BANCO DO BRASIL
Seguridade

Conference Call – 1Q15 Earnings
May 8th, 2015

BBSEY
OTC Pink
ADR - Level I

BBSE3
NOVO MERCADO
BM&FBOVESPA

IBOVESPA
Índice Brasil 100 IBRX 100
Índice Brasil 50 IBRX 50

Disclaimer

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

Highlights

BB Seguridade net income reached R$ 949 million in 1Q15, 46.3% higher than 1Q14

- Growth of R$ 178 million in the operating result and of R$ 122 million in the net investment income

Premiums written, pension plans contributions and premium bonds collections amounted to R$ 13.5 billion, growth of 35.2% over 1Q14

- Highlighting Brasilprev, with an increase of 67.3% in contributions

SH1 adjusted combined ratio improved in 1Q15

- The adjusted combined ratio reached 69.7% in 1Q15 (- 9.2 p.p. vs. 1Q14)

SH2 reported net income of R$ 99 million in 1Q15, growth of 14.6% when compared to 1Q14

- Highlighting the increase in the net investment income

Brasilprev reached R$ 120 billion in assets under management and achieved the market leadership in reserves of P/VGBL

- Net inflow reached R$ 5.4 billion in the quarter, equivalent to 64.0% of total net inflow in the market

Brasilcap reported net income of R$ 105 million in 1Q15, growth of 66.5% when compared to 1Q14

- Highlighting the better financial margin and the increase in the earnings assets average balance

Brokerage revenues amounted to R$ 610 million in 1Q15, growth of 25.0% when compared to 1Q14

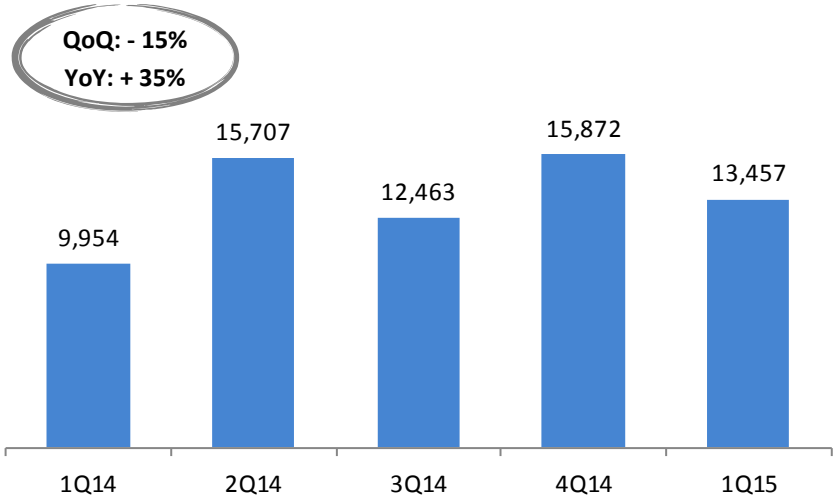
- Highlighting brokerage revenues from pension plans (+ 64.5%) and insurance in SH1 (+ 22.6%)

Extraordinary Events

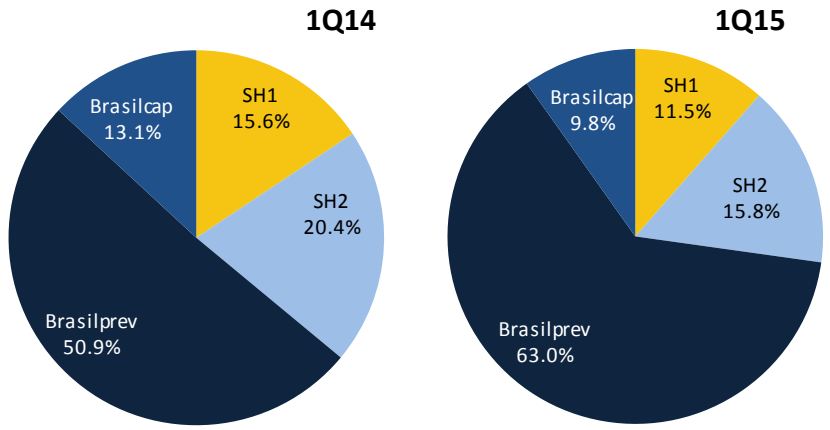
R$ MM — Adjustments	1Q14	4Q14	1Q15
Net Income	**649**	**1,140**	**949**
Brasilprev: Reversal of Provisions	-	196	-
IRB: PIS/COFINS - Revaluation of provision	-	39	-
Adjusted Net Income	**649**	**906**	**949**

BB Seguridade Performance

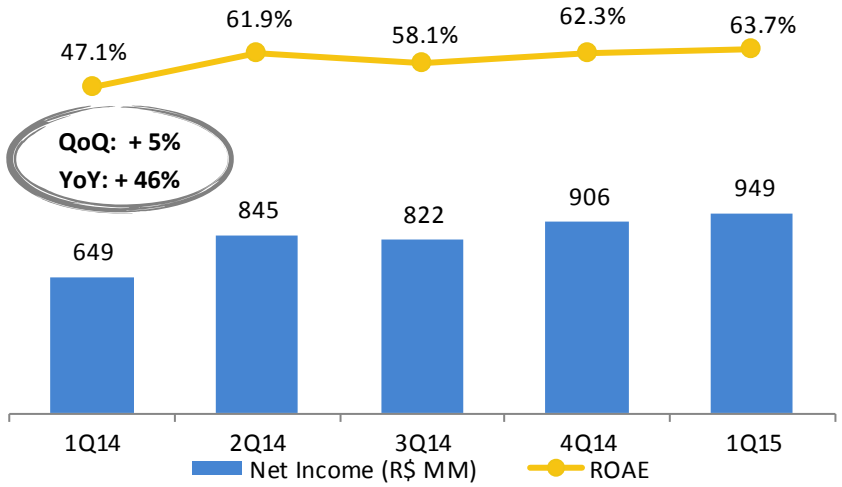
PREMIUMS, CONTRIBUTIONS AND COLLECTIONS[1] (R$ MM)



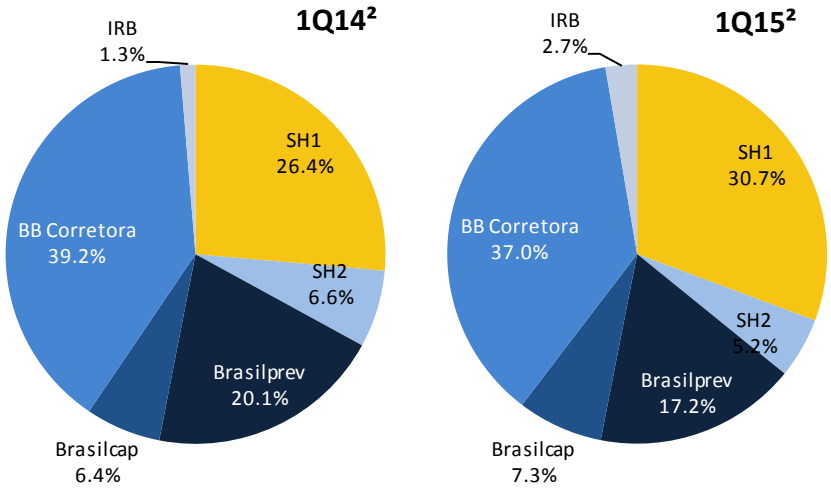
BREAKDOWN OF PREMIUMS, CONTRIBUTIONS AND COLLECTIONS[1]



