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# Terra Report

## Report on the Brazilian Reinsurance Market

- From January to September 2017, the total amount of ceded reinsurance originated by Brazilian insurers (gross of commission) stood at BRL 8.46 bn, 15% higher than the same period of 2016.
- Around 73% of this total (BRL 6.19 bn) was placed with Local Reinsurers, a growth of 16%. Additionally, in the same period, Local Reinsurers accepted risks from abroad (gross of commission) estimated at BRL 1.70 bn, a 55% increase in comparison to the same previous period of the previous year.
- From January to September of this year, the Gross Written Premium from Local Reinsurers (gross of commission) reached BRL 7.89 bn, an increase of 23% in comparison to the previous period.
- This year up to September, Local Reinsurers' Loss Ratio stood at 63% compared to 76% for the same period last year. The Combined Ratio stood at 95%, an improvement when in comparison to the 101% ratio seen in the same period of 2016.
- During 2017 up to September, the Local Reinsurers presented a profit of BRL 918 mm (IRB BRL 676 mm and Other Local Reinsurers BRL 242 mm), an increase of 38% in comparison to BRL 663 mm of the same previous period.

**Ratings:**

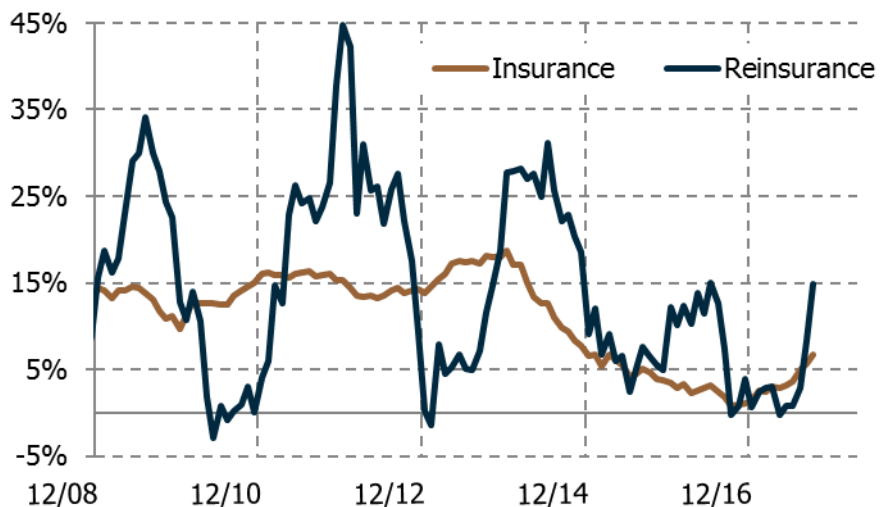
A.M. Best  
**B++/bbb**  
 Global (*Investment Grade*)  
 Stable Outlook

Standard & Poor's  
**brA+**  
 Local  
 Stable Outlook

**Shareholders:**



Reinsurances Ceded and General Insurance Premium Growth



Source: SUSEP, Terra Brasis Re, 12-month aggregate

## Introduction

Dear Reader,

This edition analyses the Brazilian reinsurance market during the third quarter of 2017. Overall the message is positive. The recovery noticed in the previous edition of *Terra Report* appears to have continued during this quarter.

Premium growth, for both General Insurance and Reinsurance markets, shows increase. For the 12 months aggregate ending in September of 2017, the insurance market showed 6.8%, while the reinsurance market (which traditionally has a more volatile behavior) increased 14.9%. The graph in this edition's cover illustrates.

The growth of Local Reinsurers' presence abroad continues to impress. During the first nine months of 2017, Local Reinsurers accepted BRL 1.7 bn in premium, a 55% increase in comparison to the same period of the previous year. Currently, premium accepted from offshore cedants stand at around 20% of the volume from Brazilian based cedants, whereas it stood at close to zero only a few years ago.

We also noticed an improvement in the Loss Ratio, Combined Ratio and the profitability of Local Reinsurers.

On a technical note, there has been an error on the Insurance Loss Ratio by Line of Business charts, on pages 21 to 26. This metric has been calculated as retained losses divided by earned premium, which was correct up to mid-2011, in line with the accounting standards of the time. However, after the changes to accounting standards implemented in mid-2011 the correct metric should have been occurred losses (gross of reinsurance) / earned premium (gross of reinsurance). This has been corrected in this edition. We apologize for the mistake.

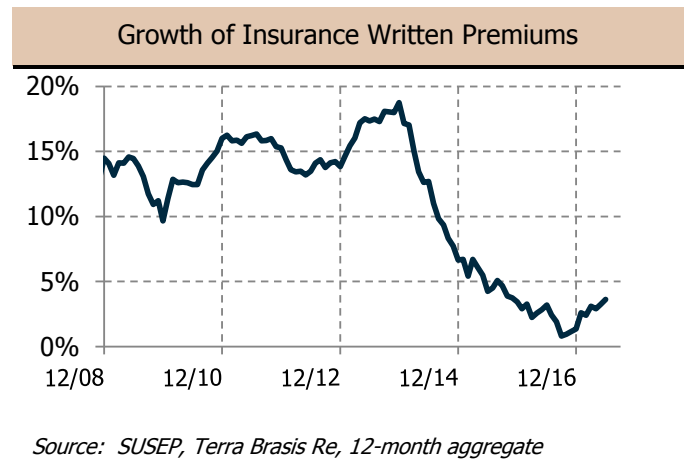
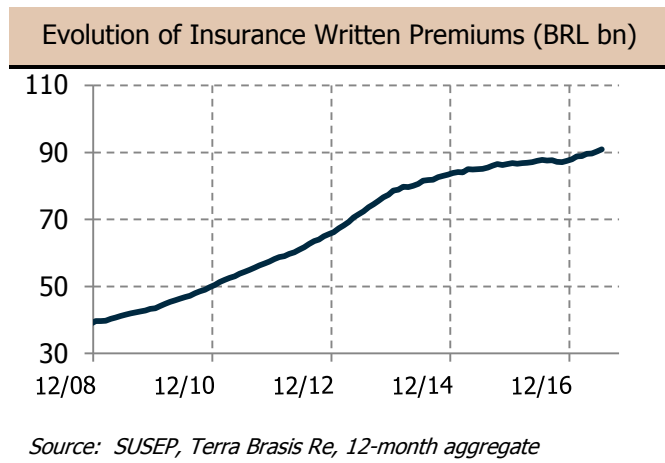
Enjoy your reading,

**Rodrigo Botti, ARe**  
General Director  
Terra Brasis Resseguros

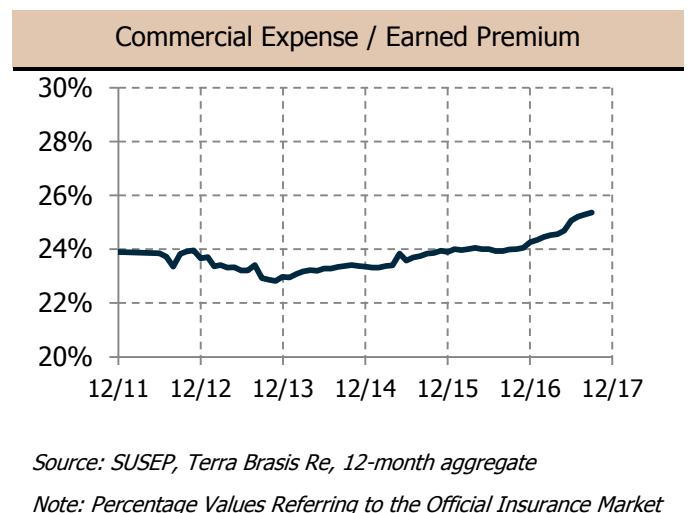
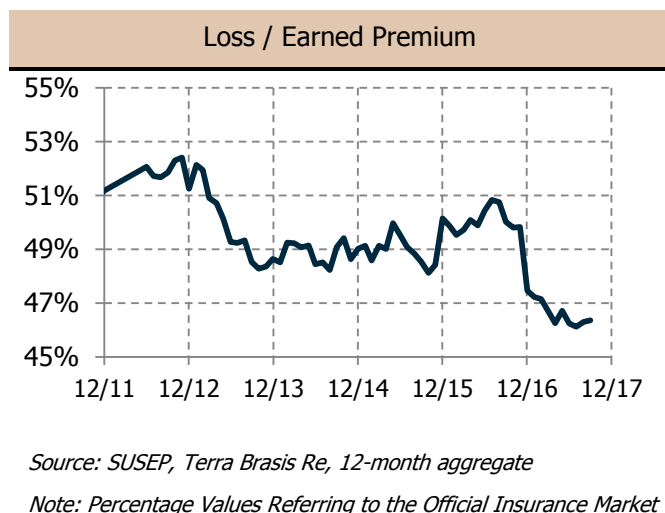
## Brazilian General Insurance Market

The **General Insurance Market**, defined as per methodology presented on Exhibit 1, after a decrease in growth in the ending of 2016, keeps showing signs of improvement. The growth of general insurance premium is back to the level of middle's 2016, but, it's still below the average of the last years.

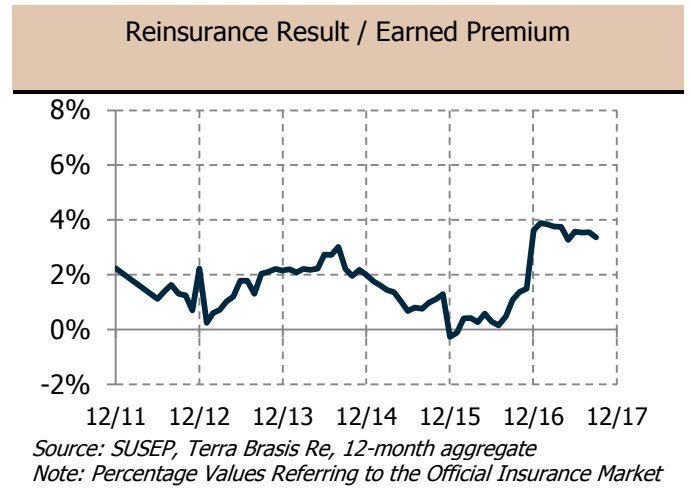
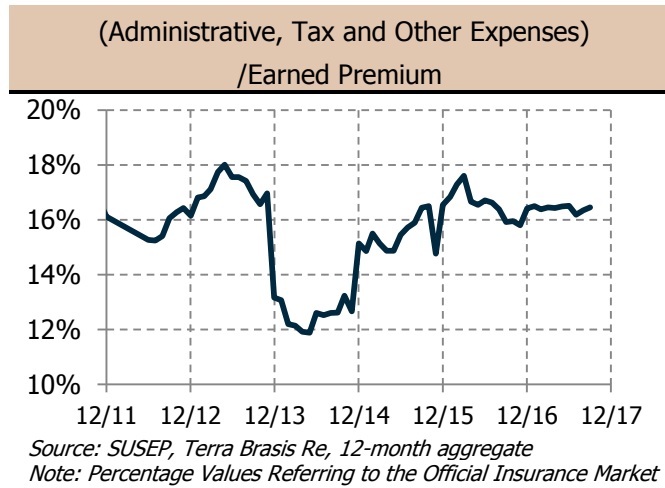
For the 12 months aggregate ending in September 2017, Brazilian Market generated BRL 93 bn in insurance premium, compared to BRL 87 bn in the same period of previous year, representing an annual growth of 6.8% versus 0.8% for the same period in 2016.



The **Loss Ratio**, obtained as a result of occurred losses over earned premium from the Income Statement of all Brazilian market insurers, showed a recovery in the third quarter of 2017 when in comparison to the last periods. For the 12 months aggregate ending in September 2017, the loss ratio stood at 46.4% compared to 50.0% for the same period of the previous year.



The **Commercial Expense Ratio**, for the 12 months aggregate ending in September 2017 stood in 25.4%, a small increase when compared to 24.0% for the 12 months aggregate ending in September 2016.

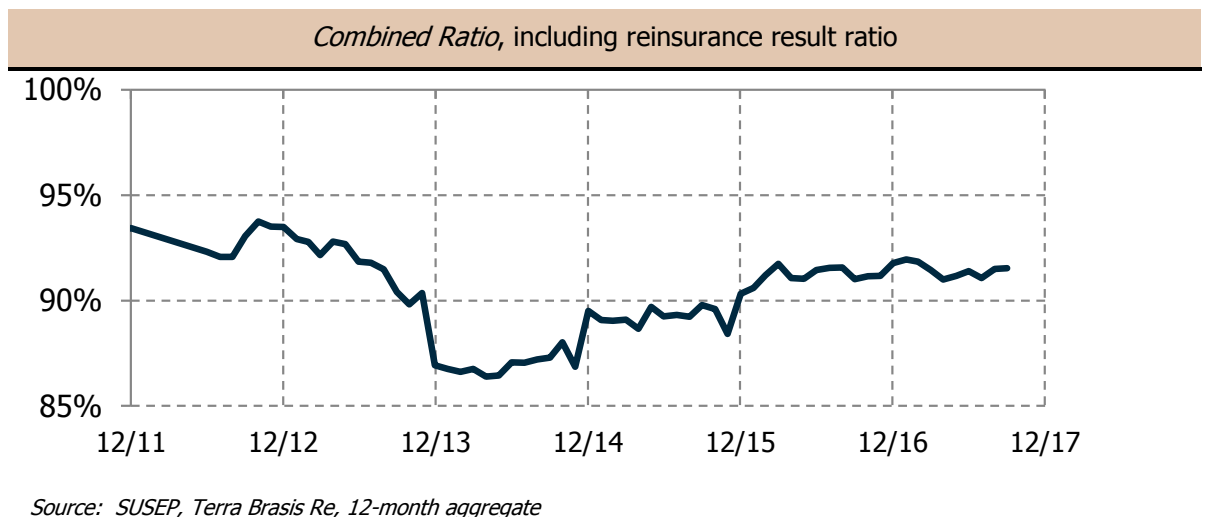


The **Administrative Expense Ratio (including taxes and other expenses)** also finished the period practically stable in comparison to the previous period, finishing the 12 months aggregate by September 2017 in 15.5% in comparison to 15.1% for the same previous period of 2016.

In the same period, the **Reinsurance Result Ratio**, defined as reinsurance result divided by earned premium, had a remarkable growth, ending the 12 months aggregate ending in September 2017 with a 3.4% ratio versus 1.1% for the same previous period of 2016.

In our view, this increase in reinsurance costs by the insurers is normal and healthy for the entire market. It is expected that insurers experience expenses with reinsurance and only sporadically (usually in the case of an unexpected loss ratio deviation), experience profits. In this sense, the behavior seen since mid-2015 and in 2012, with extremely low reinsurance costs, is not consistent with a regular functioning market.

The **Combined Ratio**, including the reinsurance result ratio, showed a stable result, closing the 12 months aggregate ending in September 2017 in 91.5% in comparison to 91.0% for the same previous period.

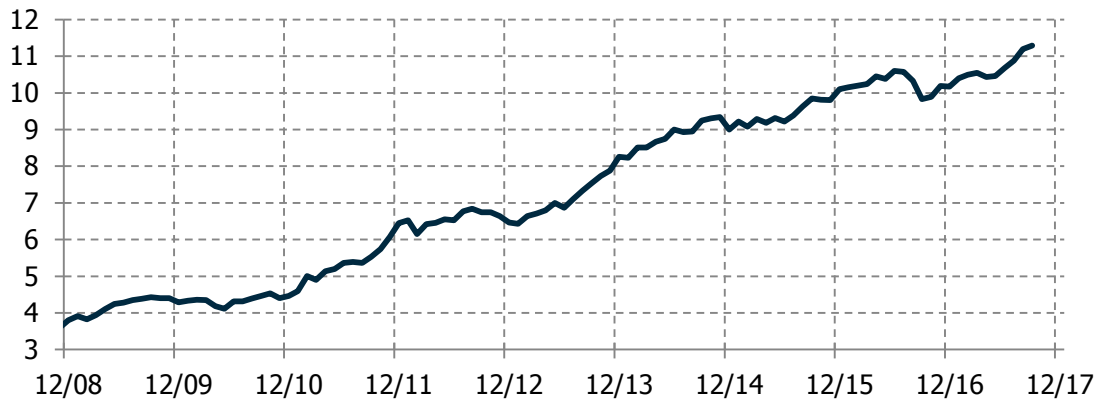


## Brazilian Reinsurance Market

We start this section’s analysis using 12-month aggregate data.

