154,508	--	--	**154,508**	44,678	--	--	**44,678**
Other debits (court provisions)	--	702,972	--	**702,972**	--	658,283	--	**658,283**
Total liability	**29,138,876**	**45,814,076**	**134,716,769**	**209,669,721**	**27,716,390**	**43,418,787**	**127,697,134**	**198,832,311**

f.5) BRASILDENTAL

Receipts making up Brasildental's cash inflow come from the dental care plans in the prepayment system, which provides for the settlement of the monthly fee in return for the right to use the benefit. Cash outflows are composed of payments to brokers and accredited network, Brasildental's leading suppliers.

R$ thousand

	Mar 31, 2017				Dec 31, 2016			
	Up to 1 year	Between 1 and 5 years	More than 5 years	Total	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
Assets								
Securities	14,822	--	--	**14,822**	13,507	--	--	**13,507**
Other assets[1]	8,201	--	--	**8,201**	7,658	--	--	**7,658**
Total Assets	**23,023**	**--**	**--**	**23,023**	**21,165**	**--**	**--**	**21,165**
Liabilities								
Technical provisions	5,028	--	--	**5,028**	5,850	--	--	**5,850**
Other liabilities[2]	6,481	--	--	**6,481**	4,944	--	--	**4,944**
Total Equity	11,514	--	--	**11,514**	10,371	--	--	**10,371**
Total Liabilities and Equity	**23,023**	**--**	**--**	**23,023**	**21,165**	**--**	**--**	**21,165**

(1) Other assets consist of tax credits and premiums receivables.
(2) Other liabilities consist of taxes payable and liabilities to suppliers and staff.

g) Operational risk

Operational risk is defined as the possibility of loss resulting from failed, deficient or inadequate internal processes, people and systems or from external events. This definition includes legal risk, understood as the possibility of loss resulting from inadequate or deficient contracts signed by the company, as well as sanctions for non-compliance with legal provisions and compensation for damages to third parties arising from activities performed by the company.

The management of operational risk at the companies in which BB Seguridade holds interest is performed with focus on controlling, monitoring and reducing external and internal threats. That way, the affiliated companies keep up-to-date the control and prevention activities of non-accepted risks and the detection of residual risks. Specific tools and methodologies are used to identify risk factors, which are frequently rated, monitored and reported.

In compliance with Susep Circular 517/2015, the affiliated companies subjected to the supervision of Susep are structuring their Operational Loss Database (BDPO).

h) Regulatory capital

BB Seguridade monitors the capital management of the companies in which it holds interest in order to optimize the return for shareholders and ensure the maintenance of sufficient capital levels to meet the requirements determined by the regulatory bodies CNSP, Susep and (ANS).

As part of the capital management of the companies in which BB Seguridade holds interest that are supervised by Susep, the main indicator used is the so-called Minimum Required Capital (CMR), representing the total capital that a company must maintain, at any time, to operate, and it aims to guarantee the risks inherent to their operations. CMR is composed of portions relating to underwriting, credit, operational and market risks and is regulated by CNSP Resolution 321/2015. The capital requirement for market risk became mandatory since December 31, 2016, and will be 50% until December 30, 2017, increasing to 100% after December 31, 2017.

The minimum capital requirement adequacy is measured using the PLA of the entity, which must be equal to or above the calculated CMR. PLA is defined as the book value or net equity, according to the entity, adjusted by additions and exclusions provided in CNSP Resolution 321/2015 and its respective amendments as established in CNSP Resolution 343/2016.

In addition to the minimum capital requirement, CNSP Resolution 321/2015, amended by CNSP Resolution 343/2016, establishes the requirement that the amount of liquid assets of the entity, corresponding to all assets accepted by the National Monetary Council (CMN) by 100% in the coverage of technical reserves, in excess to the need for provision coverage, be more than 20% of risk-based capital, deducted from this the value of the unrecorded premium/contribution flows surplus determined in the Liability Adequacy Test (LAT), limited to the effect on the risk-based capital of the market risk portion related to unrecorded premium and contribution flows. According to this regulation, the following assets are reducers for provision coverage: receivables, reinsurance and retrocession assets, legal deposits and deffered acquisition costs. For the companies regulated by Susep in which BB Seguridade holds interest, risk-based capital corresponds to CMR.

For the dental care plans segment, ANS sets rules for establishment of technical provisions and minimum capital requirement criteria according to Normative Resolution 209/09, which applies to Brasildental. The minimum value of the entity's Adjusted Net Equity is represented by the Minimum Adjusted Equity (PMA), calculated from the application of a specific factor to the basis capital, defined by the Normative Resolution. The Solvency Margin, applicable to companies with more than one year of operation, corresponds to the sufficiency of the Net Equity adjusted by economic effects in relation to capital requirement, represented by the largest amount between:

a) 0.20 times the sum of the last twelve months 100% of the payments in the fixed price mode, and 50% of the payments in post-established price modality; or
b) 0.33 times the annual average of the past 36 months (or time company's activity, while lower) of the sum of 100% of the events/claims in the fixed price mode and 50% of events/claims in the post-established price modality.

As shown below, on March 31, 2017 all companies in which BB Seguridade holds interest had capital and liquidity adequacy, in accordance with applicable regulation.

R$ thousand

Capital adequacy	Mar 31, 2017			Dec 31, 2016		
	Adjusted Net Equity	CMR/PMA(1)	Adequacy	Adjusted Net Equity	CMR/PMA(1)	Adequacy
BB MAPFRE SH1						
Companhia de Seguros Aliança do Brasil	1,399,752	1,160,237	239,515	1,598,015	1,154,860	443,155
MAPFRE Vida S.A.	255,520	191,740	63,780	276,136	184,274	91,862
MAPFRE BB SH2						
Brasilveículos Companhia de Seguros	454,108	389,338	64,770	453,101	393,104	59,997
Aliança do Brasil Seguros S.A.	197,269	108,563	88,706	229,036	108,862	120,174
MAPFRE Seguros Gerais S.A.	1,965,599	1,002,120	963,479	2,053,637	995,579	1,058,058
IRB Brasil RE	2,076,188	838,643	1,237,545	2,706,769	841,191	1,865,578
Brasilcap	483,856	290,276	193,580	515,705	308,499	207,206
Brasilprev	3,389,897	1,616,370	1,773,527	3,189,674	1,580,278	1,609,396
Brasildental	8,972	255	--	8,372	255	--

(1) Minimum Adjusted Equity (PMA) definition applies only to Brasildental.

R$ thousand

Liquidity	Mar 31, 2017				Dec 31, 2016			
	Liquid Assets	Technical provisions	Liquidity Requirement(1)	Excess of Liquid Assets	Liquid Assets	Technical Provisions	Liquidity Requiremen	Excess of Liquid Assets
BB MAPFRE SH1								
Companhia de Seguros Aliança do Brasil	5,010,217	4,331,540	232,047	446,630	5,331,662	4,279,221	230,972	821,469
MAPFRE Vida S.A.	687,723	588,135	38,348	61,240	669,274	541,059	36,855	91,360
MAPFRE BB SH2								
Brasilveículos Companhia de Seguros	933,153	810,128	77,868	45,157	957,795	810,251	78,621	68,923
Aliança do Brasil Seguros S.A.	298,102	260,748	21,713	15,641	332,722	271,645	21,772	39,305
MAPFRE Seguros Gerais S.A.	2,465,055	2,111,415	200,424	153,216	2,401,661	2,071,922	199,116	130,623
IRB Brasil RE	4,940,665	4,192,036	167,729	580,900	4,959,780	4,091,855	168,238	699,687
Brasilcap	10,706,965	10,231,117	55,510	420,338	11,431,762	10,762,799	59,653	609,310
Brasilprev	210,054,762	208,478,371	321,069	1,255,322	199,154,211	197,533,558	313,851	1,306.802

(1) The liquidity requirement, calculated in the past as 20% of the CMR, was revised by CNSP Resolution 343/2016, with effective starting in December 31, 2016.

