BB SEGUROS

2Q20

Earnings Conference Call

August 3rd, 2020

Covid-19 | Actions

BB SEGUROS

Supported by an action plan

Taking care of employees	Supporting clients and society	Business sustainability	Preparing for the after crisis

Home Office

Implementation of remote working and maintenance of all employees in home office so far

Donation

- R$37.9 million (7.5 tons of food and 1.9 million hygiene items)
- 207 thousand masks to the sales force

Claims

- Extended coverage for claims related to Covid-19
- More than R$20 million in claims already paid (until July)

+Q Strategy

Greater customer relationship: psychological care and activities for kids

Return Plan

Preparing of a return to office plan to ensure a safe environment for employees when returning to face-to-face activities

BB Seguridade carried out the followed initiatives during the pandemic

Continuity of strategic plans

Rural Insurance

- Expansion into non-financed areas: R$63.3 million (+3x vs 1H19)
- Expansion of sales to PRONAF public: more than 2 thousand policies in the first month (July)

Insurance for Life (launched in May)

- Premiums: R$100 million
- Digital channel sales: +35%

Pension Plans

- Retention actions: R$2.0 bn
- AuM multimarket funds: +70% vs jun/19
- Open platform: R$1.5 bn under management

Increased usage of digital channels

- 9.9% of sales (12.5% ex-rural)
- +11% vs 1S19

Main figures

2Q20

Adjusted net income
R$982 million ↓9.0%

Brasilseg
Premiums written: R$2.6 billion ↑2.7%
Combined ratio: 77.0% ↑6.7 p.p.

Brasilprev
Contributions: R$6.8 billion ↓36.7%
Redemption ratio: 6.6% ↓0.5 p.p.

BB Corretora
Brokerage revenues: R$834 million ↓0.7%
Net margin: 54.6% ↓0.7 p.p.

1H20

Adjusted net income: R$1.9 billion ↓10.9%
Payout: 95.0%
Dividend Yield[1]: 13.9%

Brasilseg
Premiums written: R$4.7 billion ↑8.3%
Combined ratio: 78.3% ↑1.2 p.p.

Brasilprev
Contributions: R$16.9 billion ↓10.1%
Redemption ratio: 8.0% ↑0.9 p.p.
P/VGBL Reserves: R$281 billion ↑7.4%

BB Corretora
Brokerage revenues: R$1.7 billion ↑7.1%
Net margin: 54.4% ↓0.6 p.p.

1 – Annualized dvidend yield calculated considering the dividends reported in the last 12 months divided by the average price in the same period.

Net Income

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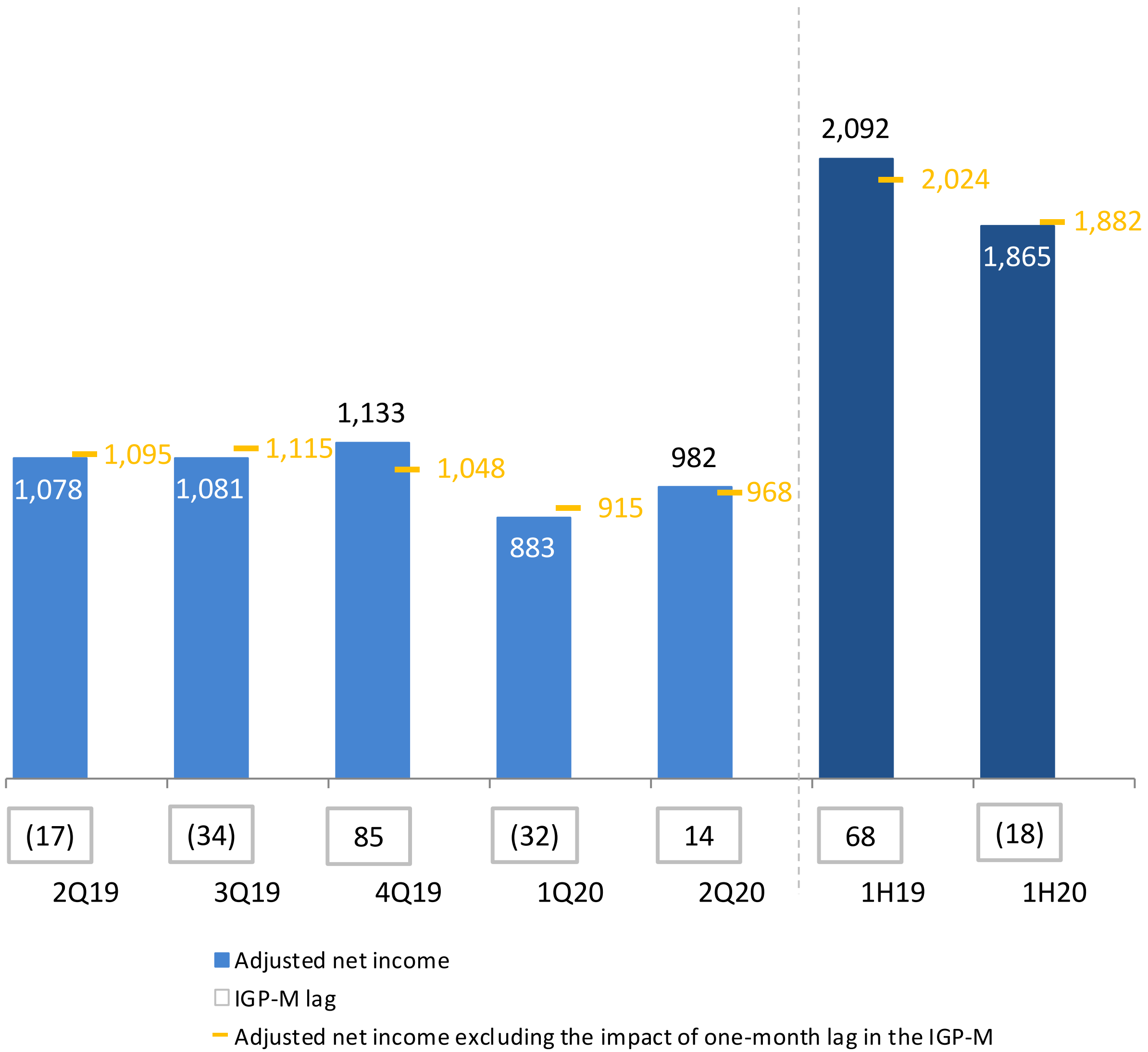
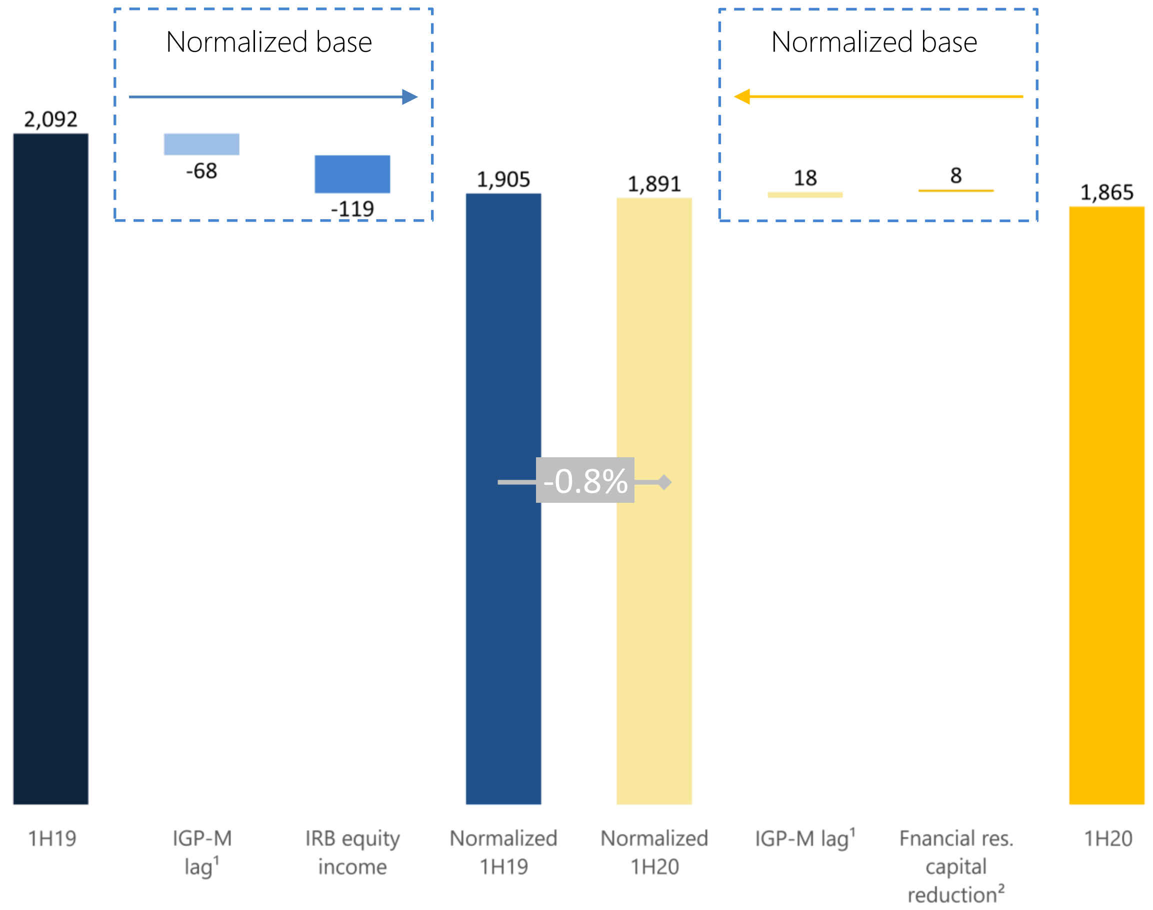
Impact of Brasilprev's Net Investment Income to the Net Income (R$ mm)