The 2017 third quarter figures showed a stable behavior in the reinsurance volume originated by Brazilian cedants related the previous period. In the aggregate of 12 months ending in September 2017, **the Brazilian market reinsurance volume (gross of commission)** stood at BRL 11.29 bn, showing an increase of 14.91% related to the previous period.

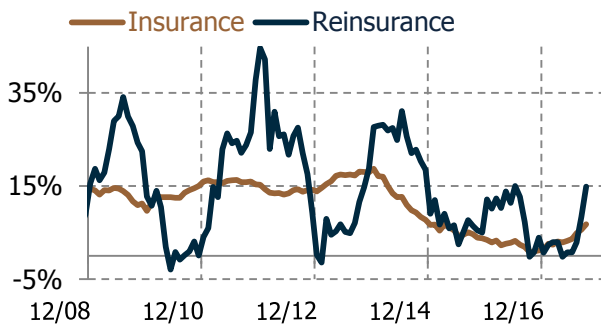
12-Month Aggregate Reinsurance Premium Ceded (Gross of Commission, BRL bn)



Source: SUSEP, Terra Brasis Re, 12-month aggregate

For the same period, the proportion of reinsurance ceded over general insurance premium stood at 12.1%, slightly smaller in comparison to 11.3% in the previous period.

Growth of Reinsurance Ceded and General Insurance Premium



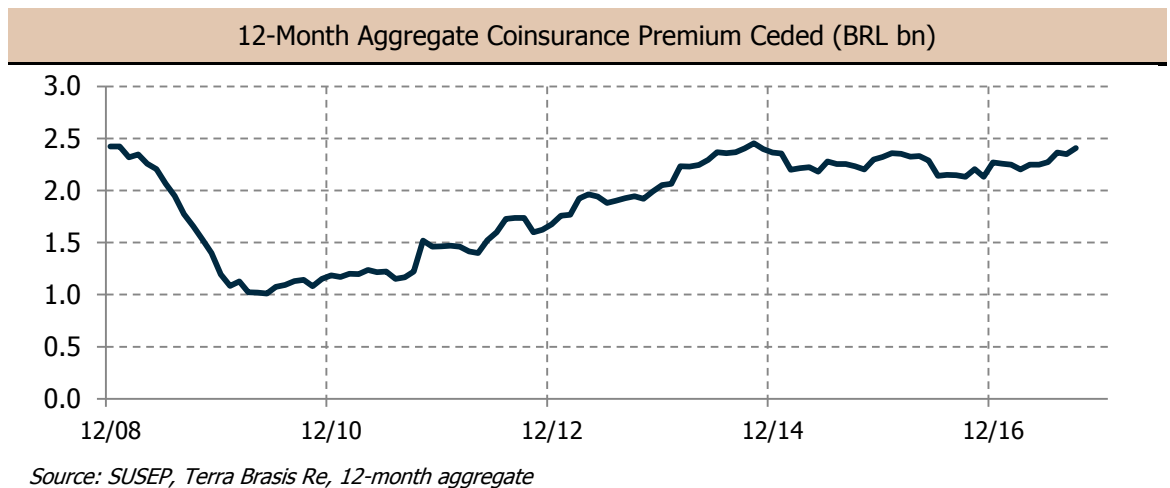
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Volume / General Insurance Premium

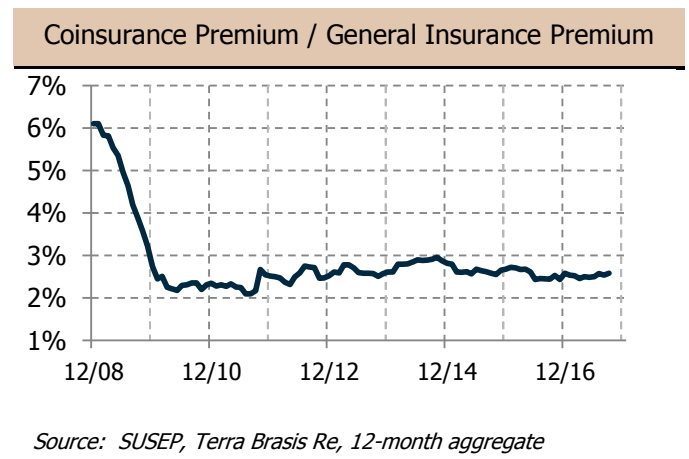
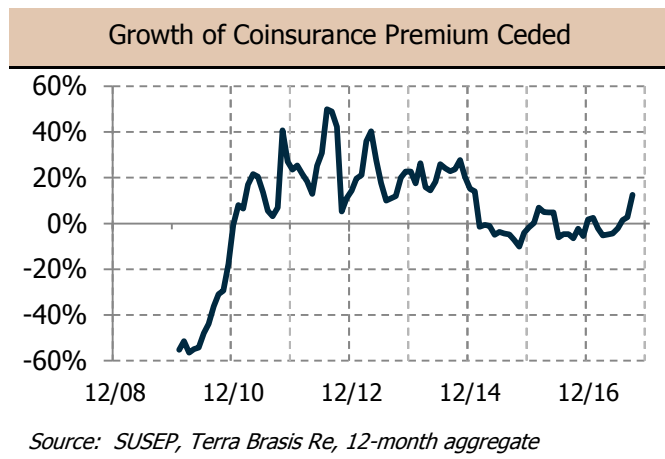


Source: SUSEP, Terra Brasis Re, 12-month aggregate

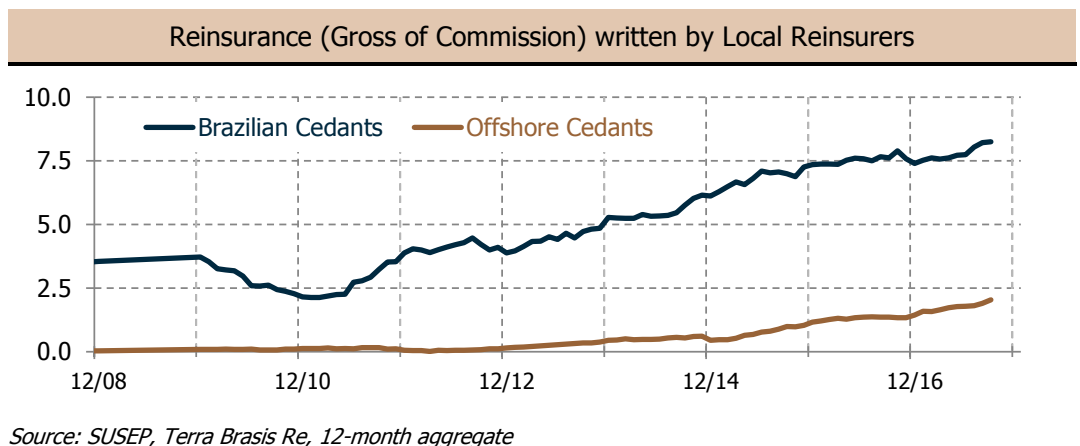
The 12 months aggregate **Coinsurance Premium Volume** ending in September 2017 stood at BRL 2.41 bn, an increase of 12.5% compared to BRL 2.13 bn recorded in the previous period.



The Coinsurance Premium Volume in the 12 months aggregate ending in September 2017 represented 2.6% of the general Insurance premium volume compared to 2.4% registered in the previous period of 2016.



In the same period, the **Reinsurance Volume (gross of commission)** written by Local Reinsurers ceded by Brazilian insurers stood at BRL 8.2 bn, corresponding to a 8.4 % increase when compared to the BRL 7.6 bn registered in the previous period. For the same period, the volume coming from offshore cedants reached BRL 2.04 bn against BRL 1.35 bn for the same period of the previous year, an annual growth of 51.0%. This is an expressive volume, representing 24.7% of the total volume received, compared to 17.8% registered in the same period of 2016.



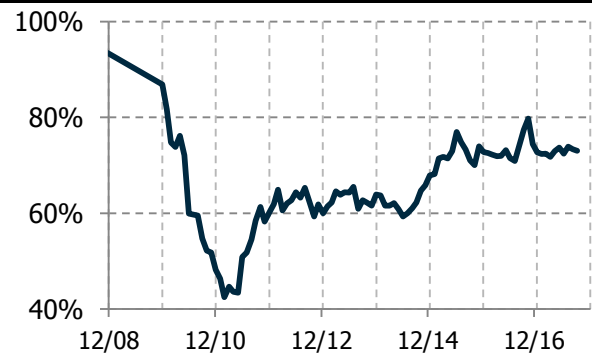
The local market closed the 12 months aggregate ending in September 2017 detaining 73% of the volume ceded by Brazilian insurers, percentage below of the 77.4% presented in the same previous period of 2016.

Growth in Reinsurance Premium Ceded to Local Reinsurers by Brazilian Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

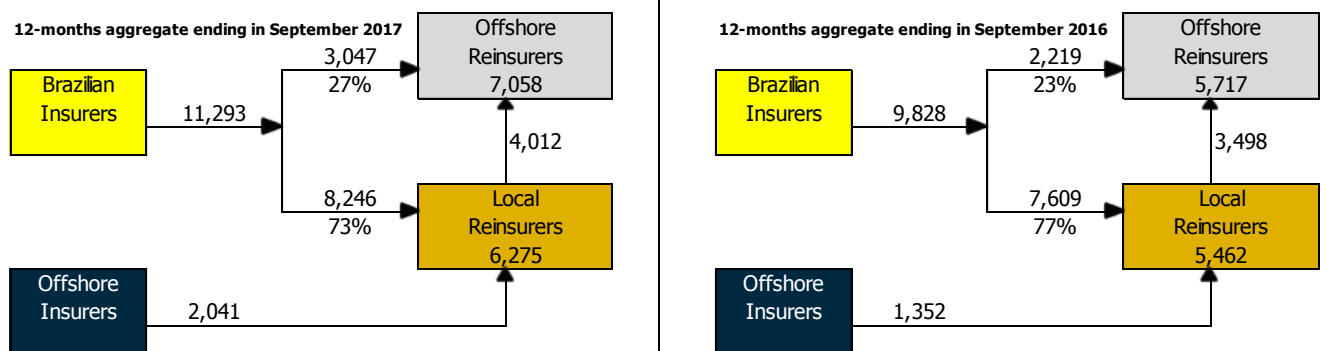
Gross Reinsurance Premium Ceded to Local Reinsurers as Percentage of Total Reinsurance Premium Ceded



Source: SUSEP, Terra Brasis Re, 12-month aggregate

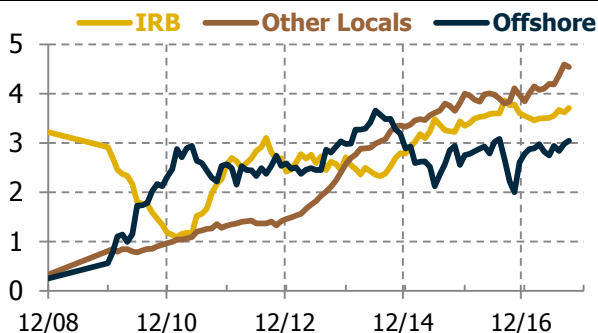
The following flowcharts show the volume of reinsurance premiums and retrocession, gross of commission, in the Brazilian market for the 12 month period ending in September 2017 and the preceding 12 month period. We note a significant increase in the retained premium by Local Reinsurers. For the 12 month period ending in September 2017, Local Reinsurers retained BRL 6.27 bn, a growth of 14.9% compared to the BRL 5.47 bn of the preceding period.

Reinsurance Flow in the Brazilian Market for the 12 month period ending September 2017 and the preceding 12 month period (gross of commission, BRL mm)



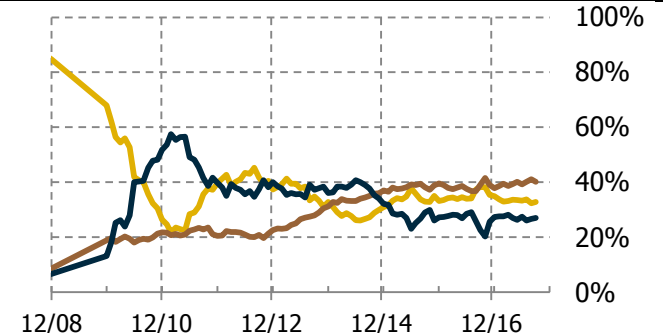
Source: SUSEP, Terra Brasis Re, BRL millions, reinsurance gross of commission figures

Gross Reinsurance Premium Ceded by Brazilian Insurers (BRL bn)



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Participation in the Gross Reinsurance Premium Ceded by Brazilian Insurers



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

We now move to the analysis of the current year's figure

During the first nine months of this year, we estimate that the Local Reinsurers accepted from offshore insurers a premium 55% higher than the same period of the previous year, while the insurance accepted from Brazilian Insurers increased 16%.

#### Premium Ceded by Brazilian Insurers and Premium Received by Local Reinsurers from January to September (BRL mm)

##### Gross Reinsurance ceded by Brazilian Insurers (gross of comission):

	2017/09	2016/09	17/16	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
to IRB	2,885	2,724	6%	3,546	3,348	2,788	2,707	2,419	2,562	1,181	2,915	3,219	3,224
to other Local Reinsurers	3,303	2,609	27%	3,845	3,999	3,328	2,572	1,459	1,319	967	806	329	
<b>Total Local Market</b>	<b>6,188</b>	<b>5,333</b>	<b>16%</b>	<b>7,391</b>	<b>7,347</b>	<b>6,116</b>	<b>5,279</b>	<b>3,878</b>	<b>3,882</b>	<b>2,148</b>	<b>3,721</b>	<b>3,548</b>	<b>3,224</b>
to Offshore Reinsurers	2,268	1,999	13%	2,777	2,751	2,888	2,980	2,588	2,569	2,310	565	254	66
<b>Total</b>	<b>8,456</b>	<b>7,331</b>	<b>15%</b>	<b>10,168</b>	<b>10,098</b>	<b>9,004</b>	<b>8,259</b>	<b>6,466</b>	<b>6,451</b>	<b>4,458</b>	<b>4,286</b>	<b>3,802</b>	<b>3,291</b>

##### Gross Reinsurance accepted by Local Reinsurers (gross of comission):

	2017/09	2016/09	17/16	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
from Brazilian Insurers	6,188	5,333	16%	7,391	7,347	6,116	5,279	3,878	3,882	2,148	3,721	3,548	3,224
from Offshore Insurers	1,705	1,101	55%	1,437	1,161	451	443	149	50	119	84	31	22
<b>Gross Reinsurance Premium</b>	<b>7,893</b>	<b>6,434</b>	<b>23%</b>	<b>8,828</b>	<b>8,508</b>	<b>6,566</b>	<b>5,722</b>	<b>4,027</b>	<b>3,932</b>	<b>2,267</b>	<b>3,805</b>	<b>3,578</b>	<b>3,246</b>
Retrocession	2,973	2,445	22%	3,483	3,480	2,804	2,516	1,813	2,156	916	1,845	1,937	1,641
<b>Net Retained Premium</b>	<b>4,920</b>	<b>3,989</b>	<b>23%</b>	<b>5,345</b>	<b>5,028</b>	<b>3,763</b>	<b>3,207</b>	<b>2,214</b>	<b>1,788</b>	<b>1,351</b>	<b>1,960</b>	<b>1,642</b>	<b>1,605</b>

Source: SUSEP, Terra Brasis Re

Considering the distribution volume of reinsurance from Brazilian Insurers, IRB ended the third quarter of 2017 with a market share of 34%, while other Local Reinsurers ended the period with 39% share and offshore reinsurers 27%.

