Financial Statements

1st Quarter 2018

BANCO DO BRASIL
Seguridade

INDEX

BANCO DO BRASIL
Seguridade

ITR – Management Comments on Performance

Dear Shareholders,

BB Seguridade Participações S.A. reported a net income of R$886.5 million in the first quarter of 2018, 10.7% down year-over-year. The decrease in the net income is mainly explained by lower equity income. Setting apart the extraordinary effect amounting to R$20.6 million, which impacted the equity income from MAPFRE BB SH2, the adjusted net income dropped 8.6% year-over-year to R$907.4 million.

Equity Income

	Parent		
	1Q17	1Q18	Var%
EQUITY INCOME	**997,857**	**878,900**	**(11.9)**
BB MAPFRE SH1	293,619	247,922	(15.6)
MAPFRE BB SH2	(2,285)	(26,521)	1,060.7
Brasilprev	186,277	197,732	6.1
Brasilcap	69,085	32,386	(53.1)
IRB Brasil-RE	45,945	38,516	(16.2)
BB Corretora	404,875	391,370	(3.3)
Brasildental	1,477	3,261	120.8
Other	(1,136)	(5,766)	407.6

In the first quarter of 2018, the equity income amounted to R$878.9 million, 11.9% down year-over-year, explained mainly by:

(i) the reduction of 15.6% in the equity income from BB MAPFRE SH1, mainly explained by the drop in the net investment income, as well as the deterioration of the commission ratio, effects which were partially offset by the improvement in loss and G&A ratios;

(ii) the contraction of 53.1% in the equity income from Brasilcap, justified mainly by the deterioration of the net investment income and the commission ratio, partially offset by the growth in the revenues with load fee, the increase in lottery result and the drop of G&A expenses;

(iii) the higher equity losses from MAPFRE BB SH2, mainly explained by the contraction in both the non-interest operating results and the net investment income; and

(iv) the 3.3% decrease in equity income from BB Corretora, justified mainly by the contraction in the net investment income, partially offset by the improvement in the operating result due to growth of brokerage commission and better EBIT margin.

On the other hand, the aforementioned negative effects were partially offset by the 6.1% growth in the equity income from Brasilprev, due to the increase in the management fee as consequence of the expansion in the assets under management and improvement in the cost to income ratio.

RELATIONSHIP WITH INDEPENDENT AUDITORS

According to the CVM Rule 381/03, we hereby inform that, during the first quarter of 2018, 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 third first quarter of 2018, there was a change in the audit services contract between Banco do Brasil and KPMG Auditores Independentes related to the amendment to change the expiration date and adjust the fee paid, as provided below:

Company	Start	End	Services	Total Fee (R$)
Banco do Brasil S.A.	03/17/2016	03/21/2019	Financial Statements' audit	17,205,124.64

Regarding to the controlled and affiliated companies, there were no-changes in the contracts with KPMG Auditores Independentes for audit and non-audit services.

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

STATEMENT OF INCOME

R$ thousand (except earnings per share)

	Note	Parent		Consolidated	
		1st Quarter 2018	1st Quarter 2017	1st Quarter 2018	1st Quarter 2017
OPERATING INCOME		**878,900**	**997,857**	**1,190,575**	**1,285,921**
Equity income	[09]	878,900	997,857	493,296	594,118
Commissions income	[23]	--	--	697,279	691,803
COST OF SERVICES PROVIDED	[21]	--	--	(36,306)	(38,292)
GROSS PROFIT		**878,900**	**997,857**	**1,154,269**	**1,247,629**
OTHER INCOME AND EXPENSES		**(5,830)**	**(14,935)**	**(103,142)**	**(109,403)**
Personnel expenses	[20]	(3,020)	(5,068)	(13,493)	(12,547)
Administrative expenses	[21]	(918)	(7,315)	(3,124)	(8,685)
Tax expenses	[11]	(1,851)	(2,478)	(85,949)	(87,098)
Other	[22]	(41)	(74)	(576)	(1,073)
INCOME BEFORE FINANCIAL REVENUE AND EXPENSES		**873,070**	**982,922**	**1,051,127**	**1,138,226**
FINANCIAL RESULT		**17,416**	**9,881**	**46,720**	**67,566**
Financial revenue	[19]	39,820	44,692	69,189	102,432
Financial expenses	[19]	(22,404)	(34,811)	(22,469)	(34,866)
INCOME BEFORE TAXES AND EQUITIES		**890,486**	**992,803**	**1,097,847**	**1,205,792**
INCOME TAX AND SOCIAL CONTRIBUTION	[11]	(3,987)	--	(211,348)	(212,989)
NET INCOME FOR THE PERIOD		**886,499**	**992,803**	**886,499**	**992,803**
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		1,996,595,437	1,996,607,444	1,996,595,437	1,996,607,444
Basic and diluted earnings per share (R$)		0.44	0.50	0.44	0.50

See the accompanying notes to the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

R$ thousand

	Parent		Consolidated	
	1st Quarter 2018	1st Quarter 2017	1st Quarter 2018	1st Quarter 2017
NET INCOME FOR THE PERIOD	**886,499**	**992,803**	**886,499**	**992,803**
Share of comprehensive income/(loss) of associates and joint ventures	**10,442**	**7,411**	**10,442**	**7,411**
Gains/(losses) on financial assets available for sale	18,913	13,472	18,913	13,472
Other comprehensive income	23	(186)	23	(186)
Tax effect	(8,494)	(5,875)	(8,494)	(5,875)
TOTAL COMPREHENSIVE INCOME	**896,941**	**1,000,214**	**896,941**	**1,000,214**

See the accompanying notes to the financial statements.

BALANCE SHEET

R$ thousand

	Note	Parent		Consolidated	
		Mar 31, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
CURRENT ASSETS		**1,650,156**	**2,832,935**	**3,719,597**	**4,994,784**
Cash and cash equivalents	[07]	1,583,161	2,429,600	2,322,001	3,644,179
Financial assets measured at amortised cost	[08]	--	--	482,172	474,365
Dividends/interest on equity receivable	[10]	--	341,547	88,129	12,209
Current tax assets		63,080	56,033	142,361	129,370
Commissions receivable	[12]	--	--	684,760	734,490
Other assets	[13]	3,915	5,755	174	171
NON-CURRENT ASSETS		**8,157,387**	**7,969,037**	**8,275,717**	**8,339,629**
Financial assets at fair value through profit or loss	[08]	572	567	419,022	412,304
Investments in associates	[09]	8,124,260	7,934,919	7,560,793	7,633,361
Intangible	[25]	5,756	5,545	5,756	5,545
Deferred tax assets	[11]	26,799	27,997	96,890	97,315
Other assets	[13]	--	9	193,256	191,104
TOTAL ASSETS		**9,807,543**	**10,801,972**	**11,995,314**	**13,334,413**
CURRENT LIABILITIES		**12,132**	**1,903,502**	**1,029,386**	**3,277,734**
Dividends payable	[14]	769	1,890,775	769	1,890,775
Contingent liabilities	[15]	--	--	17,792	18,794
Current tax liabilities		3,572	3,169	241,494	558,200
Unearned commissions	[16]	--	--	729,063	771,596
Other liabilities	[17]	7,791	9,558	40,268	38,369
NON-CURRENT LIABILITIES		**--**	**--**	**1,170,517**	**1,158,209**
Deferred tax liabilities	[11]	--	--	273,333	273,333
Unearned commissions	[16]	--	--	897,184	884,876
TOTAL LIABILITIES		**12,132**	**1,903,502**	**2,199,903**	**4,435,943**
EQUITY	[18]				
Capital		5,646,767	5,646,768	5,646,767	5,646,768
Capital reserves		1,375	1,276	1,375	1,276
Income reserves		3,337,198	3,337,198	3,337,198	3,337,198
Other accumulated comprehensive income		7,148	(3,294)	7,148	(3,294)
Retained earnings		886,499	--	886,499	--
Treasury shares		(83,576)	(83,478)	(83,576)	(83,478)
TOTAL EQUITY		**9,795,411**	**8,898,470**	**9,795,411**	**8,898,470**
TOTAL LIABILITIES AND EQUITY		**9,807,543**	**10,801,972**	**11,995,314**	**13,334,413**

See the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

R$ thousand

	Parent		Consolidated	
	1st Quarter 2018	1st Quarter 2017	1st Quarter 2018	1st Quarter 2017
Cash From Operations				
Earnings before income taxes	**890,486**	**992,803**	**1,097,847**	**1,205,792**
Adjustments to income (loss) before income taxes				
Equity in the earnings of subsidiaries and joint ventures	(878,900)	(997,857)	(493,296)	(594,118)
Expenses with civil and tax provisions	6	--	(1,009)	867
Commissions income deferred	--	--	(281,832)	(194,604)
Other adjustments	14,464	15,936	21,380	28,753
Income adjusted before income taxes	**26,056**	**10,882**	**343,090**	**446,690**
Changes in assets and liabilities				
Net change in financial assets at fair value through profit	(5)	--	(6,718)	(11,851)
Net change in financial assets at fair value through other comprehensive income	--	--	--	(6)
Income and social contribution taxes paid	--	--	(517,967)	(515,526)
Net change in current taxes	(5,752)	(11,740)	(41,806)	(11,208)
Net change in commissions receivable	--	--	49,730	18,409
Net change in unearned commissions	--	--	272,321	107,339
Net change in other assets and liabilities	82	(1,404)	(256)	(7,775)
Net cash from operating activities	**20,381**	**(2,262)**	**98,394**	**26,072**
Cash from investment activities				
Dividends received	1,045,498	1,992,800	490,078	1,107,663
Interest on equity received	--	--	9,475	5,380
Acquisition of intangible assets	(211)	(709)	(211)	(709)
Interest in financial assets held to maturity	--	--	(7,807)	(13,508)
Net cash from investment activities	**1,045,287**	**1,992,091**	**491,535**	**1,098,826**
Cash from financing activities				
Dividends paid	(1,912,009)	(1,704,515)	(1,912,009)	(1,704,515)
Acquisition of Treasury shares	(562)	(737)	(562)	(737)
Disposals of Treasury shares	464	441	464	441
Net cash from financing activities	**(1,912,107)**	**(1,704,811)**	**(1,912,107)**	**(1,704,811)**
Net change in cash and cash equivalents	**(846,439)**	**285,018**	**(1,322,178)**	**(579,913)**
Opening balance	2,429,600	665,538	3,644,179	2,174,914
Closing balance	1,583,161	950,556	2,322,001	1,595,001
Increase (decrease) in cash and cash equivalents	**(846,439)**	**285,018**	**(1,322,178)**	**(579,913)**

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, 2016		**5,646,767**	**1,004**	**707,586**	**2,029,777**	**(83,206)**	**--**	**(12,864)**	**8,289,064**
Share-based payment transactions	[18.i]	--	296	--	--	(296)	--	--	--
Other accumulated comprehensive income	[18.f]	--	--	--	--	--	--	7,411	7.411
Net income for the period		**--**	**--**	**--**	**--**	**--**	**992,803**	**--**	**992,803**
Balances at Mar 31, 2017		**5,646,767**	**1,300**	**707,586**	**2,029,777**	**(83,502)**	**992,803**	**(5,453)**	**9,289,278**
Changes in the Period		**--**	**296**	**--**	**--**	**(296)**	**992,803**	**7,411**	**1,000,214**
Balances at Dec 31, 2017		**5,646,767**	**1,277**	**910,048**	**2,427,150**	**(83,478)**	**--**	**(3,294)**	**8,898,470**
Share-based payment transactions	[18.i]	--	98	--	--	(98)	--	--	--
Other accumulated comprehensive income	[18.f]	--	--	--	--	--	--	10,442	10,442
Net income for the period		**--**	**--**	**--**	**--**	**--**	**886,499**	**--**	**886,499**
Balances at Mar 31, 2018		**5,646,767**	**1,375**	**910,048**	**2,427,150**	**(83,576)**	**886,499**	**7,148**	**9,795,411**
Changes in the Period		**--**	**98**	**--**	**--**	**(98)**	**886,499**	**10,442**	**896,941**

See the accompanying notes to the financial statements.

STATEMENT OF VALUE ADDED

R$ thousand

	Note	Parent		Consolidated	
		1st Quarter 2018	1st Quarter 2017	1st Quarter 2018	1st Quarter 2017
Income		**--**	**--**	**697,279**	**691,803**
Commissions income	[23]	--	--	697,279	691,803
Input Acquired from Third Parties		**(959)**	**(7,389)**	**(40,006)**	**(48,050)**
Administrative expenses diverse	[21]	(918)	(7,315)	(3,124)	(8,685)
Cost of services provided		--	--	(36,306)	(38,292)
Other income/(expenses)	[22]	(41)	(74)	(576)	(1,073)
Gross Added Value		**(959)**	**(7,389)**	**657,273**	**643,753**
Net Added Value Generated by the Entity		**(959)**	**(7,389)**	**657,273**	**643,753**
Added Value Received Through Transfer		**918,720**	**1,042,549**	**562,485**	**696,550**
Equity in the earnings of associates	[09]	878,900	997,857	493,296	594,118
Financial income	[19]	39,820	44,692	69,189	102,432
Total Added Value to Distribute		**917,761**	**1,035,160**	**1,219,758**	**1,340,303**
Distribution of Added Value		**917,761**	**1,035,160**	**1,219,758**	**1,340,303**
Personnel	[20]	3,020	5,068	13,493	12,547
Taxes, fees and contributions	[11]	5,838	2,478	297,297	300,087
Profit Reserves	[18]	--	--	--	--
Financial expenses	[19]	22,404	34,811	22,469	34,866
Remuneration of equity	[18]	886,499	992,803	886,499	992,803

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 Restructuring – IRB Brasil Re

The Extraordinary Shareholders Meeting ("ESM") of IRB-Brasil Re, held on May 19, 2017, within the scope of its Initial Public Offering, ratified the decision of the ESM held in August 21, 2015, to approve (i) the application for public traded company to be registered in the 'A' category at the CVM (Brazilian Securities and Exchange Commission), (ii) the application to be authorized by the CVM to make a public offer and (iii) the application to join the Novo Mercado, a high-level governance segment of B3 – Brasil, Bolsa Balcão ("B3").

The IPO was registered at CVM on July 28, 2017 and the stocks started to be traded at the São Paulo Stock Exchange ("BOVESPA") on July 31, 2017.

On August 29, 2017, the public offering for the secondary distribution of 73,554,000 nominative, book-form common shares, with no par value, issued by IRB Brasil-RE and owned by the Selling Shareholders, all free and clear of any lien or encumbrance, came to its closure. 21,505,355 common shares held by FGEDUC, 16,206,387 common shares held by BB Seguros, 16,206,387common shares held by Bradesco Seguros, 11,166,019 common shares held by Itaú Seguros, 677,400 common shares held by Itaú Vida and 7,792,452 common shares held by FIP Caixa Barcelona were sold, taking into account the exercise of the Option on the Over-allotment, at R$27.24 per Share, making a total of R$ 2,003,610 thousand.

The sale of 16,206,387 shares in the scope of the public offering produced a gain in the amount of R $ 269,246 thousand, without considering the tax effects and distribution costs.

After the Public Offering, BB Seguros, a wholly-owned subsidiary of BB Seguridade, started to hold 47,520,213 common shares of IRB Brasil-RE, equivalent to 15.2% of the Company's total capital stock.

b) Ciclic Corretora de Seguros S.A.

BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), a wholly-owned subsidiary of the Company, and PFG do Brasil 2 Participações Ltda. ("PFG2"), a subsidiary of PFG do Brasil Ltda. ("PFG"), signed an Investment Agreement ("Agreement") on November 30, 2017 for joint action focused initially on the distribution of private pension products in the digital channel, through a new company called Ciclic Corretora de Seguros SA ("Ciclic"), with initial share capital composed of common shares ("ON") fully paid up by PFG2.

Said agreement provides for the signing of a Shareholders' Agreement, effective until October 27, 2032, and the increase of capital of Ciclic up to the amount of R $ 27 million, of which R $ 6.750 million to be contributed by PFG 2 and R $ 20.250 million to be contributed by BB Corretora, through the issuance of new ON and PN shares, fully paid in by the said companies, after approval by the regulatory, supervisory and supervisory bodies. It should be noted that the Investment Agreement has suspensive effect until the approvals of said bodies are issued.

After the termination of the prior approval process, the Shareholders' Agreement will be signed and a capital contribution will be executed on the terms already described, and BB Corretora will hold 49.99% of the ON shares and 100.00% of the preferred shares ("PN ") of Ciclic, accounting for 74.99% of the total capital of the new company.

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 for issue by the Board of Directors on May 04, 2018.

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 at amortized cost.

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, 2018	Dec 31, 2017
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) 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.

g) 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.

h) Information for comparability purposes

With the objective of only harmonizing the Income Statements of the BB Seguridade Group (BB Seguridade, BB Seguros and BB Corretora), changes were made in its structure in order to better evidence the information.

Like this, the following reclassifications were made for comparability purposes, in order to better evidence the essence of the operations, without any change in values previously evidenced:

In the first quarter of 2017:

Parent:

From the grouping Administrative expenses, R$ 322 thousand to Financial expenses;

From the Other income and expenses, R$ 25,672 thousand to Financial revenue and R$ 34,489 thousand to Financial expenses; and

From the Interest earnings of financial instruments, R$ 19,020 thousand to Financial revenue.

Consolidated:

From the grouping Administrative expenses, R$ 38,292 thousand to Cost of services provided and R$ 368 thousand to Financial expenses;

From the Other income and expenses, R$ 800 thousand to Administrative expenses, R$ 13,302 thousand to Financial revenue and R$ 34,498 thousand to Financial expenses; and

From the Interest earnings of financial instruments, R$ 89,130 thousand to Financial revenue.

Statement of Income

R$ thousand

	Parent			Consolidated		
1st quarter/2017	Original Report	Reclassification	Reclassified Balances	Original Report	Reclassification	Reclassified Balances
Cost of services provided	--	--	--	--	(38,292)	(38,292)
Interest earnings of financial instruments	19,020	(19,020)	--	89,130	(89,130)	--
Administrative expenses	(7,637)	322	(7,315)	(46,545)	37,860	(8,685)
Other income and expenses	(8,891)	8,817	(74)	(23,069)	21,996	(1,073)
Financial revenue	--	44,692	44,692	--	102,432	102,432
Financial expenses	--	(34,811)	(34,811)	--	(34,866)	(34,866)

4 – DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are the basics, principles, conventions, rules and the specific practices applied by BB Seguridade when preparing and presenting financial statements. BB Seguridade applied the policies described below in a consistent manner to all the financial statements prepared.

The accounting polices applied to the preparation of these financial statements are the same applied to the statements of the fiscal year up to 12/31/2017, except for the CPC 47 – Revenue from contracts with customers and CPC – 48 – Financial Instruments (in force since January 1st of 2018).

a) Revenue and Expense Recognition

The profits and losses are assessed by an accrual basis and reported in the financial statements of the related fiscal years. The profits represent the financial income during the year, originated during from the regular activities of the company as cash flow and increase of the assets or decrease of the liabilities that generate increase of the net equity of the company, and that are not related to contributions of the parties included in such equity.

This concept is applied to the main forms of revenue originated from the activities of BB Seguridade and its subsidiary companies, as follows:

a.1) Revenue from investments of corporate interests – Income from the equity accounting method for evaluation of the investments in corporate interests are incorporated according to the investment interest of BB Seguridade in the results originated from the companies in which it was invested, according to CPC 18 (R2) – Investment in Controlled Companies and Affiliated and Joint Ventures.

a.2) Commission Revenue – The income originated from commissions are incorporated when its amount and the related costs and process of conclusion of the operation can be measured in reliable manner and when its related economic benefits are likely to be made, according to CPC 47 – Client Agreement Revenue.

In order to assess its revenue, BB Seguridade uses a five-stage model concept to determine when to incorporate a type of revenue: i) identification of the agreement; ii) identification of the performance obligations; iii) evaluation of the price of the operation; iv) measurement of the operation price and v) revenue assessment

The commission revenue are incorporated when the Company meets (or as the Company meets) its performance obligation when transferring goods and services (in other words, assets) agreed with the client. The commission income comes from the segments of people insurance, basic lines, vehicles, pension plans, capitalization and health insurance. These revenues are recognized over time (annual products), where the performance obligation is diluted linearlu over the lifetime of the product / insurance, or at a specific time (monthly products), where the performance obligation occurs monthly , according to the characteristics of the products.

In cases of return of premium to the insured, the broker returns to the insurer the commission received in proportion to the amount returned or not received by the insurer in function of the remaining period of the policy.

For insurance whose expiry is not objectively defined (monthly insurance), the monthly payment of the payments is decisive for the continuity of the policies, and, in general, there are no refund of commissions.

a.3) Financial income and expenses – Income and expenses from financial instruments originated from assets and liabilities that generate and pay interest are incorporated, as well as the amounts related to the fair value adjustment, in the revenue for that fiscal year on the accrual basis, using the effective interest rate method, according to CPC 48 - Financial Instruments.

In the case of instruments measured at fair value through profit or loss (in accordance with item c.3 below), the fair value is determined as described in item c.4.

The effective interest rate method is the rate that discounts estimated future cash receipts or cash payments over the expected life of the financial asset or financial liability in relation to the gross carrying amount of the financial asset or the amortized cost of the financial liability. When calculating the effective interest rate, the company should estimate the expected cash flows, taking into account all contractual terms of the financial instrument, but should not consider expected credit losses.

b) Cash and cash equivalents

Cash and cash equivalents are represented by cash equivalents in local currency, short-term fund investments, investments of sales and purchase agreements with high net value and insignificant risk of change in value, with a maturity of 90 days or less.

c) Financial instruments

The financial instruments are classified according to the business model and the contractual characteristics of the cash flows of the instruments according to CPC 48 - Financial Instruments.

Financial assets and liabilities are initially incorporated on the trade date, i.e., the date on which the Group becomes a party to the provisions of the instrument. The classification of the financial assets and liabilities is determined on the date of initial recognition.

Financial instruments are initially measured at fair value plus the transaction cost, except when financial assets and liabilities are recorded at fair value through profit or loss.

Financial assets and liabilities can be classified into one of the categories: i) financial instrument measured at fair value through profit or loss, financial instrument measured at amortized cost and financial instrument measured at fair value through other comprehensive income. BB Seguridade currently does not use derivative financial instruments.

The main financial instruments of Group BB Seguridade are securities mainly held by Banco do Brasil (short- and long-term investment funds, financial bills and sales and purchase agreements).

After assessing CPC 48 - Financial Instruments and the current financial assets of Grupo BB Seguridade, there were no impacts with the adoption of the new standard. The table below shows the measurement categories adopted up to 12.31.2017 for financial instruments in accordance with CPC 38 (IAS 39) and the new categories as of 01.01.2018 in accordance with CPC 48 (IFRS 09):

R$ thousand

Financial Instruments	Note	Category according to CPC 38 (IAS 39)	Category according to CPC 48 (IFRS 09)	Book value CPC 38 (IAS 39)	Book value CPC 48 (IFRS 09)
Cash and cash equivalents	[7]	Fair value through profit or loss	Fair value through profit or loss	2,322,001	2,322,001
Short-Term Financial bills	[8]	Held-to-maturity investments	Amortised cost	482,172	482,172
Long-term fund	[8]	Fair value through profit or loss	Fair value through profit or loss	419,594	419,594
Comissions receivable	[12]	Loans and receivables	Amortised cost	684,760	684,760
Total				**3,908,527**	**3,908,527**

The BB Seguridade Group holds interests in insurance companies, for which CPC 48 is not applied. When there is a divergence in accounting practice in investments in equity investments, it is necessary to adjust the accounting practices for standardization. However, the CPC Technical Pronouncements Review no. 12/2017 allowed, subject to an exemption for insurers, that the entity apply the CPC without need for standardization in relation to the affiliated companies (until January 1, 2021).

c.1) Amortized Cost - These are financial assets held by BB Seguridade (i) for the purpose of receiving their agreed cash flow rather than for sale with profit or loss and (ii) whose terms of the agreement generates cash flows at specified dates exclusively for primary payments and interest payments on the primary amount outstanding.

Short-term financial instruments are recognized as financial assets measured at amortized cost. Changes in these assets are recognized in income for the period in financial income or expense, depending on the result obtained.

c.2) Fair value through other comprehensive income - VJORA - These are financial assets held by BB Seguridade (i) both for the receipt of its cash flow by agreement and for disposal with realization of profits or losses and (ii) the agreement terms of which generates cash flows at specified dates exclusively for primary payments and interest payments on the primary amount outstanding

BB Seguridade currently does not have financial assets classified in this category.

c.3) Fair value through profit or loss (VJR) - Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are classified in this category.

c.4) Determination of fair value - Fair value is the price that would be received for the sale of an asset or would be paid by the transfer of a liability in a non-forced transaction between market participants at the measurement date.

The fair value of financial instruments traded in active markets on the balance sheet date is based on the quoted market price or the over-the-counter price (selling price for long positions or purchase price for long positions), without any deduction of transaction cost.

In situations where there is no market price for a particular financial instrument, its fair value is estimated on the basis of valuation methods commonly used in the financial markets that are appropriate to the specific characteristics of the instrument and capture the various risks to which it is exposed . The valuation methods include: the discounted cash flow method, comparison to similar financial instruments for which there is a market with observable prices, option pricing model, credit models and other known valuation models.

These models are adjusted to encapsulate the variation of the purchase and sale prices, the settlement cost of the position, to serve as counterpart of the credit and liquidity variations, and, mainly, to overcome the theoretical limitations inherent in the models.

The internal pricing models may involve some level of estimation and judgment by the Administration whose intensity will depend, among other factors, on the complexity of the financial instrument.

c.5) Financial liabilities - An instrument is classified as a financial liability when there is a contractual obligation that its settlement is made through the delivery of money or other financial asset, regardless of its legal form. Financial liabilities include short-term and long-term debt that are initially measured at fair value, which is the amount received net of costs incurred in the transaction and subsequently at amortized cost.

d) Write-off of Financial Assets and Financial Liabilities

d.1) Financial assets - A financial asset is written off when: (i) the contractual rights related to the respective cash flows expire; (ii) the Group transfers most of the risks and benefits associated with the asset to third parties; or (iii) when control over the asset is transferred, even the Group having withheld part of the risks and benefits associated with its detention.

The rights and obligations retained in the transfer are incorporated separately as assets and as liabilities, when appropriate. If the control over the asset is retained, the Group continues to incorporate it in the extent of its continuing involvement, which is determined by the extent to which it remains exposed to changes in the value of the transferred asset.

d.2) Financial liabilities - A financial liability is written off when its obligation is eliminated, canceled or prescribed. If an existing financial liability is replaced by another of the same creditor in substantially different terms, or the terms of the existing liability are substantially modified, such modification is treated as a write-off of the original liability and recognition of a new liability, and the difference between the accounting values is recognized in profit or loss.

e) Reduction in the recoverable value of financial assets - Impairment

For impairment of financial assets (impairment), CPC 48 - Financial Instruments, considers the expected credit losses, which are a weighted estimate of the probability of credit losses (that is, the present value of all cash deficits) over the expected life of the financial instrument.

The cash deficit is the difference between the cash flows due to the entity under the contract and the cash flows that the entity expects to receive. As the expected credit losses consider the value and timing of the payments, the credit loss occurs even if the entity expects to be paid in full, but after the due date stipulated by the contract.

For the impairment of commissions receivable, the simplified approach allowed by CPC 48 was used for commercial receivables in which the recognition of expected credit losses follows the model for the entire life of the instrument.

Annually is assessed at BB Seguridade if there is any objective evidence of impairment of its financial assets, according to CPC 48 - Financial Instruments.

f) Offsetting of financial assets and liabilities

Financial assets and liabilities are presented at net value if, and only if, there is a legal right to compensate them with one another and if there is an intention to liquidate them in this way, or to realize an asset and settle a liability simultaneously. In other situations they are presented separately.

g) Business Combination

The acquisition of a subsidiary company through a business combination is registered on the date of acquisition, that is, on the date the control is transferred to BB Seguridade, by applying the acquisition method. Under this method, identified assets (including intangible assets not previously recognized), liabilities assumed and contingent liabilities are recognized at fair value at the date of acquisition. Any positive differences between the acquisition cost and the fair value of the net identifiable assets acquired are recognized as goodwill (goodwill). In the event of a negative difference (a gain on an advantageous purchase), the amount identified is incorporated in the income statement for the period in Other operating income.

The transaction costs incurred by BB Seguridade in a business combination, except for costs related to the issuance of debt or equity instruments, are registered in the income statement for the period when incurred. Any contingent consideration payable will be measured at fair value on the date of acquisition.

The profits and losses of the subsidiary companies acquired during the accounting period are included in the financial statements from the date of acquisition until the end of the period. Accordingly, the profits and losses of subsidiary companies sold during that period are included in the financial statements from the beginning of the period up to the date of disposal, or until the date on which BB Seguridade ceases to exercise control.

h) Change of Corporate Interest in Subsidiaries

Changes in corporate interest in a subsidiary that do not result in loss of control are accounted for as equity transactions (ie, transactions with owners in the capacity of owners). Consequently, no premium is recognized as a result of such transactions.

In such circumstances, the carrying amounts of the interests of the parent and subsidiary companies will be adjusted to reflect changes in their relative interests in the subsidiary company. Any difference between the value by which the interests of subsidiary companies are adjusted and the fair value of the consideration paid or received will be recognized directly in equity and attributed to the owners of the parent company.

i) Loss of Control

In accordance with CPC 36 (IFRS 10), in the event of loss of control of a subsidiary company, BB Seguridade no longer recognizes, at the date control is lost: (i) assets, including premiuns, and liabilities of the subsidiary company at its book value; and (ii) the carrying amount of any interests of subsidiries in the former subsidiary, including any components of other comprehensive income attributed to it.