PROFITABILITY



EARNINGS BREAKDOWN

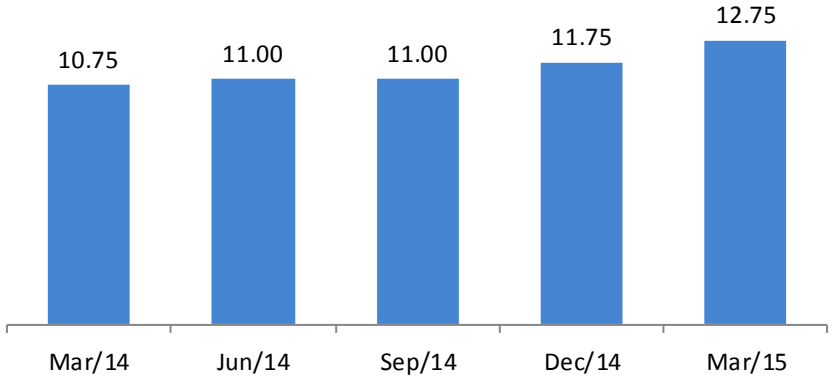


1. Premiums written, pension plans contributions and premium bonds collections

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

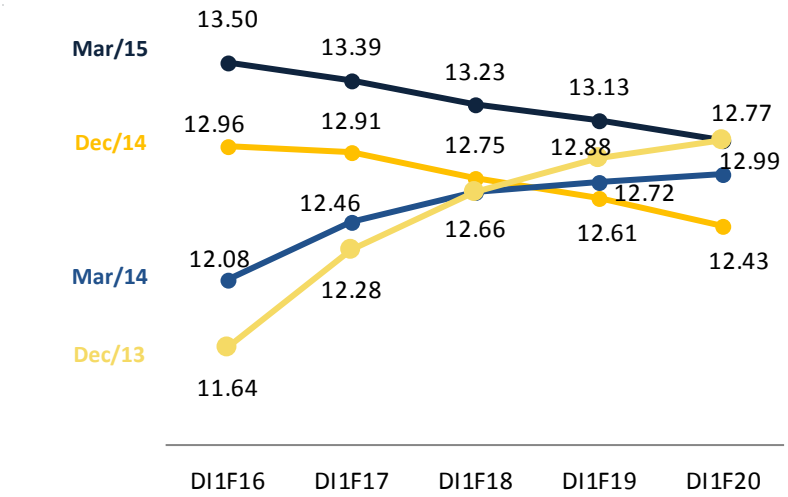
Net Investment Income

SELIC RATE (%)



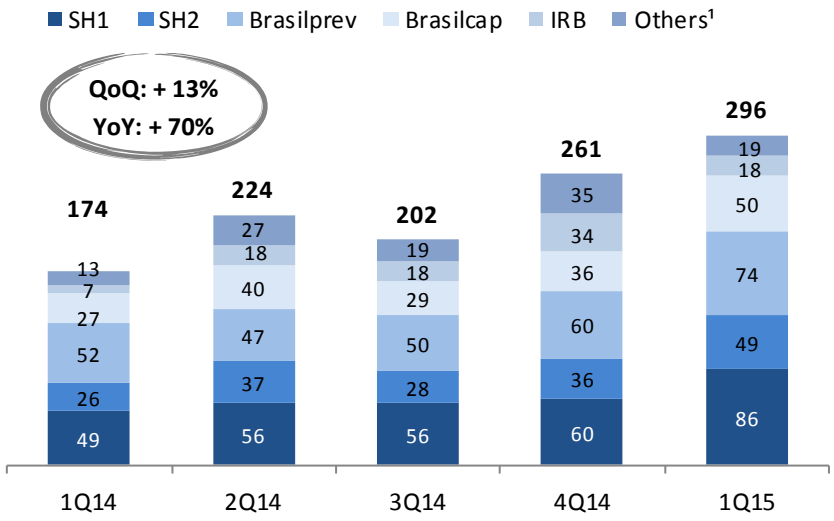
Source: Focus - Bacen do Brasil

FORWARD YIELD CURVE (%)



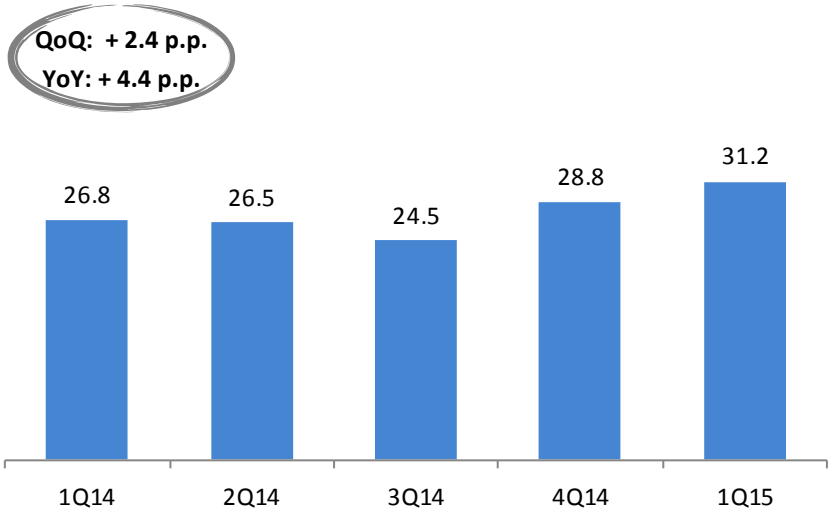
Source: ValorPro

NET INVESTMENT INCOME (R$ MM)



1 - BB Corretora + Holdings

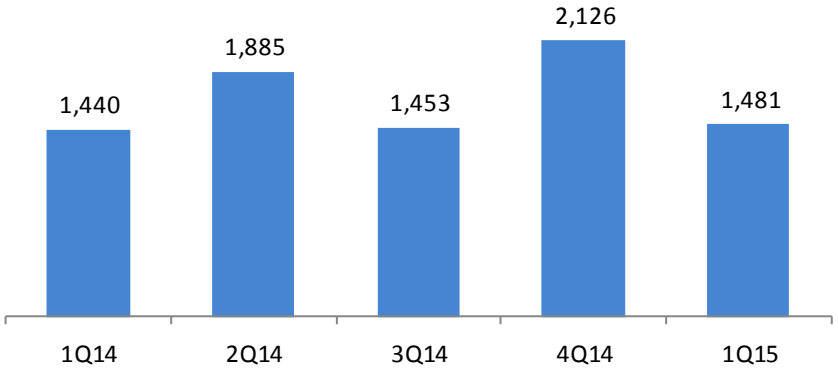
CONTRIBUTION OF NET INVESTMENT INCOME IN THE EARNINGS (%)



BB Mapfre SH1

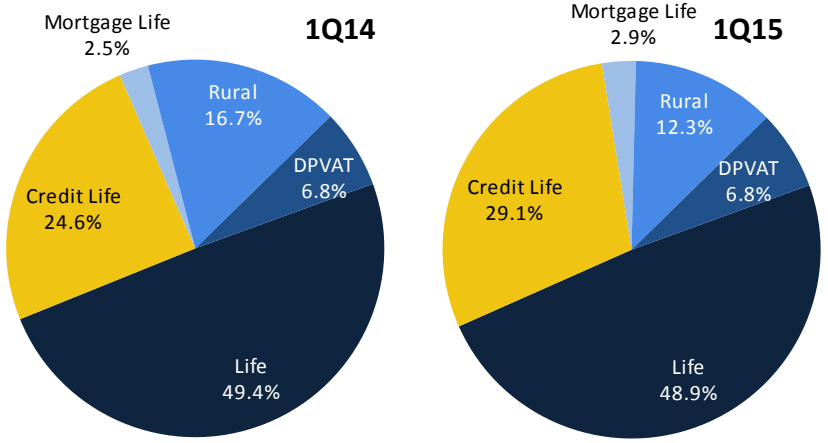
RETAINED PREMIUMS[1] (R$ MM)

