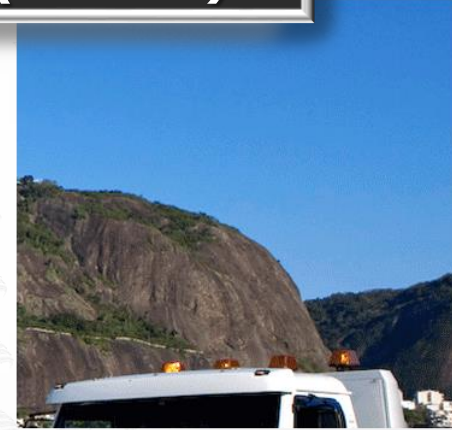
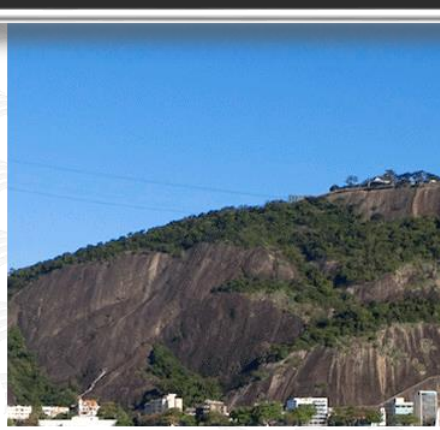
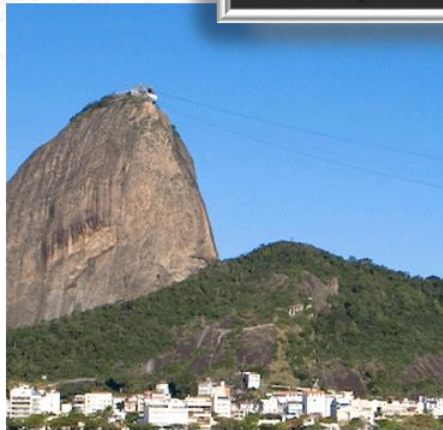




Conference Call 2Q19 and 1H19 08/06/2019 at 10:00 am (NY time)



The forward-looking statements in the conference call are based on the beliefs and assumptions of Porto Seguro's management, and on currently available information.

It involves risks, uncertainties and assumptions related to future events and therefore depend on circumstances that may or may not occur in the time ahead.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Porto Seguro and cause results to differ materially from those expressed in such forward-looking statements.

 ***Executive Summary***

 ***Insurance Results***

 ***Financial and Service Businesses Results***

 ***Financial Investments Results***

 ***Consolidated Results***

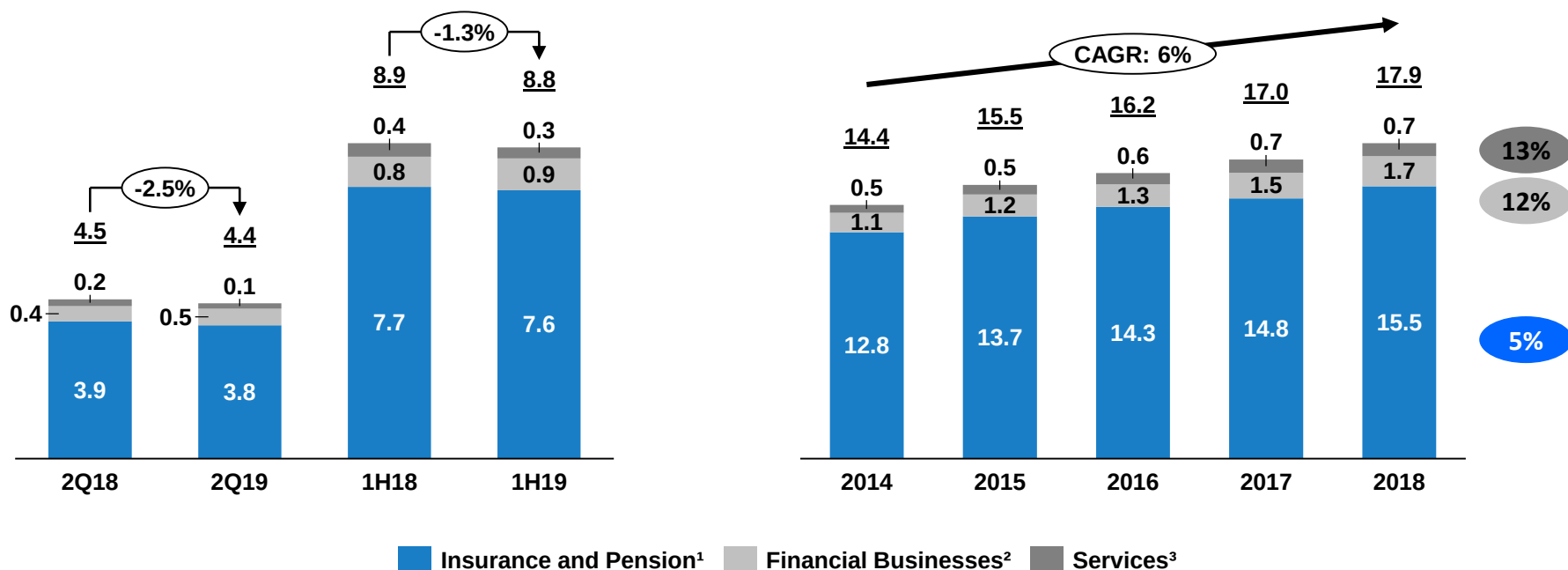
Executive Summary

2Q19 and 1H19

- Porto Seguro's profitability increased both in the quarter and in the first semester of the year, mainly as a result of the growth in Financial and Services Businesses as well as the expansion in return on financial investments
- Despite of the fact that the insured fleet grew with roughly 200 thousand vehicles, the total revenues were impacted by the lower premiums in the Auto segment, due to technical price adjustments (risk reduction) and by the deceleration in premiums in the P&C segment
- Premiums in the insurance segments Health, Life, Financial Risks and Consortium presented a double-digit growth
- The expenses ratio (G.A. + O.E.) remained stable in the semester, due to efforts to intensify operational efficiency gains, aiming to leverage growth
- In line with the Company's strategic objectives, the Combined Ratio stayed 2.5 p.p. below the average of the last 5 years, even considering the increase in relation to 2Q18, which was the best quarter in history
- The ROAE from Financial and Service Businesses attained 26.0%, thanks to the raise in Credit Card results as well as the reduction in costs related to Conecta
- The return on financial investments reported a significant increase, achieving 158% of CDI in the quarter and 157% of CDI in the semester
- The offer of products and brands in the Auto segment changed to a *co-branding* model – the change seeks the increase in operational efficiency and higher competitiveness in the brands offering
- Porto Seguro received an award of being the best company on the Brazilian stock market in the financial segment, according to Infomoney

