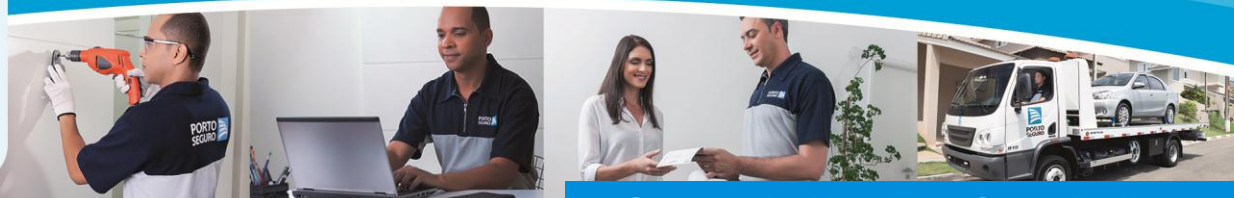




**PORTO  
SEGURO**



## 2Q16 and 1H16 Earnings Release

We ended the second quarter and the first semester reporting revenue growths of 7% and 6%, respectively. Despite the economic crisis, the geographic expansion and the product diversification has been contributing to enhance sales. However, the result was affected mainly by the increased claims incidence during this period.

In the insurance operation, written premiums increased 8% in the quarter and 6% in the semester. The auto insurance premiums of Porto Seguro's brands reported an increase of 6% while the auto insurance market<sup>1</sup> decreased 4% in the semester. The insured fleet improved 7% reaching 5.5 million vehicles while life insurance attained 7.5 million insured lives, which represents an improvement of 800 thousand lives in the portfolio.

The operational insurance result – measured by the combined ratio – worsened in both periods as a result of the increased loss ratio, achieving 100.1% in the quarter and 99.5% in the semester. The greater incidence of hailstorms and flooding, unexpected for this time of year, the higher theft frequency and the comparison basis with the 2Q15, that presented a better result when compared to the historical average, have pressured the total loss ratio in the period. Furthermore, the increased usage frequency of health insurance also affected the margins. On the other hand, the G&A ratio decreased 0.5 p.p. and the nominal expenses remained stable as a result of improved operating efficiency.

The revenues from financial businesses and services grew 5% in the 2Q16 and 3% in the 1H16 were mainly propelled by the improved sales of consortium products and the performance of our MVNO Company (Porto Conecta). Nonetheless, the financial revenues arising from the credit operation had a considerable decrease driven by the measures to gradually reduce the portfolio risk.

The quarterly financial result presented a rise of 11% in the quarter driven mainly by the assets linked to inflation linked bonds and equity, which have outperformed the benchmark and also by the higher CDI\* in the period. The total yield (excluding pension) was 3.6% (108% of the CDI) in the quarter and 7.7% (114% of the CDI) in the 1H16.

Finally, the net earnings – considering the higher tax rate (CSLL) – achieved R\$ 175 million in the quarter and R\$ 415 million in the semester, which represents a decrease of 37% and 18% when compared to the same period of 2015, respectively. The ROAE was 11.9% in the 2Q16 and 14.3% in the 1H16.

<sup>1</sup> Data available until May, 2016 (ex. health insurance)

\*CDI – Risk Free Rate (Similar to LIBOR)

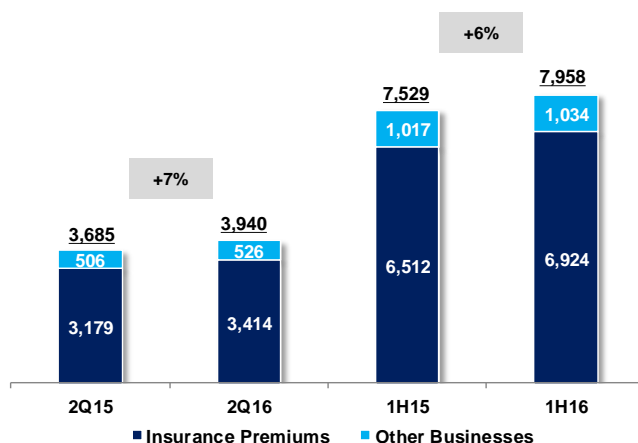
### Earnings Conference Call – 2Q16

(08/04/16) – Portuguese/English 10:00 a.m. (NY) / 11:00 a.m. (Brasília)

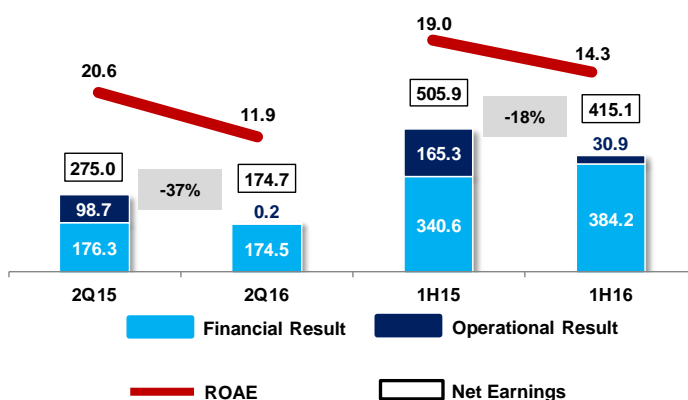
## Highlights

- ▣ Total revenues reported growth of 7% in the 2Q16 (vs. 2Q15) and 6% in the 1H16 (vs. 1H15)
- ▣ Total written premiums increased 8% in the second quarter and 6% in the first semester (2016 vs. 2015)
- ▣ Net income of R\$ 175 million (-37%) in 2Q16 and R\$ 415 million (-18%) in the 1H16 (w/o business combination)
- ▣ ROAE of 11.9% (-8.7 p.p.) for the quarter and 14.3% (-4.7 p.p.) for the semester (w/o business combination)
- ▣ Combined Ratio attained 100.1% (+4.8 p.p.) in the 2Q16 and 99.5% (+3.3 p.p.) in the 1H16. Amplified Combined Ratio was 92.6% (+4.3 p.p.) in the 2Q16 and 91.8% (+2.5 p.p.) in the 1H16
- ▣ Financial results attained R\$ 311 million in the 2Q16 (+11% vs. 2Q15) and R\$ 664 million in the 1H16 (+20% vs. 1H15)
- ▣ The financial investment portfolio gains (ex. pension plans) achieved R\$ 240 million in the 2Q16 (19% vs. 2Q15) and R\$ 539 million in the 1H16 (+32% vs. 1H15), which represents a total yield of 3.6% (108% of the CDI) in the quarter and 7.7% (114% of the CDI) in the 1H16

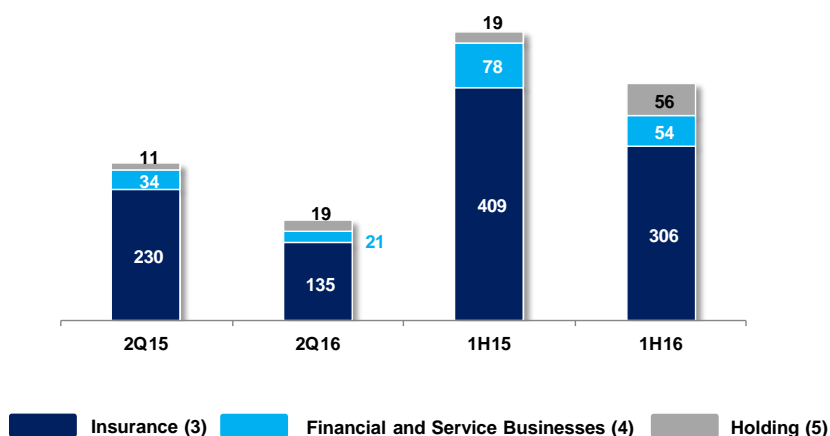
**Total Revenue (R\$ Million)<sup>1</sup>**



**Consolidated Results (R\$ Million)\***



**Results by Business Lines (R\$ Million)<sup>2</sup>**



<sup>1</sup> Insurance written premiums + Financial and Service Businesses + Other Operational Revenues

<sup>2</sup> Considering results without business combination – excluding taxes

<sup>3</sup> Including insurance operations results, pension and capitalization

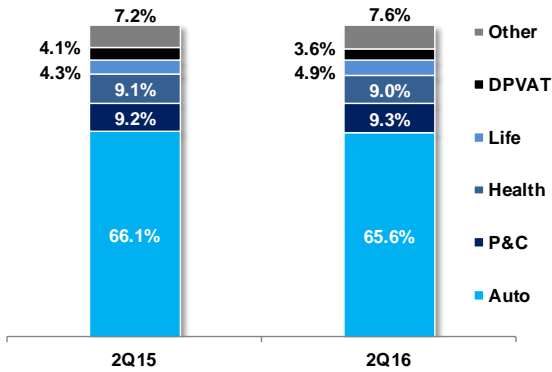
<sup>4</sup> Represents Financial and Service Businesses results such as Consortium, Credit Card and Financing, Mobile Operator, Surveillance and Monitoring, Medical Services, among others.