QoQ: - 30%
YoY: + 3%



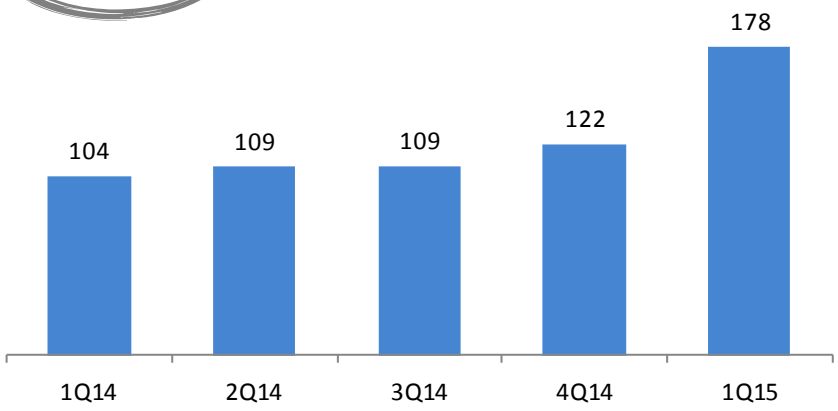
1 – Net of premiums ceded to reinsurance

BREAKDOWN OF RETAINED PREMIUMS

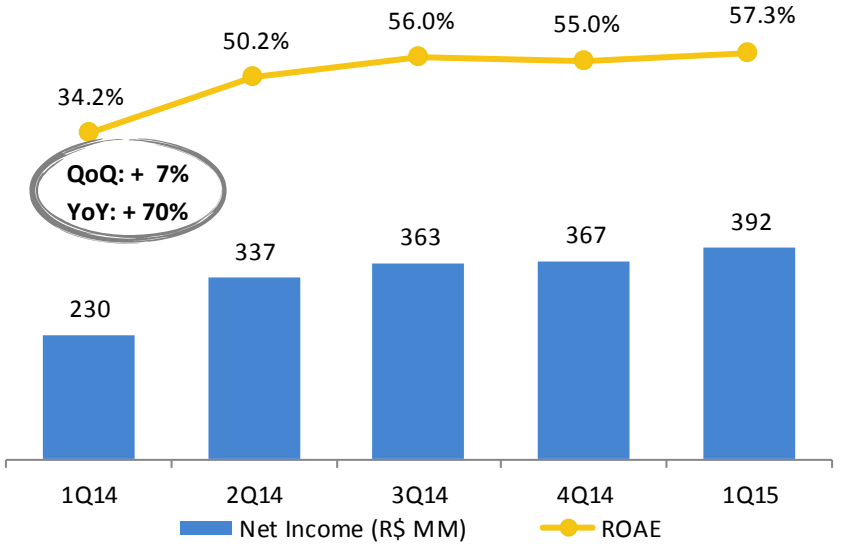


NET INVESTMENT INCOME (R$ MM)

QoQ: + 46%
YoY: + 72%



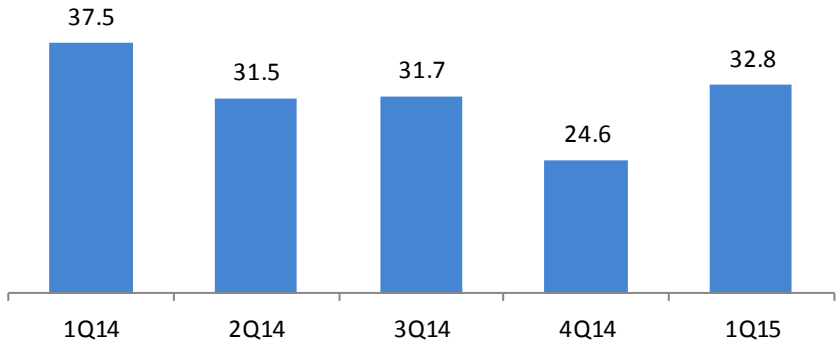
PROFITABILITY



BB Mapfre SH1 – Performance Ratios [1]

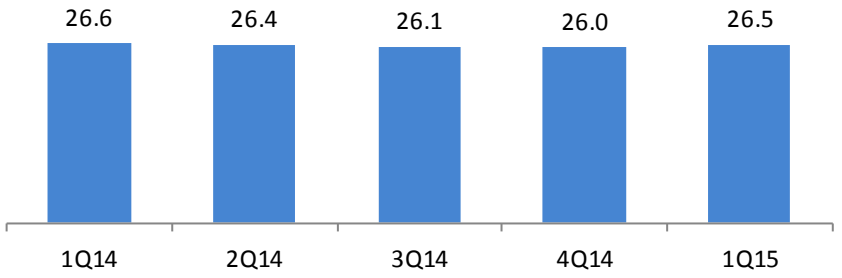
LOSS RATIO (%)

QoQ: + 8.2 p.p.
YoY: - 4.7 p.p.



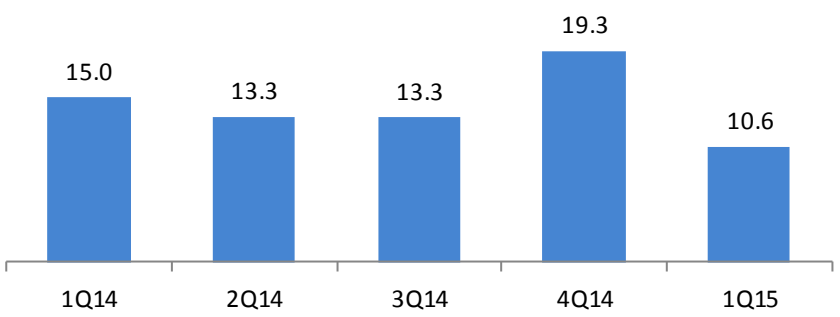
COMISSION RATIO (%)

QoQ: + 0.5 p.p.
YoY: - 0.1 p.p.



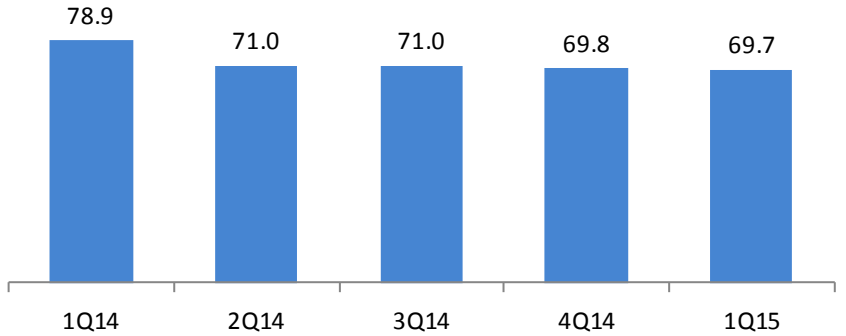
G&A RATIO (%)

QoQ: - 8.7 p.p.
YoY: - 4.4 p.p.



COMBINED RATIO (%)

QoQ: - 0.1 p.p.
YoY: - 9.2 p.p.

