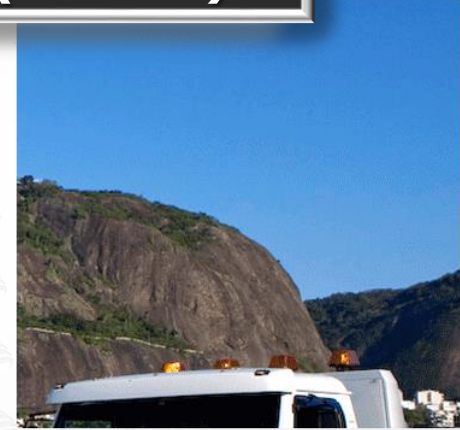
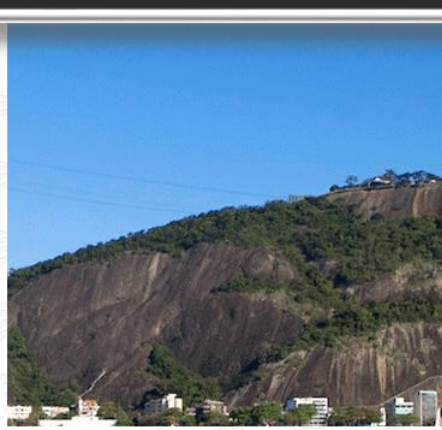
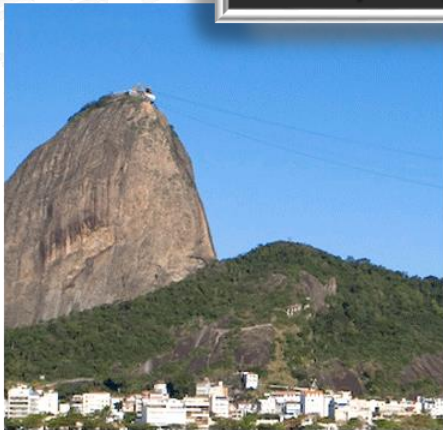




Conference Call
1Q19
05/07/2019 at 10:00 am (NY time)



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 Services Businesses Results***

 ***Financial Investments Results***

 ***Consolidated Results***

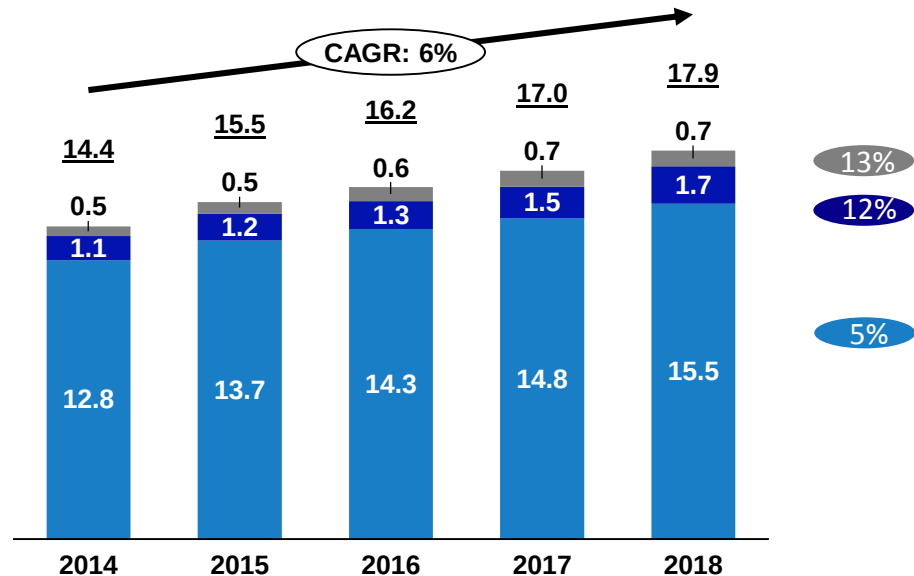
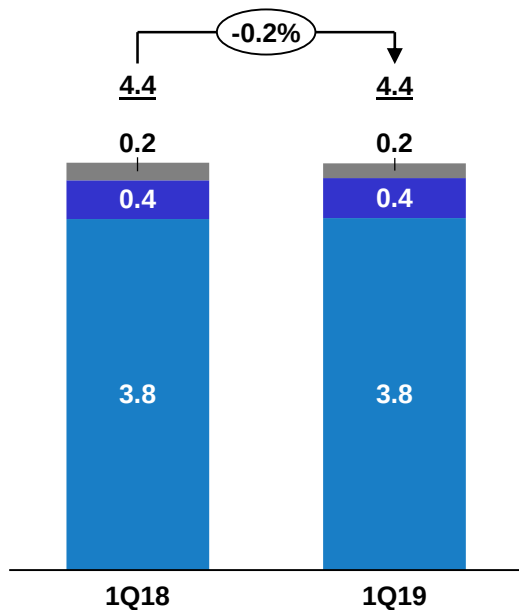
- Total revenues remained stable in the quarter (vs. 1Q18), highlighting the double-digit growth in the insurance segments Health and Financial Risks, whilst the growth in the Auto segment was negatively affected due to technical price adjustments, a stronger competitive environment and a more challenging macro-economic scenario
- The quarterly profitability was favored by the increase in profit of financial and services businesses, as well as by the expansion in financial investments (ex-pension), which outran the benchmark (154% of CDI)
- Operational efficiency gains combined with a significant growth in products with higher margins have contributed to sustain a combined ratio below the historical average, even in more challenging quarters
- The insured fleet rose 6%, adding up 300 thousand extra items, reaching the amount of 5.5 million insured vehicles
- The Auto loss ratio was higher than last year, as a consequence of heavy rains and the increase in partial losses. Nevertheless, the ratio (58.2%) was just 0.4 p.p. higher than the average of the first quarters during the last 5 years
- The result of the Financial and Services Businesses attained a significant growth, thanks to the better performance in Credit Operations and to the reduction in costs related to Conecta
- As last, Porto Seguro has entered into a cooperation agreement with “*Travelers*”, (Travelers Seguros do Brasil) to renew policies in order to strengthen the Company’s position in the P&C and Civil Responsibility segments