<sup>5</sup> Results arising from the financial funds held by the Holding, which is a relevant part of the Company free resources – excluding G&A and tax expenses

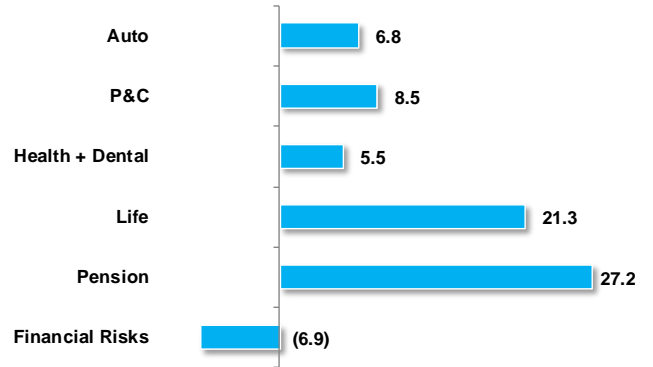


**PORTO SEGURO**

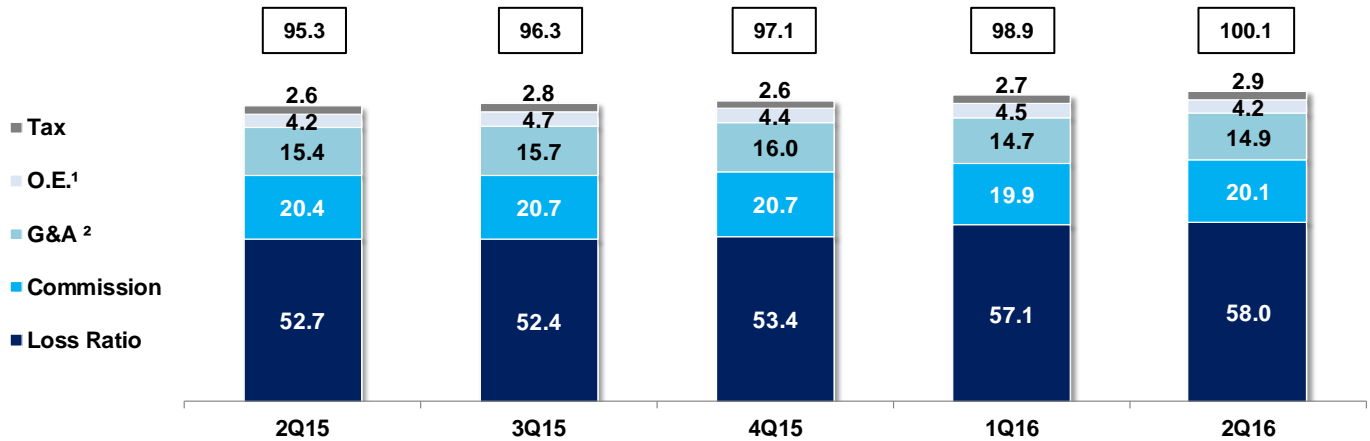
**Insurance Written Premiums Breakdown (%)**



**Top Products Growth\* – 2Q16 x 2Q15 (%)**

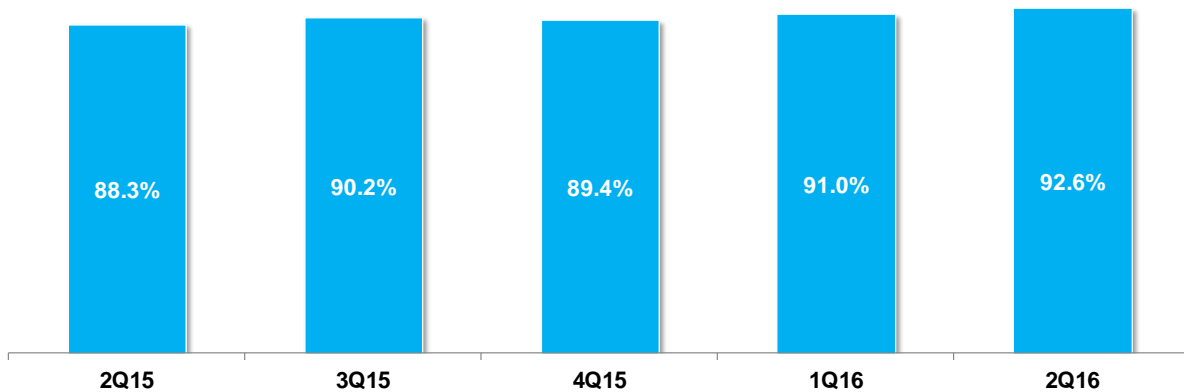


**Insurance Combined Ratio (%)**



The Combined Ratio (2Q16 vs. 2Q15) increased 4.8 p.p. chiefly explained by the higher loss ratio of Auto, P&C and Health. Total loss ratio grew 5.3 p.p. in the quarter.

**Insurance Amplified Combined Ratio (%)**



The Amplified Combined Ratio in the quarter (including the insurance financial result) increased 4.3 p.p. when compared to 2Q15 explained by the lower operational result in the period and partially offset by the higher insurance financial returns in the period.

\*Considering insurance written premiums and total pension revenues

<sup>1</sup>O.E = Other Revenues – Operational Expenses

<sup>2</sup>General and Administrative Expenses

## Auto Insurance

<i>Porto Seguro Auto</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
<b>Written Premiums (R\$ million)</b>	<b>1,138.7</b>	<b>1,102.1</b>	<b>3.3</b>	<b>2,265.1</b>	<b>2,279.3</b>	<b>(0.6)</b>
Earned Premium (R\$ million)	1,149.6	1,148.1	0.1	2,298.8	2,267.0	1.4
<b>Loss Ratio (%) - Var (p.p.)</b>	<b>55.8</b>	<b>50.1</b>	<b>5.7</b>	<b>54.8</b>	<b>51.5</b>	<b>3.3</b>
<b>Insured Vehicles (thousand)</b>	<b>2,345</b>	<b>2,308</b>	<b>1.6</b>	<b>2,345</b>	<b>2,308</b>	<b>1.6</b>

<i>Azul Seguros Auto</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
<b>Written Premiums (R\$ million)</b>	<b>590.4</b>	<b>527.9</b>	<b>11.8</b>	<b>1,269.4</b>	<b>1,119.4</b>	<b>13.4</b>
Earned Premium (R\$ million)	630.7	572.4	10.2	1,241.8	1,121.7	10.7
<b>Loss Ratio (%) - Var (p.p.)</b>	<b>62.7</b>	<b>56.4</b>	<b>6.3</b>	<b>62.2</b>	<b>57.7</b>	<b>4.5</b>
<b>Insured Vehicles (thousand)</b>	<b>1,882</b>	<b>1,623</b>	<b>16.0</b>	<b>1,882</b>	<b>1,623</b>	<b>16.0</b>

<i>Itaú Seguros Auto</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
<b>Written Premiums (R\$ million)</b>	<b>506.4</b>	<b>463.1</b>	<b>9.4</b>	<b>1,001.0</b>	<b>891.2</b>	<b>12.3</b>
Earned Premium (R\$ million)	528.2	493.2	7.1	1,040.4	983.7	5.8
<b>Loss Ratio (%) - Var (p.p.)</b>	<b>62.7</b>	<b>58.2</b>	<b>4.5</b>	<b>63.0</b>	<b>60.8</b>	<b>2.2</b>
<b>Insured Vehicles (thousand)</b>	<b>1,289</b>	<b>1,224</b>	<b>5.3</b>	<b>1,289</b>	<b>1,224</b>	<b>5.3</b>

<i>Auto Consolidated</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
<b>Written Premiums (R\$ million)</b>	<b>2,235.5</b>	<b>2,093.1</b>	<b>6.8</b>	<b>4,535.5</b>	<b>4,289.9</b>	<b>5.7</b>
Earned Premium (R\$ million)	2,308.5	2,213.7	4.3	4,581.0	4,372.4	4.8
<b>Loss Ratio (%) - Var (p.p.)</b>	<b>59.2</b>	<b>53.5</b>	<b>5.7</b>	<b>58.7</b>	<b>55.2</b>	<b>3.5</b>
<b>Insured Vehicles (thousand)</b>	<b>5,516</b>	<b>5,155</b>	<b>7.0</b>	<b>5,516</b>	<b>5,155</b>	<b>7.0</b>

Total premiums and insured fleet (Porto Seguro, Itaú and Azul) increased 7% in comparison to 2Q15, which represents a growth of R\$ 142 million and 361 thousand items, respectively, while the auto insurance market premiums decreased 4% in April and May (data available at SUSEP website until May, 2016).

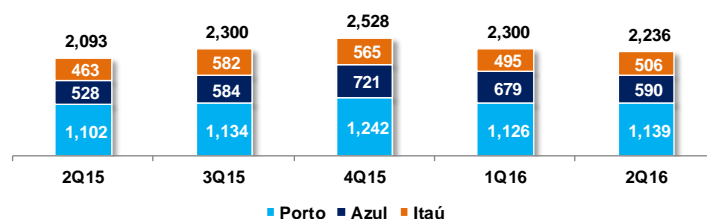
The second quarter was affected by the increased number of claims in the auto segment mostly due to hailstorms and flooding, unexpected for this time of year, by the higher crime incidence and the comparison basis to the 2Q15, that presented a better result when compared to the historical average. The auto theft volume raised in the states of Rio de Janeiro, São Paulo and some cities in the South region of Brazil. In the first five months of 2016, the total loss ratio of the Company increased in line with the market average (+2.2 p.p.) while the total loss ratio in the 2Q16 grew only 1 p.p. when compared to the last 5 years average.

Written premiums of *Porto Seguro* auto attained R\$ 1.14 Billion in the quarter, 3% higher when compared to 2Q15 chiefly explained by the insured fleet expansion in the period (+2%). The loss ratio increased 5.7 p.p. mainly due to the higher claims frequency.

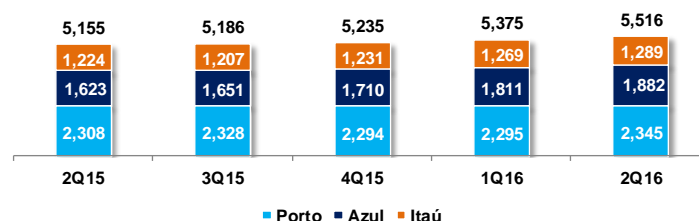
*Azul Seguros* reported written premiums of R\$ 591 million in the quarter, growing 12% in relation to the 2Q15, driven by the higher number of insured vehicles (+16% vs. 2Q15, boosted by geographic expansion). Loss ratio rose 6.3 p.p., reaching 62.7%, mainly explained by the increased claims frequency during the quarter and the product repositioning, that reduced its margins as a result of the economic crisis, since clients demands lower prices.

*Itaú Auto e Residência* portfolio reached R\$ 506 million in 2Q16, an increase of 9% in relation to 2Q15 boosted chiefly due to commercial actions in the quarter, the extension of perks for Itaú Bank clients (e.g. converting points from the program "Sempre Presente" into discounts on Auto Insurance) and the greater sales of products of specific coverings. The loss ratio worsened 4.5 p.p. as a consequence of the higher collision and theft frequency in the period.