Net Income 1H19 vs 1H20 | Comparable Figures (R$ mm)

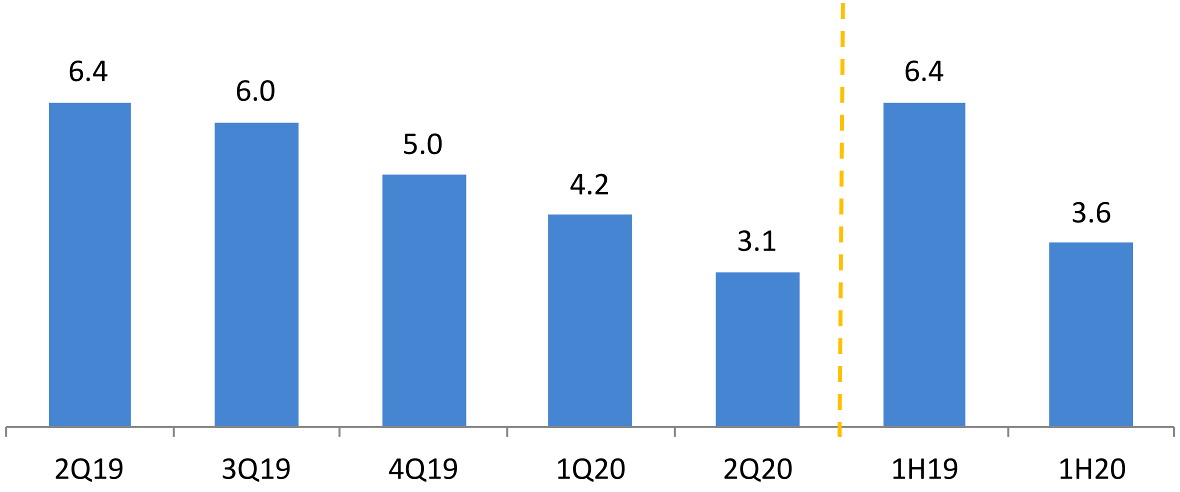


1 – Adjustment of the impact of the one-month lag on the cost of liabilities related to defined benefit pension plans

2 – Effect of the lower volume on financial results after the capital refund to shareholders on April 30, 2020.

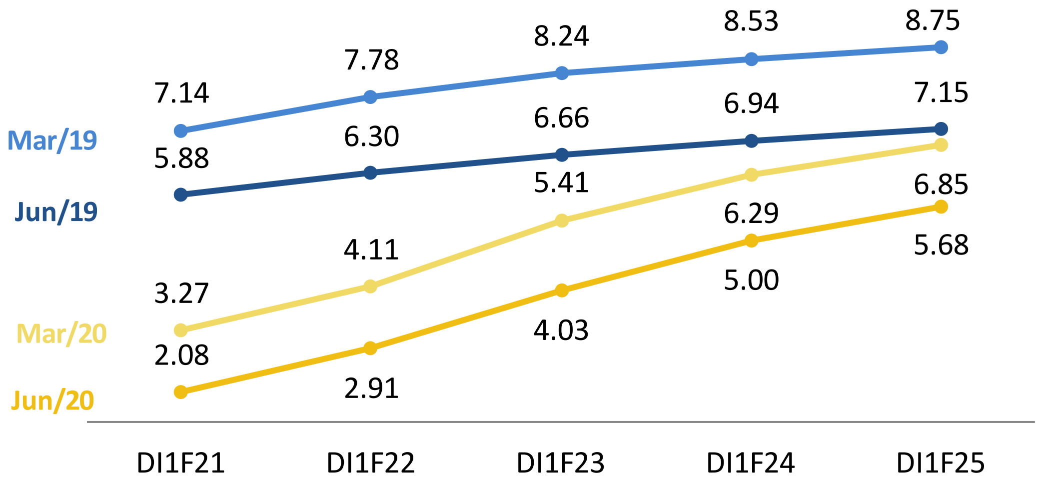
Net Investment Income

Annualized Average Selic Rate (%)