The slight reduction in revenues is a result of technical price adjustments in the Auto segment (made in 2H18) due to the decrease in the frequency of robbery and theft – on the other hand, premiums in the Health, Life, Financial Risks and Consortium increased double-digits

Revenues by Business Lines (R\$ Billion)



1 Taking insurance written premiums and pension contribution into account

2 Represents the revenues of Financial Products: Consortium, Credit Card, Financing and Asset Management

3 Represents the revenues of Services: Surveillance and Monitoring Services, Medical Services, H4Pet, Carro Fácil etc

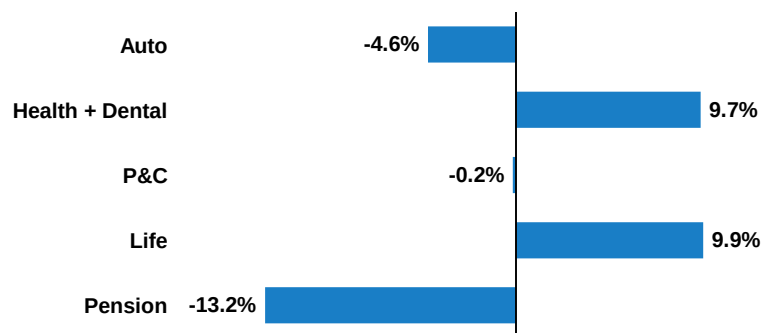
Insurance Results

Main Results 2Q19 and 1H19

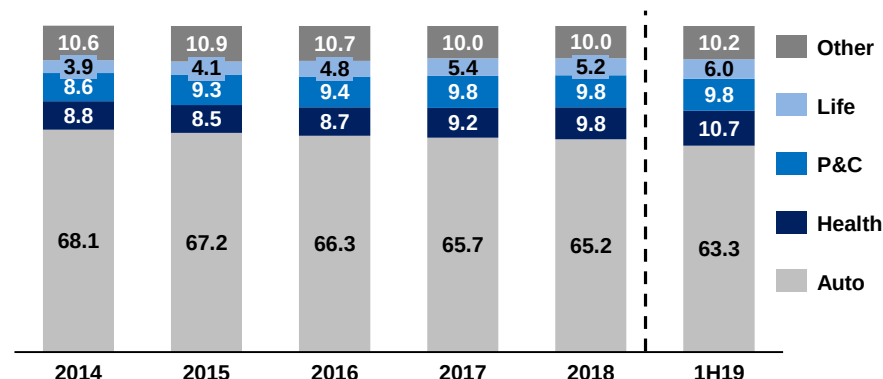
The combined ratio improved related to 1Q19 and remained 2.5 p.p. below the average of the last 5 years, mostly advantaged by the reduction in losses in the Auto segment – loss ratio in 2Q19 (+2 p.p. vs. 2Q18) is in line with the Company's strategic and profitability objectives

Insurance Premiums Growth¹ (%)

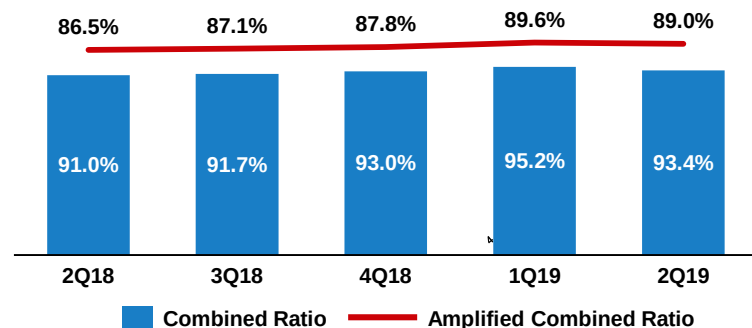
2Q19 vs. 2Q18



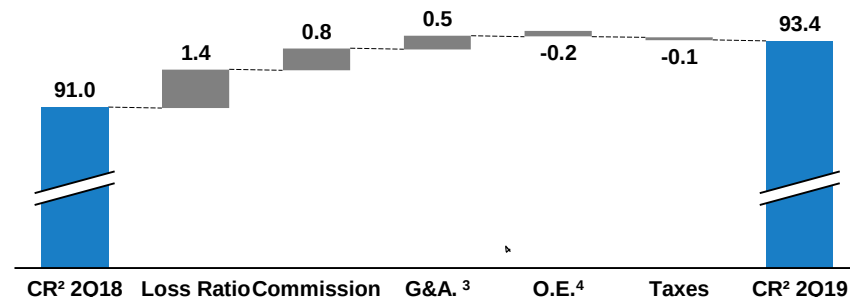
Insurance Written Premiums Breakdown (%)



Combined Ratio Insurance (%)



Combined Ratio 2Q19* (%)



¹ Insurance Premiums and Pension Gross Funding / ² Insurance Combined Ratio / ³ G&A Ratio / ⁴ O.E. Ratio (Total other operational revenues and expenses / earned premium)