### Premiums (R\$ million)



### Insured Fleet (thousand)



### Loss Ratio

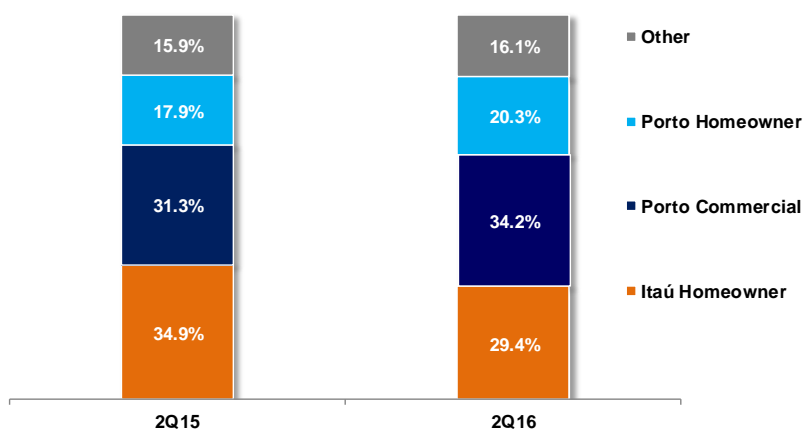
Loss Ratio	2Q15	3Q15	4Q15	1Q16	2Q16
<b>TOTAL AUTO</b>	<b>53.5%</b>	<b>53.7%</b>	<b>53.7%</b>	<b>58.1%</b>	<b>59.2%</b>
<b>Porto</b>	<b>50.1%</b>	<b>49.9%</b>	<b>51.7%</b>	<b>53.9%</b>	<b>55.8%</b>
<b>Azul</b>	<b>56.4%</b>	<b>57.0%</b>	<b>54.7%</b>	<b>61.6%</b>	<b>62.7%</b>
<b>Itaú</b>	<b>58.2%</b>	<b>58.5%</b>	<b>57.1%</b>	<b>63.2%</b>	<b>62.7%</b>

## Property & Casualty

<i>Itaú Homeowner</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	92.6	101.5	(8.8)	217.5	225.6	(3.6)
Loss Ratio (%) - Var (p.p.)	31.3	27.8	3.5	33.2	31.2	2.0
<i>Porto Commercial</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	107.8	90.8	18.7	206.5	177.5	16.3
Loss Ratio (%) - Var (p.p.)	29.5	11.9	17.6	32.7	28.7	4.0
<i>Porto Homeowner</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	63.9	52.1	22.6	127.9	110.1	16.2
Loss Ratio (%) - Var (p.p.)	40.9	33.7	7.2	40.6	37.3	3.3
<i>Porto Other</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	50.8	46.1	10.2	74.4	70.4	5.7
Loss Ratio (%) - Var (p.p.)	23.3	10.0	13.3	23.7	17.9	5.8
<i>Total P&amp;C</i>	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	315.1	290.5	8.5	626.3	583.6	7.3
Earned Premium (R\$ million)	295.5	274.0	7.8	604.3	542.9	11.3
Loss Ratio (%) - Var (p.p.)	32.0	22.6	9.4	33.7	30.5	3.2

- Total written premiums of Property & Casualty insurance were R\$ 315 million in 2Q16 (+9% vs. 2Q15), mainly propelled by the growth of Porto Commercial and Porto Homeowner. In addition to the geographical expansion, which has been benefiting both products, the commercial product was boosted by personalized insurance lines aimed at segments such as gyms, pet shops and perfume shops while the homeowner product had its premiums intensified by a sales campaign in the period.
- The premiums of Itaú Homeowner decreased 9% when compared to 2Q15, mainly due to the lower performance of the bank channel. However, new sales campaign are scheduled to the second semester.
- Total losses achieved 32.0% in the quarter, 9.4 p.p. higher than the 2Q15 as a consequence of the increased incidences of climate events, raising the frequency of unroofing and electrical damages throughout the period.

## P&C Premiums Breakdown



## Health Insurance

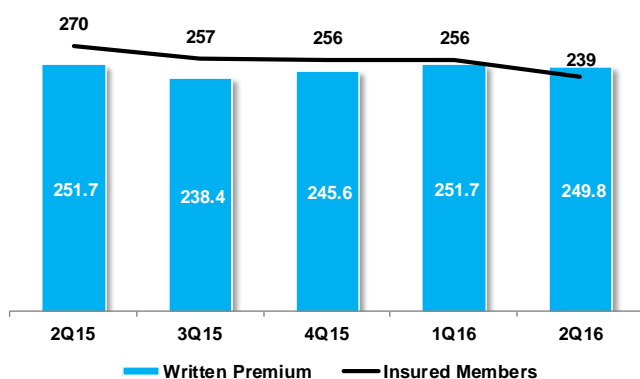
Health Insurance	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	249.8	251.7	(0.8)	501.5	506.8	(1.0)
Earned Premium (R\$ million)	248.7	251.3	(1.0)	500.6	506.1	(1.1)
Loss Ratio (%) - Var (p.p.)	86.2	78.5	7.7	79.8	72.9	6.9
Insured Members (thousand)	239	270	(11.5)	239	270	(11.5)

Health insurance segment premiums totaled R\$ 250 million in 2Q16, 1% lower than 2Q15. The decrease is mainly due to the reduction of insured members, as a result of the greater unemployment rate in Brazil.

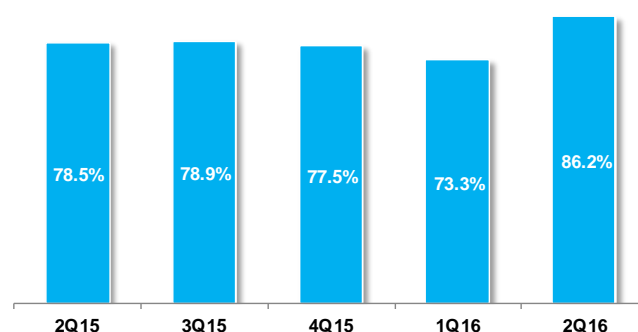
Health insurance average premium has increased 12% in the quarter (2Q16 x 2Q15).

Loss ratio attained 86.2% in 2Q16, an increase of 7.7 p.p. chiefly explained by the higher usage frequency, which was impacted by the economic crisis and an increase of epidemics such as *H1N1*, *Dengue*, *Zika Virus*, *Chikungunya*, etc. Furthermore, the medical inflation arising mainly from hospitalizations frequency has also impacted the loss ratio this quarter.

**Written Premiums (R\$ million) and Insured Members (thousand) - Health**



**Loss Ratio - Health**



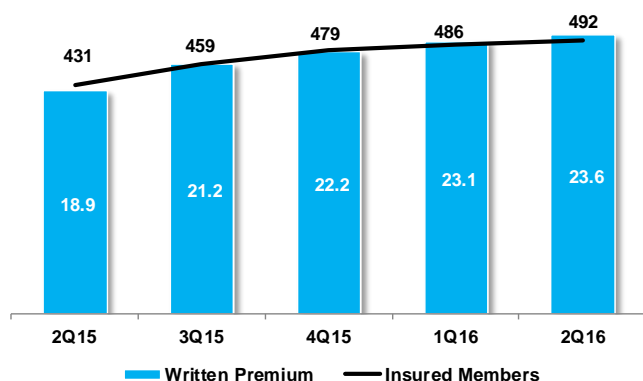
## Dental Insurance

Dental Insurance	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Written Premiums (R\$ million)	23.6	18.9	24.9	46.7	36.7	27.2
Earned Premium (R\$ million)	23.6	18.9	25.0	46.7	36.7	27.3
Loss Ratio (%) - Var (p.p.)	59.4	61.1	(1.7)	56.7	54.0	2.7
Insured Members (thousand)	492	431	14.2	492	431	14.2

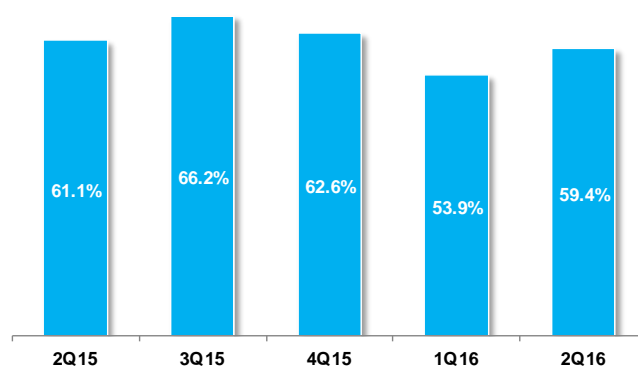
Dental insurance premiums amounted R\$ 24 million in 2Q16, 25% above 2Q15, due to the increase of 14% in insured members. The growth was driven by the product expansion outside of greater São Paulo and adjustments in the product prices.

The loss ratio reached 59.4%, a decrease of 1.7 p.p. explained by the lower use frequency.

**Written Premiums (R\$ million) and Insured Members (thousand) - Dental**



**Loss Ratio - Dental**



## Life Insurance

Life Insurance	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
<b>Written Premiums (R\$ million)</b>	<b>166.1</b>	<b>136.9</b>	<b>21.3</b>	<b>309.4</b>	<b>259.3</b>	<b>19.3</b>
Earned Premium (R\$ million)	151.4	126.5	19.7	291.9	242.6	20.3
<b>Loss Ratio (%) - Var (p.p.)</b>	<b>28.5</b>	<b>26.7</b>	<b>1.8</b>	<b>30.7</b>	<b>26.7</b>	<b>4.0</b>
<b>Members insured (thousand)</b>	<b>7,544</b>	<b>6,761</b>	<b>11.6</b>	<b>7,544</b>	<b>6,761</b>	<b>11.6</b>

Written premiums totaled R\$ 166 million in the quarter, 21% greater than 2Q15 mostly due to the increased sales force and the growth of products with a higher average ticket. The Company is taking measures to attract new brokers, enhance the cross-selling and take advantage of the low segment penetration in Brazil.

The losses increase of 1.8 p.p. in the 2Q16 was driven by the higher claims frequency and average amount of indemnity in Individual Life insurance. However, the loss ratio remained in line with the portfolio expectations.