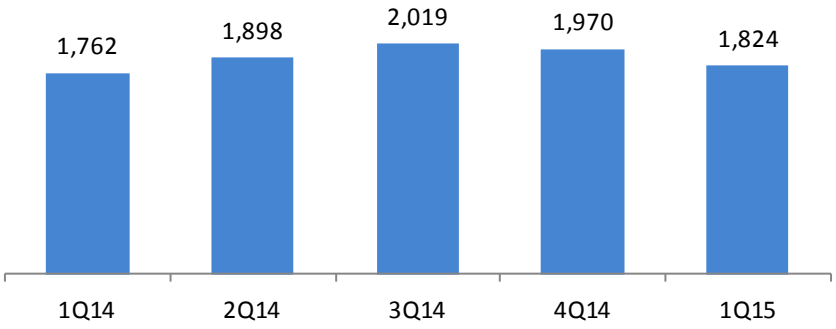


1 – Adjusted ratios prepared distributing the line "result with reinsurance" among the other lines from the income statement

Mapfre BB SH2

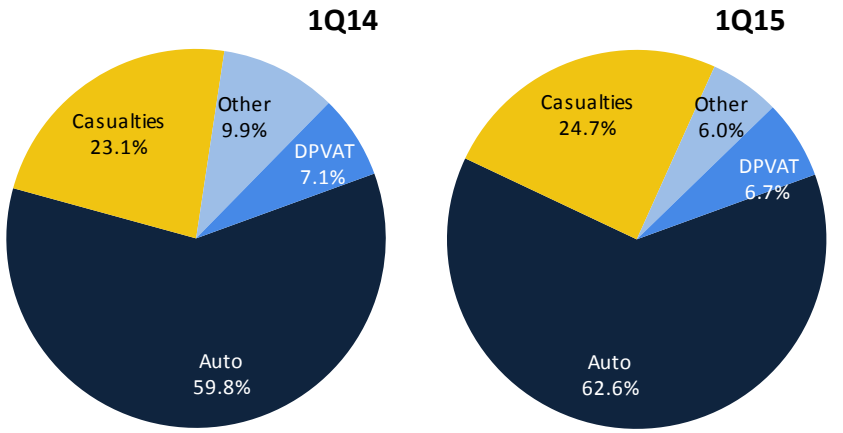
RETAINED PREMIUMS[1] (R$ MM)

QoQ: - 7%
YoY: + 4%



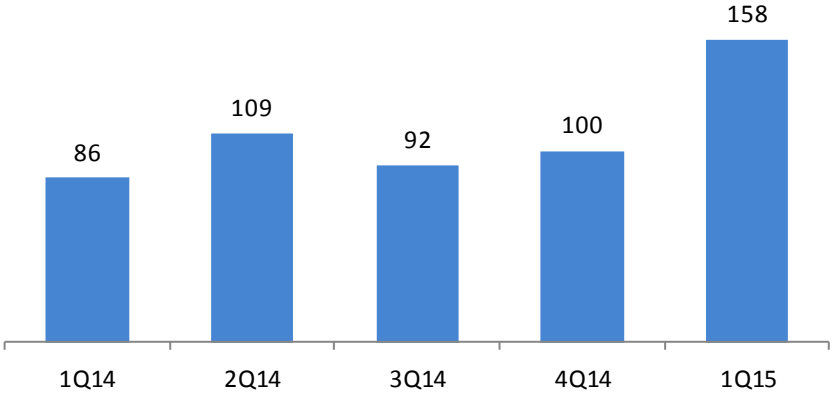
1 – Net of premiums ceded to reinsurance

BREAKDOWN OF RETAINED PREMIUMS



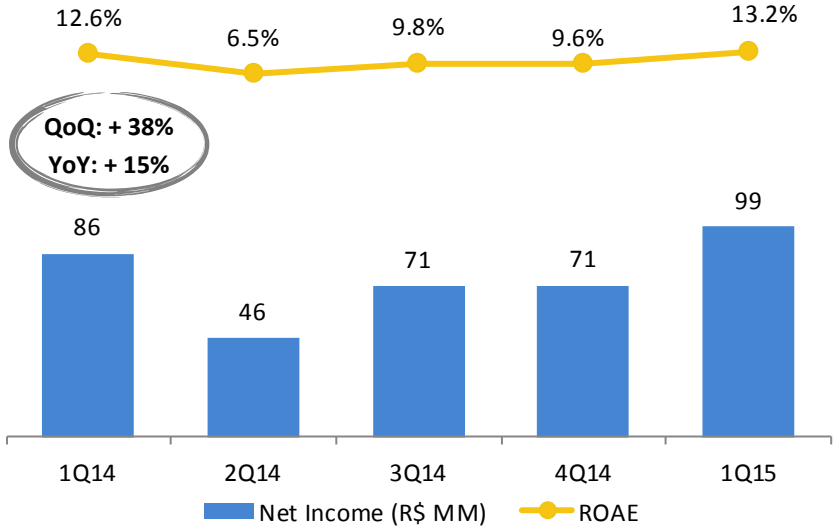
NET INVESTMENT INCOME (R$ MM)

QoQ: + 58%
YoY: + 85%



PROFITABILITY

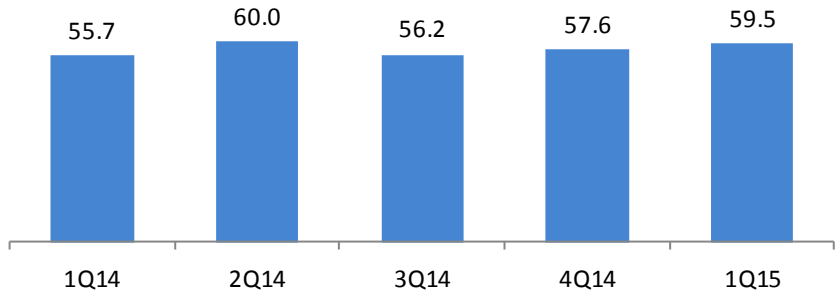
QoQ: + 38%
YoY: + 15%



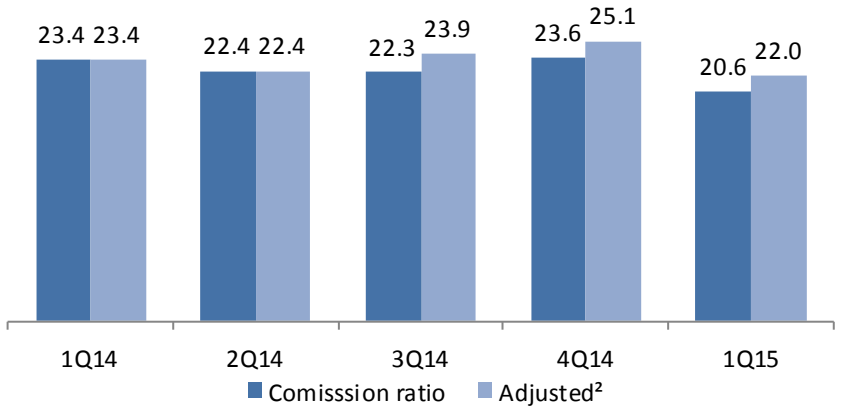
Mapfre BB SH2 – Performance Ratios[1]

LOSS RATIO (%)

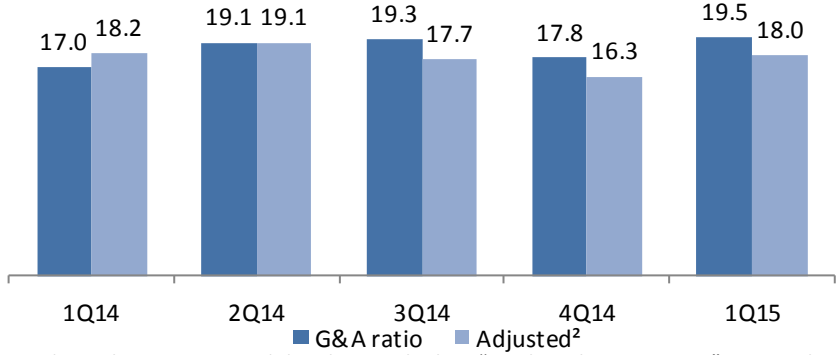
QoQ: + 1.9 p.p.
YoY: + 3.8 p.p.