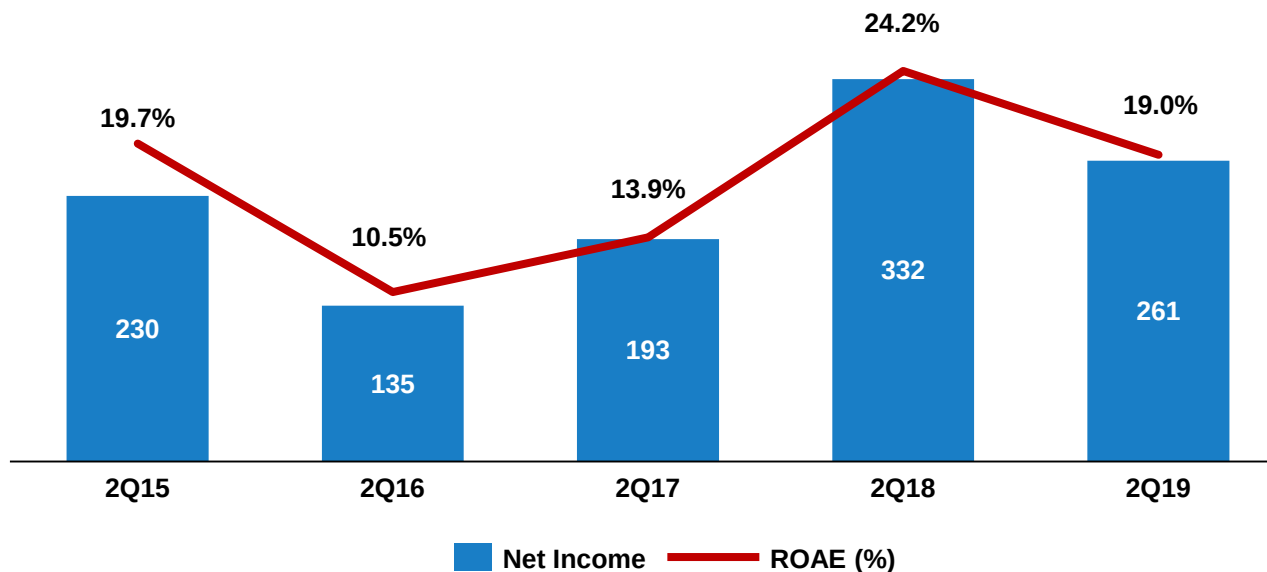
*As of 2018, adjustments were made in our financial statements as a result of the Initial Hiring Costs, which are now recorded as Deferred Acquisition Costs (DAC), following the same appropriation system of the results according to the term and risk. Thus, we adjusted the 2018 and beyond numbers in the Press Release (pro forma) to maintain the same historical basis of comparison

Consolidated Results

Insurance Net Income and ROAE

The Insurance ROAE attained 19% in the quarter, in line with the Company's expectations – the increase in operational efficiency gains and in the usage of Capital lifted the profitability in the last 2 years

Insurance Results (R\$ Million) and ROAE (%)

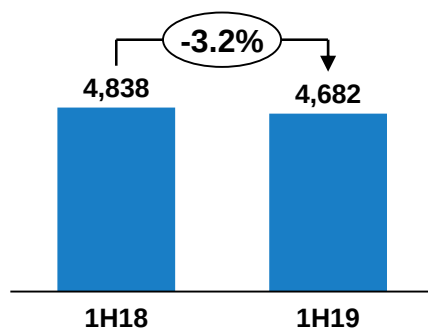


Main Results 2Q19 and 1H19

The insurance products Health (+11%), Porto Homeowner (+9%) and Life (+9%) have presented greater growth in premiums – the Auto segment was impacted by technical price adjustments, but at the same time added 200 thousand extra vehicles to the insured fleet (vs. 1H18)

Auto

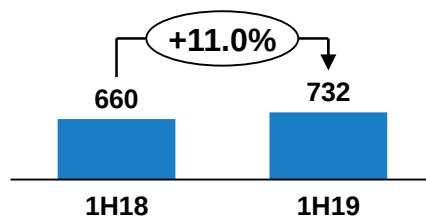
Premiums [R\$ Million]



- *Market Share** -0.6 p.p. (vs. 1H18)
- Price Adjustments due to reduction in losses in robbery and theft frequencies
- Insured fleet +200 thousand vs. 1H18

Health

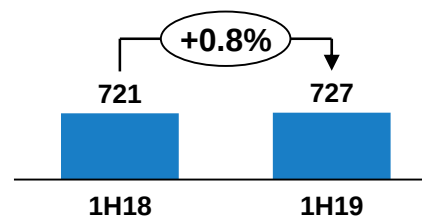
Premiums [R\$ Million]



- Focus on small and medium enterprises (SME's) has shown positive results and attractive growth potential
- Price adjustments boosted growth

P&C

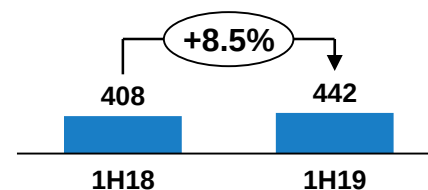
Premiums [R\$ Million]



- Porto Homeowner grew 9% (vs. 1H18), leveraged by sales campaigns and reformulation in assistance plans
- Itaú Homeowner decreased 4%, mainly due to lower sales through the bank channel
- Porto Commercial declined 2%

Life

Premiums [R\$ Million]



- Growth propelled by the product Individual Life
- Initiatives such as new sales structures, enlargement in coverage, acceptance of new professions, expansion of trainings for brokers and commercial campaigns