## Pension

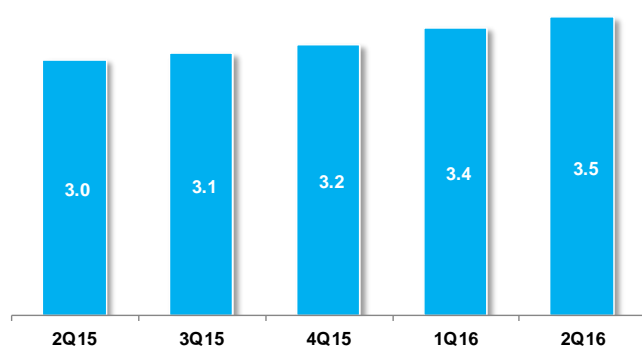
Pension Plan	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Pension Plan Contribution <sup>1</sup> - PGBL (R\$ million)	41.8	41.0	2.0	87.2	85.3	2.2
Premiums - VGBL (R\$ million)	64.9	42.9	51.3	114.2	85.9	32.9
<b>Total Pension Plan (R\$ million)</b>	<b>106.7</b>	<b>83.9</b>	<b>27.2</b>	<b>201.4</b>	<b>171.2</b>	<b>17.6</b>
<b>Technical Provisions (R\$ million)</b>	<b>3,524.4</b>	<b>3,024.4</b>	<b>16.5</b>	<b>3,524.4</b>	<b>3,024.4</b>	<b>16.5</b>
<b>Total Active Participants (thousands)</b>	<b>136</b>	<b>137</b>	<b>(0.7)</b>	<b>136</b>	<b>137</b>	<b>(0.7)</b>

<sup>1</sup> Total Contributions – portabilities and withdrawals

Total contributions for pension plans reached R\$ 107 million in the quarter, 27% higher when compared to 2Q15. The increase is mainly explained by the higher investments volume in the Company.

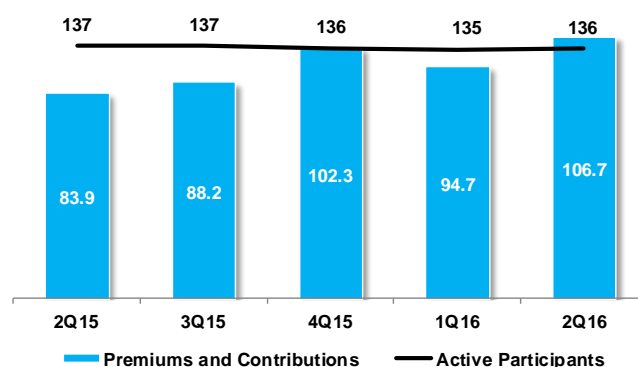
Assets under management reached R\$ 3.5 billion in the quarter, representing an increase of 17% (2Q16 x 2Q15).

**Assets under Management<sup>2</sup> (R\$ billion)**



<sup>2</sup> Considering only clients reserves

**Active Participants (thousand) and Contributions<sup>3</sup> (R\$ million)**



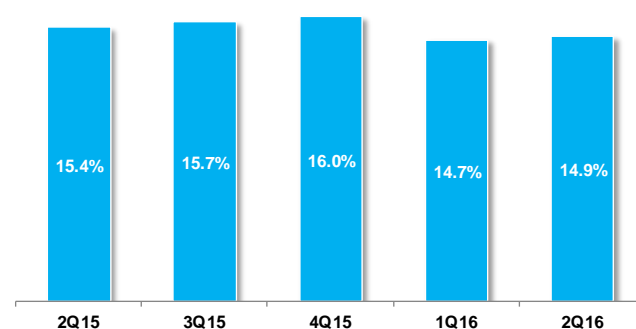
<sup>3</sup> Pension contribution revenues + VGBL Premiums



## G&A – Insurance

Administrative Expenses - Insurance						
R\$ thousand	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
General Administrative Expenses	483.1	473.8	2.0	966.2	932.6	3.6
Marketing	19.7	23.1	(14.7)	37.5	43.5	(13.8)
Profit Sharing	46.8	43.3	8.1	90.2	97.5	-7.5
Total Administrative Expenses - Insurance	549.6	540.2	1.7	1,093.9	1,073.6	1.9
<b>Total Administrative Expenses - excluding profit sharing</b>	<b>502.7</b>	<b>496.9</b>	<b>1.2</b>	<b>1,003.6</b>	<b>976.1</b>	<b>2.8</b>
Earned Premiums	3,375.6	3,220.8	4.8	6,786.5	6,418.9	5.7

## G&A Insurance Ratio



Insurance G&A (excluding profit sharing) totaled R\$ 503 million, an increase of 1% when compared to 2Q15 and reporting growth below the inflation rate in the period (8.8%).

The insurance G&A ratio attained 14.9% in the 2Q16, a reduction of 0.5 p.p. (vs. 2Q15) as a result of our efforts to gradually enhance the Company process.

## Other Operational Expenses/Revenues

Other Operational Expenses/Revenues - Insurance						
R\$ thousand	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Other Operating Revenues - Insurance	7.7	10.4	(26.0)	22.5	24.2	(7.0)
Other Operating Expenses - Insurance	151.4	145.0	4.4	321.0	303.3	5.8
<b>Total Other Operational Expenses/Revenues</b>	<b>(143.7)</b>	<b>(134.6)</b>	<b>6.8</b>	<b>(298.5)</b>	<b>(279.1)</b>	<b>7.0</b>
Index (Vs. premiums) Var p.p.	4.2	4.2	-	4.4	4.3	0.1

Other operational income – insurance totaled R\$ 8 million in 2Q16, a reduction of 26% over the R\$ 10 million totaled in 2Q15, explained by lower revenues from the DPVAT consortium.

Other operational expenses – insurance totaled R\$ 151 million in 2Q16, increasing 4% in relation to the 2Q15 mainly due to increased insured fleet (+7%) in the period.

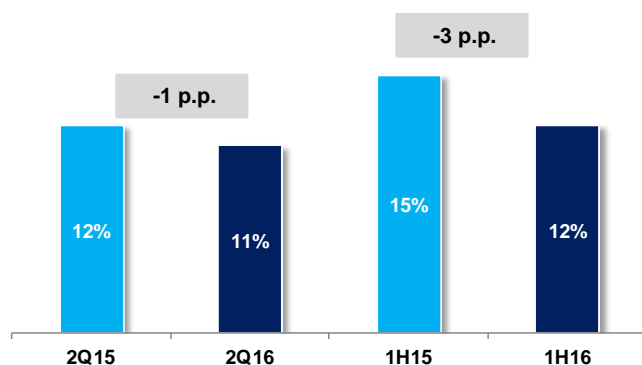
The O.E ratio remained stable throughout the quarter.



## Financial and Service Businesses

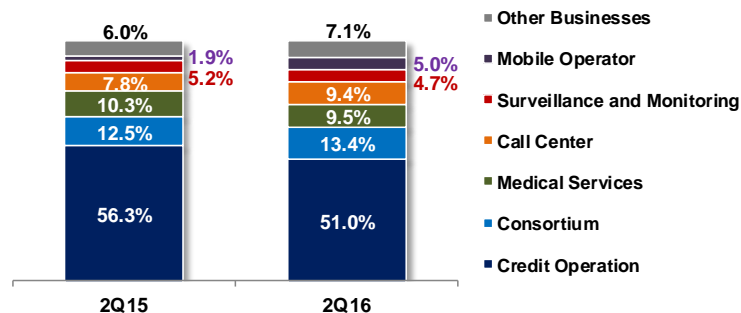
Summarized Income Statement - Non Insurance						
(R\$ thousand)	2Q16	2Q15	Var. %	1H16	1H15	Var. %
Revenues from Credit Operation	238.8	251.6	(5.1)	466.9	508.1	(8.1)
Revenues from Services - services	229.4	195.0	17.6	447.4	382.3	17.0
<b>TOTAL REVENUE</b>	<b>468.2</b>	<b>446.6</b>	<b>4.8</b>	<b>914.3</b>	<b>890.4</b>	<b>2.7</b>
Allowance for delinquent accounts - Financial	(81.2)	(70.0)	16.0	(126.7)	(133.6)	(5.2)
Costs of services rendered (a)	(68.0)	(59.8)	13.7	(130.4)	(104.2)	25.1
Commercial Expenses (b)	(25.6)	(21.5)	19.1	(48.1)	(39.4)	22.1
G&A - General Expenses (c)	(146.8)	(128.5)	14.2	(285.8)	(257.0)	11.2
Other Operational Revenues/Expenses (d)	(78.7)	(83.1)	(5.3)	(166.1)	(165.9)	0.1
<b>Total (a+b+c+d)</b>	<b>(319.1)</b>	<b>(292.9)</b>	<b>8.9</b>	<b>(630.4)</b>	<b>(566.5)</b>	<b>11.3</b>
Tax	(24.4)	(23.1)	5.6	(47.6)	(46.1)	3.3
<b>TOTAL G&amp;A AND OPERATIONAL EXPENSES</b>	<b>(424.7)</b>	<b>(386.0)</b>	<b>10.0</b>	<b>(804.7)</b>	<b>(746.2)</b>	<b>7.8</b>
Depreciation	(5.8)	(8.6)	(32.6)	(11.1)	(14.1)	(21.3)
<b>OPERATING INCOME</b>	<b>37.7</b>	<b>52.0</b>	<b>(27.5)</b>	<b>98.5</b>	<b>130.1</b>	<b>(24.3)</b>
Financial and Equity Accounting Results	13.3	13.7	(2.9)	26.6	25.2	5.6
<b>INCOME BEFORE TAX</b>	<b>51.0</b>	<b>65.7</b>	<b>(22.4)</b>	<b>125.1</b>	<b>155.3</b>	<b>(19.4)</b>
Income Tax and Social Contribution	(21.1)	(25.2)	(16.3)	(54.9)	(64.9)	(15.4)
Profit Sharing	(10.4)	(6.3)	65.1	(18.8)	(12.3)	52.8
<b>NET INCOME</b>	<b>19.5</b>	<b>34.2</b>	<b>(43.0)</b>	<b>51.4</b>	<b>78.1</b>	<b>(34.2)</b>
<b>ROAE</b>	<b>8.0</b>	<b>15.4</b>	<b>(7.4)</b>	<b>10.9</b>	<b>18.3</b>	<b>(7.4)</b>

### Financial and Service Businesses in Net Earnings\*



\*In relation to the Total Net Earnings ( without Business Combination)

### Revenues Breakdown – Financial and Service Businesses



\*Other – Represents the services provided to the Porto Seguro group

Total revenues from financial and service businesses attained R\$ 468 million in 2Q16, 5% above 2Q15, driven mainly by the increase of our MVNO Company (Porto Conecta) and Consortium operations. The increase was partially offset by the revenues reduction of credit card operations.

Consolidated ROAE from financial and services businesses totaled 8.0% in the quarter (-7.4 p.p. vs. 2Q15). The decrease is mainly explained by the lower contribution of credit operation to the result in this quarter as a result of the decrease of revenues arising from interest of revolving and installment, the biggest profitable components of the product, due to the restrictive risk policy adopted by the Company.