R$ thousand

Solvency Margin	Mar 31, 2017			Dec 31, 2016		
	Adjusted Net Equity	Required Solvency	Solvency Margin	Adjusted Net Equity	Required Solvency	Solvency Margin
Brasildental	8,972	2,631	6,341	8,372	2,447	5,925

6 – INFORMATION BY SEGMENT

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

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

a) Insurance

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

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

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

b) Brokerage

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

c) Financial Information by Reportable Segment

R$ thousand

	1 st quarter 2017			1 st quarter 2016		
	Insurance	Brokerage	Total	Insurance	Brokerage	Total
Operating income	**594,118**	**691,803**	**1,285,921**	**608,261**	**631,567**	**1,239,828**
Commissions income	--	691,803	691,803	--	631,567	631,567
Share of profit of associate companies	594,118	--	594,118	608,261	--	608,261
Other income and expenses	**(1,069)**	**(79,060)**	**(80,129)**	**(11,889)**	**(71,662)**	**(83,551)**
Interest income from financial instruments	35,088	54,042	89,130	11,730	49,330	61,060
Personnel expenses	(7,465)	(5,082)	(12,547)	(56)	(53)	(109)
Administrative expenses	(7,884)	(38,661)	(46,545)	--	(47,564)	(47,564)
Tax expenses	(4,391)	(82,707)	(87,098)	(2,045)	(56,108)	(58,153)
Other operating expenses	(16,417)	(6,652)	(23,069)	(21,518)	(17,267)	(38,785)
Income before taxes	**593,049**	**612,743**	**1,205,792**	**596,372**	**559,905**	**1,156,277**
Income taxes	**(5,121)**	**(207,868)**	**(212,989)**	**--**	**(189,397)**	**(189,397)**
Net income	**587,928**	**404,875**	**992,803**	**596,372**	**370,508**	**966,880**

d) Balance sheet by segment

	Mar, 31.2017				Dec 31, 2016			
	Insurance	Brokerage	Intersegment transactions	Total	Insurance	Brokerage	Intersegment transactions	Total
Current assets	1,410,132	1,718,767	(2,624)	3,126,275	2,390,771	2,124,806	(1,276,806)	3,238,771
Non-current assets	15,986,674	578,667	(8,279,590)	8,285,751	16,284,834	993,020	(7,974,319)	9,303,535
Total assets	**17,396,806**	**2,297,434**	**(8,282,214)**	**11,412,026**	**18,675,605**	**3,117,826**	**9,251,125**	**12,542,306**
Current liabilities	20,808	986,247	(2,624)	1,004,431	2,200,209	2,181,706	(1,276,805)	3,105,110
Non-current liabilities	273,976	844,340	--	1,118,316	273,977	874,154	--	1,148,131
Equity	17,102,022	466,847	(8,279,590)	9,289,279	16,201,419	61,966	(7,974,320)	8,289,065
Total liabilities and equity	**17,396,806**	**2,297,434**	**(8,282,214)**	**11,412,026**	**18,675,605**	**3,117,826**	**(9,251,125)**	**12,542,306**

e) Insurance Segment Subdivision

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

Insurance - The sub segment comprises insurance products offered through BB Mapfre SH1 Participações S.A. and Mapfre BB SH2 Participações S.A. It is formed by the life, mortgage life and rural insurance and property and casualty insurance.

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

Insurance – Property and Casualty - Property and casualty insurance comprise the products offered by Mapfre BB SH2 (casualty and vehicle insurance), Income and expenses are recorded by the equity method and arise, mainly, from insurance premiums revenues and investments in securities, net of selling expenses, technical provisions and claims expenses.

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

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

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

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

f) Combined Statement of Income by Sub Segment

R$ thousand

	1st Quarter/2017					
	Life, Mortgage and Rural	Property and Casualty	Reinsurance	Private Pension Plans	Capitalization Plans	Health
Insurance income						
Earned premiums	**1,880,208**	**2,097,575**	**1,109,843**	**--**	**--**	**--**
Retained premiums	1,632,824	2,210,409	1,172,490	--	--	--
Change in technical provisions	247,384	(112,834)	(62,647)	--	--	--
Income/expenses insurance	5,674	8,139	--	--	--	--
Retained claims	(750,217)	(1,359,575)	(435,727)	--	--	--
Costs acquisition	(456,435)	(416,232)	(26,320)	--	--	--
Result from reinsurance income	**135,587**	**(32,264)**	**(393,012)**	**--**	**--**	**--**
Reinsurance income	398,073	343,871	150,820	--	--	--
Reinsurance expenses	(262,486)	(376,135)	(543,832)	--	--	--
Private pension plans income	**--**	**--**	**--**	**55,227**	**--**	**--**
Retained contributions	--	--	--	10,008,207	--	--
Benefits provision	--	--	--	(9,952,980)	--	--
Change in technical provisions	--	--	--	(6,734)	--	--
Income from management fees	--	--	--	572,553	--	--
Benefits and redemption expenses	--	--	--	(4,008)	--	--
Retained benefits	--	--	--	(21,804)	--	--
Risk contributions	--	--	--	51,580	--	--
Selling expenses	--	--	--	(146,843)	--	--
Capitalization plans income						
Net securities capitalization	**--**	**--**	**--**	**--**	**141,188**	**--**
Fundraising with bonds	--	--	--	--	934,000	--
Change in provision for redemption	--	--	--	--	(792,812)	--
Change in technical provisions	--	--	--	--	(9,464)	--
Raffle results	--	--	--	--	(19,204)	--
Selling expenses	--	--	--	--	(66,736)	--
Health income						
Health dental plans income	--	--	--	--	--	8,781
Other operation income (expenses)						
Other operation income (expenses)	(202,187)	(129,900)	(7,896)	(7,280)	(2,999)	--
Administrative expenses	(90,328)	(226,181)	(74,392)	(91,219)	(18,957)	(5,508)
Taxes expenses	(53,474)	(44,294)	(29,892)	(46,073)	(6,490)	(583)
Result from interest income	**160,395**	**81,351**	**176,426**	**107,101**	**172,628**	**324**
Interest income	208,368	134,423	919,302	6,557,830	389,264	445
Interest expenses	(47,973)	(53,072)	(742,876)	(6,450,729)	(216,636)	(121)
Equity in earnings	**(8,209)**	**(656)**	**8,282**	**--**	**49**	**--**
Operating results	**621,014**	**(22,037)**	**327,312**	**462,500**	**190,015**	**3,014**
Non-current assets results	**7**	**632**	**--**	**(2,199)**	**--**	**--**
Income before taxes	**621,021**	**(21,405)**	**327,312**	**460,301**	**190,015**	**3,014**
Interest taxes	(225,884)	20,472	(97,368)	(206,196)	(85,155)	(1,044)
Results participation	(3,593)	(3,636)	(4,999)	(5,719)	(1,222)	--
Net income	**391,544**	**(4,569)**	**224,945**	**248,386**	**103,638**	**1,970**
Attributable to Group BB Seguridade	293,619	(2,285)	45,945	186,277	69,085	1,477
Attributable to other stockholders'	97,925	(2,284)	179,000	62,109	34,553	493
Total assets	**14,138,604**	**13,508,307**	**13,775,979**	**212,271,057**	**11,623,290**	**23,023**
Total liabilities	**11,105,509**	**9,767,269**	**10,684,741**	**209,669,720**	**11,234,583**	**11,509**
Total Equity	**3,033,095**	**3,741,038**	**3,091,238**	**2,601,337**	**388,707**	**11,514**

R$ thousand

	1st Quarter/2016					
	Life, Mortgage and Rural	Property and Casualty	Reinsurance	Private Pension Plans	Capitalization Plans	Health
Insurance income						
Earned premiums	**1,858,736**	**2,239,624**	**1,027,534**	**--**	**--**	**--**
Retained premiums	1,496,845	2,173,922	982,276	--	--	--
Change in technical provisions	361,891	65,702	45,258	--	--	--
Income/expenses insurance	6,049	7,683	--	--	--	--
Retained claims	(877,276)	(1,297,163)	(935,296)	--	--	--
Costs acquisition	(449,869)	(437,902)	(32,602)	--	--	--
Result from reinsurance income	**141,843**	**(263,887)**	**118,784**	**--**	**--**	**--**
Reinsurance income	320,225	83,765	335,679	--	--	--
Reinsurance expenses	(178,382)	(347,652)	(216,895)	--	--	--
Private pension plans income	**--**	**--**	**--**	**48,227**	**--**	**--**
Retained contributions	--	--	--	7,898,302	--	--
Benefits provision	--	--	--	(7,850,075)	--	--
Change in technical provisions	--	--	--	(13,649)	--	--
Income from management fees	--	--	--	430,217	--	--
Benefits and redemption expenses	--	--	--	(3,269)	--	--
Retained benefits	--	--	--	(18,056)	--	--
Risk contributions	--	--	--	49,311	--	--
Selling expenses	--	--	--	(105,436)	--	--
Capitalization plans income						
Net securities capitalization	**--**	**--**	**--**	**--**	**190,880**	**--**
Fundraising with bonds	--	--	--	--	1,043,471	--
Change in provision for redemption	--	--	--	--	(852,591)	--
Change in technical provisions	--	--	--	--	(7,707)	--
Raffle results	--	--	--	--	(34,233)	--
Selling expenses	--	--	--	--	(84,334)	--
Health income						
Health dental plans income	--	--	--	--	--	4,934
Other operation income (expenses)						
Other operation income (expenses)	(64,085)	(67,896)	(6,200)	(10,621)	(4,799)	--
Administrative expenses	(93,118)	(242,246)	(47,589)	(79,291)	(16,455)	(3,438)
Taxes expenses	(62,762)	(43,463)	(35,276)	(35,928)	(8,352)	(306)
Result from interest income	**190,477**	**191,707**	**188,654**	**145,029**	**212,810**	**112**
Interest income	245,606	156,929	339,371	5,512,078	474,867	169
Interest expenses	(55,129)	34,778	(150,717)	(5,367,049)	(262,057)	(57)
Equity in earnings	**(7,740)**	**(915)**	**11,933**	**--**	**102**	**--**
Operating results	**642,255**	**85,542**	**289,942**	**406,534**	**247,912**	**1,302**
Non-current assets results	**(187)**	**(224)**	**--**	**--**	**--**	**--**
Income before taxes	**642,068**	**85,318**	**289,942**	**406,534**	**247,912**	**1,302**
Interest taxes	(260,592)	(37,095)	(84,606)	(180,466)	(111,797)	(486)
Results participation	(2,043)	2,272	(5,975)	(3,246)	(1,042)	--
Net income	**379,433**	**50,495**	**199,361**	**222,822**	**135,073**	**816**
Attributable to Group BB Seguridade	284,536	25,248	40,720	167,105	90,040	612
Attributable to other stockholders'	94,897	25,247	158,641	55,717	45,033	204
Total assets	**14,924,580**	**14,741,062**	**14,109,595**	**160,664,056**	**13,175,112**	**13,474**
Total liabilities	**11,551,216**	**11,243,853**	**11,210,958**	**158,306,663**	**12,738,104**	**6,114**
Total Equity	**3,373,364**	**3,497,209**	**2,898,637**	**2,357,393**	**437,008**	**7,360**