Executive Summary

Operational Results 1Q19

Total revenues remained stable in the quarter (vs. 1Q18) – although the Health and Financial Risks segments grew double digit, other relevant products such as Auto, P&C and Credit Operation have shown results below historical average

Revenues by Business Lines (R\$ Billion)



■ Insurance and Pension¹ ■ Financial Businesses² ■ Services³

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: Mobile Operator, Surveillance and Monitoring Services, Medical Services, H4Pet, etc

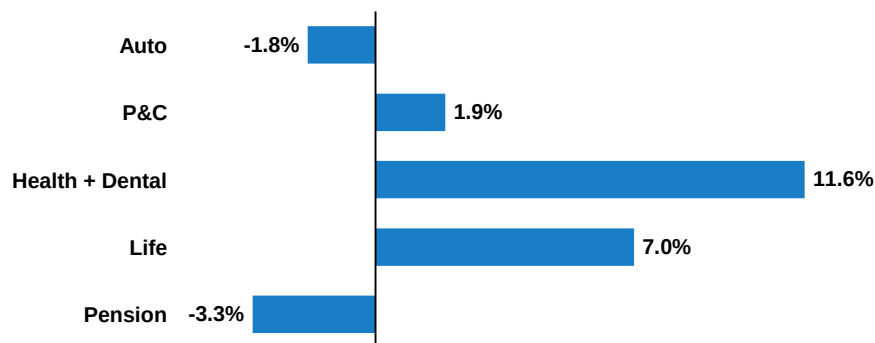
Insurance Results

Main Results 1Q19

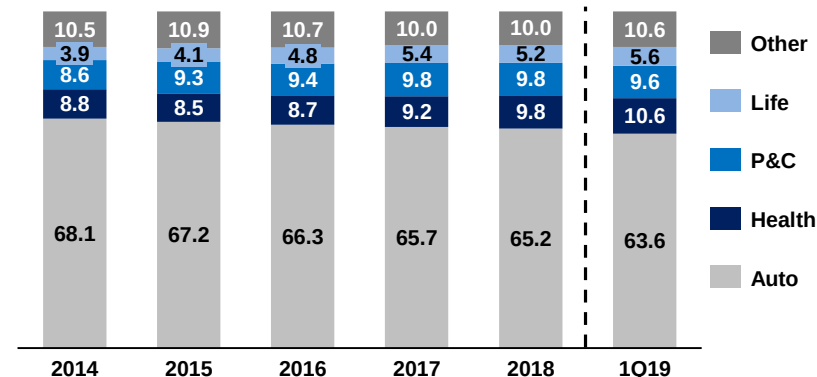
The combined ratio increased 2 p.p., due to the higher loss ratio and commission costs, yet partially compensated by the decrease in the administrative expenses ratio

Insurance Premiums Growth¹ (%)

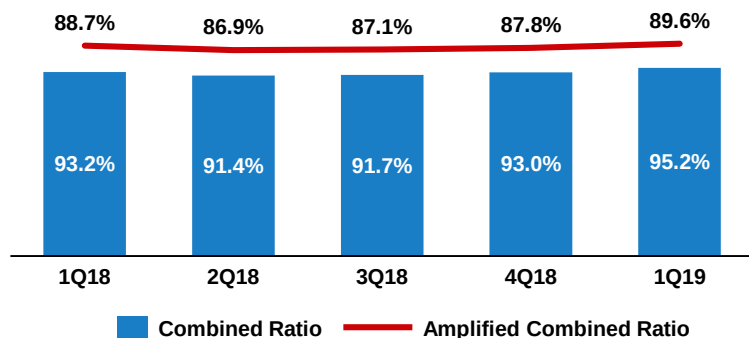
1Q19 vs. 1Q18



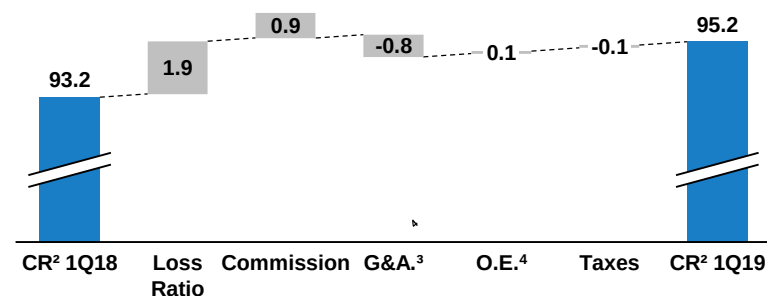
Insurance Written Premiums Breakdown (%)



Combined Ratio Insurance



Combined Ratio 1Q19* (%)



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)