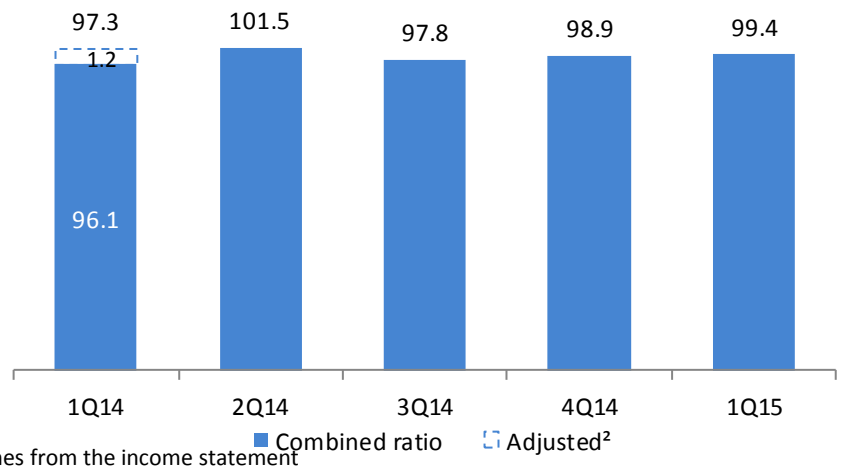
COMISSION RATIO (%)



G & A RATIO (%)



COMBINED RATIO (%)

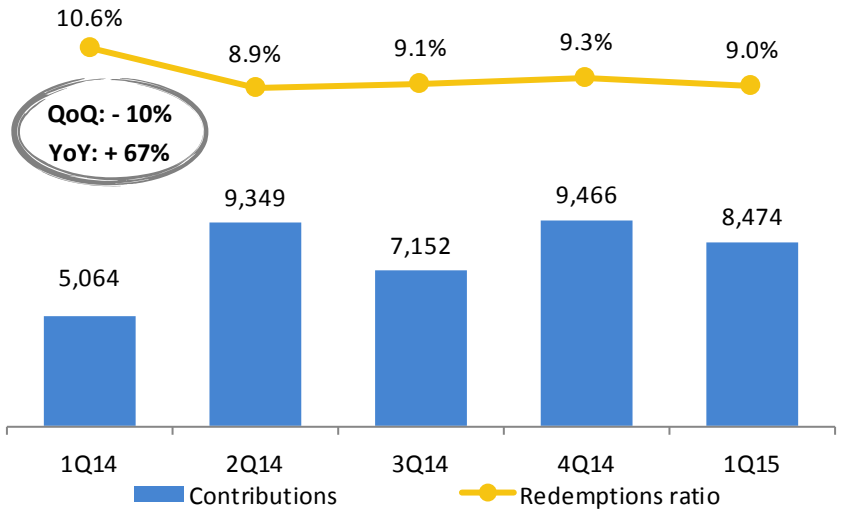


1 – Adjusted ratios prepared distributing the line "result with reinsurance" among the other lines from the income statement

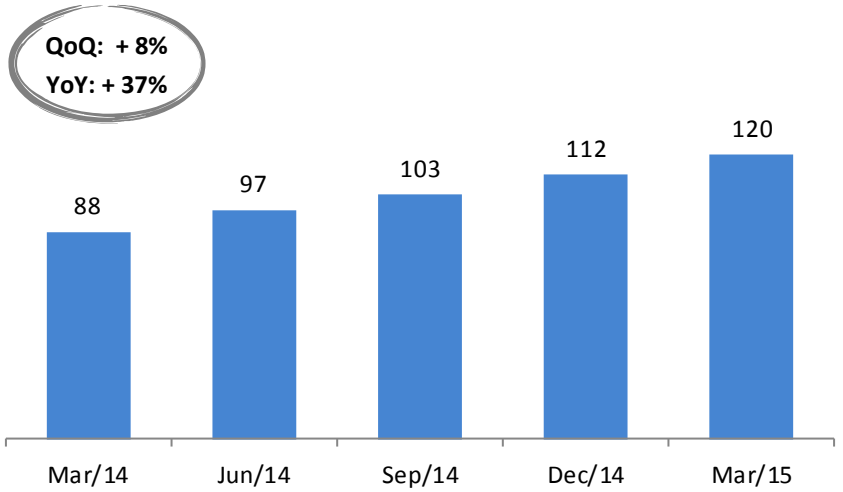
2 – The adjustments segregate the effects of the reclassification of expenses with sales representatives, from "acquisitions costs" to "other operating income (expenses) in force since 3Q14, and the reversal of provision for loan losses amounting to R$ 20.9 million in 1Q14.

Brasilprev

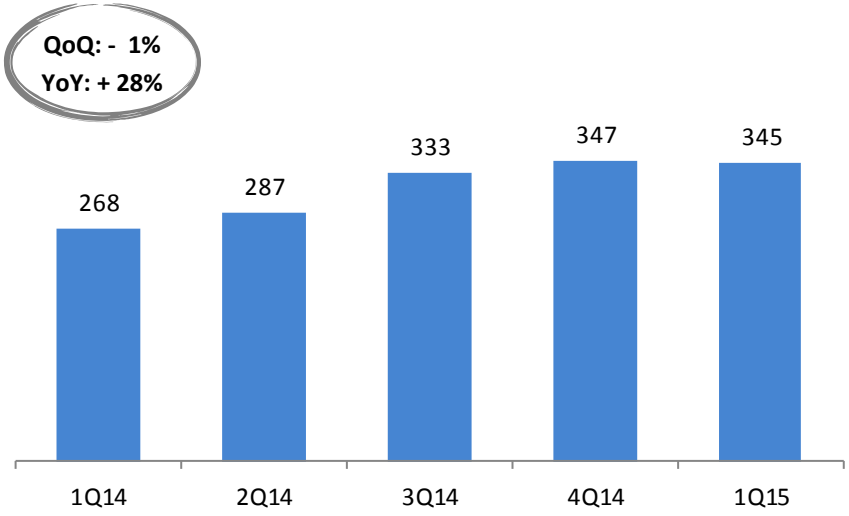
CONTRIBUTIONS (R$ MM)



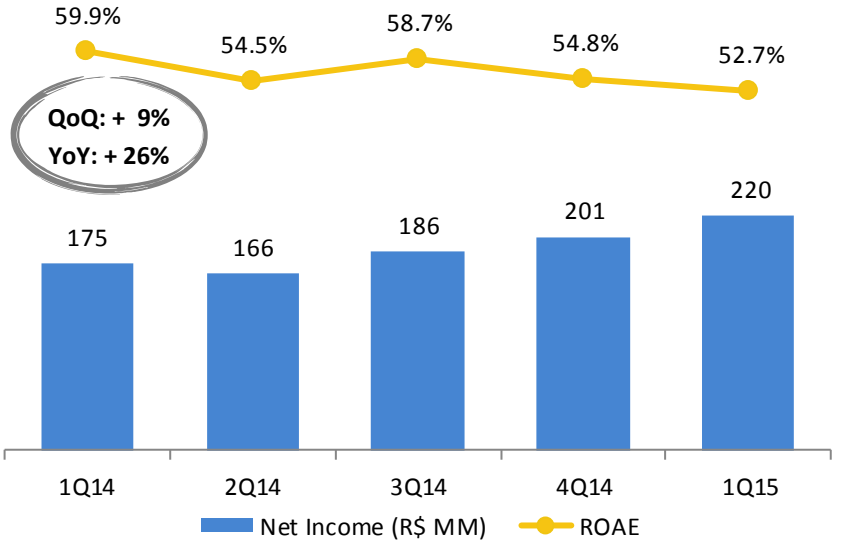
RESERVES (R$ BI)



MANAGEMENT FEE (R$ MM)