In addition, BB Seguridade recognizes at the date of loss of control: (i) the fair value of the consideration received, if any, originated from the transaction, event or circumstances that resulted in the loss of control; (ii) the distribution of shares of the subsidiary to the owners, if the transaction that resulted in the loss of control involves a distribution of shares; (iii) any investment retained in the former subsidiary at its fair value; and (iv) any resulting difference as a gain or loss in profit or loss attributable to the parent.

j) Non-Monetary Contributions to Associates and Joint Ventures

Pursuant to CPC 18 (IAS 28), when BB Seguridade contributes non-monetary assets in exchange for a shareholding in a related or joint venture, the gain or loss in the transaction is recognized to the extent of investors in the associate or joint venture. No gain or loss is incorporated if the transaction has no commercial substance.

k) Goodwill and Other Intangible Assets

The goodwill generated on the acquisition of investments of corporate interests is accounted considering the fair value of the identifiable assets and the assumed liabilities of the acquiring company on the acquisition date and, in accordance with the applicable standards, is not amortized. However, it is tested, at least annually, for impairment purposes. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangible assets are incorporated separately from goodwill when they are separable or arise from contractual rights or other legal rights, their fair value can be measured reliably and it is probable that the expected future economic benefits will be transferred to BB Seguridade. The cost of intangible assets acquired in a business combination is its fair value at the acquisition date. The intangible assets acquired independently are initially measured at cost.

The useful life of intangible assets is considered to be definite or indefinite. Intangible assets with defined useful lives are amortized over the course of their economic life. They are initially registered at cost, less accumulated amortization and impairment losses. Intangible assets with indefinite useful lives are recorded at cost less any impairment losses.

The costs incurred related to the acquisition, production and development of software are capitalized and registered as intangible assets. Expenses from the research phase are registered as expenses.

Intangible assets with definite useful lives are amortized on a straight-line basis over the estimated useful life. The amortization method and period of an intangible asset with a definite useful life are reviewed at least annually. Changes in the expected useful life or proportion of expected use of the future benefits incorporated in the asset are recognized through changes in the amortization period or method, when appropriate, and treated as changes in accounting estimates.

The amortization expense of intangible assets with defined useful lives is incorporated in the statement of income for amortization of intangible assets. Losses due to reduction to the recoverable amount are incorporated as adjustment expenses to recoverable amount (Other expenses) in the Consolidated Income Statement.

l) Decrease in the recoverable value of non-financial assets - Impairment

Annually, it is evaluated, based on internal and external sources of information, if there is any indication that a non-financial asset may be with recoverability problems. If there is such indication, the asset's recoverable amount is estimated. The recoverable value of the asset is the higher of its fair value less costs to sell it or its value in use.

Whether there was any indication of loss in the recoverable amount the impairment test of intangible assets with indefinite useful life is annually performed, including premium acquired in a business combination, or an intangible asset not yet available for use. This test can be performed at any time during an annual period, provided it is performed at the same time each year.

In the event that the recoverable value of the asset is lower than its carrying amount, the carrying amount of the asset is reduced to its recoverable value by an impairment loss, the consideration of which is incorporated in the income statement for that year, in Other (expenses) / operating revenues.

Annually, it is assessed whether there is any indication that a loss by reduction to recoverable value incorporated in prior periods for an asset other than premium for expected future profitability, it might no longer exist or may have decreased. If there is such indication, the asset's recoverable amount is estimated. The reversal of a loss for impairment of an asset will be registered immediately in the income statement for the period, as a rectifier of the balance of Other (expenses) / operating income.

m) Investments in Corporate Interests

Under the equity method, the investment is initially measured at cost and subsequently adjusted by the investor's recognition of changes in the net assets of the invested company. In addition, the portion of the investor's income in the results generated by the invested company must be included in the profit and losses of the investor's period, according to CPC 18 (R2) - Investment in Affiliate, Subsidiary and Joint Venture.

n) Provisions, Contingent Liabilities and Legal Obligations

The incorporation, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria defined in CPC 25 - Provisions, Contingent Liabilities and Contingent Assets.

Contingent liabilities are recognized in the financial statements when, based on the analysis of legal advisers and the Administration, the risk of loss of a legal or administrative action is considered probable, with a probable outflow of funds for the settlement of the obligations and when the amounts involved are measured with sufficient certainty, being quantified at the time of service and reviewed monthly in an individualized manner, thus considering the cases related to cases considered unusual or whose value is considered relevant under the analysis of legal counsel, considering the amount of indemnity estimated.

Contingent liabilities classified as possible losses are not recognized in the accounting statements, and they should only be disclosed in the explanatory notes, and those classified as remote do not require provision or disclosure.

Tax legal obligations are derived from tax obligations under the law, irrespective of the probability of success of lawsuits in progress and their amounts are fully recognized in the financial statements.

o) Taxes

Taxes are calculated based on the rates shown in the table below:

Taxes	Tax Rate
Income Tax (IRPJ) (1)	25%
Social Contribution on Net Income (CSLL)	9%
Contribution to PIS (Social Integration Program) / Pasep (Investment Program for Civil Servants)	1.65%
Contribution for the financing of Social Security (COFINS)	7.60%
Contribution to PIS / Pasep(2)	0.65%
Contribution for the financing of Social Security (COFINS)(2)	4%
Municipal services tax- ISS	Up to 5%

(1) Includes basic rate (15%) and additional (10%)
(2) Interest rate on financial investments.

The deferred tax assets and deferred tax liabilities are constituted by the application of the current tax rates on their respective bases. For constitution, maintenance and write-off of deferred tax assets, the criteria established by CPC 32 - Taxes on Profit are observed, and are supported by a realization capacity study.

p) Segment Disclosure

CPC 22 - Information by Segment (IFRS 8) requires the disclosure of financial information of the entity's operating segments based on the internal disclosures that are used by Management to allocate resources and to evaluate its financial and economic performance

q) Interest on Shareholder's Capital and Dividends

Brazilian companies may assign a nominal interest expense, deductible for tax purposes, on their own capital. The amount of interest on shareholders 'equity is considered as a dividend and, when applicable, presented in these consolidated financial statements as a direct reduction in stockholders' equity.

Under the current dividends policy, BB Seguridade distributes to shareholders as mandatory dividend a portion corresponding to at least 25% of adjusted net income with the deductions and increases provided for in Art. 202 of Law 6,404 / 76, which are recognized as a liability and deducted from shareholders' equity when allocating the result of the period.

r) Earning per share

The earnings per share disclosure is made in accordance with the criteria defined in CPC 41 - Earning per Share, approved by Deliberation of CVM 636/2010. The basic and diluted earning per share of BB Seguridade was calculated by dividing net income attributable to shareholders by the weighted average number of total common shares, excluding treasury shares. BB Seguridade has no option, subscription bonus or its equivalents that give its holder the right to acquire shares. Thus, basic and diluted earnings per share are the same.

s) Improvements to IFRS and Recently Issued Pronouncements

Improvements to IFRS are amendments issued by the IASB - International Accounting Standards Board and comprise changes in recognition, measurement and disclosure rules related to various IFRS. We present a summary of some amendments as well as the interpretations and pronouncements recently issued by the IASB and CPC - Accounting Pronouncements Committee, which will come into effect after this period:

IFRS 17 - Insurance Contracts - In May 2017, the IASB issued a new standard aimed at the insurance market with the aim of standardizing globally the accounting of insurance contracts.

IFRS 17 replaces IFRS 4, which was brought as an intermediary standard in 2004. IFRS 4 provided the waiver of companies to continue accounting for insurance contracts using national accounting standards, resulting in different approaches. The new standard requires all insurance contracts to be accounted for consistently, benefiting both investors and insurance companies.

The IFRS becomes effective on January 1, 2021, with anticipated application permitted.

To this date, the CPC has not issued an equivalent standard.

The possible impacts resulting from its adoption in the group companies will be evaluated and concluded by the date of entry into force of the standard.

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 IAS 28 that address the inconsistencies generated by the two standards in accounting for transactions between investors and their associates and joint ventures.

The date for implementation of these amendments to IFRS 10 and IAS 28 has been postponed, even without a date defined by the IASB.

5 – RISK MANAGEMENT

BB Seguridade's Risk Management Policy, approved by the Board of Directors and available to the public at the investors relations website, 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.

According to its By-laws, BB Seguridade has a technical area dedicated to risk management, Internal Control and Compliance, segregated from business areas and Internal Audit. The area is 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.

a) Risk management at BB Seguridade and its subsidiaries

The risk management framework adopted by BB Seguridade, as defined in its Risk Management, Internal Control and Compliance Policy, is structured in a three-line of defense model: in the first line, the process managers (risk owners) are responsible for implementing actions that ensure the compliance of its processes and the adequate management of associated risks and respective controls; in the second line, the Superintendence of Risk and Controls assists and monitors the risk owner in managing risks, internal controls and compliance in order to adjust them to the Company's risk appetite; and in the third line, Internal Audit, provides governance bodies assessments of the risk management and internal controls effectiveness.

The Board of Directors is responsible for supervising the Company's risk management and internal control systems. The Audit Committee is the statutory advisory body to the Board of Directors, which is responsible for assessing and monitoring the Company's risk exposures as well as evaluating the quality and integrity of the internal controls mechanisms. Information related to risk management is periodically reported to the Executive Board and to the Board of Directors and also taken to knowledge of the Fiscal Council.

The Executive Board counts on two non-statutory technical committees: the Reputational Risk Committee and the Finance and Investment Committee, which advise 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.

Risk management framework and processes in the Company include, among others: segregation of duties; evaluation of effectiveness of internal control and compliance; joint decisions; Information Security Policy, Preventing and Combating Money Laundering, Terrorist Financing and Corruption Policy, Code of Ethics and Conduct and an Integrity Program in line with Law 12,846/2013 (Anti-Corruption Law) and Decree 8,420/2015, documents disclosed internally and also to the public, available at the investors relations website, in addition to internal standardization of risk management and internal controls.

Risks associated with investments in financial assets

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 through mutual funds and for the sole purpose of protection (hedge).

The financial investments of the Company and its subsidiaries, categorized as cash equivalents, are concentrated in repurchase agreements backed by Federal Government Bonds and Corporate Bonds, with Banco do Brasil as the seller (Note 7). Financial assets categorized as financial instruments are fixed income long-term mutual fund and financial bills (Note 8).

The market risk is monitored using the VaR (Value at Risk), calculated for 21 working days, with the portfolio volatility estimated using exponentially weighted moving average (EWMA) and 95% confidence level.

R$ thousand

	Impact on the portfolio			
	Mar 31, 2018	%	Dec 31, 2017	%
Value at Risk (VaR)	19	0.00	14	0.00

Sensitivity analysis on market risk factors

On March 31, 2017, BB Seguridade and its subsidiaries did not hold derivative instruments directly. Its exposure and of its subsidiaries to market risk factors was due to its financial assets, almost in totality CDI or Selic postfixed financial instruments. Therefore, considering that there is no liquid passive exposure to market risk factors, the administration of the Company understands that there is no relevant exposure to market risk factors.

Limitations of sensitivity analysis

Sensitivity analysis demonstrates the effect of a change in an important premise while the other assumptions remain unchanged. In fact, 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.

b) Risk governance – affiliated companies

The affiliated companies have technical areas segregated and independent from business areas and Internal Audit that support risk management, integrating the risk management framework 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. BB Seguridade seeks, through governance, ensure the adoption of best risk management practices by the affiliates.

The following presents information about underwriting, credit and market risks originated in the operations conducted by BB Seguridade's affiliates, as well as information about regulatory solvency and liquidity of these companies.

c) Underwriting risk

c.1) GRUPO SEGURADOR BB E MAPFRE

The main risk transferred to insurance companies is the risk that reported claims and benefit payments exceed the value of the liabilities of insurance contracts in the current period. These situations occur 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.

To reduce these risks, risk diversification strategies and reinsurance programs are used, hence the adverse outcome of atypical and major events is minimized. Nevertheless, part of the underwriting risk is minimized because large insured amounts represents the minority of accepted risks.

Issued premiums by group of lines

BB MAPFRE SH1

R$ thousand

Group of lines	1st quarter/2018			1st quarter/2017		
	Net written premium(1)	Ceded reinsurance	Retention (%)	Net written premium(1)	Ceded reinsurance	Retention (%)
Life	1,080,660	8,141	99.25	945,597	2,451	99.74
Rural	517,845	152,790	70.50	562,016	186,459	66.82
Other	65,072	1,776	97.27	59,029	5,021	91.49
Total	**1,663,577**	**162,707**	**90.22**	**1,566,642**	**193,931**	**87.62**

(1) Net written premium of coinsurance and cancellations.

MAPFRE BB SH2

R$ thousand

Group of lines	1st quarter/2018			1st quarter/2017		
	Net written premium(1)	Ceded reinsurance	Retention (%)	Net written premium(1)	Ceded reinsurance	Retention (%)
Vehicle	1,073,391	--	100.00	1,029,146	--	100.00
Property	464,688	236,110	49.19	491,043	232,921	52.57
Transportation	90,130	(159)	100.18	52,318	4,101	92.16
Marine/Aviation	76,412	63,614	16.75	82,624	64,890	21.46
Rural	85,176	19,715	76.85	84,829	18,741	77.91
Other	380,085	92,765	75.59	400,352	115,210	71.22
Total	**2,169,882**	**412,045**	**81.01**	**2,140,312**	**435,863**	**79.64**

(1) Net written premium of coinsurance and cancellations.

Sensitivity analysis

BB MAPFRE SH1

R$ thousand

Risk Factor	Sensitivity analysis	Impact on profit			
		Mar 31, 2018	Equity (%)	Dec 31, 2017	Equity (%)
a. Technical Provisions	**Change in the main assumptions for technical provisions**	**(179,664)**	**(10.05)**	**(187,800)**	**(9.40)**
a1.IBNR	Application of Incurred But Not Reported (IBNR) factors	(21,774)	(1.22)	(21,683)	(1.08)
a2.Long-term PCC(1)	5% increase in mortality	(32,458)	(1.82)	(34,870)	(1.74)
	100 bps reduction in discount rate	(125,432)	(7.01)	(131,248)	(6.57)
b. Loss ratio	**5% increase in the loss ratio**	**(91,078)**	**(5.09)**	**(95,269)**	**(4.77)**

(1) Reserve made specifically for Companhia de Seguros Aliança do Brasil.

MAPFRE BB SH2

R$ thousand

Risk factor	Sensitivity analysis	Impact on profit			
		Mar 31, 2018	Equity (%)	Dec 31, 2017	Equity (%)
a. Technical Provisions	**Change in the main assumptions for technical provisions**	**(17,641)**	**(0.57)**	**(16,477)**	**(0.52)**
a1. IBNR	Application of Incurred But Not Reported (IBNR) factors	(17,641)	(0.57)	(16,477)	(0.52)
b. Loss ratio	**5% increase in the loss ratio**	**(197,910)**	**(6.38)**	**(202,706)**	**(6.39)**

c.2) <u>IRB BRASIL RE</u>

IRB Brasil RE works with a diverse reinsurance portfolio and uses retrocession as risk transfer technique to other reinsurers, in order to mitigate and control the underwriting risk.

