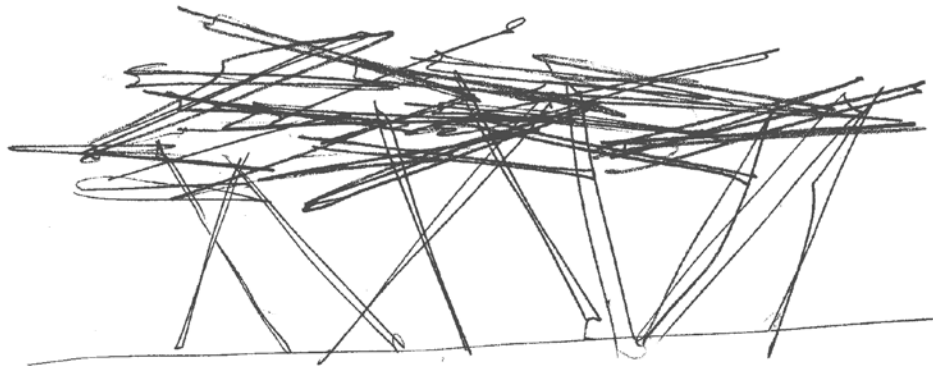




2012
ANNUAL REPORT

Ricardo Cárdenas, besides being a highly regarded Colombian sculptor, holds a B.Sc. degree in Civil Engineering from the Escuela de Ingeniería de Antioquia and a Master's Degree in Manufacturing Engineering from the University of Massachusetts. His relationship with the world of art began at a very early age, when he began to study at the Escuela de Bellas Artes (School of Fine Arts) in Medellín.

Since the very outset of his career as an artist, back in the 80s, SURAMERICANA has believed in him, having not only included some of his works in the Company's private art collection but also has helped him promote his work at various art exhibitions staged at the Company's own Art Gallery at its Medellín Headquarters.



Looking, thinking, drawing, drawing, calculating, selecting, constructing

RICARDO CÁRDENAS

For the cover of its Annual Report for 2012, GRUPO SURA selected Ricardo Cardenas' Air Forest, a work of art which was recently purchased by its subsidiary, SURAMERICANA and currently on show in the sector known as Centro Sura in Medellin just outside Company Headquarters. This work of art is not only a new cultural contribution to the city of Medellin but a new landmark for the Suramericana neighborhood.

COVER

Sculpture: Air Forest
638 X 1473 X 817 cm
Stainless steel
SURAMERICANA Collection
2013

ENDPAPER PHOTO

Sculpture: Air Forest
638 X 1473 X 817 cm
Stainless steel
SURAMERICANA Collection
2013

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ABOUT OUR

ANNUAL REPORT

One of GRUPO SURA guiding principles is transparency which is reflected in the information we make available to the public and the accounts rendered by different areas of our Organization, amongst other facets of our business. Bearing in mind that our permanence over time is part of our higher purpose, we seek to keep our philosophy, performance and relationships in keeping with the highest international economic, social and environmental standards.

We are presenting our Consolidated Annual Report corresponding to the year 2012 to our shareholders, investors, suppliers, employees and other stakeholders. The information herein contained has been drawn up in such a way that the reader may clearly see the factors and dimensions relating to the performance on the part of both the Company and its subsidiaries, while trying to ensure that the context in which this was obtained is adequately understood. In this sense we bore in mind the results of a materiality analysis which showed the more relevant sustainability issues for the sector.

It is to be noted that this report includes financial and market information regarding all those companies that form part of GRUPO SURA 's investment portfolio, especially our strategic interests in the sector of financial services, insurance, pensions, savings and investment. The scope of the countries where we are present is referred to in the different sections of this report.

Convinced of the need to join forces to build a market capable of nurturing more prosperous companies based on criteria of fairness and inclusion, this report shall serve as a basis for reporting to the United Nations Global Compact, of which we have been a member since 2009.

QUALITY SEAL FOR ISSUERS

We are committed to going beyond merely complying with that required and delivering our very best. For this reason we hope to obtain this year the Quality Seal for Issuers (Sello de Calidad para Emisores) that the Colombian Stock Exchange (Bolsa de Valores de Colombia (BVC) shall award for the first time ever this year, for the prime purpose of promoting best market practices with regard to investors and disclosures.

As a mainstay for its business management functions, GRUPO SURA receives support from the Shared Service Center belonging to its subsidiary, Suramericana, with regard to human resources, logistics, technology, legal and financial matters, risk management, internal control and the ongoing development of the Organization as a whole. For this reason part of the internal results obtained by GRUPO SURA and presented in this report corresponds to strategies and practices adopted by said subsidiary, in keeping with our corporate guidelines.

All the Company's financial information is published in keeping with Colombian accounting standards pursuant to that stipulated by the Colombian Superintendency of Finance. No accounting figures were re-stated at the end of 2012.

All the Company's accounting and financial information was audited by the firm KPMG Ltda, while that relating to its sustainability was examined by KPMG Advisory Services Ltd, based on the GRI Indicator Index contained in this report and including the examination of non-financial information belonging to the Grupo de Inversiones Suramericana S.A. Suramericana S.A. and SURA Asset Management S.A. and subsidiaries, this based on International Standards for Assurance Engagements other than Audits or Reviews of Historical Financial Information, as issued by the International Auditing and Assurance Standard Board (IAASB).

We also hope that this report goes beyond corporate boundaries and may serve the academic community by providing new elements for a better understanding of the business and economic environment in both Colombia and Latin America.



BOARD OF DIRECTORS

GRUPO SURA's Board of Directors consists of seven members, three of whom are independent.



The Company also has four Committees which lend support to its Board of Directors, providing their assistance in terms of drawing up recommendations with regard to specific issues. An additional Committee was created in 2012 to oversee matters relating to the Company's Corporate Governance:

- Investment Committee
- Finance and Audit Committee
- Corporate Governance Committee
- Compensation and Development Committee

We would like to point out that in 2012, in keeping with best practices in the field of Corporate Governance, the Chairman and Vice-Chairman of GRUPO SURA's Board of Directors stood down so that these seats could be taken by independent members of the Board, and in so doing play a more important role.

Last year the Board of Directors met on 12 occasions, with an attendance rate of 94.04%. . The fees for each member, as approved by the Shareholders at their Annual General Meeting, came to COP 3,500,000 per month.

More detailed information regarding our Corporate Governance can be found in digital form on the following website www.gruposura.com.co as well as on our mobile banking app.

We present the following profiles of the current members of the Company's Board of Directors, all of whom offer the highest personal and professional integrity:



Armando Montenegro Trujillo

Chairman of the Board of Directors – Independent Member:

Chairman of the Board of Directors – Independent Member: holding a degree in Industrial Engineering from the Universidad Javeriana, a Masters degree in Economics and Latin-American studies from Ohio University and a Ph.D. in Economics from New York University. Mr. Montenegro has served as Head of the Department of National Planning, Alternate Executive Director of the World Bank, Director of the National Association of Financial Institutions - ANIF, and Managing Director of Rothschild Colombia. He is currently the Managing Director of Agora Investment Bank. He has been a member of the Board since 2010



Hernando Yepes Arcila

Vice-Chairman of the Board of Directors - Independent Member

Holding a degree in law from the Universidad de Caldas, Mr. Yepes has served as magistrate for the Constitutional and Administrative Chambers of the Colombian Supreme Court of Justice, a Presiding Judge of the Administrative Division of the Supreme Judiciary Council, Delegate Member of the National Constituent Assembly of 1991; Chief Legal Officer of the Federación Nacional de Cafeteros de Colombia (Colombian Federation of Coffee-Growers) and was the Colombian Ministry of Labor and Social Security. He is currently Head of the Department of Public Law of the Pontificia Universidad Javeriana. He has been a member of the Board since 2007

PROFILES

OF THE MEMBERS OF THE BOARD OF DIRECTORS



Jaime Bermúdez Merizalde
Independent Member

Holding a degree in law from the Universidad de los Andes and a Ph.D. in Political Science from Oxford University in the UK. He has served as Executive Director of the Consorcio Iberoamericano de Investigadores de Mercados y Asesoramiento (CIMA), as well as a private consultant in a strategic communications, public matters and crisis management for multinational companies and Government institutions. He has acted as advisor to the Colombian President's office as well as the Foreign Affairs Ministry. He is currently President of the Investment Bank MBA Lazard, Colombia. He has been a member of the Board since 2011



José Alberto Vélez Cadavid

Holding a degree in Administrative Engineering from the University Nacional and a M.Sc. in Engineering from the UCLA in the US, Mr. Velez also received a Honor´s degree in Engineering from the Ecole Nationale d'Ingénieurs de Metz in France and was a councilor for the city of Medellin and Assistant to the Governor of Antioquia. He was also the Chief Executive Officer of Suramericana (formerly Inversura) and is currently the Chief Executive Officer of Grupo Argos. He has been a member of the Board since 2004



Carlos Enrique Piedrahíta Arocha

Holding a degree in economics from the University of Keele in the UK and a Master´s degree in Finance from the London School of Economics, Mr. Piedrahita has also served as the Finance Officer of what is now known as GRUPO SURA, as well as Chief Executive Officer of the Corporación Financiera Suramericana and the Compañía Nacional de Chocolates. He is currently the Chief Executive Officer of Grupo Nutresa. He has been a member of the Board since 2000



Juan Guillermo Londoño Posada

Holding a degree in Business Administration from the Universidad EAFIT, Mr. Londoño was Manager of Ramón H. Londoño and Chief Executive Officer of Coninsa & Ramón H. He is currently the Chief Executive Officer of Celsia. He also is a member of the Boards of Directors of ACOLGEN, ANDESCO, Fondo Social de la Asociación Nacional de Industriales ANDI, Corporación San Pablo, Consejo de Asuntos Económicos de la Arquidiócesis de Medellín, Fundación Francisco y Clara de Asís, and the Fundación CELSIA. He has been a member of the Board since 2006



Jorge Mario Velásquez Jaramillo

Holding a degree in Civil Engineering from the Escuela de Ingeniería de Antioquia and a specialization in Industrial Operations from the British Council Program in the UK, Mr. Velasquez attended the CEOs' Management Program at Kellogg School of Management attached to the Northwestern University; the Senior Management Program at the Universidad de Los Andes and studied Logistics at Stanford University as well as the Universidad de los Andes. He is currently the Chief Executive Officer of Cementos Argos. He has been a member of the Board since 2006



SENIOR
MANAGEMENT



DAVID BOJANINI GARCÍA
CHIEF EXECUTIVE
OFFICER

Holding a degree in Industrial Engineering from the Universidad de los Andes, and a Master's degree specializing in Actuarial Studies from the University of Michigan, Mr. Bojanini served as Chief Executive Officer of Administradora de Fondos de Pensiones y Cesantías PROTECCIÓN S.A., for the space of 15 years since it was first founded.

Prior to October 2006 when he became Chief Executive Officer of Grupo de Inversiones Suramericana S.A. – GRUPO SURA, he served as Actuarial Manager for Suramericana's insurance companies. He also is a member of the Boards of Directors of Suramericana S.A., SURA Asset Management, Grupo Bancolombia, Grupo Argos and Grupo Nutresa, and serves on the Board of Trustees of the Private Council for Competitiveness (Consejo Privado de Competitividad) and the "Businessmen for Education" Foundation (Fundación Empresarios por la Educación), amongst other social outreach programs. He also is Chairman of the Board of Directors of the Suramericana Foundation.



IGNACIO CALLE CUARTAS

CHIEF FINANCIAL AND INVESTMENT OFFICER

Holding a degree in Production Engineering from the Universidad EAFIT and a Master's Degree in Economics and Finance from the University of New York, Mr. Calle began his career in Suramericana in 1996 and later began to work for GRUPO SURA as Chief Finance and Investment Officer. He later joined the Groupe Casino in France as Vice-president of Mergers and Acquisitions for Latin America and International Finance Director for the Casino Group's subsidiaries in Asia, the Indian Ocean and Latin America. He returned to GRUPO SURA in 2012 to serve as the Company's Chief Finance and Investment Officer.

He is a member of the Boards of Directors of Suramericana, AFP Integra, Seguros SURA in Perú and Grupo Crystal and serves on the Board of Trustees of the Secretos para Contar Foundation.



FERNANDO OJALVO PRIETO

CHIEF ADMINISTRATIVE OFFICER AND
COMPANY SECRETARY

Holding a degree in law from the Universidad de Medellín and a specialization in Labor Law from the Universidad Pontificia Bolivariana, Mr. Ojalvo has served as Manager of Administradora de Fondos de Inversión Suramericana, Legal Manager and Company Secretary of Suramericana de Seguros (now known as Seguros SURA) and Chief Executive Officer of the Suramericana Foundation. He is currently the Chief Administrative Officer and Company Secretary of both GRUPO SURA and its subsidiary Suramericana.

He is a member of the Boards of Directors of Protección S.A., EPS SURA, Sodexo Colombia, AFORE SURA México, ASESUISA in El Salvador, Suramericana Panama, Seguros SURA Dominican Republic and the Suramericana Foundation.



MARIO LÓPEZ LÓPEZ

CHIEF AUDIT OFFICER

A Public Accountant graduated from the Universidad de Antioquia in Medellín holding a specialization in Economic Policy from this same University, Mr. Lopez has served as Treasurer, and Operations Director of Corporación Financiera Suramericana S.A., a Tax and Accounting Advisor to Suleasing S.A., Administrative and Financial Manager of Sufiducia S.A. and Operating and Finance Manager of EPS SURA.

He currently serves as Chief Audit Officer both for GRUPO SURA as well as its subsidiary Suramericana.

THE COMPANY

GRUPO DE INVERSIONES SURAMERICANA S.A. – GRUPO SURA is a multi-Latin holding listed on the Colombian Stock Exchange and registered with the ADR-Level I program in the United States as well as on the Latibex market.

With regard to its strategic core investments, the Organization today enjoys No. 1 position on the Latin American pension fund sector and is also an important player in the regional banking, insurance and investment sectors. It also has a portfolio of non-core investments mainly in the processed food, cement and energy sectors.

It is also one of the three major Latin American financial institutions to be admitted to the Dow Jones Sustainability Index (DJSI), which covers companies who have become global benchmarks thanks to the good practices they have adopted from the economic, environmental and social standpoints.



STRATEGIC FOCUS

GRUPO SURA is dedicated to furthering the sustainable growth of both its business and the environment as a whole. For this purpose it promotes innovation, harnesses synergies between its portfolio companies and drives the development of new markets while permanently searching for new opportunities with which to create, grow and expand its business.

The Group's has focused its investments mainly on the financial services, insurance, pension fund, savings and investment sectors.

We define our expansion guided by the following criteria of responsible investment:

- The political, social and macro-economic stability of the country in question.
- Potential for growth.
- Market leadership.
- Possibility of obtaining a controlling stake
- Economic, environmental and social performance.
- Compliance with the Organization's Corporate Governance parameters.
- Sound corporate reputation.

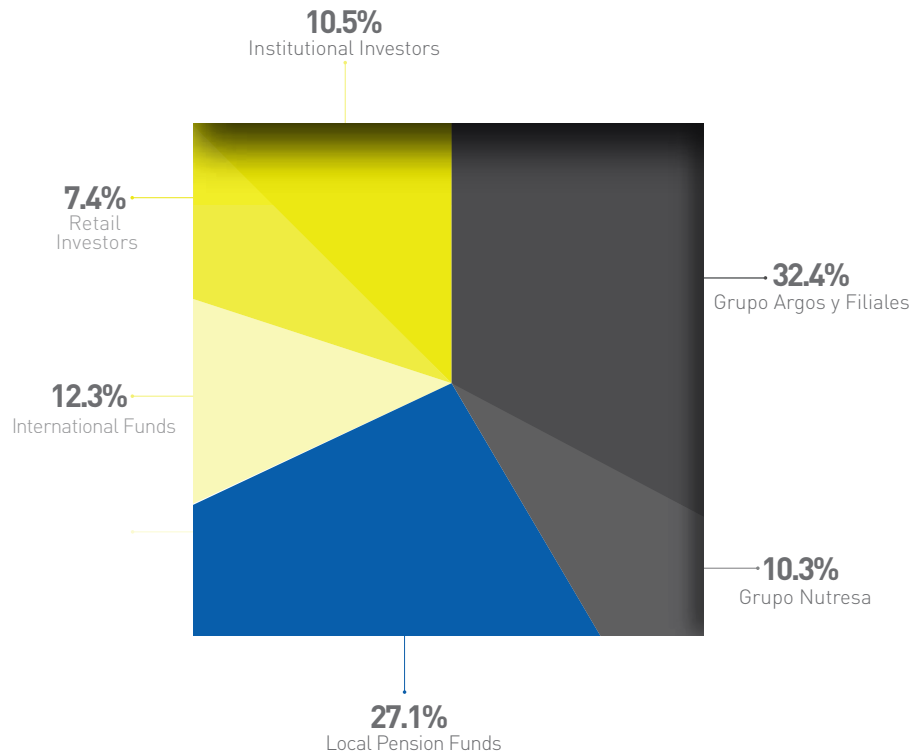


MAIN CHALLENGES FOR 2013

- Consolidating our position in Latin America both as a company and as a brand.
- Furthering the cultural integration process that began early last year and continuing to transfer the Group's best practices to its subsidiaries.
- Developing plans for both organic and inorganic growth based on harnessing the synergies existing between the Group's subsidiaries and seeking new international alliances as well as new investment opportunities.
- Extending the upgrading of the Group's technological resources as well as furthering research, development and innovation for its strategic core investments.
- Consolidating the Group's Corporate Governance system amongst new subsidiaries as well as its financial reporting procedures based on international accounting standards.
- Strengthening sustainable management as a mainstay for all we do, this in keeping with international standards embraced by the Dow Jones Sustainability Index.

OUR MAIN SHAREHOLDERS

Holders of significant stakes in the Company's share capital at year-end 2012:



Shareholder	No. Shares	Percentage Stake Held
Grupo Argos S.A.	147.309.723	25.6%
Grupo Nutresa S.A.	59.387.803	10.3%
Fondo de Pensiones Obligatorias Porvenir	37.040.195	6.4%
Fondo de Pensiones Obligatorias Protección	33.643.160	5.9%
Cementos Argos S.A.	28.183.262	4.9%
Fondo de Pensiones Horizonte	23.017.906	4.0%
Fondo de Pensiones Obligatorias Colfondos Mode.	18.703.072	3.3%
UBS AG London Branch	17.958.819	3.1%
ING Pensiones Obligatorias Fondo Moderado	17.182.829	3.0%
Celsia S.A. E.S.P.	10.652.795	1.9%
Colombiana de Comercio S.A.	10.000.000	1.7%
Fondo Bursátil Ishares Colcap	7.531.580	1.3%
Skandia Fondo de Pensiones Obligatorias	6.957.643	1.2%
Other shareholders with stakes of less than 1%	157.803.436	27.4%

*Information published by the Colombian Superintendency of Finance at year-end 2012.

OUR ENTIRE PORTFOLIO OF INVESTMENTS



CORE INVESTMENTS

PORTFOLIO INVESTMENTS

Financial services, insurance and pensions

Processed food

Cement –
Concrete – Energy

CORE INVESTMENTS			PORTFOLIO INVESTMENTS	
Financial services, insurance and pensions			Processed food	Cement – Concrete – Energy
 66.2%	 81.1%	 44.6%	 35.1%	GRUPO ARGOS 35.7%
<ul style="list-style-type: none"> • Mandatory Pension Funds • Voluntary Pension Funds • Severance Funds • Investment Funds • Pension • Annuity Insurance 	<ul style="list-style-type: none"> • Insurance: Property/Casualty and Life • Social Security Workers' Compensation • Obligatory and Complementary Healthcare Plans 	<ul style="list-style-type: none"> • commercial banking • Consumer banking • Bancassurance • Government banking • Asset management • Cash management products • Leasing • investment banking • Financial services • Off-shore and private banking 	<ul style="list-style-type: none"> • Cold Cuts • Cookies • Chocolate • Coffee • Ice Cream • Pasta Support divisions • Distribution • Alternate Channels 	<ul style="list-style-type: none"> • Cement • Concrete • Aggregate • Electricity Generation • Distribution • Ports • Real Estate • Coal-mining Support divisions • Logistics • Transport
 56.9%				
<ul style="list-style-type: none"> • Mandatory and Voluntary Pension as well as Severance Funds 				

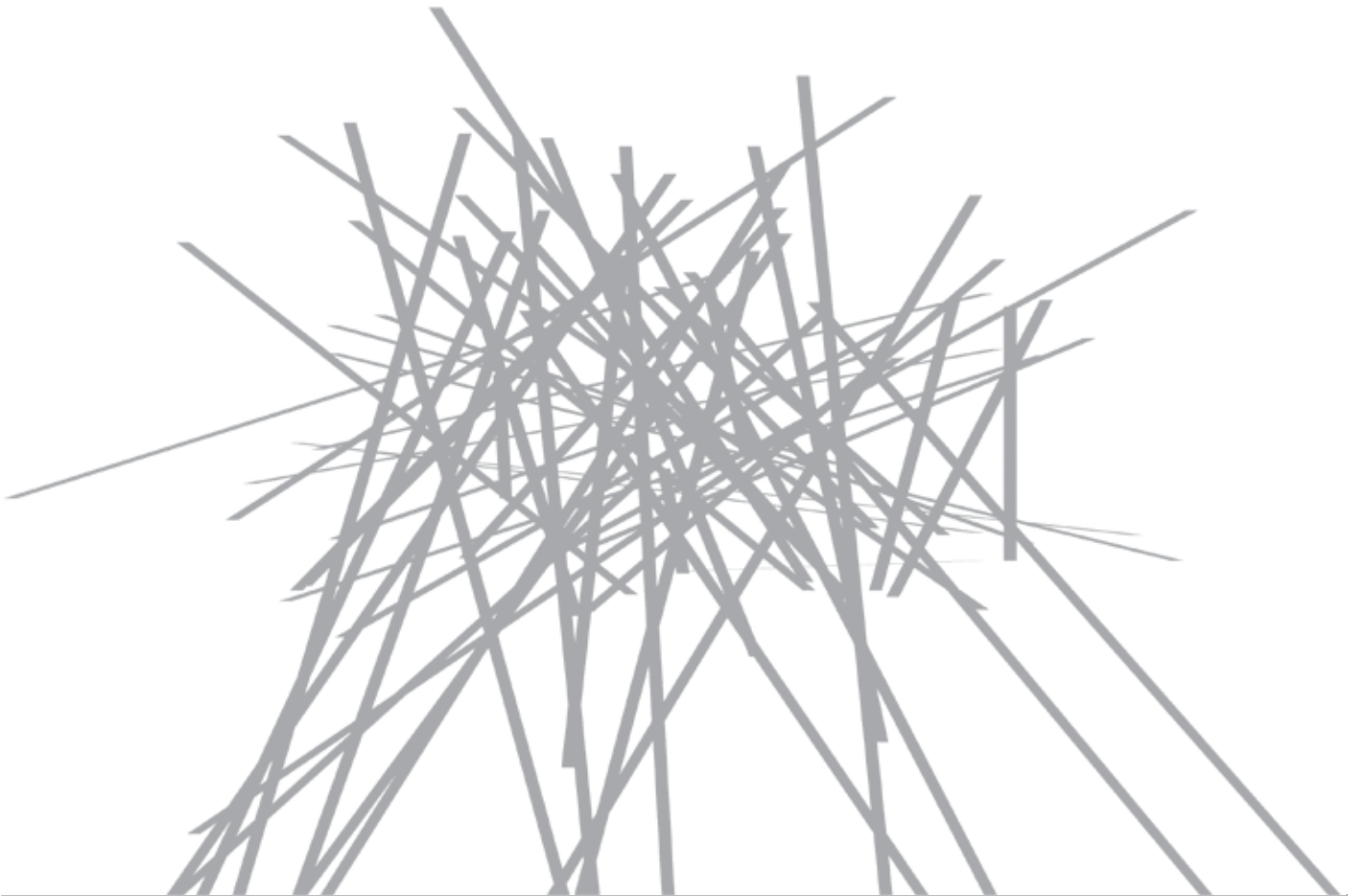
Other portfolio and complementary service investments



*Note: Percentage stake held is based on number of voting ordinary shares held

LETTER

TO OUR SHAREHOLDERS



Dear Shareholders,

Treading a firm path to growth is vital for any company wishing to successfully compete in today's global marketplace, but perhaps the greatest challenge is ensuring that the growth envisaged is coherent with the company's strategy while being firmly based on strong foundations that allows it to remain sustainable over time, adding true value to the entire organization and strengthening its position in the long term.

For this reason, we are very pleased to be able to present you with our Management Report for 2012 showing how we were able to successfully build on the transformation of our Organization begun back in 2011 when we extended our portfolio to include important acquisitions, making significant progress with our international expansion strategy.

The degree of consolidation we have obtained has been amply illustrated with the manner in which our strategic investments have strengthened over the last five years, going from 49% to 62% of our total investment portfolio, thereby securing our position as a multi-Latin financial holding. The results obtained from our subsidiaries along with our

sound financial position and capital structure, earning an International Investment Grade from both Fitch Ratings and Standard & Poor's; plus advances made with the cultural integration process embarked on with our new companies not to mention SURA's expanding position on a regional level, are just some of the many achievements that only go to confirm the sound and sustainable growth attained so far.

The results presented here were obtained amid a complicated situation worldwide, mainly due to the sluggish performance and ongoing economic crisis in Europe and the United States. Nevertheless, Latin America was able to get to grips with the situation, producing an average GDP growth for FY 2012 of 4.6% (excluding Brazil), which was higher than the average global GDP of 3.2%, as projected by the IMF. Generally speaking, the Latin American economies in which GRUPO SURA holds strategic investments did particularly well, especially countries such as Panama (which reported the highest GDP out of the entire region), Peru, and Chile; followed by Colombia, the Dominican Republic and Mexico.

LATIN AMERICA'S MACROECONOMIC INDICATORS BEAR OUT THE GROWTH POTENTIAL OF THE COMPANIES THAT FORM PART OF OUR PORTFOLIO, GIVEN THE FACT THAT

now the population in the bulk of Latin American countries is much better placed to save and consume financial products.

Clearly one of the more important aspects of our economies in this part of the world has to do with increased purchasing power per capita against a backdrop of firmly-controlled inflation rates and lower unemployment in both Latin America and the Caribbean which went from 6.7% to 6.4% in 2012 according to CEPAL (the Economic Commission for Latin America and the Caribbean); this in addition to the progress made in formalizing the regional job markets.

Another significant factor is the 60.3% rise in GDP per capita over the last decade, averaging out at an annual growth rate of 4.8%. This is expected to continue to rise by an average of 4.5% over the next 5 years. Such were the findings of a study carried out by the World Bank called "Economic Mobility and the Rise of the Latin American Middle Class", published in October of 2012, according to which in the decade 2000 - 2010 the region's middle class

THE MIDDLE CLASS IN LATIN AMERICA IS STEADILY GROWING

103
million in 2000

152
million in 2010

30%

OF LATIN AMERICA'S ENTIRE POPULATION BELONGS TO THE MIDDLE CLASS

expanded from 103 to 152 million, which means that 30% of Latin America's entire population has now joined the ranks of the upwardly mobile.

It is also worthwhile noting that these figures bear out the growth potential of the companies that form part of our portfolio, given the fact that now the

population in the bulk of Latin American countries is much better placed to save and consume financial products.

SHARE LIQUIDITY AND GAINS

Although the global stock exchanges were affected by the European crisis and the low growth rates obtained by the developed countries, producing a substantial decline in trading volumes of -22.5%, according to the World Federation of Exchanges (WFE) , it was quite a different story for the Colombian Stock Exchange which reported a 4.7% rise in trades. Here it is worth noting the important trading volumes obtained with both types of GRUPO SURA share which averaged out at COP 23,488 million (USD 13.3 million) per day during Q4 2012, showing an increase of 265.5% compared to 2011.

This gratifying level of performance mirrored annual gains in pesos of 22.2% in the case of our ordinary shares and 18.2% for our preferred shares, excluding dividends, producing year-end prices of COP 38,000 and COP 39,000 respectively, thereby outstripping the gains recorded by both local stock indices, the COLCAP and the IGBC, which were up by 16.6% and 16.2% FY.

We also were able to increase our weighting of the COLCAP Index, with GRUPO SURA ranking in second place, after Ecopetrol with 13.34%. As you may already be aware, our shares are also listed on the MSCI, FTSE, S&P CIVETS, DJSI and LATIBEX TOP Indices. With this degree of international exposure, the Company's shares has awakened substantial appetite on the part of international investment funds; so much so that in 2012 the number of funds purchasing GRUPO SURA shares rose

**Our shares performed well in 2012
showing annual gains in pesos of:**

22.2% IN THE CASE OF OUR ORDINARY SHARES

18.2% IN THE CASE OF OUR PREFERRED SHARES

Excluding dividends

¹ WFE: World Federation of Exchanges

The number of international funds who became shareholders

ROSE BY 83%, GOING FROM 271 TO 497, PARA IN THE SPACE OF JUST ONE YEAR. THESE NOW HOLD A TOTAL STAKE OF 12.3% IN THE COMPANY COMPARED TO 9.8% FOR THE PREVIOUS YEAR.

by 83%, from 271 to 497, representing 12.3% of the total compared to 9.8% for the previous year. At year-end 2012, we had a total of 25,455 shareholders, 2,240 of whom held both types of shares.

On the other hand, the value of GRUPO SURA's market capitalization came to COP 22.0 billion (USD 12.3 billion) showing a growth of 18.5%, thereby ranking us as a Large Cap company on the Latin American market. This was achieved amid a very good performance on the part of the Colombian Stock Exchange, which in terms of global market capitalization growth was the fifth fastest growing stock market in the world according to the WFE.

FINANCIAL STRENGTH

The financial results obtained by GRUPO SURA at year-end 2012 offer ample proof of the way the Organization was able to consolidate its growth, with profits totaling COP 546,100 million (USD 308.8 million), for a YoY increase of 64.1%.

Breaking down this figure we have operating revenues totaling COP 688,364 million (USD 389.3 million), that is to say, 45.6% more than for 2011. Out of this sum,

GRUPO SURA's market capitalization came to

COP **22.0**
billion
(USD 12.3 BILLION)

Profits rose by
64.1%
to
COP **546,100**
million
(USD 308.8 MILLION)

COP 265,721 million (USD 150.3 million) corresponded to dividends received from our investments which grew by just 0.4%, given the change in the ex dividend date in the particular case of Grupo Argos and Grupo Nutresa, whose dividends were received in January of this year. If it were not for this circumstance, dividends for 2012 would have risen by approximately 7.0%.

Revenues of COP 323,097 million (USD 182.7 million) were posted via the equity method. These showed a rise of 139.7%, thanks to a good level of performance on the part of our subsidiaries, namely SURAMERICANA (our insurance and social security sub-holding) and SURA Asset Management (our pension, savings and investment sub-holding) which contributed COP 200,386 million (USD 113.3 million) and COP 264,358 million (USD 149.5 million) of the total, respectively. Here, however, it is important to note that since SURA Asset Management is domiciled in Spain, given its exposure to the exchange rate, an additional loss of COP 111,065 million (USD 62.8 million) was sustained. This shall no longer pose a problem once this Company is re-domiciled in Colombia, a process which is about to be concluded.

Earnings from the sale of investments came to COP 74,560 million (USD 42.2 million), this mainly relating to having sold a 4.9% stake in SURA Asset Management as announced in Q2 2012. The new shareholder, JPMorgan now joins the rest of SURA Asset Management's shareholder group, namely IFC, General Atlantic, Grupo Bolívar and Grupo Bancolombia.

Non-operating revenues came to COP 119,005 million (USD 67.3 million), due to adjustments for exchange differences.

On the other hand, operating expense amounted to COP 122,447 million (USD 69.2 million), showing an increase of 191.5%. This was largely on account of having amortized the entire amount of expense incurred upon acquiring the ING assets during the first half of the year for a total of COP 73,413 million (USD 41.5 million), in addition to extraordinary expense in the form of consultancy and investment banking fees which came to another COP 12,310 million (USD 7.0 million). With regard to non-operating expense, interest expense and commissions amounted to COP 88,558 million (USD 50.1 million).

GRUPO SURA's assets came to COP 21.7 billion (USD 12.3 billion) at year-end, showing an increase of just 0.4%. Here we would like to make special mention of the fact that current assets totaling COP 202,055 million (USD 114.3 million) showed a drop of 84.1%, due mainly to a reduction in accounts receivable of COP 799,206 million (USD 452.7 million). Cash and banks also showed a drop of COP 271,908 million (USD 153.8 million).

It is particularly important to note that the Company's liabilities fell by 67.4% ending up at COP 888,318 million (USD 502.4 million). Reducing our debt was a task that was given utmost priority at the beginning of last year, since as you may recall, in order to acquire the ING assets we had to increase our leverage on a temporary basis. Happily we were able to obtain a debt ratio of 4.1% at year-end 2012, which was considerably lower than the 12.6% posted for 2011 and is now similar to the amount of debt we had before the aforementioned acquisition.