7 – CASH AND CASH EQUIVALENTS

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Cash	--	--	1	986
Short-term fund	1,478	2,218	10,531	11,962
Repurchase agreements(1)	949,078	663,320	1,584,469	2,161,966
Total	**950,556**	**665,538**	**1,595,001**	**2,174,914**

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

8 – FINANCIAL INSTRUMENTS

a) Financial Assets at Fair Value through Profit or Loss

a.1) Changes in Assets

R$ thousand

	Consolidated						
	Dec 31, 2016					Mar 31, 2017	
	Cost Value	Market Value/ Book Value	Applications	Redemptions	Profitability(2)	Cost Value	Market Value/Book Value
Long-term fund (1)	337,921	379,153	--	--	11,851	337,921	391,004
Total	**337,921**	**379,153**	**--**	--	**11,851**	**337,921**	**391,004**

(1) Refers to investiments in "BB renda fixa longo prazo corporativo 10 milhões" investment fund, which investments policy foresees applications in investment funds compound portfolio, isolated or accumulated, by bonds and private or public marketable securities, fixed-rate or post-fixed and repurchase agreements. in addition, the fund must held 80% (eighty per cent) of its portfolio in government bonds fund and/or assets with low risk of credit related to inner interest rate, to price rates or both and do not admit strategies which implicate foreign currency risk, variable revenue or leverage.

(2) Gross Amounts of tax effects.

There is no balance of financial assets at fair value through profit or loss in the Parent.

a.2) Fair Value Hierarchy

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

• Level 1: Quoted prices in active markets for identical assets or liabilities;

• Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices);

• Level 3: Assumptions for the asset or liability that are not based on observable market data (unobservable inputs).

R$ thousand

	Consolidated					
	Mar 31, 2017			Dec 31, 2016		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Long-term fund	391,004	--	391,004	379,153	--	379,153
Total	**391,004**	**--**	**391,004**	**379,153**	**--**	**379,153**

b) Financial Assets Available for Sale

R$ thousand

	Consolidated			
	Mar 31, 2017		Dec 31, 2016	
	Cost Value	Market Value/ Book Value	Cost Value	Market Value/ Book Value
Investment certificate	81	65	81	59
Total	**81**	**65**	**81**	**59**

There is no balance of financial assets available for sale in the Parent.

c) Financial Assets Available Held to Maturity Securities

R$ thousand

	Counterparty rating	Consolidated			
		Mar 31, 2017		Dec 31, 2016	
		Cost Value	Market Value/ Book Value	Cost Value	Market Value/ Book Value
Financial bills[1]	AA	415,000	443,516	415,000	430,008

(1) Financial bills registered with the CETIP - Central of Custody and Financial Settlement of Securities, with maximum maturity of 2 years.

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

9 – INVESTMENTS IN ASSOCIATES

a) Information about Investment in Associates

R$ thousand

Company	Capital	Stockholders' equity adjusted[1]	Parent						Consolidated		
			Carrying amount	Moviments from Jan 01, 2017 to Mar 31, 2017				Carrying amount	Share of profit	Carrying amount	
			Dec 31, 2016	Dividends	Equity valuation adjustments	Other events	Share of profit	Mar 31, 2017	1st Quarter/2017	Mar 31, 2017	Dec 31, 2016
BB Seguros Participações S.A.	**4,210,872**	**7,812,740**	**7,912,353**	**(700,000)**	**7,405**	**--**	**592,982**	**7,812,740**	**--**	**--**	**--**
BB Mapfre SH1 Participações S.A. [2]	2,050,198	2,517,080	3,165,316	(919,152)	7,091	--	293,619	2,546,874	293,619	2,546,874	3,165,316
Mapfre BB SH2 Participações S.A. [3]	1,968,380	3,643,251	2,198,335	(41,151)	(800)	--	(2,285)	2,154,099	(2,285)	2,154,099	2,198,335
Brasilprev Seguros e Previdência S.A.	1,193,539	2,601,337	1,777,217	(36,691)	1,239	--	186,277	1,928,042	186,277	1,928,042	1,777,217
IRB-Brasil RE S.A.	1,953,080	3,091,059	683,710	(97,958)	(125)	--	45,945	631,572	45,945	631,572	683,710
Brasilcap Capitalização S.A. [4]	231,264	388,707	411,447	(110,671)	--	--	69,085	369,861	69,085	369,861	411,447
Brasildental Operadora de Planos Odontológicos S.A. [5]	9,500	11,514	7,778	(620)	--	--	1,477	8,635	1,477	8,635	7,778
BB Corretora de Seguros e Administradora de Bens S.A.	**36,211**	**466,847**	**61,966**	**--**	**6**	**--**	**404,875**	**466,847**	**--**	**--**	**--**
Total			**7,974,319**	**(700,000)**	**7,411**	**--**	**997,857**	**8,279,587**	**594,118**	**7,639,083**	**8,243,803**

R$ thousand

Company	Capital	Stockholders' equity adjusted[1]	Parent						Consolidated		
			Carrying amount	Moviments from Jan 01, 2016 to Mar 31, 2016				Carrying amount	Share of profit	Carrying amount	
			Dec 31, 2015	Dividends	Equity valuation adjustments	Other events	Share of profit	Mar 31, 2016	1st Quarter/2016	Mar 31, 2016	Dec 31, 2015
BB Seguros Participações S.A.	**4,210,872**	**7,759,793**	**7,141,522**	**--**	**21,899**	**--**	**596,372**	**7,759,793**	**--**	**–**	**–**
BB Mapfre SH1 Participações S.A. [2]	2,050,198	2,836,927	3,020,007	(517,431)	14,933	--	284,536	2,802,045	284,536	2,802,045	3,020,007
Mapfre BB SH2 Participações S.A. [3]	1,968,380	3,397,280	2,230,688	(55,000)	7,333	--	25,248	2,208,269	25,248	2,208,269	2,230,688
Brasilprev Seguros e Previdência S.A.	943,417	2,357,393	1,794,476	(215,874)	(611)	--	167,105	1,745,096	167,105	1,745,096	1,794,476
IRB Brasil Resseguros S.A.	1,453,080	2,898,905	663,819	(108,415)	244	--	40,720	596,368	40,720	596,368	663,819
Brasilcap Capitalização S.A. [4]	231,264	437,008	405,229	(93,210)	–	--	90,040	402,059	90,040	402,059	405,229
Brasildental Operadora de Planos Odontológicos S.A. [5]	9,500	7,360	1,533	--	–	3,375	612	5,520	612	5,520	1,533
BB Cor Participações S.A. [6]	**36,211**	**432,269**	**61,749**	**--**	**(9)**	**--**	**370,529**	**432,269**	**--**	**–**	**–**
BB Corretora de Seguros e Administradora de Bens S.A.	26,918	405,483	34,984	--	(9)	--	370,508	405,483	--	–	–
Total			**7,203,271**	**--**	**21,890**	**--**	**966,901**	**8,192,062**	**608,261**	**7,759,357**	**8,115,752**

(1) Stockholders' equity not adjusted by the percentage of equity interest held by the Group.
(2) This includes in the carrying amount of the investment as of March 31, 2017, the intangible assets and goodwill arising from the partnership with Mapfre.
(3) This includes in the carrying amount of the investment as of March 31, 2017, the intangible assets and goodwill arising from the partnership with Mapfre, as well as the impairment losses as described in Note 2.
(4) This includes in the carrying amount of the investment as of March 31, 2017, the goodwill arising from the acquisition of Sulacap by BB Seguros, occurred on July 22, 2011.
(5) The amount recognized in "Other Events" refers to the capital contribution to the Company in proportion to shareholding.
(6) The Company was incorporated into BB Corretora de Seguros e Administradora de Bens S.A. on December 27, 2016.

b) Other Information

Dividends and interest on equity received from investments were R$ 1,113,043 thousand as of March 31, 2017 (R$ 2,329,811 thousand as of December 31, 2016).