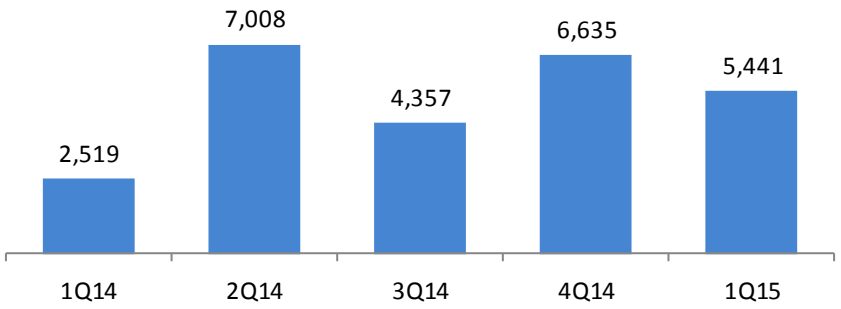
PROFITABILITY



Brasilprev vs. Market

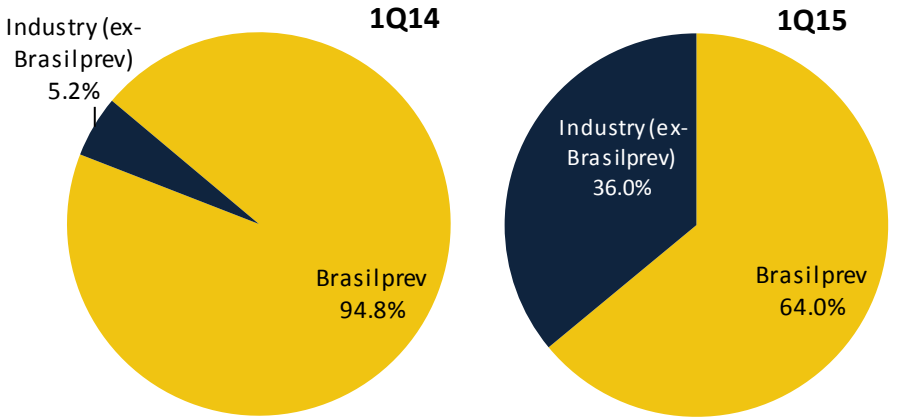
NET INFLOW (R$ MM)

QoQ: - 18%
YoY: + 116%

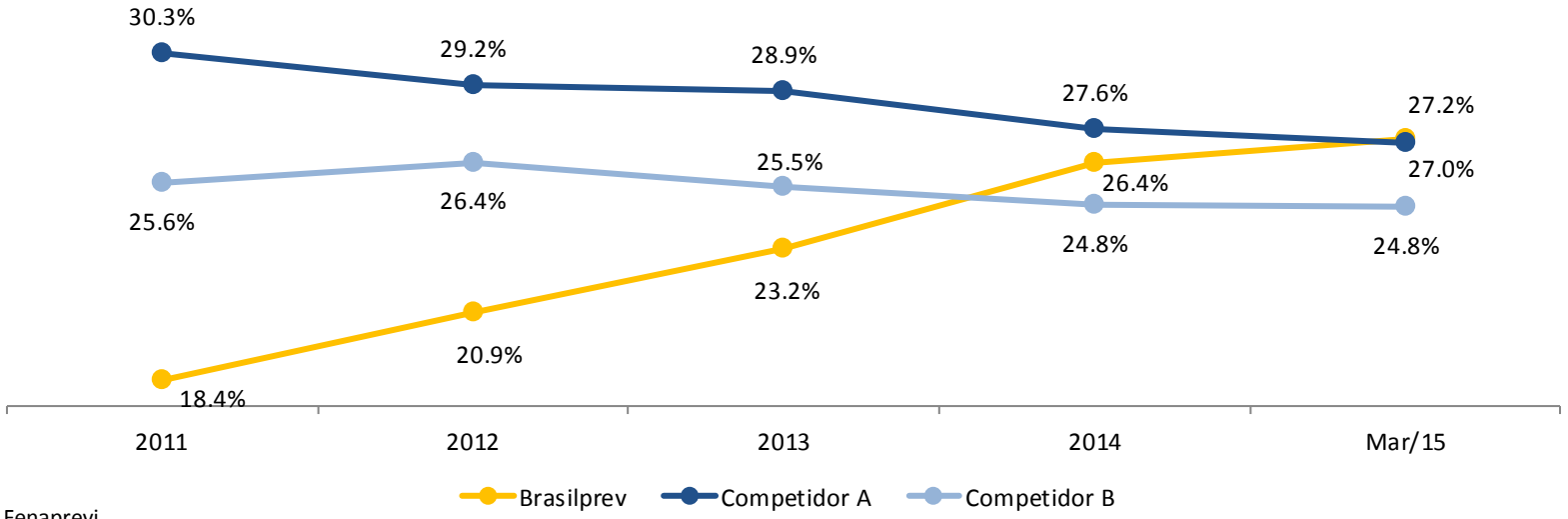


Source: Quantum Axis

MARKET SHARE – NET INFLOW



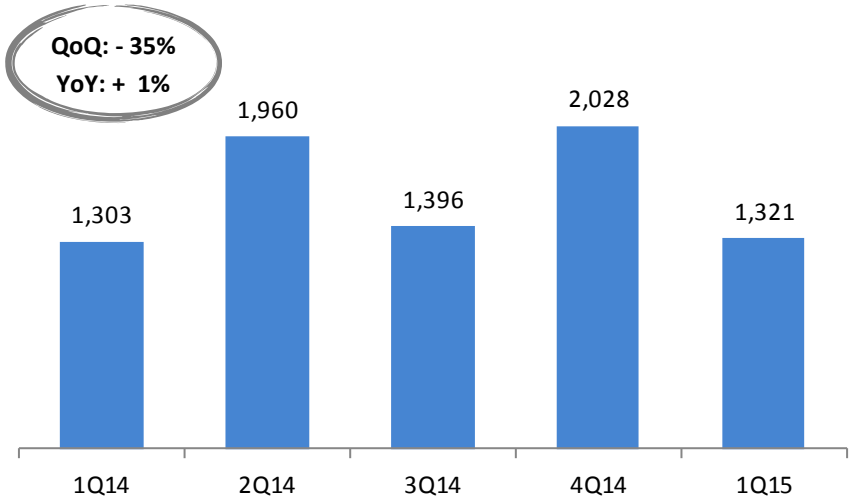
MARKET SHARE ASSET UNDER MANAGEMENT | P/VGBL



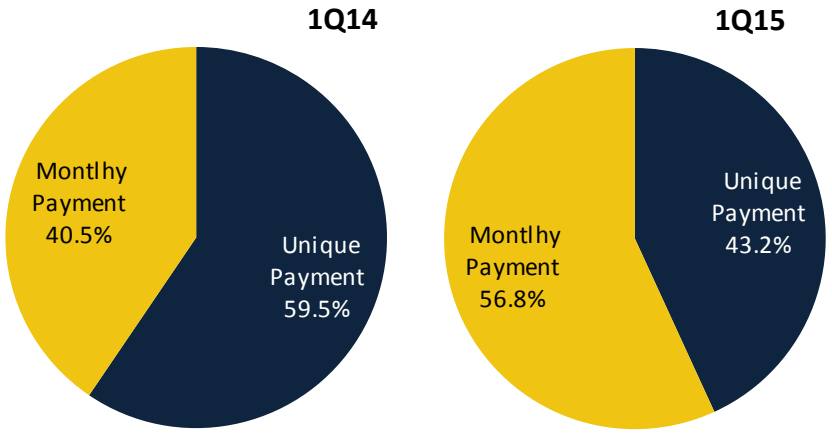
Source: Fenaprevi

Brasilcap

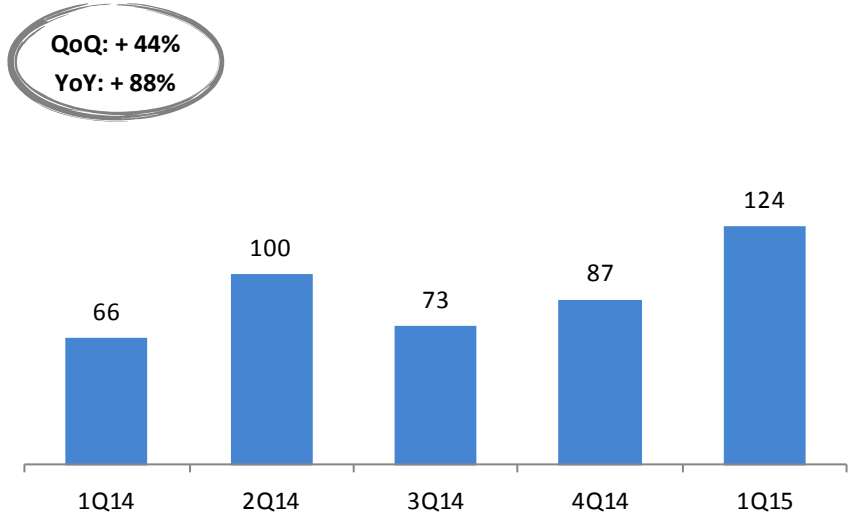
PREMIUM BONDS COLLECTION (R$ MM)