Reinsurance liabilities and retrocession assets by group of lines

R$ thousand

Group	Mar 31, 2018		Dec 31, 2017	
	Reinsurance liabilities	Retrocession assets	Reinsurance liabilities	Retrocession assets
Aviation	514,951	(421,094)	674,202	(559,445)
Vehicle	189,079	(6,396)	208,309	(6,609)
Mortgage	39,851	(76)	40,214	(193)
Marine	177,708	(54,927)	175,449	(52,362)
Nuclear	9,822	(8,634)	13,288	(11,790)
Property	2,394,223	(1,320,046)	2,572,302	(1,496,003)
Life	296,625	(44,205)	307,193	(53,145)
Oil	301,024	(250,967)	268,534	(223,238)
Liability	611,413	(287,012)	644,141	(315,362)
Financial Risks	501,520	(132,833)	511,503	(152,746)
Agriculture	466,950	(50,339)	521,149	(80,799)
Cargo	423,131	(228,768)	410,808	(210,240)
Acceptances from abroad	1,732,888	(111,019)	1,592,740	(148,917)
Branches abroad	117,843	(14,832)	97,528	(13,561)
Run-off	196,881	--	166,915	--
Total	**7,973,909**	**(2,931,148)**	**8,204,275**	**(3,324,410)**

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 10% in reported claims in the period.

R$ thousand

Risk factor	Sensitivity analysis	Impact on profit			
		1st quarter/2018	Equity (%)	1st quarter/2017	Equity (%)
Loss ratio	10% increase(1)	(44,646)	(1,34)	(45,273)	(1,50)

(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 composed by draws to be held risk, profitability assurance risk and administrative expenses risk. Brasilcap manages all these risks during the product development process and throughout its lifetime.

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

In the supplementary private pension operations the underwriting risks considered 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 annuities.

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 which are limited by the frequency of use of the services provided by accredited network and the low cost of the treatments.

d) Credit risk

d.1) GRUPO SEGURADOR BB E MAPFRE

With regard to insurance operations, there is a reduced exposure to credit risk with respect to payment obligations of premiums and contributions. The company evaluates that the credit risk is present more intensely in financial investments and in reinsurance operations.

Credit risk exposure in reinsurance operations per reinsurer rating

BB MAPFRE SH1

R$ thousand

Rating[(1)]	1st quarter/2018			1st quarter/2017		
	Local	Admitted	Total	Local	Admitted	Total
A	613	34,007	**34,620**	1,056	41,274	**42,330**
A-	128,087	--	**128,087**	151,690	--	**151,690**
AA-	--	--	**--**	(89)	--	**(89)**
Total	**128,700**	**34,007**	**162,707**	**152,657**	**41,274**	**193,931**

(1) Standard & Poor's was used as the basis for conversion of ratings from other agencies. In the case of local reinsurance company MAPFRE RE do Brasil Companhia de Resseguros, it was considered the *rating* of MAPFRE RE from Spain.

MAPFRE BB SH2

R$ thousand

Rating[(1)]	1st quarter/2018				1st quarter/2017			
	Local	Admitted	Eventual	Total	Local	Admitted	Eventual	Total
AA+ / AA / AA-	9,925	2,309	5,379	**17,613**	7,715	7,049	1,172	**15,936**
A+ / A / A-	291,980	87,591	5,541	**385,112**	331,809	82,229	4,626	**418,664**
BrAAA	6,492	--	--	**6,492**	--	--	--	**--**
BrAA+ / BrAA / BrAA-	2,063	--	--	**2,063**	--	--	--	**--**
BrA+ / BrA / BrA-	765	--	--	**765**	1,263	--	--	**1,263**
Total	**311,225**	**89,900**	**10,920**	**412,045**	**340,787**	**89,278**	**5,798**	**435,863**

(1) Standard & Poor's was used as the basis for conversion of ratings from other agencies. In the case of local reinsurance company MAPFRE RE do Brasil Companhia de Resseguros, it was considered the *rating* of MAPFRE RE from Spain.

Exposure to credit risk in financial assets

BB MAPFRE SH1

R$ thousand

Financial securities	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds	3,940,460	59.66	3,391,227	48.85
Corporate Bonds	297,546	4.51	304,871	4.40
Repurchase agreements[(1)]	2,366,656	35.83	3,245,534	46.75
Other	--	--	--	--
Total	**6,604,662**	**100.00**	**6,941,632**	**100.00**

(1) Repurchase agreements backed by Federal Government Bonds.

R$ thousand

Corporate Bonds – Rating(1)	Mar 31, 2018				Dec 31, 2017			
	Debentures	Financial bills	Other(2)	Total	Debentures	Financial bills	Other(2)	Total
AAA	49,350	2,910	--	**52,260**	48,564	2,885	15,061	**66,510**
AA+ / AA / AA-	73,665	140,933	10,894	**225,492**	68,844	138,709	10,715	**218,268**
A+ / A / A-	1,230	12,946	--	**14,176**	1,245	12,727	--	**13,972**
CCC+ / CCC / CCC-	5,618	--	--	**5,618**	6,121	--	--	**6,121**
Total	**129,863**	**156,789**	**10,894**	**297,546**	**124,774**	**154,321**	**25,776**	**304,871**

(1) Standard & Poor's was used as the basis for conversion of ratings from other agencies.
(2) Includes time deposits and mutual funds.

MAPFRE BB SH2

R$ thousand

Financial securities	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds	3,670,410	79.99	3,600,133	79.46
Corporate Bonds	146,956	3.20	205,746	4.54
Repurchase agreements(1)	770,969	16.80	724,640	15.99
Other	208	0.01	479	0.01
Total	**4,588,543**	**100.00**	**4,530,998**	**100.00**

(1) Repurchase agreements backed by Federal Government Bonds.

R$ thousand

Corporate Bonds– Rating(1)	Mar 31, 2018				Dec 31, 2017			
	Debentures	Financial bills	Other(2)	Total	Debentures	Financial bills	Other(2)	Total
AAA	20,355	776	--	**21,131**	20,036	801	17,570	**38,407**
AA+ / AA / AA-	39,689	28,323	56,375	**124,387**	32,149	27,861	84,274	**144,284**
A+ / A / A-	--	1,438	--	**1,438**	--	1,414	--	**1,414**
BBB+ / BBB / BBB-	--	--	--	**--**	21,641	--	--	**21,641**
Total	**60,044**	**30,537**	**56,375**	**146,956**	**73,826**	**30,076**	**101,844**	**205,746**

(1) Standard & Poor's was used as the basis for conversion of ratings from other agencies.
(2) Includes times deposit and mutual funds.

d.2) IRB BRASIL RE

In the reinsurance business, credit risk arises mainly from retrocession operations. 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.

Credit risk exposure in retrocession operations per reinsurer rating

Rating	(%) Retrocesion on Mar 31, 2018				(%) Retrocesion on Dec 31, 2017			
	Local	Admitted	Eventual	Total	Local	Admitted	Eventual	Total
AAA or equivalent	--	4.54	0.46	**5.00**	--	3.63	0.37	**4.00**
AA or equivalent	0.26	24.59	5.32	**30.17**	0.21	35.18	4.14	**39.53**
A or equivalent	0.08	11.09	53.25	**64.42**	0.08	9.49	46.52	**56.09**
BBB+ or equivalent	0.09	--	0.01	**0.10**	0.07	--	0.01	**0.08**
BBB or equivalente/lower	0.03	--	--	**0.03**	0.03	--	--	**0.03**
No rating	0.18	0.09	0.01	**0.28**	0.19	0.07	0.01	**0.27**
Total	**0.64**	**40.31**	**59.05**	**100.00**	**0.58**	**48.37**	**51.05**	**100.00**

Exposure to credit risk in financial assets

R$ thousand

Financial securities[1]	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds	4,010,355	96,93	3,991,992	90,68
Corporate Bonds	126,832	3,07	410,273	9,32
Total	**4,137,187**	**100,00**	**4,402,265**	**100,00**

(1) Assets not considered for credit risk analysis: cash, repurchase agreement, stock shares, non-exclusive funds and real estate funds, and investments abroad.

R$ thousand

Corporate Bonds – Rating[1]	Mar 31, 2018				Dec 31, 2017			
	Debentures	Financial bills	Other	Total	Debentures	Financial bills	Other	Total
AAA	19,240	21,039	--	**40,279**	12,762	171,399	--	**184,161**
AA+ / AA / AA-	11,683	61,976	1,036	**74,695**	7,460	118,772	1,019	**127,251**
A+ / A / A-	--	--	--	**--**	1,590	85,413	--	**87,003**
Sem rating	11,858	--	--	**11,858**	11,858	--	--	**11,858**
Total	**42,781**	**83,015**	**1,036**	**126,832**	**33,670**	**375,584**	**1,019**	**410,273**

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

d.3) BRASILCAP CAPITALIZAÇÃO S.A.

Exposure to credit risk in financial assets

R$ thousand

Financial securities	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds	8,829,584	86.18	8,113,712	78.43
Corporate Bonds	1,116,406	10.90	1,080,713	10.45
Repurchase agreements[1]	231,626	2.26	1,081,956	10.46
Other[2]	67,793	0.66	68,829	0.66
Total	**10,245,409**	**100.00**	**10,345,210**	**100.00**

(1) Repurchase agreements backed by Federal Government Bonds.
(2) It refers to the funds BB CAP Ações, BB CAP Ibovespa Indexado and BB Curto Prazo 600 mil.

R$ thousand

Corporate Bonds – *Rating*[1]	Mar 31, 2018				Dec 31, 2017			
	Debentures	Financial bills	Other	Total	Debentures	Financial bills	Other	Total
AAA	20,255	--	23	**20,278**	--	--	62	**62**
AA+ / AA / AA-	234,565	829,042	--	**1,063,607**	234,006	816,233	--	**1,050,239**
A+ / A / A-	--	--	8,212	**8,212**	--	--	--	**--**
BB+ / BB / BB-	19,261	--	--	**19,261**	--	--	--	**--**
B+ / B / B-	1,443	--	--	**1,443**	23,614	--	--	**23,614**
CC / C / D	3,606	--	--	**3,606**	6,798	--	--	**6,798**
Total	**279,130**	**829,042**	**8,235**	**1,116,407**	**264,418**	**816,233**	**62**	**1,080,713**

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

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

Exposure to credit risk in financial assets

R$ thousand

Financial securities	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds	213,660,486	88,02	205,186,993	86,82
Corporate Bonds	16,249,741	6,69	15,926,957	6,74
Repurchase agreements[1]	10,924,853	4,50	13,625,851	5,77
Other	1,914,515	0,79	1,604,226	0,67
Total	**242,749,595**	**100,00**	**236,344,027**	**100,00**

(1) Repurchase agreements backed by Federal Government Bonds.

R$ thousand

Corporate Bonds– Rating[1]	Mar 31, 2018				Dec 31, 2017			
	Debentures	Financial bills	Other	Total	Debentures	Financial bills	Other	Total
AAA	1,454,697	1,933,726	142,065	**3,530,488**	1,162,365	1,903,384	202,744	**3,268,493**
AA+ / AA / AA-	1,947,607	9,372,366	466,292	**11,786,265**	1,663,235	9,608,117	352,139	**11,623,491**
A+ / A / A-	140,304	93,090	-	**233,394**	182,597	91,514	--	**274,111**
BBB+ / BBB / BBB-	294,917	-	-	**294,917**	172,052	--	--	**172,052**
BB+ / BB / BB-	160,507	-	-	**160,507**	341,658	--	--	**341,658**
B+ / B / B-	235,910	-	-	**235,910**	61,410	--	--	**61,410**
CCC+ / CCC / CCC-	-	-	-	**-**	171,387	--	--	**171,387**
CC / C / D	8,260	-	-	**8,260**	14,355	--	--	**14,355**
Total	**4,242,202**	**11,399,182**	**608,357**	**16,249,741**	**3,769,059**	**11,603,015**	**554,883**	**15,926,957**

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

d.5) BRASILDENTAL

At Brasildental, exposure to credit risk arises from the possibility of not receiving amounts from plan premiums or outdated 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.

R$ thousand

Financial securities	Mar 31, 2018		Dec 31, 2017	
	Amount	%	Amount	%
Federal Government Bonds[1]	25,702	77.36	18,207	77.01
Corporate Bonds	7,521	22.64	5,435	22.99
Total	**33,223**	**100.00**	**23,642**	**100.00**

(1) Includes repurchase agreements backed by Federal Government Bonds.

e) Market risk

e.1) GRUPO SEGURADOR BB E MAPFRE

At Grupo Segurador BB e Mapfre, market risk is calculated using stress testing scenario and Value at Risk (VaR). The VaR for 1 day is calculated by historical method of 150 days, with 95% confidence level.

R$ thousand

Company	Possibility of loss estimated by VaR model for 1 day			
	Mar 31, 2018	%	Dec 31, 2017	%
Companhia de Seguros Aliança do Brasil	3,712	0.07	4,243	0.08
Aliança do Brasil Seguros S.A.	192	0.06	219	0.07
Brasilveículos Companhia de Seguros	583	0.06	735	0.07
MAPFRE Vida S.A.	1,082	0.15	1,119	0.16
MAPFRE Seguros Gerais	9,589	0.37	9,819	0.39

Sensitivity analysis on interest rate

R$ thousand

Company	Risk factor	Sensitivity analysis	Impact on portfolio			
			Mar 31, 2018	%	Dec 31, 2017	%
BB MAPFRE SH1	Interest rate and inflation index coupons	100 bps increase	(159,564)	(2.41)	(170,300)	(2.60)
		100 bps reduction	166,673	2.51	178,023	2.72
MAPFRE BB SH2	Interest rate and inflation index coupons	100 bps increase	(120,977)	(3.51)	(125,140)	(3.22)
		100 bps reduction	131,105	3.81	135,509	3.49

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 observation window of 252 days.

R$ thousand

	Impact on portfolio(1)			
	Mar 31, 2018	%	Dec 31, 2017	%
Value at Risk (VaR)	2,633	0.05	3,310	0.07

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

Sensitivity analysis on foreign currency

The Company is mainly exposed to the U.S. dollar, although it also is exposed, in a lesser degree, to other foreign currencies, such as the pound sterling, euro and Argentine peso.

To analyze the sensitivity to fluctuations in the foreign exchange rate (R$/US$), the following scenarios were considered: a probable scenario for the end of fiscal year 2018, depreciation of 25% (Scenario I – exchange rate of R$/US$2.47) and depreciation of 50% (Scenario II – exchange rate of R$/US$1.65) in relation to the rate of the probable scenario envisaged by the Company. To determine the probable scenario, the Company adopted as reference the Market Expectations System of the Central Bank of Brazil for March 29, 2018, when the foreign exchange rate (R$/US$) projected for year-end 2018 was 3.29.

R$ thousand

	Mar 31, 2018	Scenarios for Dec 31,2018		
	Base value	Expected scenario	Scenario I	Scenario II
Total assets in foreign currency (1)	4,270,052	(43,423)	(1,100,080)	(2,156,737)
Total liabilities	(4,258,620)	43,306	1,097,135	2,150,963
Net exposure	**11,432**	**(117)**	**(2,945)**	**(5,774)**
Impact (%) on equity		**(0.00)**	**(0.09)**	**(0.17)**

(1) Comprise amounts of assets in foreign currency from investment funds in domestic currency.

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 29, 2018), the following scenarios were considered: a 100 bps elevation and decrease (absolute) at each vertex of the curve.

R$ thousand

Risk fator	Sensitivity analysis	Impact on portfolio			
		Mar 31, 2018	%	Dec 31, 2017	%
Interest rate and inflation coupons [1]	100 bps increase	(61,196)	(1.01)	(57,528)	(1.02)
	100 bps reduction	61,196	1.01	57,528	1.02

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

e.3) BRASILCAP CAPITALIZAÇÃO S.A.