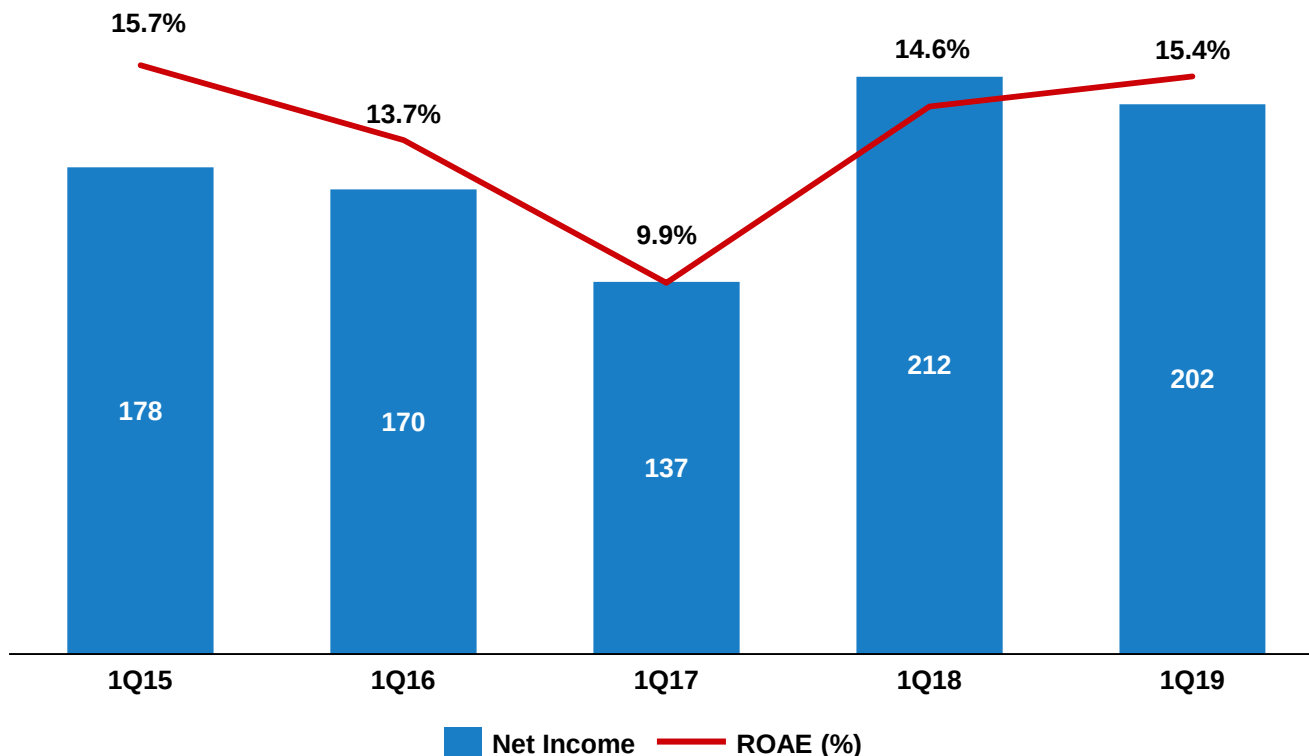
*As of 2018, adjustments were made in our financial statements as a result of the Initial Hiring Costs, which are now recorded as Deferred Acquisition Costs (DAC), following the same appropriation system of the results according to the term and risk. Thus, we adjusted the 2018 and beyond numbers in the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

Consolidated Results

Insurance Net Income and ROAE

Despite of the challenges faced in the first quarter of 2019, the insurance profitability has demonstrated one of the highest results over the last years

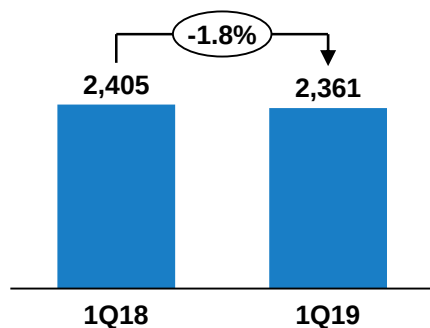
Results (R\$ Million) and ROAE Insurance (%)



The insurance products Porto Homeowner, Health and Life have presented greater growth in premiums (+13%, +12% and +7%). However, Auto lost market share by 0.3 p.p., but at the same time added 300 thousand extra vehicles to the insured fleet (vs. 1Q18)

Auto

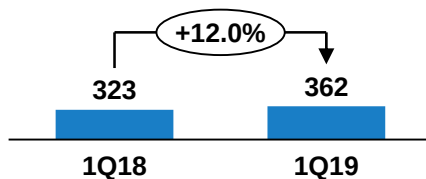
Premiums [R\$ Million]



- *Market Share** -0.3 p.p. (vs. 1Q18)
- Price Adjustments due to reduction in losses of theft and robbery frequencies
- Insured fleet +300 thousand vs. 1Q18

Health

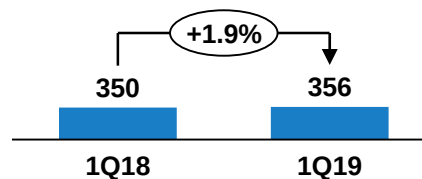
Premiums [R\$ Million]



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

P&C

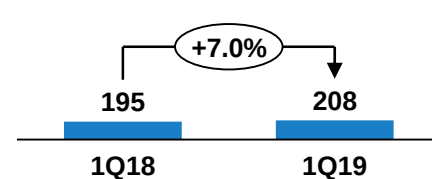
Premiums [R\$ Million]



- Porto Homeowner grew 13% (vs. 1Q18), 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 8%

Life

Premiums [R\$ Million]



