

MATERIAL FACT

Pursuant to Paragraph 4 of Article 157 of Federal Law 6,404, dated December 15th, 1976, and according to CVM (Brazilian Securities and Exchange Commission) Rule 358 ("CVM 358"), dated January 3rd, 2002, and in addition to the Material Fact released on February 6th, BB Seguridade Participações S.A. ("BB Seguridade") hereby informs that its Board of Director has approved the signing, jointly with its wholly owned subsidiary BB Seguros Participações S.A. ("BB Seguros") and its controlling shareholder Banco do Brasil S.A. ("BB"), of a binding Partnership Restructuring Agreement ("Agreement") with MAPFRE S.A., MAPFRE Internacional S.A. and MAPFRE Brasil Participações S.A. ("MAPFRE Brasil").

According to the terms and conditions of the Agreement, the restructuring will be held through a corporate reorganization, which comprises the following acts:

- (i) Partial spin-off of BB MAPFRE SH1 ("SH1") through the segregation of the equity corresponding to the investment in MAPFRE Vida S.A. to be then incorporated by MAPFRE BB SH2 ("SH2").
- (ii) Partial spin-off of SH2 through the segregation of the equity corresponding to the investment in Aliança do Brasil Seguros S.A. ("ABS") to be then incorporated by SH1. After the incorporation, ABS should refrain from renewing and selling large risks insurance policies, remaining only with the run-off portfolio.

The closing of the deal is subject to the fulfillment of some preconditions including the applicable regulatory approvals, when all the points mentioned herein will take effects.

At the closing, immediately after the corporate reorganization described in the items (i) and (ii) aforementioned, BB Seguros will sell to MAPFRE Brasil the totality of its investment in SH2 for R\$2.4 billion, to be adjusted by any dividend and/or interest on capital paid from now until the closing date.

In the scope of the restructuring, it will also be signed a commercial agreement for auto and large risks insurance segments, which provides the maintenance of the captive access of SH2's investees to the bancassurance channel for those products, subject to the compliance with some minimum standards of service level and costumers satisfaction ("SLA"). In addition, the amount paid by MAPFRE Brasil corresponding to the acquisition of Brasilveículos may be upward or downward adjusted at the end of each fiscal year, conditioned to the budget achievement of Brasilveículos' auto insurance premiums written sold in the bancassurance channel of BB.

The restructuring of the insurance operation is aligned with the BB Seguridade Group's strategy to simplify the governance and management of its investees. This strategy seeks to increase the focus on the distribution of insurance products at the bancassurance channel, in order to improve the services provided to BB's clients and maximize the value to shareholders.

Additionally, the corporate reorganization will allow an estimated capital release amounting to R\$1.8 billion, which may be distributed to BB Seguridade's shareholders depending on the Board of Director's decision to be take in the future, after the closing of the deal.

Further material information will promptly be released to the market.

Brasilia (DF), June 26th, 2018.

Werner Romera Süffert
CFO