R$ thousand

Risk factor	Portfolio's exposure to market risk factors			
	Mar 31, 2018	%	Dec 31, 2017	%
Pre-fixed interest rate	7,584,257	76.26	7,110,752	69.20
Derivatives for hedging (adjustments)	--	--	(489)	0.00
Post-fixed interest rate	1,178,513	11.85	1,989,524	19.36
IPCA coupons	1,182,173	11.89	1,175,600	11.44
Assets TR	23	0.00	62	0.00
Cash	303	0.00	288	0.00
Total	**9,945,269**	**100.00**	**10,275,737**	**100.00**

Hedge effects on market risk exposure

On December, 31, 2017, part of the assets exposed to pre-fixed interest rates was hedged against market changes through derivative securities transactions, which altered the portfolio's exposure to market risk factors. On March 31, 2018 the Company did not have exposures in derivative securities for hedge, as shown in the following table:

R$ thousand

Risk factor	Mar 31, 2018	%	Dec 31, 2017	%
Pre-fixed interest rate	7,584,257	76.26	7,110,752	69.20
Hedge effects on pre-fixed exposure	--	--	(458,202)	(4.46)
Total exposure to pre-fixed interest rate risk	**7,584,257**	**76.26**	**6,652,550**	**64.74**
Post-fixed interest rate	1,178,513	11.85	1,989,524	19.36
Hedge effects on post-fixed exposure	--	--	458,202	4.46
Total exposure to post-fixed interest rate risk	**1,178,513**	**11.85**	**2,447,726**	**23.82**

Sensitivity analysis

R$ thousand

Risk factor	Sensitivity analysis	Impact on Portfolio			
		Mar 31, 2018	%	Dec 31, 2017	%
Pre-fixed interest rate	100 bps increase	(123,358)	(1.20)	(97,474)	(0.94)
	100 bps reduction	127,270	1.24	100,316	0.97
IPCA coupons	100 bps increase	(20,464)	(0.20)	(22,257)	(0.22)
	100 bps reduction	21,201	0.21	23,079	0.22
Liabilities TR (premium bonds)	100 bps increase	118,942	1.16	128,111	1.24
	100 bps reduction	(122,436)	(1.20)	(131,944)	(1.28)

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.

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 takes into account only the securities classified as “fair value through income” and “available for sale” 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, 2018	%	Dec 31, 2017	%
Interest rate	100 bps increase	(417)	--	(6,026)	(0.05)
	100 bps reduction	417	--	6,026	0.05
Inflation coupon	100 bps increase	(31,201)	(0.27)	(28,668)	(0.25)
	100 bps reduction	31,201	0.27	28,668	0.25

e.5) BRASILDENTAL

The VaR for 1 day of the fixed-income mutual funds is calculated by historical simulation, with 95% confidence level and historical of 150 working days. On March 31, 2018, and on December 31, 2017, the calculated VaR did not represent any impact in the financial assets held by Brasildental.

f) Regulatory liquidity

For the companies regulated by Susep, CNSP Resolution 321/2015 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, must be more than 20% of Risk-based Capital (CR) obtained when, in the calculation of the market risk capital, the unrecorded flows of operations are not taken into account. For the companies regulated by Susep in which BB Seguridade holds interest, Risk-based Capital corresponds to Solvency Capital Requirement (CMR).

According to this regulation, the following assets are reducers for provision coverage: receivables, reinsurance and retrocession assets, legal deposits and deffered acquisition costs. On March 31, 2018, all companies regulated by Susep in which BB Seguridade holds interest, presented liquid assets in accordance with current applicable regulation.

g) Capital management and solvency

In capital management of the companies supervised by Susep, the main indicator used is the so-called CMR, representing the total capital that a company must maintain, at any time, to operate, and that aims to guarantee the risks inherent to their operations, according to CNSP Resolution 321/2015.

CMR is composed of portions relating to underwriting, credit, operational and market risks and the solvency capital requirement adequacy is measured using the Adjusted Net Equity (PLA) of the entity, which must be equal to or above the calculated CMR.

For Brasildental, ANS sets rules for establishment of technical provisions, Minimum Adjusted Equity (PMA) criteria and Solvency Margin criteria according to Normative Resolution 209/09.

As shown below, on March 31, 2018, all companies in which BB Seguridade holds interest presented capital and solvency adequacy, in accordance with applicable regulation.

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. Includes the balances of BB Corretora and BBCor (incorporated on 12.27.2016)

c) Financial Information by Reportable Segment

R$ thousand

	1st Quarter 2018				1st Quarter 2017			
	Insurance	Brokerage	Intersegment transactions	Total	Insurance	Brokerage	Intersegment transactions	Total
OPERATING INCOME	**1,372,196**	**697,279**	**(878,900)**	**1,190,575**	**1,591,975**	**691,803**	**(997,857)**	**1,285,921**
Equity income	1,372,196	--	(878,900)	493,296	1,591,975	--	(997,857)	594,118
Commissions income	--	697,279	--	697,279	--	691,803	--	691,803
COST OF SERVICES PROVIDED	--	(36,306)	--	(36,306)	--	(38,292)	--	(38,292)
GROSS PROFIT	**1,372,196**	**660,973**	**(878,900)**	**1,154,269**	**1,591,975**	**653,511**	**(997,857)**	**1,247,629**
OTHER INCOME AND EXPENSES	(11,639)	(91,503)	--	(103,142)	(19,622)	(89,781)	--	(109,403)
Personnel expenses	(6,028)	(7,465)	--	(13,493)	(7,464)	(5,083)	--	(12,547)
Administrative expenses	(1,567)	(1,557)	--	(3,124)	(7,562)	(1,123)	--	(8,685)
Tax expenses	(3,967)	(81,982)	--	(85,949)	(4,391)	(82,707)	--	(87,098)
Other	(77)	(499)	--	(576)	(205)	(868)	--	(1,073)
INCOME BEFORE FINANCIAL REVENUE AND EXPENSES	**1,360,557**	**569,470**	**(878,900)**	**1,051,127**	**1,572,353**	**563,730**	**(997,857)**	**1,138,226**
FINANCIAL RESULT	**24,515**	**22,205**	**--**	**46,720**	**18,553**	**49,013**	**--**	**67,566**
Financial revenue	46,922	26,218	(3,951)	69,189	60,761	65,995	(24,324)	102,432
Financial expenses	(22,407)	(4,013)	3,951	(22,469)	(42,208)	(16,982)	24,324	(34,866)
INCOME BEFORE TAXES AND EQUITIES	**1,385,072**	**591,675**	**(878,900)**	**1,097,847**	**1,590,906**	**612,743**	**(997,857)**	**1,205,792**
INCOME TAX AND SOCIAL CONTRIBUTION	(11,043)	(200,305)	--	(211,348)	(5,121)	(207,868)	--	(212,989)
NET INCOME FOR THE PERIOD	**1,374,029**	**391,370**	**(878,900)**	**886,499**	**1,585,784**	**404,876**	**(997,857)**	**992,803**

d) Balance sheet by segment

	Mar, 31.2018				Dec 31, 2017			
	Insurance	Brokerage	Intersegment transactions	Total	Insurance	Brokerage	Intersegment transactions	Total
Current assets	1,998,209	1,725,274	(3,885)	3,719,598	3,342,113	1,999,908	(347,236)	4,994,785
Non-current assets	15,781,664	618,312	(8,124,260)	8,275,716	15,665,777	608,770	(7,934,919)	8,339,628
Total assets	**17,779,873**	**2,343,586**	**(8,128,145)**	**11,995,314**	**19,007,890**	**2,608,678**	**(8,282,155)**	**13,334,413**
Current liabilities	25,312	1,007,958	(3,884)	1,029,386	1,948,243	1,676,728	(347,237)	3,277,734
Non-current liabilities	273,333	897,184	--	1,170,517	273,333	884,876	--	1,158,209
Equity	17,481,228	438,444	(8,124,261)	9,795,411	16,786,314	47,074	(7,934,918)	8,898,470
Total liabilities and equity	**17,779,873**	**2,343,586**	**(8,128,145)**	**11,995,314**	**19,007,890**	**2,608,678**	**(8,282,155)**	**13,334,413**

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 2018					
	Life, Mortgage and Rural	Property and Casualty	Reinsurance	Private Pension Plans	Capitalization Plans	Health
Insurance income						
Earned premiums	**1,844,181**	**2,087,412**	**1,171,493**	**--**	**--**	**--**
Retained premiums	1,710,243	2,238,433	1,191,282	--	--	--
Change in technical provisions	133,938	(151,021)	(19,789)	--	--	--
Income/expenses insurance	5,830	8,571	--	--	--	--
Retained claims	(655,173)	(1,388,435)	(316,286)	--	--	--
Costs acquisition	(534,538)	(440,131)	(29,322)	--	--	--
Result from reinsurance income	**(20,009)**	**(56,130)**	**(546,314)**	**--**	**--**	**--**
Reinsurance income	218,429	308,482	19,321	--	--	--
Reinsurance expenses	(238,438)	(364,612)	(565,635)	--	--	--
Private pension plans income	**--**	**--**	**--**	**51,890**	**--**	**--**
Retained contributions	--	--	--	7,631,889	--	--
Benefits provision	--	--	--	(7,579,999)	--	--
Change in technical provisions	--	--	--	(10,832)	--	--
Income from management fees	--	--	--	628,029	--	--
Benefits and redemption expenses	--	--	--	(2,353)	--	--
Retained benefits	--	--	--	(10,204)	--	--
Risk contributions	--	--	--	47,792	--	--
Selling expenses	--	--	--	(161,940)	--	--
Capitalization plans income						
Net securities capitalization	**--**	**--**	**--**	**--**	**161,170**	**--**
Fundraising with bonds	--	--	--	--	1,151,234	--
Change in provision for redemption	--	--	--	--	(990,064)	--
Change in technical provisions	--	--	--	--	(10,495)	--
Raffle results	--	--	--	--	(12,857)	--
Selling expenses	--	--	--	--	(97,004)	--
Health income						
Health dental plans income	--	--	--	--	--	15,667
Other operation income (expenses)						
Other operation income (expenses)	(55,927)	(87,641)	(6,309)	(13,211)	979	--
Administrative expenses	(95,474)	(225,628)	(54,708)	(96,225)	(18,738)	(7,637)
Taxes expenses	(57,046)	(38,589)	(29,985)	(48,649)	(7,409)	(1,457)
Result from interest income	**82,264**	**68,031**	**122,379**	**85,788**	**87,331**	**105**
Interest income	132,539	108,978	221,549	4,857,561	273,561	444
Interest expenses	(50,275)	(40,947)	(99,170)	(4,771,773)	(186,230)	(339)
Equity in earnings	**5**	**190**	**10,180**	**--**	**(26)**	**--**
Operating results	**514,113**	**(72,350)**	**321,128**	**470,085**	**102,951**	**6,678**
Non-current assets results	**(20)**	**62**	**--**	**(6)**	**--**	**--**
Income before taxes	**514,093**	**(72,288)**	**321,128**	**470,079**	**102,951**	**6,678**
Interest taxes	(177,291)	36,304	(69,027)	(203,453)	(46,194)	(2,330)
Results participation	(930)	(7,858)	--	(2,966)	(1,237)	--
Net income	**335,872**	**(43,842)**	**252,101**	**263,660**	**55,520**	**4,348**
Attributable to Group BB Seguridade	251,870	(21,921)	38,397	197,732	37,010	3,261
Other adjustements	(3,948)	(4,600)	119	--	(4,624)	--
Equity income	**247,922**	**(26,521)**	**38,516**	**197,732**	**32,386**	**3,261**
Attributable to other stockholders'	84,002	(21,921)	213,704	65,928	18,510	1,087
Total assets	**13,847,817**	**14,059,794**	**14,220,961**	**245,228,068**	**11,202,283**	**43,446**
Total liabilities	**11,172,308**	**10,704,444**	**10,884,111**	**242,496,502**	**10,836,823**	**25,927**
Total Equity	**2,675,509**	**3,355,350**	**3,336,850**	**2,731,566**	**365,460**	**17,519**
Attributable to Group BB Seguridade	2,006,364	1,677,675	508,230	2,048,538	243,616	13,139
Other adjustements	643,404	331,603	307	(22,831)	110,748	--
Book balance of investment	**2,649,768**	**2,009,278**	**508,537**	**2,025,707**	**354,364**	**13,139**

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**	**2,097,576**	**1,109,843**	**--**	**--**	**--**
Retained premiums	1,632,824	2,210,409	1,172,490	--	--	--
Change in technical provisions	247,384	(112,833)	(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)	(129,901)	(7,896)	(7,280)	(2,999)	--
Administrative expenses	(90,328)	(226,180)	(74,392)	(91,219)	(18,957)	(5,508)
Taxes expenses	(53,474)	(44,293)	(29,892)	(46,073)	(6,490)	(583)
Result from interest income	**160,395**	**81,351**	**174,725**	**107,101**	**172,628**	**324**
Interest income	208,368	134,423	919,301	6,557,830	389,264	445
Interest expenses	(47,973)	(53,072)	(744,576)	(6,450,729)	(216,636)	(121)
Equity in earnings	**10**	**12**	**7,806**	**--**	**49**	**--**
Operating results	**629,233**	**(21,367)**	**325,135**	**462,500**	**190,015**	**3,014**
Non-current assets results	**7**	**632**	**--**	**(2,199)**	**--**	**--**
Income before taxes	**629,240**	**(20,735)**	**325,135**	**460,301**	**190,015**	**3,014**
Interest taxes	(228,784)	20,236	(97,178)	(206,196)	(85,155)	(1,044)
Results participation	(3,593)	(3,637)	(4,999)	(5,719)	(1,222)	--
Net income	**396,863**	**(4,136)**	**222,958**	**248,386**	**103,638**	**1,970**
Attributable to Group BB Seguridade	**297,608**	**(2,068)**	**45,540**	**186,277**	**69,085**	**1,477**
Other adjustements	(3,989)	(217)	405	--	--	--
Equity income	**293,619**	**(2,285)**	**45,945**	**186,277**	**69,085**	**1,477**
Attributable to other stockholders'	99,255	(2,068)	177,418	62,109	34,553	493
Total assets	**13,356,765**	**13,360,142**	**13,775,680**	**212,271,057**	**11,623,290**	**23,023**
Total liabilities	**10,839,685**	**9,716,891**	**10,684,621**	**209,669,720**	**11,234,583**	**11,509**
Total Equity	**2,517,080**	**3,643,251**	**3,091,059**	**2,601,337**	**388,707**	**11,514**
Attributable to Group BB Seguridade	1,887,558	1,821,626	631,355	1,950,873	259,112	8,635
Other adjustements	659,316	332,473	217	(22,831)	110,749	--
Book balance of investment	**2,546,874**	**2,154,099**	**631,572**	**1,928,042**	**369,861**	**8,635**

7 – CASH AND CASH EQUIVALENTS

R$ thousand

	Parent		Consolidated	
	Dec 31, 2018	Dec 31, 2017	Dec 31, 2018	Dec 31, 2017
Cash	--	--	1	--
Short-term fund	1,297	1,402	11,097	10,784
Repurchase agreements[1]	1,581,864	2,428,198	2,310,903	3,633,395
Total	**1,583,161**	**2,429,600**	**2,322,001**	**3,644,179**

(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 .