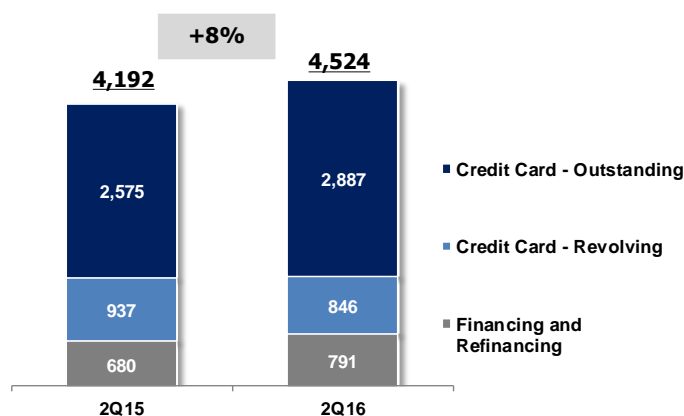
The returns have been reduced by the start-up operations, which still have deficit margins, being offset by more mature businesses such as Credit Card, Consortium, among others.

## Credit Card and Financing

Credit Operations (Portoseg) - R\$ thousand	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Revenues from Financial Intermediation (R\$ million)	132.7	162.0	(18.1)	259.3	328.2	(21.0)
Revenues from Services	91.2	75.7	20.5	178.1	151.0	17.9
Other Revenues	14.8	13.9	6.5	29.5	28.9	2.1
<b>Revenues from Credit Operation and Financing (R\$ million)</b>	<b>238.7</b>	<b>251.6</b>	<b>(5.1)</b>	<b>466.9</b>	<b>508.1</b>	<b>(8.1)</b>
<b>Loan Loss Provisions (%) p.p.</b>	<b>7.1</b>	<b>6.8</b>	<b>0.3</b>	<b>7.1</b>	<b>6.8</b>	<b>0.3</b>
Total Financing Clients (thousand)	54	43	25.6	54	43	25.6
Credit Card Clients (million)	2,010	1,744	15.3	2,010	1,744	15.3

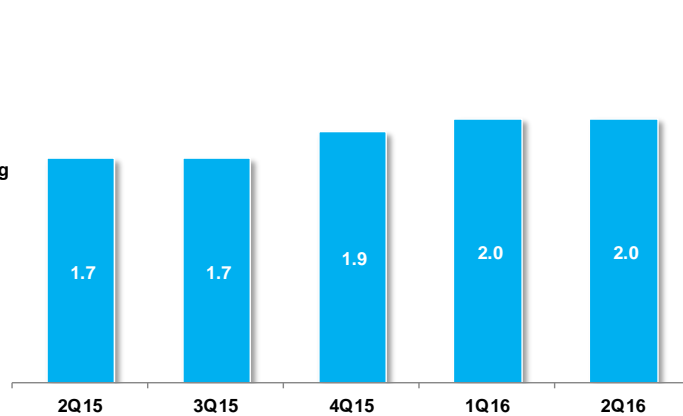
- Income from credit operations totaled R\$ 239 million in 2Q16, 5% lower when compared to 2Q15, as a consequence of the consumption contraction, the lower customer tendency to finance (decrease of 10% in the revolving credit card) and also by the stronger Company restriction on granting credit.
- NPL (over 90 days) reached 6.5% in the quarter, lower than the market average of 7.9% (Source: Banco Central). The NPL remained unchanged when compared to the first quarter and remained almost stable in the last 12 months as a result of measures that the Company has been taking to gradually reduce the risk.
- The allowance for delinquent accounts in the quarter reached 7.1%, an increase of 0.3 p.p. in the quarter when compared to 2Q15. The coverage rate – a result of loan loss provisions balance related to the balance of late payments operations (over 90 days) – attained 108% in the quarter, remaining stable in comparison to the 2Q15 and decreasing 5.1 p.p. when compared to the 1Q16.
- The percentage of the portfolio's risk cost (provision costs + credit loss / net revenues from financial intermediation) ended the quarter reporting a hike of 4.6 p.p. (vs. 2Q15) due to the lower revenues for the period.
- The total credit portfolio reached R\$ 4.5 billion by the end of 2Q16 and the largest part (64%) is comprised of outstanding payments from credit card products.

**Credit Operation Portfolio (R\$ million)\***



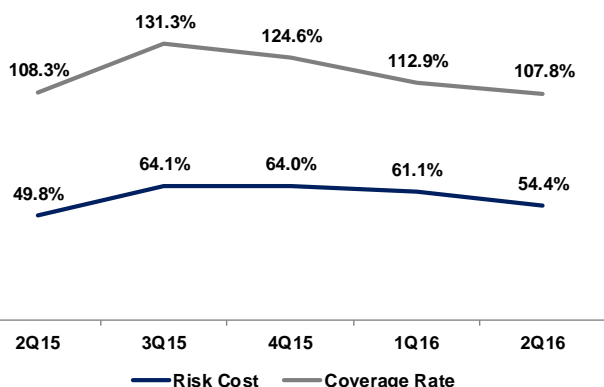
\* The balance of credit card operations portfolio – excluding private label operations – amounted R\$ 3,921 MM (R\$ 3,565 MM in 2Q15)

**Credit Card (million of units)\***

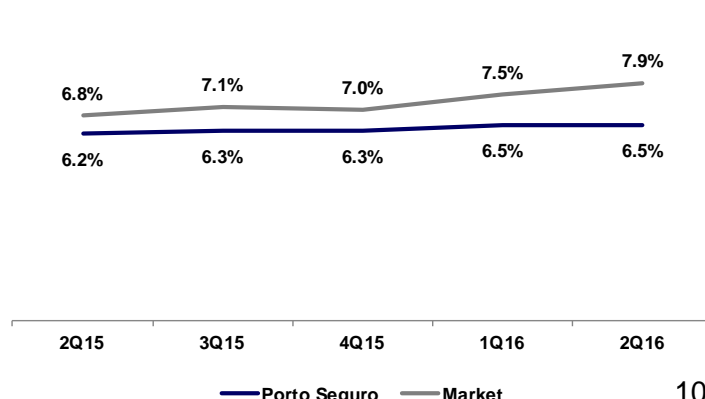


\*Cards apt for use, including card holders and additional

**Coverage Rate<sup>1</sup> and Risk Cost<sup>2</sup> (%)**



**NPL over 90 days<sup>1</sup>**



<sup>1</sup> Considering late payments over 90 days within the active portfolio. Does not consider active agreement operations - (Central Bank methodology)

<sup>2</sup> Credit Loss/ Net Revenues from Financial Intermediation

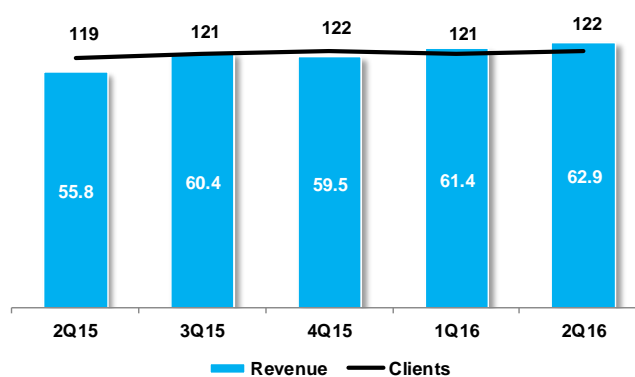
<sup>1</sup>The NPL over 90 days was adjusted to stay in line with the Central Bank methodology, which establishes that the balance of agreement operations related to late payments are not considered delinquent

## Consortium

Consortium	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Revenues from Consortium operation (R\$ million)	62.9	55.8	12.7	124.3	108.5	14.6
Consortium Members (thousand)	122	119	2.5	122	119	2.5

- Income from consortium fees totaled R\$ 63 million in 2Q16, an increase of 13% driven by the sales growth from products with higher average tickets.

### Total Revenue (R\$ million) and Active Clients (thousand)

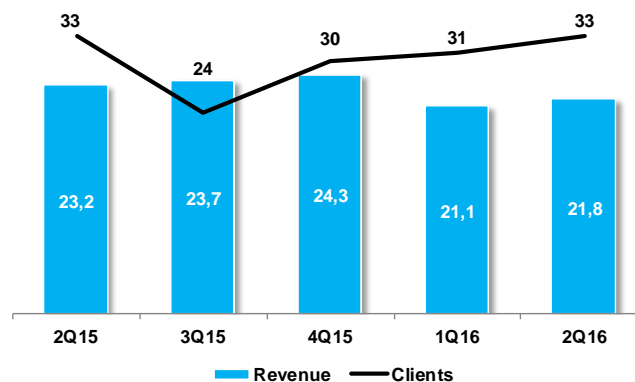


## Surveillance and Monitoring

Surveillance and Monitoring	2Q16	2Q15	Var. %/p.p.	1H16	1H15	Var. %/p.p.
Revenues (R\$ million)	21.8	23.2	(6.0)	42.9	44.8	(4.2)
Clients (thousand)	33	33	-	33	33	-

- Revenues from monitoring services and security products sales decreased 6%, totaling R\$ 22 million in the quarter, mainly due to the change in the portfolio mix of products with lower average ticket.