Consequently Shareholders' Equity came to COP 20.8 billion (USD 11.8

billion), for an increase of 10.2% representing an intrinsic share value of COP 36,136 (USD 20.4) at the end of last year.

STRATEGIC INVESTMENTS

GRUPO SURA's performance last year was mainly due to the achievements and good results obtained by the companies forming our investment portfolio, the more salient aspects of which are as follows

It is particularly important to note that the Company's liabilities fell

BY 67.4% TO COP 888,318 MILLION (USD 502.4 MILLION).

at year-end. Reducing out debt was a task that was given utmost priority at the beginning of 2012.

Shareholders' Equity rose by

10.2%

TO COP 20.8 BILLION (USD 11.8 BILLION)

Firstly our sub-holding, SURAMERICANA, specialized in insurance, occupational risk and obligatory healthcare plans, had an outstanding year having surpassed the goals set for said period and its individual subsidiaries, Seguros SURA and ARL SURA (formerly ARP SURA³) having performed particularly well. Total revenues from the companies managed by this sub-holding came to COP 5.4 billion (USD 3.0 billion), showing an increase of 15.9%, while profits rose to COP 298,848million (USD 169.0), which was 24.5% higher than for the previous year. On the other hand, Shareholders' Equity for this sub-holding amounted to COP 1.92 billion (USD 1.1 billion), for a YoY increase of 23.8%.

SURAMERICANA, through its subsidiaries, attends a total of 6.7 million clients and continues to lead the Colombian insurance market with a share of 22.8% (including Life, property and casualty as well as labor risk insurance). Securing a greater degree of operating efficiency, in order to increase its competitiveness, was one of the main fronts on which this Company has worked particularly hard over the last few years. It was precisely last year when it achieved significant progress with its efficiency ratio, since thanks to its Intelligent Expense Management initiative it was able to reduce its administrative expense

Total revenues obtained by those companies managed by SURAMERICANA

COP
5.4
billion
(USD 3.0 BILLION)

- 15.9% GROWTH IN TOTAL REVENUES
- 7.3 MILLION CLIENTS
- 22.8% SHARE OF COLOMBIA'S INSURANCE MARKET

³ Change made in keeping with Law 1562 of 2012 which modified Colombia's General System of Labor Risks. So our former Aseguradora de Riesgos Profesionales (Occupational Risk Insurance Company) is now known as Aseguradora de Riesgos Laborales (Labor Risk Insurance Company)

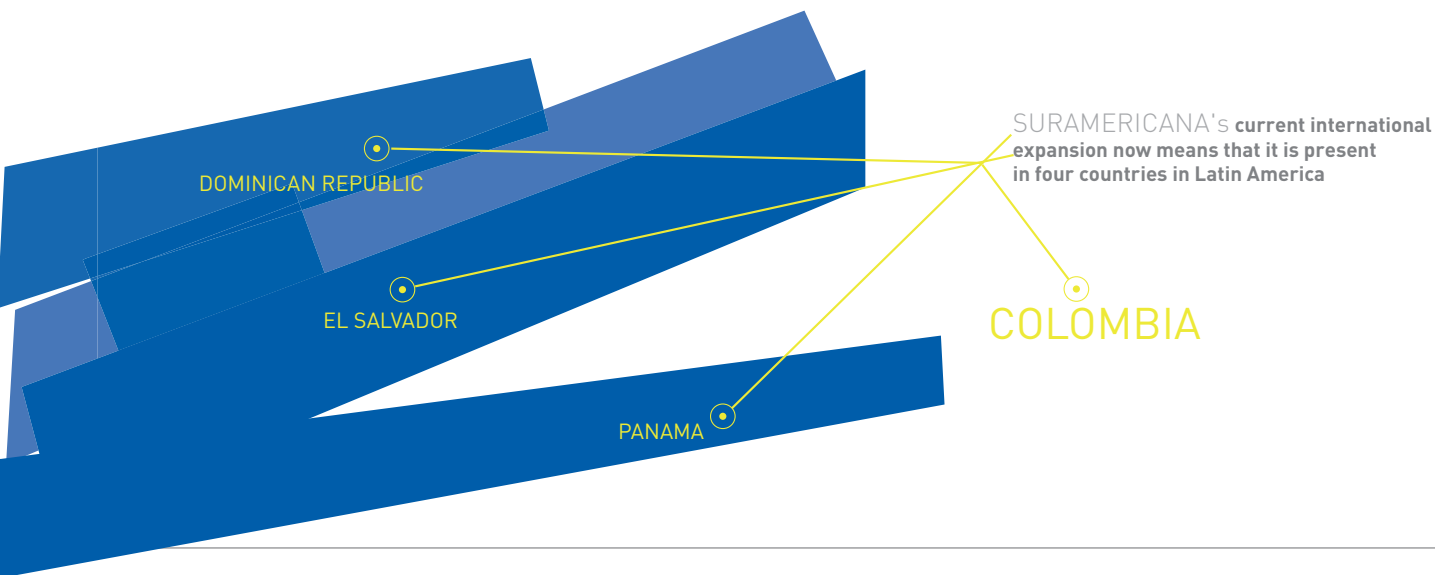
Thanks to our Intelligent Expense Management initiative, Suramericana's insurance companies were able to reduce their administrative expense as a percentage of issued premiums

TO A TARGETED 12%, WHEREAS IN THE CASE OF THE ARL AND THE EPS THIS CAME TO 13% AND 9%, RESPECTIVELY.

as a percentage of issued premiums to a targeted 12%, whereas in the case of the ARL and the EPS this came to 13% and 9%, respectively. para la ARL y la EPS fue de 13% y 9%, respectivamente.

As part of the accomplishments of this sub-holding last year, which targeted sustainability as its most important strategic value-adding focus, we would like to make particular mention that Moody's upheld its International Investment Grade for its insurance subsidiaries (both Life as well as Property and Casualty) This was accompanied by a local Triple A rating given by the firm BRC Investor Services to these same companies, as well as for the ARL, this based on their sound financial position. The Asociación Colombiana de Corredores de Seguros - ACOAS (Colombian Association of Insurance Brokers) also rated Seguros SURA as the No. 1 Insurance Company in terms of service satisfaction.

The progress made with its international expansion plans means that SURAMERICANA is now present in 4 countries within the region. In 2012 the required authorizations were obtained in order to include Aseguradora Suiza Salvadoreña - ASESUISA in its portfolio of investments. It also



successfully launched its SURA brand in the Dominican Republic through its subsidiary in this part of the world.

In Colombia, SURAMERICANA has been gaining ground with its market development strategy, particularly with regard to detecting and deploying new distribution channels, as well as strengthening those currently existing. The goal here is to secure broader access to different segments of the population so as to be able to offer these a wide range of insurance solutions in keeping with their own particular coverage needs. So far good results have been obtained with the Seguros Éxito and Televentas channels, the former being the insurance division of a large local retail chain and the latter a tele-sales operation, where sales have risen by 44.7% with issued premiums amounting to COP 112,111 million (USD 63.4 million). Going forward SURAMERICANA shall be focusing on its SURA On-Line strategy, where it shall be providing advisory services and insurance products through its on-line platforms as well as through channels such as NovaVenta, a sales catalog operation with almost 80,000 female reps attending almost one million lower

income households.

Finally, the Company was able to drive its organic and strategic growth with an investment of COP 96,000 million (USD 54.3 million) in business development projects and infrastructure upgrades thus enhancing the welfare of its employees and the service provided to its clients.

SURA Asset Management, our newest sub-holding, specialized in the pension, savings and investment sector, reported its results for the first time last year. Here it obtained total revenues of USD 1.1 billion along with an EBITDA amounting to USD 409.9 million, for a total net profit of USD 253.0 million⁴. This gratifying level of performance was based on its operating efficiency, the good results obtained from the financial markets as well as a 16.1% rise in the basic wage for workers affiliated to its companies within the region. These factors, together with a growing market penetration for financial services in general, and savings in particular in various Latin American countries have had a very positive result on the results reported by SURA Asset Management.

SURA Asset Management reported total revenues of

USD
1.1
billion

ALONG WITH AN EBITDA OF
USD 409.9 MILLION
NET PROFITS CAME TO

USD
258.0
million

⁴ Including ANG Colombia pre-merger, excluding Protección pre-merger.

SURA Asset Management's own assets under management, together with those of AFP PROTECCIÓN and AFP CR CER came to

USD
107.8
billion

+15.4%

SURA Asset Management is Latin America's leading Pension Fund Management Firm:

- **15.5 MILLION CLIENTS**
- **9.299 EMPLOYEES**
- MARKET SHARE FOR THE COUNTRIES WHERE PRESENT AVERAGES OUT AT 21.9%.

The assets under management for this subsidiary together with those managed by AFP Protección and AFP Crecer, the latter located in El Salvador, reached USD 107.8 billion, representing a growth of 15.4% compared to the figure reported at year-end 2011. With this the Company now ranks as the leading pension fund in Latin America with 15.7 million clients, 9,299 employees, and an average market share of 21.9 %, in all those countries where it is present⁵.

After the SURA brand was successfully and simultaneously launched in four countries within the region, obtaining a seamless transition in each of the markets where we have made our debut with positive progress made with integrating the different organizational structures under GRUPO SURA, SURA Asset Management has been striving to consolidate its mandatory pension business as well as secure new opportunities that are forming the foundations for further growth, especially with regard to voluntary savings, known as Wealth Management, this with the aim of providing a more comprehensive range of value added products and services for its clients. The more salient aspects of these new initiatives are as follows:

- A new line of Annuity insurance was launched in Chile. Also as a value-added component to its regional business, the Company purchased a share of the Bolsa de Comercio de Santiago [Chile's Stock Exchange] allowing it to set up its own stock brokerage agency in this part of the world.
- In Peru, a 63% stake was purchased in InVita (today known as Seguros SURA Peru) as well as InCasa (now HipotecariaSURA). Also the remaining 20% stake in AFP Integra

⁵ According to that calculated by Sura Asset Management based on market information.

and Fondos SURA Perú was acquired for a full 100% ownership stake in both .

- In Uruguay a new firm was set up called Administradora de Fondos de Inversión SURA - AFISASURA, the first of its kind to offer voluntary savings plans in this part of the world

A successful merger was also carried out at the end of 2012 between AFP Protección and ING Colombia, with the surviving entity now known as Protección, offering mandatory and voluntary pension as well as severance plans to a total of 4.5 million clients in Colombia. This merger has entailed important benefits for the clients of this newly-merged company, as well as significant synergies for its shareholders, especially with regard to the possibility of sharing best practices on a regional level in terms of risk management, technology, sales strategies and product development. As a result of this merger SURA Asset Management has now joined Protección's shareholder base with an initial stake of 16.5%.

The newly-merged **PROTECCIÓN** reported operating revenues of COP 405,165 million (USD 229.1 million), a 46% increase in profits which amounted to COP 69,638 million (USD 39.4 million) along with COP 53,2 billion (USD 30.1 billion⁶) in managed assets.

Early this year, GRUPO SURA announced that it had agreed to sell a 7.51% stake in AFP Protección to the Canadian firm Alberta Investment Management Corporation- AIMCo, via its vehicle Cornerstone LP. AIMCo which is one of the largest institutional investment management firms in Canada with

At the end of 2012 AFP Protección merged with ING Colombia, with the surviving entity now known as Protección,

OFFERING MANDATORY AND VOLUNTARY PENSION AS WELL AS SEVERANCE PLANS TO A TOTAL OF

4.5

million clients in Colombia

⁶ Changes calculated based on proforma financial statements.

more than 30 years of experience and USD 70,000 million in assets under management, these pertaining mainly to government and pension funds. In the mid-term, GRUPO SURA's entire share in Proteccion is expected to be held through its pension, savings and investment sub-holding, SURA Asset Management.

As for our largest strategic investment, **BANCOLOMBIA**, results obtained last year were also outstanding. Assets came to COP 75.1 billion (US 42.5 billion) and Shareholders' Equity rose by 30.8% to COP 11.5 billion (USD 6.5 billion). Operating revenues amounted to COP 4.5 billion (USD 2.5 billion) which provided a net profit of COP 1.3 billion (USD 726.4millón).

It is also worthwhile noting the 40% stake that Bancolombia purchased in Guatemala's Banco Agrícola Mercantil (BAM), for USD 216 million, as part of its ongoing international expansion plans.

Another important event was the public offering of subordinate bonds staged abroad for a total of USD 1.2 billion, as well as an issue of preferred shares for COP 1.7 billion (USD 941,1 million). The demand in both cases exceeded the amount offered.

But perhaps the accomplishment that best illustrates the Bancolombia Group's comprehensive performance last year was having been included in the Dow Jones Sustainability World Index, being the only banking institution in Colombia, and one of just a few in Latin America to receive this honor. This is a firm endorsement of the importance of taking the banking approach beyond the purely financial to include social and environmental considerations, and this in the particular case of Bancolombia has

It is also worthwhile noting the 40% stake that Bancolombia purchased in Guatemala's Banco Agrícola Mercantil (BAM), for

USD **216** million

AS PART OF ITS ONGOING INTERNATIONAL EXPANSION PLANS.

In 2012 Grupo BANCOLOMBIA was included in the DOW JONES SUSTAINABILITY WORLD INDEX, THE ONLY BANK IN COLOMBIA AND ONE OF JUST A HANDFUL OF LATIN AMERICAN BANKS TO BE ADMITTED.

only strengthened its sense of purpose with regard to offering responsible, more humane banking services, welcoming innovation and taking the long-term view, all this against the highly complex, perpetually changing conditions in the global banking sector.

Lastly in this segment, we would like to mention Enlace Operativo-Compuredes, which underwent a complete reorganization of its corporate structure in 2012, the purpose of which was to clearly differentiate its different lines of business. As part of this process, Integradora de Servicios Tercerizados – IST was created, the new BPO umbrella for Compuredes and its line of IT service outsourcing and Enlace Operativo, which continues to offer its social security filing and payment services (PILA in Spanish).

Revenues from the IST subsidiaries came to COP 129,018 million (USD 67.3 million), showing a growth of 26% along with an EBITDA of COP 5,407 million (USD 3.1 million). This provided a net profit of COP 157 million (USD 89 thousand).

PORTFOLIO INVESTMENTS.

Now for a brief look at the results reported by our two main portfolio investments, beginning with Grupo NUTRESA, which is also included on the Dow Jones Sustainability World Index. Here consolidated revenues came to COP 5.3 million (USD 3.0 million), with an EBITDA margin of 12.4% and COP 345,507 million (USD 195 million) in net profits. The Company's market capitalization came to COP 11.7 billion (USD 6.5 billion) with its share performing particularly well with a gain of 16.6% for FY 2012.

Grupo NUTRESA continued to expand at a brisk pace

IN 2012, ACQUIRING AMERICAN FRANCHISING CORPORATION, IN **CENTRAL AMERICA** AND A 44% STAKE IN DAN KAFFE IN **MALAYSIA**.

One of the main accomplishments on the part of Grupo ARGOS in 2012 was the change made to its

CORPORATE STRUCTURE AFTER SPINNING OFF CERTAIN NON-CORE ASSETS BELONGING TO CEMENTOS ARGOS, **WHICH IN TURN ALLOWED THE GROUP TO CREATE NEW STRATEGIC LINES OF BUSINESS.**

NUTRESA continued to expand at a brisk pace in 2012, reaching as far as Asia with the 44% stake purchased in DAN KAFFE in Malaysia. It also acquired the Panamanian company American Franchising Corp for its Ice Cream Division.

Grupo ARGOS, on the other hand, reported consolidated revenues of COP 6.7 billion (USD 3.8 billion) along with an EBITDA margin of 24.0%, which produced a net profit of COP 344 thousand million (USD 195 million). The Company's market capitalization came to COP 16.5 billion (USD 9.2 billion). Perhaps one of its greatest accomplishments in 2012 was the change made to its corporate structure after spinning off certain non-core assets belonging to Cementos Argos, which in turn allowed the Group to create new strategic lines of business such as ports, real estate and coal mining while enabling both Cementos Argos and Celsia to further their positions as major players in their respective cement and concrete as well as electricity generating and distribution sectors in Colombia.

OTHER IMPORTANT ACCOMPLISHMENTS

As we have mentioned on prior occasions, sustainability is a goal that requires us to constantly strive to develop practices that not only help to further our financial results but allow us to perform on a much more comprehensive level, taking into account economic, environmental and social considerations and creating added value for our stakeholder groups. In this way we are ensuring growth not just for our company but for all those countries where we are present.

This conviction is plainly evident with our day-to-day performance and was one of the reasons why we were included

in the Dow Jones Sustainability World Index for a second straight year. This has given us the opportunity to compare ourselves with other leading companies in the global financial services sector. It is also a gratifying acknowledgement of the efforts of all those who work for GRUPO SURA and its subsidiaries.

After analyzing the results obtained during this second year, our DJSI rating rose by 12 points compared to the first year, going from 56 to 68, out of 100. The areas where we scored the highest were codes of conduct, risk management, crisis management and brand governance. Equally important was the progress made with environmental issues drawing up policies and establishing information management systems. We also scored highly in the area of industrial safety and occupational health.

Our listing on this Index poses important challenges for us, since it has invited us to reflect on what the future holds for our Organization and the issues to be

addressed. It has also led us to review and assess our own practices and has taught us not to waiver in pursuing the right answers to the new questions arising in this important field.

As you are well aware, we publicly ratified our commitment to responsible corporate management upon espousing the United Nations Global Compact back in 2009. This continues as valid as it was then especially now that we are joining forces with our subsidiaries in order for these to embrace the Compact's universally-accepted principles in the fields of human rights, labor environment and anti-corruption.

In pursuing best practices in terms of the Organization's Corporate Governance, we made an important change to our Board of Directors, appointing two independent members as Chairman and Vice-Chairman, respectively.

This decision, which was also made by Grupo ARGOS and Grupo NUTRESA, ratifies our firm commitment to transparency and good governance

GRUPO SURA was included for the second year running in the Dow Jones Sustainability World Index, which is giving us the opportunity to compare ourselves with other leading companies in the global financial services sector.

OUR TOTAL RATING ROSE BY

12 points

COMPARED TO THE PREVIOUS YEAR, GOING FROM PASANDO DE 56 TO 68, OUT OF A MAXIMUM OF 100

upon giving greater importance to the role played by the independent members of the Board. In this way, we are boosting the confidence that our investors and the market at large have placed in us.

As another facet of our sustainable management focus, and with the aim of furthering the development of the more vulnerable communities, GRUPO SURA and its subsidiary SURAMERICANA, through the Suramericana Foundation, invested COP 11,345 million (USD 6.4 million) in 2012, that is to say 6.2% more than in 2011, in social development projects with special emphasis on comprehensive community management, sexual health education, competitiveness training and cultural events. For more details regarding this important initiative, please refer to our Social Development Report, provided to you as a separate booklet accompanying this Annual Report.

RISK MANAGEMENT AND CONTROL SYSTEMS

Regarding internal control and risk management, these form part of our corporate governance framework and are subject to the principles of transparency, respect, responsibility and fairness which guide our ethical corporate conduct. We have implemented both at Company and subsidiary levels an internal control system which provides the mainstay for fulfilling our corporate goals and helping Senior Management to successfully manage risk. This system includes, among other features, adequate reporting and control for the Company's financial information.

In pursuing best practices in terms of the Organization's Corporate Governance, we made an important change to our Board of Directors, APPOINTING TWO INDEPENDENT MEMBERS AS CHAIRMAN AND VICE-CHAIRMAN, RESPECTIVELY.

**GRUPO SURA and its subsidiary SURAMERICANA,
through the Suramericana Foundation, invested**

COP

11,345
million

(USD 6.4 million)

IN SOCIAL DEVELOPMENT PROJECTS
DURING 2012, WHICH WAS 6.2% MORE
THAN THE YEAR BEFORE.

Similarly, our risk management area detects, grades, assesses and prioritizes the main risks and threats facing the Company so as to deploy the policies and controls required to mitigate all significant risk affecting our operations. In 2012, we continued with the risk management initiative previously implemented on various fronts and formed a multi-disciplinary work team made up of representatives from different areas of the Company in order to set up a Comprehensive Risk Management System. This mainstreaming has allowed for activities to be carried out regarding Financial and Reputational Risk as well as Sustainable Investments with the Investment, Treasury, Communications and Corporate Responsibility and Citizenship Departments, amongst others.

The Company has put into place formal communication procedures and systems which allow for a seamless flow of information both on an internal as well as external level. There is an organizational structure that facilitates a level of independence between the different business, risk, investment and internal auditing areas. Each of these has sufficient resources to carry out their functions and responsibilities.

Likewise, the technology we use provides us with the degree of security and quality required in order to obtain all the information needed for the decisions we make. Senior management and process leaders are responsible for continuously checking the indicators produced, while our internal control system is independently monitored by our Internal Auditing Department and our Statutory Auditing firm, which periodically present their reports to

the Auditing Department, who in turn remits these to the Company's Board of Directors.

The controls deployed by the Company have been checked along with the systems used for financial reporting and control purposes, all of which have been found to be in proper working order.

The Board of Directors supervised the activities of the Audit Committee as well as the other supervisory bodies and was duly informed of all important events occurring within the Company as well as with its subsidiaries and affiliates. It faithfully carried out its functions and duties, especially those relating to reviewing the Company's Internal Control System and evaluating its financial statements.

Also, and in keeping with that stipulated in the Company's Code of Good Corporate Governance, the Board of Directors expressly states that in 2012 no conflict of interest was brought to its attention with regard to transactions or issues that could have had a negative effect on the Company. All operations carried out with these and other economic related parties have been disclosed in Note 2 of the individual financial statements.

GRUPO SURA hereby certifies that it has complied with all applicable intellectual property and copyright legislation. Also products such as the software the Company uses for its normal day-to-day running, are in keeping with all applicable intellectual property and copyright legislation and its brands have been duly registered before the corresponding authorities. The Company possesses sufficient evidence with which to make these statements in the form of satisfactory findings

from internal systems audits, software development and licensing agreements, purchasing or transferring copyright royalties as well as resolutions issued by the Colombian Superintendency for Industry and Commerce confirming our trade mark registrations, amongst others.

The operations referred to in Section 3 of Article 446 of the Code of Commerce are listed on the annexes attached to the financial statements, all of which were made available to our shareholders during the term provided by law for their respective examination.

Finally, the Company's Senior Management certifies that the financial statements and other relevant public reports do not contain any material errors, flaws or inaccuracies that could affect the Company's true equity position or operations from becoming known.

To conclude, we would like to acknowledge the efforts of our employees, investors, partners and all those who have contributed in one way or another to the growth of GRUPO SURA, by briefly mentioning some of the awards received by the Organization in 2012 and which in turn reflect the commitment and professionalism shown by our people as well as the vision and consistency with which the Company has carried out its strategy:

PREMIOS LIRA (LATINAMERICA 'S INVESTOR RELATIONS AWARDS) –
AWARD FOR EXCELLENCE WITH REGARD TO INVESTOR RELATIONS AND
CORPORATE GOVERNANCE COMMUNICATIONS.

**“Transaction of the Year” award, given by the journal, Latin Lawyer
to our legal team and advisors for the work carried out in connection
with the ING acquisition.**

IR GLOBAL RANKINGS - AWARD FOR THE MOST PROGRESS MADE
WITH FINANCIAL REPORTING.

**Award from the Colombian Stock Exchange (BVC) for the highest
placement figure on the part of an issuer from the real sector for the
year 2011.**

**OTHER MISCELLANEOUS AWARDS GIVEN TO THE COMPANY AND
ITS SENIOR MANAGEMENT** BY PRESTIGIOUS PUBLICATIONS SUCH
AS REVISTALATINTRADE, PORTAFOLIO, ESTRATEGIA DE CHILE
REVISTA AMÉRICA ECONOMÍA, LATIN FINANCE AS WELL AS THE
ENGLISH JOURNAL, EUROMONEY.

We thus conclude this Management Report for 2012 by extending our gratitude for the confidence deposited in our Board of Directors, Senior Management and the rest of our employees. We would also like to express our satisfaction with the achievements obtained last year which have allowed us to consolidate the decisive steps taken over recent years, in keeping with our business sustainability focus. This is not so much a corporate philosophy but an essential part of the success we have enjoyed up to now.

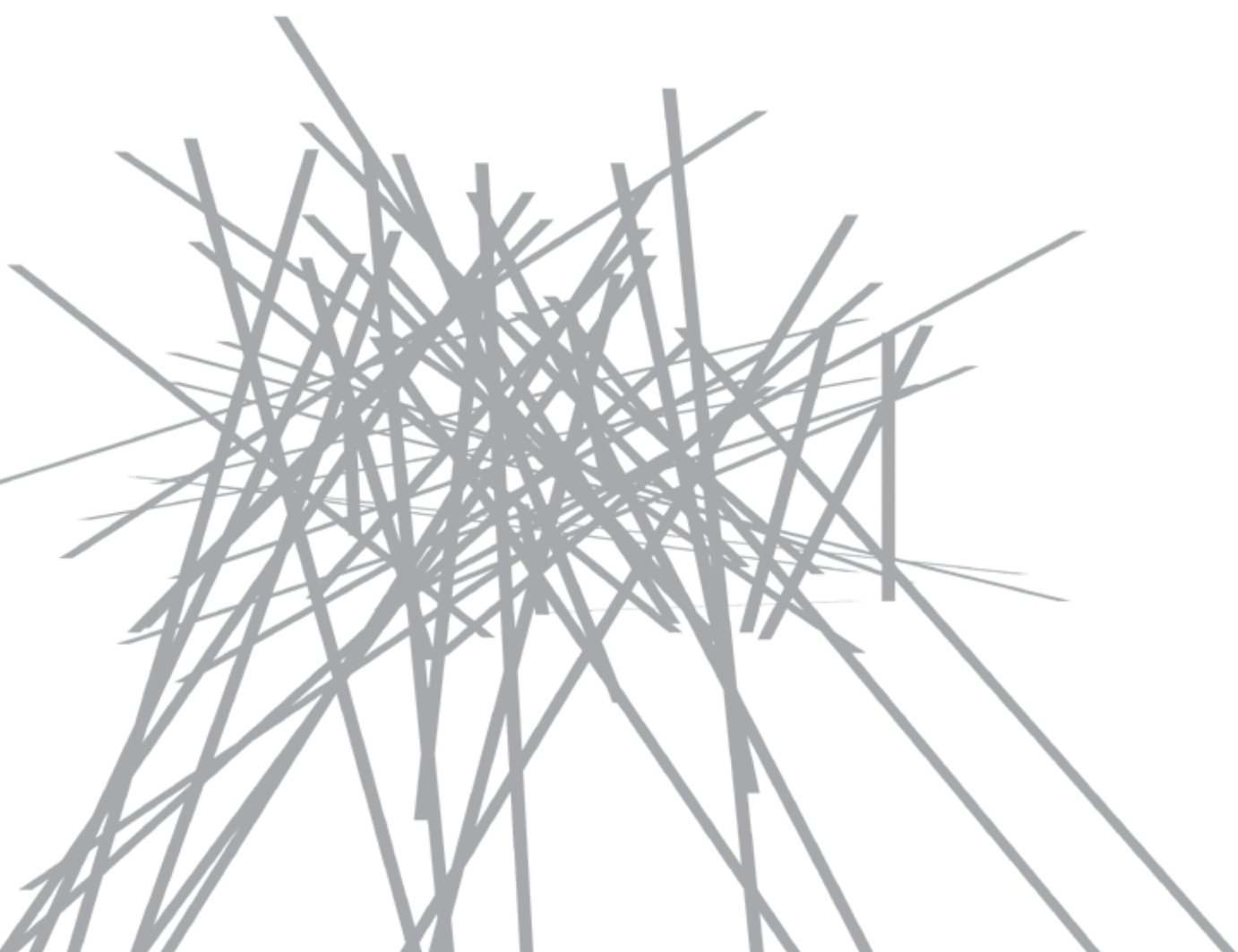
This year we shall continue to strive to further our positioning on each of the markets where we are present, offering a comprehensive range of solutions in the form of our insurance, social security and financial service products, thus allowing us to meet the different needs of our clients throughout their entire life cycle. Our efficiency and ability to harness a multitude of synergies amongst the companies pertaining to our portfolio in Latin America shall be vital to this task. We shall also be enhancing our research, development and innovation capabilities which form part of our strategic focus going forward.

Now that SURA has gained ground on a regional level, becoming an important brand not only in the insurance and pension segments but in the entire financial services sector, and GRUPO SURA is now firmly backed by a sound positioning in the Latin American continent, we can safely say that our challenge going forward is being able to reach out to more and more people within our region so that they may benefit from the value proposal we provide and truly understand why SURA makes a difference in helping to improve the quality of their lives. We have a genuine interest in being recognized not as the biggest but as the best. This is the key to our sustainability. This is what shall keep us relevant in the future.

Armando Montenegro Trujillo
Hernando Yepes Arcila
Jaime Bermúdez Merizalde
José Alberto Vélez Cadavid
Carlos Enrique Piedrahíta Arocha
Juan Guillermo Londoño Posada
Jorge Mario Velásquez Jaramillo
**MEMBERS OF THE BOARD
OF DIRECTORS**

David Bojanini García
CHIEF EXECUTIVE OFFICER

WE HAVE A GENUINE INTEREST IN BEING
RECOGNIZED **NOT AS THE BIGGEST BUT AS
THE BEST.** THIS IS WHAT SHALL KEEP US
RELEVANT GOING FORWARD. THIS IS WHAT
MAKES US TRULY SUSTAINABLE.





BLUE COLUMN

235 x 95 x 49 cm
Polychrome aluminum
Celsia Collection
Ricardo Cárdenas
2012

OUR COMMITMENT TO :

SUSTAINABLE

BUSINESS MANAGEMENT

The background of the page is white with a complex pattern of thin, light yellow lines. These lines are scattered across the page, creating a web-like or geometric pattern that is more dense on the right side and sparser on the left. The lines vary in length and orientation, some crossing each other to form small triangles and polygons.

Doing things right and in a well-balanced fashion has a transformative effect on everything.
This is how we are contributing to a more sustainable world.

For GRUPO SURA responsible business management is the path to remaining relevant in the future and thus ensuring the Company's ongoing sustainability. Transparency, respect, responsibility and fairness are the guiding principles that govern everything we do, including:

RESPONSIBILITY IN EVERYTHING WE DO

Social
Development

Business
Management

Public Arena

FOR A MORE SUSTAINABLE WORLD

Our commitment to social development through project contributions and the efforts of our own corporate volunteer corps.
(Social development)

Our relationships with stakeholders and the practices we employ to achieve our goals.
(Business management)

Strengthening the institutional structures of all those countries where we are present by sharing our knowledge.
(Public arena)

SUSTAINABILITY

Grupo SURA, in its role as an investor company, has not only defined general sustainable guidelines for its strategic core investments but also monitors the commitments made by its subsidiaries through:

- Participating in the Boards of Directors of its subsidiaries
- Periodic meetings
- Consolidating and analyzing the information reported

Progress was made in 2012 with the development of a technological tool for monitoring the economic, environmental and social performance of the Group's subsidiaries. This application shall be deployed during the first half of this year and shall allow us to highlight best practices, assist in designing plans for improving deficiencies that are causing the greatest gaps, share our group knowledge and harness synergies.

Also our subsidiaries are deploying certain initiatives on various work fronts that ensure responsible business development in the long term. Based on the results obtained with the Dow Jones Sustainability Index, our most important challenges for both 2013 and 2014 are as follows:

Based on the results obtained with the Dow Jones Sustainability Index,

OUR MOST IMPORTANT CHALLENGES

FOR BOTH 2013 AND 2014 ARE AS

FOLLOWS:

COMMITMENT TO FURTHERING BUSINESS ETHICS

- Strengthening our Corporate Governance System

RELATIONS WITH STAKEHOLDER GROUPS

- Furthering the implementation of our stakeholder relations policy
- Strengthening our organizational culture as well as developing strategies for handling human talent, especially with regard to our new subsidiaries.
- Deploying a new supplier management model.
- Consolidating protection mechanisms and incorporating new strategies for boosting client loyalty.

BUSINESS DEVELOPMENT

- Formally deploying a methodology for analyzing projected investments, including the non-financial aspects (social, environmental and corporate governance) of such.
- Identifying synergies that could facilitate new businesses and expand market presence.
- Developing a strategy to facilitate education programs in the field of financial services, developing skills and markets and thereby contributing to a greater degree of social and market inclusion.

THE ENVIRONMENT

- Consolidating the monitoring of our environmental performance
- Analyzing the risks and opportunities relating to the environment.

INSTITUTIONAL IMAGE

- Developing and strengthening our channels and procedures so as to enhance our disclosure capabilities and extend our market positioning.
- Driving initiatives that promote greater transparency, institutional, responsible business management and the protection of the environment.