Source: BACEN

Forward Yield Curve (%)



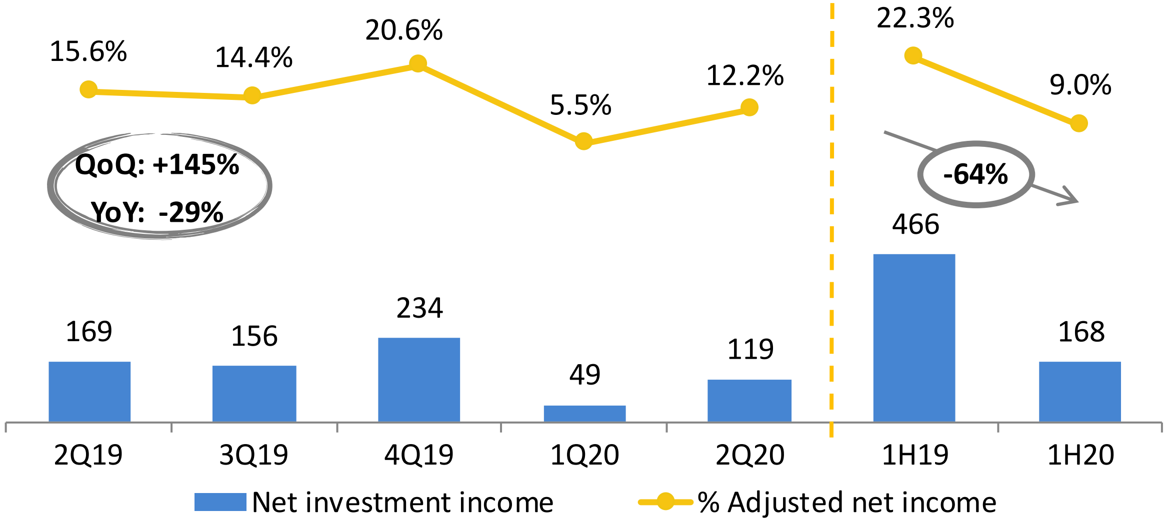
Source: ValorPro

Inflation Rates (%)

	2Q19	2Q20	Chg. (p.p.)	1H19	1H20	Chg. (p.p.)
Current ratio						
IPCA	0.7	(0.1)	(0.8)	2.2	0.7	(1.5)
IGP-M	2.2	2.7	0.5	4.4	4.4	(0.0)
Lagged ratio[1]						
IGP-M	2.7	2.3	(0.3)	2.4	4.9	2.5

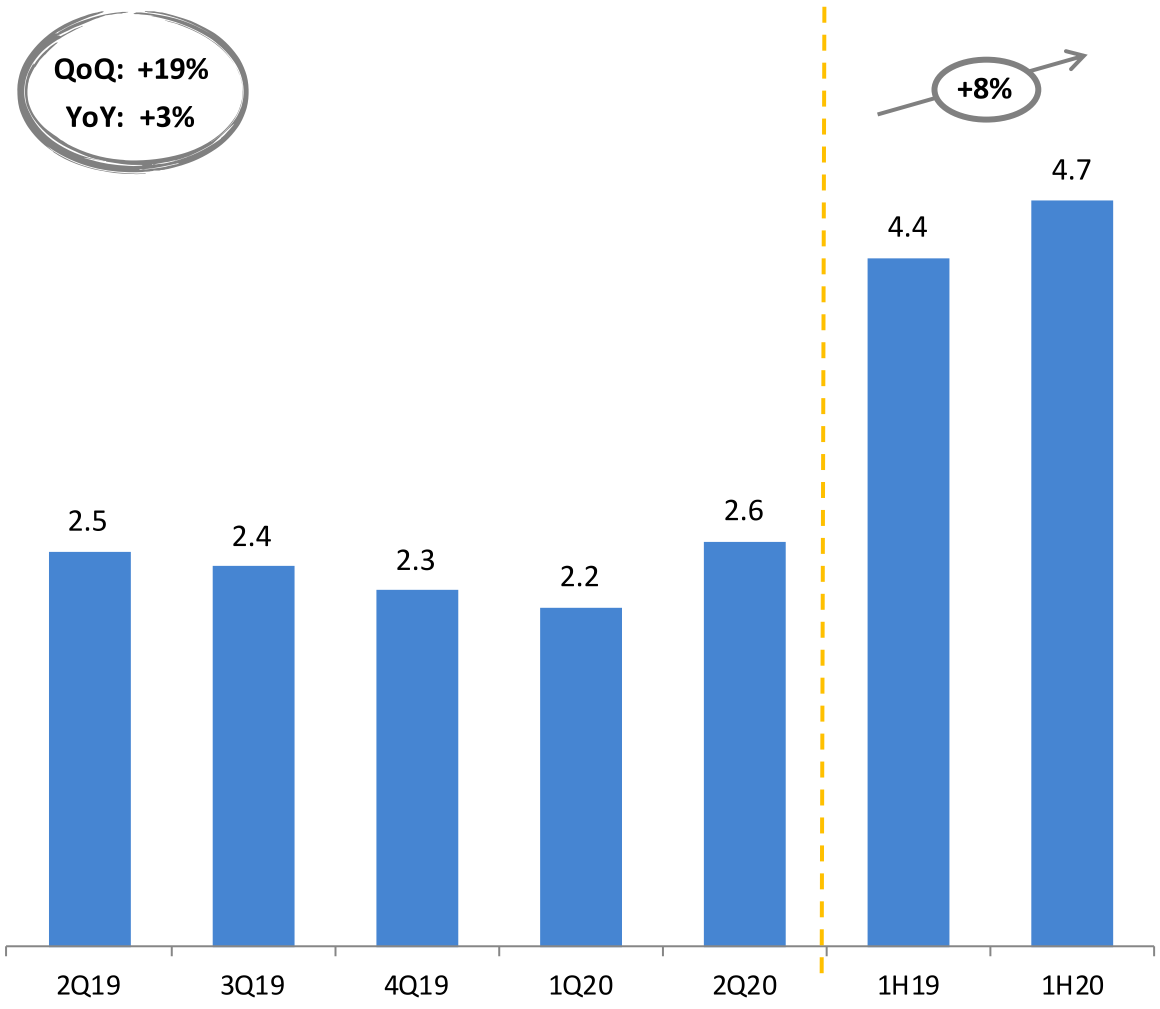
1 – Considers the IGP-M with one-month lag