### Total Revenue (R\$ million) and Active Clients (thousand)



## Financial Income/Expenses

Financial Revenues	2Q16	2Q15	Var. %	1H16	1H15	Var. %
Investment - Ex-Pension Funds*	270.3	204.4	32.2	569.3	409.4	39.1
Investment - Pension Funds Plan	127.8	95.5	33.8	276.4	165.4	67.1
Total Investment	398.1	299.9	32.7	845.7	574.8	47.1
Other Revenues	110.1	123.9	(11.1)	232.0	240.4	(3.5)
<b>Total Financial Income</b>	<b>508.2</b>	<b>423.8</b>	<b>19.9</b>	<b>1,077.7</b>	<b>815.2</b>	<b>32.2</b>

(\* ) Pension funds own Revenues Included

Financial Expenses	2Q16	2Q15	Var. %	1H16	1H15	Var. %
Pension Plan Operations	112.8	87.4	29.1	245.3	153.4	59.9
Insurance Operations	46.5	37.4	24.3	87.2	72.7	19.9
P&L - Fixed Income Bonds classified as available-for-sale	16.0	0.0	0.0	33.8	1.5	0.0
Other Expenses	22.0	17.7	24.3	47.7	34.3	39.1
<b>Total Financial Expenses</b>	<b>197.3</b>	<b>142.5</b>	<b>38.5</b>	<b>414.0</b>	<b>261.9</b>	<b>58.1</b>

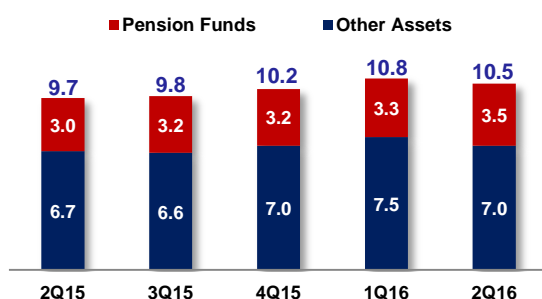
  

Financial Income	2Q16	2Q15	Var. %	1H16	1H15	Var. %
<b>Total Financial Income</b>	<b>310.9</b>	<b>281.3</b>	<b>10.5</b>	<b>663.7</b>	<b>553.3</b>	<b>20.0</b>

- Financial revenues were R\$ 508 million in the 2Q16 (+20% vs. 2Q15).
- Financial results achieved R\$ 311 million for the quarter, 11% greater when compared to 2Q15.
- The total return on the financial investment portfolio (total AUM of R\$ 10.5 billion) was 3.7% (110% of CDI\*) in the 2Q16.
- Excluding pension funds, the portfolio results (R\$ 7.0 Billion) produced a return of 3.6% (108% of CDI\*). This performance resulted in R\$ 18 MM above the CDI\* (before taxes)
- The financial investment portfolio profitability in the second quarter (excluding pension funds) was supported mainly by the assets linked to inflation linked bonds, that reported a greater performance derived from the higher inflation in the period and the closing of the real interest yield curve. The equities performance were also positive due to the result due to the stock market optimism.

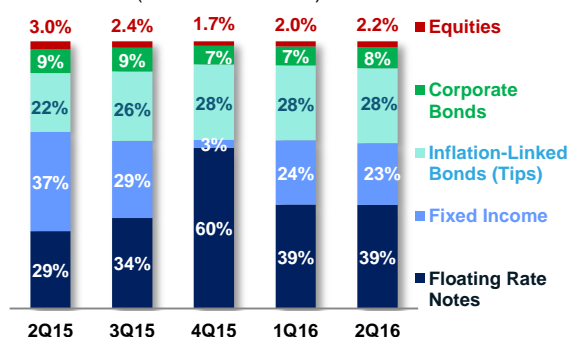
\*CDI – Risk Free Rate (Similar to LIBOR)

### Revenue from Investments Assets (R\$ Billion)



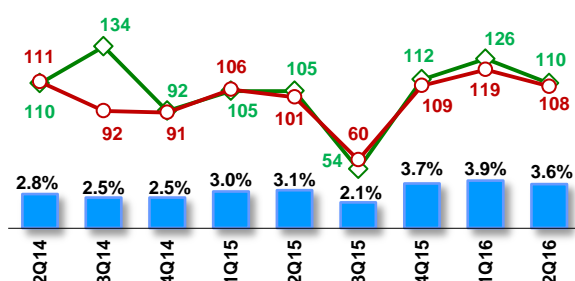
### Allocation<sup>1</sup>

(ex-Pension Funds)

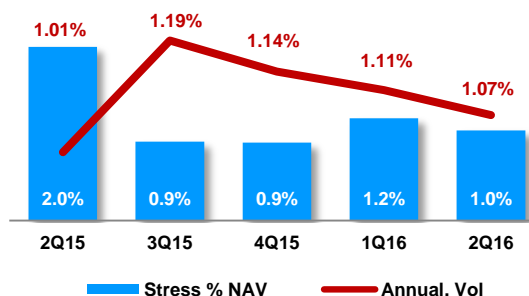


### Quarterly Performance

■ Nominal yield (ex-pension funds)  
◆ % of CDI (pension funds included)  
○ % of CDI (ex-pension funds)



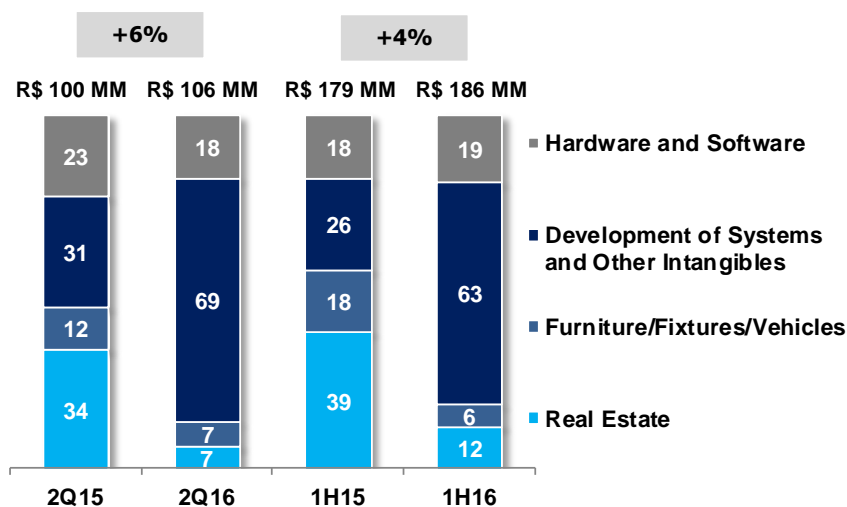
### Risk Exposure (ex-Pension funds)<sup>2</sup>



<sup>1</sup> Futures exposures included.

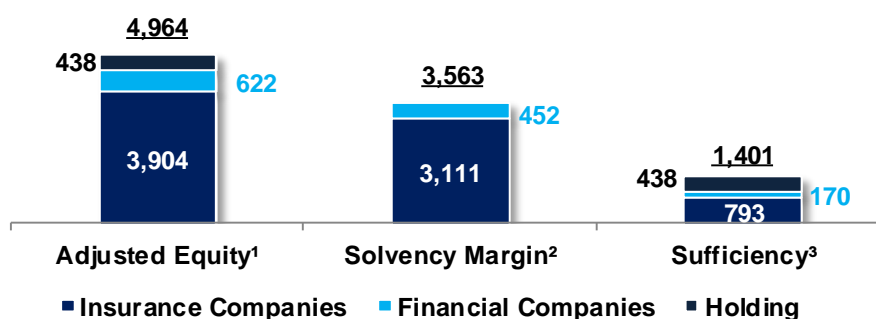
<sup>2</sup> Brazilian Futures Exchange (BM&FBOVESPA) stress scenarios.

## CAPEX Breakdown (%)



The vast part of investments were allocated in system development and acquisition of software licenses, representing more than 80% of the total amount, in order to enhance the Company process and expand segments such as Life Insurance, P&C Insurance and new businesses. In addition, we also have some expenses due to the SAP implementation.

## Capital Requirements – 2Q16 (R\$ million)



<sup>1</sup> Equity adjusted by additions and exclusions according to agencies standardization (SUSEP, BACEN and ANS)

<sup>2</sup> Necessity of Capital required according to regulators (SUSEP, BACEN e ANS)

<sup>3</sup> Refers to the difference between adjusted equity and necessity of capital requirement



**PORTO SEGURO**

# Historical Performance

2Q16 and 1H16 Earnings Release

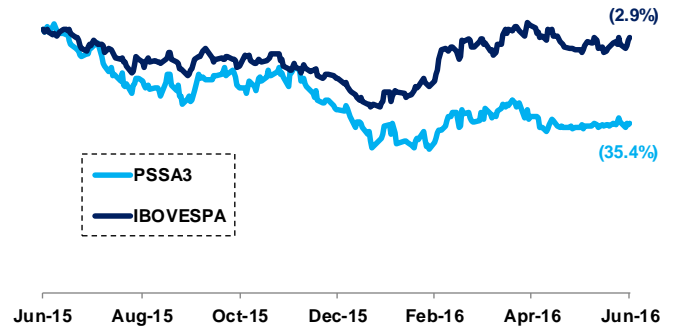
### Historical Variation\*: PSSA3 x Ibov %

PSSA3	IBOVESPA
284%	114%

\* From November 2004 (IPO) to June, 2016

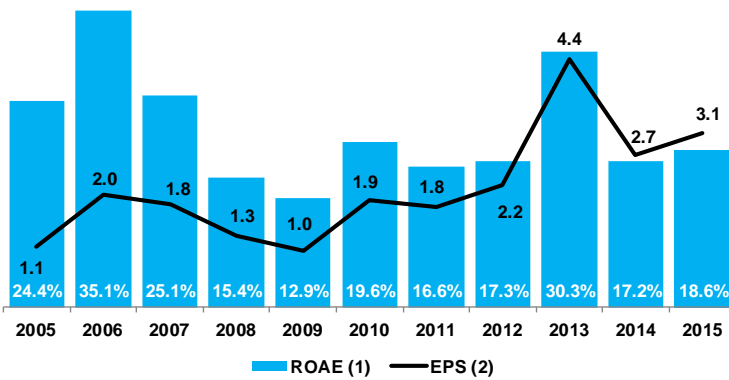
### Annual Performance PSSA3 vs. Ibovespa

last 12 months



### Profitability

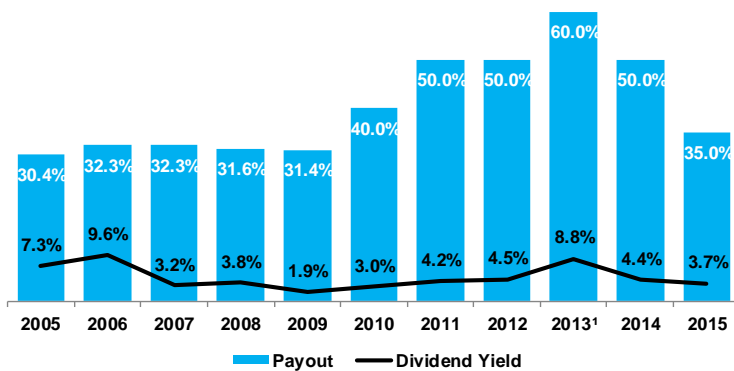
(without Business Combination)



### Porto Seguro S.A. Data

Corporate Taxpayer' ID	02.149.201/0001-69
BM&Fbovespa	PSSA3
Sector	Insurance
Share price in 06/30/2016	26.75
52 Week Low - 02/26/2016 - R\$	22.71
52 Week High - 07/07/2015 - R\$	42.35
Number of shares in the Free Float (million)	94.3
Market Value (R\$ billion) in 06/30/2016	8.6
Price Book Value in 06/30/2016	1.3