The shares of the investments mentioned above are not regularly traded on stock exchanges.

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

There are no discontinued operations in investment in associates.

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

Segment/Line of business	Description	% of total share	
		Mar 31, 2017	
		Total	Common
Insurance, Private Pension Plans and Capitalization Segment			
Insurance – Life, Mortgage life insurance and Rural			
BB Mapfre SH1 Participações S.A.	Acting as a holding company for the other companies which deal with life, real state and agricultural insurance.	74.99	49.99
Mapfre Vida S.A.	Acting in the life insurance segment in general.	74.99	49.99
Companhia de Seguros Aliança do Brasil	Acting in the personal risk segment, rural and housing insurance.	74.99	49.99
Insurance – Property and Casualty			
Mapfre BB SH2 Participações S.A.	Acting as a holding company for other companies which deal with damage insurance, including vehicle insurance and excluding real state and agricultural insurance.	50.00	49.00
Brasilveículos Companhia de Seguros	Acting in the damage insurance segment, skilled in vehicle modality.	50.00	49.00
Mapfre Seguros Gerais S.A.	Acting in the insurance and coinsurance segment (life and non-life insurance).	50.00	49.00
Mapfre Assistência S.A.	24 hours assistance operator focused on damage insurance segment.	50.00	49.00
Aliança do Brasil Seguros S.A.	Acting in the life insurance segment in general.	50.00	49.00
Reinsurance			
IRB Brasil RE S.A.	Acting in the reinsurance segment in the country and abroad.	20.43	20.43
Capitalization			
Brasilcap Capitalização S.A.	Deals with capitalization plans and other products and services that capitalization companies are allowed to provide.	66.66	49.99
Private Pension Plans			
Brasilprev Seguros e Previdência S.A.	Deals with life insurance with survivor coverage and with private retirement and benefit plans.	74.99	49.99
Health Segment			
Brasildental Operadora de Planos Odontológicos S.A.	Selling plans of odontological assistance.	74.99	49.99
Brokerage Segment			
BB Corretora de Seguros e Adm, de Bens S.A.	Brokerage of health, life and non-life insurance, capitalization plans, private retirement plans and asset management.	100.00	100.00

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

d.1) Insurance, Private Pension Plans and Capitalization Segment: Insurance – Life, mortgage life insurance and Rural

R$ thousand

1st quarter 2017	Mapfre Vida S.A	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1[1]
Income	**231,851**	**1,400,974**	**1,632,825**
Interest income	12,392	31,619	44,011
Interest expense	(3,636)	(8,446)	(12,082)
Depreciation and amortization	(2,025)	(8,265)	(10,290)
Income tax and social contribution	(7,290)	(217,834)	(225,884)
Net income for the period	**9,040**	**380,700**	**391,544**
Other comprehensive income	(1,384)	10,842	9,458
Comprehensive income in the period	**7,656**	**391,542**	**401,002**

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

R$ thousand

1st quarter 2016	Mapfre Vida S.A.	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1[1]
Income	**228,364**	**1,268,483**	**1,496,847**
Interest income	18,540	84,480	103,020
Interest expense	(3,001)	(14,566)	(17,567)
Depreciation and amortization	(1,282)	(10,981)	(12,263)
Income tax and social contribution	(15,536)	(243,740)	(260,592)
Net income for the period	**18,515**	**358,072**	**379,433**
Other comprehensive income	3,556	16,357	19,913
Comprehensive income in the period	**22,071**	**374,429**	**399,346**

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

d.2) Insurance, Private Pension Plans and Capitalization Segment: Insurance – Property and casualty

R$ thousand

1st quarter 2017	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2[1]
Income	**153,587**	**392,605**	**1,664,217**	**--**	**2,210,409**
Interest income	6,445	16,040	34,968	104	66,957
Interest expense	(31)	(11,148)	(5,786)	--	(16,965)
Depreciation and amortization	(1,782)	(3,240)	(16,445)	--	(21,467)
Income tax and social contribution	24,053	(5,068)	5,109	(164)	20,472
Net income for the period	**(29,620)**	**15,916**	**11,782**	**336**	**(4,569)**
Other comprehensive income	118	211	(1,930)	--	(1,601)
Comprehensive income in the period	**(29,502)**	**16,127**	**9,852**	**336**	**(6,170)**

(1) It presents the consolidated balances of Mapfre BB SH2.

R$ thousand

1st quarter 2016	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2[1]
Income	**153,044**	**408,771**	**1,612,107**	**--**	**2,173,922**
Interest income	15,778	26,828	74,732	85	117,448
Interest expense	(1,380)	(1,690)	(2,814)	(1)	(5,885)
Depreciation and amortization	(2,075)	(4,503)	(15,155)	--	(21,733)
Income tax and social contribution	(3,248)	(21,151)	(11,564)	(160)	(37,095)
Net income for the period	**3,708**	**26,135**	**18,728**	**336**	**50,495**
Other comprehensive income	1,274	1,229	12,164	--	14,667
Comprehensive income in the period	**4,982**	**27,364**	**30,892**	**336**	**65,162**

(1) It presents the consolidated balances of Mapfre BB SH2.

d.3) Insurance, Private Pension Plans and Capitalization Segment: Reinsurance

R$ thousand

IRB Brasil RE S/A	1st quarter 2017	1st quarter 2016
Income	**1,172,490**	**994,992**
Interest income	919,302	339,370
Interest expense	(744,576)	(138,114)
Depreciation and amortization	(7,091)	(7,523)
Income tax and social contribution	(97,368)	(84,606)
Net income for the period	**224,945**	**199,361**
Other comprehensive income	19,642	25,701
Comprehensive income in the period	**244,587**	**225,062**

d.4) Insurance, Private Pension Plans and Capitalization Segment: Capitalization

R$ thousand

Brasilcap Capitalização S.A.	1st quarter 2017	1st quarter 2016
Income	**934,000**	**1,043,471**
Interest income	389,264	474,867
Interest expense	(216,636)	(262,057)
Depreciation and amortization	(537)	(702)
Income tax and social contribution	(85,155)	(111,797)
Net income for the period	**103,638**	**135,073**
Other comprehensive income	--	--
Comprehensive income in the period	**103,638**	**135,073**

d.5) Insurance, Private Pension Plans and Capitalization Segment: Private Pension Plans

R$ thousand

Brasilprev Seguros e Previdência S.A.	1st quarter 2017	1st quarter 2016
Income	**971,688**	**1,015,960**
Interest income	332,338	553,011
Interest expense	(25,222)	(30,044)
Depreciation and amortization	(1,407)	(1,189)
Income tax and social contribution	(206,196)	(180,466)
Net income for the period	**248,386**	**222,822**
Other comprehensive income	1,651	815
Comprehensive income in the period	**250,037**	**223,637**

d.6) Health Segment

R$ thousand

Brasildental Operadora de Planos Odontológicos S.A.	1st quarter 2017	1st quarter 2016
Income	**8,781**	**4,798**
Interest income	445	169
Interest expense	(121)	(57)
Depreciation and amortization	(7)	(1)
Income tax and social contribution	(1,044)	(486)
Net income for the period	**1,970**	**816**
Other comprehensive income	--	--
Comprehensive income in the period	**1,970**	**816**

d.7) Brokerage Segment

R$ thousand

BB Corretora de Seguros e Administradora de Bens	1st quarter 2017	1st quarter 2016
Income	**691,803**	**631,567**
Interest income	65,995	49,872
Interest expense	(16,982)	(14,610)
Depreciation and amortization	--	--
Income tax and social contribution	(207,868)	(189,397)
Net income for the period	**404,875**	**370,508**
Other comprehensive income	6	(8)
Comprehensive income in the period	**404,881**	**370,500**

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

e.1) Insurance, Private Pension Plans and Capitalization Segment: Insurance – Life, Mortgage Life Insurance and Rural