Net Investment Income (R$ mm)



Brasilseg

Premiums Written (R$ bn)

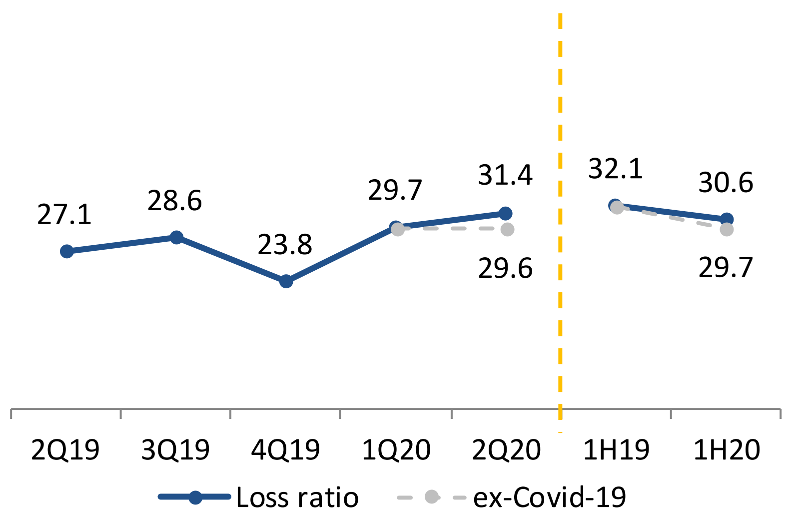


Premiums Written by Segment

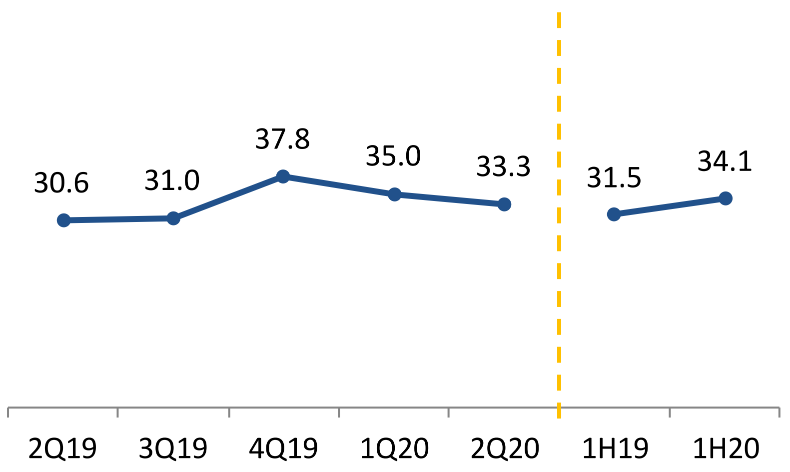
Chg.	On 2Q19	On 1H19
Life	1.6%	2.8%
Credit life	(11.5%)	6.5%
Mortgage life	3.0%	2.4%
Rural	15.9%	21.4%
Home	(2.5%)	(4.4%)
Commercial lines	(11.0%)	(13.7%)

Brasilseg

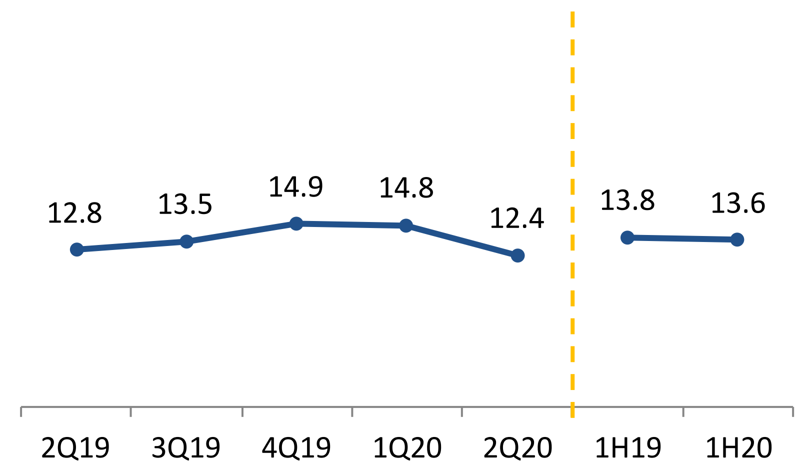
Loss Ratio[1] (%)



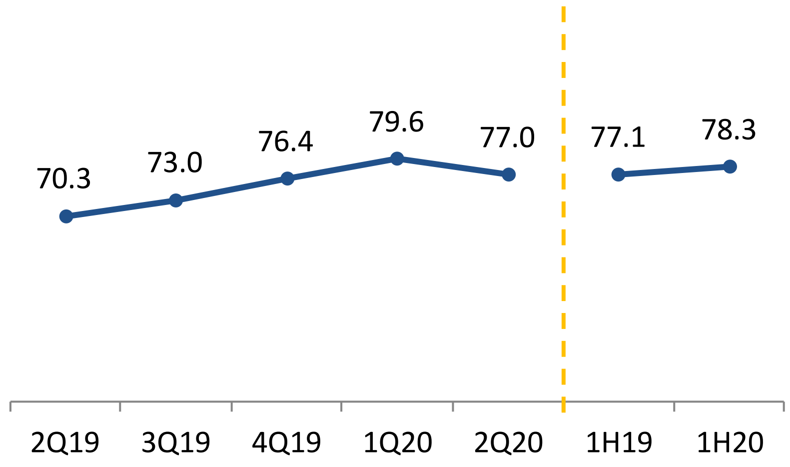
Commission Ratio[1] (%)