SOCIAL DEVELOPMENT INITIATIVES

- Analyze the Group's priorities in terms of social development so as to define work fronts in all those countries where we are present.

The shareholders at their Annual General Meeting in 2012 approved a profit distribution plan whereby COP 3.000 million was to be used to drive and develop sustainability practices to be implemented by GRUPO SURA and its subsidiaries in 2012 and 2013.

These funds shall be used for the following projects:

- A materiality analysis informing sustainability strategies for the investment, insurance, pension fund and healthcare sectors so as to determine the more relevant issues for our stakeholders as well as current trends in these same segments of the economy.
- The deployment of a Comprehensive Supplier Management Model for both Suramericana S.A. and its subsidiaries which shall provide us with more in-depth knowledge of our supply chain so as to be able to reduce the inherent risk and strengthen its ongoing development while producing clearer, more efficient supplier relations.

We shall be deploying these initiatives in 2013, the results of which shall be reported in 2014. Please contact our Corporate Responsibility Department for more detailed information regarding the progress made with said projects.

Scores obtained with the Dow Jones Sustainability World Index Assessment

	GRUPO SURA		Var.	REFERENCE
	2011	2012		With regard to the Financial Service sector
Economic Dimension	77	85	8	86
Environmental Dimension	16	38	22	69
Social Dimension	61	70	9	79
Total	56	68	12	80

Areas where the best scores were obtained:

- **Economic Dimension:** Codes of Conduct, Crisis and Risk Management and Brand Governance
- **Environmental Dimension:** Environmental policy and Environmental Management Systems.
- **Social Dimension:** Occupational Health and Safety, Controversial Issues, Dilemmas, Talent Attraction and Retention.



OUR
STAKEHOLDERS



Shareholders and investors

The drivers of our performance

Employees

The human element at the core of our strategy

Suppliers

Essential allies in the pursuit of our business interests

The community

Participants in our overall development

State

Building a nation



FRAMEWORK FOR BUILDING RELATIONSHIPS

- Corporate responsibility
- Knowledge-building
- Institutionalility
- Legal framework
- Privilege of common interest
- Continuous improvement



EFFORTS TO ENHANCE OUR STAKEHOLDER RELATIONS

- Providing more and better information on who we are and what we do
- Building knowledge and strengthening our two-way training initiatives, these based on good practices.
- Creating opportunities for dialogue that allow feedback to be obtained on both the Company and its stakeholders from the standpoint on continuous improvement.
- Furthering the Company's position based on an institutional presence at specific times and places this based on the respective strategy.



CORPORATE COMMUNICATION APPROACH

- Open
- Two-way
- Dynamic
- Reliable
- Inclusive
- Coherent
- Consistent

OUR RELATIONS WITH **INVESTORS** AND STAKEHOLDERS

Our purpose to create long-term relationships has led us to set up different channels through which we are able to provide the market with clear and useful information in a timely manner, thereby allowing our current and potential investors to conduct a complete and precise analysis of the Company .

We are also covered by seven local and three international brokerage firms who make their corresponding recommendations so as to facilitate decision-making on the part of potential investors with regard to our listed shares, including those that trade on the Latibex market and in the form of our ADRs Level 1.

We also met with more than 370 portfolio managers in 2012 from the United States (37%), the United Kingdom (22%), Chile (13%) and Brazil (12%) as well as others from Continental Europe and Asia. In this way the Company maintained permanent contact with the market, providing updated information on the Company's performance, trends, projects and strategies.

Thanks to the efforts made in this sense, our shares gained greater liquidity on the Colombian market which led us to be admitted or increase our weighting on different global indices such as the MSCI, FTSE and DJSI among others.

QUARTERLY CONFERENCES

Our exposure to the markets both at home and abroad have led us to participate in 13 international conferences and numerous events within Colombia. Our Senior Management holds four conferences a year at which it provides updated information on the results obtained each quarter as well as how our strategy is performing.

We also have different communication tools so as to keep in permanent contact with both the market and other stakeholders, this in addition to the information published as part of the reporting requirements issued by the Colombian Superintendency of Finance which can also be found on our website.

- **www.gruposura.com.co:** Here we offer complete updated information regarding our Company and its portfolio of investments, both in Spanish and English. Visitors may also track on-line GRUPO SURA's Ordinary and Preferred shares, obtain customized shareholder information as well as consult a calendar of scheduled events and activities for the year.
- **Social Networks:** Our followers on Twitter, Facebook and YouTube obtain information of interest concerning the Organization and its business environment.
- **The GRUPO SURA "app":** We offer our own GRUPO SURA "app" which can be downloaded onto the user's tablet or smartphone enabling him or her permanent access to all the latest updates regarding our share performance as well as corporate news and information.
- **Shareholder HelpLine – 018000 521555:** This is a toll-free service provided from Monday to Friday between 7.30 a.m and 5.00 p.m. by means of which we clear up any general queries about our Company.
- **Investor Relations Office –(574) 4355729:** Here institutional investors and brokerage firms can channel their specific queries regarding the more significant items of information reported by the Company.
- **Shareholders Office – (574) 4355302:** This area is responsible for attending shareholder queries regarding dividend payments, share certificates etc.
- **Fiduciaria Bancolombia (574) 4042371:** The Company's shareholders may also channel their queries through the network of branch offices belonging to Fiduciaria Bancolombia, the firm responsible for handling the Company's shares and securities.
- **Electronic newsletters:** Visitors to our website may subscribe to these newsletters containing periodic information regarding the Organization's results and performance during the year.

Ethical conduct is not an option but an integral part of the way GRUPO SURA handles its business. For this reason the Company seeks to build an organizational culture based on a firm commitment to ethical conduct, thus ensuring more productive and competitive companies able to provide attractive results in terms of social development, quality, profitability and long-term growth.

We also have a Code of Ethics which forms an integral part of our Code of Corporate Governance. GRUPO SURA has also set up an Ethics Committee along with an Ethics HelpLine thereby facilitating its stakeholders a new channel of communication for reporting any situation that goes against the Company's Corporate Principles and ethical conduct.

Ethics HelpLine:lineaetica@sura.com.co

No complaint or report was lodged via this means in 2012

SURA

A LATIN AMERICAN BRAND



AFORE/ Pension Funds/ Investment Funds



MEXICO

DOMINICAN
REPUBLIC

PANAMA



COLOMBIA



PERU



Una empresa sura

Pension Funds/Investment Funds/
Life Insurance/ Mortgage Loans

CHILE

URUGUAY



Una empresa sura

Pension Funds/Investment Funds/Life Insurance



Pension Funds/Investment Funds

As a result of the acquisitions made in 2011, GRUPO SURA decided to extend its SURA brand beyond the insurance sector, where it has become a household name, to the pension and investment fund sector. This has converted SURA in a Latin American brand, present in seven countries within the region, offering a comprehensive range of financial services and solutions with regard to insurance as well as pension and investment funds.

Since GRUPO SURA and its subsidiaries share the same business philosophy and objectives, several of its companies have come together under the same brand sharing a close connection in the manner in which they project their image to different segments of the public. This has meant articulating different policies and guidelines governing the handling of communications at corporate level particularly in the case of brand management.

Here, in 2012, GRUPO SURA through its Communications Department and in conjunction with the Marketing, Advertising and Communication Departments belonging to its subsidiaries, deployed the following initiatives:

- A brand policy was drawn up, including general guidelines governing the use and application of such, and a brand governance system was set up laying out the different roles and responsibilities.
- A regional brand committee was created, responsible for defining the common objectives and global positioning strategies, made up of members of the Communications, Marketing and Advertising Departments of GRUPO SURA, Suramericana and SURA Asset Management.
- A dynamic set of strategies, assessments and monitoring initiatives were articulated for the purpose of positioning the SURA brand on a regional level.

THE MAIN CHALLENGES FACING BRAND MANAGEMENT IN 2013

- Driving SURA's positioning as a Latin American brand
- Strengthening brand management dynamics
- Consolidating brand management strategies amongst subsidiaries, thereby harnessing synergies and maximizing results.

RELIABLE

Expert and Sound

A company of standing that makes good on its commitments.

DYNAMIC

Modern and Responsive

An innovative enterprising company capable of adapting to future circumstances.

CLOSE AT HAND

Upright and Transparent

A friendly company able to respond to its stakeholders with the utmost transparency.

MATERIALITY

ANALYSIS

So as to identify all those social, environmental and ethical issues at stake with regard to the Company's corporate responsibility and sustainability, a materiality study was carried out based on information sourced from the following sources:

- Social Networks:
- Press releases
- Reports from leading companies within the sector
- Stakeholder Groups: Investors, media, employees, management, the academic community, the State and the public at large

The issues considered for this study were:

1. Good Corporate Governance Practices
2. RSC Planning
3. Risk Management
4. Ethics and Integrity
5. Investing
6. Investor Relations
7. Client Relations
8. Communication and brand management
9. Environmental management system
10. Environmental performance
11. Climate change strategy
12. Employment practices
13. Human capital development
14. Talent attraction and retention
15. Social investment and market development
16. Health and safety
17. Human Rights

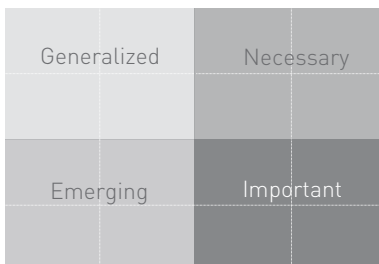
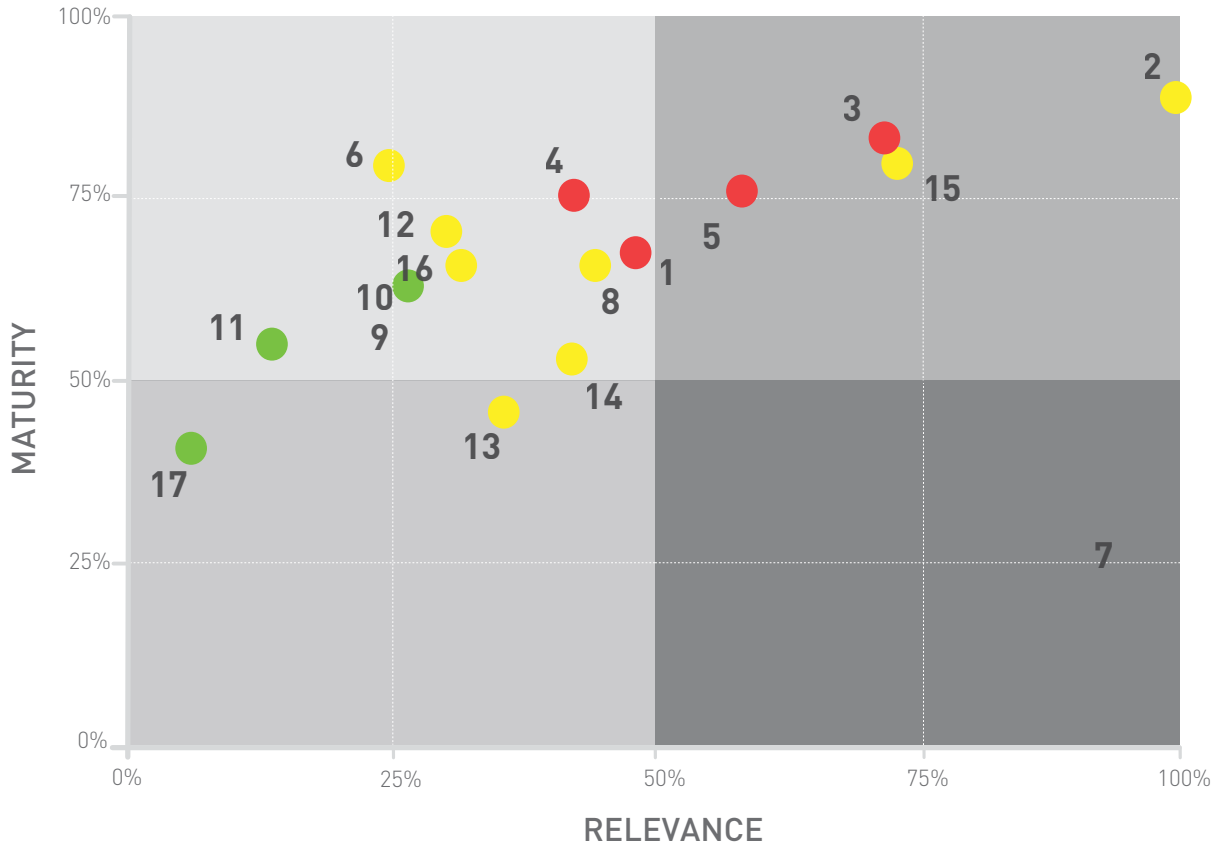
As a result of this overall study, we identified the following more important issues for GRUPO SURA's stakeholder groups: Risk Management (pages 64-65), ethics and integrity (page 51), investing (page 17) and good corporate governance practices (pages 11-15).

We also considered it necessary to strengthen the following issues: communication and brand management (page 50), strategic RSC and business planning (pages 17.45), investing (page 62) and market development (pages 58-59), and investor relations (pages 50 - 51).

Also our stakeholder groups found opportunities for improvement with regard to the Company's environmental performance (page 63).

Materiality refers to all those aspects and indicators that our stakeholder groups consider important with regard to evaluating a company's performance or making decisions with regard to such. These issues have to do with the Organization's **social, economic and environmental impact** and the way it conducts its business.

RELATIVE RANKING OF THE MORE RELEVANT ISSUES FOR THE COMPANY'S STAKEHOLDER GROUPS



- High importance for stakeholders
- Medium importance for stakeholders
- Low importance for stakeholders

Maturity refers to the extent the issues are dealt with within the Financial and Investment Service sector

Importance refers to how relevant the issues are in terms of press releases, social networks and international assessments such as that carried out by the Dow Jones Sustainability World Index.

Points 7 and 9 were not mentioned by the stakeholder groups.

COMPREHENSIVE

RISK MANAGEMENT

In 2012, we set up a Risk Management team responsible for identifying, rating assessing and prioritizing the main risks and threats affecting the Group's operations, as well as implementing policies and sufficient controls with which to mitigate these.

Once the risks affecting GRUPO SURA had been identified, priorities were set that in turn produced a work plan, the purpose of which was to continue consolidating the Group's Comprehensive Risk Management System. This work plan was drawn up by the Risk Department with the support of other areas of the Company. The different initiatives carried out in this regard in 2012, included providing permanent assistance to the Cash Management Department in analyzing the risk associated with new financial structures and products, as well as permanent monitoring and follow-ups on risks affecting structures in which we already hold certain investments. We also analyzed the different risks affecting our core investments and widened the definition of a framework of policies and guidelines governing investing responsibly.

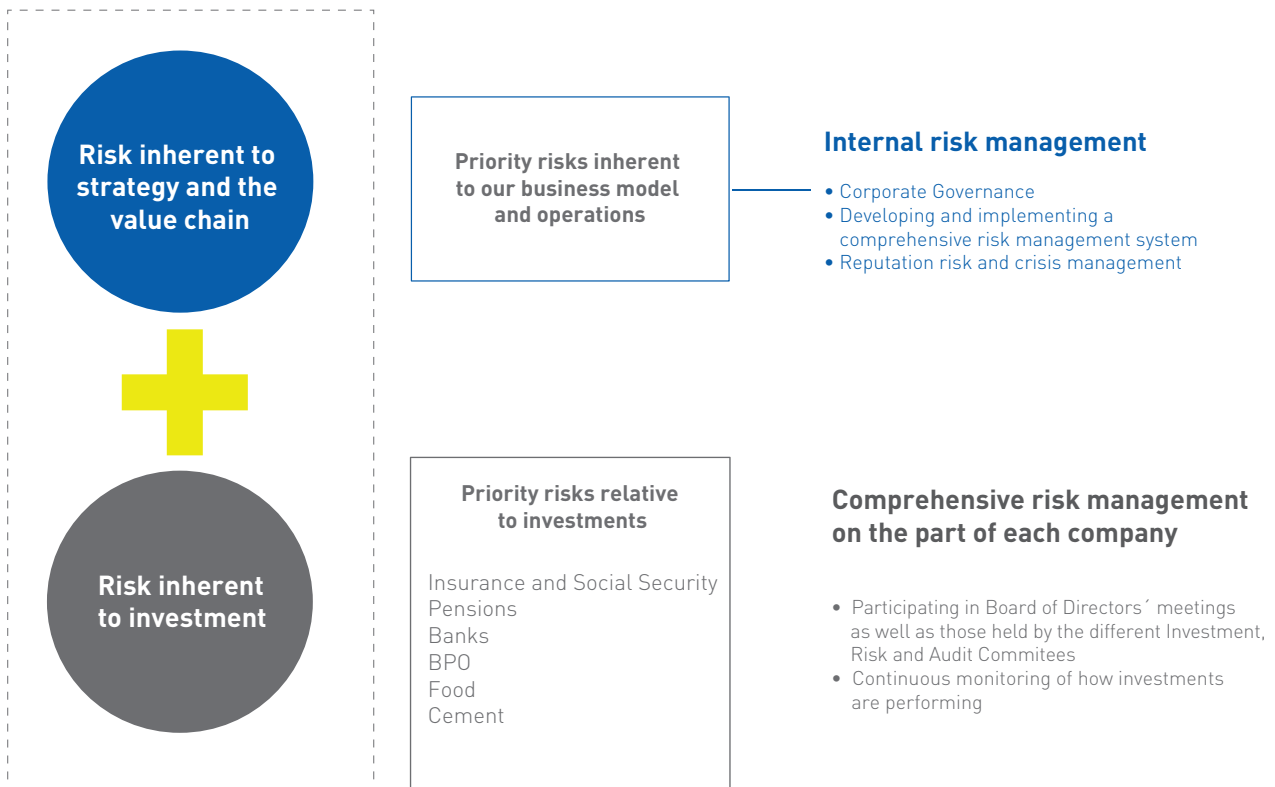
In conjunction with the Communications Department, important progress was made with Reputational Risk and Crisis Management. We also began to align and standardize the practices used to handle these risks at subsidiary level and continued to build up our Event Management and Communications functions within the Company.

So as to be able to implement a means of consolidating and monitoring our different investments and the associated risks, we began to develop a tool for gathering key indicators so as to be able to

The most strategic aspects that GRUPO SURA and its subsidiaries have focused on to date, with regard to its Comprehensive Risk Management System, are as follows:

Strategic Risk		Financial Risk
<p>Reputation Risk</p> <p>The Company's public and international exposure, including brand-related issues, has led to a more robust handling of this type of risk at subsidiary level. The different initiatives jointly taken by the Risk and Communications Departments of both GRUPO SURA and its subsidiaries are as follows:</p> <ul style="list-style-type: none"> • Aligning service protocols and criteria aimed at mitigating this risk. • Configuring an event communication and reporting system for Senior Management. 	<p>Investments Analysis</p> <p>The Risk Department lends the following support to the Investment Department :</p> <ul style="list-style-type: none"> • Identifying and analyzing risks and opportunities relative to investment projects. • Third party analysis: strategic allies, counterparties and placing agents, amongst others. • Assistance with monitoring key indicators affecting portfolio investments. • Drawing up a responsible investment guide. 	<p>Risk with the cash management portfolio</p> <p>The Risk Management Department lends the following support to the Cash Management Department:</p> <ul style="list-style-type: none"> • Identifying, analyzing and quantifying possible financial risks arising from the transactions made. • Periodic monitoring of all those variables affecting the value of financial instruments.

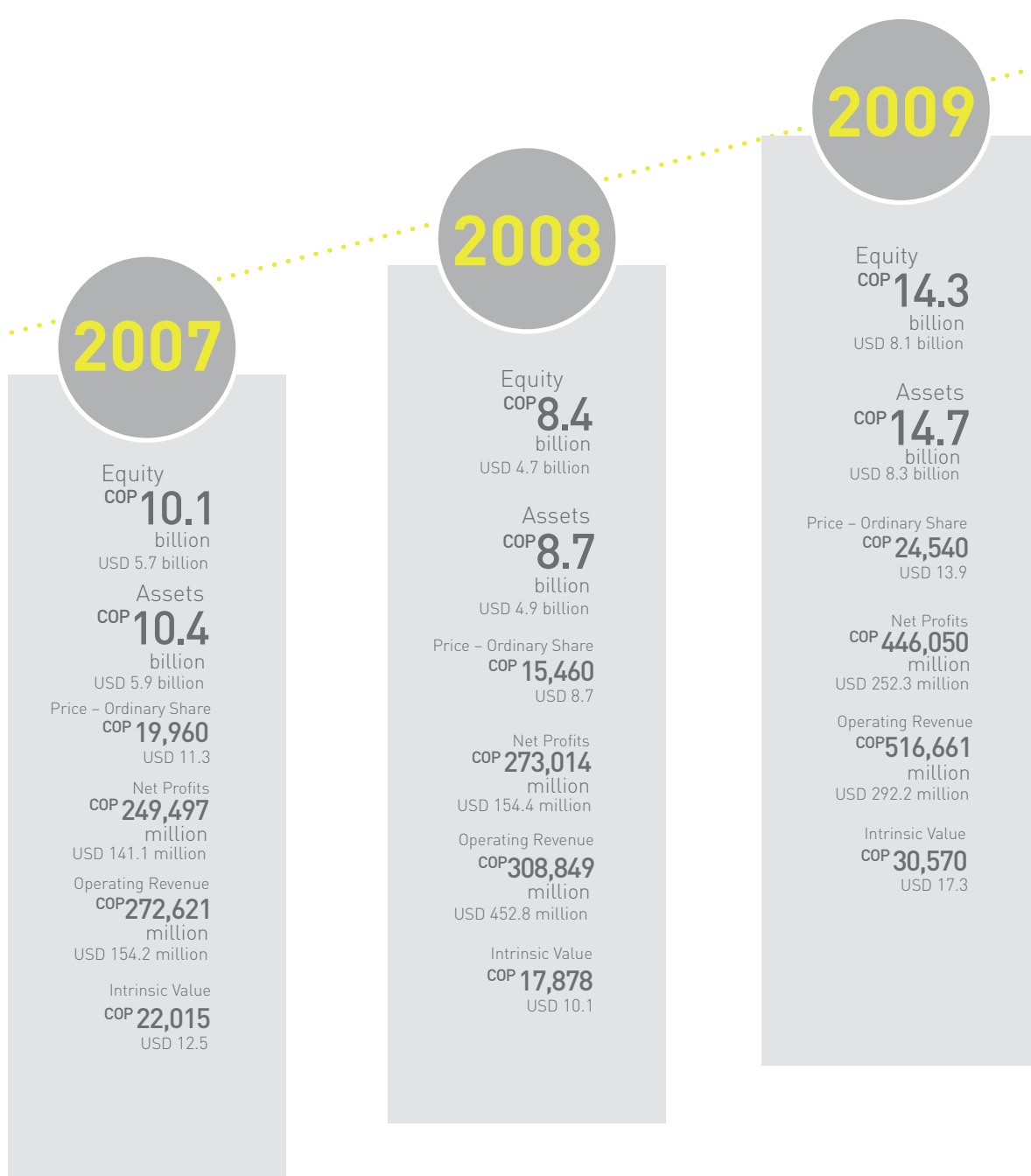
OVERVIEW OF OUR COMPREHENSIVE RISK MANAGEMENT SYSTEM

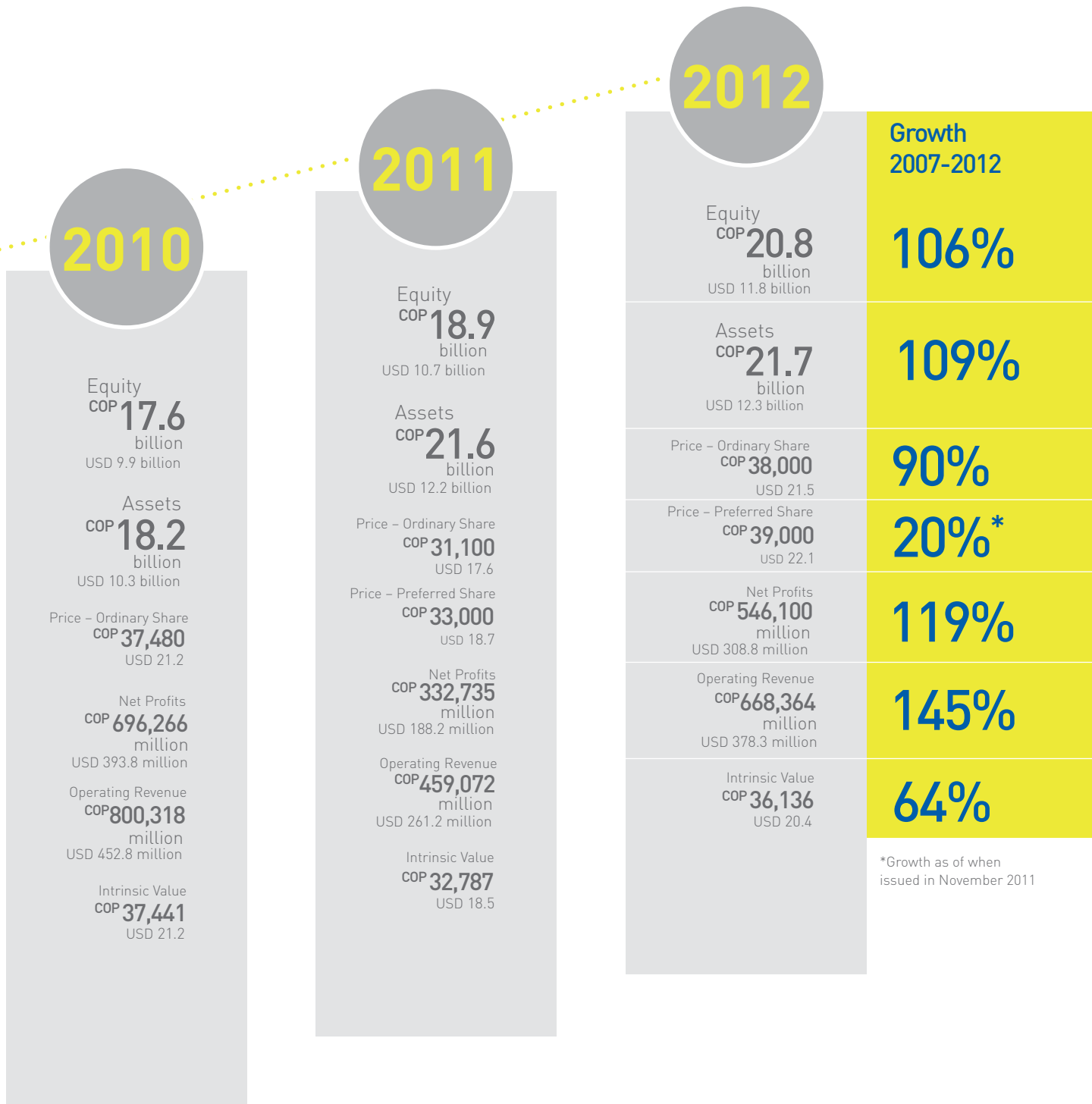


FINANCIAL

AND BUSINESS MANAGEMENT

The following are just some of the highlights of GRUPO SURA's performance over the last 5 years, including last year.





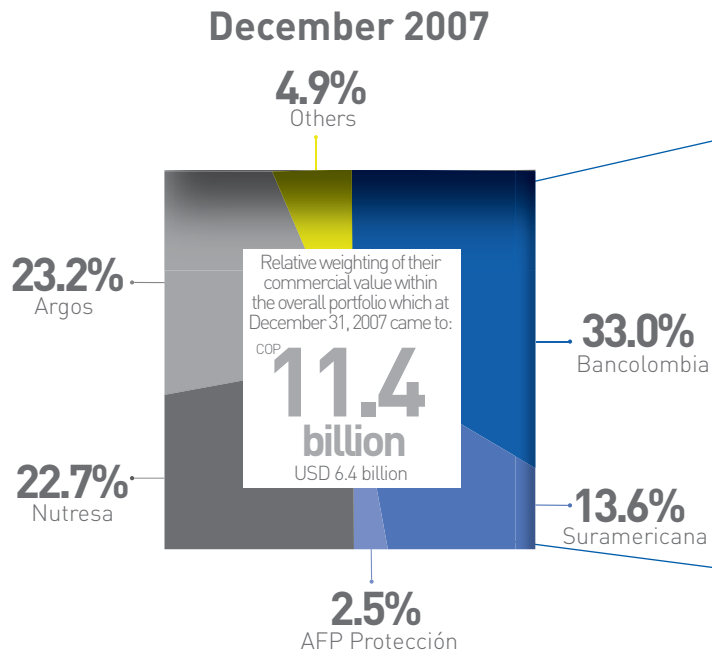
Assets Under Management 2012

USD **138**
billion approx

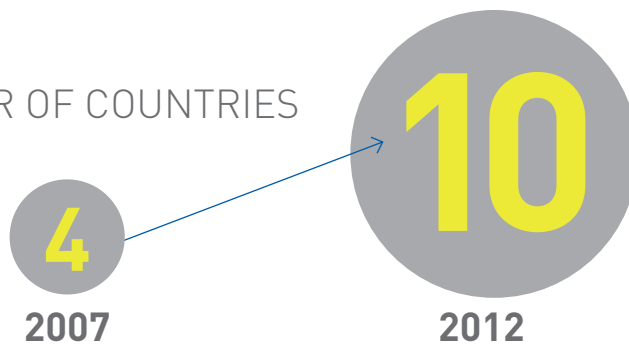
(pertaining to the Group's core investments: Suramericana - SURA Asset Management - AFP Protección - Grupo Bancolombia)

OUR INVESTMENT PORTFOLIO

We have strengthened our position as a financial holding, with our strategic investments going from 49% of our total portfolio to 62% at year-end 2012.

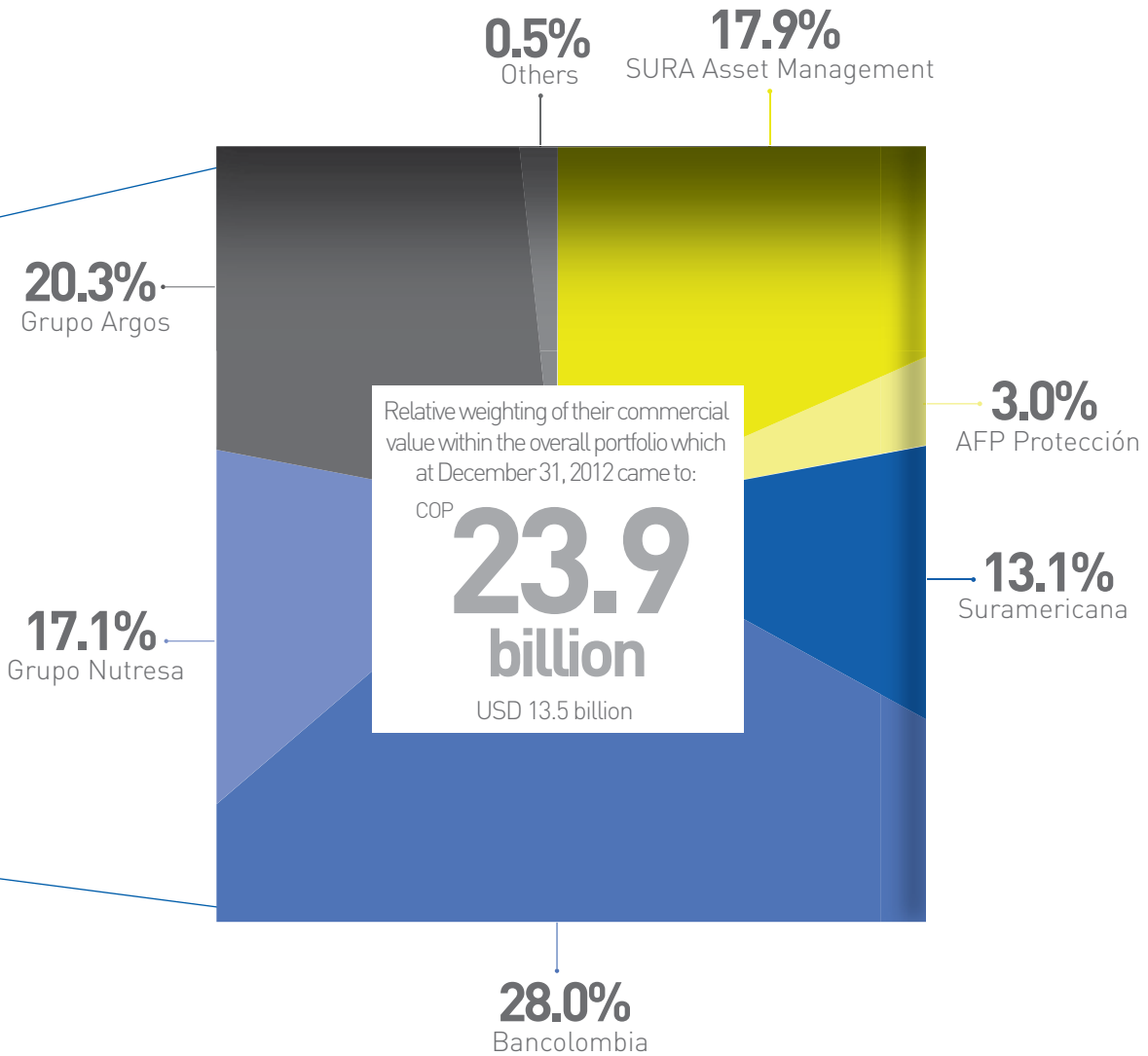


NUMBER OF COUNTRIES



Number of countries where present (in the case of the Group's core investments only)

December 2012



NOTE: We took the estimated value of Suramericana as 2 x its Price/Book Value and for Protección its share price on the cut-off date.