### Payout and Dividend Yield



### Analysts Coverage

Bank / Broker	Analyst	Phone
Banco Haitong	Pedro Fonseca	55 (11) 3074-7356
Banco Plural	Eduardo Nishio	55 (11) 3206-8240
Banco Safra	Francisco Kops	55 (11) 3175-9073
Bradesco	Rafael Frade	55 (11) 2178-5329
BTG Pactual	Eduardo Rosman	55 (11) 3383-2772
Citibank	Juan Carlos Arandia	55 (11) 4009-2650
Credit Suisse	Victor Schabbel	55 (11) 3841-6337
Deutsche Bank	Tito Labarta	1 (212) 250-5944
Goldman Sachs	Carlos Macedo	1 (212) 902-7211
JP Morgan	Domingos Falavina	55 (11) 4950-3474
Merrill Lynch	Mario Pierry	55 (11) 2188-4588
Morgan Stanley	Jorge Kury	1 (212) 761-6341
Santander	Henrique Navarro	55 (11) 3012-5756
UBS	Mariana Taddeo	55 (11) 3513-6512

(1) Return on Average Equity (without Business Combination)

(2) Net Earnings per Share in R\$ (without Business Combination)

(3) Total Dividends Paid (Dividends + Interest on Capital Excluding Tax) divided by Adjusted Net Income

(4) Dividends Profitability in relations to the Share price (Total Dividends Paid divided by the Share Price on the las day of the period)

**PORTO SEGURO S.A and Subsidiaries**  
**BALANCE SHEETS ON JUNE, 30th AND DECEMBER, 31st**  
 (Amounts in thousand of reais)

	Consolidated			Consolidated	
	2016	2015		2016	2015
<b>ASSETS</b>			<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current assets</b>	<u>17,296,283</u>	<u>17,934,116</u>	<b>Current liability</b>	<u>13,219,675</u>	<u>13,636,485</u>
Cash and cash equivalents	424,583	1,154,904	Liabilities from insurance contracts	8,290,681	8,246,393
Financial assets			Debits from insurance and reinsurance operations	365,745	347,205
Financial assets at fair value through income or loss	6,951,181	6,146,412	Financial liabilities	3,648,734	3,747,835
Financial assets available for sale	1,426,018	2,090,094	Taxes and contributions payable	351,640	432,305
Loans and Receivables			Dividends and interest on capital payable	1,321	239,508
Insurance premium receivable	3,156,325	3,320,437	Derivative financial instruments	8,118	-
Credit Operations	1,031,704	965,115	Other liabilities	553,436	623,239
Securities and amounts receivables	2,254,022	2,253,601			
Amount receivable from provided service	76,309	55,362	<b>Non-current assets</b>	<u>3,543,661</u>	<u>3,112,813</u>
Reinsurance assets	75,567	73,364	Liabilities from insurance contracts	3,028,126	2,623,266
Taxes and contributions receivable	74,362	138,008	Financial liabilities	68,676	48,230
Non financial assets available for sale	196,535	167,098	Other liabilities	288,977	79,279
Deferred contract acquisition costs	1,196,607	1,188,206	Deferred income tax and social contribution	78,117	289,391
Derivative financial instruments	-	37,343	Legal provisions	79,765	72,647
Other assets	433,070	344,172			
			<b>Shareholders' Equity</b>	<u>6,761,465</u>	<u>6,440,196</u>
<b>Long-term assets</b>	<u>6,228,518</u>	<u>5,255,378</u>	Capital	3,170,000	2,782,000
Financial assets			Capital reserve	-	47,412
Financial assets at fair value through income or loss	1,106	1,026	Revenue reserves	3,175,838	3,516,426
Financial assets available for sale	1,843,611	986,174	Additional proposed dividends	-	112,259
Loans and Receivables			Retained Earnings	411,304	-
Insurance premium receivable	920	810	Other comprehensive income	2,223	(19,504)
Credit Operations	315,188	289,331	Non-controlling interest	2,100	1,603
Reinsurance assets	808	716			
Deferred Income Tax and Social Contribution	490,130	502,875			
Taxes and contributions receivable	6,351	6,328			
Deferred contract acquisition costs	13,562	7,072			
Other assets	330,208	324,098			
Investments					
Real estate held as investment	8,651	8,511			
Fixed assets	1,481,648	1,478,793			
Intangible	1,736,335	1,649,644			
<b>TOTAL ASSETS</b>	<u><b>23,524,801</b></u>	<u><b>23,189,494</b></u>	<b>TOTAL LIABILITY AND SHAREHOLDERS' EQUITY</b>	<u><b>23,524,801</b></u>	<u><b>23,189,494</b></u>



**PORTO SEGURO S.A.**  
**INCOME STATEMENT**  
(in thousand of reais)

	<u>2Q16</u>	<u>2Q15</u>	<u>1H16</u>	<u>1H15</u>
<b>Revenue</b>				
Written insurance premiums and healthcare plan premiums	3,406,060	3,168,571	6,901,796	6,487,473
(-) Reinsurance premiums	(25,813)	(9,020)	(44,554)	(24,868)
(=) Written and billed premiums, Net of Reinsurance	3,380,247	3,159,551	6,857,242	6,462,605
Revenue from credit operations	238,713	251,594	466,860	508,079
Revenue from services	229,378	194,885	447,398	382,261
Private pension	41,791	40,960	87,194	85,277
Net Revenues from capitalization securities	6,164	3,463	13,608	7,445
Other operating revenues - Insurance	7,646	10,390	22,466	24,157
Other operating revenues - Other	22,154	17,697	36,048	42,726
Revenue from rent of properties	2,356	2,566	3,797	5,448
<b>Total Revenues</b>	<u><b>3,928,449</b></u>	<u><b>3,681,106</b></u>	<u><b>7,934,613</b></u>	<u><b>7,517,998</b></u>
<b>Expenses</b>				
Changes in net technical provisions - insurance	(4,653)	61,215	(70,725)	(43,737)
Changes in net technical provisions - pension	(20,708)	(34,515)	(61,416)	(75,025)
(=) Total Changes in net technical provisions	(25,361)	26,700	(132,141)	(118,762)
Gross retained claims	(2,222,314)	(1,943,504)	(4,459,064)	(3,988,546)
Supplementary pension plan benefits	(5,892)	(6,341)	(10,067)	(9,120)
(-) Recovery of reinsurers	9,974	2,731	26,207	28,734
(-) Recovery of salvage vehicles and reimbursements	256,143	244,267	528,483	478,052
(=) Expenses with claims and credited benefits, net	(1,962,089)	(1,702,847)	(3,914,441)	(3,490,880)
Acquisition costs - insurance	(679,312)	(656,149)	(1,357,439)	(1,297,125)
Acquisition costs - other	(29,590)	(24,749)	(55,771)	(45,536)
Administrative expenses - Insurance	(502,773)	(496,978)	(1,003,635)	(976,128)
Administrative expenses - Other	(212,517)	(190,210)	(412,281)	(388,968)
Tax expenses - Insurance	(98,120)	(84,360)	(190,922)	(148,193)
Tax expenses - Other	(24,400)	(23,145)	(47,559)	(46,153)
Cost of services rendered	(67,941)	(59,735)	(130,369)	(104,179)
Other operating expenses - Insurance	(151,368)	(145,046)	(320,994)	(303,348)
Other operating expenses - Other	(180,052)	(169,851)	(326,226)	(335,934)
<b>Total Expenses</b>	<u><b>(3,933,523)</b></u>	<u><b>(3,526,370)</b></u>	<u><b>(7,891,778)</b></u>	<u><b>(7,255,206)</b></u>
<b>Operating result before financial result</b>	<u><b>(5,074)</b></u>	<u><b>154,736</b></u>	<u><b>42,835</b></u>	<u><b>262,792</b></u>
Financial revenues - Insurance	457,512	394,539	951,485	759,746
Financial revenues - Other	50,646	29,310	126,209	55,490
Financial expenses - Insurance	(181,320)	(141,042)	(376,728)	(258,311)
Financial expenses - Other	(15,982)	(1,517)	(37,272)	(3,579)
	<b>310,856</b>	<b>281,290</b>	<b>663,694</b>	<b>553,346</b>
<b>Operating income</b>	<u><b>305,782</b></u>	<u><b>436,026</b></u>	<u><b>706,529</b></u>	<u><b>816,138</b></u>
<b>Income before Income and social contribution taxes</b>	<u><b>305,782</b></u>	<u><b>436,026</b></u>	<u><b>706,529</b></u>	<u><b>816,138</b></u>
<b>Income and social contribution taxes</b>	<u><b>(134,186)</b></u>	<u><b>(162,760)</b></u>	<u><b>(297,525)</b></u>	<u><b>(313,747)</b></u>
Current	(146,912)	(176,431)	(285,194)	(368,777)
Deferred	12,726	13,671	(12,331)	55,030
<b>Net income for the period</b>	<u><u><b>171,596</b></u></u>	<u><u><b>273,266</b></u></u>	<u><u><b>409,004</b></u></u>	<u><u><b>502,391</b></u></u>
<b>Attributable to</b>				
- Shareholders of the Company	172,794	273,150	411,304	502,145
- In subsidiaries Not Controlling Minority Shareholders	(1,198)	116	(2,300)	246
<b>Effective Tax Rate: Tax and Social Contribution Over Net Income before Tax <sup>1</sup></b>	<b>43.9%</b>	<b>37.3%</b>	<b>42.1%</b>	<b>38.4%</b>

<sup>1</sup> Tax credit increase regarding to the CSLL from 15% to 20% and TJLP (Long-term interest rate) increase from 5% to 7%

