FACT SHEET | 1Q14

BRAZIL'S INSURER 4th

CORPORATE PROFILE

Porto Seguro is the leader on the auto and homeowner insurance segments in Brazil and has around 10 million clients all over the different business lines. The company is recognized by it's higher assistance level for clients and brokers and it's efficiency of offered services.

Porto Seguro has implemented synergic and innovative solutions to the insurance business resulting in a greater client retention. Pioneer on the development of a wide range of products and services, created the insurance profile in risks underwriting analysis, launched the car+home protection, automotive centers (CAPS) and fast convenience center (CAR), bike assistance, surveillance and monitoring. Also has implemented products as credit card, consortium, mobile operator (MVNO), among others.

STRATEGY

Segmentation	3 brands to serve different needs and preferences Different value propositions – service, price, specific benefits/convenience
Strong Relationships with Brokers and Clients	High service level based on "personal touch" Focus on long term relationships Higher retention rates than market average
Innovative Products and Services	Innovative and synergic product portfolio (cross leverage) Expanded services (for home, auto and personal insurance products) – beyond the basics Service as the Key value of brand recognition
Sophisticated Risk Selection and Pricing Model	Products pricing focused on profitability Leverage of huge database and sophisticated quantitative models Loss ratio historically below market average

BRANDS

PORTO SEGURO
- »Focus on differentiation
- »High service level
- »Value added products and services
- »Higher level of operational flexibility
- »Sophisticated risk selection

Azul SEGUROS
- »Price brand
- »Lean products and services
- »"Lean manufacturing" operations
- »Sophisticated risk selection

Itaú
- »Brand loyalty
- »Specific benefits for Itau clients
- »Sophisticated risk selection

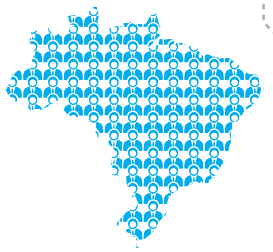
PRODUCTS

Auto – Health – Dental – P&C - Life – Pension – Cargo – Credit Card – Financing – Consortium – Medical Services – Surveillance and Monitoring – MVNO (Mobile Operator) – Other Services

OPERATING STRUCTURE

14 thousand employers

27 thousand active independent brokers



5 thousand Itaú-Unibanco branches



15 thousand service providers

4.7 million auto insured



15.2 million Items insured

1.9 million homes insured



1.4 million credit cards

MARKETSHARE (October to December, 2013)

Porto Seguro is the market leader in Auto and Homeowner insurance

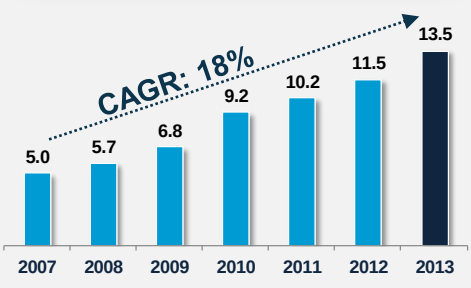
Auto Market Share: 28.5%

Homeowner Market Share: 28.8%

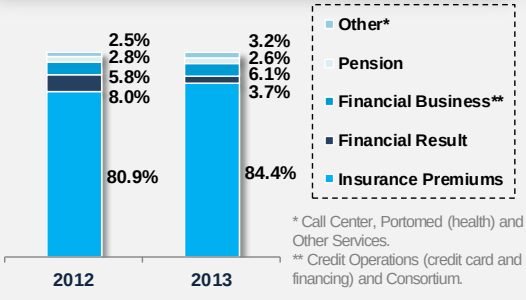
MISSION

"Our mission is to assume risks and provide services with familiar service that exceeds expectations, ensuring speed at competitive costs while being social and environmentally responsible."

Total Revenue (R$ billion)

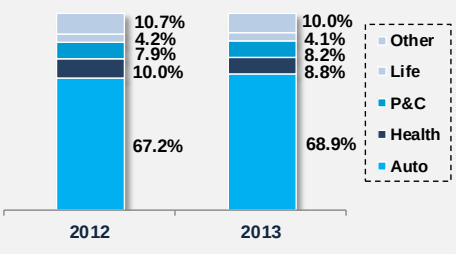


Total Revenue Breakdown – Year (%)



* Call Center, Portomed (health) and Other Services.
** Credit Operations (credit card and financing) and Consortium.