As aplicações financeiras em fundos de curto prazo e operações compromissadas equivalentes de caixa estão categorizadas como ativos financeiros pelo valor justo por meio do resultado.

8 – FINANCIAL INSTRUMENTS

a) Financial Assets at Fair Value through Profit or Loss

R$ thousand

	Parent						
	Dec 31, 2017					Mar 31, 2018	
	Cost Value	Market Value/ Book Value	Applications	Redemptions	Profitability[2]	Cost Value	Market Value/Book Value
Long-term fund [1]	559	567	162	--	(157)	721	572
Total	**559**	**567**	**162**	**--**	**(157)**	**721**	**572**

R$ thousand

	Consolidated						
	Dec 31, 2017					Mar 31, 2018	
	Cost Value	Market Value/ Book Value	Applications	Redemptions	Profitability	Cost Value	Market Value/Book Value
Long-term fund [2]	333.408	412.304	162	--	6.556	333.570	419.022
Total	**333.408**	**412.304**	**162**	**--**	**6.556**	**333.570**	**419.022**

(1) R$ 572 thousand: refers to the "Brasil Aceleradora de Startups" fund whose policy provides for investments of at least 90% of its Shareholders'Equity in the acquisition of shares and debentures issued by Startups companies convertible into shares.

(2) Of the total of R$ 419,022 thousand, R$ 418,449 thousand refers to the investment fund "BB Renda Fixa Longo Prazo Corporativo 10 Milhões", whose investment policy provides for investments in investment funds with a portfolio composed, alone or cumulatively, of securities, public or Private, pre-fixed and / or post-fixed, repurchase operations, any and all financial assets and / or operating modalities available in the financial market, according to regulation. The fund must maintain 80% of the portfolio in federal government securities and / or assets with low credit risk related to the domestic interest rate, price indices or both. Strategies that imply foreign currency, variable income or leverage risk are not allowed.

b) Financial Assets Available Held to Amortized Costs

R$ thousand

	Counterparty rating	Consolidated			
		Mar 31, 2018		Dec 31, 2017	
		Cost Value	Updated cost / Book Value	Cost Value	Updated cost / Book Value
Short-Term Financial bills[1]	AA	415.000	482.172	415.000	474.365
Total		**415.000**	**482.172**	**415.000**	**474.365**

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

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

c) 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

	Parent				Consolidated			
	Mar 31, 2018		Dec 31, 2017		Mar 31, 2018		Dez 31, 2017	
	Level 1	Total	Level 1	Total	Level 1	Total	Level 1	Total
Long-term fund	572	572	567	567	419,022	419,022	412,304	412,304
Cash and cash equivalents	1,583,161	1,583,161	2,429,600	2,429,600	2,322,001	2,322,001	3,644,179	3,644,179
Total	**1,583,733**	**1,583,733**	**2,430,167**	**2,430,167**	**2,741,023**	**2,741,023**	**4,056,483**	**4,056,483**

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, 2018 to Mar 31, 2018				Carrying amount	Share of profit	Carrying amount	
			Dec 31, 2017	Dividends	Equity valuation adjustments	Other events	Share of profit	Mar 31, 2018	1st Quarter/2018	Mar 31, 2018	Dec 31, 2017
BB Seguros Participações S.A.	**4,210,872**	**7,685,816**	**7,887,845**	**(700,000)**	**10,441**	**--**	**487,530**	**7,685,816**	--	--	--
BB Mapfre SH1 Participações S.A. [2]	2,050,198	2,675,510	2,697,271	(302,403)	6,978	--	247,922	2,649,768	247,922	2,649,768	2,697,271
Mapfre BB SH2 Participações S.A. [3]	1,968,380	3,355,349	2,050,969	(17,760)	2,590	--	(26,521)	2,009,278	(26,521)	2,009,278	2,050,969
Brasilprev Seguros e Previdência S.A.	1,193,539	2,731,566	1,974,632	(146,984)	327	--	197,732	2,025,707	197,732	2,025,707	1,974,632
IRB-Brasil RE S.A. [4]	1,953,080	3,336,852	545,855	(76,380)	546	--	38,516	508,537	38,516	508,537	545,855
Brasilcap Capitalização S.A. [5]	231,264	365,460	352,293	(30,315)	-	--	32,386	354,364	32,386	354,364	352,293
Brasildental Operadora de Planos Odontológicos S.A.	9,500	17,519	12,341	(2,463)	--	--	3,261	13,139	3,261	13,139	12,341
BB Corretora de Seguros e Administradora de Bens S.A.	**36,211**	**438,444**	**47,074**	**--**	**--**	**--**	**391,370**	**438,444**	--	--	--
Total			**7,934,919**	**(700,000)**	**10,441**	**--**	**878,900**	**8,124,260**	**493,296**	**7,560,793**	**7,633,361**

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. [4]	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. [5]	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.	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**

(1) Stockholders' equity not adjusted by the percentage of equity interest held by the Group.
(2) This Includes in the value of the investment as of March 31, 2018 intangible assets in the net amount of amortizations of R$ 270.833 thousand and goodwill allocated in the amount of R$ 372.570 thousand. arising from the partnership agreement with Mapfre.
(3) This includes in the value of the investment as of March 31.2018 intangible assets in the net amount of amortizations of R$ 18.661 thousand and goodwill allocated in the amount of R$ 489.042 thousand resulting from the partnership agreement with Mapfre. in addition to the impairment of assets in value of R$ 176.100 thousand.
(4) This includes in the value of the investment at March 31, 2018 intangible assets in the net amount of amortizations of R$ 5.443 thousand.
(5) Includes the goodwill of the investment on December 31. 2017. the goodwill on the acquisition of the Sulacap stake in BB Seguros. held on july 22, 2011.

b) Other Information

Dividends/Interest on equity capital receivable and interest on equity received from investments were R$ 499,553 thousand as of March 31, 2018 (R$ 2,329,811 thousand as of December 31, 2017).

The shares of the investments mentioned above are not regularly traded on stock exchanges, except for the investment in IRB-Brasil RE S.A, due to the IPO (Note 2.b).

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, 2018 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.(1)	Acting in the reinsurance segment in the country and abroad.	15.23	15.23
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

(1) In 12.31.2016, participation was 20.43%, as a result of the public offering in 2017.

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 2018	Mapfre Vida S.A.	Cia, de Seguros Aliança do Brasil	BB Mapfre SH1(1)
Income	**245,488**	**1,464,755**	**1,710,243**
Interest income	4,349	22,265	26,614
Interest expense	(4,121)	(9,533)	(13,654)
Depreciation and amortization	(1,987)	(10,861)	(12,848)
Income tax and social contribution	(10,176)	(165,526)	(177,291)
Net income for the period	**12,236**	**320,534**	**335,872**
Other comprehensive income	1,549	7,757	18,612
Comprehensive income in the period	**13,785**	**328,291**	**354,484**
Net income attributable to BB Seguridade	**9,176**	**240,368**	**251,870**
Adjustments of the business combination	--	--	(3,948)
Equity income	**9,176**	**240,368**	**247,922**

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

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)	(228,784)
Net income for the period	**9,040**	**380,700**	**396,863**
Other comprehensive income	(1,384)	10,842	9,458
Comprehensive income in the period	**7,656**	**391,542**	**406,321**
Net income attributable to BB Seguridade	6,779	285,487	297,608
Adjustments of the business combination	--	--	(3,989)
Equity income	**6,779**	**285,487**	**293,619**

(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 2018	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2(1)
Income	**149,520**	**358,630**	**1,730,283**	**--**	**2,238,433**
Interest income	5,742	3,901	27,019	10	41,572
Interest expense	(70)	(4,078)	(4)	--	(4,152)
Depreciation and amortization	(3,036)	(5,680)	(16,703)	--	(25,419)
Income tax and social contribution	(5,251)	(9,020)	52,586	(102)	36,304
Net income for the period	**6,364**	**16,154**	**(65,182)**	**218**	**(43,842)**
Other comprehensive income	1	73	5,108	--	10,363
Comprehensive income in the period	**6,365**	**16,227**	**(60,074)**	**218**	**(33,479)**
Net income attributable to BB Seguridade	**3,182**	**8,077**	**(32,591)**	**109**	**(21,921)**
Adjustments of the business combination	--		--	--	(4,600)
Equity income	**3,182**	**8,077**	**(32,591)**	**109**	**(26,521)**

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

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)	20,236
Net income for the period	**(29,620)**	**15,916**	**11,782**	**336**	**(4,136)**
Other comprehensive income	118	211	(1,930)	--	(1,601)
Comprehensive income in the period	**(29,502)**	**16,127**	**9,852**	**336**	**(5,737)**
Net income attributable to BB Seguridade	**(14,810)**	**7,958**	**5,891**	**168**	**(2,068)**
Adjustments of the business combination	--	--	--	--	(217)
Equity income	**(14,810)**	**7,958**	**5,891**	**168**	**(2,285)**

(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 2018	1st quarter 2017
Income	**1,191,282**	**1,172,490**
Interest income	221,549	919,302
Interest expense	(99,170)	(744,576)
Depreciation and amortization	(10,999)	(7,091)
Income tax and social contribution	(69,027)	(97,178)
Net income for the period	**252,101**	**222,958**
Other comprehensive income	3,181	19,642
Comprehensive income in the period	**255,282**	**242,600**
Net income attributable to BB Seguridade	**38,397**	**45,540**
Other adjustments	119	405
Equity income	**38,516**	**45,945**

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

R$ thousand

Brasilcap Capitalização S.A.	1st quarter 2018	1st quarter 2017
Income	**1,151,233**	**934,000**
Interest income	273,560	389,264
Interest expense	(186,229)	(216,636)
Depreciation and amortization	(450)	(537)
Income tax and social contribution	(46,194)	(85,155)
Net income for the period	**55,520**	**103,638**
Other comprehensive income	--	--
Comprehensive income in the period	**55,520**	**103,638**
Net income attributable to BB Seguridade	**37,010**	**69,085**
Other adjustments	(4,624)	--
Equity income	**32,386**	**69,085**

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

R$ thousand

Brasilprev Seguros e Previdência S.A.	1st quarter 2018	1st quarter 2017
Income	**1,080,484**	**971,688**
Interest income	391,683	332,338
Interest expense	(27,094)	(25,222)
Depreciation and amortization	(1,750)	(1,407)
Income tax and social contribution	(203,453)	(206,196)
Net income for the period	**263,660**	**248,386**
Other comprehensive income	435	1,651
Comprehensive income in the period	**264,095**	**250,037**
Net income attributable to BB Seguridade	**197,732**	**186,277**
Other adjustments	--	--
Equity income	**197,732**	**186,277**

d.6) Health Segment

R$ thousand

Brasildental Operadora de Planos Odontológicos S.A.	1st quarter 2018	1st quarter 2017
Income	**14,663**	**8,781**
Interest income	444	445
Interest expense	(339)	(121)
Depreciation and amortization	(11)	(7)
Income tax and social contribution	(2,330)	(1,044)
Net income for the period	**4,348**	**1,970**
Other comprehensive income	--	--
Comprehensive income in the period	**4,348**	**1,970**
Net income attributable to BB Seguridade	**3,261**	**1,477**
Other adjustments	--	--
Equity income	**3,261**	**1,477**

d.7) Brokerage Segment

R$ thousand

BB Corretora de Seguros e Administradora de Bens	1st quarter 2018	1st quarter 2017
Income	**725,909**	**758,828**
Interest income	26,218	65,995
Interest expense	(4,013)	(16,982)
Depreciation and amortization	(109)	--
Income tax and social contribution	(200,305)	(207,868)
Net income for the period	**391,370**	**404,876**
Other comprehensive income	--	6
Comprehensive income in the period	**391,370**	**404,882**
Net income attributable to BB Seguridade	391,370	404,876
Other adjustments	--	--
Equity income	**391,370**	**404,876**

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, 2018	Mapfre Vida S.A.	Cia, de Seguros Aliança do Brasil	BB Mapfre SH1
Current assets	**940,420**	**6,292,085**	**7,669.932**
Cash and cash equivalents	890	6,522	7,414
Financial applications	726,121	3,162,960	4,323,027
Other assets	213,409	3,122,603	3,339,491
Non-current assets	**344,184**	**5,382,163**	**6,177,885**
Current liabilities	**569,868**	**5,662,893**	**6,234,333**
Financial liabilities	17,591	205,190	224,353
Technical provisions	489,871	3,936,424	4,426,295
Other liabilities	62,406	1,521,279	1,583,685
Non-current liabilities	**266,817**	**4,671,158**	**4,937,975**
Financial liabilities	1,761	15,371	17,132
Technical provisions	237,926	3,958,868	4,196,794
Other non-current liabilities	27,130	696,919	724,049
Adjusted net equity	**447.919**	**1,340,197**	**2,675,509**
Attributable to BB Seguridade	335,894	1,005,015	2,006,364
Adjustments of the business combination	--	--	643,404
Book balance of investment	**--**	**--**	**2,649,768**

R$ thousand

Dec 31, 2017	Mapfre Vida S.A.	Cia, de Seguros Aliança do Brasil	BB Mapfre SH1
Current assets	**913,825**	**6,852,242**	**8,051,227**
Cash and cash equivalents	2,055	31,702	33,757
Financial applications	731,870	3,864,131	4,853,538
Other assets	179,900	2,956,409	3,163,932
Non-current assets	**342,831**	**5,251,602**	**6,045,973**
Current liabilities	**544,019**	**5,948,208**	**6,494,176**
Financial liabilities	39,260	647,906	689,115
Technical provisions	441,682	3,956,438	4,398,120
Other liabilities	63,077	1,343,864	1,406,941
Non-current liabilities	**267,601**	**4,601,831**	**4,869,432**
Financial liabilities	493	9,024	9,517
Technical provisions	240,821	3,896,842	4,137,663
Other non-current liabilities	26,287	695,965	722,252
Adjusted net equity	**445,036**	**1,553,805**	**2,733,592**
Attributable to BB Seguridade	333,732	1,165,198	2,049,920
Adjustments of the business combination	--	--	647,351
Book balance of investment	**--**	**--**	**2,697,271**

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

R$ thousand

Mar 31, 2018	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2
Current assets	**625,825**	**1,610,001**	**7,712,560**	**7,135**	**10,055,358**
Cash and cash equivalents	9,298	674	18,197	1,692	29,864
Financial applications	206,709	753,398	2,047,647	--	3,104,417
Other assets	409,818	855,929	5,646,716	5,443	6,921,077
Non-current assets	**342,438**	**1,181,670**	**2,330,604**	**50**	**4,004,436**
Current liabilities	**588,232**	**1,392,356**	**6,562,372**	**1,133**	**8,546,530**
Financial liabilities	20,042	110,078	232,217	1,133	365,905
Technical provisions	435,992	1,179,473	5,189,773	--	6,805,238
Other liabilities	132,198	102,805	1,140,382	--	1,375,387
Non-current liabilities	**151,623**	**909,065**	**1,097,226**	**--**	**2,157,914**
Financial liabilities	--	23	5,912	--	5,935
Technical provisions	123,967	389,474	911,088	--	1,424,529
Other non-current liabilities	27,656	519,568	180,226	--	727,450
Adjusted net equity	**228,408**	**490,250**	**2,383,566**	**6,052**	**3,355,350**
Attributable to BB Seguridade	114,204	245,125	1,191,783	3,026	1,677,675
Adjustments of the business combination	--	--	--	--	331,603
Book balance of investment	**--**	**--**	**--**	**--**	**2,009,278**