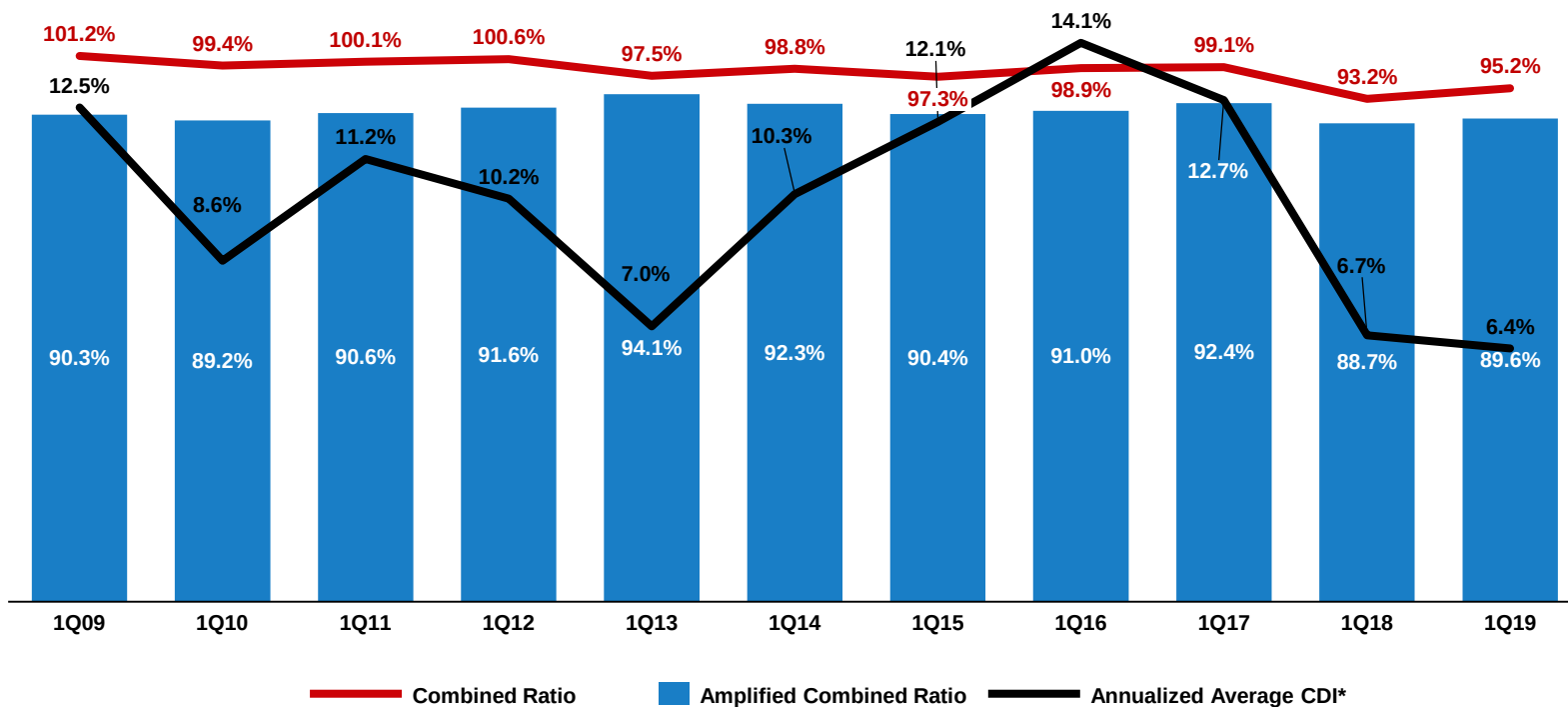
- Growth influenced by the products Individual Life and Travel insurance
- New initiatives, such as enlargement in coverage, acceptance of new professions, expansion of trainings for brokers and commercial campaigns

Insurance Results

Historical Operational Performance

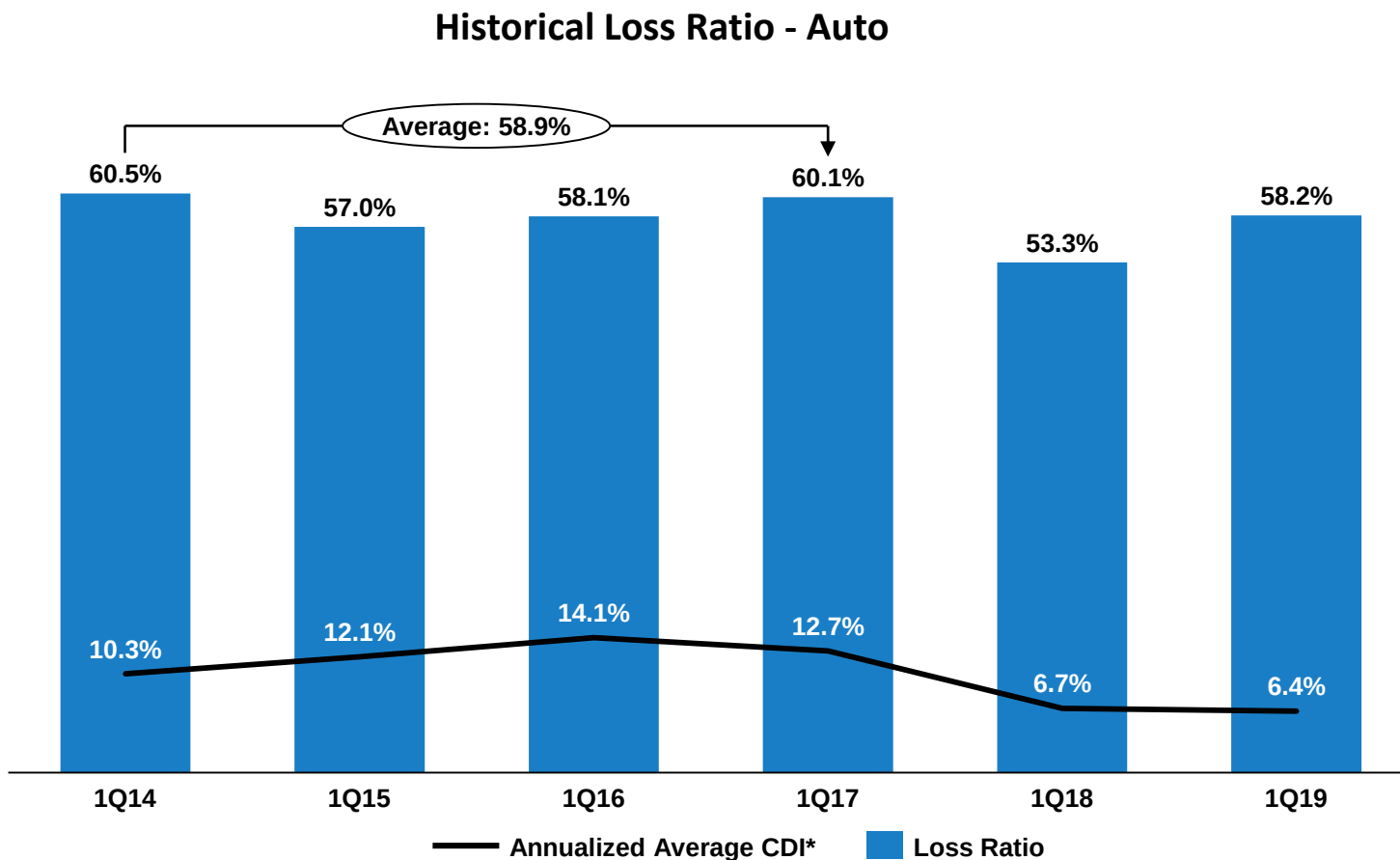
Even facing historically low interest rates and an increase in loss ratio, the amplified combined ratio of 1Q19 remained 1.3 p.p. below the average of the last 10 years