Premium Breakdown (%)



OPERATING AND FINANCIAL HIGHLIGHTS

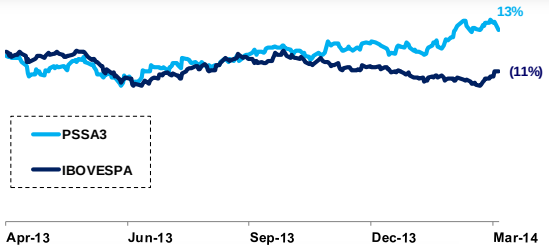
Revenue	1Q14	1Q13	Var. %
Insurance Premiums			
Automóvel (Porto + Azul + Itaú)	2,006.7	1,717.7	16.8
Total Health (Health + Dental + Portomed)	273.8	244.4	12.0
Total P&C (Porto + Itaú)	255.6	203.1	25.8
Other Insurance	453.8	429.3	5.7
Total Written Premiums	2,989.9	2,594.5	15.2
Financial Result	209.6	93.6	123.9
Other Business Revenue	350.0	289.6	20.9
Total Revenue	3,596.4	3,024.2	18.9

Index	1Q14	1Q13	Var. p.p.
Loss Ratio			
Auto (Porto + Azul + Itaú)	60.5	56.4	4.1
Total Health (Health + Dental + Portomed)	71.2	74.9	(3.7)
Total P&C (Porto + Itaú)	35.3	38.7	(3.4)
Total Loss Ratio (including other insurance products)	58.2	55.9	2.3
Comission Rate – Insurance	**19.3**	**19.5**	**(0.2)**
G&A – Insurance	15.3	15.5	(0.2)
G&A and Other Operating Revenues/Expenses – Insurance	**20.1**	**19.7**	**0.4**
Tax – Insurance	**1.2**	**2.4**	**(1.2)**
Combined Ratio – Insurance (Including Other Operating Revenues/Expenses)	**98.8**	**97.5**	**1.3**
Amplified Combined Ratio – Insurance (Including Other Operating Revenues/Expenses)	**92.3**	**94.1**	**(1.8)**

PROFITABILITY	1Q14	1Q13	Var.
Net Income with Business Combination - R$ million - % var.	150.7	106.4	41.6
ROAE with Business Combination (%) p.p. var.	10.6	8.5	2.1
ROAE without Business Combination (%) p.p. var.	12.5	10.3	2.2
Income per Share with Business Combination (R$) % var.	0.47	0.33	42.4
# of thousand shares (Weighted Average)[1] - % var.	323,293	323,323	-

[1]Excluding Noncontrolling Shareholders

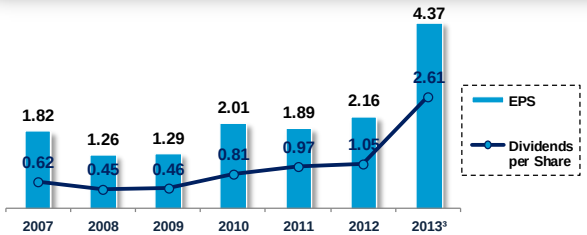
PSSA3 vs. Ibovespa (LTM)



Combined Ratio (%)

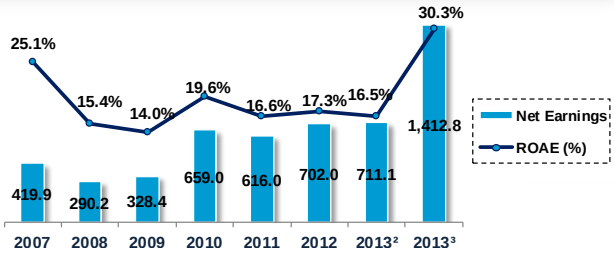


Earnings and Dividends per Share[1] (R$)



[1]Without Business Combination/ [2]Ex recurring adjustments/ [3]Including the non-recurring effects of the tax process gain (COFINS).

Net Earnings and ROAE[1]



Capital Requirements – 1Q14 (R$ million)

	Adjusted Equity	Solvency Margin	Sufficiency
Insurance	3,256	2,618	638
Financial Companies	488	373	115
Total	3,744	2,991	**1,265**

IR CONTACT

Marcelo Picanço
Ricardo Fuzaro

(11) 2393-7090
(11) 2393-7092
gri@portoseguro.com.br
http://ri.portoseguro.com.br

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Índice de Ações com Governança Corporativa Diferenciada IGC

Índice de Ações com Tag Along Diferenciado ITAG