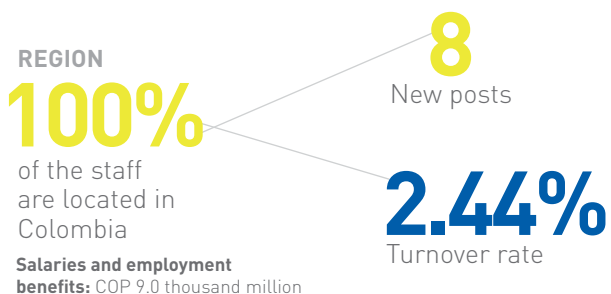
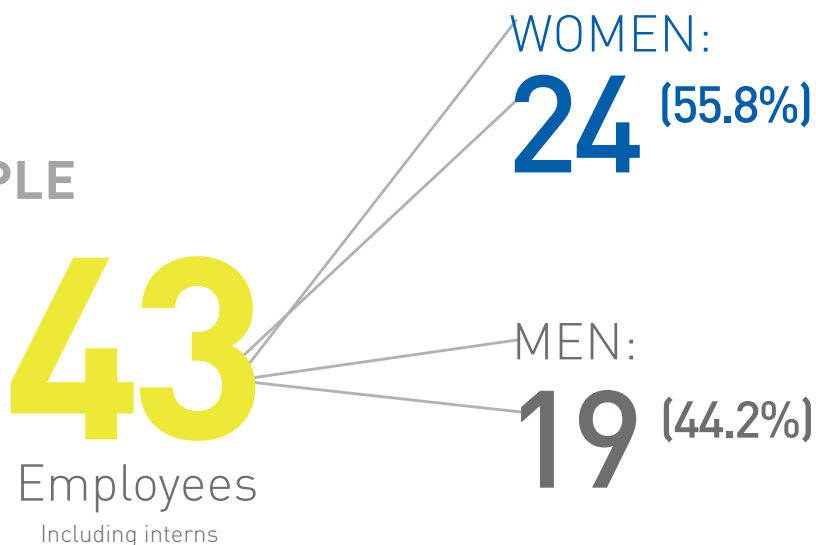
Including their commercial value pursuant to accountant standards and the stakes held in the following investment companies: Grupo de Inversiones Suramericana, Grupo de Inversiones Suramericana Panamá, Inversiones y Construcciones Estratégicas, Inversiones Internacionales Grupo Sura, and Grupo de Inversiones Suramericana España S.L.

HUMAN RESOURCE

MANAGEMENT

We are firmly convinced that our chief strength lies in our human talent and our long-term relations with our stakeholder groups.

OUR PEOPLE



AGE RANGE

Level	Women	Men	Percentage
Between 20 and 30 years old	7	8	35.7%
Between 30 and 40 years old	9	4	31.0%
Between 40 and 50 years old	6	2	19.0%
More than 50 years old	3	3	14.3%

These figures apply exclusively to GRUPO SURA as the parent company. They do not include information corresponding to its subsidiaries.

ACADEMIC LEVEL AND TRAINING

50%

of our employees hold a university degree

26%

another 26% have a specialist degree

31

people attended training courses and activities

592 hours of training in activities such as corporate induction programs, business conferences, offimatic coaching etc.

COEXISTENCE COMMITTEE

Last year a Coexistence Committee was set up, the purpose of which is to promote **a healthy working environment and positive relations amongst employees.**

THE SURA FUND

100%

of the Group's employees **belong to the Sura Fund.**

On the part of the Company

COP **25.2**
million

USD 14,300

TOTAL

COP **178.5**
million

USD 100,900

SUPPLIERS

291

No. of Suppliers
DOMESTIC

Amounts paid out (in COP)

COP **20.1**
thousand million

USD 11.4 million

49

No. of Suppliers
INTERNATIONAL

Amounts paid out (in COP)

COP **14.7**
thousand million

USD 8.3 million

TOTAL

340

No. of Suppliers

Amounts paid out (in COP)

COP **34.8**
thousand million

USD 19.7 million

AMOUNTS PAID OUT
IN TAXES

COP **27.9**
thousand million

USD 15.8 million

COMMUNITY DEVELOPMENT

Contributions to the community are channeled through our Suramericana Foundation. GRUPO SURA's own contributions to this Foundation came to COP 4,000 million. This together with amounts contributed by Suramericana and its subsidiaries, as well as the Foundation's own funds, provided a total of COP 11.345 million (USD 6.42 million) which was invested in a total of 161 social development initiatives.

With a presence spanning 15 Departments in Colombia as well as the Biomuseum in Panama, the Suramericana Foundation has focused on projects that promote a more comprehensive community development along with sexual health and cultural programs and training initiatives to build competitiveness.

22% OF THE GROUP'S EMPLOYEES BELONG TO ITS VOLUNTEER CORPS.

- We recognize values
- We encourage the development of talent and skills
- We strengthen communities
- We promote a greater quality of life

2012

Investments
\$11,345
million
 USD 6,4 million

15 departments
52 towns in Colombia

161
 initiatives

125
 organizations received support

Fundación
suramericana 

r*The results obtained by the Suramericana Foundation can be found in the publication "Rostros", which contains its annual report.

ENVIRONMENTAL MANAGEMENT

Environmental management forms part of GRUPO SURA's business development and is addressed on three separate work fronts:

- Operating eco-efficiency
- risk and opportunity management
- culture promoting environmental conservation.

Resource	VALUE 2012	Unit
Electricity	69.525	kWh
Water consumption	811	m ³
Ordinary waste	21	m ³
Recycled waste	2.999	kg
Discarded batteries	20	kg *corresponding to HQ
Commercial flights	830.244,8	km
Emisiones de gases efecto Greenhouse gas emissions on commercial flights	85.463	kg CO2
Fuel consumed by corporate plane	64.163	gal
Greenhouse gas emissions corresponding to corporate plane	244,58	kg CO2
Fuel consumed by electricity generating plant (Diesel)	50	gal *corresponding to all fuel used by the HQ plant
Paper consumption	154	Reams
	77.000	sheets
	348.040	grams
	348	kilos

GRUPO SURA's new Headquarters is being built according to the highest standards of design aimed at **a more optimum use of resources and efficiencies.**

*These figures are based on information reported by Suramericana's Headquarters where GRUPO SURA's employees are located
In 2012 we measured the carbon footprint corresponding to the Annual General Meeting of Shareholders, including air and overland transport, electricity consumption and materials used for staging this event. We compensated for this by planting trees in the town of Santuario, the purpose of which is to protect the catchment areas in this location. Total CO2 emissions calculated for the Annual General Meeting of Shareholders came to 3.224 kgCO2eq.

NEST

127 x 117 x 35 cm.
(approximate diameter)
Polychrome aluminum
SURAMERICANA Collection
Ricardo Cárdenas
2008



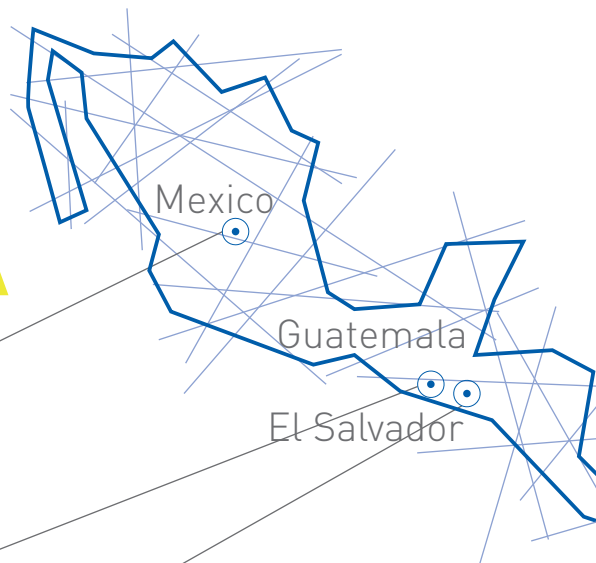
OUR STRATEGIC

INVESTMENTS

CONTEXT AND DETAILED INFORMATION

GRUPO SURA GROWS IN STEP WITH LATIN AMERICA

Figures corresponding to all those countries where we are present through our strategic investments



Mexico

GDP GROWTH 3.8%
INFLATION 4.0%
UNEMPLOYMENT 4.8%
POPULATION 114.9 million
GDP PER CÁPITA^{USD} 15,300

Guatemala

GDP GROWTH 3.1%
INFLATION 4.1%
UNEMPLOYMENT 4.1%
POBLACIÓN 15.1 million
GDP PER CÁPITA^{USD} 5,192

El Salvador

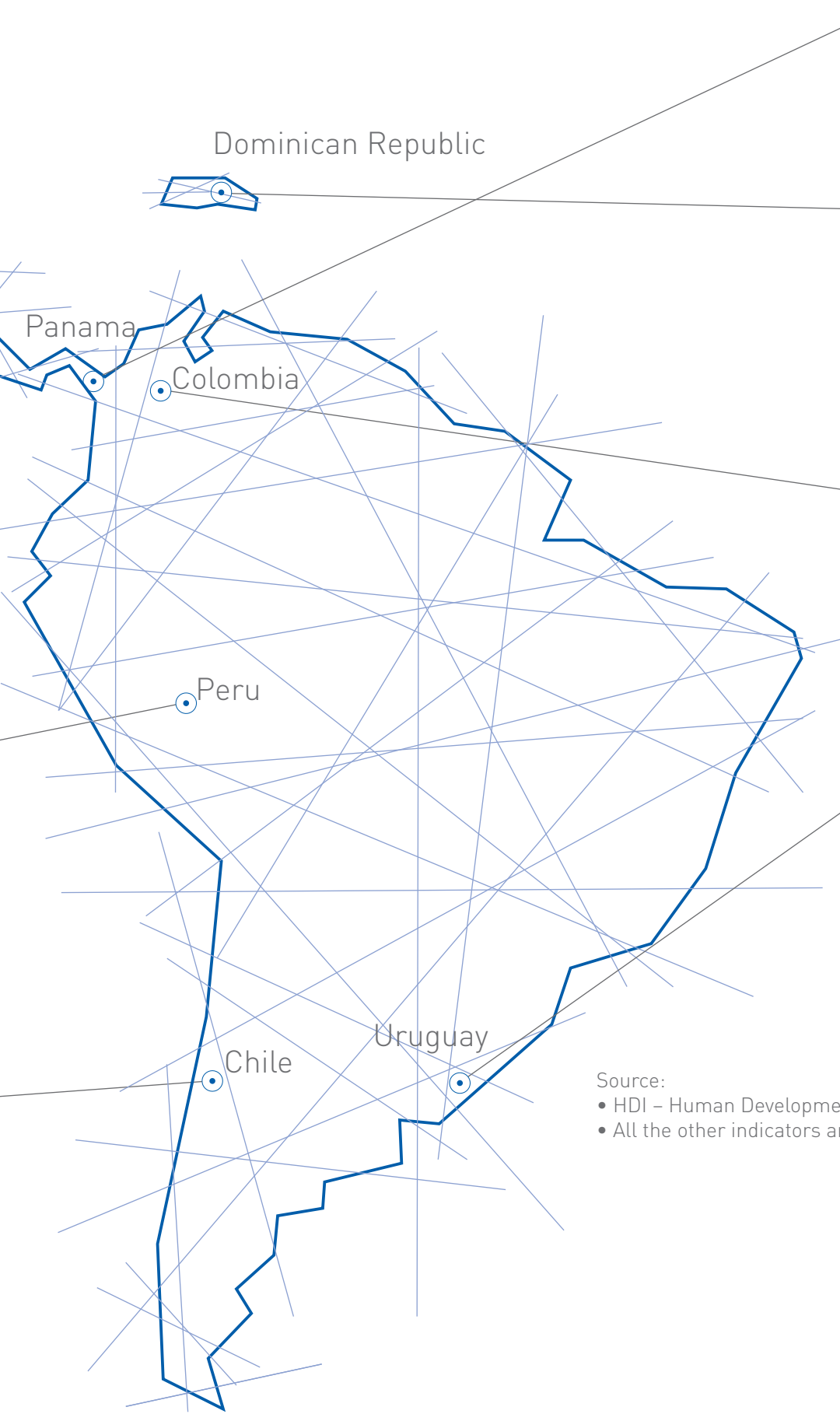
GDP GROWTH 1.5%
INFLATION 3.0%
UNEMPLOYMENT 5.5%
POPULATION 5.9 million
GDP PER CÁPITA^{USD} 7,734

Peru

GDP GROWTH 6.0%
INFLATION 3.0%
UNEMPLOYMENT 7.5%
POPULATION 30.5 million
GDP PER CÁPITA^{USD} 10,679
GINI Index 45.2%

Chile

GDP GROWTH 5.0%
INFLATION 2.5%
UNEMPLOYMENT 6.6%
POPULATION 17.4 million
GDP PER CÁPITA^{USD} 18,354
GINI Index 51.6%



Panama
 GDP GROWTH 8.5%
 INFLATION 6.2%
 UNEMPLOYMENT 4.2%
 POPULATION 3.7 million
 GDP PER CÁPITA^{USD} 15,266
 GINI Index 53.0%

Dominican Republic
 GDP GROWTH 4.0%
 INFLATION 4.5%
 UNEMPLOYMENT 13.0%
 POPULATION 10.2 million
 GDP PER CÁPITA^{USD} 9,645
 GINI Index 55.8%

Colombia
 GDP GROWTH 4.3%
 INFLATION 2.7%
 UNEMPLOYMENT 11.0%
 POPULATION 46.6 million
 GDP PER CÁPITA^{USD} 10,729
 GINI Index 54.5%

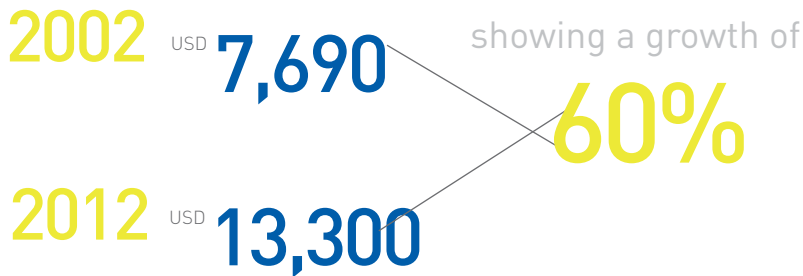
Uruguay
 GDP GROWTH 3.5%
 INFLATION 8.0%
 UNEMPLOYMENT 6.7%
 POPULATION 3.4 million
 GDP PER CÁPITA^{USD} 15,840
 GINI Index 40.2%

Source:
 • HDI – Human Development Index UNO – UNDP
 • All the other indicators are sourced from the IMF

REGIONAL CONTEXT

Main figures for Latin America

GDP per capita for



this is expected to reach



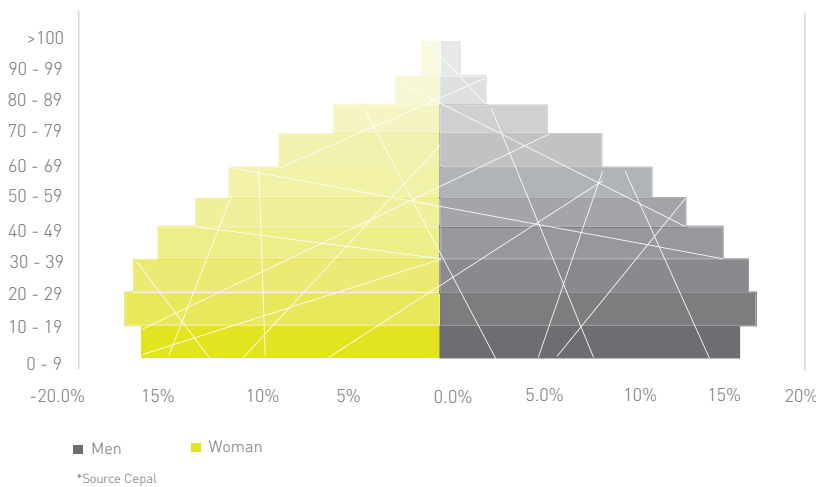
ESTIMATED FOREIGN DIRECT INVESTMENT FOR 2012



APPROXIMATE GROSS PUBLIC DEBT RATIO



Population Pyramid 2015 (p)

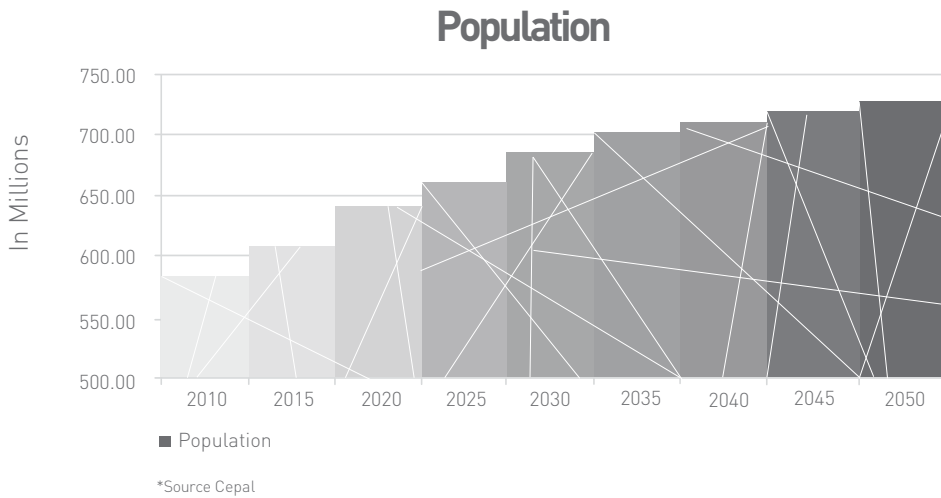


Population for 2015

608 million of people
approximately

51.2%
of the population shall be under
30 years of age

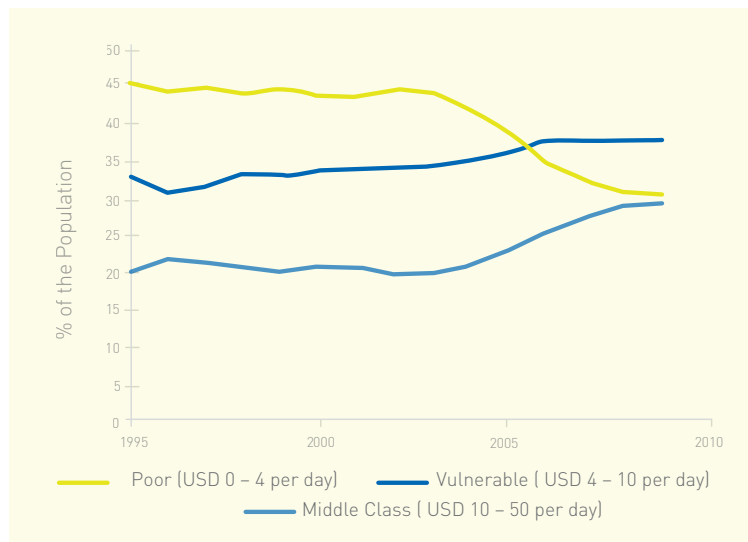
PROJECTED POPULATION IN LATIN AMERICA



Expected to reach **635** million by **2020** for an annual average growth of **1%**.

SOCIAL MOBILITY IN LATIN AMERICA (BASED ON FIGURES FROM THE WORLD BANK)

Those living beneath the poverty line in **Latin America** went from **44%** to **30%** in **2010**



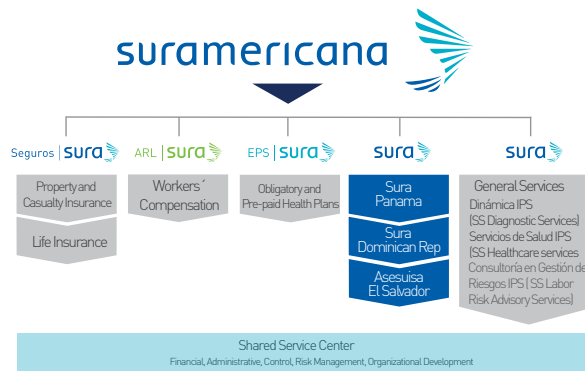
*Source Banco Mundial

Suramericana



GONZALO ALBERTO PÉREZ
CHIEF EXECUTIVE OFFICER

"Guided by ethical principles, we create added value for our shareholders, clients and other stakeholders by means of long-term relationships. We encourage innovative thinking that allows us to come up with new solutions and channels so as to be able to manage risk in a much more comprehensive and effective fashion. In this way we help our clients to enhance their quality of life while permanently striving to attain the highest international standards governing economic, social and environmental sustainability. We do this because we have a true competitive advantage: our human talent".



BUSINESS STRATEGY:

LONG-TERM RELATIONS

Growth

Value creation

Operating efficiency

IMPORTANT FACTORS:

- Comprehensive risk management as a important value-adding factor ensuring ongoing sustainability
- Multi-channel, multi-solution, multi-regional Company
- Business practices in keeping with international standards

SOME ACHIEVEMENTS IN 2012:

- A positive level of business performance was obtained having fulfilled the targeted revenues, profits and equity, deployed the Intelligent Expense Management initiative, and in this way reached a point of optimum efficiency.
- Moody's upheld the International Investment Grade given to Suramericana's Insurance Subsidiaries (Property/Casualty and Life).
- Brand successfully launched in the Dominican Republic and Asesuisa was acquired in El Salvador, as part of our international expansion program.

SOME OF OUR CHALLENGES:

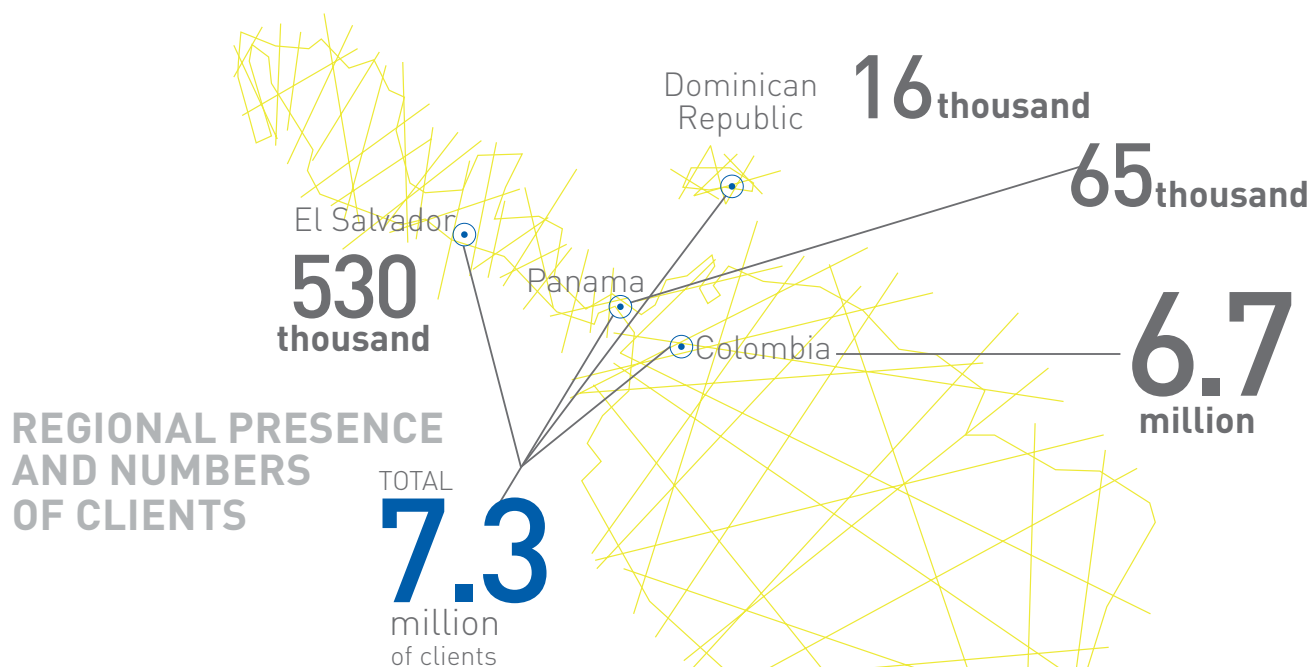
- Transferring knowledge, deploying the SURA business model and exchanging best practices with our international subsidiaries so as to consolidate both our presence and growth in their respective countries.
- Continuing to build on our innovation processes so as to be able to further our expansion strategy and drill down deeper within the market, with the aim of offering specific insurance solutions to different segments of the population.

With an experience spanning 68 years, SURAMERICANA S.A. is made up of different companies that offer insurance and social security solutions, and is widely recognized for its leading position on the Colombian market, besides having an important presence in El Salvador, the Dominican Republic and Panama. Its brands include Seguros SURA (Life, Property and Casualty Insurance), ARL SURA (Workers Compensation) and EPS SURA (Obligatory Healthcare Plans), amongst others. In El Salvador, the Company operates under the name of Asesuisa.

Suramericana shall invest COP 224,000 million (USD 126.7 million) between 2012 and 2013 in business development

projects and infrastructure upgrades

KEY INDICATORS 2012



NET PROFITS:

COP **246,999** million
 USD 139.7 million

MARKET SHARE:

22.8%*
 (Property/Casualty, Life and Workers Compensation*)

SUBSIDIARY RESERVES:

COP **5.0** billion
 USD 2.8 billion

SURAMERICANA CONTINUES TO DRIVE THE GROWTH OF THE COLOMBIAN INSURANCE MARKET FROM ITS NO. 1 POSITION.

Suramericana's market share has risen by

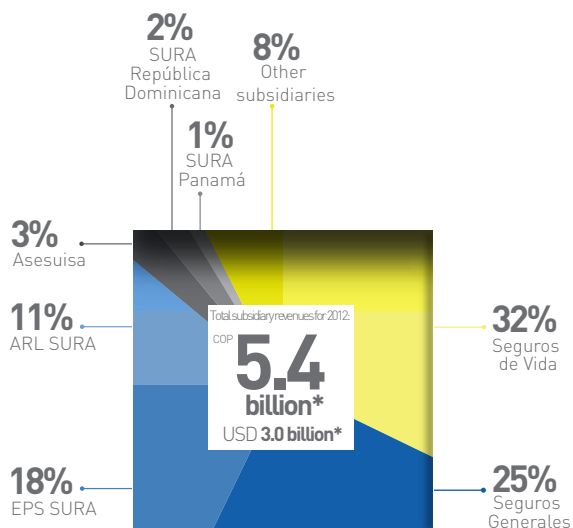
15.6%

compared to the previous **13.4%**

*Source: Suramericana Fasescolda

Suramericana

REVENUES BROKEN DOWN PER SUBSIDIARY



*Fuente: Suramericana

*Revenues from our foreign-based subsidiaries were calculated using a market exchange rate of COP 1,768.23 per US dollar

SOLUTIONS

Life insurance

1.06 million individual life insurance policies
1.59 million insured through group life Insurance

Healthcare insurance

216 thousand insured under our healthcare plans
1.3 million services provided at our own healthcare centers in 2012

Homeowners' insurance

82 thousand homes insured
20 thousand homeowner services provided in 2012

Car insurance

426 thousand vehicles insured
325 thousand car insurance services provided in 2012

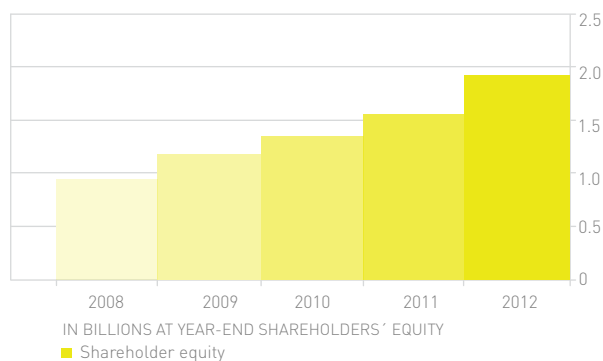
Worker's compensation insurance

1.84 million insured workers
726 mil risk prevention services provided 2012

Obligatory healthcare insurance

1.57 million members of our Obligatory Healthcare Plan
18 million healthcare services provided in 2012

SURAMERICANA'S SHAREHOLDER EQUITY - FROM 2008 TO 2012



KEY INDICATORS 2012

	PROPERTY AND CASUALTY INSURANCE	LIFE INSURANCE	WORKER'S COMPENSATION INSURANCE	OBLIGATORY AND PRE-PAID HEALTHCARE PLANS
Premiums	COP 1.3 billion USD 750.7 million	COP 1.7 billion USD 986.0 million	COP 576,066 million USD 325.8 million	COP 960,511 million USD 543.2 million
Market Share	17.1%	30.5% (excluding social security)	29.0%	7.3%
Net Profits	COP 38,285 million USD 21.7 million	COP 135,200 million USD 76.5 million	COP 100,906 million USD 57.1 million	COP 3,560 million USD 2.0 million
Retained incurred claims	51.6%	58%	58.0%	91.7%
Combined ratio	101.7%			
	PANAMA	DOMINICAN REPUBLIC	EL SALVADOR	
Premiums*	USD 44,217	USD 69,776	USD 94,117	
Net Profits*	USD 223	USD (2,599)	USD 4,733	

*IN THOUSANDS OF US DOLLARS

EMPLOYEES

12,817

No. of People Employed
(including employees and consultants)

935

New jobs
created in 2012

WOMEN:

8,235 (64.25%)

MEN:

4,582 (35.75%)

COP

474,214

million

USD 268.2 million
Salary payments

COP

328,456

million

USD 185.8 million

COLLECTIVE BARGAINING ASSOCIATIONS

(PROPERTY/CASUALTY AND LIFE INSURANCE COMPANIES) :

- Asociación de Empleados de Suramericana ASES
- Asociación de Asesores Dependientes de Suramericana ASOAS

13,373

Number of suppliers

COP

2.4

billion

USD 1.4 billion

Payments to suppliers

AMOUNTS PAID IN TAXES (COLOMBIA):

COP 371,027 MILLION

SERVICE SATISFACTION SCORES:

Seguros de Vida	4.64
Seguros Generales	4.64
ARL	4.48
EPS	4.19
IPS	4.44
Dinámica	4.62

*QSA (Quality Service Audit) Methodology – Gallup

THE COMMUNITY

Suramericana and its subsidiaries, through the Suramericana Foundation, donated a total of

COP

4,000

million

USD 2.3 million

to social development projects.

*The results obtained by the Suramericana Foundation can be found in the publication "Rostros", which contains its annual report.

**VOLUNTEER CORPS:
1,737 MEMBERS**

THE ENVIRONMENT:

- Water consumption 75,637m³
- Electricity consumption: 13,279,039 kWh
- Waste produced: 425,659kg
- Carbon footprint (for Colombia only): 4,992 tCO₂eq

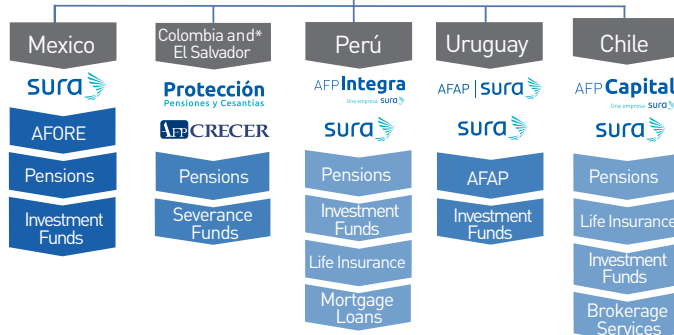
Suramericana has been a member of the United Nation's Global Compact since 2010.

SURA Asset Management



ANDRÉS CASTRO
Chief Executive Officer

"In 2012, we took part in an important transformation in conjunction with our parent company GRUPO SURA. Since acquiring the ING assets at the end of 2011, we have focussed on demonstrating our leadership on the pension market in Latin America, where our savings and investment companies have also played an outstanding role. After just one year we have achieved superior brand recognition and an important level of commitment from our employees". We are fully aware of the important role we play as trustee of the assets and dreams of millions of people who save with us for a brighter tomorrow while providing them with a better quality of life and well-being.