Porto Seguro Operational Performance vs. Interest Rates (%)



* Quarterly Average CDI, annualized Source: CETIP

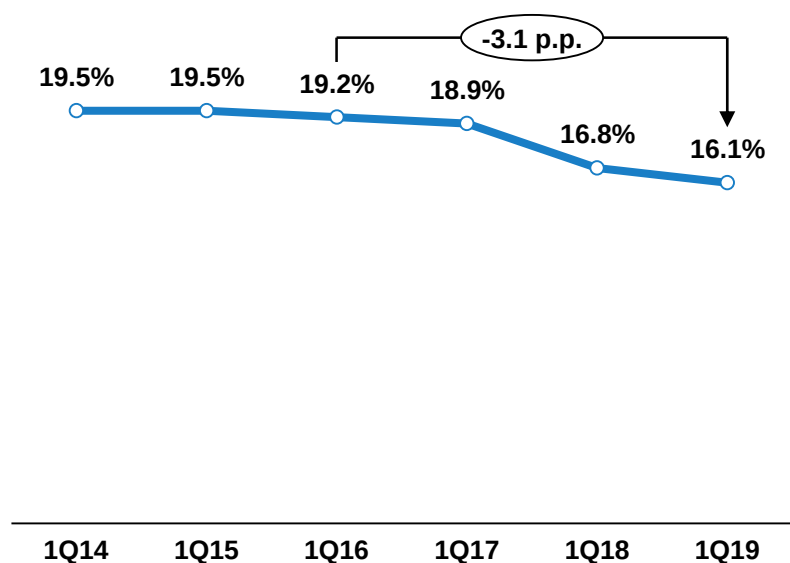
The Auto loss ratio in 1Q18 was exceptionally low, so an increase in the ratio was expected for this quarter (1Q19), which ended up occurring in greater intensity due to heavy rains and increased collisions



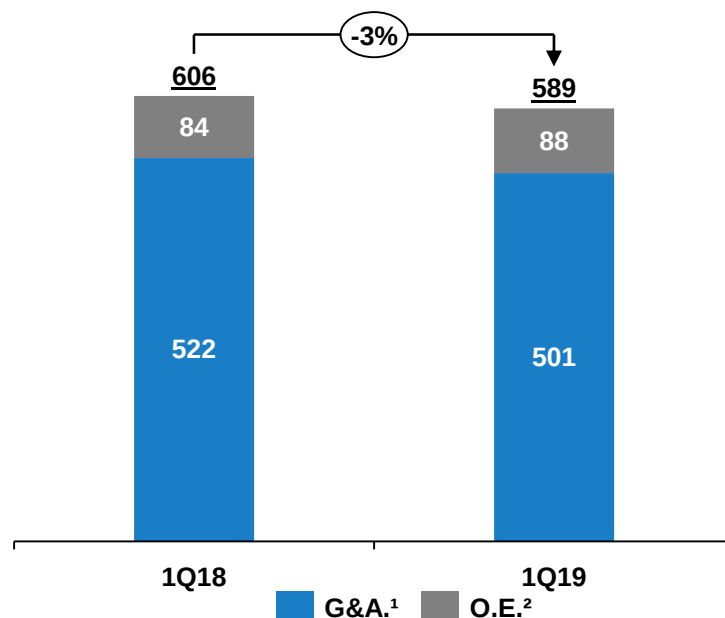
Administrative and Operational Expenses

Efforts to generate more efficiency have led to a nominal reduction in G&A + O.E. ratio in 1Q19 – over the last 3 years, the intensification in the usage of technology and adjustments of processes resulted in a decrease of more than 3 p.p. in the consolidated administrative and operational expenses ratio