#### Reinsurance Market Share (gross of commission ) generated by Brazilian Insurers

##### Market Share of Ceded Reinsurance by Brazilian Insurers (gross commission):

	2017/09	2016/09	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
IRB	34%	37%	34%	37%	31%	33%	37%	40%	26%	68%	85%	98%
Other Local Reinsurers	39%	36%	39%	36%	37%	31%	23%	20%	22%	19%	9%	0%
Offshore Reinsurers	27%	27%	27%	27%	32%	36%	40%	40%	52%	13%	7%	2%
Total ceded by local cedants	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

##### Market Share between Local Reinsurers (gross of commission)

	2017/09	2016/09	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
IRB	47%	51%	48%	46%	46%	51%	62%	66%	55%	78%	91%	100%
Other Local Reinsurers	53%	49%	52%	54%	54%	49%	38%	34%	45%	22%	9%	0%
<b>Total placed in the local market</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

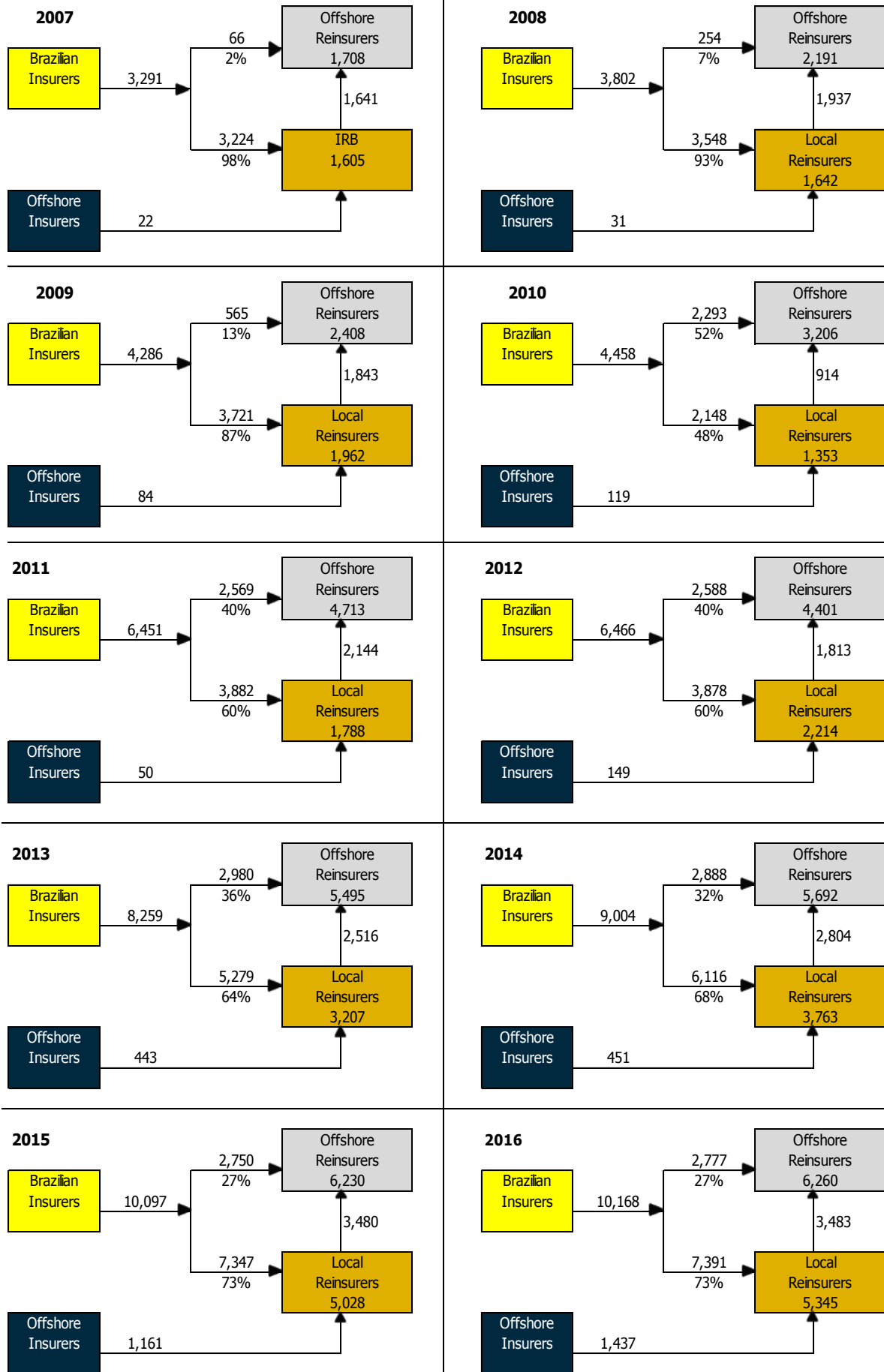
Source: SUSEP, Terra Brasis Re

Analyzing only the Local Reinsurance Market, IRB detained 47% of market share, while the Other Local Reinsurers shared the remaining 53%.

Next page's flowcharts show the reinsurance and retrocession volumes since 2007, the last year of the monopolistic reinsurance regime.



Reinsurance Annual Flow in the Brazilian Market since 2007 (Gross of Commission, BRL mm)



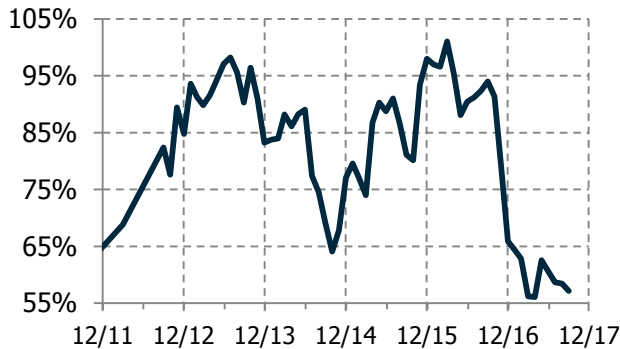
Source: SUSEP, Terra Brasis Re, BRL millions, reinsurance gross of commission figures.

## Local Reinsurers' Results

The figures of the third quarter of 2017 showed positive results for most Local Reinsurers, presenting a recovery from 2015 figures.

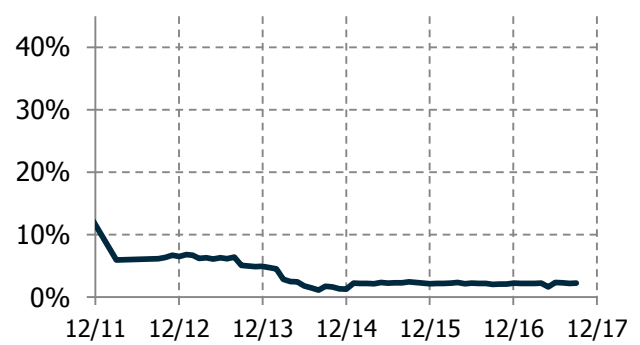
In the 12 months aggregate ending in September, the **Loss Ratio** experienced by the Local Reinsurance Market reached 57%, a significant decrease in comparison to 94% registered in the same period of 2016. It is worth emphasizing that this is the Gross Loss Ratio, calculated from the gross occurred losses divided by the gross earned premium (i.e. gross of retrocession, net of commission).

Loss Ratio: Occurred Losses/ Earned Premium



Source: SUSEP, Terra Brasis Re, 12-month aggregate

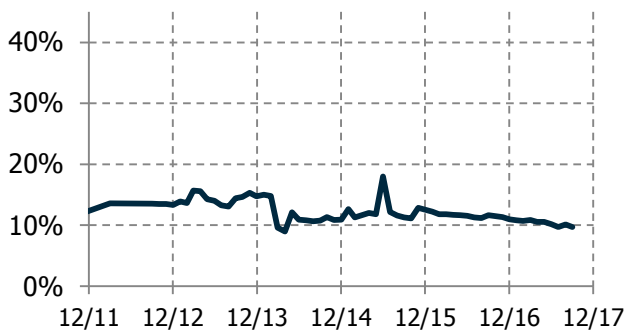
Commercial Expenses/ Earned Premium



Source: SUSEP, Terra Brasis Re, 12-month aggregate

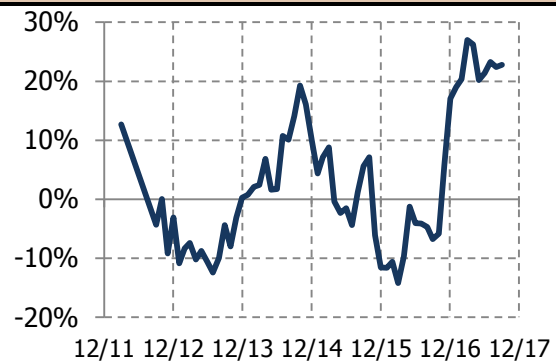
The **Commercial Expense Ratio** had a small increase, closing the period in 2.3% compared to 2.0% registered in the same period of the previous year. In the same period, the **Administrative Expense Ratio (including taxes and other expenses)** stood in 7.0% against 7.7% recorded in the same period of 2016, showing a slightly decrease.

Administrative Expense Ratio (including taxes and other expenses)/ Earned Premium



Source: SUSEP, Terra Brasis Re, 12-month aggregate

Retrocession Result / Earned Premium

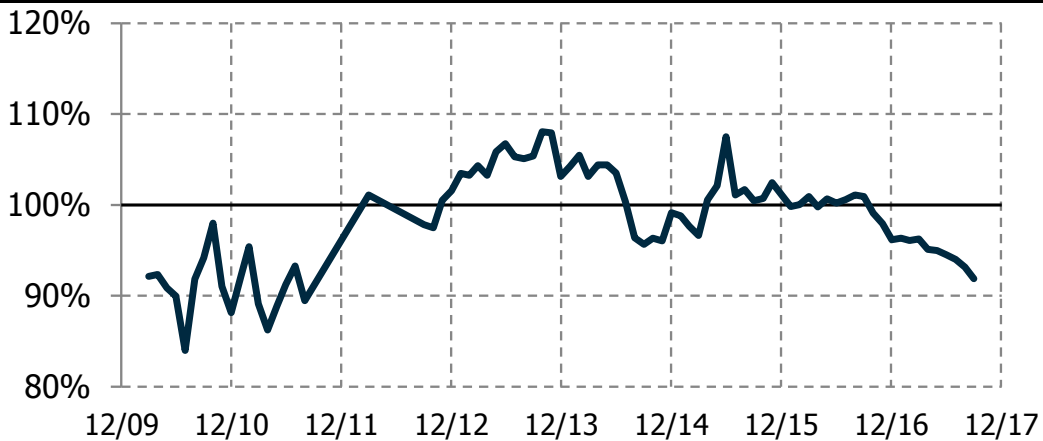


Source: SUSEP, Terra Brasis Re, 12-month aggregate

The **Retrocession Result Ratio**, for the 12 months aggregate ending in September 2017, reached +22.8% against -6.8% registered in the same period of 2016, showing that Local Reinsurers had a negative result in their retrocession operations, paying more in premium than what was paid in claim. The same comment we made for insurance companies is valid for Local Reinsurers. We believe the increase in retrocession costs is healthy and coherent with a regular functioning market.

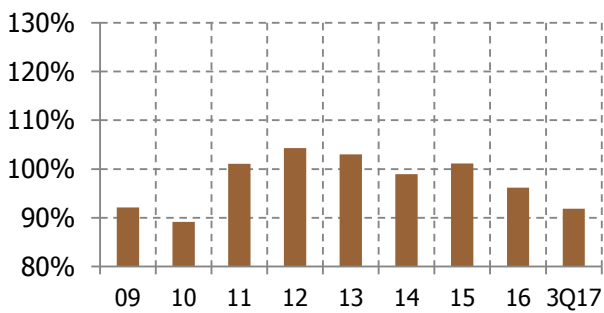
In the 12 months aggregate ending in September 2017, **Combined Ratio (including retrocession result index)** reached 91.9% versus 100.9% showed in the same period of 2016.

Combined Ratio, with Retrocession Result Ratio



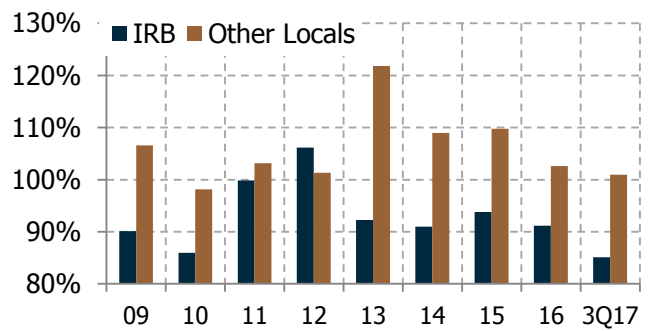
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Combined Ratio Local Reinsurance Market



Source: SUSEP, Terra Brasis Re

Combined Ratio IRB and Others Locals



Source: SUSEP, Terra Brasis Re

We show below a summary of results for the local reinsurance market in the third quarter of 2017 and 2016.

### Summary of Results and Main Indexes for Local Reinsurers for January to September 2017 and 2016

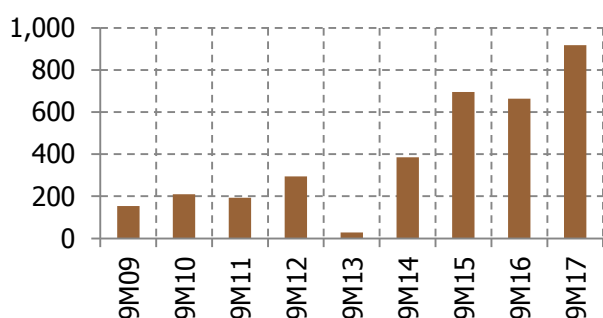
	Consolidated Local Reinsurers		IRB		Other Local Reinsurers	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
<b>Total Assets</b>	<b>28,562</b>	<b>27,254</b>	<b>14,116</b>	<b>13,941</b>	<b>14,446</b>	<b>13,313</b>
<b>Shareholder's Equity</b>	<b>7,239</b>	<b>6,712</b>	<b>3,439</b>	<b>3,124</b>	<b>3,799</b>	<b>3,587</b>
<b>Gross Written Premium</b>	<b>7,893</b>	<b>6,434</b>	<b>4,325</b>	<b>3,613</b>	<b>3,568</b>	<b>2,820</b>
<b>Written Premium</b>	<b>6,860</b>	<b>5,546</b>	<b>3,981</b>	<b>3,223</b>	<b>2,879</b>	<b>2,322</b>
<b>Earned Premium</b>	<b>6,059</b>	<b>5,339</b>	<b>3,529</b>	<b>3,052</b>	<b>2,530</b>	<b>2,287</b>
<b>Loss Ratio</b>	<b>63%</b>	<b>76%</b>	<b>55%</b>	<b>71%</b>	<b>74%</b>	<b>82%</b>
Commercial Expenses/ Earned Premium	2%	2%	3%	3%	2%	2%
Administrative + Other/ Earned Premium	7%	8%	6%	6%	9%	11%
Tax/ Earned Premium	2%	4%	2%	4%	3%	4%
Retrocession Result/Earned Premium	20%	12%	24%	15%	15%	7%
<b>Combined Ratio</b>	<b>95%</b>	<b>101%</b>	<b>89%</b>	<b>98%</b>	<b>103%</b>	<b>105%</b>
Reinsurance Operational Result	308	-67	381	56	-73	-123
Financial Result and Equity Pick-up	1,047	1,134	532	670	515	464
Income Tax and Contributions	-437	-404	-237	-246	-200	-158
<b>Net Profit for the Period</b>	<b>918</b>	<b>663</b>	<b>676</b>	<b>480</b>	<b>242</b>	<b>183</b>
<i>ROE (annualized)</i>	<i>16.9%</i>	<i>9.9%</i>	<i>19.7%</i>	<i>15.4%</i>	<i>6.4%</i>	<i>5.1%</i>

Source: SUSEP, Terra Brasis Re, numbers in BRL Million

In the third quarter of 2017, the Local Reinsurers produced a net profit of BRL 918 million, in contrast to a net profit of BRL 633 million registered in 2016. In this period, IRB reported a BRL 676 million result, while the other local reinsurance reported a result of BRL 242 million.