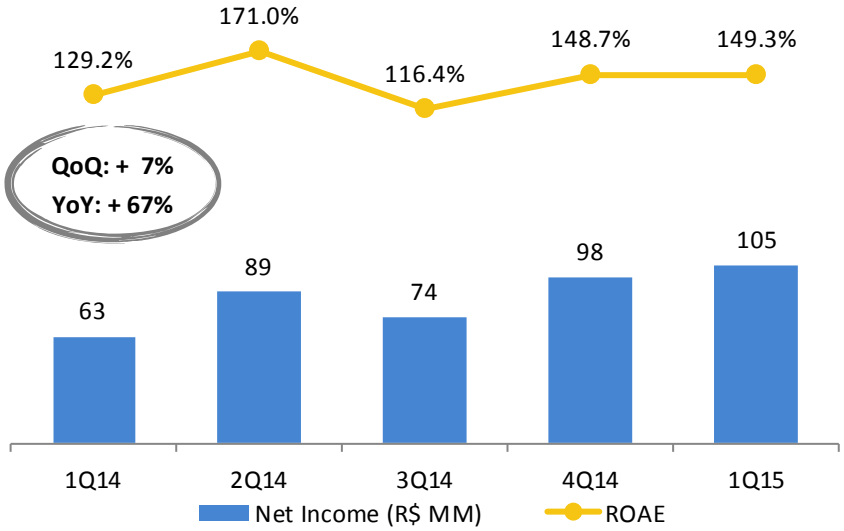
BREAKDOWN OF COLLECTION



NET INVESTMENT INCOME (R$ MM)



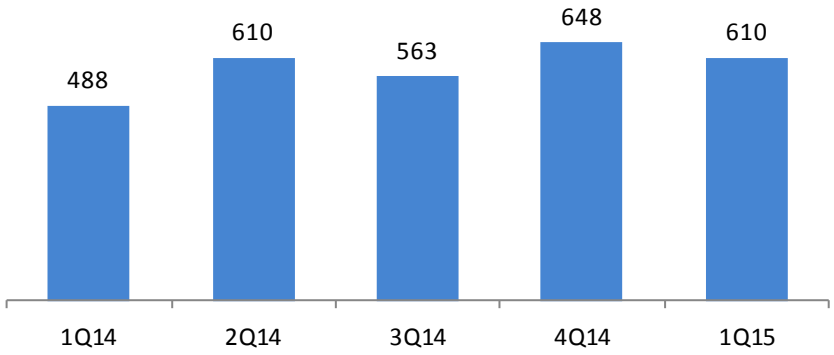
PROFITABILITY



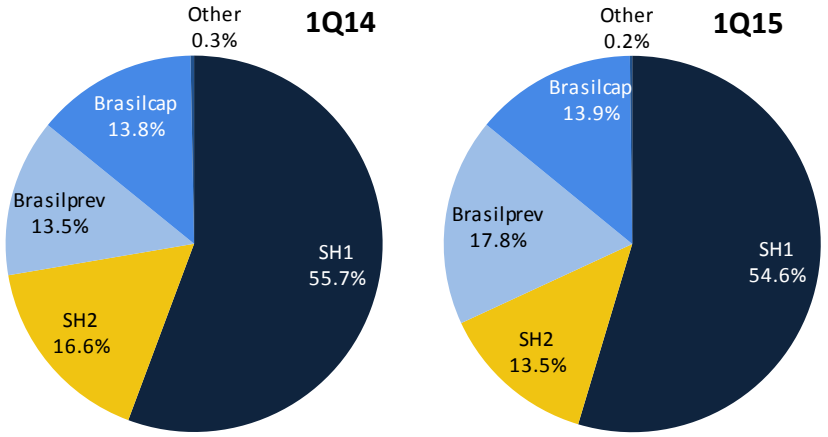
BB Corretora

INCOME BROKERAGE (R$ MM)

QoQ: - 6%
YoY: + 25%

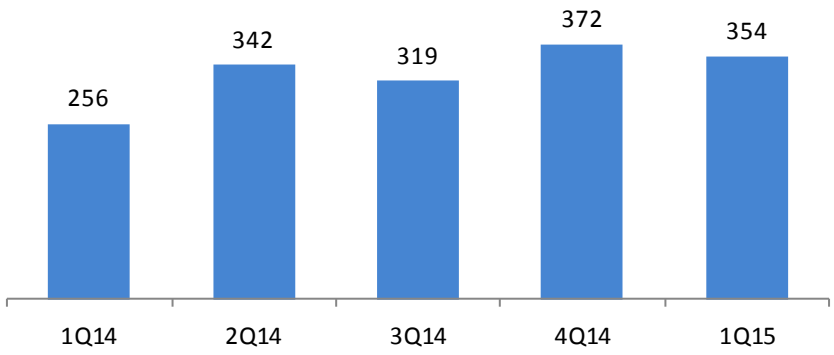


BREAKDOWN OF INCOME BROKERAGE



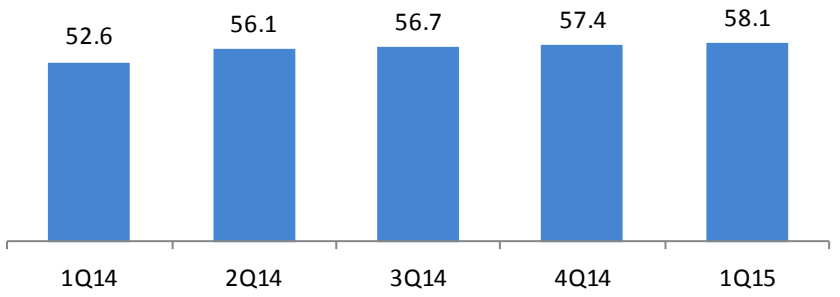
NET INCOME (R$ MM)

QoQ: - 5%
YoY: + 38%



NET MARGIN (%)

QoQ: + 0.7 p.p.
YoY: + 5.5 p.p.