G&A¹ + O.E.² Ratio – Porto Seguro



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



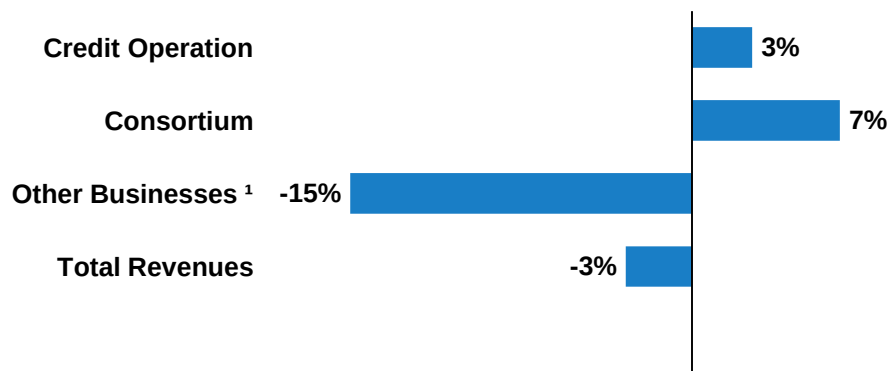
¹G&A = General and Administrative Expenses (Excluding profit sharing)

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

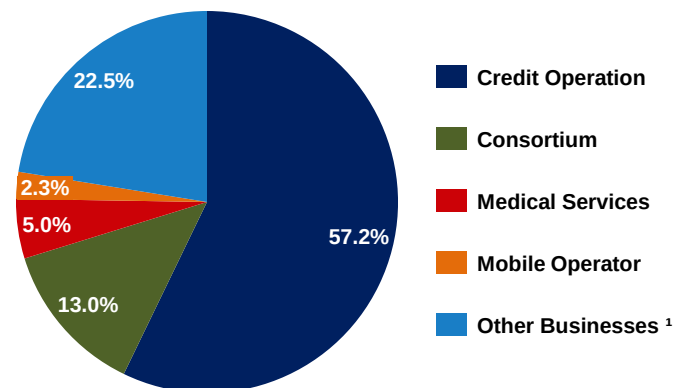
Net earnings increased significantly, due to the reduction in costs related to Conecta and the increased result of Credit Operations

Revenues Evolution – 1Q19 vs. 1Q18



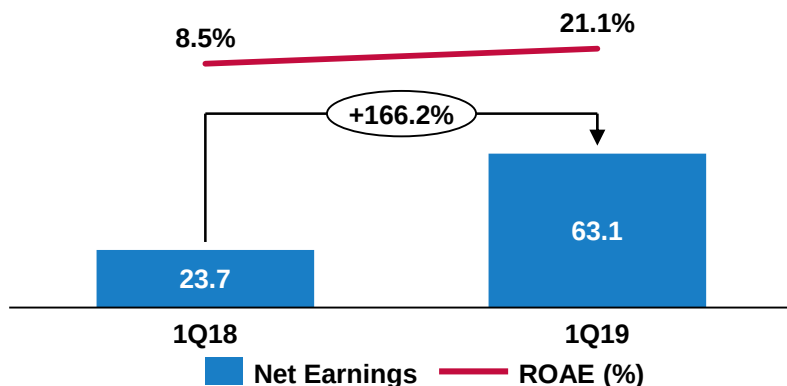
¹Represents especially the revenues of Call Center operations, Conecta, Surveillance and Monitoring, Assets Management, among others.

Revenues Distribution – 1Q19



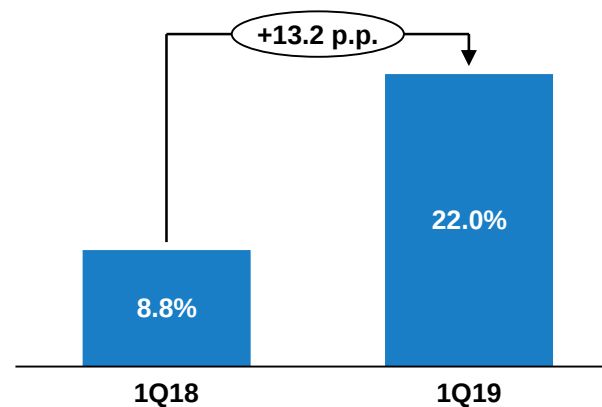
Net Earnings

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



ROAE

(w/o business combination – %)

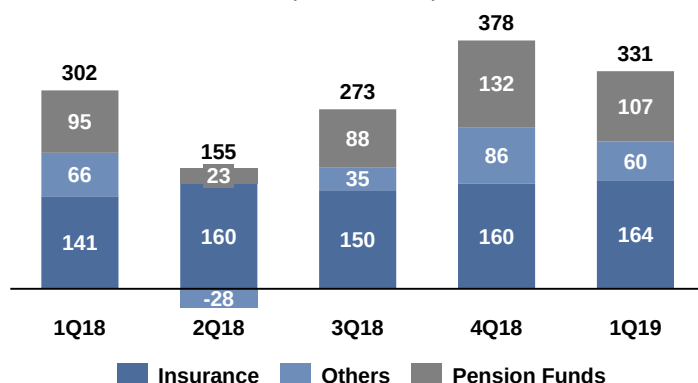


Investments and Allocation – 1Q19

The result on financial investments was positively affected by the performance of inflation-linked bonds and fixed income, and to a lesser extent, by variable income assets – the quarterly profitability reached 2.3% (154% of the CDI - ex-Pension)