#### Net Profits – 9M2017 (BRL mm)

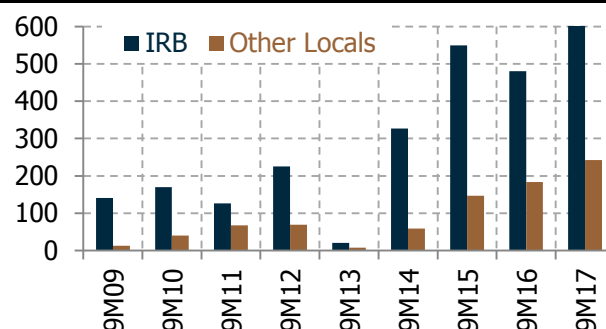
##### Total Local Reinsurers



Source: SUSEP, Terra Brasis Re

#### Net Profits (BRL mm)

##### IRB and Others Locals



Source: SUSEP, Terra Brasis Re

As mentioned in previous editions, the group of Other Local Reinsurers is not homogeneous and, therefore, their analysis becomes more complex. Therefore, we continue the analysis of reinsurers based on their operation start, which we call "Class".

Comparing the **Net Profit for the Period**, with exception of the class of 2014, all the other classes and IRB showed a positive net result in the first semester of the year.

Excluding the class of 2012, all the other classes showed an improvement in **Combined Ratio**. The classes showed an improvement in **Loss Ratio**.

The youngest class of 2014 shows a negative result smaller than the previous period. These results, however, should take into consideration that they these reinsurers are still building their portfolio and therefore have very high administrative expenses and retrocession expenses relative to the volume of premium produced. They also have greater volatility in their business portfolio.

#### Summary of Results and Main Indexes for Local Reinsurers by Class, comprising January to September 2017 and 2016

	IRB		Class of 2008		Class of 2010		Class of 2012		Class of 2014	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
<b>Total Assets</b>	<b>14,116</b>	<b>13,941</b>	<b>5,031</b>	<b>4,635</b>	<b>2,265</b>	<b>2,194</b>	<b>6,076</b>	<b>5,649</b>	<b>1,075</b>	<b>834</b>
<b>Shareholder's Equity</b>	<b>3,439</b>	<b>3,124</b>	<b>1,586</b>	<b>1,480</b>	<b>496</b>	<b>451</b>	<b>1,334</b>	<b>1,282</b>	<b>383</b>	<b>374</b>
<b>Gross Written Premium</b>	<b>4,325</b>	<b>3,613</b>	<b>969</b>	<b>808</b>	<b>674</b>	<b>461</b>	<b>1,539</b>	<b>1,251</b>	<b>386</b>	<b>301</b>
<b>Written Premium</b>	<b>3,981</b>	<b>3,223</b>	<b>740</b>	<b>630</b>	<b>563</b>	<b>393</b>	<b>1,247</b>	<b>1,043</b>	<b>328</b>	<b>257</b>
<b>Earned Premium</b>	<b>3,529</b>	<b>3,052</b>	<b>605</b>	<b>586</b>	<b>569</b>	<b>412</b>	<b>1,056</b>	<b>1,087</b>	<b>301</b>	<b>202</b>
<b>Loss Ratio</b>	<b>55%</b>	<b>71%</b>	<b>74%</b>	<b>87%</b>	<b>79%</b>	<b>85%</b>	<b>68%</b>	<b>74%</b>	<b>87%</b>	<b>100%</b>
Commercial Expenses/ Earned Premium	3%	3%	2%	2%	3%	3%	2%	2%	1%	1%
Administrative + Other/ Earned Premium	6%	6%	9%	13%	6%	2%	9%	10%	13%	22%
Tax/ Earned Premium	2%	4%	4%	5%	1%	3%	4%	4%	3%	2%
Retrocession Result/Earned Premium	24%	15%	14%	-4%	12%	17%	22%	12%	-5%	-7%
<b>Combined Ratio</b>	<b>89%</b>	<b>98%</b>	<b>103%</b>	<b>103%</b>	<b>101%</b>	<b>109%</b>	<b>105%</b>	<b>103%</b>	<b>100%</b>	<b>118%</b>
Reinsurance Operational Result	381	56	-20	-18	-4	-36	-50	-32	1	-37
Financial Result and Equity Pick-up	532	670	224	201	65	59	220	199	6	5
Income Tax and Contributions	-237	-246	-94	-81	-22	-11	-71	-74	-13	7
<b>Net Profit for the Period</b>	<b>676</b>	<b>480</b>	<b>110</b>	<b>102</b>	<b>39</b>	<b>13</b>	<b>99</b>	<b>93</b>	<b>-6</b>	<b>-25</b>
<i>ROE (annualized)</i>	19.7%	15.4%	6.9%	6.9%	7.8%	2.8%	7.4%	7.3%	-1.5%	-6.7%

Source: SUSEP, Terra Brasis Re

Below we show written premium, net of commission, gross of retrocession, including Brazilian cedants and offshore cedants, as well as the market share of each local reinsurer, divided by "class". We indicated in red a decrease in the volume of premium or market share.

Main Index for Local Reinsurers classified by Class							
Company	Authorization Date	Written Premium		Change		Market Share	
		2017/09	2016/09	BRL mm	(%)	2017/09	2016/09
IRB	Apr 03, 1939	3,981	3,223	758	24%	58.0%	58.1%
	<b>IRB</b>	<b>3,981</b>	<b>3,223</b>	<b>758</b>	<b>24%</b>	<b>58.0%</b>	<b>58.1%</b>
JM	May 23, 2008	210	116	94	81%	3.1%	2.1%
Munich	May 23, 2008	353	288	65	23%	5.1%	5.2%
Mapfre	Nov 14, 2008	136	193	-57	-30%	2.0%	3.5%
XL	Dec 05, 2008	41	33	8	24%	0.6%	0.6%
	<b>Class of 2008</b>	<b>740</b>	<b>630</b>	<b>110</b>	<b>17%</b>	<b>10.8%</b>	<b>11.4%</b>
Chubb	Nov 25, 2009	111	88	23	26%	1.6%	1.6%
Austral	Jan 31, 2011	380	257	123	48%	5.5%	4.6%
AIG	Apr 04, 2011	73	48	25	53%	1.1%	0.9%
	<b>Class of 2010</b>	<b>563</b>	<b>393</b>	<b>171</b>	<b>44%</b>	<b>8.2%</b>	<b>7.1%</b>
Zurich	Jan 05, 2012	445	404	41	10%	6.5%	7.3%
Markel	Jan 17, 2012	31	29	2	7%	0.5%	0.5%
Swiss	Jun 14, 2012	241	154	87	57%	3.5%	2.8%
Terra Brasis	Oct 04, 2012	79	62	17	27%	1.2%	1.1%
Allianz	Dec 20, 2012	203	253	-50	-20%	3.0%	4.6%
BTG	Feb 26, 2013	249	141	108	76%	3.6%	2.5%
	<b>Class of 2012</b>	<b>1,247</b>	<b>1,043</b>	<b>205</b>	<b>20%</b>	<b>18.2%</b>	<b>18.8%</b>
Scor	Aug 06, 2014	183	156	27	17%	2.7%	2.8%
AXA	Aug 25, 2014	145	101	44	44%	2.1%	1.8%
	<b>Class of 2014</b>	<b>328</b>	<b>257</b>	<b>71</b>	<b>28%</b>	<b>4.8%</b>	<b>4.6%</b>
	<b>Total</b>	<b>6,860</b>	<b>5,546</b>	<b>1,314</b>	<b>24%</b>	<b>100%</b>	<b>100%</b>

Source: SUSEP, Terra Brasis Re. Figures in red represent an deterioration in relation to the previous period

In terms of production, all the classes showed an improvement in the written premium. When it comes to the market share, IRB had a small decrease, while the class of 2008 and also the class of 2012 lost market share, and the class of 2010 and 2014 gained.

The tables below represent the summary of results of Local Reinsurers from January to September of 2017 and 2016.

Summary of Results – Local Reinsurers for January to September 2017 and 2016 (BRL mm)

Total Local Market, IRB and Other Locals

	Total Local Market		IRB		Other Locals	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
<b>Assets</b>	28,562	27,254	14,116	13,941	14,446	13,313
<b>Shareholders Equity</b>	7,239	6,712	3,439	3,124	3,799	3,587
Gross Reinsurance Premium	6,294	5,521	2,908	2,751	3,386	2,770
Commission	-1,033	-888	-344	-390	-689	-498
Non-Issued Risks in force	69	-38	35	39	34	-77
International Operations	771	539	701	470	70	69
Written Retrocession	758	411	680	353	78	59
<b>Written Premium</b>	<b>6,860</b>	<b>5,546</b>	<b>3,981</b>	<b>3,223</b>	<b>2,879</b>	<b>2,322</b>
Change in Reserves	-801	-207	-452	-172	-349	-35
<b>Earned Premium</b>	<b>6,059</b>	<b>5,339</b>	<b>3,529</b>	<b>3,052</b>	<b>2,530</b>	<b>2,287</b>
Losses Incurred	-3,810	-4,043	-1,933	-2,173	-1,877	-1,870
Commercial Expenses	-143	-126	-93	-81	-50	-45
Other Operational Expenses	-48	-30	-32	-12	-15	-18
Administrative Expenses	-405	-387	-194	-161	-211	-226
Tax Expenses	-136	-197	-57	-111	-79	-86
<b>Industrial Result Pre Retro</b>	<b>1,517</b>	<b>557</b>	<b>1,219</b>	<b>514</b>	<b>299</b>	<b>43</b>
Retrocession Result	-1,210	-624	-838	-458	-372	-166
<b>Industrial Result</b>	<b>308</b>	<b>-67</b>	<b>381</b>	<b>56</b>	<b>-73</b>	<b>-123</b>
Financial Result	1,027	1,109	495	630	532	479
Equity Pickup	20	25	37	40	-16	-15
<b>Operating Result</b>	<b>1,355</b>	<b>1,067</b>	<b>913</b>	<b>726</b>	<b>442</b>	<b>341</b>
Non-recurring Gains	0	0	0	0	0	0
<b>EBT</b>	<b>1,355</b>	<b>1,067</b>	<b>913</b>	<b>726</b>	<b>442</b>	<b>341</b>
Income Tax	-199	-196	-96	-112	-103	-84
Social Tax	-227	-182	-140	-116	-87	-66
Profit Sharing	-11	-26	-1	-18	-10	-8
<b>Net Income</b>	<b>918</b>	<b>663</b>	<b>676</b>	<b>480</b>	<b>242</b>	<b>183</b>
<b>Loss Ratio</b>	<b>63%</b>	<b>76%</b>	<b>55%</b>	<b>71%</b>	<b>74%</b>	<b>82%</b>
Comm. Exp/Earned Premium	2%	2%	3%	3%	2%	2%
Adm. Exp / Earned Premium	7%	7%	6%	5%	8%	10%
Tax Exp / Earned Premium	2%	4%	2%	4%	3%	4%
Other Exp / Earned Premium	1%	1%	1%	0%	1%	1%
<b>Expense Ratio</b>	<b>12%</b>	<b>14%</b>	<b>11%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>
<b>Combined Ratio Pre Retro</b>	<b>75%</b>	<b>90%</b>	<b>65%</b>	<b>83%</b>	<b>88%</b>	<b>98%</b>
Retro Result/Earned Premium	20%	12%	24%	15%	15%	7%
<b>Combined Ratio</b>	<b>95%</b>	<b>101%</b>	<b>89%</b>	<b>98%</b>	<b>103%</b>	<b>105%</b>
(Non-Rec.+ Fin.+ Equity) /Earned Prem	-17%	-21%	-15%	-22%	-20%	-20%
(Income tax+Social tax+Profit share)	7%	8%	7%	8%	8%	7%
<b>R.O.E.<sup>(1)</sup></b>	<b>16.9%</b>	<b>13.2%</b>	<b>26.2%</b>	<b>20.5%</b>	<b>8.5%</b>	<b>6.8%</b>
<b>Annualised Earned Premium/SE</b>	<b>112%</b>	<b>106%</b>	<b>137%</b>	<b>130%</b>	<b>89%</b>	<b>85%</b>

Source: SUSEP, Terra Brasis Re

(1) R.O.E. Defined herein as annual net income divided by the shareholders equity of the end of the period.

## Summary of Results – Local Reinsurers for January to September 2017 and 2016 (BRL mm)

JM, Munich, Mapfre and XL

	JM		Munich		Mapfre		XL	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
Authorization Date	May 23, 2008		May 23, 2008		Nov 14, 2008		Dec 05, 2008	
<b>Assets</b>	1,531	1,317	2,182	2,006	832	808	486	504
<b>Shareholders Equity</b>	691	664	405	336	192	172	298	308
Gross Reinsurance Premium	319	187	405	357	156	218	51	37
Commission	-117	-71	-78	-73	-23	-27	-11	-7
Non-Issued Risks in force	8	-1	8	-5	0	0	1	2
International Operations	0	0	0	0	0	0	0	0
Written Retrocession	0	0	17	9	2	2	0	1
<b>Written Premium</b>	<b>210</b>	<b>116</b>	<b>353</b>	<b>288</b>	<b>136</b>	<b>193</b>	<b>41</b>	<b>33</b>
Change in Reserves	-101	-16	-32	22	1	-43	-4	-7
<b>Earned Premium</b>	<b>109</b>	<b>100</b>	<b>321</b>	<b>310</b>	<b>137</b>	<b>150</b>	<b>38</b>	<b>26</b>
Losses Incurred	-33	-51	-284	-217	-101	-226	-29	-17
Commercial Expenses	0	0	-7	-7	-3	-2	-1	-1
Other Operational Expenses	0	-12	-10	-17	-2	-4	0	0
Administrative Expenses	-7	-6	-28	-31	-7	-6	-3	-3
Tax Expenses	-5	-4	-12	-14	-6	-7	-2	-3
<b>Industrial Result Pre Retro</b>	<b>64</b>	<b>26</b>	<b>-20</b>	<b>24</b>	<b>19</b>	<b>-96</b>	<b>2</b>	<b>3</b>
Retrocession Result	-57	-36	-18	-44	-10	107	-1	-3
<b>Industrial Result</b>	<b>7</b>	<b>-10</b>	<b>-38</b>	<b>-20</b>	<b>9</b>	<b>11</b>	<b>1</b>	<b>0</b>
Financial Result	57	77	99	54	29	28	40	42
Equity Pickup	0	0	0	0	0	0	0	0
<b>Operating Result</b>	<b>64</b>	<b>67</b>	<b>62</b>	<b>34</b>	<b>38</b>	<b>40</b>	<b>40</b>	<b>42</b>
Non-recurring Gains	0	0	0	0	0	0	0	0
<b>EBT</b>	<b>64</b>	<b>67</b>	<b>62</b>	<b>34</b>	<b>38</b>	<b>40</b>	<b>40</b>	<b>42</b>
Income Tax	-16	-17	-15	-8	-9	-10	-10	-10
Social Tax	-13	-13	-12	-3	-7	-7	-8	-8
Profit Sharing	-1	-1	-3	-3	-1	-1	0	0
<b>Net Income</b>	<b>35</b>	<b>37</b>	<b>32</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>22</b>	<b>23</b>
<b>Loss Ratio</b>	<b>30%</b>	<b>51%</b>	<b>89%</b>	<b>70%</b>	<b>73%</b>	<b>151%</b>	<b>78%</b>	<b>65%</b>
Comm. Exp/Earned Premium	0%	0%	2%	2%	2%	1%	3%	3%
Adm. Exp / Earned Premium	6%	6%	9%	10%	5%	4%	9%	11%
Tax Exp / Earned Premium	4%	4%	4%	5%	4%	5%	5%	10%
Other Exp / Earned Premium	0%	12%	3%	6%	2%	3%	0%	0%
<b>Expense Ratio</b>	<b>10%</b>	<b>23%</b>	<b>18%</b>	<b>22%</b>	<b>13%</b>	<b>13%</b>	<b>17%</b>	<b>25%</b>
<b>Combined Ratio Pre Retro</b>	<b>41%</b>	<b>73%</b>	<b>106%</b>	<b>92%</b>	<b>86%</b>	<b>164%</b>	<b>94%</b>	<b>90%</b>
Retro Result/Earned Premium	52%	36%	5%	14%	7%	-72%	4%	10%
<b>Combined Ratio</b>	<b>93%</b>	<b>110%</b>	<b>112%</b>	<b>106%</b>	<b>93%</b>	<b>93%</b>	<b>98%</b>	<b>101%</b>
(Non-Rec.+ Fin.+ Equity) /E.P.	-52%	-77%	-31%	-17%	-21%	-19%	-105%	-158%
(Inc. tax+Social tax+Profit share)	27%	31%	9%	5%	13%	11%	48%	71%
<b>R.O.E.<sup>(1)</sup></b>	<b>6.7%</b>	<b>7.4%</b>	<b>10.7%</b>	<b>8.0%</b>	<b>14.2%</b>	<b>17.5%</b>	<b>9.9%</b>	<b>9.9%</b>
<b>Annualised Earned Premium/SE</b>	<b>21%</b>	<b>20%</b>	<b>106%</b>	<b>123%</b>	<b>95%</b>	<b>116%</b>	<b>17%</b>	<b>11%</b>

Source: SUSEP, Terra Brasis Re

(1) R.O.E. Defined herein as annual net income divided by the shareholders equity of the end of the period.