R$ thousand

Mar 31, 2017	Mapfre Vida S.A.	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1
Current assets	**1,034,844**	**5,986,299**	**7,074,032**
Cash and cash equivalents	5,387	10,686	16,101
Financial applications	767,638	3,027,433	3,843,823
Other assets	261,819	2,948,180	3,214,108
Non-current assets	**295,602**	**5,535,562**	**7,064,572**
Current liabilities	**612,482**	**5,565,606**	**6,446,723**
Financial liabilities	28,453	270,353	301,616
Technical provisions	470,508	3,855,506	4,326,014
Other liabilities	113,521	1,439,747	1,819,093
Non-current liabilities	**250,554**	**4,408,232**	**4,658,786**
Financial liabilities	270	5,823	6,093
Technical provisions	235,146	3,773,338	4,008,484
Other non-current liabilities	15,138	629,071	644,209
Adjusted net equity	**467,410**	**1,548,023**	**3,033,095**

R$ thousand

Dec 31, 2016	Mapfre Vida S.A.	Cia. de Seguros Aliança do Brasil	BB Mapfre SH1
Current assets	**688,588**	**6,464,915**	**7,861,107**
Cash and cash equivalents	9,402	15,098	24,700
Financial applications	457,132	3,424,294	4,561,468
Other assets	222,054	3,025,523	3,274,939
Non-current assets	**585,477**	**5,550,780**	**7,377,712**
Current liabilities	**530,936**	**5,861,687**	**6,702,625**
Financial liabilities	30,495	648,582	720,514
Technical provisions	414,246	3,856,196	4,270,442
Other liabilities	86,195	1,356,909	1,711,669
Non-current liabilities	**254,975**	**4,423,427**	**4,678,402**
Financial liabilities	1,402	--	1,402
Technical provisions	238,386	3,807,923	4,046,309
Other non-current liabilities	15,187	615,504	630,691
Adjusted net equity	**488,154**	**1,730,581**	**3,857,792**

e.2) Insurance, Private Pension Plans and Capitalization Segment: Insurance – Property and Casualty

R$ thousand

Mar 31, 2017	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2
Current assets	**635,299**	**1,412,183**	**6,958,962**	**13,823**	**9,129,568**
Cash and cash equivalents	6,140	1,287	69,920	3,299	80,683
Financial applications	180,570	517,820	1,872,598	--	2,669,961
Other assets	448,589	893,076	5,016,444	10,524	6,378,924
Non-current assets	**347,603**	**1,360,619**	**2,371,061**	**63**	**4,378,739**
Current liabilities	**591,398**	**1,410,913**	**5,751,343**	**8,650**	**7,817,209**
Financial liabilities	36,640	87,776	346,945	8,650	484,540
Technical provisions	443,158	1,218,316	4,669,942	--	6,331,416
Other liabilities	111,600	104,821	734,456	--	1,001,253
Non-current liabilities	**145,778**	**837,146**	**967,136**	**--**	**1,950,060**
Financial liabilities	7	117	782	--	906
Technical provisions	127,562	340,992	809,172	--	1,277,726
Other non-current liabilities	18,209	496,037	157,182	--	671,428
Adjusted net equity	**245,726**	**524,743**	**2,611,544**	**5,236**	**3,741,038**

R$ thousand

Dec 31, 2016	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2
Current assets	**831,286**	**1,332,846**	**6,551,081**	**12,954**	**8,902,652**
Cash and cash equivalents	7,452	10,144	134,095	2,401	154,149
Financial applications	202,532	445,848	1,634,742	--	2,410,045
Other assets	621,302	876,854	4,782,244	10,553	6,338,458
Non-current assets	**334,493**	**1,430,613**	**2,515,431**	**53**	**4,581,014**
Current liabilities	**741,480**	**1,424,242**	**5,485,015**	**8,107**	**7,865,914**
Financial liabilities	74,621	111,610	368,956	8,107	719,766
Technical provisions	466,960	1,204,393	4,426,286	--	6,097,639
Other liabilities	199,899	108,239	689,773	--	1,048,509
Non-current liabilities	**149,071**	**816,800**	**886,905**	**--**	**1,852,776**
Financial liabilities	--	4	2,361	--	2,365
Technical provisions	133,643	327,194	733,010	--	1,193,847
Other non-current liabilities	15,428	489,602	151,534	--	656,564
Adjusted net equity	**275,228**	**522,417**	**2,694,592**	**4,900**	**3,764,976**

e.3) Insurance, Private Pension Plans and Capitalization Segment: Reinsurance

R$ thousand

IRB Brasil RE S/A	Mar 31, 2017	Dec 31, 2016
Current assets	**7,989,678**	**8,059,522**
Cash and cash equivalents	295,570	213,543
Financial applications	1,592,735	1,742,216
Other assets	6,101,373	6,103,763
Non-current assets	**5,786,301**	**5,561,852**
Current liabilities	**9,763,354**	**9,422,525**
Financial liabilities	2,059,748	1,472,564
Technical provisions	7,633,974	7,949,961
Other liabilities	69,632	--
Non-current liabilities	**921,387**	**872,593**
Financial liabilities	462,732	421,594
Technical provisions	--	789
Other non-current liabilities	458,655	450,210
Adjusted net equity	**3,091,238**	**3,326,256**

e.4) Insurance, Private Pension Plans and Capitalization Segment: Capitalization

R$ thousand

Brasilcap Capitalização	Mar 31, 2017	Dec 31, 2016
Current assets	**7,622,563**	**8,607,947**
Cash and cash equivalents	16	88
Financial applications	7,610,744	8,585,938
Other assets	11,803	21,921
Non-current assets	**4,000,727**	**3,700,744**
Current liabilities	**10,337,503**	**11,006,213**
Financial liabilities	--	--
Technical provisions	10,231,118	10,762,799
Other liabilities	106,385	243,414
Non-current liabilities	**897,080**	**851,386**
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	897,080	851,386
Adjusted net equity	**388,707**	**451,092**

e.5) Insurance, Private Pension Plans and Capitalization segment: Private Pension Plans

R$ thousand

Brasilprev Seguros e Previdência S.A.	Mar 31, 2017	Dec 31, 2016
Current assets	**200,691,494**	**199,720,687**
Cash and cash equivalents	1,873	133
Financial applications	200,117,689	199,154,211
Other assets	571,932	566,343
Non-current assets	**11,579,563**	**1,511,848**
Current liabilities	**29,138,875**	**27,716,390**
Financial liabilities	429,080	562,529
Technical provisions	28,650,499	27,075,921
Other liabilities	59,296	77,940
Non-current liabilities	**180,530,845**	**171,115,921**
Financial liabilities	--	--
Technical provisions	179,827,872	170,457,638
Other non-current liabilities	702,973	658,283
Adjusted net equity	**2,601,337**	**2,400,224**

e.6) Health Segment

R$ thousand

Brasildental Operadora de Planos Odontológicos S.A.	Mar 31, 2017	Dec 31, 2016
Current assets	**22,633**	**20,776**
Cash and cash equivalents	713	781
Financial applications	14,822	13,507
Other assets	7,098	6,488
Non-current assets	390	**389**
Current liabilities	**11,494**	**10,794**
Financial liabilities	--	-
Technical provisions	5,028	5,850
Other liabilities	6,466	4,944
Non-current liabilities	15	**--**
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	15	--
Adjusted net equity	**11,514**	**10,371**

e.7) Brokerage Segment

R$ thousand

BB Corretora de Seguros e Adm. de Bens	Mar 31, 2017	Dec 31, 2016
Current assets	**1,275,252**	**2,124,806**
Cash and cash equivalents	351,453	1,156,051
Commissions receivable	806,215	824,624
Other current assets	117,584	144,131
Non-current assets	**1,022,182**	**993,020**
Financial applications	834,520	809,161
Other non-current assets	187,662	183,859
Current liabilities	**986,247**	**2,181,706**
Financial liabilities	--	--
Dividends payable	--	818,982
Unearned commissions	719,344	776,254
Other liabilities	266,903	586,470
Non-current liabilities	**844,340**	**874,154**
Financial liabilities	--	--
Unearned commissions	844,340	874,154
Adjusted net equity	**466,847**	**61,966**

f) Liability Adequacy Test

As defined in IFRS 4, the Group shall perform the Liability Adequacy Test for all contracts that fulfill the definition of an insurance contract, which are effective on the execution date, in order to determine the sufficiency or insufficiency of the balances recorded in the balance sheet,

This test corresponds to the comparison of the net book value of technical and mathematical provisions, called Net Carrying Amount (NCA), net of deferred acquisition costs and intangible assets related, to the actuarial calculation of future cash flows' current estimates of insurance and pension plan contracts,

If there is a deficiency in this comparison, i,e, the value of future cash flows exceeds the NCA, these deficiencies will be recognized by a provision,

The assumptions used by the insurance subsidiaries and joint ventures are set out below:

a) discount rates used to discount the cash flows: risk-free interest rate, obtained from the extrapolated yield curve of government bonds, where applicable, considered risk-free credit, available in the Brazilian financial market;
b) claims, administrative and operational costs, deferred acquisition costs, cancellation, future contributions, partial redemptions and conversions to income based on historical behavior, and
c) mortality and survival, following the biometric tables built considering the experience in the Brazilian insurance market,

On December 31, 2016, the Liability Adequacy in all companies showed sufficiency in contracts of insurance, reinsurance and private pension plan,

10 – DIVIDENDS / INTEREST ON EQUITY CAPITAL RECEIVABLE

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016(1)	Mar 31, 2017(2)	Dec 31, 2016(3)
Dividends receivable	--	1,273,950	85,908	--
Interest on equity capital receivable	--	--	12,646	6,302
Total	**--**	**1,273,950**	**98,554**	**6,302**

(1) On Dec 31, 2016, R$ 454,968 thousand refers to dividends receivable from BB Seguros Participações S.A. and R$ R$ 818,982 thousand from BB Corretora de Seguros e Administradora de Bens S.A.