*At the end of 2012 SURA Asset Management held a 16.5% stake in AFP Protección.

BUSINESS STRATEGY:

- To provide a comprehensive range of financial services in each of the markets where present, consolidating its wealth management products (voluntary savings) and offering new investment solutions.
- Take advantage of the regional scale of its operations in order to harness synergies for greater efficiency as well as to share best practices for the benefit of our clients and shareholders.

SURA Asset Management emerged as a subsidiary of GRUPO SURA after acquiring the pension, life insurance and investment fund assets belonging to ING in Latin America in 2011. This, sub-holding, with a presence spanning six countries in this part of the world, is not only ranked in No. 1 position on the Latin American pension market but also enjoys general renown as a specialized provider of savings and investment solutions.

SOME ACHIEVEMENTS 2012:

- Simultaneous brand launching in 4 countries, achieving recognition factors of 26% and 90% for the market and clients respectively.
- Successful transition to new management on the part of the subsidiaries in each country.
- Progress was made with the consolidation of mandatory pension as well as voluntary savings and investment products: New operations were started up and additional acquisitions were made in Chile, Peru and Uruguay.

SOME CHALLENGES:

- Creating synergies to drive business development.
- Taking advantage of growth opportunities in all those countries where present, through new voluntary savings products and services that allow us to maximize our results and extend our market share.

*TOTAL CONSUMER AWARENESS OF THE SURA BRAND IN THE PENSION FUND INDUSTRY

Country	December 2012	
	Market share	Clients
Chile	45.4%	89%
Mexico	24.1%	98%
Peru	15.1%	72%
Uruguay	43.4%	91%

Source:
GFK Market Survey
EOL Client Survey

KEY INDICATORS 2012

REGIONAL PRESENCE

NUMBER OF CLIENTS

15.5
million

ASSETS UNDER
MANAGEMENT

USD **107.848**
million

SHAREHOLDERS' EQUITY

USD **3,787**
million*

ASSETS

USD **7,342**
million*

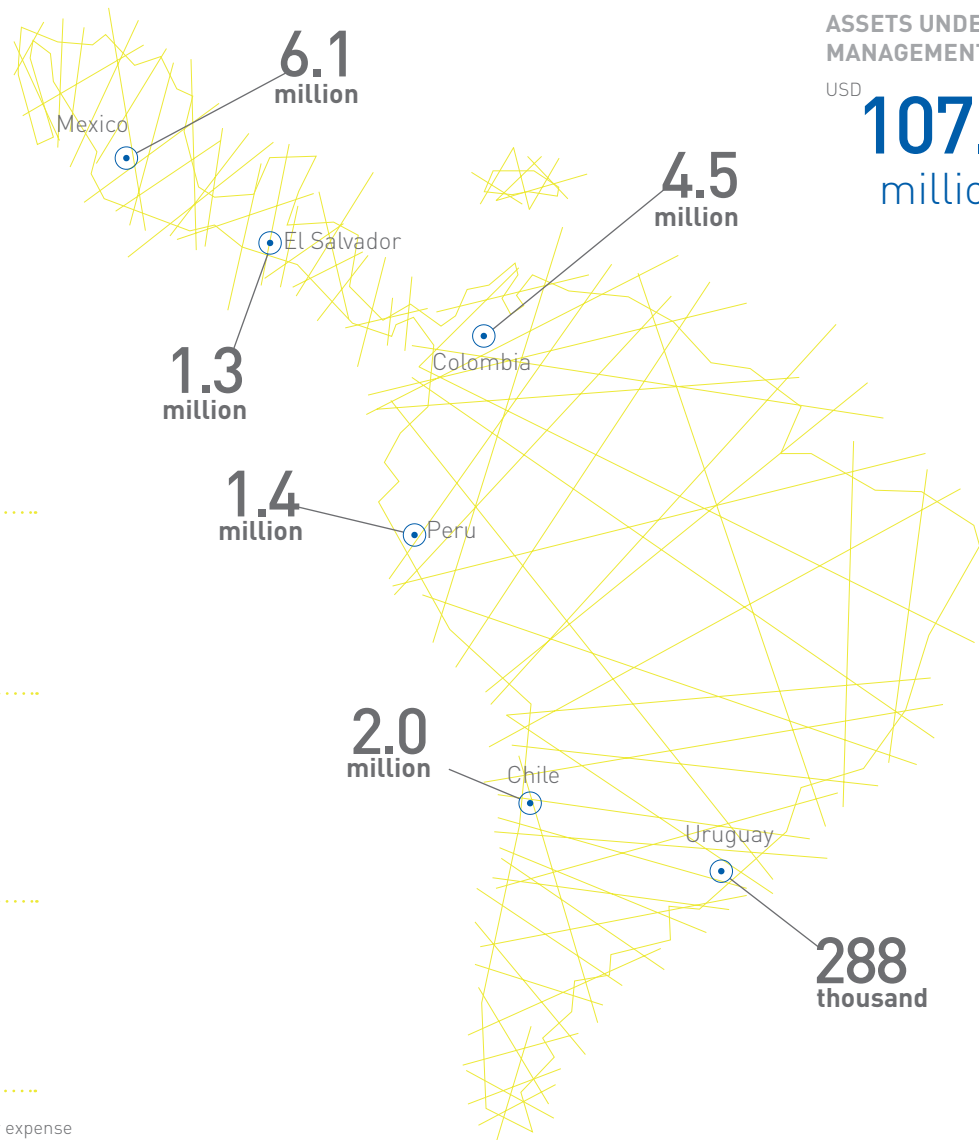
EBITDA MARGIN

37.6%*

NET PROFITS

USD **253**
million*

Including sub-holding expense: Company expense came to USD 6.56 Million.

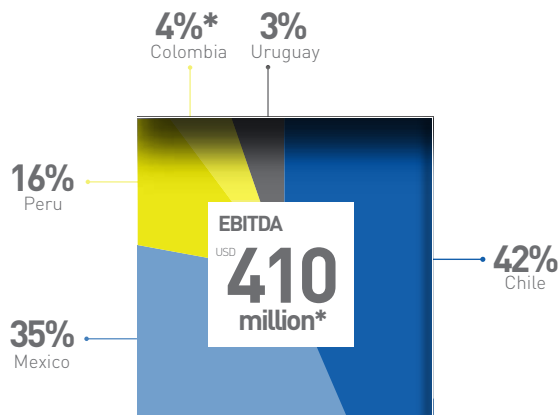


NOTE:

The accounting figures given were obtained by the subsidiaries of SURA Asset Management, and exclude those of AFP Protección (pre-merger) and AFP Crecer, which only formed a part of the sub-holding's portfolio on the last few days of 2012. All non-financial and market information, other than accounting figures, include operations both in Colombia and El Salvador so as to provide a clearer idea of the scale of its pension, savings and investment portfolio.

SURA Asset Management

SHARE OF EBITDA PER COUNTRY



*ING prior to the merger

REVENUES PER COUNTRY AND TOTAL REGION:

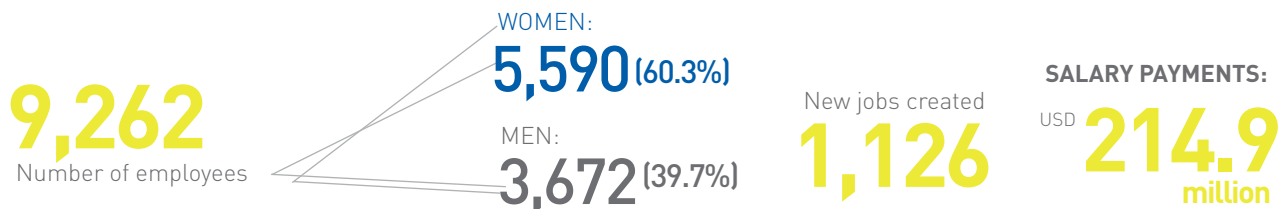
In millions of USD

COUNTRY	REVENUES
Mexico	USD 299
Chile	USD 590
Peru	USD 143
Uruguay	USD 24
Colombia (ING prior to the merger)	USD 68*
REGION	1,089*

*Excluding AFP Protección and AFP Crecer

**Effects of the consolidation - USD 35 million

NUMBER OF EMPLOYEES



COLLECTIVE BARGAINING ASSOCIATIONS

CHILE

Santa María National Trade Union
Lyon Ex Santa María Trade Union
Ex Bansander National Trade Union
Ex Bansander Metropolitan Trade Union

MEXICO

National Union of Workers (belonging to financial and banking institutions and organizations along with auxiliary credit clerks, office employees and similar).

Mexican Union of Employees (including agents, sellers, sales representatives, delivery personnel and money collectors belonging to private offices, industry, commerce and similar).

URUGUAY

AEBU – Association of Banking Employees of Uruguay.

SUPPLIERS: **6,400**
approx

Supplier payments:
USD **676.6**
million

AMOUNTS PAID OUT IN TAXES:

USD **144.2**
million

THE COMMUNITY

INVESTMENT:

USD **2.5**
millones

NUMBER OF VOLUNTEERS

6,312

CLIENT SATISFACTION SCORES

Chile:	
Methodology: NPS (Net Promoter Score)	AFP Capital: 75%
	Wealth Management: 69%
Mexico:	
Methodology: CATI (Telephone Call Center)	AFORE: 66% of clients rated the service provided as "very satisfactory" on a scale of 1 to 10.
Peru:	
Methodology: Telephone survey	AFP Integra: 61% rated the service as between "satisfactory and very satisfactory"
Uruguay:	
Methodology: emails	72% of clients rated the service as 9 out of a maximum of 10.

All of SURA Asset Management's subsidiaries are **members of the United Nations Global Compact.**

Protección

Pensiones y Cesantías



MAURICIO TORO BRIDGE
 Chief Executive Officer
 Protección S.A.

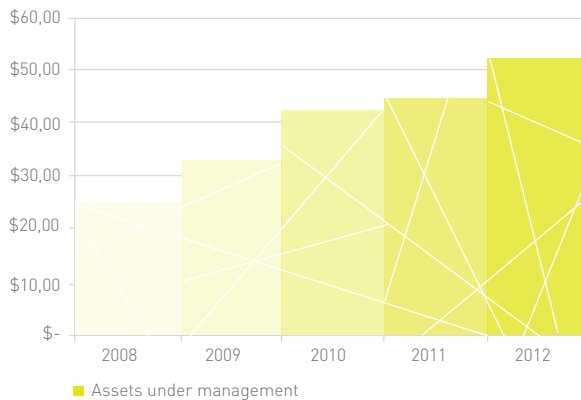
“The merger between Protección and ING Colombia brings substantial advantages for both the Company and the members of its range of funds. We have been developing new tools, services and products for the benefit of our clients and have extended our network of branch offices as well as lines of service throughout the country. We have also upgraded our IT platform, formed new alliances and continue with our prime purpose of offering the members of our funds, both retirees and employees, the assistance they require in each cycle or stage of their lives with regard to their pension savings.”

Protección S.A. is a Pension and Severance Fund Management firm that for more than 20 years has been helping its clients to save and obtain financial security for their future. Our team of professionals - now 2.200 strong - has made their mark with the model of assistance and advisory services they provide both clients and fund members. Today Protección S.A. is the No. 1 pension and long-term savings management firm in Colombia. It also owns AFP Crecer in El Salvador, that has the highest number of fund members in that part of the world.

BUSINESS STRATEGY:

- Enhance the quality of our advisory services, optimize the assistance provided to fund members, pensions and companies as well as further our professional fund management capabilities so as to maximize savings for our clients.
- Provide assistance and advisory services by specializing our channels on two fronts: Institutional businesses and voluntary savings (Wealth Management).

ASSETS UNDER MANAGEMENT



2012
ASSET UNDER MANAGEMENT
 COP **53.2**
 billion
 USD 30.1 billion

Investments in pension funds are an important driver in strengthening the capital markets and furthering economic growth. In the case of Protección these have not only provided support to important Colombian companies with their expansion plans both at home and abroad, but also have allowed the Government to finance multiple programs and projects

KEY INDICATORS 2012

EBITDA

COP **92,751**
million
USD 52.5 million

NET PROFITS

COP **69,638**
million
USD 39.4 million

ASSETS

COP **1.1**
billion
USD 605.3 million

SHAREHOLDERS' EQUITY

COP **938,484**
million
USD 530.7 million

MARKET SHARE (COLOMBIA)

Mandatory pensions

37.0%

Voluntary pensions

37.8%

Severance Funds

38.4%

REGIONAL PRESENCE

Colombia **4.5**
million

El Salvador **1.3**
million

SERVICE SATISFACTION SCORES

Employee satisfaction: **75.0**

Employer satisfaction: **82.3**

Retiree satisfaction: **88.5**

THE COMMUNITY

INVESTMENT

COP **738**
million
USD 417,000

VOLUNTEERS

568

NUMBER OF EMPLOYEES

1,434

WOMEN: **993** (69%)

MEN: **441** (31%)

Number of employees

No growth was recorded with the number of posts existing as a direct result of the merger between ING and Protección.

SALARIES AND EMPLOYMENT BENEFITS

COP **99,100**
million
USD 56.0 million

SUPPLIERS

1,333

COP **95,940**
million
USD 54.3 million

Number of suppliers

Payments to suppliers

THE ENVIRONMENT

- Water consumption 5,699m³
- Electricity consumption: 1,542,399 kWh

Amounts paid in taxes
COP 13,446 million
USD 7.6 million

NOTE:

The accounting and market figures are presented on a pro-forma basis for Protección subsequent to the merger with ING. Non-financial figures include solely Protección prior to the merger.

Protección is a member of the United Nation's Global Compact

Grupo Bancolombia



CARLOS RAÚL YEPES
Chief Executive Officer

"2012 was an important year in our quest to offer our clients a more humane banking experience, and one which shall be remembered as the beginning of a profound re-definition of our relationships with employees, clients, shareholders and the public at large; this based on the importance of trust. We are proud to be able to help and support our clients with their plans for a better life as well as furthering community development in all those places where we are present."

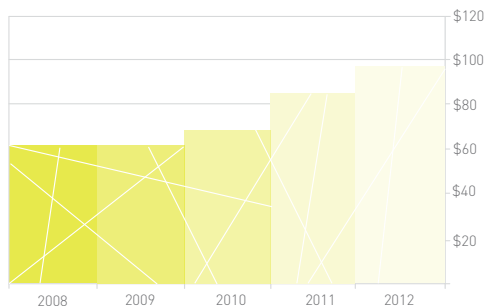
Bancolombia is a Latin American financial group that places more than 130 years of experience at the disposal of its clients along with a wide range of financial products and services through an extensive network of branch offices and ATMs in all those countries where it is present. Bancolombia leads the market in both Colombia as well as El Salvador (through its subsidiary Banagricola) and operates in Panama, Peru and Puerto Rico as well as in several other countries. It is also furthering its international expansion program, as can be seen with recent acquisitions in both Guatemala and Panama. BANCOLOMBIA, in conjunction with its subsidiaries provides a comprehensive range of services including stock brokerage, investment banking, financial leasing, factoring, consumer credit, trust and fiduciary arrangements, asset management and insurance distribution.

20/20 VISION

In order to set itself apart as a more humane bank, Bancolombia has defined its strategy as follows:

- **Create more innovation for a more enhanced client experience:** with closer, stronger relationships because we are always at hand, whatever, whenever and wherever the client needs us, thus making the banking experience easier and more efficient.
- **Nurturing client confidence as our most valuable asset:** with a more proactive perspective and balancing business risk, building a good reputation for providing a service in keeping with a more humane bank.
- **People who are fully committed to providing more humane banking services:** these being employees that are able to reinvent our business based on more humane relationships with clients.
- **Local and international expansion:** continuing with our strategy to gain greater international scale, while pursuing our purpose of maintaining the appreciation of our clients so that they may recommend us to others. clientes nos quieran y nos recomienden.

Assets



Assets in COP billions

KEY FIGURES 2012

NET PROFITS

COP **1.7** billion
USD 962.6 million

ASSETS

COP **97.9** billion
USD 55.4 billion

SHAREHOLDERS' EQUITY

COP **11.6** billion
USD 6.6 billion

NUMBER OF EMPLOYEES

22,514
Number of employees

WOMEN:
14,184 (63%)

MEN:
8,330 (37%)

1,562
New posts created

COP **1.4** billion
Salaries and employment benefits

8.176
Suppliers

COP **95.940** million
Payments to suppliers

THE COMMUNITY

INVESTMENT

COP **11,198** million
USD 6.3 million

NUMBER OF VOLUNTEERS

1,612

Bancolombia is a member of the United Nation's Global Compact

REGIONAL PRESENCE

- ◉ Colombia
- ◉ Panama
- ◉ Guatemala
- ◉ Peru
- ◉ Puerto Rico

CLIENTS

8.0
million

Amounts paid in taxes
COP 843 thousand million

USD 476 million

89%
Service satisfaction scores

THE ENVIRONMENT

- Water consumption: 277,239 m³
- Electricity consumption: 9,513 kWh

Grupo **Bancolombia**

PRIZES

AND AWARDS

GRUPO SURA

GRUPO SURA'S LEGAL TEAM RECEIVED RECOGNITION FROM LATINLAWYER FOR THEIR ROLE IN THE ING TRANSACTION

LatinLawyer 250, a journal specializing in legal matters in Latin America, recognized the work of GRUPO SURA's legal team as well as its law firms representing different parties to the acquisition of the assets belonging to ING Groep in Chile, Colombia, Mexico, Peru and Uruguay.

LATINAMERICA'S INVESTOR RELATIONS (LIRA) AWARDS

These recognize excellence in investor relations and corporate governance communications on the part of listed companies in Chile, Colombia and Peru. GRUPO SURA was nominated in the categories of Best Corporate Governance Communications (2nd place), Best CEO in Investor Relations (2nd place), Best Investor Relations Department as well as Best CFO in Investor Relations which was won by the Company's Chief Finance and Investment Officer.

EUROMONEY RECONOCE A GRUPO SURA COMO UNA DE LAS EMPRESAS MEJOR ADMINISTRADAS DE AMÉRICA LATINA 2012

Grupo de Inversiones Suramericana – GRUPO SURA was recognized as the Latin American company with the most compelling and coherent strategy within its sector according to the Best Managed Companies in Latin America awards – 2012 given by the English publication, Euromoney..

GRUPO SURA RECIBIÓ DE LA BVC RECONOCIMIENTO A EMISOR CON MAYOR MONTO COLOCADO EN EL SECTOR REAL

The Colombian Stock Exchange (Bolsa de Valores de Colombia (BVC)), gave its annual award for the issuer with the most share placements within the local real sector to GRUPO SURA in 2011.

DAVID BOJANINI GARCÍA, FINANCISTA DEL AÑO: PREMIOS BRAVO LATINTRADE

LatinTrade, one of the main sources of business information in Latin America and the Caribbean, gave GRUPO SURA's CEO, David Emilio Bojanini García, its Financier of the Year award, for having led the largest ever acquisition of pension, insurance and investment fund assets on the part of a Colombian company.

GRUPO SURA WAS GIVEN THE "INVESTOR OF THE YEAR" AWARD BY THE DAILY BUSINESS JOURNAL "ESTRATEGIA"

The Chilean publication, Estrategia, selected the most important players of the Chilean economy in a total of 17 categories. GRUPO SURA was given the "Foreign Investor of the Year " award for 2012 thanks to the work performed in acquiring the ING assets in Latin America and having taken over No. 1 position in the region 's pension sector.

IR GLOBAL RANKINGS

GRUPO SURA was given the IR Global Rankings award for "The Most Improved Financial Disclosure Procedures in Latin America" for 2012 .

The companies selected for this award were evaluated with regard to their Investor Relations, On-Line Annual Reports, Financial Disclosure Procedures and Corporate Governance websites.

EXCELLENCE AWARDS - AMÉRICA ECONOMÍA

David Bojanini García, CEO of GRUPO SURA, received the Award for Excellence in 2012 from the journal América Economía, which recognizes significant achievements on the part of Latin American companies and businessmen.

PORTAFOLIO AWARD - 2012 FOR DAVID BOJANINI

GRUPO SURA's CHIEF EXECUTIVE OFFICER David Bojanini García, was given the "Leading Businessman Award of the Year" as part of the annual prizes given by the Colombian economic journal Portafolio.

We would also like to point out the fact that GRUPO SURA's former CEO, Nicanor Restrepo, received the "Contributions to Business Life" award

BEST CROSS-BORDER M&A DEAL 2012

The economic publication, LatinFinance gave GRUPO SURA its "Best Cross-Border M&A Deal " award for 2012, for the acquisition of the ING assets in Latin America at its annual LatinFinance Deals of the Year Awards.

PRIZES

AND AWARDS

SURAMERICANA:

Grades and Certifications

International Investment Grade Baa3 issued by Moody's Investor Services

- BRC Investor Services S.A:
Seguros SURA. Financial Strength Rating – Property/Casualty and Life Insurance Companies: AAA. ARP SURA. Credit Risk Rating: AAA
- ICONTEC Seal of Quality based on the ISO 9001 and OHSAS 18001 Standards

Recognition

- Merco Personas Survey
Overall ranking – Suramericana in 7th place
Quality of the workplace – 8th place
Employee satisfaction – 10th place
Internal reputation – 9th place
Insurance sector ranking – 1st place
- United Nations Office On Drugs and Crime – First Contest - National Day for the Prevention of Asset Laundering – 1st place
- ARP SURA's website received the highest score from the Spanish firm Innovación Aseguradora this based on its usability and the services provided.

SURA ASSET MANAGEMENT:

CHILE

- AFP Capital “Best AFP on the Market” from the European finance magazine “WorldFinance”.
- Award for the Best Voluntary Pension Savings Fund issued by Fund Pro.
- SURA Wealth Management, Its Renta Bono Mutual Fund received an award from Fund Pro as part of the Fixed-Income Category.

MEXICO

- Socially Responsible Company Certification issued by the Mexican Center for Philanthropy (Centro Mexicano para la Filantropía CEMEFI)
- #1 Fund Manager in the category of mid- to long-term debt

PERU

- Award for the Best Yearly Improvement in terms of Good Corporate Governance for 2012 from the Lima Stock Exchange (Bolsa de Valores de Lima).
- Socially Responsible Company Certification issued by the Mexican Center for Philanthropy (Centro Mexicano para la Filantropía CEMEFI)
- 14th place in the Merco (Monitor Empresarial de Reputación Corporativa) corporate reputation survey
- Voted “Preferred Pension Fund Management Firm” at the XII Annual Executive Conference of the Lima Chamber of Commerce

ANNUAL CORPORATE

GOVERNANCE

REPORT 2012

In 2012, Grupo de Inversiones Suramericana, continued to champion a conscientious business policy, governed by principles of fairness, respect, responsibility and transparency and a firm commitment to the country and its people.

Its Board of Directors was opportunely informed of the more significant events occurring within the Company and monitored the integrity of its financial reporting and the proper working order of its accounting, internal control, risk management and auditing systems.

For its part, the Audit Committee maintained a check on the detection, analysis, quantification and treatment of all the different risks to which the Company is exposed. It also supervised all that carried out by the Company's governing bodies, including the statutory auditing and internal auditing functions, conducting follow-ups on these as well as the drawing up of work plans.

The following are some of the more significant events that occurred in 2012, in which the Company's operations complied with all those legal and institutional provisions laid out in its applicable Corporate Governance policies.

- On April 26, the Company completed the Country Code Survey of Best Corporate Practices, as required by the Colombian Superintendency of Finance from all Colombian issuers of securities, in accordance with External Circular No. 028 issued in 2007.
- In May the Company's Code of Good Governance was amended having updated and adjusted its content in keeping with best international practices.
- In October, and in the interests of greater transparency and independency with regard to the functioning of the Company's Board of Directors, the then Chairman and Vice-Chairman stepped down in favor of two independent members being appointed to said roles, namely Messrs. Armando Montenegro as new Chairman and Hernando Yepes A., as new Vice-Chairman.
- In December, amendments were made to the Company's Code of Good Governance as a result of changes made to the structuring of the Board of Directors Committees.
- Four meetings were held for the stock markets, which were attended by market analysts tracking our share performance, both at home and abroad.
- In 2012, no complaints were made via the Company's Ethics HelpLine.

THE COMPANY'S OWNERSHIP STRUCTURE

1. Share capital

Authorized capital	\$112.500.000.000	divided up into 600.000.000 shares
Subscribed capital	\$107.882.291.813	divided up into 575.372.223 shares
Paid-in capital	\$107.882.291.813	divided up into 575.372.223 shares

2. Holders of significant stakes in the Company's share capital at year-end 2012

Shareholder	No. Shares	Percentage Stake Held
Grupo Argos S.A.	147.309.723	25,60%
Grupo Nutresa S.A.	59.387.803	10,32%
Fondo de Pensiones Obligatorias Porvenir	37.040.195	6,44%
Fondo de Pensiones Obligatorias Protección	33.643.160	5,85%
Cementos Argos S.A.	28.183.262	4,90%
Fondo de Pensiones Horizonte	23.224.555	4,04%
Fondo de Pensiones Obligatorias Colfondos Mode.	18.703.072	3,25%
UBS AG London Branch	17.958.819	3,12%
ING Pensiones Obligatorias Fondo Moderado	17.182.829	2,99%
Celsia S.A. E.S.P.	10.652.795	1,85%
Colombiana de Comercio S.A.	10.000.000	1,74%
Fondo Bursátil Ishares Colcap	7.539.952	1,31%
Skandia Fondo de Pensiones Obligatorias	6.956.136	1,21%
Other shareholders with stakes of less than 1%	157.589.922	27,39%

PARENT COMPANY CONTROL

At December 31, 2012, Grupo de Inversiones Suramericana, by virtue of the majority interests held, exercises direct or indirect control over the following companies both at home and abroad:

DIRECT CONTROL:

- Suramericana S.A.
- Enlace Operativo S.A.
- Inversiones y Construcciones Estratégicas S.A.S
- Sura Asset Management S.A.
- Grupo de Inversiones Suramericana Panamá S.A. (Panamá)
- Gruposura Finance (Islas Caiman)

INDIRECT CONTROL:

- Seguros Generales Suramericana S.A.
- Seguros de Vida Suramericana S.A.
- Administradora de Carteras Colectivas Suramericana S.A.
- EPS y Medicina Prepagada Suramericana S.A.
- Seguros de Riesgos Profesionales Suramericana S.A.
- Servicios de Salud IPS Suramericana S.A.
- Servicios Generales Suramericana S.A.S
- Consultoría en Gestión de Riesgos Suramericana S.A.S.
- Diagnóstico y Asistencia Médica S.A. I.P.S. Dinámica.
- Compuredes S.A.
- Integradora de Servicios Tercerizados S.A.S.
- Seguros Sura S.A (República Dominicana)
- Aseguradora Suiza Salvadoreña S.A. Asesuiza (El Salvador)

- Asesuisa Vida S.A. (El Salvador)
- Seguros Suramericana S.A. (Panamá)
- Inversura Panamá Internacional S.A. (Panamá)
- Servicios Generales Suramericana S.A. (Panamá)
- Planeco Panamá S.A. (Panamá)
- Sura Asset Management España S.L. (España)
- Gruposura Holanda B.V. (Holanda)
- Afore Holding B.V. (Holanda)
- Grupo Sura Latin American Holdings B.V. (Holanda)
- Grupo Sura Chile Holdings I B.V. (Holanda)
- Grupo Sura Chile Holdings II B.V. (Holanda)
- Grupo de Inversiones Suramericana Holanda B.V. (Holanda)
- AFP Integra S.A. (Perú)
- Wealth Management Sura S.A. (Perú)
- Fondos Sura SAF S.A.C. (Perú)
- Pensiones Sura Perú S.A. (Perú)
- International Sura Perú S.A. (Perú)
- Servicios Sura S.A.C. (Perú)
- Asset Management Sura S.A.C. (Perú)
- Seguros Sura S.A. (Perú)
- Hipotecaria Sura, Empresa Administradora Hipotecaria S.A. (Perú)
- Sura Art Corporation S.A. de C.V. (México)
- Afore Sura S.A. de C.V. (México)
- Siefore Sura AV3 S.A. de C.V. (México)
- Siefore Sura Básica 1 S.A. de C.V. (México)
- Siefore Sura Básica 2 S.A. de C.V. (México)
- Siefore Sura Básica 3 S.A. de C.V. (México)
- Siefore Sura Básica 4 S.A. de C.V. (México)
- Siefore Sura Básica 5 S.A. de C.V. (México)
- Pensiones Sura S.A. de C.V. (México)
- Asesores Sura S.A. de C.V. (México)
- Inverconsa S.A. de C.V. (México)
- Sura Investment Management Mexico S.A. de C.V. (México)
- AFAP Sura S.A. (Uruguay)
- Ahorro e Inversión Sura, Administradora de Fondos de Inversión S.A. (Uruguay)
- Sura S.A. (Chile)
- Sura Chile S.A. (Chile)
- Sura Data Chile S.A. (Chile)
- Promotora de Servicios Financieros Sura S.A. (Chile)
- Agencia de Valores Sura S.A. (Chile)
- Administradora General de Fondos Sura S.A. (Chile)
- Seguros de Vida Sura S.A. (Chile)
- AFP Capital S.A. (Chile)
- Santa Maria Internacional S.A. (Chile)
- Compañía de Inversiones y Servicios Sura LTDA (Chile)

THE COMPANY'S MANAGEMENT STRUCTURE

Board of Directors

This consists of seven (7) principal members, three (3) of whom have an independent status.

Members of the Board of Directors

	DATE OF FIRST APPOINTMENT	DATE OF LAST APPOINTMENT
Armando Montenegro Trujillo (*)	March 25 2010	March 29 2011
Hernando Yepes Arcila (*)	March 29 2007	March 29 2011
José Alberto Vélez Cadavid	March 25 2004	March 29 2011
Carlos Enrique Piedrahita Arocha	March 30 2000	March 29 2011
Juan Guillermo Londoño Posada	March 30 2006	March 29 2011
Jorge Mario Velásquez Jaramillo	March 30 2006	March 29 2011
Jaime Bermúdez Merizalde (*)	2March 29 2011	March 29 2011
(*) Independent members		

3. Senior executives who are not members of the Board of Directors

Chief Executive Officer	David Bojanini García
Chief Financial and Investment Officer	Ignacio Calle Cuartas
Chief Audit Officer	Mario Gildardo López
Chief Administrative Officer and Company Secretary	Fernando Ojalvo Prieto

4. Board of Directors Fees

Pursuant to Article 23 e) of the Company's by-laws, it is the duty of the Shareholders to determine the amount of fees to be paid to the members of the Board of Directors as well as the principal and alternate Statutory Auditors. In determining the fees to be paid to the Board of Directors, the Shareholders consider the structure of the Board, its obligations, the personal and professional calibers of the members as well as their experience and the time dedicated to their activities. In 2012, the Shareholders, at their Annual General Meeting, approved a monthly fee of COP 3.500.000 for each member.

5. Members of the Board of Directors who also sit on other boards or who are members of the Boards of Directors or Senior Management of other Companies holding important stakes in Grupo de Inversiones Suramericana.

NAME	POSITION	COMPANY
José Alberto Vélez Cadavid	Legal Representative	Grupo Argos S.A.
José Alberto Vélez Cadavid	Board member	Celsia S.A. E.S.P.
José Alberto Vélez Cadavid	Board member	Grupo Nutresa S.A.
José Alberto Vélez Cadavid	Board member	Cementos Argos S.A.
Carlos Enrique Piedrahita Arocha	Legal Representative	Grupo Nutresa S.A.
Carlos Enrique Piedrahita Arocha	Board member	Grupo Argos S.A.
Juan Guillermo Londoño Posada	Legal Representative	Celsia S.A. E.S.P.
Jorge Mario Velásquez Jaramillo	Legal Representative	Cementos Argos S.A.

6. Amendments to the Company's by-laws in 2011

During the financial year of 2012, the following amendment was made to the Company's bylaws:

- Amendment to Article 1 of the Company's by-laws for the purpose of including the abbreviation Grupo Sura in its corporate name.

7. Appointment, re-election and dismissal of the members of the Board of Directors

Members of the Board of Directors are appointed by the Shareholders for periods of two (2) years. They may be re-elected or dismissed at any time by the Shareholders. Three (3) members of the Board of Directors must have an independent status, according to that provided by Colombian law. In deciding upon these appointments, the Company's by-laws do not establish a specific quorum, and therefore general rules and regulations are applied, that is to say, the Shareholders may decide upon such matters with a majority vote on the part of a plural number of persons representing at least the absolute majority of the Company's subscribed shares, and these decisions are made based on the majority of votes present.

Members appointed to the Board of Directors must offer a suitable professional and personal profile in keeping with the needs of the Company. All members must have analytical and managerial skills, a strategic business vision, objectivity, an ability to express his or her point of view as well as being able to evaluate high-level managerial tables. They must also have knowledge of the industry as well as finance, risk and legal matters; they must also have experience abroad as well as with crisis management.