R$ thousand

Dec 31, 2017	Aliança do Brasil Seguros	Brasilveículos	Mapfre Seguros Gerais	Mapfre Assistência	Mapfre BB SH2
Current assets	**577,348**	**1,629,850**	**6,996,995**	**12,955**	**9,326,989**
Cash and cash equivalents	414	287	17,461	42	18,205
Financial applications	218,723	756,835	1,977,385	--	3,049,649
Other assets	358,211	872,728	5,002,149	12,913	6,259,135
Non-current assets	**338,975**	**1,179,249**	**2,382,032**	**45**	**4,050,193**
Current liabilities	**530,796**	**1,412,418**	**5,924,548**	**7,166**	**7,876,193**
Financial liabilities	30,651	135,861	327,567	7,166	502,510
Technical provisions	405,901	1,167,667	4,805,877	--	6,379,445
Other liabilities	94,244	108,890	791,104	--	994,238
Non-current liabilities	**152,883**	**901,890**	**1,010,840**	**--**	**2,065,613**
Financial liabilities	--	--	1,733	--	1,733
Technical provisions	125,629	387,244	832,489	--	1,345,362
Other non-current liabilities	27,254	514,646	176,618	--	718,518
Adjusted net equity	**232,644**	**494,791**	**2,443,639**	**5,834**	**3,435,376**
Attributable to BB Seguridade	116,322	247,396	1,221,820	2,917	1,717,688
Adjustments of the business combination	--	--	--	--	333,281
Book balance of investment	**--**	**--**	**--**	**--**	**2,050,969**

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

R$ thousand

IRB Brasil RE S.A.	Mar 31, 2018	Dec 31, 2017
Current assets	**8,141,487**	**8,295,127**
Cash and cash equivalents	26,934	20,591
Financial applications	1,735,060	1,503,043
Other assets	6,379,493	6,771,493
Non-current assets	**6,079,474**	**6,135,689**
Current liabilities	**9,972,259**	**9,853,625**
Financial liabilities	1,998,659	1,480,984
Technical provisions	7,973,600	8,211,545
Other liabilities	--	161,096
Non-current liabilities	**911,852**	**994,518**
Financial liabilities	427,928	994,518
Technical provisions	483,924	--
Other non-current liabilities	--	--
Adjusted net equity	**3,336,850**	**3,582,673**
Attributable to BB Seguridade	508,230	545,671
Other adjustments	307	184
Book balance of investment	**508,537**	**545,855**

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

R$ thousand

Brasilcap Capitalização	Mar 31, 2018	Dec 31, 2017
Current assets	**5,731,722**	**6,959,487**
Cash and cash equivalents	13	35
Financial applications	5,712,135	6,935,890
Other assets	19,574	23,562
Non-current assets	**5,470,561**	**4,521,355**
Current liabilities	**9,814,659**	**10,126,923**
Financial liabilities	72,230	--
Technical provisions	9,742,429	9,952,200
Other liabilities	--	174,723
Non-current liabilities	**1,022,164**	**991,567**
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	1,022,164	991,567
Adjusted net equity	**365,460**	**362,352**
Attributable to BB Seguridade	243,616	241,545
Other adjustments	110,748	110,748
Book balance of investment	**354,364**	**352,293**

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

R$ thousand

Brasilprev Seguros e Previdência S.A.	Mar 31, 2018	Dec 31, 2017
Current assets	**232,899,269**	**226,610,394**
Cash and cash equivalents	4,084	177
Financial applications	232,242,422	225,886,565
Other assets	652,763	723,652
Non-current assets	**12,328,799**	**12,151,938**
Current liabilities	**31,035,834**	**30,390,089**
Financial liabilities	412,902	615,007
Technical provisions	30,519,997	29,671,428
Other liabilities	102,935	103,654
Non-current liabilities	**211,460,668**	**205,708,782**
Financial liabilities	--	--
Technical provisions	210,548,884	204,848,496
Other non-current liabilities	911,784	860,286
Adjusted net equity	**2,731,566**	**2,663,461**
Attributable to BB Seguridade	2,048,538	1,997,463
Other adjustments	(22,831)	(22,831)
Book balance of investment	**2,025,707**	**1,974,632**

e.6) Health Segment

R$ thousand

Brasildental Operadora de Planos Odontológicos S.A.	Mar 31, 2018	Dec 31, 2017
Current assets	**42,788**	**36,122**
Cash and cash equivalents	1,672	1,881
Financial applications	33,224	23,643
Other assets	7,892	10,598
Non-current assets	**658**	**459**
Current liabilities	**25,304**	**19,724**
Financial liabilities	--	--
Technical provisions	13,734	13,135
Other liabilities	11,570	6,589
Non-current liabilities	**623**	**402**
Financial liabilities	--	--
Technical provisions	--	--
Other non-current liabilities	623	402
Adjusted net equity	**17,519**	**16,455**
Attributable to BB Seguridade	13,139	12,341
Other adjustments	--	--
Book balance of investment	**13,139**	**12,341**

e.7) Brokerage Segment

R$ thousand

BB Corretora de Seguros e Adm. de Bens	Mar 31, 2018	Dec 31, 2017
Current assets	**1,725,274**	**2,000,020**
Cash and cash equivalents	483,126	743,746
Commissions receivable	684,760	734,490
Other current assets	557,388	521,784
Non-current assets	**618,312**	**608,658**
Financial applications	418,449	411,737
Other non-current assets	199,862	196,921
Current liabilities	**1,007,958**	**1,676,729**
Financial liabilities	--	--
Dividends payable	--	341,547
Unearned commissions	729,063	771,596
Other liabilities	278,896	563,585
Non-current liabilities	**897,184**	**884,876**
Financial liabilities	--	--
Unearned commissions	897,184	884,876
Adjusted net equity	**438,444**	**47,074**
Book balance of investment	**438,444**	**47,074**

10 – DIVIDENDS / INTEREST ON EQUITY CAPITAL RECEIVABLE

R$ thousand

	Parent(1)		Consolidated(2)	
	Mar 31, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
Dividends receivable	--	341,547	69,671	2,922
Interest on equity capital receivable	--	--	18,458	9,287
Total	**--**	**341,547**	**88,129**	**12,209**

(1) On Dec 31, 2017, R$ 341,547 thousand refers to dividends receivable from BB Corretora de Seguros e Administradora de Bens S.A.

(2) On Mar 31, 2018, R$ 67,209 thousand refers to dividends receivable from IRB Brasil Re S.A., R$ 2,462 thousand refers to dividends receivable from Brasildental Operadora de Planos Odontológicos S.A. and R$ 18,548 thousand refers to interest on equity capital receivable from IRB Brasil Re S.A. On Dec 31, 2017, R$ 9,287 thousand refers to interest on equity capital receivable from IRB Brasil Re S.A. and R$ 2,922 thousand refers to dividends receivable from Mapfre BB SH2 Participações S.A.

11 – TAXES

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

R$ thousand

	Parent		Consolidated	
	1st Quarter/2018	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Current values	**(3,987)**	**--**	**(212,121)**	**(213,844)**
Domestic income tax and social contribution	(3,987)	--	(212,121)	(213,844)
Deferred values				
Deferred tax assets	**--**	**--**	**773**	**855**
Temporary differences	--	--	773	855
Total	**(3,987)**	**--**	**(211,348)**	**(212,989)**

b) Reconciliation of Income Tax and Social Contribution Expenses

R$ thousand

	Parent		Consolidated	
	1st Quarter/2018	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Profit before tax and profit sharing	**890,487**	**992,803**	**1,097,847**	**1,205,792**
Total charges of IR (25%) and CSLL (9%)	(302,765)	(337,553)	(373,268)	(409,969)
Effect on the tax calculation:				
Equity in earnings of subsidiaries and associates - nontaxable	298,826	339,271	167,721	202,000
Other amounts – net non-deductible expenses of nontaxable income	(48)	(1,719)	(5,801)	(5,020)
Income tax and social contribution	**(3,987)**	**--**	**(211,348)**	**(212,989)**

c) Tax Expenses

R$ thousand

	Parent		Consolidated	
	1st Quarter/2018	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Cofins	(1,582)	(1,739)	(57,360)	(58,555)
ISS	--	--	(12,293)	(15,339)
PIS/Pasep	(256)	(280)	(16,214)	(14,436)
IOF	--	(448)	(17)	(728)
Other	(13)	(11)	(64)	(40)
Total	**(1,851)**	**(2,478)**	**(85,949)**	**(87,098)**

d) Deferred Tax Assets

R$ thousand

	Parent			
	Mar 31, 2018	Addition	Derecognition	Dec 31, 2017
Temporary differences	**26,799**	**--**	**(1,198)**	**27,997**
Tax losses/negative bases	26,799	--	(1,198)	27,997
Total deferred tax assets	**26,799**	**--**	**(1,198)**	**27,997**
Income tax	19,705	--	(881)	20,586
Social contribution	7,094	--	(317)	7,411

R$ thousand

	Consolidated			
	Mar 31, 2018	Addition	Derecognition	Dec 31, 2017
Temporary differences	**96,890**	**1,533**	**(1,958)**	**97,315**
Impairment	59,875	--	--	59,872
Amortization of goodwill	3,053	--	--	3,053
Liabilities provision	7,163	1,533	(760)	6,390
Tax losses/negative bases	26,799	--	(1,198)	27,997
Total deferred tax assets	**96,890**	**1,533**	**(1,958)**	**97,315**
Income tax	72,050	1,127	(1,440)	72,363
Social contribution	24,840	406	(518)	24,952

e) Realization Expectative

R$ thousand

	Parent		Consolidated	
	Non Value	Present Value	Non Value	Present Value
In 2018	--	--	--	--
In 2019	9,175	8,112	9,460	8,260
In 2020	7,453	6,084	21,802	17,584
In 2021	8,084	6,084	19,258	14,334
In 2022	3,285	2,335	14,851	10,288
In 2023	--	--	11,169	7,125
In 2024	--	--	9,473	5,590
In 2025	--	--	9,278	5,075
In 2026	--	--	2,024	1,042
Total	**27,997**	**22,615**	**97,315**	**69,298**

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, 2017 and is calculated based on the present value average selic rate.

During the first quarter of 2018, noticed obtaining of tax credits in the amount of R$ 1,958 thousand, overcoming the respective projection for using in the period.

f) Deferred Tax Liabilities

R$ thousand

	Consolidated	
	Mar 31, 2018	Dec 31, 2017
Deferred tax liabilities		
From partnership with MAPFRE	262,882	262,882
Arising from amortization of Brasilcap's goodwill	7,502	7,502
Bargain purchase	1,887	1,887
Other timing differences	1,062	1,062
Total	**273,333**	**273,333**

There is no balance of deferred tax liabilities in the Controller.

12 – COMMISSIONS RECEIVABLE

R$ thousand

	Consolidated	
	Mar 31, 2018	Dec 31, 2017
BB Mapfre SH1	588,780	636,239
Mapfre BB SH2	90,228	89,300
Brasilprev	5,074	7,082
Others	678	1,869
Total	**684,760**	**734,490**

There are no amount of comissions receivable in parent.
Comissions Receivables are classified as financial assets at amortized cost, as described in Note 4.

13 – OTHER ASSETS

R$ thousand

	Parent		Consolidated	
	Mar 31, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
Judicial deposits	--	9	193,256	191,092
Receivables from related companies	3,885	5,690	--	--
Other	30	65	174	183
Total	**3,915**	**5,764**	**193,430**	**191,275**

14 – DIVIDENDS PAYABLE

R$ thousand

	Parent		Consolidated	
	Mar 31, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
Dividends payable (1)	769	1,890,775	769	1,890,775

(1) On Mar 31, 2018, the amount of R$ 769 thousand refers to unpaid dividends of previous years (R$ 652 thousand on Dec 31, 2017).

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.

Labor Lawsuits

The contingencies arise from actions in which the alleged labor rights related to business insurance distributed by BB Corretora are discussed.

a) Provision

In accordance with CPC 25 (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)	
	1 st quarter/2018	1 st quarter/2017
Tax lawsuits		
Initial balance	**881**	**73**
Addition	15	3
Reversal of the provision	--	--
Derecognition of provisions	--	--
Closing balance	**896**	**76**
Civil lawsuits		
Initial balance	**17,721**	**13,806**
Addition	1,215	1,915
Reversal of the provision	(1,268)	(744)
Derecognition of provisions	(772)	(238)
Closing balance	**16,896**	**14,739**
Labor lawsuits		
Initial balance	**193**	**173**
Addition	2	5
Reversal of the provision	(195)	--
Derecognition of provisions	--	--
Closing balance	**--**	**178**
Total	**17,792**	**14,993**

(1) Related, mainly, to contingents recorded in BB Corretora.
(2) On December 31, 2018 and December 31, 2017 there are no provisions for civil, tax and labor lawsuits classified as probable in Parent.

Expected outflows of economic benefits

R$ thousand

	Labor lawsuits	Tax lawsuits	Civil lawsuits	Total
Up to 5 years	--	481	13,760	14,241
More than 5 years and up to 10 years	--	313	3,063	3,376
Over 10 years	--	102	73	175
Total	**--**	**896**	**16,896**	**17,792**

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 CPC 25 (IAS 37),

Balances of contingent liabilities classified as possible

R$ thousand

	Consolidated	
	Dec 31, 2018	Dec 31, 2017
Labor lawsuits	42	41
Tax lawsuits(1)	175,698	172,996
Civil lawsuits	4,772	4,282
Total	**180,512**	**177,319**

(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.

There is no contingent liabilities classified as possible in the parent.

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, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
Labor lawsuits	--	--	9	9
Tax lawsuits [1]	--	--	188,259	186,533
Civil lawsuits	--	9	4,988	4,550
Total	**--**	**9**	**193,256**	**191,092**

(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$ 140,781 thousand (R$ 139,468 thousand as of December 31, 2017), related to BB Corretora, updated by SELIC index.

16 – UNEARNED COMMISSIONS

R$ thousand

	Consolidated	
	Mar 31, 2018	Dec 31, 2017
BB Mapfre SH1	1,448,596	1,479,152
Mapfre BB SH2	177,651	177,320
Total	**1,626,247**	**1,656,472**

There are no amount of unearned commissions in parent.

17 – OTHER LIABILITIES

R$ thousand

	Parent		Consolidated	
	Mar 31, 2018	Dec 31, 2017	Mar 31, 2018	Dec 31, 2017
Amounts payable to related companies	4,933	5,085	34,427	30,965
Annual variable remuneration program of the Executive Board	2,288	3,367	2,288	3,367
Other	570	1,106	3,554	4,037
Total	**7,791**	**9,558**	**40,269**	**38,369**

(1) On Dec 31, 2017, the amount of R$ 1,106 thousand (other) refers to amounts payable from the software purchase agreement (Enterprise Resource Planning – ERP).