(2) On Mar 31, 2017, R$ 85,288 thousand and R$ 12,646 thousand refers, respectively, to dividends and interest on equity capital receivable from IRB Brasil Resseguros S.A. R$ R$ 620 thousand refers to dividends receivable from Brasildental S.A.

(3) On Dec 31, 2016, R$ 6,302 thousand refers to interest on equity capital receivable from IRB Brasil Resseguros S.A.

11 – TAXES

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

R$ thousand

	Parent		Consolidated	
	1st Quarter, 2017	1st Quarter, 2016	1st Quarter, 2017	1st Quarter, 2016
Current values	**--**	**--**	**(213,844)**	**(189,979)**
Domestic income tax and social contribution	--	--	(213,844)	(189,979)
Deferred values	--	--	**855**	**575**
Deferred tax assets	--	--	**855**	**575**
Temporary differences	--	--	855	575
Total	**--**	**--**	**(212,989)**	**(189,404)**

b) Reconciliation of Income Tax and Social Contribution Expenses

R$ thousand

	Parent		Consolidated	
	1st Quarter, 2017	1st Quarter, 2016	1st Quarter, 2017	1st Quarter, 2016
Profit before tax and profit sharing	**992,803**	**957,684**	**1,205,792**	**1,147,088**
Total charges of IR (25%) and CSLL (9%)	(337,553)	(325,613)	(409,969)	(390,010)
Equity in earnings of subsidiaries and associates (34%)	339,271	328,746	202,000	206,809
Other amounts	(1,719)	(3,133)	(5,020)	(6,203)
Income tax and social contribution	**--**	**--**	**(212,989)**	**(189,404)**

c) Tax Expenses

R$ thousand

	Parent		Consolidated	
	1st Quarter, 2017	1st Quarter, 2016	1st Quarter, 2017	1st Quarter, 2016
Cofins	(1,739)	(1,922)	(58,555)	(38,759)
ISS	--	--	(15,339)	(14,621)
PIS/Pasep	(280)	(310)	(14,436)	(7,218)
IOF	(448)	(3,741)	(728)	(4,244)
Other	(11)	(12)	(40)	(41)
Total	**(2,478)**	**(5,985)**	**(87,098)**	**(64,883)**

d) Deferred Tax Assets

R$ thousand

	Dec 31, 2016	Addition	Derecognition	Mar 31, 2017
Temporary differences	**67,817**	**1,176**	**(321)**	**68,672**
Amortization of goodwill	3,053	--	--	3,053
Liabilities provision	4,241	1,176	(320)	5,097
Others provisions	60,523	--	(1)	60,522
Total deferred tax assets	**67,817**	**1,176**	**(321)**	**68,672**
Income tax	50,255	865	(235)	50,885
Social contribution	17,562	311	(86)	17,787

Off Balance Sheet

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Deferred tax assets				
Temporary differences	--	--	17,795	17,931
Tax losses/negative bases	35,864	34,158	35,864	34,158
Total	**35,864**	**34,158**	**53,659**	**52,089**

e) Realization Expectative

R$ thousand

	Nominal Value	Present Value
In 2017	--	--
In 2018	--	--
In 2019	--	--
In 2020	--	--
In 2021	7,764	5,153
In 2022	7,095	4,349
In 2023	10,491	5,925
In 2024	15,332	7,994
In 2025	17,368	8,399
In 2026	9,767	4,440
Total	**67,817**	**36,260**

The expectative of realization of deferred tax assets (tax credits), concerned to the investee companies BB Seguros and BB Corretora, supported by technical survey prepared on Dec 31, 2016 and is calculated based on the present value average selic rate.

During the first quarter of 2017, noticed obtaining of tax credits in the amount of R$ 321 thousand, overcoming the respective projection for using in the period.

f) Deferred Tax Liabilities

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Deferred tax liabilities				
From partnership with MAPFRE	--	--	262,882	262,882
Arising from amortization of Brasilcap's goodwill	--	--	7,502	7,502
Bargain purchase	--	--	2,531	2,531
Other timing differences	--	--	1,062	1,062
Total	**--**	**--**	**273,977**	**273,977**

12 – COMMISSIONS RECEIVABLE

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
BB Mapfre SH1	--	--	683,850	735,241
Mapfre BB SH2	--	--	91,590	87,716
Others	--	--	30,775	1,667
Total	**--**	**--**	**806,215**	**824,624**

13 – OTHER ASSETS

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Judicial deposits	9	9	182,327	178,809
Receivables from related companies	2,624	2,857	--	--
Other	45	19	262	224
Total	**2,678**	**2,885**	**182,589**	**179,033**

14 – DIVIDENDS PAYABLE

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Dividends payable (1)	785	1,670,810	785	1,670,810

(1) On Mar 31, 2017, the amount of R$ 553 thousand refers to unpaid dividends of previous years (R$ 2,133 thousand on Dec 31, 2016).

15 – PROVISIONS AND CONTINGENT LIABILITIES

Contingent assets

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

Tax Lawsuits

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

Civil Lawsuits

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

a) Provision

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

Provisions for civil, tax and labor lawsuits classified as probable

R$ thousand

	Consolidated[1][2]	
	1st Quarter 2017	1st Quarter 2016
Tax lawsuits		
Initial balance	73	291
Addition	3	9
Reversal of the provision	--	--
Derecognition of provisions	--	--
Closing balance	**76**	**300**
Civil lawsuits		
Initial balance	13,806	10,611
Addition	1,915	2,850
Reversal of the provision	(744)	(740)
Derecognition of provisions	(238)	(93)
Closing balance	**14,739**	**12,628**
Labor lawsuits		
Initial balance	173	--
Addition	5	55
Reversal of the provision	--	--
Derecognition of provisions	--	--
Closing balance	**178**	**55**
Total	**14,993**	**12,983**

(1) Related, mainly, to contingents recorded in BB Corretora.
(2) On Mars 31, 2017 and December 31, 2016 there are no provisions for civil, tax and labor lawsuits classified as probable in Parent.

R$ thousand

	Labor lawsuits	Tax lawsuits	Civil lawsuits	Total
Up to 5 years	173	41	12,003	12,217
More than 5 years and up to 10 years	5	26	2,673	2,704
Over 10 years	--	9	63	72
Total	**178**	**76**	**14,739**	**14,993**

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

b) Contingent Liabilities

The tax and civil lawsuits classified as “possible” are not recorded in the balance sheet but disclosed based on IAS 37.

Balances of contingent liabilities classified as possible

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Labor lawsuits	--	--	--	--
Tax lawsuits[1]	--	--	165,984	161,155
Civil lawsuits	--	--	3,331	3,149
Total	**--**	**--**	**169,315**	**164,304**

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

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

c) Deposits in Guarantee of Funds

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

Balances of escrow deposits formed for provisions and contingent liabilities

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Tax lawsuits (1)	--	--	178,910	175,572
Civil lawsuits	9	9	3,418	3,237
Total	**9**	**9**	**182,328**	**178,809**

(1) Refers, mainly, to tax lawsuit aiming to annul the administrative decision that not endorsed statements to offset negative average of IRPJ with owned taxes. The value of this deposit is R$ 133,660 thousand (R$ 131,115 thousand as of December 31, 2016), related to BB Corretora, updated by SELIC index.