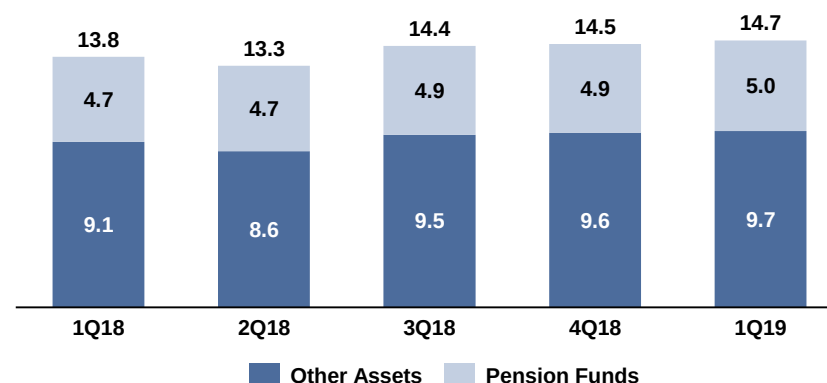
Revenue from Investments Assets

(R\$ Million)

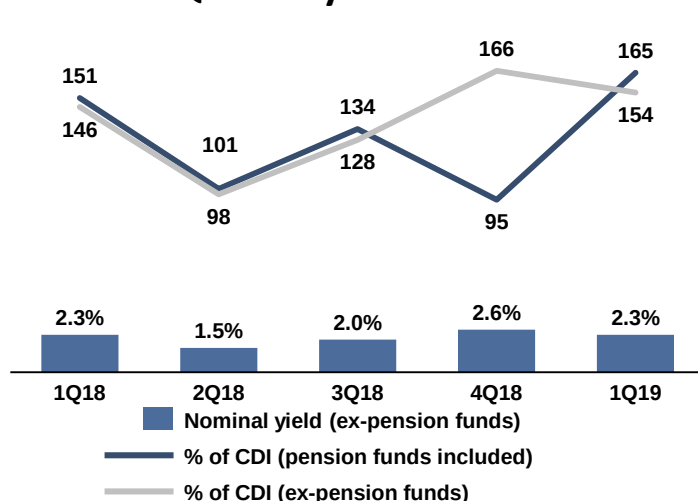


Net Asset Value

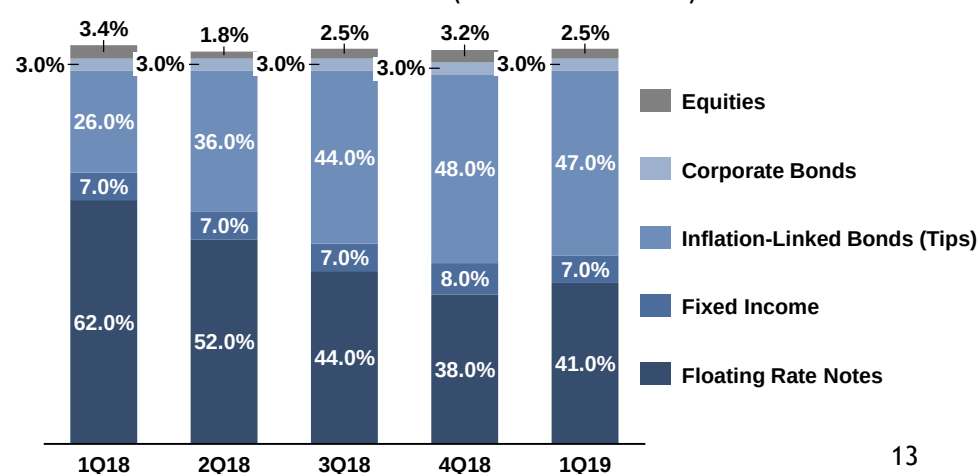
(R\$ Billion)



Quarterly Performance



Allocation¹ (ex-Pension Funds)