Insurance Results

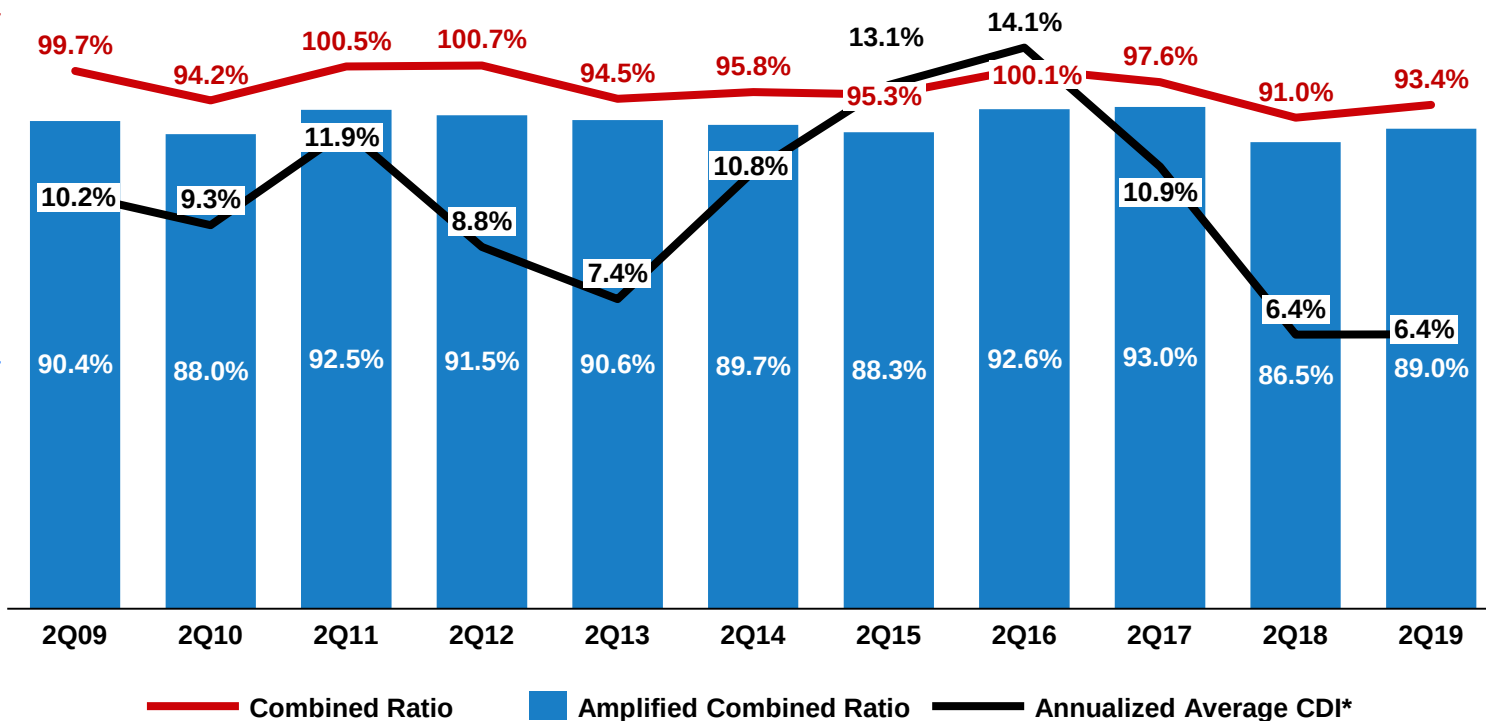
Historical Operational Performance

Combined Ratio in 2Q19 remained 3.5 p.p. below the average of the last 10 years, being the second lowest in history – the Amplified Combined Ratio was amongst the best in history as well

Porto Seguro Operational Performance vs. Interest Rates (%)

Average: 96.9%

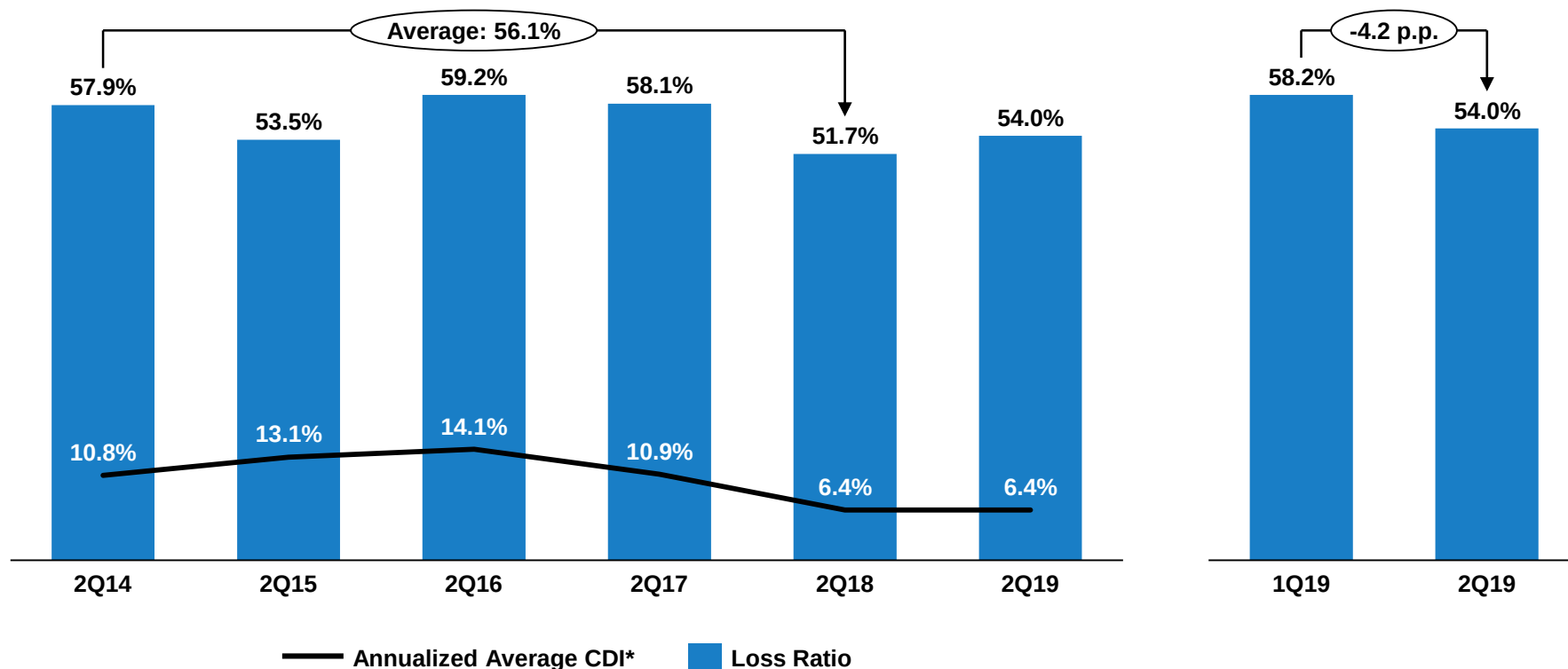
Average: 90.3%



* Quarterly Average CDI, annualized Source: CETIP

The loss ratio in 2Q19 reduced 4.2 p.p. compared to the first quarter, remaining 2.1 p.p. below the average of the last 5 years – although the increase related to 2H18, the ratio is still in line with the strategic and profitability objectives of the Company