## Summary of Results – Local Reinsurers for January to September 2017 and 2016 (BRL mm)

Chubb, Austral, AIG and Zurich

	Chubb		Austral		AIG		Zurich	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
Authorization Date	Nov 25, 2009		Jan 31, 2011		Apr 04, 2011		Jan 05, 2012	
<b>Assets</b>	643	599	961	887	661	708	1,577	1,370
<b>Shareholders Equity</b>	125	91	267	280	104	80	266	256
Gross Reinsurance Premium	129	116	417	255	108	72	546	532
Commission	-14	-14	-58	-34	-38	-20	-112	-88
Non-Issued Risks in force	-3	-14	-3	14	2	-5	4	-41
International Operations	0	0	0	0	0	0	0	0
Written Retrocession	0	0	24	22	0	0	7	0
<b>Written Premium</b>	<b>111</b>	<b>88</b>	<b>380</b>	<b>257</b>	<b>73</b>	<b>48</b>	<b>445</b>	<b>404</b>
Change in Reserves	-3	27	3	-14	5	6	-51	3
<b>Earned Premium</b>	<b>108</b>	<b>115</b>	<b>383</b>	<b>243</b>	<b>78</b>	<b>54</b>	<b>394</b>	<b>407</b>
Losses Incurred	-79	-65	-379	-174	7	-111	-312	-299
Commercial Expenses	-7	-4	-7	-7	0	0	0	0
Other Operational Expenses	6	0	-11	23	0	0	0	0
Administrative Expenses	-12	-13	-12	-11	-4	-6	-6	-4
Tax Expenses	-4	-4	6	-5	-5	-3	-7	-7
<b>Industrial Result Pre Retro</b>	<b>12</b>	<b>30</b>	<b>-21</b>	<b>69</b>	<b>75</b>	<b>-66</b>	<b>69</b>	<b>97</b>
Retrocession Result	-14	-56	19	-59	-75	46	-80	-79
<b>Industrial Result</b>	<b>-3</b>	<b>-26</b>	<b>-2</b>	<b>11</b>	<b>1</b>	<b>-21</b>	<b>-11</b>	<b>19</b>
Financial Result	24	28	26	24	14	6	43	54
Equity Pickup	0	0	0	0	0	0	0	0
<b>Operating Result</b>	<b>21</b>	<b>2</b>	<b>24</b>	<b>35</b>	<b>15</b>	<b>-14</b>	<b>33</b>	<b>72</b>
Non-recurring Gains	0	0	0	0	0	0	0	0
<b>EBT</b>	<b>21</b>	<b>2</b>	<b>24</b>	<b>35</b>	<b>15</b>	<b>-14</b>	<b>33</b>	<b>72</b>
Income Tax	-5	-1	-2	-5	-4	0	-5	-18
Social Tax	-4	-1	-2	-4	-3	0	-6	-14
Profit Sharing	0	0	-2	0	0	0	0	0
<b>Net Income</b>	<b>12</b>	<b>0</b>	<b>19</b>	<b>26</b>	<b>8</b>	<b>-14</b>	<b>21</b>	<b>40</b>
<b>Loss Ratio</b>	<b>74%</b>	<b>56%</b>	<b>99%</b>	<b>71%</b>	<b>-9%</b>	<b>206%</b>	<b>79%</b>	<b>73%</b>
Comm. Exp/Earned Premium	6%	3%	2%	3%	0%	0%	0%	0%
Adm. Exp / Earned Premium	11%	11%	3%	4%	5%	11%	1%	1%
Tax Exp / Earned Premium	4%	4%	-2%	2%	7%	6%	2%	2%
Other Exp / Earned Premium	-6%	0%	3%	-9%	0%	0%	0%	0%
<b>Expense Ratio</b>	<b>15%</b>	<b>18%</b>	<b>6%</b>	<b>0%</b>	<b>12%</b>	<b>17%</b>	<b>3%</b>	<b>3%</b>
<b>Combined Ratio Pre Retro</b>	<b>89%</b>	<b>74%</b>	<b>105%</b>	<b>71%</b>	<b>3%</b>	<b>223%</b>	<b>82%</b>	<b>76%</b>
Retro Result/Earned Premium	13%	48%	-5%	24%	96%	-85%	20%	19%
<b>Combined Ratio</b>	<b>102%</b>	<b>122%</b>	<b>101%</b>	<b>96%</b>	<b>99%</b>	<b>138%</b>	<b>103%</b>	<b>95%</b>
(Non-Rec.+ Fin.+ Equity) /Earned Prem	-22%	-24%	-7%	-10%	-18%	-12%	-11%	-13%
(Income tax+Social tax+Profit share)	9%	2%	1%	4%	9%	-1%	3%	8%
<b>R.O.E.<sup>(1)</sup></b>	<b>12.5%</b>	<b>0.5%</b>	<b>9.3%</b>	<b>12.3%</b>	<b>10.7%</b>	<b>-22.9%</b>	<b>10.7%</b>	<b>20.7%</b>
<b>Annualised Earned Premium/SE</b>	<b>115%</b>	<b>169%</b>	<b>191%</b>	<b>116%</b>	<b>100%</b>	<b>90%</b>	<b>197%</b>	<b>212%</b>

Source: SUSEP, Terra Brasis Re,

(1) R.O.E. Defined herein as annual net income divided by the shareholders equity of the end of the period.

Summary of Results – Local Reinsurers for January to September 2017 and 2016 (BRL mm)  
 Markel, Swiss, Terra Brasis and Allianz

	Markel		Swiss		Terra Brasis		Allianz	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
Authorization Date	Jan 17, 2012		Jun 14, 2012		Oct 04, 2012		Dec 20, 2012	
<b>Assets</b>	197	182	1,211	994	311	288	1,440	1,817
<b>Shareholders Equity</b>	80	81	255	217	105	102	238	226
Gross Reinsurance Premium	36	37	282	176	83	66	224	302
Commission	-8	-11	-55	-41	-21	-11	-32	-22
Non-Issued Risks in force	0	0	-3	0	-3	0	8	-29
International Operations	0	0	0	0	18	7	0	0
Written Retrocession	3	4	17	18	2	1	3	2
<b>Written Premium</b>	<b>31</b>	<b>29</b>	<b>241</b>	<b>154</b>	<b>79</b>	<b>62</b>	<b>203</b>	<b>253</b>
Change in Reserves	-5	-2	-26	13	-7	3	22	85
<b>Earned Premium</b>	<b>26</b>	<b>27</b>	<b>214</b>	<b>167</b>	<b>72</b>	<b>65</b>	<b>225</b>	<b>338</b>
Losses Incurred	-21	-14	-173	-243	-38	-52	-145	-203
Commercial Expenses	-1	-1	-4	-4	-2	-2	-6	-12
Other Operational Expenses	-1	-1	-6	-1	-1	0	0	0
Administrative Expenses	-11	-20	-24	-20	-13	-10	-34	-42
Tax Expenses	-2	-2	-9	-8	-2	-3	-15	-14
<b>Industrial Result Pre Retro</b>	<b>-9</b>	<b>-12</b>	<b>-2</b>	<b>-110</b>	<b>16</b>	<b>-2</b>	<b>24</b>	<b>66</b>
Retrocession Result	-3	-1	6	95	-27	-4	-68	-99
<b>Industrial Result</b>	<b>-12</b>	<b>-12</b>	<b>5</b>	<b>-15</b>	<b>-11</b>	<b>-6</b>	<b>-43</b>	<b>-33</b>
Financial Result	10	9	47	38	29	14	52	41
Equity Pickup	0	0	0	0	0	0	0	0
<b>Operating Result</b>	<b>-2</b>	<b>-3</b>	<b>52</b>	<b>23</b>	<b>19</b>	<b>8</b>	<b>8</b>	<b>9</b>
Non-recurring Gains	0	0	0	0	0	0	0	0
<b>EBT</b>	<b>-2</b>	<b>-3</b>	<b>52</b>	<b>23</b>	<b>19</b>	<b>8</b>	<b>8</b>	<b>9</b>
Income Tax	0	1	-9	-3	-4	-2	-2	-2
Social Tax	0	0	-8	-3	-3	-1	-3	-2
Profit Sharing	0	0	-3	-3	0	0	0	0
<b>Net Income</b>	<b>-3</b>	<b>-2</b>	<b>31</b>	<b>14</b>	<b>12</b>	<b>5</b>	<b>4</b>	<b>5</b>
<b>Loss Ratio</b>	<b>81%</b>	<b>53%</b>	<b>81%</b>	<b>146%</b>	<b>53%</b>	<b>80%</b>	<b>74%</b>	<b>60%</b>
Comm. Exp/Earned Premium	3%	3%	2%	2%	3%	3%	2%	4%
Adm. Exp / Earned Premium	43%	74%	11%	12%	18%	16%	15%	13%
Tax Exp / Earned Premium	6%	7%	4%	5%	3%	4%	4%	4%
Other Exp / Earned Premium	2%	5%	3%	1%	2%	0%	1%	0%
<b>Expense Ratio</b>	<b>54%</b>	<b>90%</b>	<b>20%</b>	<b>20%</b>	<b>25%</b>	<b>23%</b>	<b>23%</b>	<b>20%</b>
<b>Combined Ratio Pre Retro</b>	<b>135%</b>	<b>143%</b>	<b>101%</b>	<b>166%</b>	<b>78%</b>	<b>103%</b>	<b>96%</b>	<b>80%</b>
Retro Result/Earned Premium	12%	2%	-3%	-57%	37%	6%	23%	29%
<b>Combined Ratio</b>	<b>147%</b>	<b>145%</b>	<b>98%</b>	<b>109%</b>	<b>115%</b>	<b>110%</b>	<b>119%</b>	<b>110%</b>
(Non-Rec.+ Fin.+ Equity) /Earned Prem	-39%	-34%	-22%	-23%	-40%	-22%	-26%	-12%
(Income tax+Social tax+Profit share)	3%	-4%	9%	5%	10%	5%	92%	1%
<b>R.O.E.<sup>(1)</sup></b>	<b>-4.7%</b>	<b>-3.1%</b>	<b>16.4%</b>	<b>8.5%</b>	<b>14.8%</b>	<b>6.3%</b>	<b>4.2%</b>	<b>2.7%</b>
<b>Annualised Earned Premium/SE</b>	<b>44%</b>	<b>44%</b>	<b>112%</b>	<b>102%</b>	<b>92%</b>	<b>84%</b>	<b>127%</b>	<b>199%</b>

Source: SUSEP, Terra Brasis Re,

(1) R.O.E. Defined herein as annual net income divided by the shareholders equity of the end of the period.

## Summary of Results – Local Reinsurers for January to September 2017 and 2016 (BRL mm)

BTG, Scor and AXA

	BTG		Scor		AXA	
	2017/09	2016/09	2017/09	2016/09	2017/09	2016/09
Authorization Date	Feb 26, 2013		Aug 06, 2014		Aug 25, 2014	
<b>Assets</b>	1,339	998	437	387	637	447
<b>Shareholders Equity</b>	390	399	100	101	283	273
Gross Reinsurance Premium	303	172	190	138	138	103
Commission	-63	-35	-53	-40	-5	-4
Non-Issued Risks in force	9	4	0	0	4	-2
International Operations	0	0	45	58	7	4
Written Retrocession	0	0	1	0	1	0
<b>Written Premium</b>	<b>249</b>	<b>141</b>	<b>183</b>	<b>156</b>	<b>145</b>	<b>101</b>
Change in Reserves	-125	-58	-6	-25	-21	-30
<b>Earned Premium</b>	<b>124</b>	<b>83</b>	<b>177</b>	<b>131</b>	<b>124</b>	<b>70</b>
Losses Incurred	-26	1	-139	-159	-122	-42
Commercial Expenses	-8	-2	-1	-1	-3	-2
Other Operational Expenses	11	-6	0	0	0	0
Administrative Expenses	-12	-8	-14	-11	-25	-34
Tax Expenses	-6	-5	-5	-2	-5	-3
<b>Industrial Result Pre Retro</b>	<b>82</b>	<b>63</b>	<b>19</b>	<b>-41</b>	<b>-32</b>	<b>-10</b>
Retrocession Result	-60	-48	-28	28	43	-15
<b>Industrial Result</b>	<b>22</b>	<b>15</b>	<b>-9</b>	<b>-13</b>	<b>11</b>	<b>-25</b>
Financial Result	39	43	12	14	11	6
Equity Pickup	0	0	0	0	-17	-15
<b>Operating Result</b>	<b>61</b>	<b>59</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>-34</b>
Non-recurring Gains	0	0	0	0	0	0
<b>EBT</b>	<b>61</b>	<b>59</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>-34</b>
Income Tax	-15	-15	-1	1	-5	5
Social Tax	-12	-12	-1	0	-5	3
Profit Sharing	0	0	0	0	-1	-1
<b>Net Income</b>	<b>34</b>	<b>32</b>	<b>1</b>	<b>2</b>	<b>-7</b>	<b>-27</b>
<b>Loss Ratio</b>	<b>21%</b>	<b>-1%</b>	<b>78%</b>	<b>121%</b>	<b>99%</b>	<b>59%</b>
Comm. Exp/Earned Premium	7%	2%	0%	0%	3%	2%
Adm. Exp / Earned Premium	10%	10%	8%	8%	20%	48%
Tax Exp / Earned Premium	5%	6%	3%	1%	4%	4%
Other Exp / Earned Premium	-9%	7%	0%	0%	0%	0%
<b>Expense Ratio</b>	<b>13%</b>	<b>25%</b>	<b>11%</b>	<b>10%</b>	<b>27%</b>	<b>55%</b>
<b>Combined Ratio Pre Retro</b>	<b>34%</b>	<b>24%</b>	<b>90%</b>	<b>131%</b>	<b>126%</b>	<b>114%</b>
Retro Result/Earned Premium	49%	58%	16%	-21%	-35%	21%
<b>Combined Ratio</b>	<b>82%</b>	<b>82%</b>	<b>105%</b>	<b>110%</b>	<b>91%</b>	<b>135%</b>
(Non-Rec.+ Fin.+ Equity) /Earned Prem	-31%	-52%	-7%	-11%	5%	13%
(Income tax+Social tax+Profit share)	22%	32%	1%	0%	10%	-10%
<b>R.O.E.<sup>(1)</sup></b>	<b>11.5%</b>	<b>10.8%</b>	<b>1.6%</b>	<b>2.5%</b>	<b>-3.3%</b>	<b>-13.1%</b>
<b>Annualised Earned Premium/SE</b>	<b>42%</b>	<b>28%</b>	<b>235%</b>	<b>173%</b>	<b>58%</b>	<b>34%</b>

Source: SUSEP, Terra Brasis Re,

(2) R.O.E. Defined herein as annual net income divided by the shareholders equity of the end of the period.