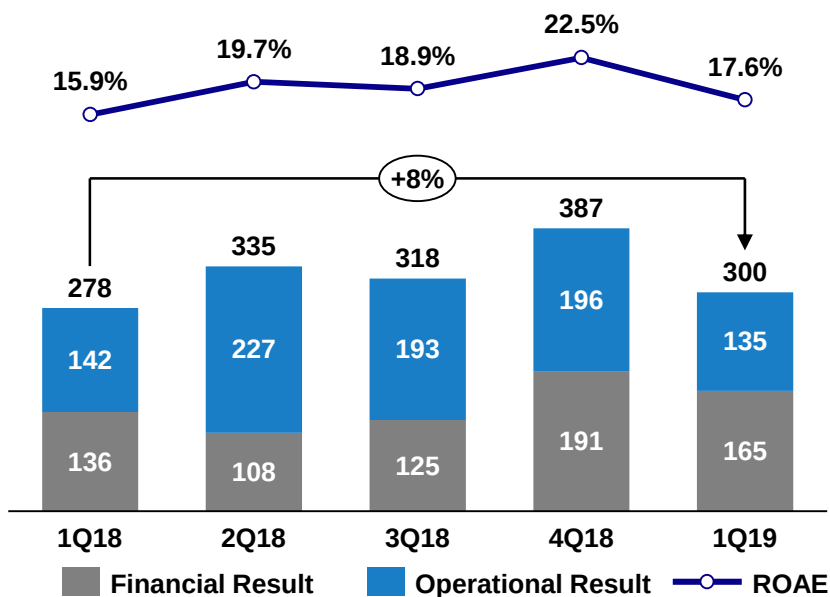


¹ Futures exposures included

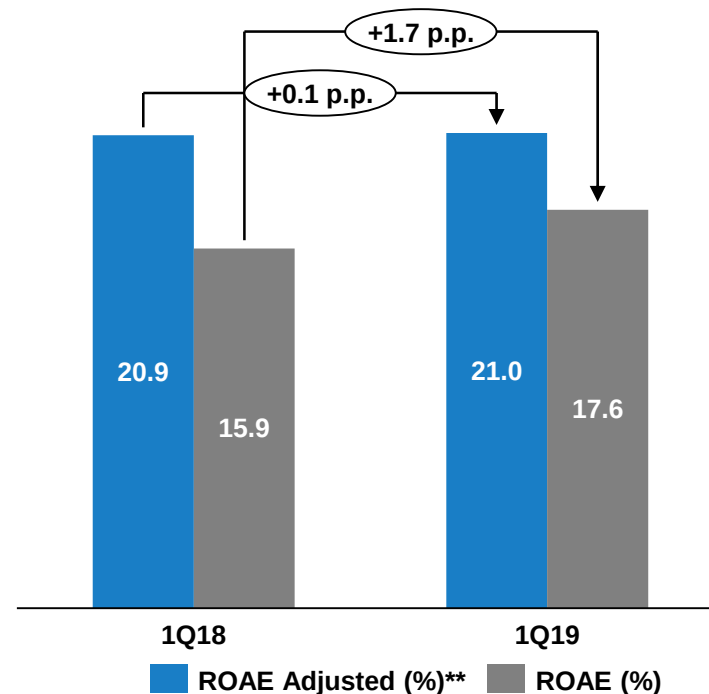
Net Earnings and ROAE – 1Q19

Net earnings leveled up 8% (vs. 1Q18), whereas ROAE reached 17.6% in the quarter – the increase in the quarter is mostly due to the higher performance of Financial and Services Businesses, as well as the increased financial result

Net Income* (R\$ Million)



ROAE (%)



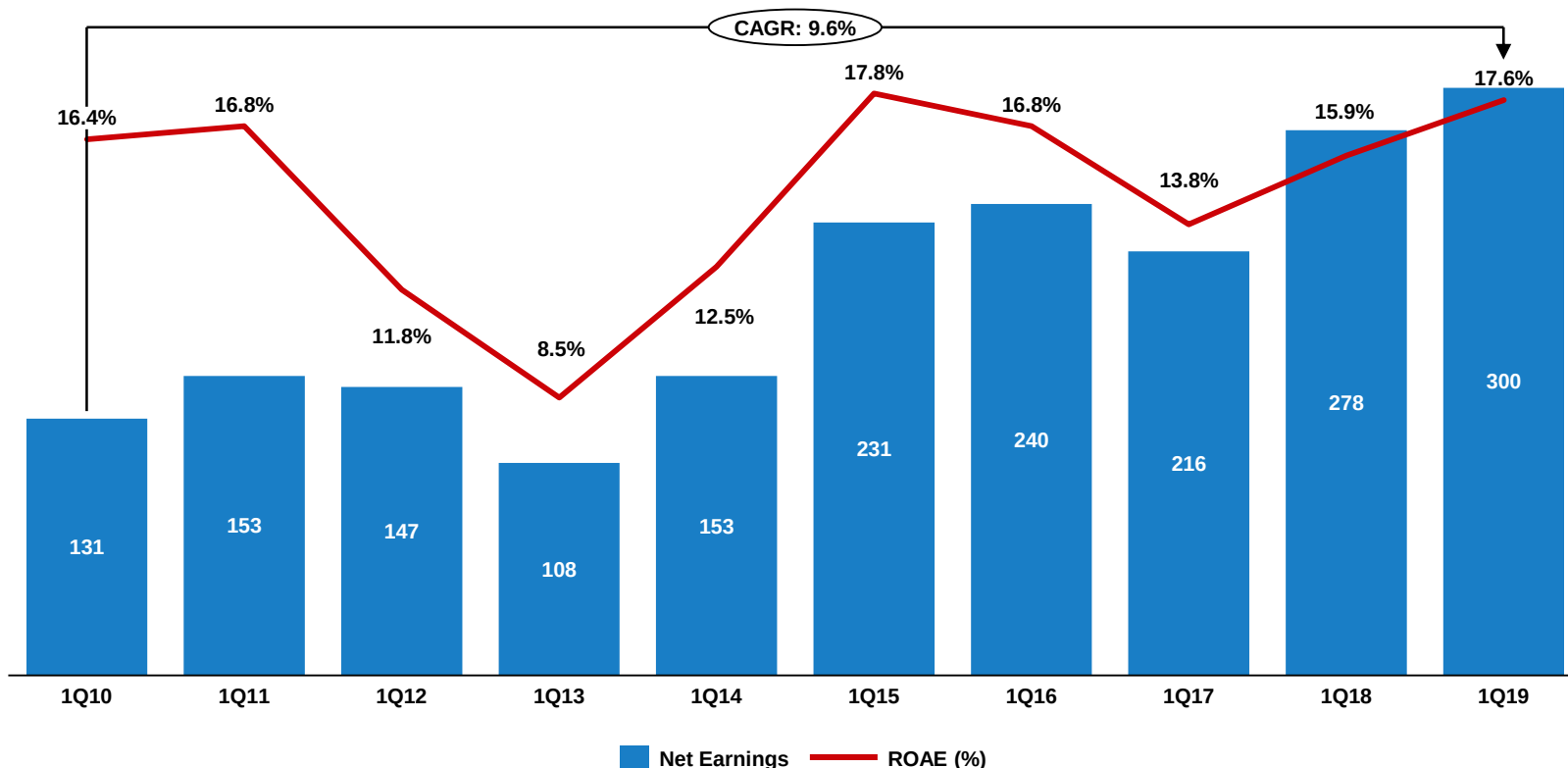
* For the calculation of the financial result, the effective tax rate was applied, while for the calculation of the operating result, the difference between the net profit without business combination and the net financial result of the effective tax rate were considered
 ** Profitability of the Company's 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 delivered solid results and achieved a consistent profitability, even in unfavorable economic periods – the net earnings have grown 10% YoY since 2010, showing that the profitability in 1Q19 was 3 p.p. higher than the historical average

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



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