18 – EQUITY

a) Capital

The capital of the Group BB Seguridade amounted to R$ 5,646,767 thousand as of Mar 31, 2018 and Dec 31, 2017 and it is divided into 2,000,000,000 (two billion) shares as of Mar 31, 2018 and Dec 31, 2017. The shareholders' equity amounted R$ 9,795,411 thousand (R$ 8,898,470 thousand as of Dec 31, 2017), corresponding a book value per share of R$ 4.90 (R$ 4.45 per share as of Dec 31, 2017).

b) Capital and Profit Reserves

R$ thousand

	Parent and Consolidated	
	Mar 31, 2018	Dec 31, 2017
Capital Reserves	1,375	1,277
Profit Reserves	3,337,198	3,337,198
Legal Reserve	910,048	910,048
Statutory reserve	2,427,150	2,427,150

c) Earnings per Share

	Parent and Consolidated	
	1st Quarter/2018	1st Quarter/2017
Net income attributable to shareholders of the Bank (R$ thousand)	886,499	992,803
Weighted average of ordinary and dilutive potencial ordinary shares outstanding	1,996,600,005	1,996,607,444
Earnings per share – basic and diluted (R$)	0.44	0.50

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

In April 2017, the BB Seguridade dividend policy was published, with a valid period until April 2018.

The dividends declared in the 2nd half of 2017 were paid March, 2018 restated by the Selic rate.

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) Shareholdings (number of shares)

	Mar 31, 2018		Dec 31, 2017	
Stockholders	**Shares**	**% Total**	**Shares**	**% Total**
Banco do Brasil	1,325,000,000	66.25	1,325,000,000	66.25
Other stockholders	671,592,754	33.58	671,596,485	33.58
Treasury shares	3,407,246	0.17	3,403,515	0.17
Total	**2,000,000,000**	**100.00**	**2,000,000,000**	**100.00**
Locals	1,455,871,409	72.79	1,466,386,643	73.32
Foreign	544,128,591	27.21	533,613,357	26.68

g) Treasury shares

g.1) Share-Based Payment – 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.

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.

We present the statement of acquired shares, its distribution and its transfer schedule:

	Total Program Shares	Minimum cost	Averege cost	Maximum cost	Shares Distributed	Shares to Distribute	Estimated Schedule Transfers
2013 Program	11,600	28.64	28.65	28.65	11,600	--	March 2018
Total shares to be distributed						--	
2014 Program	19,500	32.74	32.81	32.85	15,613	3,887	March 2019
Total shares to be distributed						**3,887**	
2015 Program	21,476	28.50	28.50	28.50	12,890	4,293	March 2019
						4,293	March 2020
Total shares to be distributed						**8,586**	
2016 Program	25,703	28.59	28.70	28.99	10,289	5,138	March 2019
						5,138	March 2020
						5,138	March 2021
Total shares to be distributed						**15,414**	
2017 Program	19,359	28.92	29.02	29.15	--	3,819	April 2018
						3,885	March 2019
						3,885	March 2020
						3,885	March 2021
						3,885	March 2022
Total shares to be distributed						**19,359**	

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. This program was concluded on October 26, 2017 and there was no acquisition of shares by said Program.

On October 26, 2017, 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, 2018, there was no acquisition of shares by said Program.

g.3) Number of Treasury Shares

Descrição	Mar 31, 2018	Dec 31, 2017
Variable Wage Program	47,246	43,515
Repurcharse Program	3,360,000	3,360,000
Total	**3,407,246**	**3,403,515**

The market value of treasury shares, calculated based on the closing price of March 29, 2018, is R$ 99,730 thousand.

19 – FINANCIAL RESULT

R$ Thousand

	Parent		Consolidated	
	1st Quarter/2018	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Financial Income	**39,820**	**44,692**	**69,189**	**102,432**
Financial investments	35,030	19,020	66,552	86,251
Monetary adjustment of judicial deposits	--	--	1,797	3,394
Monetary adjustment of taxes	831	1,348	831	12,783
Monetary adjustment of dividends	3,951	24,324	--	--
Other financial income	8	--	9	4
Financial Expenses	**(22,404)**	**(34,811)**	**(22,469)**	**(34,866)**
Monetary adjustment of dividends	(21,865)	(34,489)	(21,865)	(34,489)
Financial system services	(382)	(322)	(440)	(368)
Financial investments	(157)	--	(157)	--
Other financial expenses	--	--	(7)	(9)
Financial Result	**17,416**	**9,881**	**46,720**	**67,566**

20 – PERSONNEL EXPENSES

R$ thousand

	Parent		Consolidated	
	1st Quarter/2018[1]	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Salaries	(1,580)	(2,123)	(7,573)	(6,963)
Social security costs	(829)	(1,297)	(3,890)	(3,724)
Fees	(335)	(879)	(933)	(969)
Benefits	(246)	(719)	(966)	(782)
Training	(30)	(50)	(131)	(109)
Total	**(3,020)**	**(5,068)**	**(13,493)**	**(12,547)**

(1) The variation observed was mainly due to the implementation of the allocation and expense reimbursement model between BB Seguridade, BB Seguros and BB Corretora, which took place in May 2016, and the revisions implemented in May and November 2017 , resulting in decrease in the administrative expenses of BB Seguridade due to its allocation to BB Seguros and BB Corretora, which started to bear the expenses related to their respective consumption of the structure.

21 – ADMINISTRATIVE COSTS AND EXPENSES

a) Costs of provided services

R$ thousand

	Consolidated	
	1st Quarter/2018	1st Quarter/2017
Operational support cost	(18,320)	(19,778)
Administrative cost of products	(12,497)	(11,108)
Cost of data processing	(5,489)	(7,406)
Total	**(36,306)**	**(38,292)**

There are no service costs provided in Parent.

b) Administrative expenses various

R$ thousand

	Parent		Consolidated	
	1st Quarter/2018[1]	1st Quarter/2017	1st Quarter/2018	1st Quarter/2017
Rent expenses and Condominium fee	(211)	(853)	(1,019)	(1,242)
Donation and sponsorship expenses	(11)	(18)	(469)	(818)
Specialized technical services	(130)	(5,641)	(379)	(5,752)
Data processing	(77)	(5)	(364)	(5)
Travel service	(124)	(269)	(333)	(269)
Communication expenses	(159)	(365)	(192)	(365)
Promotions and public relations	(87)	(28)	(87)	(28)
Out sourced services	(24)	(59)	(46)	(60)
Publications	--	(2)	(3)	(2)
Other	(95)	(75)	(232)	(144)
Total	**(918)**	**(7,315)**	**(3,124)**	**(8,685)**

(2) The variation observed was mainly due to the implementation of the allocation and expense reimbursement model between BB Seguridade, BB Seguros and BB Corretora, which took place in May 2016, and the revisions implemented in May and November 2017 , resulting in decrease in the administrative expenses of BB Seguridade due to its allocation to BB Seguros and BB Corretora, which started to bear the expenses related to their respective consumption of the structure.

22 – OTHER INCOME/EXPENSE

R$ thousand

	Parent		Consolidated	
	1st Quarter 2018	1st Quarter 2017	1st Quarter 2018	1st Quarter 2017
Depreciation expense	(47)	(56)	(196)	(56)
(Addition)/Reversal of provisions for labor, tax and civil lawsuits	--	--	1,003	(941)
Other[1]	6	(18)	(1,383)	(76)
Total	**(41)**	**(74)**	**(576)**	**(1,073)**

(2) In the first quarter of 2018 - Consolidated, R$ 247 thousand refers to income the tax benefit of BB Corretora as a result of joining the Programa Especial de Regularização Tributária (PERT) - Lei 13.496/2017 e Instrução Normativa RFB 1,711/2017 and R$ 1,638 thousand refers to the expense of provision of brokerages to be returned.

23 – COMMISSIONS INCOME

R$ thousand

	Consolidated	
	1st quarter/2018	1st quarter/2017
BB Mapfre SH1	469,705	426,078
Brasilprev	90,337	151,914
Mapfre BB SH2	67,318	72,318
Brasilcap	67,754	40,026
Other companies	2,166	1,467
Total	**697,279**	**691,803**

There are no amount of commissions income in parent.

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/2018	1st Quarter/2017
Short-term benefits	1,875	**1,614**
Fees and social charges	1,434	1,165
Executive Board	1,185	892
Audit Committee	109	144
Board of Directors	73	64
Fiscal Council	67	65
Variable Remuneration	344	369
Other(1)	97	80
Variable Wage Program(2)	**669**	**594**
Total	**2,544**	**2,208**

(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/2018 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, 2018		Dec 31, 2017	
	Controller[1]	Subsidiaries[2]	Controller[1]	Subsidiaries[2]
Assets				
Cash and cash equivalents	1,583,161	--	2,429,600	--
Dividends/interest on equity receivable	--	--	--	341,547
Receive with related parties	--	3,885	--	5,690
Liabilities				
Dividends payable	--	--	1,252,638	--
Obligations with related parties	4,933	--	5,087	--

R$ thousand

	1st Quarter/2018		1st Quarter/2017	
	Controller[1]	Subsidiaries[2]	Controller[1]	Subsidiaries[2]
Income				
Interest earnings of financial instruments	35,030	--	19,020	--
Personnel expenses	(3,020)	--	(5,068)	--
Administrative expenses [4]	(394)	--	(1,209)	--
Monetary assets changes	--	3,951	--	24,324
Monetary liabilities changes	(14,485)	--	(22,850)	--

BB Seguridade – Consolidated

R$ thousand

	Mar 31, 2018		Dec 31, 2017	
	Controller [1]	Jointly controlled[3]	Controller [1]	Jointly controlled[3]
Assets				
Cash and cash equivalents	2,322,001	--	3,644,179	--
Financial assets held to maturity	115,899	--	114,049	--
Financial assets at fair value through profit or loss	419,022	--	412,304	--
Dividends/interest on equity receivable	--	88,129	--	12,209
Commissions to be received	--	684,760	--	734,490
Liabilities				
Dividends payable	--	--	1,252,638	--
Obligations with related parties	19,071	15,323	17,254	13,678
Unearned Commissions	--	1,626,247	--	1,656,472

R$ thousand

	1st Quarter/2018		1st Quarter/2017	
	Controller [1]	Jointly controlled[3]	Controller [1]	Jointly controlled[3]
Income				
Interest earnings of financial instruments	66,552	--	89,130	--
Income from commission	--	697,279	--	691,803
Personnel expenses	(13,493)	--	(12,547)	--
Administrative expenses/costs of services provided [4]	(38,631)	--	(40,036)	--
Monetary liabilities changes	(14.485)	--	(22.850)	--

(1) Banco do Brasil S.A.

BANCO DO BRASIL
Seguridade

(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 April 15, 2016, 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 and Consolidated					
	Dec 31, 2017	1st quarter 2018		Mar 31,2018		
	Book value	Acquisitions	Amortization	Cost value	Accumulated amortization	Book value
Software – ERP (1) (2)	5,545	358	(147)	5,903	(147)	5,756

(1) In January 2018, the amortization of Enterprise Resource Planning (ERP) began, according to CPC 04 (IAS 38) - Intangible Assets.
(2) The amortization period of intangible assets with a defined useful life is 10 years and amortization is calculated at the annual rate of 10% and recognized to the income statement on a straight-line method.

a.1) Estimate for amortization

R$ thousand

	2018	2019	2020	2021	After 2021	Total
Amounts to be amortized	590	590	590	590	3,543	5,903

b) Remuneration of employees and managers

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

	Mar, 31 2018	Dec, 31 2017
Lowest salary	6,637.03	6,637.03
Highest salary	34,631.32	34,631.32
Average salary	18,579.13	18,579.13
Management		
Director-President	61,564.83	61,564.83
Director	52,177.45	52,177.45
Council members		
Board of Directors	5,452.43	5,452.43
Fiscal Council	5,452.43	5,452.43
Audit Committee - Member	9,868.90	9,868.90

BB Seguridade Participações S.A.

Interim Financial Information
March 31, 2018

(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)

KPMG Auditores Independentes
SBS - Qd. 02 - Bl. Q - Lote 03 - Salas 708 a 711
Edifício João Carlos Saad
70070-120 - Brasília/DF - Brasil
Caixa Postal 8587 - CEP 70312-970 - Brasília/DF - Brasil
Telefone +55 (61) 2104-2400, Fax +55 (61) 2104-2406
www.kpmg.com.br

Report on the review of the 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 sheets of BB Seguridade e Participações S.A. ("Company") as of March 31, 2018, and the respective statement of income and comprehensive income, changes in equity and cash flows for the quarter then ended, including 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 international 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, nothing has come to our attention that causes us to believe that the accompanying individual interim financial 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.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial 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

Statement of Value Added

The individual and consolidated interim statement of value added (“DVA”), for the quarter then ended March 31, 2018, prepared under the responsibility of the Company's Management, whose presentation is required by Brazilian legislation for Publicly-held Companies, and presented herein supplementary information for purposes of the IAS 34, have been subjected to review procedures jointly performed with the review of BB Seguridade financial statements. In order to form our conclusion, we assessed whether those statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Value Added. 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 4, 2018

KPMG Auditores Independentes
CRC SP-014428/O-6 F-DF
Original report in Portuguese signed by
Fernando Antonio Rodrigues Alfredo
Accountant CRC 1SP252419/O-0

Declaration of the Members of the Executive Board about the Financial Statements

In accordance with article 25 of CVM Rule 480, dated December 07, 2009, we declared that we have reviewed the Financial Statements for the period ended in March 31, 2018 of the BB Seguridade Participações S.A. and, based on subsequent discussions, I agree that such statements reflect fairly, in all material respects, the financial position for the period presented.

Brasília (DF), May 04, 2018.

José Maurício Pereira Coelho
Chief Executive Officer

Antonio Rugero Guibo
Chief Risk Officer

Sérgio Augusto Kurovski
Chief Product Officer

Werner Romera Suffert
Chief Financial Officer

Statement of the Members of the Executive Board on the Report of the Independent Auditors

In accordance with Article 25 of CVM Rule No. 480, dated 12.07.2009, I declare that based on our knowledge, the planning submitted by the auditors and the subsequent discussions on the audit results, I agree with the opinions expressed in the KPMG Independent Auditors' report, dated 05.04.2018, related to the financial statements of BB Seguridade Participações S.A. for the fiscal year ended 03.31.2018 there being no disagreement.

Brasília (DF), May 04, 2018.

José Maurício Pereira Coelho
Chief Executive Officer

Antonio Rugero Guibo
Chief Risk Officer

Sérgio Augusto Kurovski
Chief Product Officer

Werner Romera Suffert
Chief Financial Officer

BB SEGURIDADE PARTICIPAÇÕES S.A.

MEMBERS OF THE MANAGEMENT BODIES

DIRECTOR-PRESIDENT

José Maurício Pereira Coelho

DIRECTORS

Antonio Rugero Guibo

Sérgio Augusto Kurovski

Werner Romera Süffert

BOARD OF DIRECTORS

Marcelo Augusto Dutra Labuto (President)

Carlos Hamilton Vasconcelos Araújo (Vice-President)

Isabel da Silva Ramos

José Maurício Pereira Coelho

Nerylson Lima da Silva

Arnaldo José Vollet

Adalberto Santos de Vasconcelos

FISCAL COUNCIL

Rafael Rezende Brigolini

Lucinéia Possar

Giorgio Bampi

AUDIT COMMITTEE

Luiz Claudio Moraes

Artemio Bertholini

Arnaldo José Vollet

Alexandre Magalhães da Silveira

ACCOUNTANT

Pedro Kiefer Braga

CRC-DF 020.786/O-0

CPF 027.782.029-43