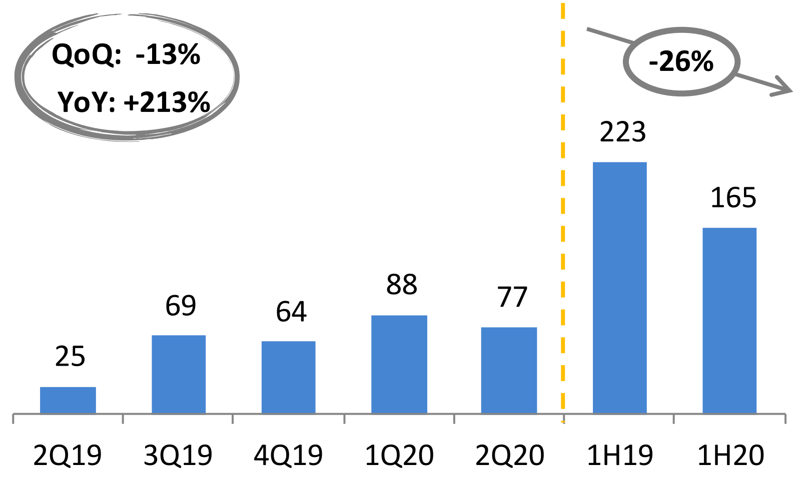
G&A Ratio [1] (%)



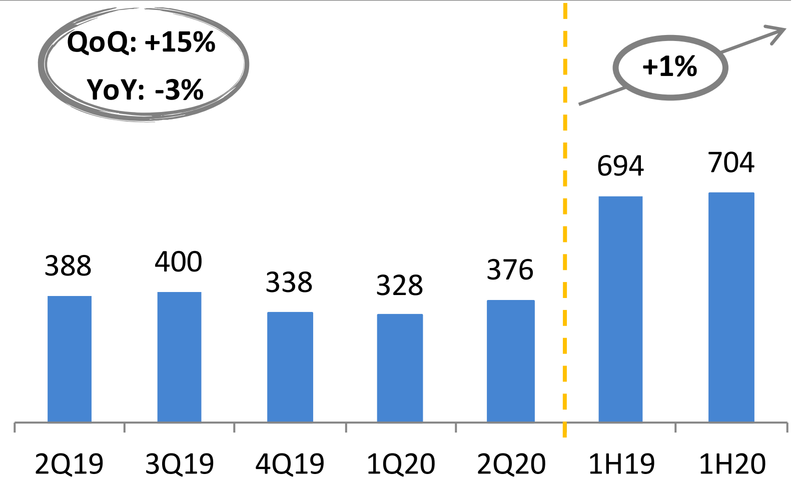
Combined Ratio[1] (%)



Net Investment Income (R$ mm)



Adjusted Net Income (R$ mm)



1. Adjusted ratios, considering the reinsurance effects.

Brasilprev

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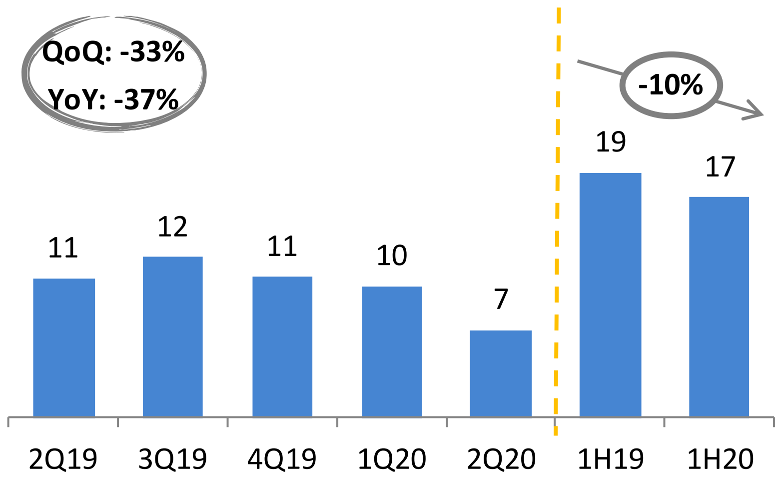
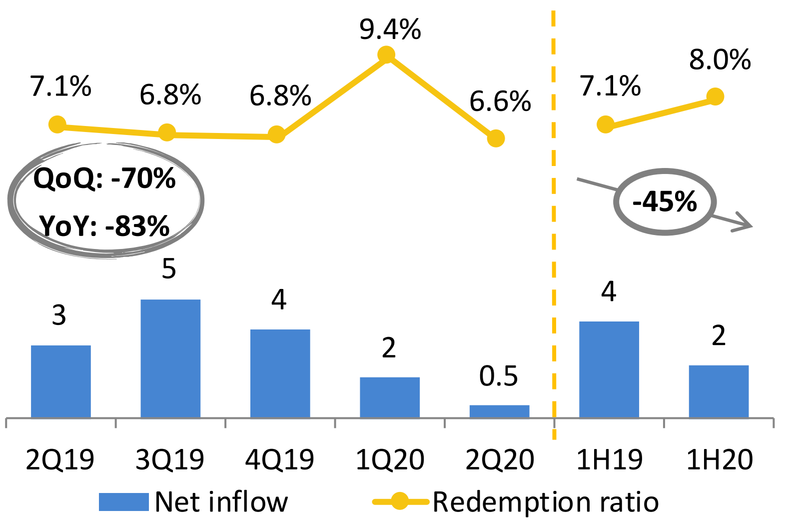
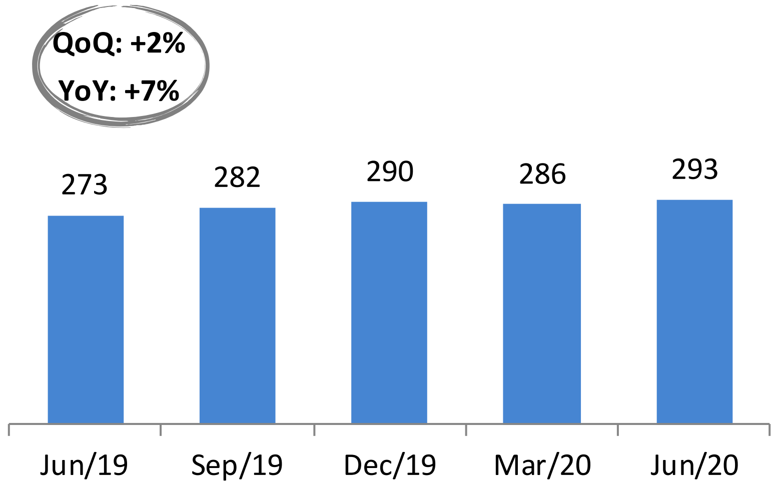
Contributions (R$ bn)