Historical Loss Ratio - Auto



The Co-branding, new offering model for the products and brands in the Auto segment, seeks to increase in operational efficiency gains and competitiveness, as well as simplifying the offer and enlarging options for Itaú customers

OLD MODEL

3 BRANDS



3 "FACTORIES"



NEW MODEL: CO-BRANDING

3 BRANDS, MULTIPLE OFFERS



2 "FACTORIES"



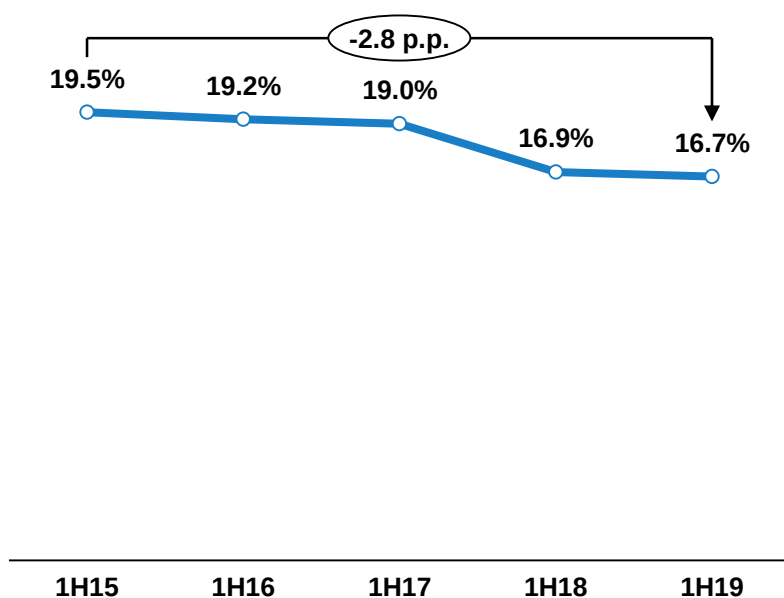
Main benefits:

- Reduction in the operational complexity, leading to efficiency gains
- Increase in competitiveness
- More diverse product options to meet customer needs
- Simplification in insurance contract processes
- Additional coverage to customize insurance

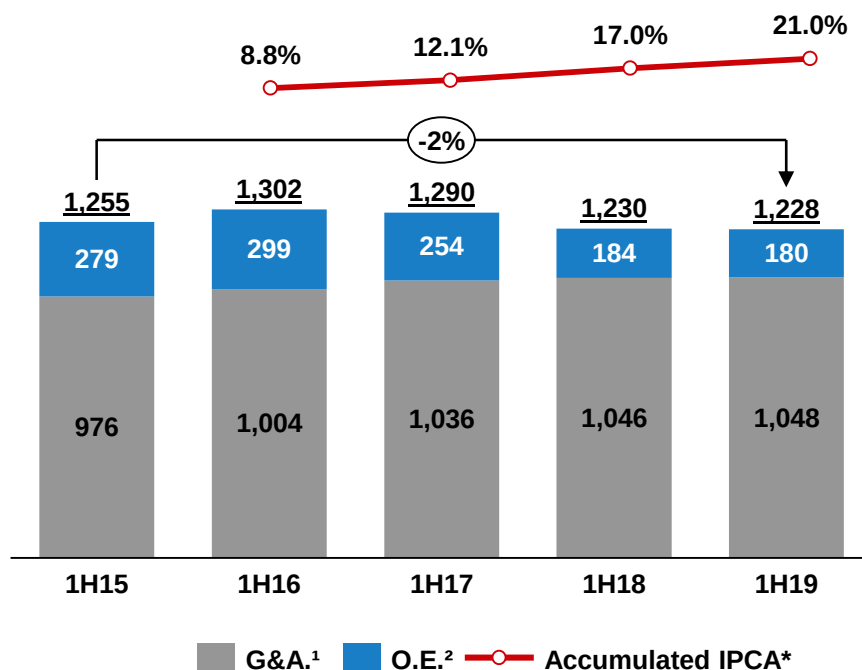
Administrative and Operational Expenses

The G&A + O.E. ratios reduced 2.8 p.p. over the last years, thanks to operational efficiency gains made through the intensification in the usage of technology and processes adjustments – from 1H15 to 1H19, the consolidated G&A + O.E. ratio decreased 2%, against an accumulated inflation of 21%

G&A¹ + O.E.² Ratio – Porto Seguro



Insurance G&A and Other Operational Expenses (O.E) – (R\$ Million)



¹G&A = General and Administrative Expenses (Excluding profit sharing)

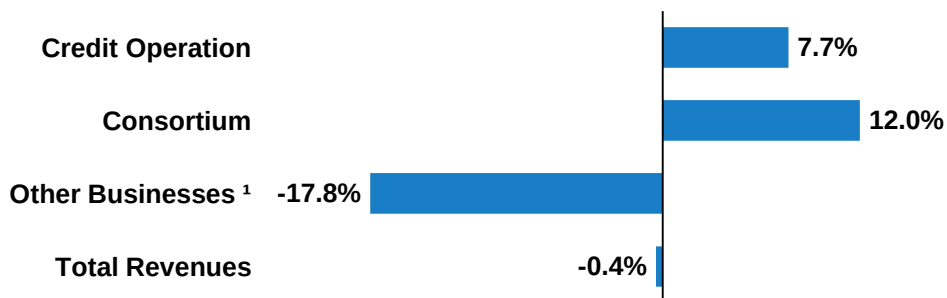
²O.E = Other Revenues – Operational Expenses