16 – UNEARNED COMMISSIONS

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
BB Mapfre SH1	--	--	1,386,944	1,476,780
Mapfre BB SH2	--	--	176,739	173,628
Total	**--**	**--**	**1,563,683**	**1,650,408**

17 – OTHER LIABILITIES

R$ thousand

	Parent		Consolidated	
	Mar 31, 2017	Dec 31, 2016	Mar 31, 2017	Dec 31, 2016
Amounts payable to related companies	4,819	5,162	19,472	23,194
Annual variable remuneration program of the Executive Board	2,288	3,556	2,288	3,556
Other	--	--	3,697	2,926
Total	**7,107**	**8,718**	**25,457**	**29,676**

18 – EQUITY

a) Capital

The capital of the Group BB Seguridade amounted to R$ 5,646,768 thousand as of Mar 31, 2017 and Dec 31, 2016 and it is divided into 2,000,000,000 (two billion) shares as of Mar 31, 2017 and Dec 31, 2016. The shareholders' equity amounted R$ 9,289,279 thousand (R$ 8,289,065 thousand as of Dec 31, 2016), corresponding a book value per share of R$ 4.64 (R$ 4.14 per share as of Dec 31, 2016).

b) Capital and Profit Reserves

R$ thousand

	Parent and Consolidated	
	Mar 31, 2017	Dec 31, 2016
Capital Reserves	1,300	1,004
Profit Reserves	2,737,363	2,737,363
Legal Reserve	707,586	707,586
Statutory reserve	2,029,777	2,029,777

c) Earnings per Share

	Parent and Consolidated	
	1st Quarter/2017	1st Quarter/2016
Net income attributable to shareholders of the Bank (R$ thousand)	992,803	957,684
Weighted average of ordinary and dilutive potencial ordinary shares outstanding	1,996,607,444	1,996,858,541
Earnings per share – basic and diluted (R$)	0.50	0.48

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

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

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

d) Dividends

There was no change in the policy on dividends distribution reported in the individual and consolidated financial stat ements as of December 31, 2016.

The dividends declared in the 2nd half of 2016 were paid March, 2017 restated by the Selic rate, amounting to R$ 1,702,935 thousand.

e) Other Accumulated Comprehensive Income

The other accumulated comprehensive income mainly derived from gains and losses related to fair value adjustments, net of tax effects, of available for sale financial assets, using in counterpart the appropriate asset account.

Considering that the BB Seguridade does not have any securities classified as financial assets available for sale, other comprehensive income constant in his statements are a reflection of the existing values in associates and joint venture in which the BB Seguridade holds participation.

f) Stockholdings (number of stocks)

Stockholders	Mar 31, 2017		Dec 31, 2016	
	Stocks	% Total	Stocks	% Total
Banco do Brasil	1,325,000,000	66.25	1,325,000,000	66.25
Other stockholders	671,595,654	33.58	671,606,547	33.58
Treasury shares	3,404,346	0.17	3,393,453	0.17
Total	**2,000,000,000**	**100.00**	**2,000,000,000**	**100.00**
Locals	1,450,067,520	72.50	1,438,762,629	71.94
Foreign	549,932,480	27.50	561,237,371	28.06

g) Treasury shares

g.1) Variable Wage Program

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

In May 2014, it was determined that the variable wage for the achievements in 2013 that the directors would have the right to 11,600 shares of the BB Seguridade these shares were acquired and all placed in the treasury. Minimum and maximum cost per share was respectively R$ 28.64 and R$ 28.65.

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

In March 2015, it was determined that the variable wage for the achievements in 2014 that the directors would have the right to 19,500 shares of the BB Seguridade these shares were acquired and all placed in the treasury. Minimum, average and maximum cost per share was respectively R$ 32.74, R$ 32.81 and R$ 32.85.

In March 2016, it was determined that the variable wage for the achievements in 2015 that the directors would have the right to 21,372 shares of the BB Seguridade these shares were acquired and all placed in the treasury. The only cost per share was R$ 28.50.

In March 2017, it was determined that the variable wage for the achievements in 2016 that the directors would have the right to 25,703 shares of the BB Seguridade these shares were acquired and all placed in the treasury. . Minimum, average and maximum cost per share was respectively R$ 28.59, R$ 28.70 and R$ 28.99.

g.2) Repurcharse Program

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

On October 27, 2016, the Board of Directors approved the Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. Until March 31, 2017, there was no acquisition of shares by said Program.

g.3) Number of Treasury Stocks

Descrição	Mar 31, 2017	Dec 31, 2016
Variable Wage Program	44,346	33,453
Repurcharse Program	3,360,000	3,360,000
Total	**3,404,346**	**3,393,453**

The market value of treasury shares, calculated based on the closing price of March 31, 2017, is R$ 99,407 thousand.

h) Share-Based Payment

h.1) Program 2013

In March 2013, BB Seguridade approved the payment of variable wage to the members of the Executive Board in the form of stocks or share-based instruments. They will receive an annual bonus related to 2013 and according to the global amount approved at the Annual Meeting of Stockholders on March 28, 2013, an amount between six and twelve monthly salaries, based on the achievement of the Return on Equity – ROE – target.

In May 2014, the BB Seguridade acquired 11,600 shares through direct acquisition of treasury shares and 2,313 shares were transferred to members of the Executive Board. The first and second annual installment of 2,310 shares were transferred respectively in March 2015 and in March 2016. In addition to the transfers made, were relocated 47 surplus shares for the 2015 program. In March 2017, 1,540 shares were transferred referring to the third annual installment.

Thus, 3,080 treasury shares were left and blocked for movement, is planned to transfer the deferred installments, as shown on the following timeline table:

Estimated timeline for transfer	Number of stocks	Scheduled date
Third portion	770	April 30, 2017
Fourth portion	2,310	March 15, 2018
Total	**3,080**	

h.2) Program 2014

The Variable Remuneration Program of the Executive Board BB Seguridade for 2014 was approved by the Board of Directors on March 21, 2014.

In March 2015, the BB Seguridade acquired 19,500 shares through direct acquisition of treasury shares and 3,895 shares were transferred to members of the Executive Board. The first annual installment of 3,887 shares were transferred in March 2016. In addition to the transfers made, were relocated 57 surplus shares for the 2015 program. In March 2017, 3,826 shares were transferred referring to the second annual installment.

Thus, 7,835 treasury shares were left and blocked for movement, is planned to transfer the deferred installments, as shown on the following timeline table:

Estimated timeline for transfer	Number of stocks	Scheduled date
Second portion	61	April 30, 2017
Third portion	3,887	March 31, 2018
Fourth portion	3,887	March 31, 2019
Total	**7,835**	

h.3) Program 2015

The Variable Remuneration Program of the Executive Board BB Seguridade for 2015 was approved by the Board of Directors on November 20, 2015.

In March 2016, the BB Seguridade acquired 21,372 shares through direct acquisition of treasury shares. In addition to the acquisitions made, were relocated 104 surplus shares the 2013 and 2014 programs. In April 2016, 4,304 shares were transferred to members of the Executive Board. In March 2017, 4,293 shares were transferred referring to the first annual installment.

Thus, 12,879 treasury shares were left and blocked for movement, is planned to transfer the deferred installments, as shown on the following timeline table:

Estimated timeline for transfer	Number of stocks	Scheduled date
Second portion	4,293	March 31, 2018
Third portion	4,293	March 31, 2019
Fourth portion	4,293	March 31, 2020
Total	**12,879**	

h.4) Program 2016

The Variable Remuneration Program of the Executive Board BB Seguridade for 2016 was approved by the Board of Directors on December 11, 2015 (version without goals) and January 22, 2016 (version with goals).

In March 2017, the BB Seguridade acquired 25,703 shares through direct acquisition of treasury shares and 5,151 shares were transferred to members of the Executive Board.

Thus, 20,552 treasury shares were left and blocked for movement, is planned to transfer the deferred installments, as shown on the following timeline table:

Estimated timeline for transfer	Number of stocks	Scheduled date
First portion	5,138	March 31, 2018
Second portion	5,138	March 31, 2019
Third portion	5,138	March 31, 2020
Fourth portion	5,138	March 31, 2021
Total	**20,552**	

19 – FINANCIAL INCOME

R$ thousand

	Parent		Consolidated	
	1st Quarter/2017	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
Repurchase agreements	18,965	9,195	60,550	47,247
Financial assets held to maturity	--	--	13,508	--
Financial assets at fair value through profit or loss	--	--	11,851	20,405
Judicial deposits income	--	--	2,878	2,795
Valuation of exclusive fund shares	55	40	343	324
Total	**19,020**	**9,235**	**89,130**	**70,771**

20 – PERSONNEL EXPENSES

R$ thousand

	Parent		Consolidated	
	1st Quarter/2017	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
Salaries	(2,123)	(6,788)	(6,963)	(6,788)
Social security costs	(1,297)	(3,413)	(3,724)	(3,442)
Fees	(879)	(795)	(969)	(927)
Benefits	(719)	(843)	(782)	(843)
Training	(50)	(59)	(109)	(59)
Total	**(5,068)**	**(11,898)**	**(12,547)**	**(12,059)**

21 – ADMINISTRATIVE EXPENSES

R$ thousand

	Parent		Consolidated	
	1st Quarter/2017	1st Quarter/2016	1st Quarter/2017	1st Quarter/2016
Operational support	--	--	(19,778)	(20,957)
Administrative cost of products	--	--	(11,108)	(16,298)
Data processing	(5)	(3)	(7,410)	(10,133)
Specialized technical services	(5,641)	(98)	(5,752)	(98)
Rent expenses and Condominium fee	(853)	(877)	(1,242)	(877)
Financial system services	(321)	(359)	(368)	(360)
Communication expenses	(365)	(292)	(365)	(387)
Travel service	(269)	(214)	(269)	(214)
Out sourced services	(59)	(195)	(60)	(196)
Promotions and public relations	(28)	(1)	(28)	(1)
Publications	(2)	(19)	(2)	(19)
Other	(94)	(70)	(163)	(124)
Total	**(7,637)**	**(2,128)**	**(46,545)**	**(49,664)**