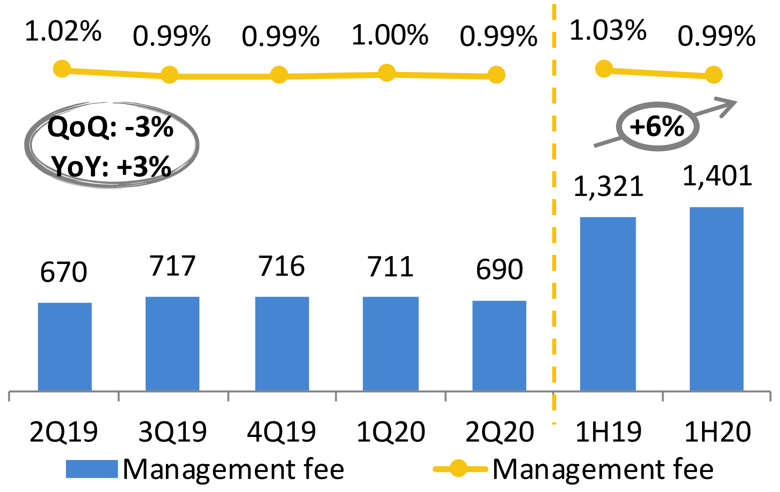
Net Inflow (R$ bn)



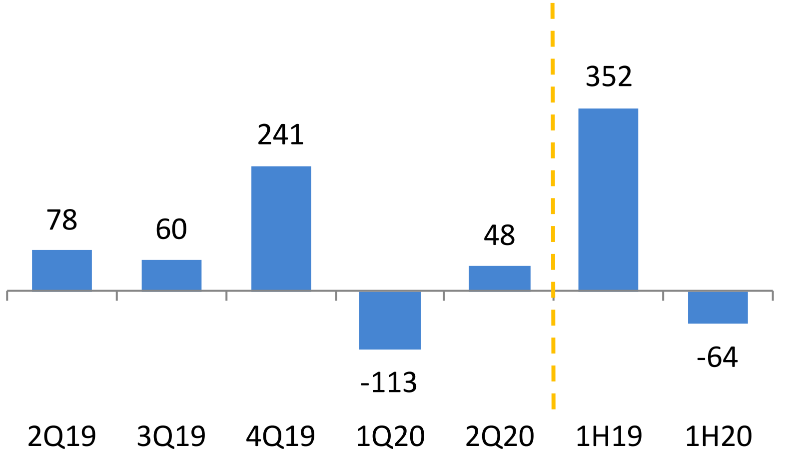
Reserves (R$ bn)



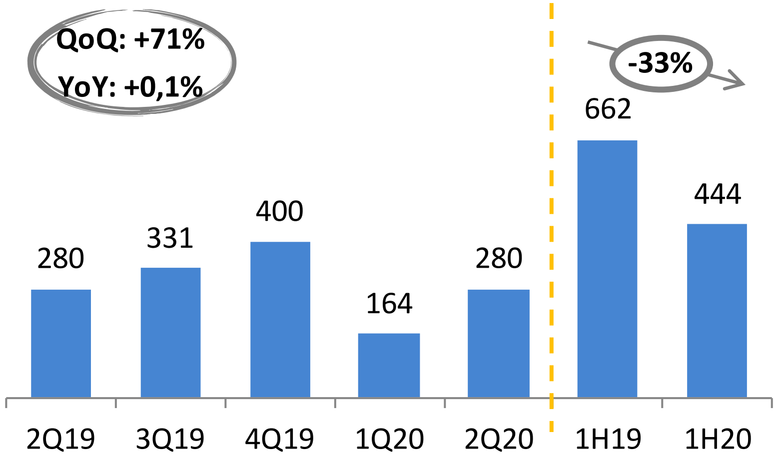
Management Fee[1]



Net Investment Income (R$ mm)

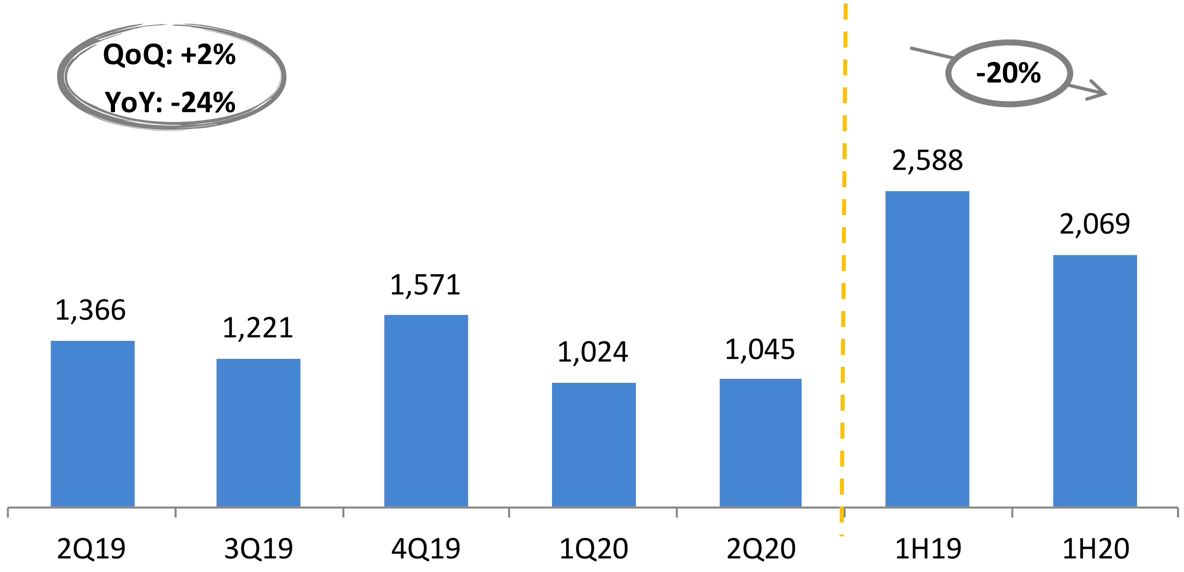


Net Income (R$ mm)