## Results by Lines of Business

In this section we analyze the different lines of business in the Brazilian Market. In order to analyze the different lines of business, we use the information from SUSEP's Table of Operations (TO), differently from the previous sections which are based on data from the Financial Statements of local insurers and reinsurers.

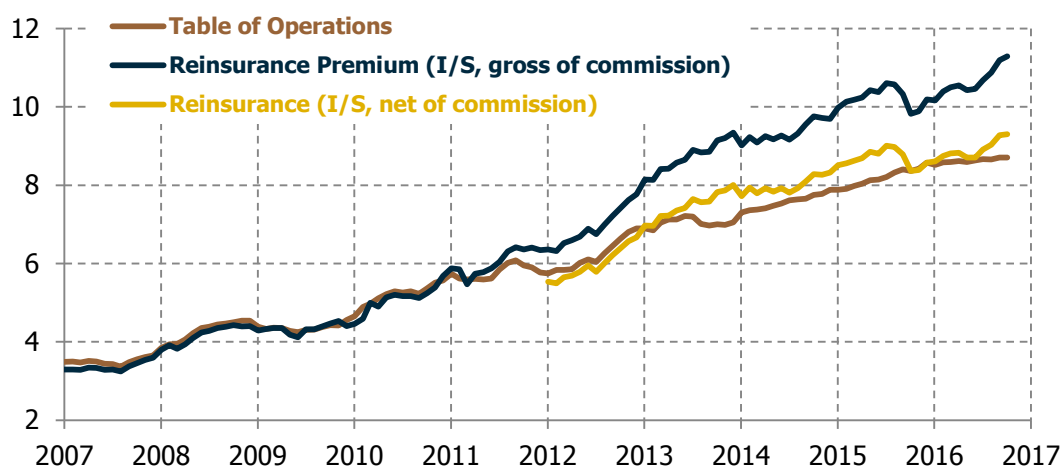
### General Insurance and Reinsurance Premiums for January to September 2017 and 2016 (BRL mm)

	General Insurance Premium			Reinsurance Premium (TO)			Local Reinsurance Premium		
	2017/09	2016/09	Chg	2017/09	2016/09	Chg	2017/09	2016/09	Chg
<b>Property</b>	10,052	9,647	4%	2,286	2,367	-3%	1,676	1,577	6%
<b>Special Risks</b>	235	309	-24%	347	424	-18%	188	205	-8%
<b>Liability</b>	1,198	1,164	3%	394	441	-11%	233	290	-20%
<b>Hull</b>	-1	8	-109%	1	2			2	
<b>Auto</b>	24,975	23,501	6%	279	233	20%	353	256	38%
<b>Transportation</b>	2,216	2,181	2%	450	433	4%	377	359	5%
<b>Surety</b>	2,951	2,079	42%	709	570	25%	814	611	33%
<b>Credit</b>	8	33	-76%					-1	
<b>Group Life</b>	19,164	17,755	8%	462	318	45%	479	321	49%
<b>House Financing</b>	2,803	2,539	10%	59	66	-11%	55	54	2%
<b>Rural</b>	3,090	2,670	16%	988	855	16%	806	713	13%
<b>Others</b>							1,531	935	64%
<b>Individual Life</b>	2,479	2,147	15%	44	50	-13%	108	7	1429%
<b>Marine</b>	295	326	-9%	162	172	-6%	84	128	-35%
<b>Aviation</b>	239	301	-21%	217	285	-24%	85	128	-34%
<b>Microinsurance</b>	252	143	76%	1					
	<b>69,956</b>	<b>64,802</b>	<b>8%</b>	<b>6,399</b>	<b>6,215</b>	<b>3%</b>	<b>6,789</b>	<b>5,586</b>	<b>22%</b>

Source: SUSEP, Terra Brasis Re, data obtained from the Table of Operations (TO)

After additional analysis, we understand that there was a change concerning data definition in the Table of Operations. By mid-2012, the Table of Operations contained Reinsurance Volume gross of Commission. From this point forward, after a transitional period, the Table of Operations seems to present data for Reinsurance Volume net of Commission. The graph below illustrates.

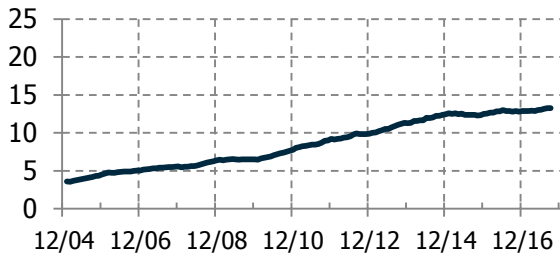
### Ceded Reinsurance from different data sources (BRL bn)



Source: SUSEP, Terra Brasis Re, 12-month aggregate

## Group: Property

### Insurance Premium



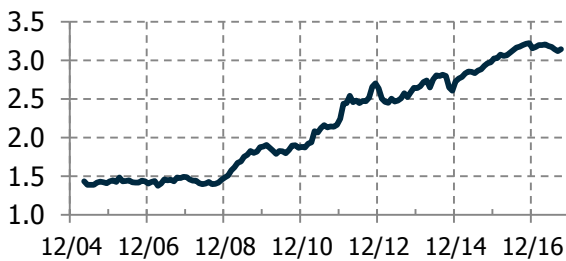
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

### Growth of Insurance Premium



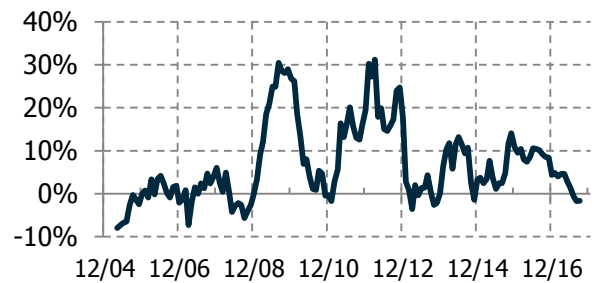
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Reinsurance Premium



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

### Growth of Reinsurance Premium



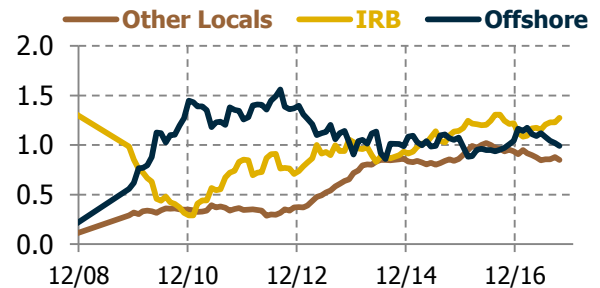
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Reinsurance Premium / Insurance Premium



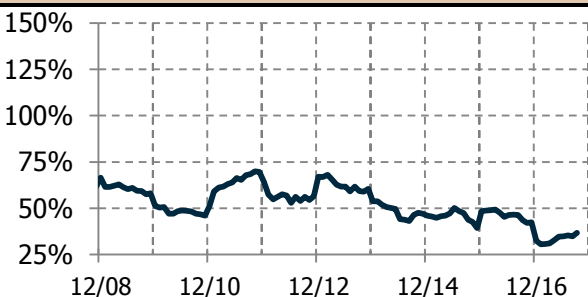
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Split of Reinsurance Premium by Type of Company



Source: SUSEP, Terra Brasis Re, BRL billions 12-month aggregate

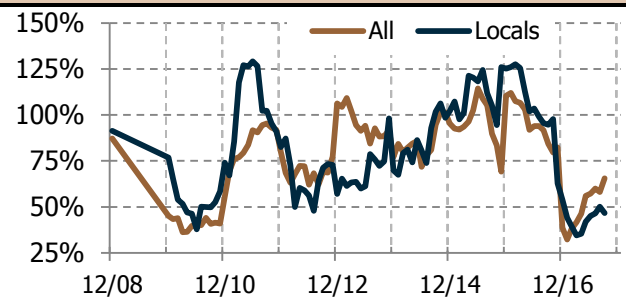
### Loss Ratio: Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

PS: The methodology for this metric was incorrect and has been fixed in this edition.

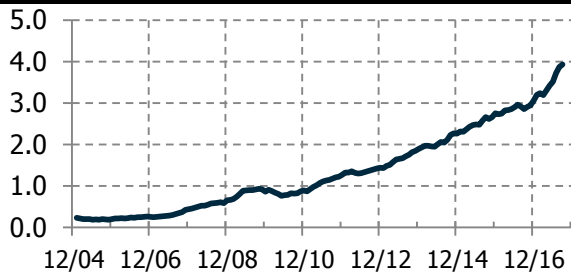
### Loss Ratio: Local Reinsurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

## Group: Financial Risks

Insurance Premium



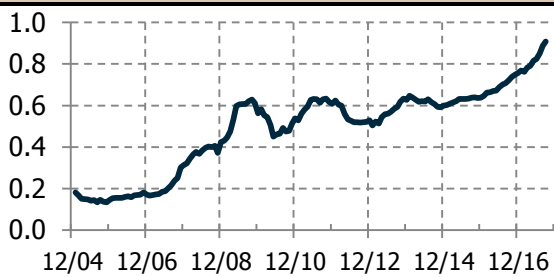
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Insurance Premium



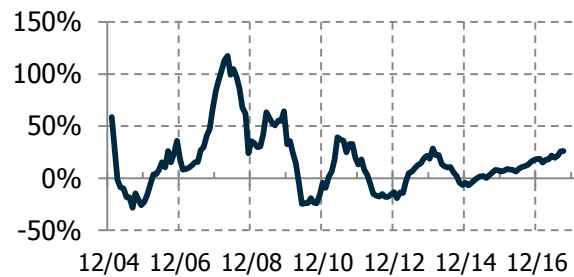
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium



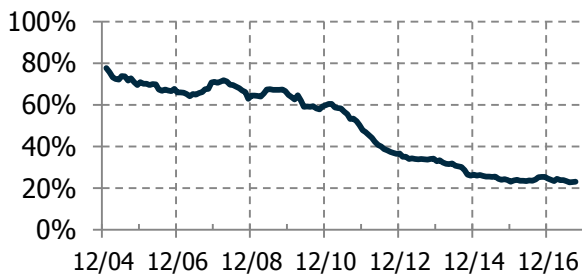
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Reinsurance Premium



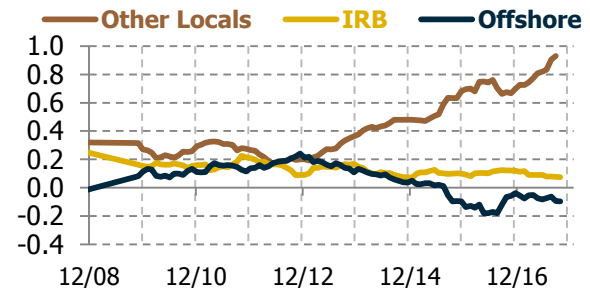
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium / Insurance Premium



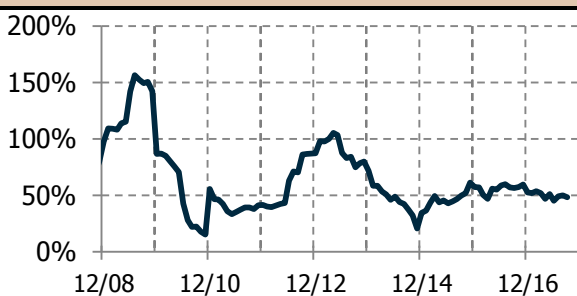
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Split of Reinsurance Premium by Type of Company



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

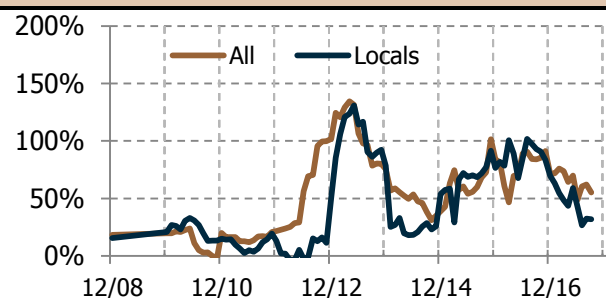
Loss Ratio: Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

PS: The methodology for this metric was incorrect and has been fixed in this edition.

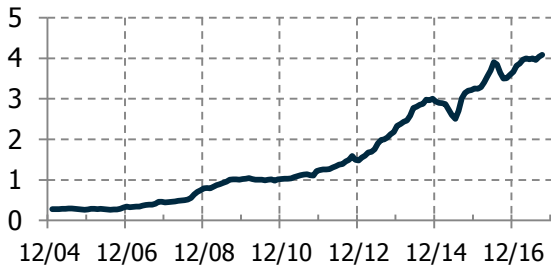
Loss Ratio: Local Reinsurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

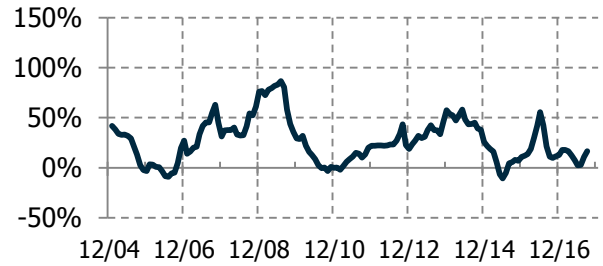
## Group: Rural

### Insurance Premium



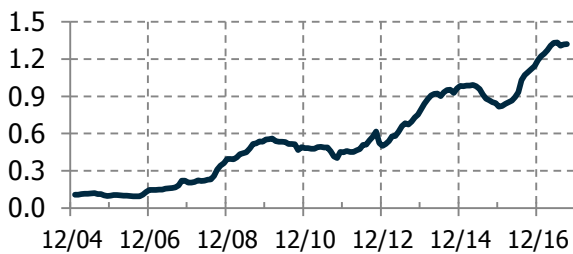
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

### Growth of Insurance Premium



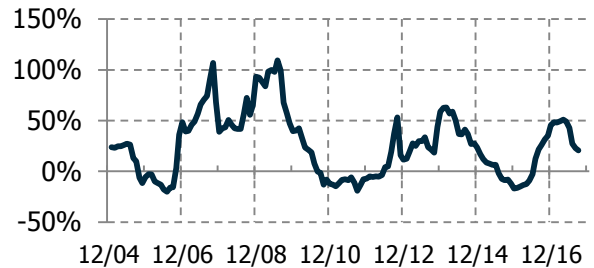
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Reinsurance Premium



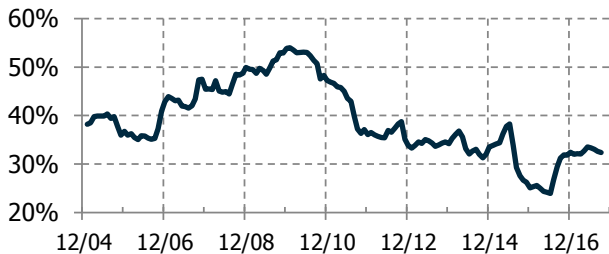
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

### Growth of Reinsurance Premium



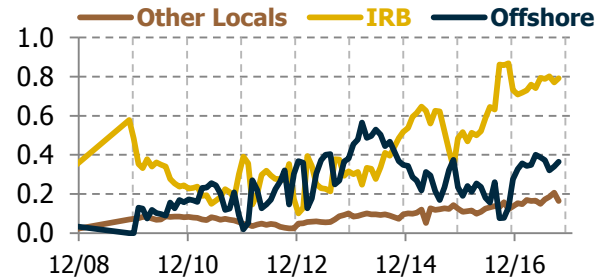
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Reinsurance Premium / Insurance Premium



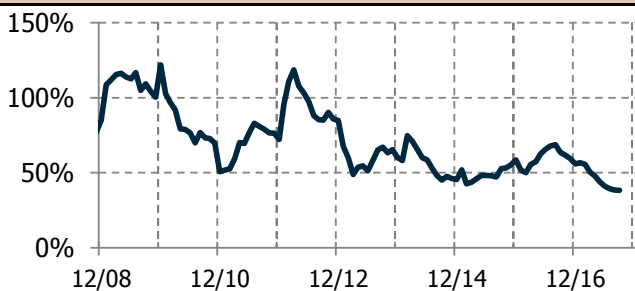
Source: SUSEP, Terra Brasis Re, 12-month aggregate

### Split of Reinsurance Premium by Type of Company



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

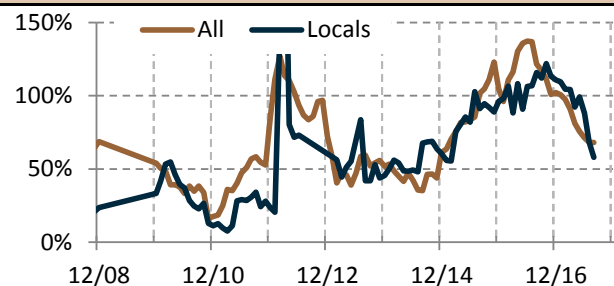
### Loss Ratio: Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

PS: The methodology for this metric was incorrect and has been fixed in this edition.