PORTO SEGURO S.A and Subsidiaries STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED IN JUNE 30th (In thousands of reais)		
	<u>2016</u>	<u>2015</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(186,615)</b>	<b>271,480</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>511,567</b>	<b>599,351</b>
Net Income For The Quarter	409,004	502,391
Depreciation - property, plant and equipment	60,545	57,498
Depreciation - investments real estate properties	140	93
Amortization	40,006	36,612
Proceeds from sale of fixed assets	1,872	2,757
<b>Increase / decrease in assets</b>	<b>(453,194)</b>	<b>28,981</b>
Financial assets at fair value through profit or loss	(804,849)	(492,663)
Available-for-sale financial assets	(193,361)	(234,169)
Premiums receivable from policyholders	164,002	185,994
Credit operations	(92,446)	(90,397)
Notes and credits receivable	(421)	280,777
Reinsurance assets	(2,295)	12,173
Deferred income tax and social contribution	12,331	(55,030)
Tax and contribution recoverable	63,623	19,117
Assets for sale	(29,437)	(27,217)
Other assets	(77,636)	(62,635)
Acquisition costs of deferred contracts	(14,891)	5,342
Liabilities of insurance contracts	449,148	398,607
Insurance and reinsurance payables	18,540	(59,386)
Financial liabilities	(66,432)	42,292
	8,118	-
Taxes and contributions payable	176,624	272,949
Provisions	7,118	(22,878)
Other liabilities	(70,930)	(143,895)
<b>Other</b>	<b>(244,988)</b>	<b>(356,852)</b>
Financial instrument adjustments	21,727	(13,335)
Non-controlling interest	2,797	(92)
Funding costs	(12,223)	(65,643)
Income tax and social contribution paid	(257,289)	(277,782)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>(193,181)</b>	<b>(178,062)</b>
Sales of fixed assets and intangible	8,084	17,641
Acquisition of fixed assets	(61,837)	(132,005)
Investments on Intangible	(139,428)	(63,698)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(350,525)</b>	<b>(433,939)</b>
Dividends paid	(45,763)	(205,689)
Interests on Capital paid	(304,762)	(228,250)
	-	-
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(730,321)</b>	<b>(340,521)</b>
Cash and Equivalents at Beginning of Period	1,154,904	1,003,862
Cash and Equivalents at End of Period	424,583	663,341



**PORTO  
SEGURO**

# Operating and Financial Highlights

2Q16 and 1H16 Earnings Release

REVENUES (in R\$ million)						
	2Q16	2Q15	Var.%	1H16	1H15	Var.%
<b>INSURANCE WRITTEN PREMIUMS, PENSION AND CAPITALIZATION REVENUES</b>						
Porto Seguro – Auto	1,138.7	1,102.1	3.3	2,265.1	2,279.3	(0.6)
Azul Seguros – Auto	590.4	527.9	11.8	1,269.4	1,119.4	13.4
Itaú Auto e Residência - Auto	506.4	463.1	9.4	1,001.0	891.2	12.3
<b>Total Auto</b>	<b>2,235.5</b>	<b>2,093.1</b>	<b>6.8</b>	<b>4,535.5</b>	<b>4,289.9</b>	<b>5.7</b>
P&C - Porto Seguro and Azul Seguros	222.5	189.1	17.7	408.8	358.0	14.2
P&C - Itaú Auto e Residência	92.6	101.4	(8.7)	217.5	225.6	(3.6)
<b>Total P&amp;C</b>	<b>315.1</b>	<b>290.5</b>	<b>8.5</b>	<b>626.3</b>	<b>583.6</b>	<b>7.3</b>
Health	249.8	251.7	(0.8)	501.5	506.8	(1.0)
Dental	23.6	18.9	24.9	46.7	36.7	27.2
Portomed (health care plan)	32.1	19.0	68.9	62.1	35.2	76.4
<b>Total Health (Health + Dental + Portomed)</b>	<b>305.5</b>	<b>289.6</b>	<b>5.5</b>	<b>610.3</b>	<b>578.7</b>	<b>5.5</b>
Life	166.1	136.9	21.3	309.4	259.3	19.3
DPVAT (Cars/Personal Injured Liability)	122.3	129.5	(5.6)	313.4	311.7	0.5
Financial Risks	87.7	94.2	(6.9)	177.2	192.6	(8.0)
Written Premiums VGBL	64.9	42.9	51.3	114.2	85.9	32.9
Porto Seguro Uruguay	54.1	51.9	4.2	118.2	106.4	11.1
Cargo	36.2	36.6	(1.1)	71.5	70.3	1.7
Other Insurance	18.7	3.4	450.0	25.8	9.1	183.5
<b>Total Written Premiums</b>	<b>3,406.1</b>	<b>3,168.6</b>	<b>7.5</b>	<b>6,901.8</b>	<b>6,487.5</b>	<b>6.4</b>
Other Operational Revenues - Insurance	7.7	10.4	(26.0)	22.5	24.2	(7.0)
<b>Total Earned Premiums</b>	<b>3,375.6</b>	<b>3,220.8</b>	<b>4.8</b>	<b>6,786.5</b>	<b>6,418.9</b>	<b>5.7</b>
Total Pension Revenues (PGBL + VGBL)	106.7	83.9	27.2	201.4	171.2	17.6
Capitalization Total Revenues	6.1	3.4	79.4	13.6	7.4	83.8
<b>REVENUES FROM FINANCIAL AND SERVICE BUSINESSES</b>						
Credit Card and Financing	238.8	251.6	(5.1)	466.9	508.1	(8.1)
Consortium	62.9	55.8	12.7	124.3	108.5	14.6
Medical Services	44.3	45.9	(3.5)	90.9	93.4	(2.7)
Call Center	44.0	34.7	26.8	84.3	67.5	24.9
Surveillance and Monitoring Services	21.8	23.2	(6.0)	42.9	44.8	(4.2)
Mobile Operator	23.3	8.6	170.9	40.0	16.3	145.4
Asset Management	12.8	10.5	21.9	24.4	21.0	16.2
Other Revenues	20.3	16.3	24.5	40.6	30.8	31.8
<b>Financial Businesses and Services - Total Revenues</b>	<b>468.2</b>	<b>446.6</b>	<b>4.8</b>	<b>914.3</b>	<b>890.4</b>	<b>2.7</b>
Other Operational Revenues - Financial Businesses and Services	7.3	12.9	(43.4)	14.6	29.0	(49.7)
Real Estate Revenues	2.4	2.5	(4.0)	3.8	5.4	(29.6)
<b>Total Revenues</b>	<b>3,939.6</b>	<b>3,685.4</b>	<b>6.9</b>	<b>7,957.8</b>	<b>7,529.2</b>	<b>5.7</b>
<b>FINANCIAL RESULTS</b>						
Financial Results - Insurance	276.2	253.4	9.0	574.8	501.4	14.6
Financial Results - Other (Financial Businesses / Services / Holding)	34.6	27.8	24.5	88.9	51.9	71.3
<b>Total Financial Results</b>	<b>310.8</b>	<b>281.2</b>	<b>10.5</b>	<b>663.7</b>	<b>553.3</b>	<b>20.0</b>
<b>INDEX (%)</b>						
<b>LOSS RATIO</b>						
Porto Seguro – Auto	55.8	50.1	5.7	54.8	51.5	3.3
Azul Seguros – Auto	62.7	56.4	6.3	62.2	57.7	4.5
Itaú Auto e Residência - Auto	62.7	58.2	4.5	63.0	60.8	2.2
<b>Total Auto</b>	<b>59.2</b>	<b>53.5</b>	<b>5.7</b>	<b>58.7</b>	<b>55.2</b>	<b>3.5</b>
P&C - Porto Seguro and Azul Seguros	32.5	18.7	13.8	34.0	29.9	4.1
P&C - Itaú Auto e Residência	31.3	27.8	3.5	33.2	31.2	2.0
<b>Total P&amp;C</b>	<b>32.0</b>	<b>22.6</b>	<b>9.4</b>	<b>33.7</b>	<b>30.5</b>	<b>3.2</b>
Health	86.2	78.5	7.7	79.8	72.9	6.9
Dental	59.4	61.1	(1.7)	56.7	54.0	2.7
Portomed (Healthcare Plan)	102.5	100.5	2.0	102.4	97.2	5.2
<b>Health (Health + Dental + Portomed)</b>	<b>85.9</b>	<b>78.8</b>	<b>7.1</b>	<b>80.3</b>	<b>73.1</b>	<b>7.2</b>
Life	28.5	26.7	1.8	30.7	26.7	4.0
<b>Total Loss Ratio</b>	<b>58.0</b>	<b>52.7</b>	<b>5.3</b>	<b>57.5</b>	<b>54.2</b>	<b>3.3</b>
<b>INSURANCE COMMISSION RATIO</b>						
Acquisition costs - Insurance	20.1	20.4	(0.3)	20.0	20.2	(0.2)
<b>INSURANCE - OPERATING AND ADMINISTRATIVE EXPENSES</b>						
G&A – Insurance	14.9	15.4	(0.5)	14.8	15.2	(0.4)
G&A and Other Operational Revenues/Expenses - Insurance	4.2	4.2	-	4.4	4.3	0.1
<b>Total Administrative and Operational Expenses</b>	<b>19.1</b>	<b>19.6</b>	<b>(0.5)</b>	<b>19.2</b>	<b>19.5</b>	<b>(0.3)</b>
Tax - Insurance	2.9	2.6	0.3	2.8	2.3	0.5
<b>MARGIN AND PROFITABILITY</b>						
<b>Combined Ratio - Insurance - var.p.p</b>	<b>100.1</b>	<b>95.3</b>	<b>4.8</b>	<b>99.5</b>	<b>96.2</b>	<b>3.3</b>
Amplified Combined Ratio - Insurance - var. p.p.	92.6	88.3	4.3	91.8	89.3	2.5
Shareholder's Equity w/o Business Combination - R\$ million - var. %	5,974.0	5,466.0	9.3	5,974.0	5,466.0	9.3
Shareholder's Equity with Business Combination - R\$ million - var. %	6,759.4	6,258.9	8.0	6,759.4	6,258.9	8.0
<b>Net Earnings w/o Business Combination - R\$ million - var. %</b>	<b>174.7</b>	<b>275.0</b>	<b>(36.5)</b>	<b>415.1</b>	<b>505.9</b>	<b>(17.9)</b>
Net Earnings with Business Combination - R\$ million - var. %	172.8	273.2	(36.7)	411.3	502.1	(18.1)
<b>ROAE w/o Business Combination - p.p.</b>	<b>11.9</b>	<b>20.6</b>	<b>(8.7)</b>	<b>14.3</b>	<b>19.0</b>	<b>(4.7)</b>
ROAE with Business Combination - p.p.	10.4	17.8	(7.4)	12.5	16.4	(3.9)
EPS w/o Business Combination - R\$ - var. %	0.54	0.85	(36.5)	1.28	1.56	(17.9)
EPS with Business Combination - R\$ var. %	0.53	0.85	(36.7)	1.27	1.55	(18.1)
# of thousand shares - var. %	323,293	323,293	-	323,293	323,293	-