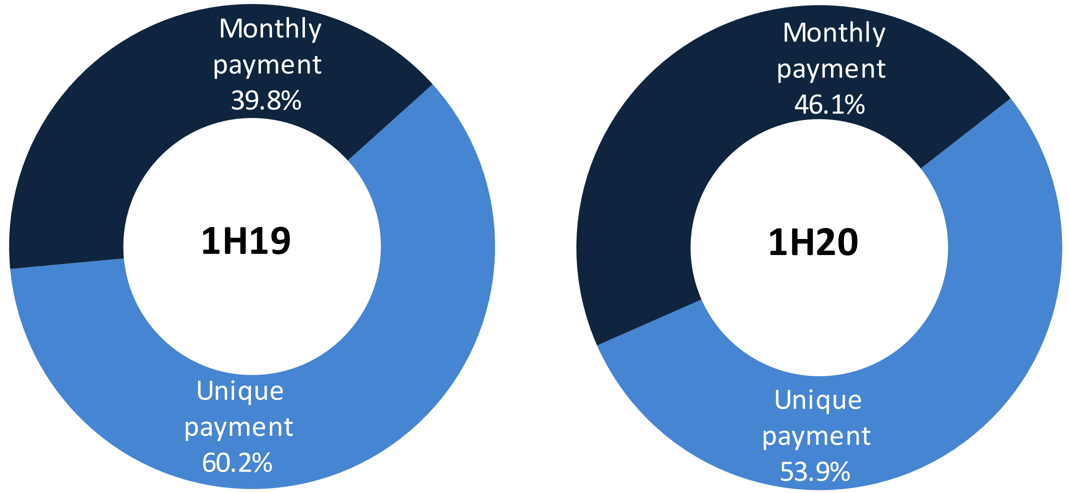


Brasilcap

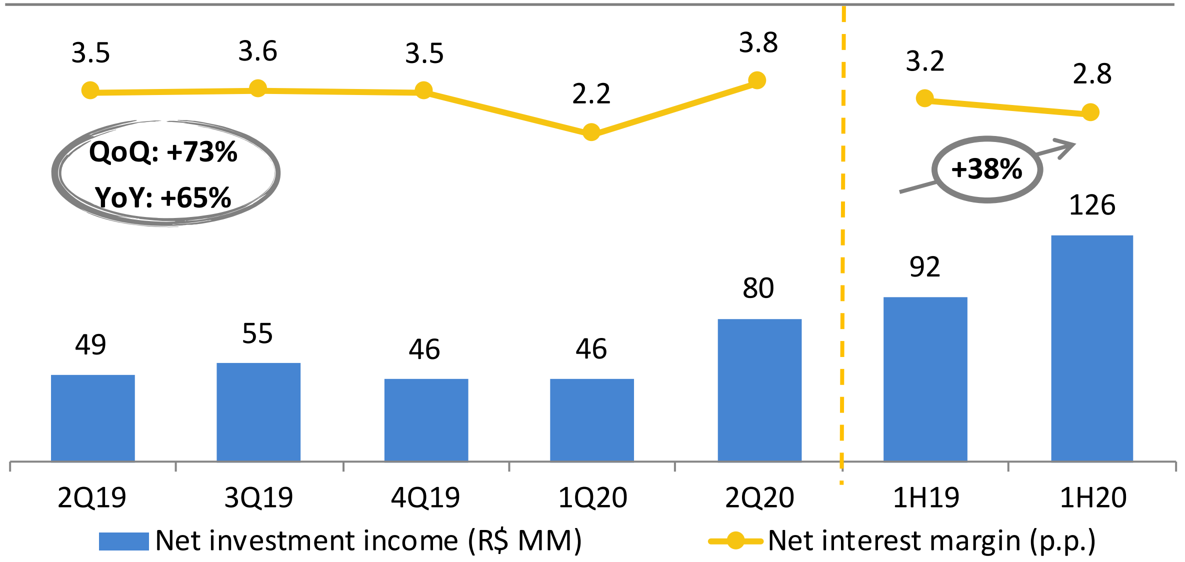
Premium Bonds Collection (R$ mm)



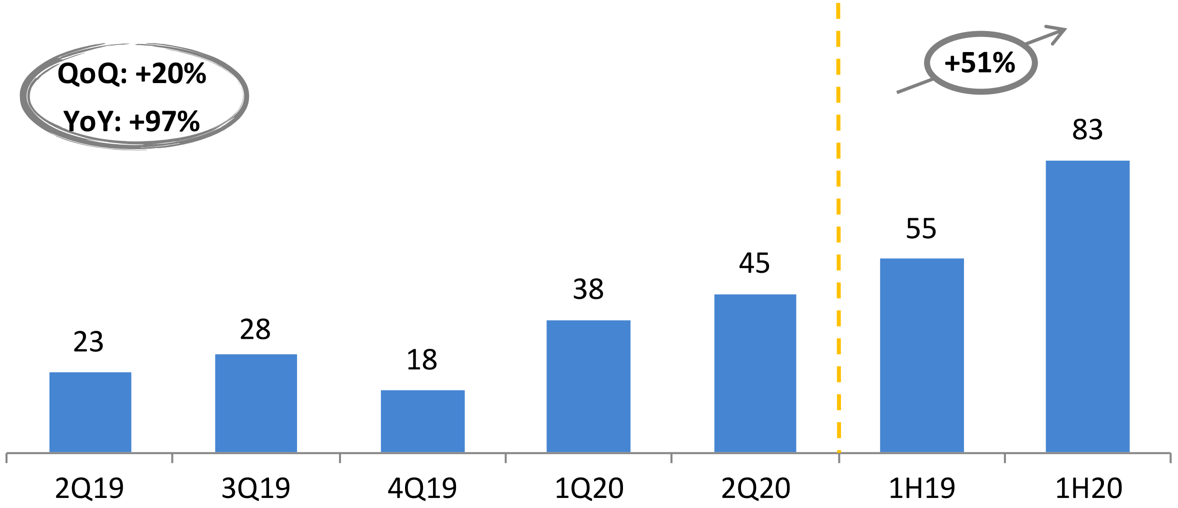
Breakdown of Collection



Net Investment Income

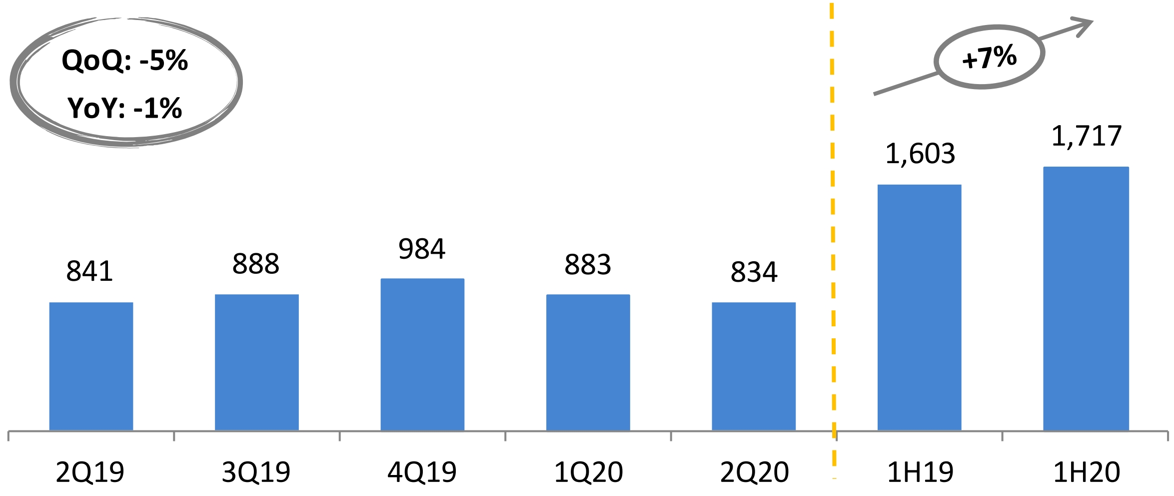


Net Income (R$ mm)