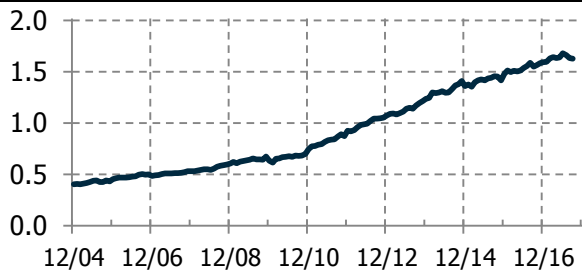
### Loss Ratio: Local Reinsurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

## Group: Liability

Insurance Premium



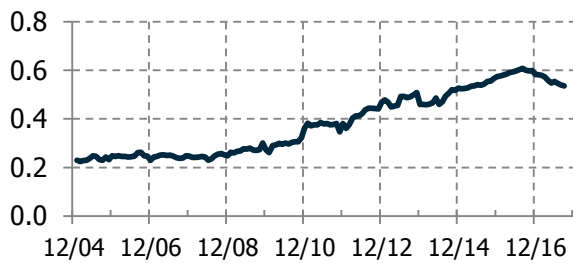
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Insurance Premium



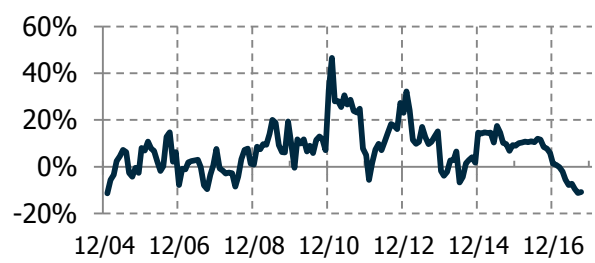
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Reinsurance Premium



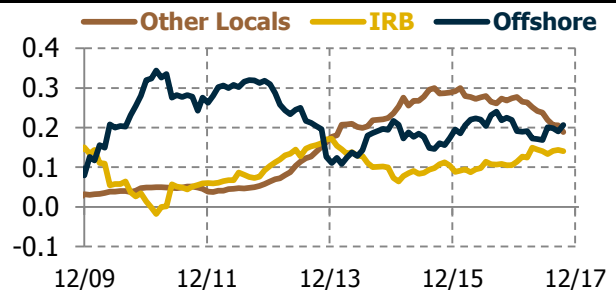
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium / Insurance Premium



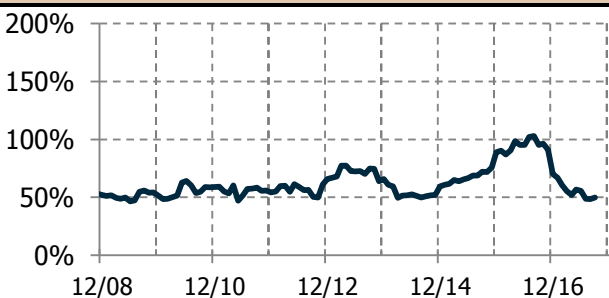
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Split of Reinsurance Premium by Type of Company



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

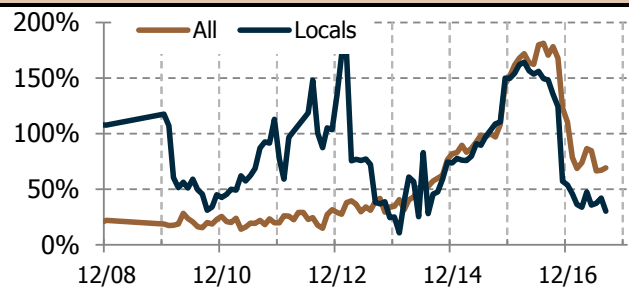
Loss Ratio: Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

PS: The methodology for this metric was incorrect and has been fixed in this edition.

Loss Ratio: Local Reinsurers

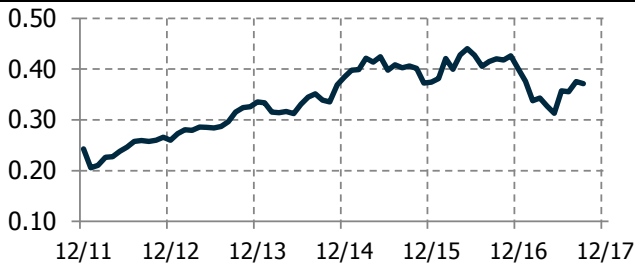


Source: SUSEP, Terra Brasis Re, 12-month aggregate



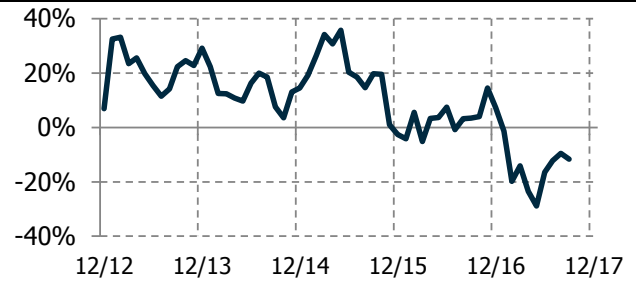
## Group: Marine

Insurance Premium



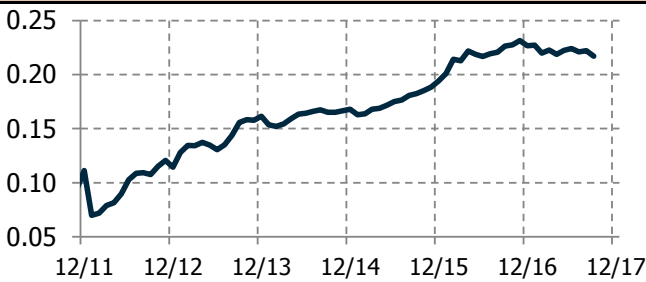
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Insurance Premium



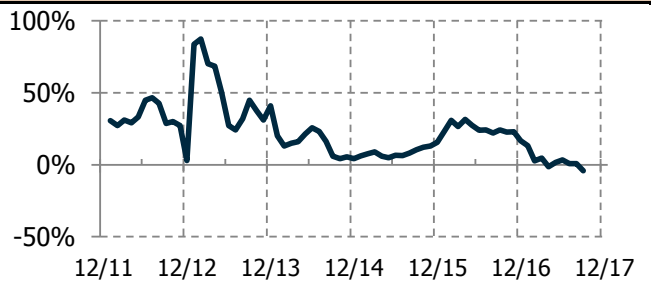
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium



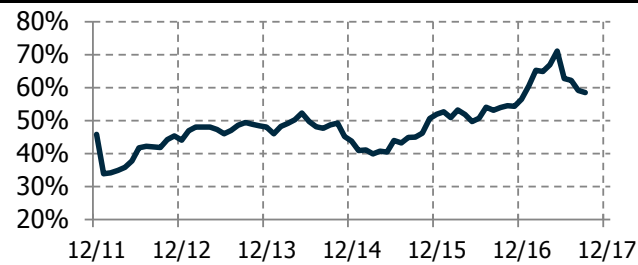
Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

Growth of Reinsurance Premium



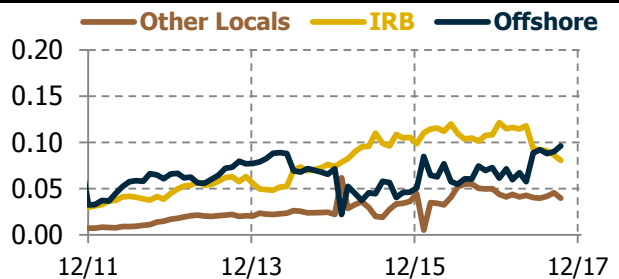
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Reinsurance Premium / Insurance Premium



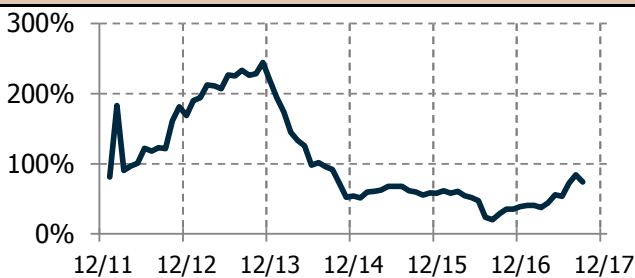
Source: SUSEP, Terra Brasis Re, 12-month aggregate

Split of Reinsurance Premium by Type of Company



Source: SUSEP, Terra Brasis Re, BRL billions, 12-month aggregate

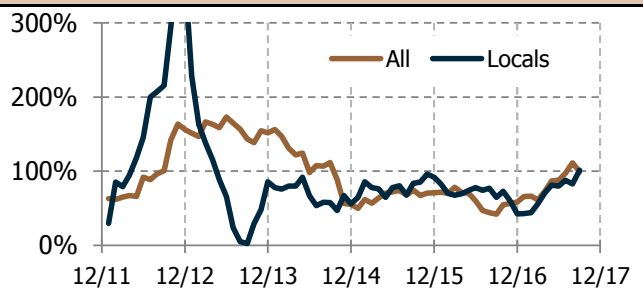
Loss Ratio: Insurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

PS: The methodology for this metric was incorrect and has been fixed in this edition.

Loss Ratio: Local Reinsurers



Source: SUSEP, Terra Brasis Re, 12-month aggregate

## Exhibit 1: Brazilian Insurance Segments per Susep's Classes

In the table below are definitions by Terra Brasis of the segments referring to different lines of business supervised by SUSEP. The lines in grey denote lines of business that are deactivated or in rundown. In this report, for the definition of General Insurance, the classes related to DPVAT were excluded, since we believe that such classes should be an independent category. Other classes related to VGBL, which Terra Brasis believes should be presented together with other Retirement Plan modalities, were also excluded.

### Segmentation of the Brazilian Insurance Market Under SUSEP Supervision

SUSEP Code	Code 1	Code 2	SUSEP Code	Code 1	Code 2
0111 - Incêndio Tradicional	General Insurance	P&C Corporate	0929 - Auxílio Funeral	General Insurance	Life and Accident
0112 - Assistência - Bens em Geral	General Insurance	P&C Personal Lines	0936 - Perda Certif. Habilit. de Vão-PCHV	General Insurance	Life and Accident
0113 - Vidros	General Insurance	P&C Personal Lines	0949 - Crédito à Exportação	General Insurance	Other
0114 - Compreensivo Residencial	General Insurance	P&C Personal Lines	0969 - Viagem	General Insurance	Life and Accident
0115 - Roubo	General Insurance	P&C Corporate	0977 - Prestamista (exceto Habit e Rural)	General Insurance	Life and Accident
0116 - Compreensivo Condomínio	General Insurance	P&C Corporate	0980 - Educacional	General Insurance	Life and Accident
0117 - Tumultos	General Insurance	P&C Corporate	0981 - Acidentes Pessoais - Individual	General Insurance	Life and Accident
0118 - Compreensivo Empresarial	General Insurance	P&C Corporate	0982 - Acidentes Pessoais	General Insurance	Life and Accident
0141 - Lucros Cessantes	General Insurance	P&C Corporate	0983 - Dotal Misto	General Insurance	Life and Accident
0142 - Lucros Cessantes Cobertura Simples	General Insurance	P&C Corporate	0984 - Doenças Graves ou Doença Terminal	General Insurance	Life and Accident
0143 - Fidelidade	General Insurance	P&C Personal Lines	0986 - Dotal Puro	General Insurance	Life and Accident
0167 - Riscos de Engenharia	General Insurance	P&C Corporate	0987 - Desemprego/Perda de Renda	General Insurance	Life and Accident
0171 - Riscos Diversos	General Insurance	P&C Corporate	0990 - Eventos Aleatórios	General Insurance	Life and Accident
0173 - Global de Bancos	General Insurance	P&C Corporate	0991 - Vida	General Insurance	Life and Accident
0176 - Riscos Diversos - Planos Conjugados	General Insurance	P&C Corporate	0992 - VGBL/VAGP/VRGP/VRSA/PRI individual	VGBL	Pension
0195 - Garantia Est./Ext.Gar-Bens em Geral	General Insurance	P&C Personal Lines	0993 - VIDA EM GRUPO	General Insurance	Life and Accident
0196 - Riscos Nomeados e Operacionais	General Insurance	P&C Corporate	0994 - VGBL/VAGP/VRGP/VRSA/VRI	VGBL	Pension
0234 - Riscos de Petróleo	General Insurance	P&C Corporate	0997 - VG/APC	General Insurance	Pension
0272 - Riscos Nucleares	General Insurance	P&C Corporate	1061 - Seg.Habit.Apól. Merc. - Prestamista	General Insurance	Life and Accident
0274 - Satélites	General Insurance	P&C Corporate	1065 - Seg.Habit.Apól.Merc.-Demais Cobert.	General Insurance	P&C Personal Lines
0310 - R.C. Administradores e Diretores-D&O	General Insurance	P&C Corporate	1066 - Seg.Habit.Sist.Financ. da Habitação	General Insurance	P&C Personal Lines
0313 - R. C. Riscos Ambientais	General Insurance	P&C Corporate	1068 - Habitacional - Fora do SFH	General Insurance	P&C Personal Lines
0351 - R. C. Geral	General Insurance	P&C Corporate	1101 - Seguro Agrícola sem cob. do FESR	General Insurance	Other
0378 - R. C. Profissional	General Insurance	P&C Corporate	1102 - Seguro Agrícola com cob. do FESR	General Insurance	Other
0433 - Marítimos	General Insurance	P&C Corporate	1103 - Seguro Pecuário sem cob. do FESR	General Insurance	Other
0435 - Aeronáuticos	General Insurance	P&C Corporate	1104 - Seguro Pecuário com cob. do FESR	General Insurance	Other
0437 - Responsabilidade Civil Hagar	General Insurance	P&C Corporate	1105 - Seguro Aquícola sem cob. do FESR	General Insurance	Other
0457 - D. P. E. M.	General Insurance	P&C Corporate	1106 - Seguro Aquícola com cob. do FESR	General Insurance	Other
0484 - Aeronáuticos - Bilhete	General Insurance	P&C Corporate	1107 - Seguro Florestas sem cob. do FESR	General Insurance	Other
0520 - Acidentes Pessoais Passageiros-APP	General Insurance	Life and Accident	1108 - Seguro Florestas com cob. do FESR	General Insurance	Other
0523 - RC T. Rod. Interest. e Internac.	General Insurance	P&C Personal Lines	1109 - Seguro da Cédula do Produto Rural	General Insurance	Other
0524 - Garantia Est./ Exten. Garantia-Auto	General Insurance	P&C Personal Lines	1128 - Pecuário	General Insurance	Other
0525 - Carta Verde	General Insurance	P&C Personal Lines	1129 - Aquícola	General Insurance	Other
0526 - Seguro Popular de Automóvel Usado	General Insurance	P&C Personal Lines	1130 - Seguro Benf. e Prod. Agropecuários	General Insurance	P&C Corporate
0531 - Automóvel - Casco	General Insurance	P&C Personal Lines	1161 - Agrícola	General Insurance	Other
0542 - Assistência e Outras Cobert. - Auto	General Insurance	P&C Personal Lines	1162 - Penhor Rural	General Insurance	P&C Corporate
0544 - R.C.T.Viagem Intern-Pes Trans ou não	General Insurance	P&C Personal Lines	1163 - Penhor Rural Instit. Fin. Pub.	General Insurance	Other
0553 - R. C. Facultativa Veículos - RCFV	General Insurance	P&C Personal Lines	1164 - Seguros Animais	General Insurance	Other
0583 - DPVAT Extinto	DPVAT	Other	1165 - Compreensivo de Florestas	General Insurance	Other
0588 - DPVAT	DPVAT	Other	1198 - Seguro de Vida do Produtor Rural	General Insurance	Life and Accident
0589 - DPVAT Run Off	DPVAT	Other	1279 - Seguros no Exterior	General Insurance	Other
0621 - Transporte Nacional	General Insurance	P&C Corporate	1285 - Saúde - Ressegurador Local	General Insurance	Other
0622 - Transporte Internacional	General Insurance	P&C Corporate	1286 - Saúde Individual	General Insurance	Other
0623 - R.C.T.Rod.Inter.e Intern.-RC Ônibus	General Insurance	P&C Corporate	1287 - Saúde Grupal	General Insurance	Other
0627 - Resp. Civil do Transp. Intermodal	General Insurance	P&C Corporate	1299 - Sucessais no Exterior	General Insurance	Other
0628 - R. C. Facult.Veículos - RCFV Ônibus	General Insurance	P&C Corporate	1329 - Auxílio Funeral	General Insurance	Life and Accident
0632 - R.C.Trans.Carga Viag.Int.-RCTR-VI-C	General Insurance	P&C Corporate	1336 - Perda Certif. Habilit. de Vão-PCHV	General Insurance	Life and Accident
0638 - R.C.Trans. Ferroviário Carga-RCTF-C	General Insurance	P&C Corporate	1369 - Viagem	General Insurance	Life and Accident
0644 - R.C. Viag.Int. Pessoas - Carta Azul	General Insurance	P&C Corporate	1377 - Prestamista (exceto Habit. E Rural)	General Insurance	Life and Accident
0652 - R. C. Trans. Aéreo Carga - RCTA-C	General Insurance	P&C Corporate	1380 - Educacional	General Insurance	Life and Accident
0654 - R.C. Trans. Rodoviário Carga-RCTR-C	General Insurance	P&C Corporate	1381 - Acidentes Pessoais	General Insurance	Life and Accident
0655 - R.C. Trans. Desvio de Carga-RCF-DC	General Insurance	P&C Corporate	1383 - Dotal Misto	General Insurance	Life and Accident
0656 - R.C. Trans. Aquaviário Carga-RCA-C	General Insurance	P&C Corporate	1384 - Doenças Graves ou Doença Terminal	General Insurance	Life and Accident
0658 - R.C.Operador Transp. Multi.-RCOTM-C	General Insurance	P&C Corporate	1386 - Dotal Puro	General Insurance	Life and Accident
0739 - Garantia Financeira	General Insurance	Other	1387 - Desemprego/Perda de Renda	General Insurance	Life and Accident
0740 - Garantia de Obrigações Privadas	General Insurance	Other	1390 - Eventos Aleatórios	General Insurance	Life and Accident
0743 - Stop Loss	General Insurance	Other	1391 - Vida	General Insurance	Life and Accident
0745 - Garantia de Obrigações Públicas	General Insurance	Other	1392 - VGBL/VAGP/VRGP/VRSA/VRI	VGBL	Pension
0746 - Fiança Locatícia	General Insurance	Other	1417 - Seg. Compreensivo Oper. Portuários	General Insurance	P&C Corporate
0747 - Garantia de Concessões Públicas	General Insurance	Other	1428 - R. C. Facult. para Embarcações-RCF	General Insurance	P&C Corporate
0748 - Crédito Interno	General Insurance	Other	1433 - Marítimos (Cascos)	General Insurance	P&C Corporate
0749 - Crédito à Exportação	General Insurance	Other	1457 - DPEM	General Insurance	P&C Corporate
0750 - Garantia Judicial	General Insurance	Other	1528 - R. C. Facult. para Aeronaves - RCF	General Insurance	P&C Corporate
0775 - Garantia Segurado - Setor Público	General Insurance	Other	1535 - Aeronáuticos (cascos)	General Insurance	P&C Corporate
0776 - Garantia Segurado - Setor Privado	General Insurance	Other	1537 - Responsabilidade Civil Hangar	General Insurance	P&C Corporate
0819 - Crédito à Exp. Risco Comercial	General Insurance	Other	1597 - Resp. Explor. ou Transp. Aéreo-RETA	General Insurance	P&C Corporate
0848 - Crédito Interno	General Insurance	Other	1601 - Microseguros de Pessoas	General Insurance	Life and Accident
0849 - Crédito à Exportação	General Insurance	Other	1602 - Microseguros de Danos	General Insurance	P&C Personal Lines
0859 - Crédito à Exportação Risco Político	General Insurance	Other	1603 - Microseguros - Previdência	General Insurance	Pension
0860 - Crédito Doméstico Risco Comercial	General Insurance	Other			
0870 - Crédito Doméstico Risco P.Física	General Insurance	Other			