PS: As of 2018, adjustments were made in our financial statements as a result of the Initial Hiring Costs, which are now recorded as Deferred Acquisition Costs (DAC), following the same appropriation system of the results according to the term and risk. Thus, we adjusted the 2018 and beyond numbers in the Press Release (pro forma) to maintain the same historical basis of comparison

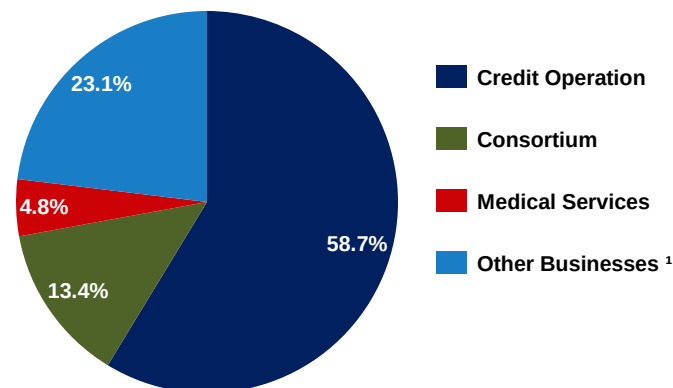
* Source: IBGE

Net earnings increased significantly, due to the increased result in Credit Operations, as well as the cost reduction related to Conecta

Revenues Evolution – 2Q19 vs. 2Q18



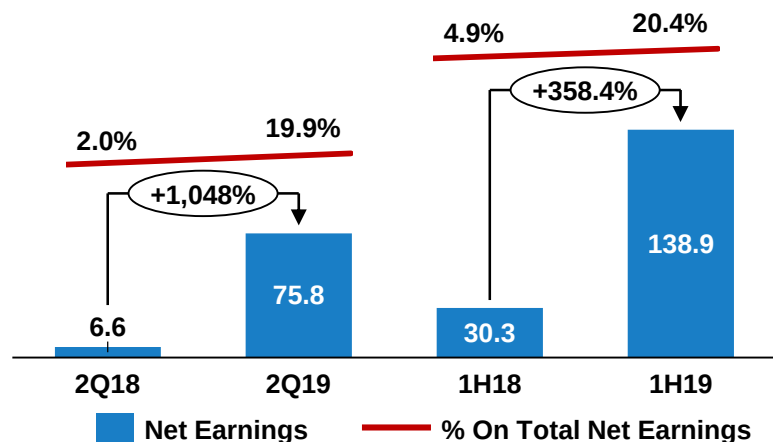
Revenues Distribution – 2Q19



¹Represents especially the revenues of Call Center operations, Conecta, Surveillance and Monitoring, Assets Management, among others.

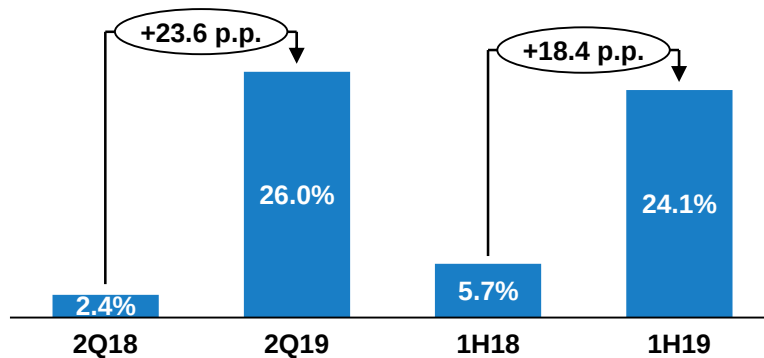
Net Earnings

(w/o business combination – R\$ Million)



ROAE

(w/o business combination – %)

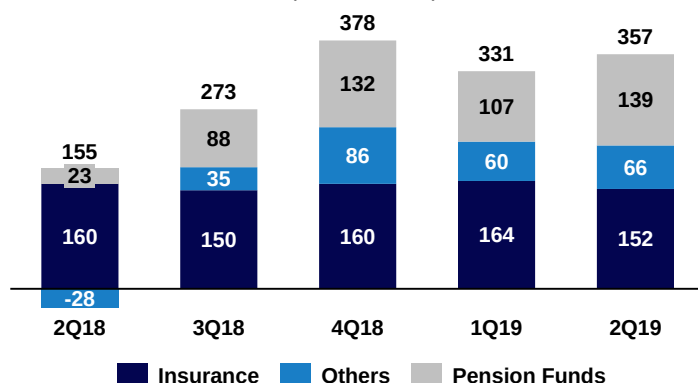


Investments and Allocation – 2Q19 and 1H19

The result on financial investments was positively affected by the performance of inflation-linked bonds, fixed income and by equities – the quarterly profitability (ex-Pension) reached 2.4% (158% of the CDI)

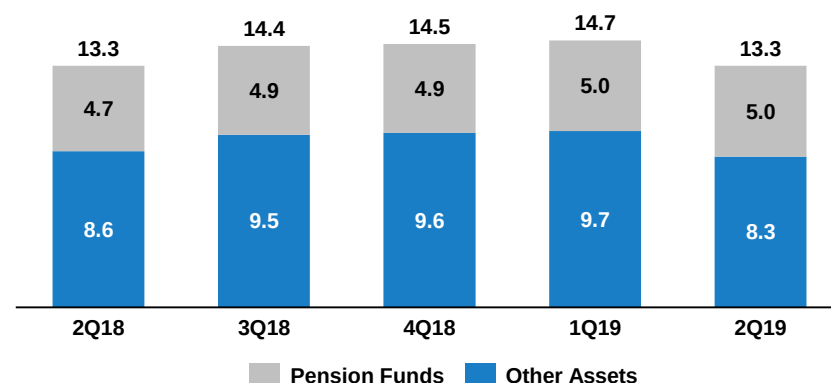
Revenue from Investments Assets

(R\$ Million)