8. Decision -making on the part of the Board of Directors

Generally-speaking, decisions are made by the Board of Directors based on a majority vote of those present, except in the case of the Company guaranteeing or endorsing obligations on the part of Subsidiaries, in which case any decision must be made based on a unanimous vote.

9. Number of Board Meetings held during the year

In 2012, the Board of Directors met on 12 occasions. The individual attendance rates for each member of the Board were as follows:

Armando Montenegro Trujillo	100,0%
Hernando Yepes Arcila	83,3%
José Alberto Vélez Cadavid	100,0%
Carlos Enrique Piedrahita Arocha	83,3%
Juan Guillermo Londoño Posada	100,0%
Jorge Mario Velásquez Jaramillo	100,0%
Jaime Bermúdez Merizalde	91,6%

For an average attendance rate of 94,04%.

10. Prior evaluation of the financial statements

All annual and interim financial statements, as well as those submitted annually for the approval of the Shareholders are previously evaluated by the Auditing Committee and the Board of Directors, who discuss and approve these before presenting these to the Shareholders, pursuant to Article 31 e) of the Company's by-laws.

11. Reporting information to the securities markets

All significant information regarding the Company is reported to the market by means of relevant information releases as stipulated by the Colombian Superintendency of Finance. These are simultaneously published on the Grupo de Inversiones Suramericana's website www.gruposuramericana.com thereby guaranteeing that such information is opportunely provided to investors, the authorities and the market at large.

12. Members of the Board of Directors Committees

Corporate Governance Committee

Armando Montenegro Trujillo	Chairman
Jaime Bermúdez Merizalde	Independent Member
Jose Alberto Vélez Cadavid	Board member

Investment Committee

Armando Montenegro Trujillo	Chairman
Jose Alberto Vélez Cadavid	Board member
Carlos Enrique Piedrahita Arocha	Board member
David Bojanini García	Chief Executive Officer

Compensation and Development Committee

Jose Alberto Vélez Cadavid	Board member
Carlos Enrique Piedrahita Arocha	Board member
Hernando Yepes Arcila	Independent Member

Finance and Audit Committee

Armando Montenegro Trujillo	Independent Member and Chairman of the Board
Hernando Yepes Arcila	Independent Member
Jaime Bermúdez Merizalde	Independent Member

Executives from the Financial, Auditing and Risk Management Departments together with representatives of the Statutory Auditing firm are also invited to this Committee meeting

13. Corporate Government Code - website link

The Company's Code of Good Governance has been made available on its website www.gruposuramericana.com, under the link Corporate Responsibility which contains information that may interest those wishing to purchase shares or invest in the Company, as well as for its current Shareholders.

This Code is also available in hardcopy format at the Company Secretary's Office located at the following address: Carrera 64 B No. 49 A 30, Medellín, Colombia.

14. Investor Relations

The Company's Investor Relations Office is located at the following address: Carrera 64 B 49 A 30 in Medellín. You can also contact this area using the following email addresses: gruposura@gruposura.com.co; ir@gruposura.com.co, or the toll-free HelpLine 018000521555.

We have also made available to our shareholders and investors, a calendar of corporate events on our website www.gruposuramericana.com, this in order to provide more detailed information to the securities market in general with regard to our reporting schedule relative to both our financial results and Company performance in general. This schedule contains the more important dates with regard to:

- The Annual General Meeting of the General Assembly of Shareholders
- Dividend Payment Periods
- Dates when the Company's results are due to be published with the Colombian Superintendency of Finance
- Meetings or presentations where the quarterly results are due to be disclosed to the market in general.

The firm, Fiduciaria Bancolombia, is responsible for handling the Company's shares, including transfers, payments and maintaining the Company's shareholder ledgers.

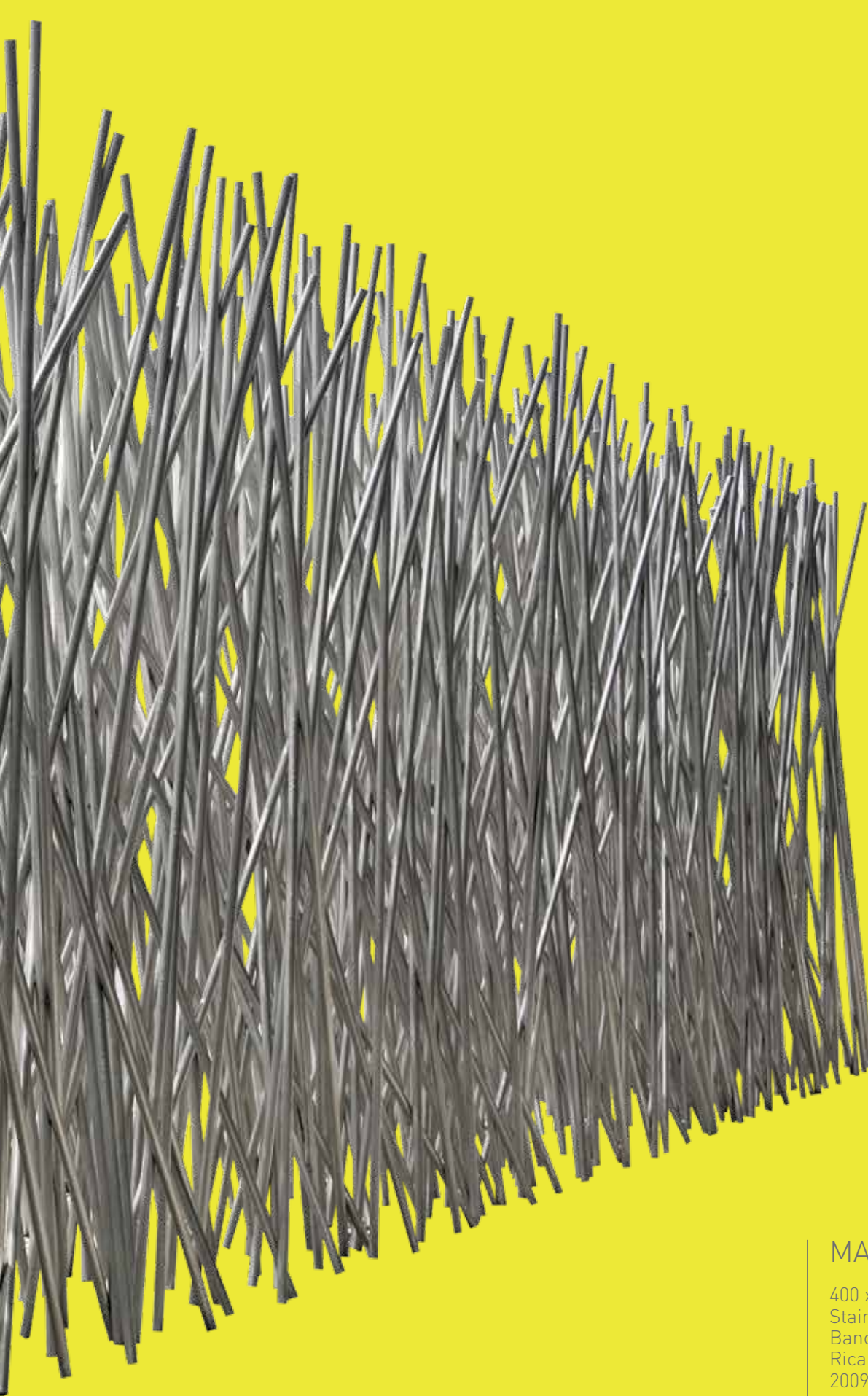
15. Dividend payments

Dividends may be collected either through the same stock brokerage firm through which our shares were purchased or personally at Bancolombia's own network of branch offices, as listed below:

NAME	CITY	ADDRESS	CODE	TELEPHONE
CENTRO DE PAGOS APARTADO	APARTADO	CALLE 96 N° 99A - 04	94	8286868 - 8286869 - 8286786
BARRANQUILLA	BARRANQUILLA	CARRERA 44 N° 37- 19	95	3850476
MURILLO	BARRANQUILLA	CALLE 45 N° 44 - 136	95	3850496
COUNTRY PLAZA	BARRANQUILLA	CARRERA 53 N° 78 - 24	95	3850767
PASEO BOLIVAR	BARRANQUILLA	CARRERA 44 N° 34 - 02	95	3850965
QUINTA CAMACHO	BOGOTA	CALLE 67 N° 7 - 35	91	7435423
CENTRO INTERNACIONAL	BOGOTA	CARRERA 7 N° 30A - 28	91	3536737- 4886081
AVENIDA CHILE	BOGOTA	CALLE 72 N° 8 - 20	91	3463774
CENTRO DE PAGOS CALLE 72	BOGOTA	CALLE 72 N° 8 - 56	91	3262820
AVENIDA 19	BOGOTA	AVENIDA 19 N° 108A - 65	91	6374018
CENTRO DE PAGOS UNICENTRO BOGOTA	BOGOTA	AVENIDA 15 N° 123 - 30	91	2755220
BUCARAMANGA	BUCARAMANGA	CARRERA 18 N° 35 - 02	97	6527410
CABECERA	BUCARAMANGA	CARRERA 34 N° 51 - 17	97	6438990
PROFESIONALES	BUCARAMANGA	CARRERA 34 N° 42 - 106	97	6435151
CABECERA DEL LLANO	BUCARAMANGA	CARRERA 35A N° 51 - 41	97	6434800
CENTRO DE PAGOS BUENAVENTURA	BUENAVENTURA	CARRERA 2 N° 1 - 33	92	2411290
CALIMA	CALI	CARRERA 1 N° 70 - 00	92	4850551
PLAZA CAYCEDO	CALI	CARRERA 5 N° 10 - 79	92	4850557
CALLE CATORCE	CALI	CALLE 14 N° 8 - 79	92	4850561
ACOPI CALI	CALI	AVENIDA 3 NORTE N° 56N - 25	92	4850571
CARTAGENA	CARTAGENA	CALLE 32 N° 26 - 35	95	6641401
BOCAGRANDE	CARTAGENA	CALLE 5 N° 2 - 44	95	6595001
EL BOSQUE	CARTAGENA	DIAGONAL 21 N° 53 - 66	95	6694006
SANTA LUCIA	CARTAGENA	CARRERA 30 C N° 71 - 108	95	6635513
CENTRO DE PAGOS CARTAGO	CARTAGO	CARRERA 4 N° 10 - 65	92	2110840
CIENAGA	CIENAGA (MAGDALENA)	CALLE 17 N° 11 - 43	95	4240453
COROZAL	COROZAL	CARRERA 25 N° 28 - 37	95	2857771
CENTRO DE PAGOS CUCUTA	CUCUTA	AVENIDA CERO N° 14 - 50	097	5717566
CUCUTA	CUCUTA	AVENIDA 5 N° 9 - 80	97	5717554
IBAGUE	IBAGUE	CARRERA 3 N° 14A - 18	98	2709920
PLAZA DE BOLIVAR	IBAGUE	CALLE 10 N° 3 - 34	98	2620728
PARQUE MURILLO TORO	IBAGUE	CARRERA 3 N° 11 - 02	98	2611108
IPIALES	IPIALES	CALLE 14 N° 5 - 32	92	7732305
CENTRO DE PAGOS ITAGUI	ITAGUI	CARRERA 50 N° 52 - 27	94	3701610
MANIZALES	MANIZALES	CARRERA 22 N° 20 - 55	96	8783660
CARRERA 23	MANIZALES	CARRERA 23 N° 20 - 08	96	8841011
CENTRO COLTEJER	MEDELLIN	CARRERA 49 N° 52 - 08	94	4446924
LAURELES	MEDELLIN	CARRERA 76 N° 33 - 14	94	4446928

NAME	CITY	ADDRESS	CODE	TELEPHONE
AVENIDA EL POBLADO	MEDELLIN	CARRERA 43A N° 11A - 40	94	4446930
LA PLAYA	MEDELLIN	CALLE 51 N° 43 - 95	94	4446934
AEROPUERTO OLAYA	MEDELLIN	CALLE 14 N° 52A - 25	94	4446945
OVIEDO	MEDELLIN	CARRERA 43A N° 6 SUR - 15	94	4446956
CARRERA 70	MEDELLIN	CARRERA 70 N° C5-4	94	4446998
AVENIDA COLOMBIA	MEDELLIN	CALLE 50 N° 55 - 37	94	4449296
CAMINO REAL	MEDELLIN	CARRERA 46 N° 52 - 81	94	4449298
SURAMERICANA	MEDELLIN	CALLE 49B N° 64B - 25	94	4449301
ESTADIO	MEDELLIN	CARRERA 74 N° 49B - 35	94	4449324
AVENIDA NUTIBARA	MEDELLIN	TRANSVERSAL 39B N° 73 - 47	94	4449325
UNICENTRO CENTRO COMERCIAL	MEDELLIN	CARRERA 66B N° 34A - 76	94	4449362
SAN FERNANDO PLAZA	MEDELLIN	CARRERA 43A N° 1 - 70	94	4449371
BELEN	MEDELLIN	CALLE 31 N° 76 - 22	94	4449373
PUERTA DEL RIO	MEDELLIN	CARRERA 48 N° 26 - 85	94	4489048
AVENIDA BOLIVARIANA	MEDELLIN	CALLE 34 B N° 66A - 96	94	4447013
CENTRO DE PAGOS MONTERIA	MONTERIA	CARRERA 2 N° 31A - 49	94	7823141
NEIVA	NEIVA	CALLE 8 N° 4 - 71	98	8713086
EDIFICIO COLONIAL	NEIVA	CALLE 21 N° 5BIS - 121	98	8754449
PALMIRA	PALMIRA	CALLE 30 N° 28 - 63	92	2755736
PASTO	PASTO	CALLE 19 N° 24 - 52	92	7227456
CIRCUNVALAR PEREIRA	PEREIRA	AVENIDA CIRCUNVALAR N° 4 - 48	96	3165690
EL LAGO	PEREIRA	CARRERA 7 N° 25 - 36	96	3338012
30 DE AGOSTO	PEREIRA	CARRERA 13 N° 39 - 58	96	3360676
CENTRO DE PAGOS POPAYAN	POPAYAN	CALLE 2 # 7-74	92	8209186
QUIBDO	QUIBDO	CARRERA 2 N° 24 - 32	94	6707070
CENTRO DE PAGOS RIONEGRO	RIONEGRO (ANTIOQUIA)	CARRERA 51 N° 51 - 42	94	5618040
SANTA MARTA	SANTA MARTA	CARRERA 3 N° 14 - 10	95	4210185
EL RODADERO	SANTA MARTA	CALLE 6 N° 1 - 27	95	4220221
CENTRO DE PAGOS VALLEDUPAR	VALLEDUPAR	CALLE 16 N° 10 - 17	95	5848645 - 5848701
VILLAVICENCIO	VILLAVICENCIO	CALLE 38 N° 32 - 37	98	6622725
CATEDRAL	VILLAVICENCIO	CARRERA 32 N° 38 - 64	98	6621547

In the case of all those investors holding our ADRs as well as those purchasing shares on the LATIBEX market, dividend payments are made through our depository bank in New York, BNY Mellon, or our Arranger Agent in Spain, Santander Investments.



MANGROVE SWAMP

400 x 1500 x 180 cm
Stainless steel
Bancolombia Collection
Ricardo Cárdenas
2009

INDIVIDUAL

FINANCIAL

STATEMENTS

STATUTORY AUDITOR'S REPORT

FEBRUARY 21, 2013

To the Shareholders
Grupo de Inversiones Suramericana S.A.:

I have audited the financial statements of Grupo de Inversiones Suramericana S.A. "the Company", which comprise the balance sheet at December 31, 2012 and the related statements of income, changes in equity, changes in financial position and cash flows, for the year then ended, and their respective notes that include the summary of significant accounting policies and other explanatory notes. The financial statements for the year 2011 were audited by other public accountant, member of KPMG Ltda., who expressed an unqualified opinion in his report dated February 27, 2012.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with auditing standards generally accepted in Colombia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion on these financial statements based on my audit. I obtained the necessary information and carried out my audit in accordance with auditing standards generally accepted in Colombia. Such standards require that I comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the financial statements. In making this risk assessment, the statutory auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that my audits provide a reasonable basis for my audit opinion that I express below.

In my opinion, the above mentioned financial statements, taken accurately from books and attached to this report, present fairly, in all significant respects, the financial position of Grupo de Inversiones Suramericana S.A. at December 31, 2012, the results of its operations, changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in Colombia, applied on a consistent basis with the previous year.

Based on the results of my tests, in my concept during 2012:

- a) The Company's bookkeeping has been performed in conformity with legal rules and accounting pronouncements.
- b) The operations recorded in the books and management performance are in conformity with the bylaws and decisions of the General Shareholders' Meeting.
- c) The correspondence, the vouchers of accounts and the minute and record of shares books have been properly maintained.
- d) The Company has adopted adequate measures of internal control, prevention and control of money laundering and terrorism financing, and maintenance and custody of its and third parties' assets in its possession.
- e) The administration report prepared by management agrees with the accompanying financial statements.
- f) The information contained in the contribution returns submitted to the Social Security System, specifically the information on affiliates and their salary base for determining contributions, has been prepared from the accounting records and supporting documentation. The Company is up to date in payment of contributions to the Social Security System.

GONZALO ALONSO OCHOA RUIZ
Statutory Auditor of
Grupo de Inversiones Suramericana S.A.
Registration 43668 - T
Member of KPMG Ltda.

CERTIFICATION FROM THE COMPANY'S LEGAL REPRESENTATIVE AND CHIEF ACCOUNTANT

FEBRUARY 27, 2013

To the Shareholders of
Grupo de Inversiones Suramericana S.A.
Medellin

We, the undersigned Legal Representative and Chief Accountant of Grupo de Inversiones Suramericana S.A. duly certify that the figures included in the Company's financial statements for the fiscal year ended December 31, 2012 were faithfully taken from the Company's books. Also, before making these available to both you, our Shareholders, as well as third parties, we duly checked the following disclosures made therein, including the following:

- a) All assets and liabilities included in the Company's financial statements for the fiscal year ending December 31, 2012 duly exist and all transactions therein included were carried out during this same period ending on the aforementioned date.
- (b) All economic events on the part of the Company during the year ended December 31, 2012 have been duly recognized in the financial statements.
- (c) Assets represent future economic benefits and liabilities represent future economic obligations either obtained by or for the account of the Company at December 31, 2012.
- (d) All items have been posted at their appropriate values according to generally-accepted accounting principles in Colombia for entities coming under the oversight of the Colombian Superintendency of Finance.
- (e) All economic events affecting the Company have been correctly classified, described and revealed in these financial statements.
- f) The financial statements do not contain any material errors, flaws or inaccuracies that could affect the Company's true equity position or operations from becoming known.

DAVID EMILIO BOJANINI GARCIA
Chief Executive Officer

LUIS FERNANDO SOTO S
Chief Accountant- Lic No.. 16951-T

Balance Sheets

FISCAL YEARS ENDED DECEMBER 31, 2012 (In thousands of Colombian pesos)

(Comparative figures as of December 31, 2011)

		2012	2011
Assets			
Current assets:			
Cash and cash equivalents (Note 4)	\$	517,981	272,426,044
Short-term investments (Note 5)		88,033,065	20,605,410
Accounts receivable, net (Notes 6 y 21)		113,504,835	912,711,271
Prepaid expenses and deferred charges (Note 7)		-	65,317,207
Total current assets		202,055,881	1,271,059,932
Permanent investments (Notes 5 y 9)		9,102,545,869	9,714,524,470
Property, plant and equipment		622,227	480,162
Intangibles (Note 8)		2,064,556	2,184,429
Other assets		82,286	82,286
Reappraisals (Notes 5 y 9)		12,372,807,056	10,602,066,339
Total assets	\$	21,680,177,875	21,590,397,618
LIabilities and shareholders' equity			
Current liabilities:			
Financial obligations (Note 10)		450,626,112	631,978,000
Other financial obligations (Notes 12 y 21)		21,243,267	1,730,356,458
Accounts payable (Notes 13 y 21)		101,057,023	80,586,281
Taxes, liens and fees		4,300,339	6,450,509
Employee liabilities (Note 14)		390,572	366,248
Unearned revenues (Note 15)		26,906,426	9,473,779
Estimated liabilities and provisions (Note 16)		33,794,204	16,719,364
Current liabilities		638,317,943	2,475,930,639
Ordinary Bonds (Note 11)		250,000,000	250,000,000
Total liabilities		888,317,943	2,725,930,639
Shareholders' equity:			
Common stock and paid-in capital (Note 17)		107,882,292	107,882,292
Share premium		3,769,548,269	3,769,548,269
Legal reserve (Note 18)		138,795,051	138,795,051
Occasional reserves (Note 19)		3,237,855,852	3,160,260,566
Equity reappraisal		947,329,930	947,329,930
Surplus from the equity method		(328,458,022)	(194,150,818)
Appreciations (Notes 5 and 9)		12,372,807,056	10,602,066,339
Net income for the period		546,099,504	332,735,350
Net shareholders' equity		20,791,859,932	18,864,466,979
Total liabilities and shareholders' equity	\$	21,680,177,875	21,590,397,618
Contingent and memorandum accounts (Note 20)			
Debtors per contra	\$	3,160,892,239	2,862,884,021
Creditors		17,552,602,213	16,885,804,116

See notes to the financial statements.

Income Statements

FISCAL YEARS ENDED DECEMBER 31, 2012 (In thousands of Colombian pesos)

[Con cifras comparativas al 31 de diciembre de 2011]

	2012	2011
Operating revenues (Note 21):		
Dividends	\$ 265,720,674	264,681,120
Interests	2,869,242	14,290,224
Earnings from the equity method, net (Note 5)	323,097,446	134,775,880
Earnings from sale of investments, net	74,559,899	47,810,061
Appraisals at market prices, net	463,942	(2,485,291)
Suscription rights	1,641,081	-
Reimbursement provision for investments (Note 5)	11,851	-
	668,364,135	459,071,994
Operating and administrative expenses		
Provision for investments (Note 5)	-	105,620
Reimbursement provision for taxes	(514,587)	(2,856,984)
Payroll expenses	8,993,684	6,970,725
Fees	24,231,357	10,148,360
Administrative expenses	89,605,555	27,513,114
Depreciation	131,086	129,665
	122,447,095	42,010,500
Operating income	545,917,040	417,061,494
Non operating expenses (income) (Note 21):		
Adjustment for difference in foreign-ex- change	(119,005,842)	(22,425,382)
Interests	70,291,428	34,731,770
Bank expenses - commissions	18,266,709	45,719,402
Extraordinary expenses	1,731,467	714,095
ADR call option compensation (note 22)	10,524,674	13,348,980
Miscellaneous	(8,597,832)	(396,721)
	-26,789,396	71,692,144
Income before taxes	572,706,436	345,369,350
Income and complementary tax (note 23)	(26,606,931)	(12,634,000)
Net income	\$ 546,099,505	332,735,350
Earnings per share, in pesos	\$ 949,12	696,25

See notes to the financial statements.

Statement of Changes in Shareholders' Equity

FISCAL YEARS ENDED DECEMBER 31, 2012 (In thousands of Colombian pesos)

[Comparative figures as of December 31, 2011]

	Common stock	Share premium	Legal reserve	Occasional reserves	Equity reappraisal	Surplus from the equity method	Appraisals	Net income for the period	Total shareholders' equity
Balance at December 31, 2010	87,944,486	358,025,576	138,795,051	2,639,324,329	955,930,609	5,321,304,469	7,363,600,136	696,265,906	17,561,190,562
Distribution of 2010 results according to General Shareholders' Meeting Minutes # 15 dated March 31, 2011:									
Donations for Fundación Suramericana		-	-	-	-	-	-	(4,750,000)	(4,750,000)
Reserve for the protection of investments		-	-	555,495,101	-	-	-	(555,495,101)	-
Dividends over 469.037.260 (\$290.00 pesos per share)		-	-	-	-	-	-	(136,020,805)	(136,020,805)
Subscribed capital 106.334.963 shares for \$187.50 pesos	19,937,806	3,411,522,693	-	-	-	-	-	-	3,431,460,499
Dividends over 106.334.963 (\$290 pesos per share)		-	-	(34,558,864)	-	-	-	-	(34,558,864)
Reappraisal used for payment of equity tax	-	-	-	-	(8,600,679)	-	-	-	(8,600,679)
Equity method	-	-	-	-	-	(5,515,455,287)	-	-	(5,515,455,287)
Appraisals	-	-	-	-	-	-	3,238,466,203	-	3,238,466,203
Net income for the period	-	-	-	-	-	-	-	332,735,350	332,735,350
Balance at December 31, 2011	\$ 107,882,292	3,769,548,269	138,795,051	3,160,260,566	947,329,930	(194,150,818)	10,602,066,339	332,735,350	18,864,466,979
Distribution of 2011 results according to General Shareholders' Meeting Minutes # 16 dated March 29, 2012:									
Donations for Fundación Suramericana		-	-	-	-	-	-	(4,000,000)	(4,000,000)
Allocate to sustainability projects		-	-	-	-	-	-	(3,000,000)	-
Reserve for the protection of investments		-	-	77,595,286	-	-	-	(77,595,286)	-
Dividends over 469.037.260 (\$308.00 pesos per share)		-	-	-	-	-	-	(144,463,475)	(144,463,475)
Dividendos sobre 106.334.963 acciones a 975 pesos		-	-	-	-	-	-	(103,676,589)	(103,676,589)
Equity method	-	-	-	-	-	(134,307,204)	-	-	(134,307,204)
Appraisals	-	-	-	-	-	-	1,770,740,717	-	1,770,740,717
Net income for the period	-	-	-	-	-	-	-	546,099,504	546,099,504
Balance at December 31, 2011	\$ 107,882,292	3,769,548,269	138,795,051	3,237,855,852	947,329,930	(328,458,022)	12,372,807,056	546,099,504	20,791,859,932

See notes to the financial statements.

Statements of Changes in Financial Position

FISCAL YEARS ENDED DECEMBER 31, 2012 (In thousands of Colombian pesos)

(Comparative figures as of December 31, 2011)

		2012	2011
Sources of working capital			
Net income	\$	546,099,504	332,735,350
Items that do not use (provide) working capital			
Provision for investments		-	105,620
Recovery of provision for investments		-	-
Earnings from sale of investments, net		(74,559,899)	(47,810,061)
Earnings from the equity method, net		(323,097,446)	(134,775,880)
Depreciation		131,086	129,665
Working capital provided by operations		148,573,245	150,384,694
Earnings from sale of investments		381,151,198	163,485,227
Share issuance		-	19,937,806
Share premium		-	3,411,522,693
Investments		451,395,588	-
Intangibles		119,874	-
Dividends received from controlling companies		42,793,808	42,585,820
		<u>1,024,021,861</u>	<u>3,787,916,240</u>
Uses of working capital			
Increase in investments		-	4,608,668,230
Dividends declared		248,140,065	170,579,668
Donations		7,000,000	4,750,000
Reappraisal used for payment of equity tax		-	8,600,679
Intangibles		-	2,184,430
Property, plant and equipment		273,151	218,942
Increase (decrease) of working capital	\$	768,608,645	(1,007,085,709)
Changes in the components of working capital			
Increase (decrease) in current assets			
Cash and cash equivalents		(271,908,063)	272,307,849
Investments in available-for-sale equity securities		67,427,655	(61,393,560)
Accounts receivable		(799,206,436)	835,376,420
Prepaid expenses		(65,317,207)	65,135,216
		<u>(1,069,004,051)</u>	<u>1,111,425,925</u>
Increase (decrease) in current liabilities			
Financial obligations		(181,351,888)	550,140,104
Commercial paper		-	(233,652,000)
Other financial obligations		(1,709,113,191)	1,730,356,458
Taxes, liens and fees		(2,150,170)	6,450,509
Accounts payable		20,470,742	56,781,860
Employee benefit liabilities		24,324	124,294
Unearned revenues		17,432,647	2,375,119
Estimated liabilities and provisions		17,074,840	5,935,290
		<u>(1,837,612,696)</u>	<u>2,118,511,634</u>
Increase (decrease) in working capital	\$	768,608,645	(1,007,085,709)

See notes to the financial statements.

SIGNED ORIGINAL
David Bojanini Garcia - RLegal Representative

SIGNED ORIGINAL
Luis Fernando Soto Salazar - Accountant T.P. 16951-T

SIGNED ORIGINAL
Gonzalo Alonso Ochoa Ruiz - Statutory Auditor TP No. 43668 - T
Member of KPMG Ltda. [Refer to my report dated February 21, 2013]

Cash Flow Statements

FISCAL YEARS ENDED DECEMBER 31, 2012 (In thousands of Colombian pesos)

(Comparative figures as of December 31, 2011)

	2012	2011
Cash flow from operating activities		
Net income for the period	\$ 546,099,504	332,735,350
Reconciliation between the net income for the period and the net cash		
Flow provided (used) by operating activities		
Provision for investments	-	105,620
Recovery of provision for investments	(11,851)	-
Recovery of provision for taxes	(514,587)	(2,856,984)
Earnings from sale of investments, net	(74,559,899)	(47,810,061)
Earnings from equity method, net	(323,097,446)	(134,775,880)
Appraisals at market prices, net	(463,942)	2,485,291
Amortization of deferred charges	73,412,693	-
Depreciation	131,086	129,665
	220,995,559	150,013,001
Changes in operating items		
Accounts receivable	799,206,436	(835,376,420)
Prepaid expenses	8,095,486	(65,135,216)
Intangibles	119,874	(2,184,430)
Other liabilities	1,032,870	(5,371,762)
Employee benefit liabilities	24,324	124,294
Taxes, liens and fees	(2,150,170)	6,450,509
Unearned revenues	17,432,647	2,375,119
Estimated liabilities and provisions	17,589,427	8,792,274
Earnings from sale of investments	381,151,198	163,485,227
Increase in investments, net	451,847,678	(4,611,153,521)
Dividends received from controlling companies	42,793,808	42,585,820
	1,921,960,015	(5,145,395,105)
Cash flow from investment activities		
Increase in Property, plant and equipment	(273,151)	(218,942)
Net cash provided (used) by investment activities	(273,151)	(218,942)
Cash flow from financing activities		
Paid in capital	-	19,937,806
Share premium	-	3,411,522,693
Commercial paper	-	(233,652,000)
Increase in bank loans and other financial obligations	(1,890,465,079)	2,280,496,562
Reappraisal used for payment of equity tax	-	(8,600,679)
Donations and sustainability projects	(7,000,000)	(4,750,000)
Dividends paid	(228,702,193)	(108,426,046)
	(2,126,167,272)	5,356,528,336
Net cash decrease	(204,480,408)	210,914,289
Cash and cash equivalents at the beginning of the year	293,031,454	82,117,165
Cash and cash equivalents at the end of the year	\$ 88,551,046	293,031,454

See notes to the financial statements.

PROPOSED INCOME DISTRIBUTION

GRUPO DE INVERSIONES SURAMERICANA S.A.

In consideration of the balance of the Income and loss account on the Company's balance sheet for 2012, the following distribution of income is proposed:

Income before tax	\$	572,706,435,377.00
Less provision for income and complementary taxes		26,606,931,000.00
Net income		546,099,504,377.00

DISTRIBUTION OF NET INCOME

Consisting of a dividend of COP 339,00 per year per share on 469,037,260 shares, that shall be payable immediately after this is declared by the Shareholders' Annual Meeting and shall be paid in cash in quarterly instalments of COP 84.75 per share as of:

159,003,631,140.00

April 2013 and up to March 2014 on a quarterly in advance basis, as follows:
April 2013, July 2013, October 2013 and January 2014
for April shall be made between the 2 and 16 of this same month and those of July and October 2013 and January 2014 between the 1 and 15 of the corresponding month.

Consisting of a dividend of COP 975.00 per year per share on 106,334,963 preferred shares, that shall be payable immediately after this is declared by the Shareholders' Annual Meeting and shall be paid in cash in quarterly instalments of COP 243.75 per share as of:

April 2013 and up to March 2014 on a quarterly in advance basis, as follows:
July 2013, October 2013, January 2014 and April 2014
between the 1 and 15 of the corresponding month.

103,676,588,925.00

Note: This dividend refers to the annual 3% of the issue price for each preferred share, which according to the prospect of the preferred shares issued in 2011 will be paid during the 3 years subsequent to the allocation date

Donation for Fundación Suramericana	4,000,000,000.00
Reserve for protection of investments - provided by income that does not constitute occasional earnings or income.	279,419,284,312.00

EQUAL AMOUNTS	\$	546,099,504,377.00	546,099,504,377.00
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According to that provided by the Act 4766 of December 14, 2011, and the changes on the Bolsa de Valores de Colombia regulation, released in March 1st, 2012, every trading of shares made between the first business day of the dividend payment days of the above shares and payable, and the ten (4) business trading days immediately prior to said date, shall necessarily be without dividends, and therefore all dividends accruing during this period and that should be pending payment shall be for the account of the seller.