Source: SUSEP, Terra Brasis Re

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## Exhibit 2: List of Technical Terms

Here follows an initial dictionary with the definitions that we used in this report for certain reinsurance terms. We intend to add to the list as the work progresses and believe that this would be worthwhile since several reinsurance terms have been used with different meanings.

**Brazilian General Insurance Market:** It is the market comprising insurance operations in accordance with official regulation by SUSEP, except for those classified in the DPVAT and VGBL modality.

**Brazilian Reinsurance Market:** It is formed by operations comprising cessions of reinsurance ceded by Brazilian insurers and assumed by reinsurers that are authorized to operate in Brazil and classified as local, admitted, or occasional.

**Local Reinsurance Market:** It is formed by operations comprising reinsurance business assumed by Local Reinsurers.

**Written Premium or Gross Written Premium:** It is the value of the premium written by Insurers or Reinsurers, before reinsurance or retrocession deductions. In the case of reinsurers, as of May 2011, it is net of commissions paid to Cedants.

**Net Premium:** It is the written premium net of the reinsurance or retrocession deductions.

**Reinsurance Premium or Gross Reinsurance Premium:** It is the same as Written Premium or Gross Written Premium by the Reinsurers. Even though, by definition, commissions are deducted from such value, temporarily at Terra Report we always indicate whether the reinsurance premium is net or gross of commission.

**Net Reinsurance Premium:** It is the reinsurance premium net of ceded retrocession premium. As for the Reinsurance Premium, temporarily at Terra Report we always indicate whether the reinsurance premium is net or gross of commission.

**Commission:** It is the value that the reinsurer or retrocessionaire pays to the Cedant, with the objective of covering part of the expenses incurred in the administration and production of the business.

**Brokerage:** It is the value paid to the broker ("broker") in compensation for the intermediation of the insurance, reinsurance, or retrocession.

**Overriding:** It is the part of the commission paid to Cedants in addition to their incurred commercial expenses.

### Exhibit 3: Main Indexes of Local Reinsurers

Main Ratios From Local Reinsurers from January to September of 2017 and 2016

January to September 2017	Start of Operation	Gross Prem.	% Com	Net Premium	Earned Premium	% L	% B	% O/E	% A/E	% T/E	% R	% CRR	RSub /SE	RInv /SE	RGO /SE	RNet /SE	RGO /SE	SE	% S/LV			
																				%RR	%CR	RSub
<b>Total</b>		7,893	13.1%	6,860	6,059	63%	2%	1%	7%	2%	12%	75%	308	6%	1,047	1,355	918	25.0%	7,239	69%		
<b>Total New</b>		3,568	19.3%	2,879	2,530	74%	2%	1%	8%	3%	14%	88%	-73	-3%	515	442	242	15.5%	3,799	80%		
<b>IRB</b>	04/1939	4,325	8.0%	3,981	3,529	55%	3%	1%	6%	2%	11%	65%	381	15%	532	913	676	35.4%	3,439	60%		
<b>JM</b>	05/2008	327	35.7%	210	109	30%	0%	0%	6%	4%	10%	41%	7	1%	57	64	35	12.3%	691	158%		
<b>Munecfer</b>	05/2008	431	18.1%	353	321	89%	2%	3%	9%	4%	18%	106%	-38	-12%	99	62	32	20.4%	405	70%		
<b>Mapfre</b>	11/2008	159	14.3%	136	137	73%	2%	2%	5%	4%	13%	86%	9	6%	29	38	20	26.2%	192	91%		
<b>XL</b>	12/2008	53	21.4%	41	38	78%	3%	0%	9%	5%	17%	94%	1	0%	40	22	18.0%	9.9%	298	426%		
<b>ACE</b>	11/2009	125	11.5%	111	108	74%	6%	-6%	11%	4%	15%	89%	-3	-3%	24	26%	12	22.9%	125	75%		
<b>Austral</b>	01/2011	438	13.3%	380	383	99%	2%	3%	3%	-2%	6%	105%	-2	-1%	26	19	12.0%	9.3%	267	46%		
<b>AIG</b>	04/2011	110	34.1%	73	78	-9%	0%	0%	5%	7%	12%	3%	1	1%	14	15	8	19.4%	104	70%		
<b>Zurich</b>	01/2012	557	20.2%	445	394	79%	0%	0%	1%	2%	3%	82%	-11	-5%	43	33	21	16.5%	266	36%		
<b>Markel</b>	01/2012	40	21.2%	31	26	81%	3%	2%	43%	6%	54%	135%	-12	-20%	10	17%	-2	-3	80	151%		
<b>Swiss</b>	06/2012	296	18.6%	241	214	81%	2%	3%	11%	4%	20%	101%	5	2%	47	25%	31	27.0%	255	65%		
<b>Terra Brasis</b>	10/2012	100	21.1%	79	72	53%	3%	2%	18%	3%	25%	78%	-11	-14%	29	19	12	23.6%	14.8%	105	79%	
<b>Allianz</b>	12/2012	235	13.6%	203	225	64%	3%	0%	15%	7%	25%	89%	-43	-24%	52	29%	8	4.6%	2.3%	238	76%	
<b>BITG</b>	02/2013	312	20.3%	249	124	21%	7%	-9%	10%	5%	13%	34%	22	8%	39	61	34	20.8%	11.5%	390	94%	
<b>Scor</b>	08/2014	236	22.5%	183	177	78%	0%	0%	8%	3%	11%	90%	-9	-13%	12	16%	3	1	3.6%	100	32%	
<b>AXA</b>	08/2014	150	3.6%	145	124	99%	3%	0%	20%	4%	27%	126%	11	5%	-6	5	-7	-2.3%	-3.3%	283	141%	
<b>Total</b>		6,434	13.8%	5,546	5,339	76%	2%	1%	7%	4%	14%	90%	-67	-1%	1,134	23%	1,067	21.2%	6,712	78%		
<b>Total New</b>		2,820	17.6%	2,322	2,287	82%	2%	1%	10%	4%	16%	98%	-123	-5%	464	17%	341	183	12.7%	6.8%	3,587	95%
<b>IRB</b>	04/1939	3,613	10.8%	3,223	3,052	71%	3%	0%	5%	4%	12%	83%	56	2%	670	29%	726	480	31.0%	20.5%	3,124	65%
<b>JM</b>	05/2008	187	37.9%	116	100	51%	0%	12%	6%	4%	23%	73%	-10	-2%	77	15%	67	37	13.6%	7.4%	664	267%
<b>Munecfer</b>	05/2008	361	20.2%	288	310	70%	2%	6%	10%	5%	22%	92%	-20	-8%	54	21%	34	20	13.6%	8.0%	336	70%
<b>Mapfre</b>	11/2008	220	12.4%	193	150	151%	1%	3%	4%	5%	13%	164%	11	9%	28	22%	40	23	30.8%	17.5%	172	58%
<b>XL</b>	12/2008	40	16.9%	33	26	65%	3%	0%	11%	10%	25%	90%	-	-0%	42	18%	42	23	18.0%	9.9%	308	576%
<b>ACE</b>	11/2009	102	14.0%	88	115	56%	3%	0%	11%	4%	18%	74%	-26	-38%	28	41%	2	3.4%	0.5%	91	67%	
<b>Austral</b>	01/2011	291	11.6%	257	243	71%	3%	-9%	4%	2%	0%	71%	11	5%	24	12%	35	26	16.7%	12.3%	280	72%
<b>AIG</b>	04/2011	68	29.6%	48	54	206%	0%	0%	11%	6%	17%	223%	-21	-35%	6	11%	-14	-14	-23.9%	-22.9%	80	88%
<b>Zurich</b>	01/2012	492	17.8%	404	407	73%	0%	0%	1%	2%	3%	76%	19	10%	54	28%	72	40	37.6%	20.7%	256	39%
<b>Markel</b>	01/2012	41	28.3%	29	27	53%	3%	5%	74%	7%	90%	143%	-12	-20%	9	15%	-3	-2	-4.8%	-3.1%	81	151%
<b>Swiss</b>	06/2012	194	20.9%	154	167	146%	2%	1%	12%	5%	20%	166%	-15	-9%	38	23%	23	14	13.8%	8.5%	217	84%
<b>Terra Brasis</b>	10/2012	74	15.4%	62	65	80%	3%	0%	16%	4%	23%	103%	-6	-8%	14	19%	8	5	10.5%	6.3%	102	104%
<b>Allianz</b>	12/2012	275	8.1%	253	338	60%	4%	0%	13%	4%	20%	80%	-33	-19%	41	24%	9	5	5.1%	2.7%	226	62%
<b>BITG</b>	02/2013	176	19.8%	141	83	-1%	2%	7%	10%	6%	25%	24%	15	5%	43	14%	59	32	19.6%	10.8%	399	170%
<b>Scor</b>	08/2014	196	20.5%	156	131	121%	0%	0%	8%	1%	10%	131%	-13	-17%	14	18%	1	2	1.9%	2.5%	101	39%
<b>AXA</b>	08/2014	104	3.6%	101	70	59%	2%	0%	48%	4%	55%	114%	-25	-12%	-9	-4%	-34	-27	-16.5%	-13.1%	273	196%

**Total New** : All reinsurers except IRB  
**Gross Prem.** : Gross Written Premium (BRL)  
**% Com** : Commission paid to Cedants  
**Net Premium** : Net Written Premium (BRL)  
**Earned Premium** : Earned Premium (BRL)  
**% L** : Losses  
**% B** : Brokerage  
**% A/E** : Other Expenses  
**% O/E** : Annualized Subscription Result / Net end-of-period Shareholder's Equity  
**% T/E** : Administrative Expenses  
**% R** : Tax Expenses  
**% CRR** : Expense Ratio (%B + %OD + %DA)  
**%RR** : Combined Ratio pre Retrocession (%S+%ER)  
**%CR** : Retrocession Result  
**RSUB/SE** : Combined Ratio (%S+%ER+%RR)  
**RSUB/CF** : Annualized Subscription Result / Net end-of-period Shareholder's Equity  
**RInv/SE** : Investment Result plus non-recurring gains and equity pickup  
**RGO** : Annualized Investment Result / Net end-of-period Shareholder's Equity  
**RNet** : Gross Result (RSub + RInv)  
**RGO/SE** : Net Result (RGO minus income tax, social contributions and profit sharing)  
**SE** : End of Period Net Shareholder's Equity  
**ROE** : Gross Result / Shareholder's Equity  
**%S/LV** : Return on Equity (before Income Tax, Social Contributions, Profit Sharing)  
**%S/CF** : Solvency Margin End-of-period CF/Annualized Gross Written Reinsurance

Source: SUSEP, Terra Brasis Re

## Acknowledgements

It is with enthusiasm that we continue to publish our market report, Terra Report, a research piece covering the Brazilian Reinsurance Market, which we share with our clients, partners, and colleagues.

We are immensely grateful to SUSEP for making its databank available to the public. We also thank ANS and CNSeg for information used herein. The report also contains analyses and adjustments made internally by Terra Brasis and, in this way, we apologize in advance for possible inaccuracies contained in this publication.

We hope our readers appreciate this work as much as we appreciate developing it. Without a doubt, it is extremely gratifying to be involved in the Brazilian reinsurance market at such an important moment of its development. Any criticism, comment, or suggestion for this work is very welcome.

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