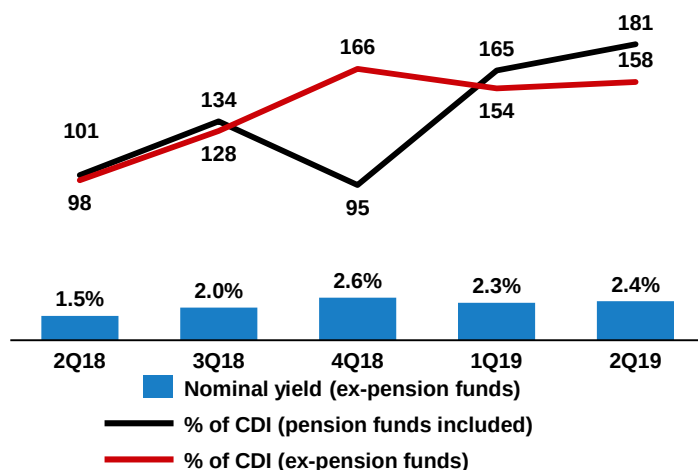


Net Asset Value

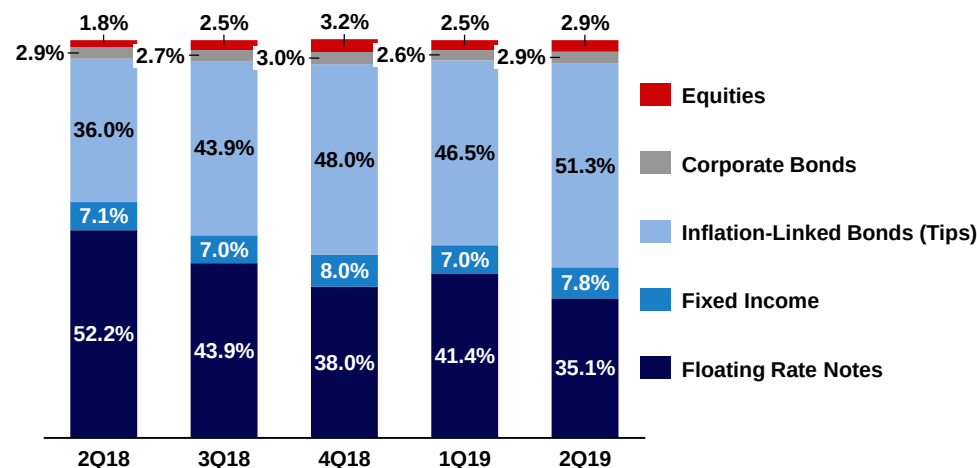
(R\$ Billion)



Quarterly Performance



Allocation¹ (ex-Pension Funds)



¹ Futures exposures included

The effective tax rate decreased by 10 p.p. (-R\$ 54 Million) in 2Q19 (vs. 2Q18), mainly explained by the reduction of deferred tax credits from Conecta and also by the lower social contribution rate (CSLL)

Tax and Social Contribution – 2Q19 x 2Q18 – (R\$ Million)

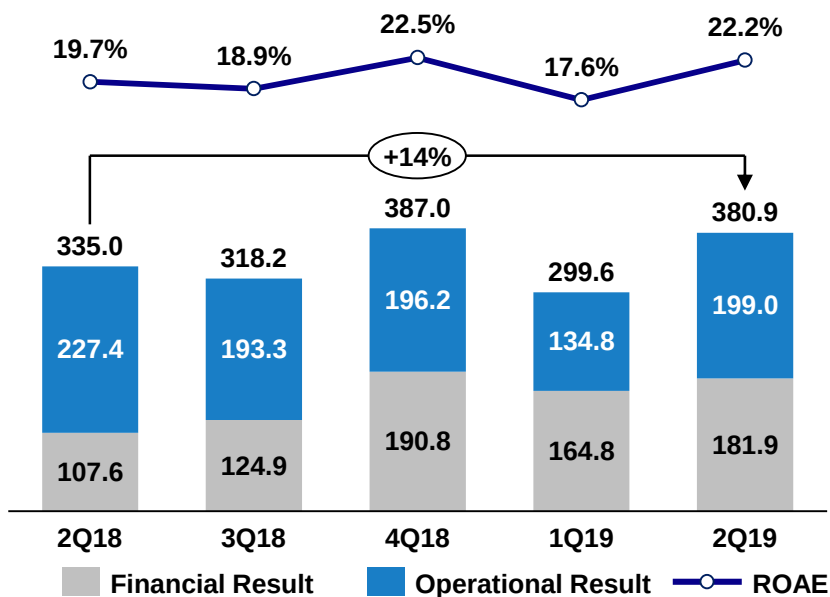
	2Q19	2Q18	Var. R\$	Var.% / p.p.
Earnings before Income / Social contribution	510.8	519.9	(9.1)	(1.8)
Current Tax Rate	40.0%	45.0%	-	(5.0)
Tax and Social Contribution (nominal tax)	204.3	234.0	(29.6)	(12.7)
Interest on Capital	(87.7)	(95.3)	7.6	(7.9)
Conecta's deferred tax credits ¹	0.2	33.5	(33.3)	-
Other	16.4	14.8	1.7	11.3
Total Tax and Social Contribution	133.3	186.9	(53.7)	(28.7)
Effective Tax Rate	26.1%	36.0%	-	(9.9)

¹ Conecta's expenses are related to the provision for the write-off of deferred tax and social contribution and deferred tax credits