22 – OTHER OPERATING INCOME/EXPENSE

R$ thousand

	Parent		Consolidated	
	Mar, 31 2017	Dec, 31 2016	Mar, 31 2017	Dec, 31 2016
Restatement of assets	25,672	39,762	12,783	4,353
Income of ADR	--	54	--	54
Expenses with sponsorship	--	--	(800)	(1,500)
(Recording)/Reversal of provisions for labor, tax and civil lawsuits	--	--	(941)	(2,081)
Restatement of liabilities	(34,489)	(38,209)	(34,497)	(38,216)
Other	(74)	(48)	386	485
Total	**(8,891)**	**1,559**	**(23,069)**	**(36,905)**

23 – COMMISSIONS INCOME

R$ thousand

	Parent		Consolidated	
	1st quarter/2017	1st quarter/2016	1st quarter/2017	1st quarter/2016
BB Mapfre SH1	--	--	426,307	383,475
Brasilprev	--	--	151,914	112,066
Mapfre BB SH2	--	--	72,214	78,889
Brasilcap	--	--	40,026	55,899
Other companies	--	--	1,342	1,238
Total	**--**	**--**	**691,803**	**631,567**

24 – RELATED PARTY TRANSACTIONS

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

R$ thousand

	1st Quarter/2017	1st Quarter/2016
Short-term benefits	1,614	1,449
Fees and social charges	1,165	1,076
Executive Board	892	808
Audit Committee	144	132
Board of Directors	64	84
Fiscal Council	65	52
Variable Remuneration	369	307
Other(1)	80	66
Variable Wage Program(2)	594	199
Total	2,208	1,648

(1) Benefits considered: health care, health assessment and pension administrators.
(2) It refers to the cost of shares related to installments of payment programs based on 2013 actions, 2014 and 2015. In the first quarter/2017 were transferred to the beneficiaries of the actions of the 2013, 2015, 2014, 2015 and 2016 programs.

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

The Audit Committee – (COAUD) was established on Feb 12, 2015.

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

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

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

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

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

a) Summary of related party transactions

BB Seguridade – Controller

R$ thousand

	Mar 31, 2017		Dec 31, 2016	
	Controller(1)	Subsidiaries(2)	Controller(1)	Subsidiaries(2)
Assets				
Cash and cash equivalents	950,556	--	665,538	--
Dividends/interest on equity receivable	--	--	--	1,366,931
Receive with related parties	--	2,624	--	2,857
Liabilities				
Dividends payable	--	--	1,106,912	--
Obligations with related parties	4,820	--	5,162	--

R$ thousand

	1st Quarter/2017		1st Quarter/2016	
	Controller(1)	Subsidiaries(2)	Controller(1)	Subsidiaries(2)
Income				
Interest earnings of financial instruments	19,020	--	9,235	--
Personnel expenses	(5,068)	--	(11,898)	--
Administrative expenses (4)	(1,209)	--	(1,610)	--
Monetary assets changes	--	24,324	--	38,880
Monetary liabilities changes	(22,850)		(25,314)	--

BB Seguridade – Consolidated

R$ thousand

	Mar 31, 2017		Dec 31, 2016	
	Controller (1)	Jointly controlled(3)	Controller (1)	Jointly controlled(3)
Assets				
Cash and cash equivalents	1,595,001	--	2,174,914	--
Financial assets available for sale	65	--	59	--
Financial assets at fair value through profit or loss	391,004	--	379,153	--
Dividends/interest on equity receivable	--	98,554	--	6,302
Commissions to be received	--	806,215	--	824,624
Liabilities				
Dividends payable	--	--	1,106,912	--
Obligations with related parties	18,908	426	22,775	419
Unearned Commissions	--	1,563,683	--	1,650,408

R$ thousand

	1st Quarter/2017		1st Quarter/2016	
	Controller (1)	Jointly controlled(3)	Controller (1)	Jointly controlled(3)
Income				
Interest earnings of financial instruments	89,130	--	70,771	--
Income from commission	--	691,803	--	631,567
Personnel expenses	(12,547)	--	(12,059)	--
Administrative expenses (4)	(40,036)	--	(49,056)	--
Monetary assets changes	--	--	--	3,015
Monetary liabilities changes	(22,850)	--	(25,314)	--

(1) Banco do Brasil S.A.

(2) BB Seguros S.A, BB Corretora, BB Cor (incorporated as of December 12, 2016) on the financial position.

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

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

b) Compensation Paid to Employees and Directors

On March 15, 2013, an agreement of assignment of employees of Banco do Brasil S.A. to BB Seguridade, for the office of Director levels, Management and other positions of trust was signed. The assignment of employees are given in the form of availability, without charge. The Banco do Brasil S.A. continues to process the payroll of the transferred employees, receiving a monthly repayment of all current costs from BB Seguridade.

25 – Others Informations

a) Intangible Asset

R$ thousand

	Parent		Consolidated	
	Mar, 31 2017	Dec, 31 2016	Mar, 31 2017	Dec, 31 2016
Intangible Asset – Software currently under development (1)	4,493	3,784	4,493	3,784

(2) Refers to the management software acquired (Enterprise Resource Planning – ERP) which is under development. When it is available for use and gathers the necessary conditions to operate, amortization will be initiated, according to CPC 04 (R1) - Intangible Assets.

b) Remuneration of employees and managers

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

	Mar, 31 2017	Dec, 31 2016
Lowest salary	6,459.40	9,999.00
Highest salary	33,704.45	33,704.45
Average salary	17,933.68	19,761.73
Management		
Director-President	61,564.83	61,564.83
Director	52,177.45	52,177.45
Council members		
Board of Directors	5,906.80	5,906.80
Fiscal Council	5,906.80	5,906.80
Audit Committee - Member	9,858.60	9,858.60

BB Seguridade Participações S.A.

Interim Financial Information
March 31, 2017
(A free translation of the original report in Portuguese on individual interim financial information prepared in accordance with CPC 21(R1) - Interim Financial Reporting and on consolidated interim financial information prepared in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board - IASB)

KPDS 185901

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Report on review of interim financial information

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

Introduction
We have reviewed the individual and consolidated balance sheet of BB Seguridade e Participações S.A. ("Company") as at March 31, 2017, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the period of three months then ended, as well as the summary of significant accounting practices and others explanatory notes.

The Company´s Management is responsible for the preparation of the individual interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) - Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting , issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

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

Conclusion on the individual interim financial information
Based on our review, we are not aware of any fact that could lead us to believe that the accompanying individual interim information referred above has not been prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of individual interim financial information.

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Conclusion on the consolidated interim financial information
Based on our review, we are not aware of any fact that could lead us to believe that the accompanying consolidated interim information referred above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of consolidated interim financial information.

Other matters

Interim Statement of Value Added
We have also reviewed the individual and consolidated interim statement of value added ("DVA"), for the period of three months then ended March 31, 2017, prepared under the responsibility of the Company's Management, the presentation of which is required by standards issued by the Brazilian Securities and Exchange Commission (CVM), and as supplemental information under IFRS, which does not require the presentation of a DVA. These statements were subject to the same review procedures described above, and based on our review, we are not aware of any fact that could lead us to believe that they have not been prepared, in all material respects, consistently with individual and consolidated interim financial information taken as a whole.

Brasília, May 5, 2017

KPMG Auditores Independentes
CRC SP-014428/O-6 F-DF
Original report in Portuguese signed by
Marcelo Faria Pereira
Accountant CRC RJ-077911/O-2

BB SEGURIDADE PARTICIPAÇÕES S.A.

MEMBERS OF THE MANAGEMENT BODIES

DIRECTOR-PRESIDENT

José Maurício Pereira Coelho

DIRECTORS

Ângela Beatriz de Assis

Antonio Rugero Guibo

Werner Romera Süffert

BOARD OF DIRECTORS

Marcelo Augusto Dutra Labuto (President)

(Vacant Position Vice-President)

Isabel da Silva Ramos

José Maurício Pereira Coelho

Marcelo Pinheiro Franco

Nerylson Lima da Silva

FISCAL COUNCIL

Leandro Puccini Secunho

Antonio Pedro da Silva Machado

Giorgio Bampi

AUDIT COMMITTEE

Luiz Claudio Moraes

Artemio Bertholini

Carlos Biedermann

ACCOUNTANT

Pedro Kiefer Braga

CRC-DF 020.786/O-0

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