Medellín, February 2013

COMPARATIVE ANALYSIS OF RATIOS

DECEMBER 2012 AND 2011 (In thousands of Colombian pesos)

[Con cifras comparativas al 31 de diciembre de 2011]

RATIOS		2012		2011		ANALYSIS	
LIQUIDITY	Current ratio	= $\frac{\text{Current assets}}{\text{Current liabilities}}$	= $\frac{202,055,881}{638,317,943}$	= 0.32	= $\frac{1,271,059,932}{2,475,930,639}$	= 0.51	For every (\$1.00) that the Company owes in the short term, the company has \$0.32 in 2012, and \$0.51 in 2011, to back up this obligation.
	Acid test for accounts receivable	= $\frac{\text{Current assets less accounts receivable}}{\text{Current liabilities}}$	= $\frac{88,551,046}{638,317,943}$	= 0.14	= $\frac{358,348,661}{2,475,930,639}$	= 0.14	For every peso (\$1.00) that the company owes in the short term, the company has \$0.14 in 2012 and 2011, in easy-to-sell current assets, without having to collect accounts receivable
	Working capital	= $\text{Current assets less accounts receivable}$	= (436,262,062)		(1,204,870,707)		
	Soundness	= $\frac{\text{Total liabilities}}{\text{Total assets}}$	= $\frac{888,317,943}{21,680,177,875}$	= 4.10%	= $\frac{2,725,930,639}{21,590,397,618}$	= 12.63%	Creditors own 4.10% in 2012, and 12.63% in 2011, which leaves the shareholders as owners of the difference: 95.9% in 2012 and 87.37% in 2011.

COMPARATIVE ANALYSIS OF RATIOS

DECEMBER 2012 AND 2011 (In thousands of Colombian pesos)

[Con cifras comparativas al 31 de diciembre de 2011]

RATIOS		2012		2011		ANALYSIS
INDEBTEDNESS	Total indebtedness =	$\frac{\text{Total liabilities}}{\text{Total assets}}$	$\frac{888,317,943}{21,680,177,875} = 4.10\%$	$\frac{2,725,930,639}{21,590,397,618} = 12.63\%$		Out of each peso that the company has invested in assets, 4.1% have been financed by creditors for 2012 and 12.63% for 2011.
	Short term indebtedness =	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$	$\frac{638,317,943}{888,317,943} = 71.86\%$	$\frac{2,475,930,639}{2,725,930,639} = 90.83\%$		Out of the total of the company's obligations 71.86% mature in 2012 and 90.83% in 2011.
	Interest coverage =	$\frac{\text{Operating profits}}{\text{Financial expenses}}$	$\frac{545,917,040}{70,291,428} = 776.65\%$	$\frac{417,061,494}{34,731,770} = 1200.81\%$		The company produced operating results for 776.65% of the interest paid in 2012 and 1,200.81% in 2011.
	Leverage	$\frac{\text{Total third party liabilities}}{\text{Shareholders' Equity}}$	$\frac{888,317,943}{20,791,859,932} = 4.27\%$	$\frac{2,725,930,639}{18,864,466,979} = 14.45\%$		4.27% of each peso (\$1.00) of the company owners is committed in 2012, and 14.45% in 2011.
		$\frac{\text{Current liabilities}}{\text{Shareholders' Equity}}$	$\frac{638,317,943}{20,791,859,932} = 3.07\%$	$\frac{2,475,930,639}{18,864,466,979} = 13.12\%$		3.07% out of each peso (\$1.00) of the company owners is committed in the short term for 2012 and 13.12% for 2011.
		$\frac{\text{Total liabilities with financial institutions}}{\text{Shareholders' Equity}}$	$\frac{450,626,112}{20,791,859,932} = 2.17\%$	$\frac{631,978,000}{18,864,466,979} = 3.35\%$		For each peso in equity, there is a financial commitment of 2.17% in 2012 and 3.35% for 2011.

RATIOS		2012		2011		ANALYSIS
ACTIVITY	Gross operating assets (Investments + accounts receivable + deferrals)	$\frac{\text{Operating revenues}}{\text{Gross operating assets (Investments + accounts receivable + deferrals)}}$	$\frac{668,364,135}{9,304,083,769} = 0.07$	$\frac{459,071,994}{10,713,158,358} = 0.04$		Operating assets turned over 0.07 times in 2012 and 0.04 times in 2011.
	Total assets	$\frac{\text{Operating revenues}}{\text{Total assets}}$	$\frac{668,364,135}{21,680,177,875} = 0.03$	$\frac{459,071,994}{21,590,397,618} = 0.02$		Total assets turned over 0.03 times in 2012 and 0.02 times in 2011.

COMPARATIVE ANALYSIS OF RATIOS

DECEMBER 2012 AND 2011 (In thousands of Colombian pesos)

[Con cifras comparativas al 31 de diciembre de 2011]

RATIOS		2012		2011		ANALYSIS	
YIELD	(Operating) Income margin	$= \frac{\text{Operating profits}}{\text{Operating revenues}} = \frac{545,917,040}{668,364,135} = 81.68\%$		$\frac{417,061,494}{459,071,994} = 90.85\%$		Operating income represent 81.68% of operating revenues in 2012 and 90.85% in 2011.	
	Net income margin	$= \frac{\text{Net income}}{\text{Operating revenues}} = \frac{546,099,504}{668,364,135} = 81.71\%$		$\frac{332,735,350}{459,071,994} = 72.48\%$		Net income represent 81.71% of operating revenues in 2012 and 72.48% in 2011.	
	Shareholders' equity yield	$= \frac{\text{Net income}}{\text{Shareholders' equity less net income}} = \frac{546,099,504}{20,245,760,428} = 2.70\%$		$\frac{332,735,350}{18,531,731,629} = 1.80\%$		Net income represent 2.70% of shareholders' equity in 2012 and 1.80% in 2011.	
	Total assets yield	$= \frac{\text{Net income}}{\text{Total assets}} = \frac{546,099,504}{21,680,177,875} = 2.52\%$		$\frac{332,735,350}{21,590,397,618} = 1.54\%$		Net income, compared to total assets, represent 2.52% in 2012 and 1.54% in 2011.	
SISTEMA DUPONT	2012	$\frac{\text{Net income}}{\text{Total assets}} = \frac{546,099,504}{21,680,177,875} = 2.52\%$		$\frac{546,099,504}{668,364,135} \times \frac{668,364,135}{21,680,177,875} = 2.52\%$			
		Profitability of the total assets	= 0.025	0.817	X	0.031	2.52%
	2011	$\frac{\text{Net income}}{\text{Total assets}} = \frac{332,735,350}{21,590,397,618} = 1.54\%$		$\frac{332,735,350}{459,071,994} \times \frac{459,071,994}{21,590,397,618} = 1.54\%$			
		Profitability of the total assets	= 0.015	0.725	X	0.021	1.54%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(With comparative figures for year ended of 31 december 2011)

AT DECEMBER 31, 2012(Stated in COP millions)

NOTE 1

■ Economic entity

Grupo de Inversiones Suramericana S.A. was incorporated as a result of being spun off from Compañía Suramericana de Seguros S.A., by means of Public Deed No. 2295 drawn up December 24, 1997 before the Notary Public No. 14 of the Circuit of Medellin, with all the corresponding accounting formalities duly completed by January 1, 1998. Its main registered place of business is in Medellin, but it is entitled to set up branches, agencies, offices and representations in other parts of the country as well as abroad, should its Board of Directors so decide. The Company is legally authorized to carry on its business purpose until 2102.

Its business purpose is to invest in real estate and personal property, and may do so by means of shares, participations or holdings in companies, entities, organizations, funds and any other legally-permitted mechanism that allows for the investment of funds.

Likewise, it may invest in securities or instruments yielding either a fixed or variable income, regardless of whether they are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

The Company's reporting period shall follow that of the normal calendar year, ending on December 31. According to that set out in its by-laws, the Company shall close its books on the cut-off date so as to proceed to draw up its balance sheet and income statement corresponding to the year in question.

The Company's reporting period shall follow that of the normal calendar year, ending on December 31. According to that set out in its by-laws, the Company shall close its books on the cut-off date so as to proceed to draw up its balance sheet and income statement

corresponding to the year in question.

The Company is monitored by the Colombian Superintendency of Companies ("Superintendencia de Sociedades") and comes under the exclusive oversight of the Colombian Superintendency of Finance ("Superintendencia Financiera de Colombia"), given the fact that it is listed as an issuer of securities before the Colombian National Registry of Securities (Registro Nacional de Valores).

At December 31, 2012, the Company had a total of 42 employees all based at its Corporate Headquarters.

■ Corporate Profile:

GRUPO SURA is the principal shareholder of a group of leading companies operating in different parts of the world primarily in two key areas: the financial service sector, including commercial banking, insurance and pension funds, and the industrial sector, including processed foods, cement, ready mix concrete, energy, ports, coal mines and real estate.

In recent years, the companies that make up GRUPO SURA's investment portfolio have expanded to other countries and regions in the Western Hemisphere, including Central America, the Caribbean, the United States, Peru, Chile, Uruguay and Mexico.

Our principal interests in the financial service sector include a 44.8% stake in the voting shares of Bancolombia (equal to 26.8% of its capital stock), this being the largest bank in Colombia in which we are the largest shareholder; as well as our 81.1% stake in Suramericana S.A., the Group's insurance holding. The remaining 18.9% of Suramericana is owned by the German insurer Münchener Rückversicherungs-Gesellschaft Munich Re, commonly known as "Munich Re." In addition, GRUPO SURA holds a direct stake of 40.4% in Protección, the second largest private pension fund administrator in Colombia, in which we are the largest shareholder.

Our investments in the processed food segment of the local industrial sector include a 35.1% stake in Grupo Nutresa S.A., the largest processed food conglomerate in Colombia where we are also the largest shareholder.

Our interests in the cement, concrete, energy, ports, coal-mining and real estate sectors include a 35.7% stake in the voting shares of Grupo Argos (equal to 29.5% of its capital stock) where again GRUPO SURA is the majority shareholder. Grupo Argos is in turn the majority shareholder of Cementos Argos, S.A. and Celsia S.A. E.S.P.

Some of the abovementioned companies also have cross holdings within the Group, which at December 31, 2012 consisted of the following:

Bancolombia tenía una Bancolombia held a 20.6% stake in Protección; Grupo Nutresa S.A. held 10.3% of the total shares outstanding belonging to GRUPO SURA and 12.7% of its voting shares along with a 10.2% stake

in Grupo Argos. Grupo Argos S.A. and subsidiaries, for their part, held 32.4% of the total shares outstanding belonging to GRUPO SURA and 37.5% of its voting shares along with a stake of 4.5% in Bancolombia S.A. and 9.8% in Grupo Nutresa.S.A.

Cash dividends received by GRUPO SURA from its portfolio companies pertaining both in 2012 and 2011 are set forth in the following table:

For years ended December 31

	2012	2011
Bancolombia S.A.	160,855,669	148,547,284
Grupo Nutresa S.A.	52,924,199	53,806,578
Suramericana S.A.	42,792,931	37,209,399
Grupo Argos S.A.	36,708,748	35,170,408
Protección S.A.	15,230,708	11,119,951
Celsia S.A. E.S.P	1,350	-
Others	-	10,808,603
Total	308,513,605	296,662,223

Out of the entire COP 308.513.605 million in cash dividends received by GRUPO SURA in 2012, 52.1% was obtained from Bancolombia S.A., 17.2% from Grupo Nutresa S.A., 13.9% from Suramericana and 11.9% from Inversiones Argos S.A.

At December 31, 2012, the value of GRUPO SURA's market capitalization came to COP 18.547.059 million.

Our ordinary shares are traded on the BVC (Colombian Stock Exchange) under the symbol "GRUPOSURA", and our Level 1 ADRs (American Depositary Receipts) are traded on the Over-the-Counter-Market in the United States under the symbol "GIVSY." Our shares are also traded on the Latibex market for Latin American Securities in Euros (Mercado de Valores Latinoamericanos en Euros - LATIBEX") under the symbol "XGSUR."

■ Our Ongoing Expansion

Consolidating the acquisition carried out at the end of 2011 was one of the most important aspects of our performance in 2012. Much effort was made with different initiatives and synergies that resulted in a merger between Administradora de Fondo de Pensiones y Cesantías Protección S.A. and AFP ING Administradora de Fondos y Pensiones y Cesantías S.A. at the end of the year

Based on our growth and expansion plans and guided by responsible investment criteria, we were able to make new acquisitions within the region through our subsidiaries Suramericana S.A. and Sura Asset Management S.A. These included Aseguradora Suiza Salvadoreña S.A. ASESUISA in El Salvador and Invita Seguros de Vida S.A, the latter also comprising of InCasa, a company offering mortgage loans. We also purchased a share of the Bolsa de Comercio de Chile (Chile's Stock Exchange), Pactoril S.A. in Uruguay and more recently the remaining stake in AFP Integra en Peru for a full 100% ownership interest.

■ Our Strengths

1) GRUPO SURA is the principal shareholder of a group of leading companies operating primarily in Colombia, Mexico,

El Salvador, the Dominican Republic, Panama, Peru, Chile and Uruguay. GRUPO SURA has invested in well-established companies mainly in the financial service, insurance, social security, pension fund and complementary service sectors, and to a lesser extent in several industrial sectors, including food processing, cement and ready-mix concrete, energy, ports, coal-mining and real estate.

- 2) Increasing stream of sound, diversified cash flows from the Group's companies. GRUPO SURA derives most of its cash flows from dividends paid by a diversified group of companies operating across various industries and countries within Latin America. In recent years, these companies have consistently paid dividends, which have been increasing by at least the rate of inflation as measured by the Consumer Price Index (CPI).
- 3) Strong balance sheet that supports the growth of our business. At December 31, 2012, GRUPOSURA's shareholders' equity came to COP 20,791,860 million and its total debt-to-shareholders' equity ratio was 5.5%. GRUPOSURA has historically financed its expansion primarily

through operating cash flows and the sale of its non-strategic assets. It is worthwhile noting that the Company managed to end the year with similar levels of debt as prior to the acquisition of what today is known as Sura Asset Management S.A.

- 4) Multi-product and multi-channel business model. We have increased our market share in the regional financial services sector by developing an integrated business model, allowing us to take full advantage of the synergies existing between our different banking, insurance and pension fund businesses while accessing a wider customer base and creating greater customer loyalty. All this has been carried out in strict compliance with all applicable regulations in each country and abiding by all legal restrictions. Our integrated business model represents a true competitive advantage for our different companies while creating a significant entry barrier that protects us from the competition.
- 5) Commitment to best practices, corporate governance and sustainable development. Our Corporate Governance Code was first introduced

in 2002 and we have been publishing annual corporate governance reports since 2005. The guiding principle behind our corporate governance policies is to champion a business policy governed by principles of fairness, respect, responsibility and transparency and a firm commitment to Colombia and its people. Our Corporate Governance Code follows international standards regarding relationships with regulatory entities, independent board members, board of directors' roles, board of directors' committees, along with internal controls and the disclosure of information. In addition, and as part of our emphasis on social responsibility and good corporate citizenship, we, in the company of our subsidiaries and affiliates, take part in projects that help improve the quality of life for the more vulnerable communities, by means of institutional contributions and the efforts of our own group of volunteers, all of which is channeled through our Suramericana Foundation. In 2012, the Suramericana Foundation invested a total of COP 11.345 million in 15 departments in Colombia.

- 6) An experienced management team. GRUPO SURA has an

experienced management team with a proven track record. Most of the members of our senior management have held executive positions across various industries in Colombia and elsewhere in Latin America.

■ Our Corporate Strategy:

Our business strategy focuses on creating value with all those investments that make up the Group's strategic portfolio, expanding and developing our businesses through strong and sustainable growth while at the same time identifying synergies and taking advantage of growth and business opportunities among the companies that belong to the Group. We plan to pursue our business strategy by focusing on the following:

- a) Maintaining our leadership on the local markets. Our main portfolio companies are leaders in their own respective markets. Bancolombia is the leading financial institution in Colombia and El Salvador; Suramericana

is the holding company of the largest insurance firms in Colombia and El Salvador, as well as an important player on the Dominican insurance market; Sura Asset Management presides over a group of leading companies in Mexico, Peru, Chile and Uruguay. Grupo Nutresa is the largest food processing conglomerate; and Grupo Argos is the holding company for the largest company in the cement and ready-mix concrete market as well as an important player in the energy sector. It is also worth noting that Grupo Argos, through its cement subsidiary, holds an important position on the US market. We plan to maintain our leadership in these markets by employing highly-skilled individuals, offering superior products and solutions to our customers, investing in research and development for greater innovation, fostering customer loyalty by providing a combination of personalized attention and high-quality products and services at competitive prices while at the same time ensuring that our businesses continue to abide by our guiding principles of fairness, respect, responsibility and transparency.

- b) Expanding into selected international markets and driving the growth of all those companies that form part of our portfolio of strategic investments in the financial services, insurance, social security, pension fund and complementary services sectors. As far as corporate strategy is concerned and expanding our interests abroad, we adhere to the following key criteria of responsible investment: (i) the political, social and macroeconomic stability of the countries in question; (ii) countries offering growth potential; (iii) companies that are leaders in their respective markets; (iv) acquiring controlling stakes; (v) companies providing positive levels of economic, environmental and social performance; (vi) good corporate governance practices; and (vii) sound corporate reputation. Based on these criteria we carried out the following acquisitions: Asesuisa in El Salvador (through Suramericana); Invita, today known as Seguros Sura in Peru, and Incasa, now Hipotecaria Sura in Peru plus the remaining 20% stake in AFP Integra and Wealth Management also in Peru (all through Sura Asset Management), as well as a share in the Bolsa de Comercio de Chile (Chile's Stock Exchange) and Pactoril now known as Afisa in Uruguay.
- c) Harnessing synergies between our strategic investments. Within our financial services business, we seek to take full advantage of synergies existing between our businesses through shared knowledge, information technology and human resource systems as well as deploying a multi-product and multi-channel business model through which we offer products and services across different industries. To date progress is being made with undertakings between Bancolombia and Suramericana, Suramericana and Protección as well as between Protección and Bancolombia. We are also striving to harness other synergies in different parts of Latin America where we are present.
- d) Maintaining and enhancing a strong, diversified stream of cash flows. By expanding our presence in the financial services sector, we seek to maintain and enhance the financial strength of our companies while diversifying our sources of revenues. In so doing, we aim to ensure that our dividend flows continue to be

well diversified across various industries and countries, rising at similar or faster rates than in recent years. Also, and to ensure that our growth shall not hamper our strong credit position, we intend to continue with our long-term policy of maintaining conservative leverage levels.

■ Senior Management

Our Board of Directors, in keeping with our by-laws, consists of seven directors who are elected at annual ordinary shareholders' meetings. The current members of our Board of Directors were elected by the shareholders at an ordinary shareholder's meeting held on March 29, 2011 for a period of two years. The term of each of the current board members expires

in March 2013. Directors may be appointed for additional terms without limitation

It is to be noted that the former Chairman and Vice-Chairman of our Board of Directors resigned in favor of appointing two of the three independent members to these same seats.

The following table sets forth certain information about our current directors:

NAME	POSITION
Armando Montenegro Trujillo(1)	Chairman
Hernando Yepes Arcila(1)	Vice-Chairman
José Alberto Vélez Cadavid	Principal member
Carlos Enrique Piedrahita Arocha	Principal member
Juan Guillermo Londoño Posada	Principal member
Jorge Mario Velásquez Jaramillo	Principal member
Jaime Bermúdez Merizalde (1)	Principal member

(1) Independent Member, in accordance with Colombian law.

Senior Management

Our current executive officers are as follows:

NAME	POSITION
David Bojanini García	Chief Executive Officer
Ignacio Calle Cuartas	Chief Financial Officer
Mario López López	Chief Audit Officer
Fernando Ojalvo Prieto	Chief Administrative Officer and Company Secretary

Board Committees

Committee for Board Matters and Investment

The Committee for Board Matters and Investments is responsible for monitoring both individual directors and the Board as a whole, as well as the Company's interests and continued adherence to the policies adopted under the Company's Corporate Governance Code. This Committee is comprised of two persons, one of whom must be the Chairman of the Board of the Directors and the other the Company's Chief Executive Officer.

Finance and Audit Committee

The Finance and Audit Committee is responsible for evaluating the Company's internal control system, ensuring continued adherence to the policies adopted under the Code of Ethics, and evaluating all aspects of the Company's finances and accounting, including financial and contingency planning, the detection and handling of internal risk and the drawing up of administrative policies. It is also responsible for reviewing the interim and year-end financial statements. This Committee is comprised of three directors, all of whom must have an independent status.

NAME	POSITION
Armando Montenegro Trujillo	Chairman
Jaime Bermúdez Merizalde	Principal member
Jose Alberto Vélez Cadavid	Principal member

NAME	POSITION
Armando Montenegro Trujillo	Chairman
Jose Alberto Vélez Cadavid	Principal member
Carlos Enrique Piedrahita Arocha	Principal member
David Bojanini García	Chief Executive Officer

Compensation and Development Committee

The Compensation and Development Committee is responsible for the strategic handling of the Company's human talent, directing key HR processes on a Senior Management level (employee

selection, evaluation, compensation and development) and conducting periodic reviews of the mission of both the Chief Executive Officer and his executive team, while ensuring the availability of critical human talent in being able to attract and retain such, as well as drawing up the corresponding succession plan.

This Committee is also responsible for formally evaluating the performance of Senior Management, including the Company's Chief Executive Officer, bearing in mind their integrity, vision, leadership skills, ability to attain the goals set, succession plan, relationships with stakeholder groups and their immediate reports, by means of meetings held from time to time,

making any recommendations required with regard to their remuneration based on performance, which shall be approved by the Company's Board of Directors and these shall strictly relate to the performance of each individual and the Company as a whole, while ensuring full compliance with Senior Management's remuneration policy.

This Committee is comprised of three directors one of whom must be the Chairman of the Board of Directors.

NAME	POSITION
Jose Alberto Vélez Cadavid	Principal member
Carlos Enrique Piedrahita Arocha	Principal member
Hernando Yepes Arcila	Principal member

Corporate Governance Committee

The Corporate Governance Committee is responsible for issues regarding the Board of Directors, Senior Management, the Company's Good Corporate Governance and its sustainability performance. It consists of three directors one of whom must be the Chairman of the Board of Directors.

Principal Shareholders

Our ordinary or common shares are listed both on the Colombian Stock Exchange as well as on the LATIBEX market in Europe. They also trade in the form of ADRs on the OTC Market in the United States. In addition to this, on March 9, 2012 Grupo de Inversiones Suramericana S.A. launched a Level 1 ADR program for its preferred shares, thereby placing both types of stock at the disposal of international investors on the OTC market in the United States. One preferred ADR issued by Grupo de Inversiones Suramericana S.A. represents one preferred share.

The following table contains certain information concerning the actual ownership of our common stock as of December 31, 2012 with respect to our largest shareholders.

NAME	POSITION
Armando Montenegro Trujillo	Chairman
Hernando Yepes Arcila	Principal member
Jaime Bermúdez Merizalde	Principal member

NOTE 2

■ Summary of principal accounting policies

(a) Basis for Preparing and Presenting the Financial Statements

The Company's financial statements are drawn up and presented pursuant to generally-accepted accounting principles in Colombia.

(b) Materiality (or relative importance)

All economic events are recognized and presented according to their relative importance. Upon preparing the financial statements, materiality was determined based on total current assets and liabilities, total assets and liabilities, working capital, shareholders' equity and results for the year, as appropriate

As a general rule we applied a materiality threshold of 5% of the total value of assets and operating revenues.

(c) Transactions and balances in foreign currencies

Transactions in foreign currency are posted at the exchange rate applicable on the date on which said transactions are

carried out. The balances of our assets and liabilities in foreign currency, at December 31, 2012 and December 31, 2011 were converted to Colombian pesos using the market exchange rate, as established by the Colombian Superintendency of Finance, which came to COP 1.768,23 and COP \$1.942,70 per US dollar respectively for said years. Exchange differences resulting from adjustments to assets are posted on the income accounts, those relating to liabilities are applied to the assets in question until the asset is ready to be either used or sold and thereafter posted on the income accounts.

According to Decree No. 4918 issued December 26, 2007 by the Colombian Ministry for Commerce, Industry and Tourism, exchange differences resulting from equity investments in foreign subsidiaries must be posted as a higher or lower value of the Company's equity; and when the investment in question is sold off, this value is posted on the income accounts.

(d) Use of Estimates

The preparation of financial statements according to generally-accepted accounting principles in Colombia requires that Company Management records estimates and provisions affecting the reported values of the Company's assets and liabilities, and for all contingent assets and liabilities to be disclosed on the date on which the financial statements are drawn up. The real results could therefore differ from the figures thus estimated.

(e) Cash equivalents

For the purposes of its Statement of Cash Flows, the Company considers fiduciary rights on ordinary common funds as well as negotiable shares and certificates of deposit as cash equivalents.

(f) Investments

For valuation purposes, investments are classified according to the following criteria:

- Their intent and purpose: that is to say whether they are negotiable or permanent.
- Their corresponding yield: fixed, variable or a combination thereof
- Control held over the issuer: controlling or non-controlling stakes.
- The reason behind the

investment: voluntary or mandatory.

- The rights granted by the security: participating and non-participating. Investments are appraised and posted as follows:
- **Negotiable investments:** at their market value, and all variations with regard to their latest book values are recorded in the income accounts alongside each investment.
- **Controlling investments:** these are companies in which more than a 50% stake is held and which appear in the Colombian Commercial Registry as under the Company's control. The value of these is either increased or decreased in books depending on any changes in the subsidiary's equity subsequent to its acquisition, this based on the percentage stake held, and any adjustments made thereto are recorded in the income statement, specifically in the capital surplus account. The equity method is used, pursuant to that laid out in Joint Circular No. 11 issued August 18, 2005 by the Colombian Superintendency of Companies and the Colombian Superintendency of Finance, and the value of these investments is calculated and posted on a quarterly basis. The difference between the

book value of these investments and their intrinsic value is posted as a gain or a provision (which is charged to the income accounts) as applicable.

According to Decree No. 4918 issued December 26, 2007 equity investments in foreign subsidiaries must be restated in the functional currency using the applicable exchange rate, as certified by the Colombian Superintendency of Finance, or any other authority that should replace said Superintendency, posting the difference between the book value of said assets and their restated value as an increase or decrease in the value of the Company's equity, in the account where equity variances are recorded. When the investment in question is sold off, any adjustments in the exchange difference recorded in the equity accounts shall affect the results for the corresponding period.

- **Permanent (non-controlling) investments:** should the value of the investments sold be higher than their book cost, the difference represents a gain for the period and this is posted in the valuation offset accounts (as a valuation against valuation surplus). Should the value of the investments sold be lower than their book cost, the

difference is charged first to the valuation account and then to the valuation surplus account, up to the amount contained in said accounts with any amounts left over constituting a loss in the value of the investment which is then charged to the aforementioned accounts as a lower value of these same, regardless of the contrary nature of their net balances.

The Company applies an investment provision policy which is similar to that used by companies overseen by the Colombian Superintendency of Finance. Investments rated lower than a "BBB" are posted at values which should not exceed the following percentages:

LONG TERM	MAXIMUM VALUE %	SHORT TERM	MAXIMUM VALUE %
BB+, BB, BB-	80	3	80
B+, B, B-	60	4	50
CCC	40	5 and 6	0
DD, EE	0		

Investments which are not rated by outside rating agencies, are internally rated according to their inherent risk and are posted at a percentage of their commercial value, as shown below:

- A: Normal Risk: 100%
- B: Appreciable Risk: 80%
- C: Appreciable Risk: 60%
- D: Significant Risk: 40%
- E: Irrecoverable Investment: 0%

(g) Related parties

GRUPO SURA's related parties are companies under its direct or indirect control, as well as members of its Board of Directors and Senior Management.

Colombian law sets forth certain restrictions and limitations on transactions carried out with certain related parties, such as the directors and senior management of a company, as well as its subsidiaries.

Restricted or prohibited transactions are duly stipulated

in the Colombian Code of Commerce, as amended by Law 222 of 1995. This law establishes, among other things, the following: (i) all subsidiaries must carry out their activities independently and with sufficient administrative autonomy; (ii) transactions between the parent company and its subsidiaries or affiliates must be of a real nature and may not differ considerably from standard market conditions, nor be to the detriment of the Colombian government, stockholders or third parties and (iii) subsidiaries may not acquire any shares issued by their parent company.

Furthermore, our Corporate Governance Code stipulates that all transactions carried out between GRUPO SURA and its shareholders, directors and senior executives must be carried out on an arm's length basis and with the utmost transparency, fairness and impartiality.

Grupo Sura has engaged in a variety of transactions with related parties in the ordinary course of business. For example, we obtain from time to time credit facilities and other financial services from Bancolombia and Suramericana's subsidiaries. We believe that the prices, interest rates and the terms and conditions set forth in those agreements are comparable to those that would be obtained through arms-length negotiations with unrelated parties.

During the last two fiscal years, GRUPO SURA has not been involved in any related party transaction that is material either to us or to any of our related parties or was performed outside Grupo Sura's ordinary course of business.

(h) Deferred Charges

Deferred charges consist of insurance expense, which is amortized during the term of the policy, as well as organizational and pre-operating expenditure incurred by the Company in acquiring the ING assets, to be amortized over a maximum period of five (5) years using the straight-line method.

(i) Property and Equipment

Property and equipment are posted at their purchase cost, which included the effect of inflation up to December 31, 2006. Depreciation is calculated by applying the straight-line method to its inflation-adjusted cost during the estimated useful life of the asset in question.

The annual depreciation rate for vehicles is 20%.

(j) Intangibles

Intangible items consist of acquired goodwill, trademarks, non-competition agreements and contractual relations with clients.

- **Acquired goodwill**

As part of an overarching standard, and in keeping with that laid out in Article 11 of Decree 2649 of 1993 with regard to essence over form, goodwill resulting from the acquisition of Compuredes S.A. was posted in books according to the International Financial Reporting Standard (IFRS) 3, using the acquisition method on the date on which control of this company was effectively transferred. This goodwill corresponded to the purchase price paid on the date Compuredes was acquired, less the reasonable value of the

corresponding net assets including intangible items (trademarks, non-competition agreements and contractual relations with clients) valued on the date of said acquisition.

Goodwill posted in this manner is not amortized but is subjected to impairment tests on an annual basis.

- **Trademarks, Non-Competition Agreements and Contractual Relations with Clients**

This corresponds to the reasonable value of all those rights obtained upon

acquiring Compuredes S.A. on the corresponding acquisition date, the exercise or use of which may produce economic benefits over various periods.

For the purpose of recognizing the extent to which the assets in question contribute to the Company's income, these are systematically amortized during their useful life, using the straight-line method as follows:

INTANGIBLE ASSET	USEFUL LIFE YEARS
Trademarks	1.0
Non-Competition Agreements	5.0
Contractual relations with clients	5.5

(k) Derivatives

These represent the value of all those financial arrangements that are set up for the purpose of handling the risk associated with our liabilities and these may be carried out in order to purchase or sell assets such as foreign currencies, shares or futures governing exchange and

interest rates, stock indexes or any other underlying asset that may be agreed upon, which are settled at a future date accorded between the parties.

The Company enters into hedging agreements to protect itself against the exchange

rate. Hedging is not used for speculative purposes and these arrangements are conducted with banks and other counterparties.

With regard to the conditions in which derivative-based transactions are conducted, it is important to note that in Colombia there are no general rules and regulations governing the accounting treatment applicable for this type of transaction.

The corresponding income or expense is recognized once the contract is settled.

(l) Gains and Losses

In the case of permanent investments in non-controlling companies, the difference between their cost and their corresponding book cost or between their price, as established by the Colombian Stock Exchange (Bolsa de Valores), and their book cost, is recorded in the valuation account crediting the valuation surplus account. Should their intrinsic value be less than their book cost the difference is first charged to the valuation account and then to the valuation surplus account, and should there remain any amount left over this is considered as a loss that affects

the aforementioned accounts as a lower value of these, regardless of the contrary nature of their net balances.

Trust appraisals are posted according to the difference between the value appearing on the corresponding statement and their book cost.

(m) Taxes

Income Tax

Income tax expense is determined based on taxable income. The effect of temporary differences that imply calculating higher or lower taxes to be paid for the current year, based on current tax rates, is posted as a deferred tax asset or liability, as applicable, providing said differences are reasonably expected to be reversed.

Wealth Tax

Based on Concept No. 115-009819 issued on January 26, 2011 by the Colombian Superintendency for Companies, Senior Management decided to recognize its total wealth tax obligation against its equity valuation accounts based on Situation 1 (a) contained in said Concept.