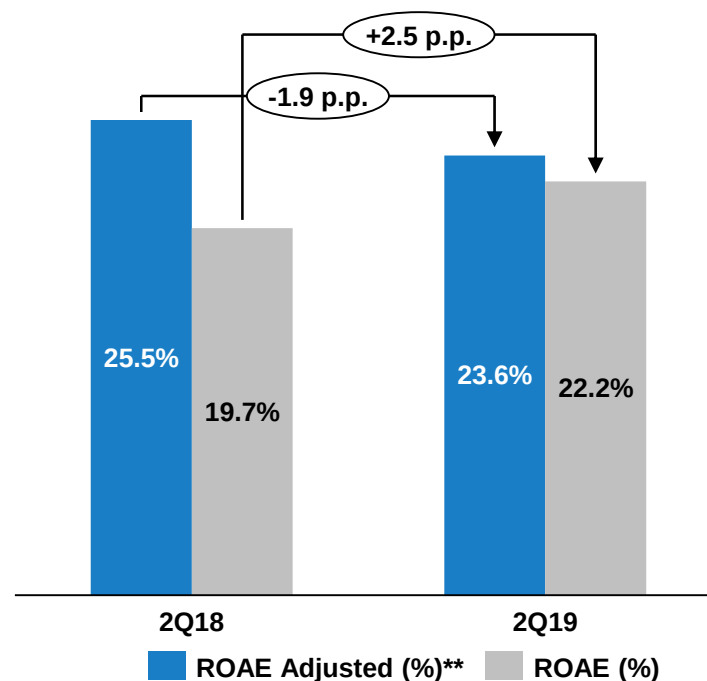
Net Earnings and ROAE – 2Q19 and 1H19

Net earnings leveled up 14% (vs. 2Q18), whereas ROAE reached 22.2% in the quarter – the increase in the quarter is mostly due to the higher performance of Financial and Service Businesses, as well as the increased financial result

Net Income* (R\$ Million)



ROAE (%)



* For the calculation of the financial result, the effective tax rate was applied, while for the calculation of the operating result, the difference between the net profit without business combination and the net financial result of the effective tax rate were considered

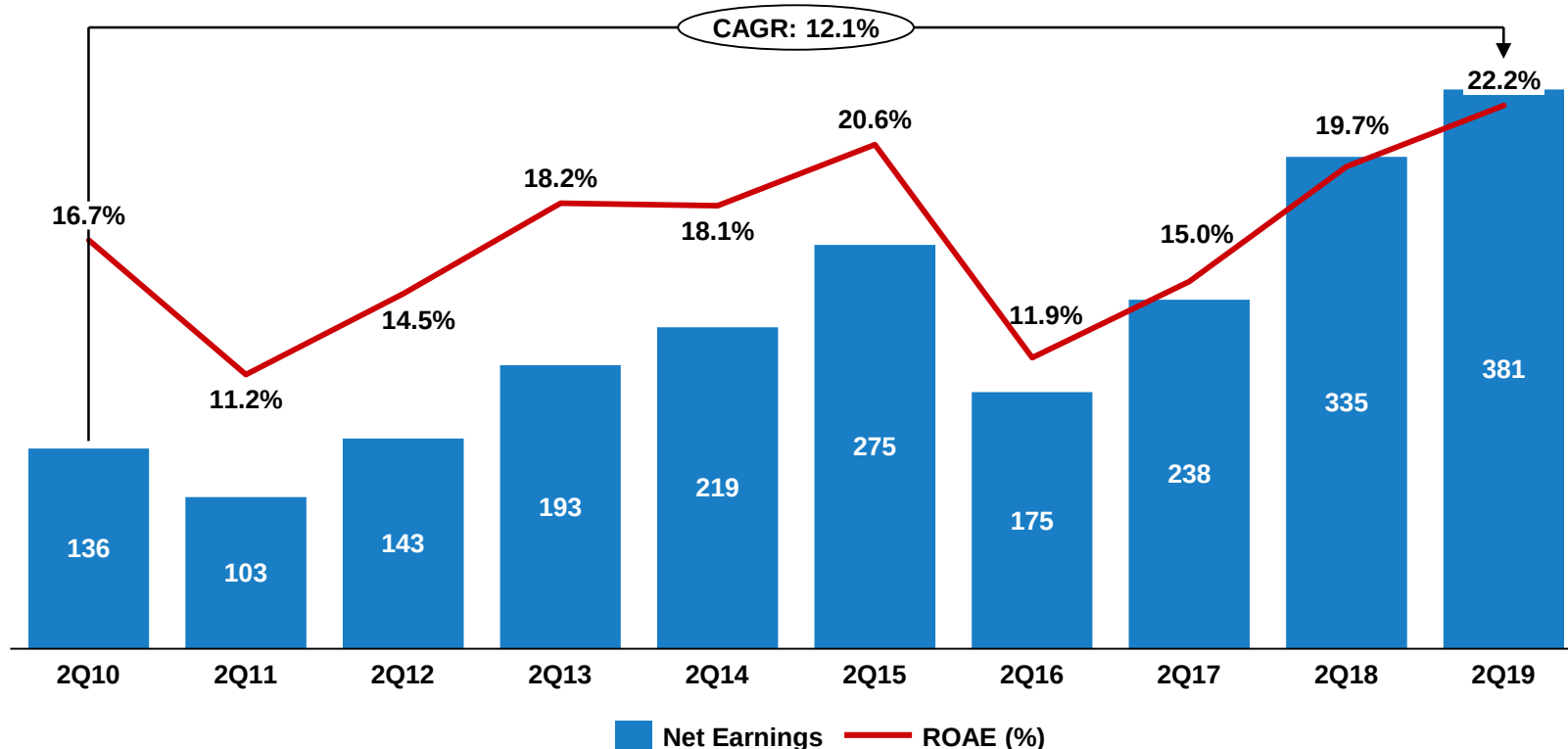
** Profitability of the Company's businesses with adjusted capital (w/o surplus capital) and considering an investment return of 100% CDI

Consolidated Results

Historical Profit and ROAE

Porto Seguro has surpassed unfavorable economic periods and achieved a consistent profitability – the quarterly net earnings and profitability were the highest in the history, considering the results of the 2nd quarters over the last 10 years

Net Earnings (R\$ Million) and Historical ROAE (%)



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