Guidance 2015

Ratio	2015 Estimates	1Q15
BB Seguridade - Adjusted Net Income[1]	**12% - 21%**	**46.3%**
Premiums written growth - BB Mapfre SH1	**15% - 21%**	**-0.9%**
Reserves P/VGBL - Brasilprev	**27% - 36%**	**40.8%**

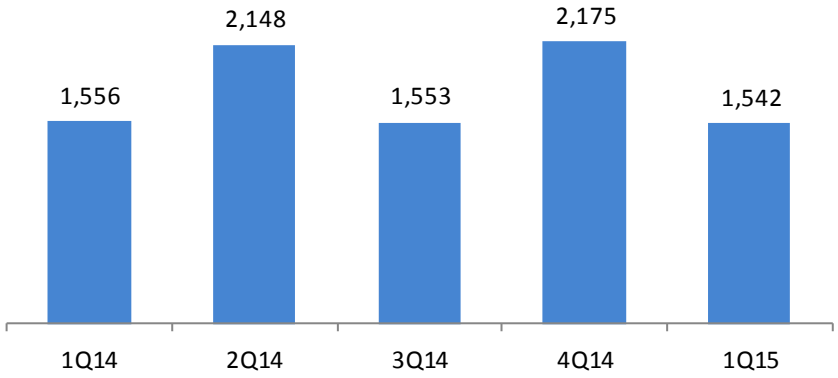
1 – Growth range equivalent to net income estimated in Guidance 2015

Appendix

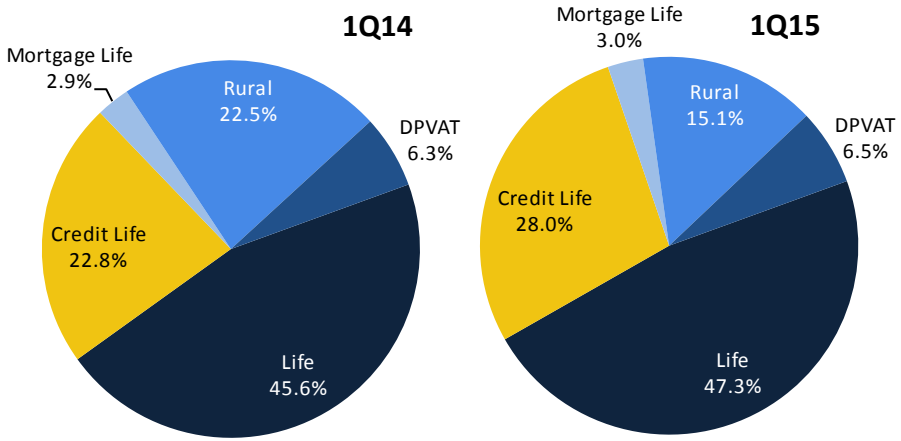
BB Mapfre SH1

PREMIUMS WRITTEN (R$ MM)

QoQ: - 29%
YoY: - 1%

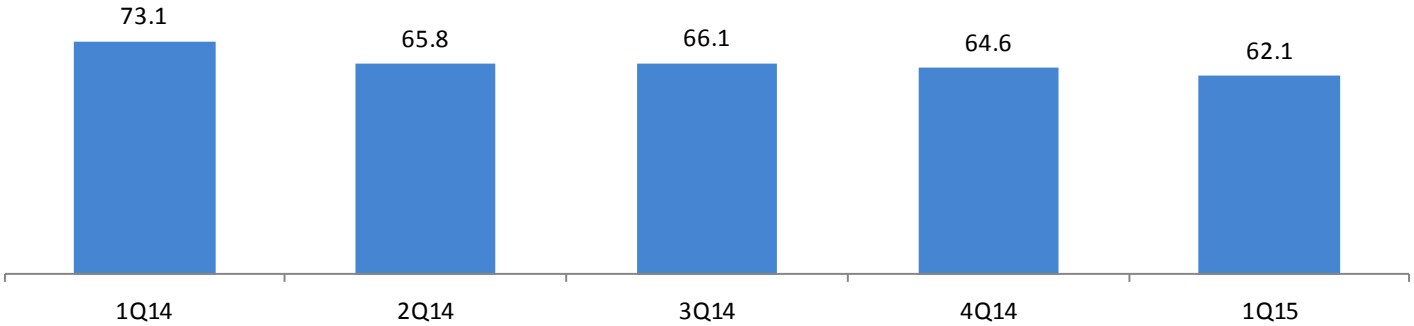


BREAKDOWN OF PREMIUMS WRITTEN



EXPANDED COMBINED RATIO[1] (%)

QoQ: - 2.5 p.p.
YoY: - 11.0 p.p.

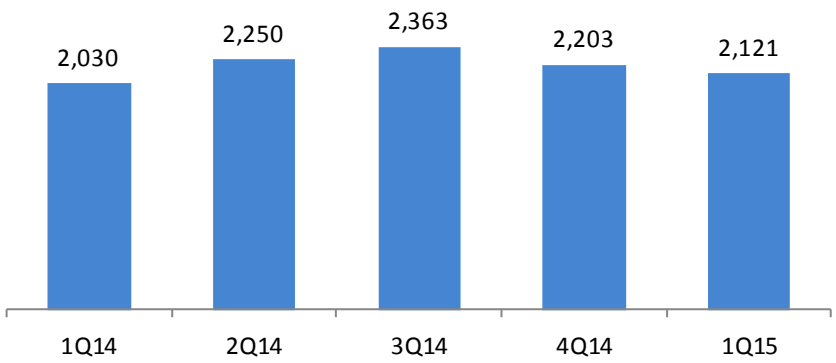


1 – Adjusted ratio prepared distributing the line "result with reinsurance" among the other lines from the income statement

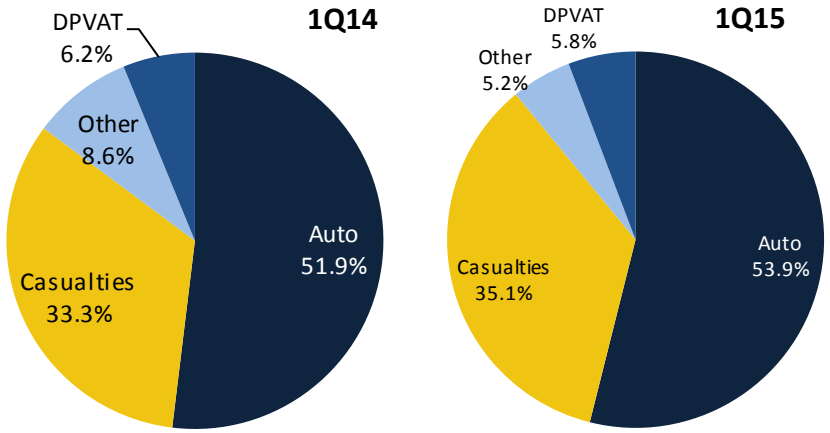
Mapfre BB SH2

PREMIUMS WRITTEN (R$ MM)

QoQ: - 4%
YoY: + 4%

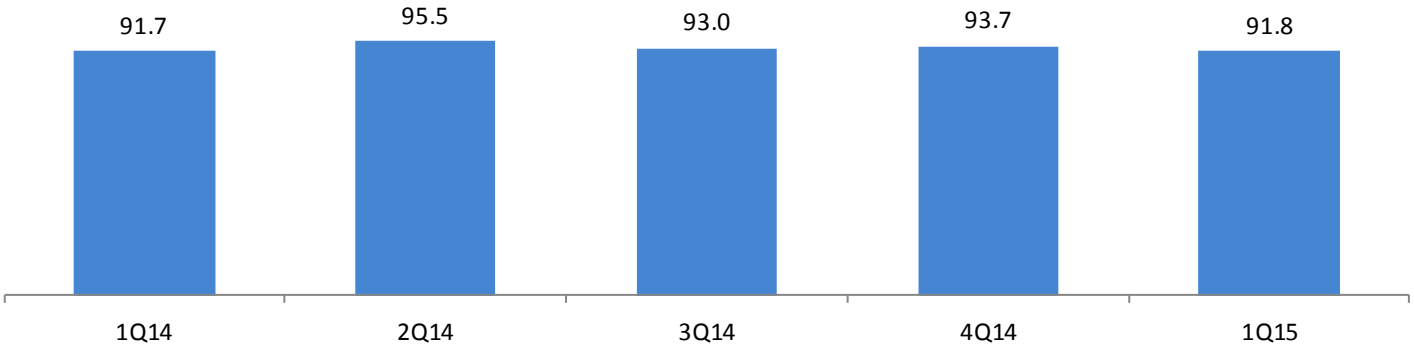


BREAKDOWN OF PREMIUMS WRITTEN



EXPANDED COMBINED RATIO[1] (%)

QoQ: - 1.9 p.p.
YoY: + 0.1 p.p.



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

Contacts

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