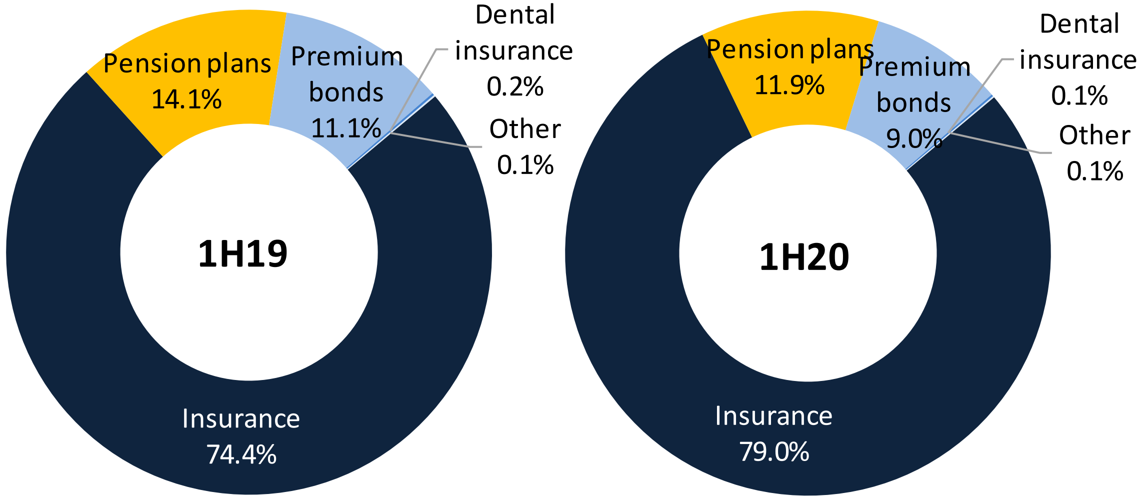


BB Corretora

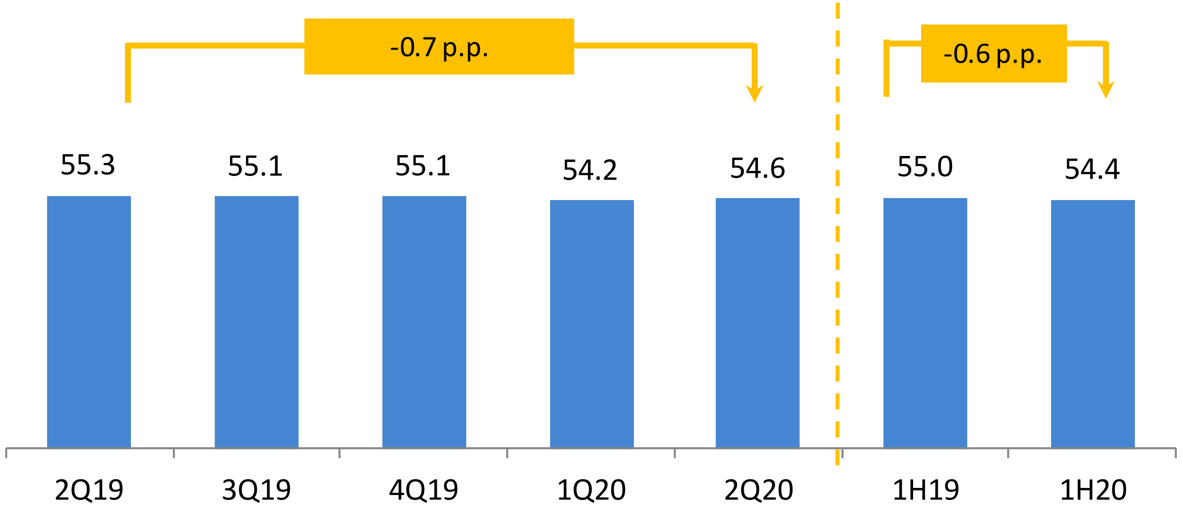
Brokerage Revenues (R$ mm)



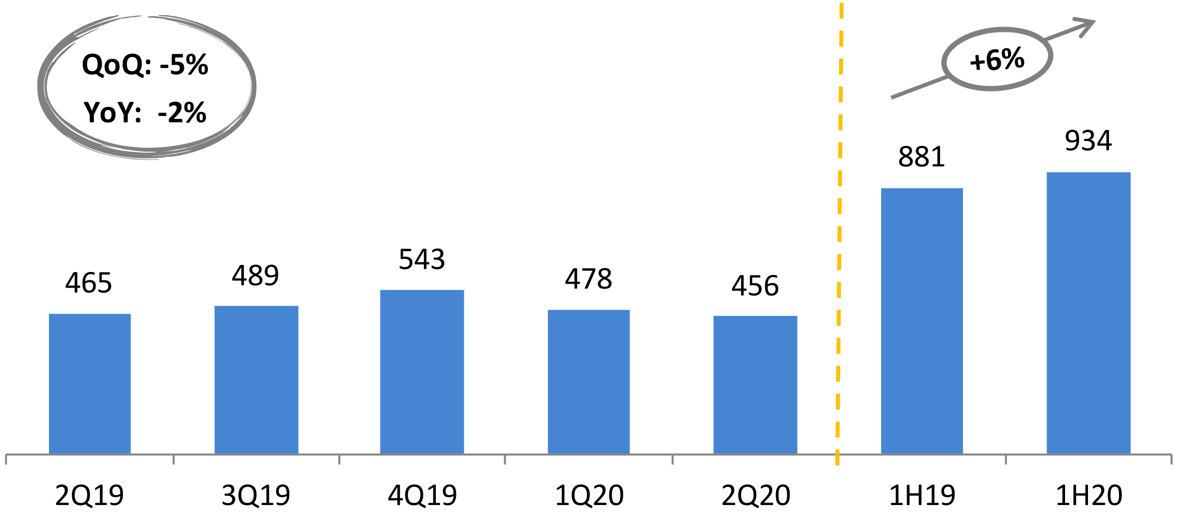
Breakdown of Brokerage Revenues



Net Margin (%)



Adjusted Net Income (R$ mm)



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