(n) Memorandum Accounts

These accounts contain transactions, circumstances, agreements and contracts that may entail certain rights and obligations and in so doing affect the Company's financial structure. These include control accounts used for assets, liabilities, equity and management information or for controlling future financial situations and differences between accounting records and tax returns.

(o) Recognition of Revenues, Costs and Expense

Costs and expense incurred with operations are recognized on an accrual basis.

(p) Net Earnings Per Share

Net earnings per share in pesos for 2012 were calculated based on a total of 575,372,223 shares outstanding. For the year 2011, these were calculated on the

basis of the average weighting of the Company's subscribed shares outstanding during the time these had been placed, which in this case totaled 477,898,507.

(q) Bonds and Commercial Paper

These are amounts received by the economic entity as a result of issuing and selling bonds and commercial paper classifying as credit securities issued for the purpose of financing working capital.

NOTE 3

■ Balances in Foreign Currency

The following is a breakdown of the balances in foreign currency held at December 31:

	2012		2011	
	USD	EURO	USD	EURO
Cash and banks	6	3	1,610	-
Investments	74,383	378,673	73,383	514,997
Accounts receivable	-	-	-	252,469
Financial obligations	(999)	-	(1,030,697)	-
Accounts Payable	(361)	-	(1,364)	-
Net assets (liabilities)	73,029	378,676	(957,068)	767,467

NOTE 4

■ Cash and banks

The following is a breakdown of the Cash and Banks account at December 31:

		2012	2011
Cash and due from banks	\$	300	6
Petty cash – foreign currency		2,504	2,452
Banks:			
Domestic		246,093	4,000,060
Foreign		8,232	3,126,958
Savings accounts(1)	\$	260,853	265,296,568
		517,982	272,426,044

(1) The balance of the savings accounts for 2011 corresponded to short-term funds used to pay off financial obligations.

The cash and due from banks account is free from any constraint or encumbrance.

NOTE 5**■ Investments**

The following is a breakdown of investments held at December 31:

		2012	2011
Negotiable (1)	\$	88,033,067	20,605,410
Permanent (2):			
Non-controlling		3,633,238,200	3,642,168,149
Controlling		5,491,648,693	6,093,659,382
		9,124,886,893	9,735,827,531
Provision for permanent investments		(22,341,025)	(21,303,061)
	\$	9,102,545,868	9,714,524,470

(1) The following is a breakdown of negotiable investments held at December 31 2012 and December 31, 2011 respectively:

2012

COMPANY	No SHORES	ECONOMY ACTIVITY		BOOK BALANCE	% STAKE
Celsia S.A. E.S.P	20,000	Finance	\$	107,879	-
Serfinco		Finance		122,464	-
Valores Bancolombia - Intermediación		Finance		110	-
Corredores Asociados S.A.		Finance		4,843	-
Valores Bancolombia - Renta liquidez		Finance		20,651	-
Bolsa y Renta S.A.		Finance		5,031	-
Convertible bonds		Finance		87,747,126	-
		Finance		24,963	-
			\$	88,033,067	

2011

COMPANY	No SHORES	ECONOMY ACTIVITY		BOOK BALANCE	% STAKE
Inversiones Argos S.A.	30,000	Finance	\$	507,567	-
Colinversiones S.A.	20,000	Finance		81,628	-
Grupo Nutresa S.A.	525,000	Finance		11,265,749	0.11
P.A. Confecciones Colombia S.A.	-	Finance		7,937,751	-
Serfinco	-	Finance		108,819	-
Valores Bancolombia - Intermediación	-	Finance		106	-
Corredores Asociados S.A.	-	Finance		379,110	-
Valores Bancolombia - Rentaliquidez	-	Finance		306,722	-
	-	Finance		17,958	-
			\$	20,605,410	

(2) The following is a breakdown of permanent investments held at December 31 2012 and December 31, 2011:

Non-controlling:

2012

COMPANY	No SHARES	ECONOMIC ACTIVITY	BOOK BALANCE	% STAKE	No. SHARES PLEDGED AS COLLATERAL
Fondo Ganadero – Fogansa	176,000	Livestock	\$ 352,000	0.29	-
Enka de Colombia S.A.	1,973,612,701	Manufacturing	24,050,143	16.76	-
Protección S.A. (1)	10,256,369	Social Security	185,163,696	48.35	-
Grupo Nutresa S.A.	162,785,860	Finance	731,227,556	35.08	-
Inversiones Argos S.A.	231,089,862	Finance	1,477,675,099	29.43	-
Bancolombia S.A.	227,194,911	Finance	1,211,115,855	26.67	28,115,070
Fondo Escala Capital		Finance	2,635,919	-	-
Patrimonio Autónomo Progresa Capital Fiducolombia		Finance	886,959	-	-
Fondo Renta Capital		Finance	105,397	-	-
Country Clubs			25,576	-	-
			\$ 3,633,238,200		

(1) Became a controlling interest on December 31.

2011

COMPANY	No SHARES	ECONOMIC ACTIVITY	BOOK BALANCE	% STAKE	No. SHARES PLEDGED AS COLLATERAL
Fondo Ganadero – Fogansa	176,000	Livestock	\$ 352,000	0.28	-
Enka de Colombia S.A.	1,973,612,701	Manufacturing	24,050,143	16.76	-
Protección S.A. (1)	10,256,369	Social Security	185,163,692	48.35	-
Grupo Nutresa S.A.	162,785,860	Finance	737,495,486	35.38	29,040,000
Inversiones Argos S.A.	231,089,862	Finance	1,481,674,256	35.8	8,875,000
Bancolombia S.A.	227,194,911	Finance	1,211,115,856	28.84	-
Fondo Escala Capital		Finance	1,164,159	-	-
Patrimonio Autónomo Progresa Capital Fiducolombia		Finance	1,019,414	-	-
Fondo Renta Capital		Finance	107,567	-	-
Clubes Sociales			25,576	-	-
			\$ 3,642,168,149		

(1)) Out of the total balance of the Company's permanent non-controlling investments, COP 773,311,933 have been pledged as collateral for loans issued to our subsidiary Grupo de Inversiones Suramericana Panama.

Controlling:

2012

COMPANY	No SHARES	ECONOMIC ACTIVITY	BOOK BALANCE	% BENEFICIAL OWNERSHIP	PROFIT (LOSS) - EQUITY METHOD
Inversiones y Construcciones Estratégicas SAS	1,325,696	Construction	\$ 133,069,120	100.00	3,984,794
Sura Asset Management S.A.	989,986	Finance	2,754,108,566	78.87	58,540,556
Suramericana S.A.	55,530	Finance	1,559,318,006	81.13	200,386,095
Enlace Operativo S.A.	1,613	Services	209,051	5.74	(21,788)
Grupo Sura Finance S.A.	10,000	Finance	1,918,982	100.00	(1,049,816)
Sura Asset Management España S.A.	15,194	Finance	977,569,355	15.45	67,278,250
Compuredes S.A.	75,337	Services	832,651	5.43	29,069
Integradora de Servicios Tercerizados SAS	94,500	Technology	39,672,135	94.50	(1,553,876)
Grupo de Inversiones Suramericana Panama	74,372,893	Finance	24,950,827	100.00	(4,495,838)
			\$ 5,491,648,693		323,097,446

2011

COMPANY	No SHARES	ECONOMIC ACTIVITY	BOOK BALANCE	% BENEFICIAL OWNERSHIP	PROFIT (LOSS) - EQUITY METHOD	No. SHARES PLEDGED AS COLLATERAL
Inversiones y Construcciones Estratégicas SAS	1,325,693	Construcción	\$ 132,382,123	100.00	10,723,542	-
Inversiones Internacionales Grupo Sura S.A.	1,175,978	Financiera	3,313,605,123	100.00	(2,288,316)	-
Suramericana S.A.	48,789	Financiera	1,259,629,367	81.13	157,680,749	-
Enlace Operativo S.A.	26,557	Servicios	41,616,037	94.50	(4,244,956)	-
Grupo Sura Finance S.A.	10,000	Financiera	19,427	100.00	(21,170,719)	-
Grupo de Inversiones Suramericana España (1)	20,094	Financiera	1,305,705,048	25.50	(347,846)	10,324
Compuredes S.A.	75,337	Servicios	620,009	5.74	3,460	-
Grupo de Inversiones Suramericana Panamá	73,372,893	Financiera	40,082,248	100.00	(5,580,034)	-
			\$ 6,093,659,382		134,775,880	

(1) Out of the total value of the Company's non-controlling permanent investments, COP 671.263.234 were encumbered in order to secure obligations arising from agreements signed with co-investors for the acquisition of the ING assets.

Provision for investments

Movements in the provision for investments corresponding to the years ended December 31, 2012 and December 31, 2011 are broken down as follows

	2012	2011
Opening balance	\$ 21,303,061	7,542,676
Provision – market	-	105,620
Reimbursed amounts on the income accounts	(11,851)	-
Movements – Equity Method (1)	1,049,816	21,170,719
Sales settlements (2)	-	(7,515,954)
Closing balance	\$ 22,341,026	21,303,061

(1) Corresponding to having recognized the loss sustained by the subsidiary Grupo Sura Finance, over and above its cost.

(2) This settlement corresponds to a swap performed with our subsidiary Inversiones y Construcciones Estratégicas consisting of stakes held in Confecciones Colombia and Sodexo Soluciones totaling COP 7.454.532 and COP 61.422, respectively.

The following is a breakdown of investments posted in books using the Equity Method:

COMPANY	ASSETS	LIABILITIES	EQUITY	PROFIT OR LOSS
Grupo Sura Finance	\$ 513,695,067	533,996,619	(20,301,552)	(1,049,816)
Inversiones y Construcciones Estratégicas SAS	141,757,394	8,687,974	133,069,420	3,984,802
Suramericana S.A.	1,965,566,094	43,530,447	1,922,035,647	246,998,506
Enlace Operativo S.A.	8,946,964	5,304,577	3,642,387	(379,621)
Compuredes S.A.	29,544,911	14,204,232	15,340,679	535,567
Sura Asset Management S.A.	3,543,168,841	51,327,089	3,491,841,752	215,036,553
Integradora de Servicios Tercerizados	46,987,412	5,006,317	41,981,095	(1,644,313)
Sura Asset Management España	12,982,626,930	6,584,710,534	6,433,916,396	442,794,845
Grupo Inversiones Suramericana Panama	560,757,384	516,785,003	43,972,381	(21,862,008)
	\$ 19,793,050,997	7,727,552,792	12,065,498,205	884,414,515
Effect on the income accounts using the Equity Method, in terms of net profits (losses)				323,097,446
Effect on assets				(602,010,688)
Effect on surplus using the Equity Method				20,220,010
Effect for the change in the Fx				114,087,194
Effect on the surplus account using the Equity Method				134,307,204

2011

COMPANY	ASSETS	LIABILITIES	EQUITY	PROFIT OR LOSS
Grupo Sura Finance	\$ 565,534,395	586,685,687	(21,151,292)	(21,170,719)
Inversiones y Construcciones Estratégicas SAS	150,273,141	17,890,720	132,382,421	10,723,566
Suramericana S.A.	1,783,271,703	230,660,845	1,552,610,858	196,154,246
Enlace Operativo S.A.	50,327,050	6,286,793	44,040,257	(4,492,232)
Compuredes S.A.	25,821,953	15,016,841	10,805,112	60,292
Inversiones Internacionales Grupo Sura S.A.	3,314,294,800	627,700	3,313,667,100	(2,288,400)
Grupo de Inversiones Suramericana España	6,566,831,061	1,446,249,584	5,120,581,477	(1,324,573)
Grupo Inversiones Suramericana Panama	1,836,678,911	1,796,596,662	40,082,249	(5,580,034)
	\$ 14,293,033,014	4,100,014,832	10,193,018,182	172,082,146
Effect on the income accounts using the equity method, in terms of net profits (losses)				134,775,880
Effect on assets				(1,883,963)
Effect on the surplus account using the equity method				(5,093,569,011)
Adjustments for exchange differences				(421,886,276)
Net effect on the surplus account using the equity method				(5,515,455,287)

The following is a breakdown of the equity structure of all those companies that are recorded in books using the equity method:

2012

COMPANY	CAPITAL	RESERVES	SURPLUS	PROFIT OR LOSS FROM PRIOR YEAR	PROFIT OR LOSS FOR CURRENT YEAR	TOTAL EQUITY
Gruposura Finance	\$ 17,682	-	-	(19,269,419)	(1,049,816)	(20,301,553)
Inversiones y Construcciones Estratégicas S.A.S	2,359,738	79,353,471	47,371,408	-	3,984,802	133,069,419
Suramericana S.A.	34,223	920,730,771	754,272,147	-	246,998,506	1,922,035,647
Enlace Operativo S.A.	2,810,400	13,041	10,949,360	(9,750,793)	(379,621)	3,642,387
Compuredes S.A.	1,388,000	2,254,846	11,162,267	-	535,567	15,340,680
Integradora de Servicios Tercerizados	100,000	-	43,525,409	-	(1,644,313)	41,981,096
Sura Asset Management S.A.	1,255,170	-	3,277,838,388	(2,288,359)	215,036,553	3,491,841,752
Sura Asset Management España	228	-	5,990,894	-	442,795	6,433,917
Grupo Inversiones Suramericana Panamá	131,508,363	-	43,904,727	(109,578,701)	(21,862,008)	43,972,381

Stakes held in controlling companies consist of common shares.

2011

COMPANY	CAPITAL	RESERVES	SURPLUS	PROFIT OR LOSS FROM PRIOR YEAR	PROFIT OR LOSS FOR CURRENT YEAR	TOTAL EQUITY
Gruposura Finance	\$ 19,427	-	-	-	(21,170,719)	(21,151,292)
Suramericana S.A.	30,069	777,323,891	579,102,652	-	196,154,246	1,552,610,858
Inversiones y Construcciones Estratégicas SAS	2,359,738	68,629,905	50,669,212	-	10,723,566	132,382,421
Enlace Operativo S.A.	2,810,400	13,041	50,967,610	(5,258,561)	(4,492,232)	44,040,258
Compuredes S.A.	1,312,924	2,194,553	7,237,343	-	60,292	10,805,112
Inversiones Internacionales Grupo Sura	1,176,000	-	3,312,779,500	-	(288,400)	3,313,667,100
Grupo Sura España S.L.U	198,250	-	5,121,707,801	-	(1,324,574)	5,120,581,477
Grupo Inversiones Suramericana Panamá	142,541,500	-	17,931,502	(114,810,720)	(5,580,034)	40,082,248

Stakes held in controlling companies consist of common shares.

NOTE 6

■ Accounts receivable

The following is a breakdown of Accounts Receivable at December 31:

		2012	2011
Inversiones Construcciones Estratégicas S.A.S	\$	-	8,913,113
Sura Asset Management S.A.		169,299	-
Grupo de Inversiones Suramericana España S.L.(1)		-	634,807,491
Dividends receivable (2)		66,954,866	63,547,714
Interest receivable (3)		920,379	1,502,416
Depósitos suscripción de acciones – Grupo de Inversiones Suramericana S.A. Panamá S.A.		-	186,372,932
Sura Asset Management S.A.		35,985,378	-
Prepaid tax		9,455,836	17,351,927
Miscellaneous receivables		3,177	215,678
	\$	113,504,835	912,711,271

(1)Corresponding to funds lent to the subsidiary Grupo de Inversiones Suramericana España S.L upon acquiring the ING assets.

The following is a breakdown of the Dividends Receivable account at December 31:

		2012	2011
Bancolombia S.A	\$	40,213,499	38,023,035
Grupo Nutresa S.A.		14,526,212	13,963,079
Celsia S.A. E.S.P		450	408
Grupo Argos S.A.		12,214,705	11,561,192
	\$	66,954,866	63,547,714

(2)The following is a breakdown of the Interest Receivable account at December 31:

		2012	2011
Inversiones Internacionales Grupo Sura	\$	-	425,016
Inversiones y Construcciones Estratégicas S.A.S		385,975	725,757
Sura Asset Management S.A.		534,404	351,643
	\$	920,379	1,502,416

NOTE 7

■ Deferred Charges

The following is a breakdown of the Deferred Charges Account at December 31, 2011:

		2011
Pre-paid Expense	\$	405,343
Insurance		
Deferred charges:		64,911,864
Organizational and pre-operating expense (1)	\$	65,317,207

(1) The balance of the Organizational and Pre-operating Expense account corresponds to expenditure incurred by Grupo Sura with the acquisition of the ING assets. This shall be amortized over a period of five years beginning in 2012.

NOTE 8

■ Intangibles

The following is a breakdown of the Intangibles Account at December 31:

	2012	2011
Goodwill	1,766,713	1,766,713
Trademarks		44,528
Non-Competition Agreements	25,359	31,847
Contractual relations with clients (1)	272,484	341,341
	\$ 2,064,556	2,184,429

The following is a breakdown of the amortization of intangibles at 31 de December de 2012:

INTANGIBLE ASSET	VALUE	ESTIMATED LIFE IN YEARS	AMORTIZATION INSTALLMENTS	AMOUNT AMORTIZED IN 2012	BOOK VALUE
Trademarks		1	0	44,528	\$ -
Non-Competition Agreements		5.0	42	7,078	24,769
Contractual relations with clients	341,341	5.5	48	68,268	273,074
					\$ 297,843

The following is a breakdown of the amortization of intangibles at 31 de December de 2011:

INTANGIBLE ASSET	VALUE	ESTIMATED LIFE IN YEARS	AMORTIZATION INSTALLMENTS	AMOUNT AMORTIZED IN 2012	BOOK VALUE
Trademarks		1	6	44.528	\$ 44.528
Non-Competition Agreements		5.0	54	3.539	31.847
Contractual relations with clients	375.475	5.5	60	34.134	341.341
					\$ 417.716

NOTE 9

Valuations

The following is a breakdown of Valuation Gains and Losses at December 31:

	2012	2011
Permanent equity investments:		
Valuations	\$ 12,372,807,056	10,602,066,339

The companies recording gains (losses) at December 31 were as follows:

COMPANY	ADJUSTED COST	COMMERCIAL VALUE	GAIN	LOSS
Enka de Colombia S.A.	\$ 24,050,143	15,236,290	-	8,813,853
Protección S.A.	185,163,696	378,843,297	193,679,601	-
Bancolombia S.A.	1,211,115,855	6,670,551,670	5,459,435,815	-
Grupo Nutresa S.A.	731,227,556	4,088,300,619	3,357,073,063	-
Grupo Argos S.A.	1,477,675,099	4,848,258,402	3,370,583,303	-
Fiduciary Rights - PA Reacol	-	849,126	849,126	-
	\$ 3,629,232,349	16,002,039,404	12,381,620,908	8,813,853

2011

COMPANY	ADJUSTED COST	COMMERCIAL VALUE	GAIN	LOSS
Enka de Colombia S.A.	\$ 24,050,141	20,900,558	-	3,149,583
Protección S.A.	185,163,692	326,873,762	141,710,070	-
Bancolombia S.A.	1,211,115,855	6,490,002,117	5,278,886,262	-
Grupo Nutresa S.A.	737,495,485	3,493,151,772	2,755,656,287	-
Inversiones Argos S.A.	1,481,674,256	3,909,781,644	2,428,107,388	-
Fiduciary Rights - PA Reacol	-	855,915	855,915	-
	\$ 3,639,499,429	14,241,565,768	10,605,215,922	3,149,583

NOTE 10

■ Financial Obligations

The following is a breakdown of the Financial Obligations account at December 31:

2012

	RATE	TERM (DAYS)		VALUE	GUARANTEE	ACCRUED INTEREST
Bancolombia S.A.	DTF +1.6	122	\$	101,370,178	Promissory note	1,116,000
Banco de Bogotá S.A.	DTF +1	150		51,000,000	Promissory note	274,563
Banco de Bogotá S.A.	DTF +1.8	204		164,200,000	Promissory note	1,083,448
Banco Av Villas S.A.	DTF +1.4	134		25,000,000	Promissory note	211,000
Banco BBVA S.A.	6.50%	150		45,000,000	Promissory note	244,000
Banco Popular S.A.	DTF +1.4	139		18,000,000	Promissory note	131,000
Repos - Valores Bancolombia	6.80%	90		34,808,934	Shares	175,961
Repos - Bolsa y Renta	6.70%	90		11,247,000	Shares	36,039
			\$	450,626,112		3,272,011

(1) Transactions conducted with Valores Bancolombia consisted of equity repos and buy/sell backs on fixed-income securities.

2011

	ANNUAL RATE (%)	TERM (DAYS)		VALUE	GUARANTEE	ACCRUED INTEREST
Banco de Bogotá S.A.	DTF +2.5	60	\$	110,000,000	Promissory note	118,089
Banco de Bogotá S.A.	DTF +2.5	62		150,000,000	Promissory note	1,784,471
Banco de Bogotá S.A.	DTF +2.5	57		100,000,000	Promissory note	650,699
Banco Davivienda S.A.	Libor +4	366		194,270,000	Promissory note	744,054
Banco Davivienda S.A.	Libor +4.25	366		77,708,000	Promissory note	264,157
			\$	631,978,000		3,561,465

NOTE 11

■ Ordinary Bonds

On November 25, 2009, Grupo de Inversiones Suramericana S.A. issued on the local bond market a total of COP 250,000 million in CPI indexed senior notes divided up into three tranches: (i) a 10 year tranche for a total value of COP 54,500,000 bearing an interest

rate of IPC + 4.40%; (ii) a 20 year tranche totaling COP 98,000,000 and bearing an interest rate of IPC + 5.90%; and (iii) a 40 year tranche in the amount of COP 97,500,000 carrying an interest rate of IPC + 6.98%.

NOTE 12

■ Other Financial Obligations

The following is a breakdown of the Other Financial Obligations account at December 31:

2012

	RATE	TERM (DAYS)	GUARANTEE	ACCRUED INTEREST
Grupo de Inversiones Sura Panamá S.A.	Libor +1.5	63	Promissory note	\$ 1,765,754
Inversiones y Construcciones Estratégicas S.A.S		Current account	Promissory note	19,477,513
				\$ 21,243,267

Payment in kind:

On August 31, 2012 Grupo de Inversiones Suramericana S.A. announced that it had transacted a payment in kind with its subsidiary Grupo de Inversiones Suramericana Panama S.A., based on the following terms and conditions:

- Debtor: Grupo de Inversiones Suramericana S.A.
- Creditor: Grupo de Inversiones Suramericana Panama S.A.
- Current value of the obligation: USD 290.227.159 as a payment of principal and USD 1.085.991,48 in interest.
- Assets surrendered: 185.992 shares in SURA Asset Management Colombia.
- Amount paid: USD 290.314.550,73 of which USD

289.228.559,25 corresponds to a payment of principal and USD 1.085.991,48 in interest.

Since this is a transaction between companies representing the same real beneficiary, this payment in kind was carried out at cost so as not to avoid reciprocal profits.

With the aforementioned payment in kind, Grupo de Inversiones Suramericana S.A. reduced its liabilities by 33,0% and its total assets by 2,6%.

The financial impact was felt on Grupo de Inversiones Suramericana S.A.'s individual financial statements only and not on its consolidated financial statements.

2011

	RATE	TERM (DAYS)	GUARANTEE	BOOK VALUE
Grupo de Inversiones Sura Panamá S.A.	Libor +1,5	428	Pagaré	\$ 1,730,356,458

(1) This obligation corresponds to the leverage required for the acquisition of the ING assets.

NOTE 13

■ Accounts Payable

The following is a breakdown of the Accounts Payable account at December 31:

		2012	2011
Suppliers	\$	596,103	1,776,308
Costs and expense (1)		5,538,457	7,621,738
Dividends(2)		89,013,357	69,575,485
Withholding tax		163,893	1,095,149
Withheld sales tax		124,165	310,538
Withheld ICA tax in Bogotá		10,332	-
Withholdings and payroll contributions		170,509	176,139
Miscellaneous payables (2)		5,440,207	33,924
	\$	101,057,023	80,586,281

(1)The following is a breakdown of Costs and Expense at December 31:

		2012	2011
Banco de Bogotá S.A.	\$	1,358,011	2,553,259
Bancolombia S.A.		1,116,250	-
Deposito centralizado de valores		2,201,811	2,417,934
Valores Bancolombia S.A.		175,522	-
Grupo de Inversiones Sura Panamá		63,782	1,642,389
Banco Davivienda S.A.		-	1,008,156
Banco BBVA S.A		244,488	-
Bolsa y Renta		36,039	-
Banco Popular S.A.		131,189	-
Banco AV Villas S.A.		211,365	-
	\$	5,538,457	7,621,738

(2)The balance of the dividends payable account consists of COP 37,175,063 in dividends on ordinary shares and COP 51,838,294 on its preferred shares.

(3)The following is a breakdown of the Miscellaneous Payables account at December 31:

		2012	2011
Servicios Generales Suramericana S.A.	\$	41,487	30,812
Suramericana de Seguros de Vida S.A.		7,694	-
Sustainability Program		2,219,105	-
Forward Operations with JP Morgan		3,171,875	-
Other minor payables		46	112
	\$	5,440,207	30,924

- a) Swap Non Delivery with Citibank under the following conditions: capital of the right USD 150,000, at a fix rate of 5,70%, capital of the debt \$267,000,000 at 6,8% Annual, Expiring in may 2021.
- b) Swap Non Delivery with JP Morgan under the following conditions: capital of the right USD 150.000, at a fix rate of 5.70%, capital of the debt \$267.000.000 al 6.75% Annual. Expiring in may 2021.

NOTE 14

■ Labor Liabilities

The following is a breakdown of the Company's labor liabilities at December 31:

		2012	2011
Consolidated severance payments	\$	75,016	69,806
Interest on severance payments		8,659	8,123
Consolidated vacation payments		154,165	144,917
Accrued salaries and wages		3,115	-
Extralegal bonuses		149,617	143,403
	\$	390,572	366,248

NOTE 15**■ Prepaid income**

The following is a breakdown of the Pre-Paid Income Account at December 31:

		2012	2011
Grupo Nutresa S.A. (1)	\$	26,741,367	9,308,719
Deferred tax		165,060	165,060
	\$	26,906,426	9,473,779

(1) Corresponding to pending dividend payments to be collected in February and March of 2013.

NOTE 16**■ Estimated Liabilities and Provisions**

The following is a breakdown of the Estimated Liabilities and Provisions account at December 31:

		2012	2011
Income and other complementary taxes	\$	26,606,931	13,148,587
Industry and commerce tax		7,060,002	3,470,778
Estimated liabilities and provisions		27,271	-
For contingencies		100,000	100,000
	\$	33,794,204	16,719,364

The following is a breakdown of the Income And Complementary Tax balance at December 31:

		2012	2011
Balance of estimated tax liability at 31/12/2011	\$	13,148,587	10,398,401
Income tax declared for 2012		(12,634,000)	(7,249,835)
Reversed provision for prior years		(514,587)	(2,633,979)
Value posted for 2012		26,606,931	12,634,000
Balance of provision for income and complementary tax	\$	26,606,931	13,148,587

The following is a breakdown of the Industry and Commerce Tax balance at December 31:

		2012	2011
Balance of provision at 31/12/2011	\$	3,470,778	3,273,979
Plus expense incurred during the year		7,057,752	3,468,528
Reversed provision for prior years		-	(195,308)
Value of provision at March 2011 for portfolio investments		-	(21,290)
Tax declared for 2012		(3,468,528)	(3,055,131)
Balance of final provision	\$	7,060,002	3,470,778

NOTE 17

■ Subscribed and paid-in capital

The Company's authorized capital consists of 600,000,000 shares each with a nominal value of COP

187.50 (Colombian pesos). Its subscribed and paid-capital at December 31, 2012 and December 31, 2011 consisted of 575,372,223 shares.

NOTE 18

■ Statutory Reserve

According to that provided by law, the Company must set up a statutory reserve, appropriating 10% of each year's net profits until 50% of the value of the Company's subscribed capital is reached. This reserve may be reduced to less than 50% of the total value of its subscribed capital, providing it is used to wipe out losses that exceed the amount of undistributed profits. This reserve may not be used to either pay dividends or cover expense

or losses incurred during the entire time the Company remains in possession of undistributed profits.

Should the Company's Shareholders so decide at their Annual General Meeting, this reserve may be increased beyond fifty per cent (50%) of the Company's subscribed capital, in which case this may be used for any purpose that the Company's shareholders should so determine.

NOTE 19

■ Occasional reserves

Occasional reserves, as required by Decree 2336 of 1995 (unrealized gains on increased value of investments) came to COP 332.335.944 and those corresponding to the protection of investments came to COP 2.827.924.622 for both 2012 and 2011.

NOTE 20

■ Memorandum Accounts

The following is a breakdown of the Memorandum Accounts at December 31:

	2012	2011
Debit accounts:		
Tax receivable	\$ 1,460,290,751	569,789,422
Securities pledged as collateral	1,435,361,220	2,027,385,166
Adjustments for inflation on assets	264,662,654	265,131,819
Written-off assets	577,613	577,613
	<u>3,160,892,239</u>	<u>2,862,884,021</u>
Credit accounts:		
Adjustments for inflation on equity	1,100,394,018	1,100,394,018
Tax payable	16,452,208,194	15,785,410,099
	<u>\$ 17,552,602,213</u>	<u>16,885,804,116</u>

NOTE 21

■ Related parties

a) Related companies:

Seguros Generales Suramericana S.A.
 Seguros de Vida Suramericana S.A.
 Inversiones y Construcciones Estratégicas S.A.S.
 Administradora de Carteras Colectivas Suramericana S.A.
 EPS y Medicina Prepagada Suramericana S.A.
 Consultoría en Gestión de Riesgos Suramericana S.A.S.
 Servicios de Salud IPS Suramericana S.A.
 Seguros de Riesgos Profesionales Suramericana S.A.
 Diagnóstico y Asistencia Médica S.A.
 Grupo Sura Finance S.A.
 Sura Asset Management España S.A.
 Enlace Operativo S.A.
 Grupo de Inversiones Suramericana Panamá S.A.
 Inversura Internacional Panamá S.A.
 Compuredes S.A.
 Seguros Suramericana S.A. (Panamá)
 Suramericana S.A.
 Integradora de Servicios Tercerizados S.A.S.
 Servicios Generales Suramericana S.A.S.
 Sura Asset Management S.A.

b) Members of the Board of Directors:

José Alberto Vélez Cadavid
 Carlos Enrique Piedrahíta Arocha
 Juan Guillermo Londoño Posada
 Jorge Mario Velásquez Jaramillo
 Hernando Yepes Arcila
 Armando Montenegro Trujillo
 Hernando José Gómez Restrepo

Shareholders who are real beneficiaries of 10% or more of the total amount of shares outstanding

c) Legal Representatives:

David Bojanini García
 Ignacio Calle Cuartas
 Mario López López
 Fernando Ojalvo Prieto

The following is a breakdown of the balances held and transactions performed with related parties at December 31:

	2012	2011
Assets		
Commercial current account:		
Inversiones y Construcciones Estratégicas SAS	\$ -	8,913,113
Grupo de Inversiones Sura España	-	634,807,491
Sura Asset Management S.A.	169,299	-
Interest:		
Inversiones y Construcciones Estratégicas S.A.S	385,975	725,757
Sura Asset Management S.A.	534,404	425,016
Grupo de Inversiones Suramericana España	-	351,643
Deposits:		
Sura Asset Management S.A.	35,985,378	186,372,932
	37,075,055	831,595,952
Liabilities		
Other financial obligations:		
Grupo de Inversiones Suramericana Panamá S.A.	1,765,754	1,730,356,458
Inversiones y Construcciones Estratégicas S.A.S	19,477,513	-
Interest:		
Grupo de Inversiones Suramericana Panamá S.A.	63,782	1,642,389
Miscellaneous creditors:		
Servicios Generales Suramericana S.A.	41,487	30,812
Seguros de Vida Suramericana S.A.	7,694	6,548
Inversiones y Construcciones Estratégicas S.A.S	-	40,855
Seguros Generales Suramericana S.A.	-	7,314
	21,356,230	1,732,084,376
Operating Revenue		
Interest:		
Sura Asset Management S.A.	109,388	425,016
Sura Asset Management España S.A	1,566,989	351,644
Inversiones y Construcciones Estratégicas S.A.S	109,254	1,635,278
	1,785,631	2,411,938
Operating Expense		
Inversiones y Construcciones Estratégicas S.A.S	449,036	-
Grupo de Inversiones Sura Panamá	12,961,545	1,909,754
Servicios de Salud IPS	1,431	-
Suramericana S.A.	66,319	-
Servicios Generales S.A.	5,460	-
Enlace Operativo S.A.	-	28,286
Seguros de Vida Suramericana S.A.	49,507	268,487
Seguros Generales Suramericana S.A.	116,695	34,450
Seguros Generales Suramericana S.A. - honorarios	1,113,600	989,153
	\$ 14,763,593	3,230,130

Transactions with related parties were carried out on an “arms-length” basis, that is to say, based on normal market terms and conditions

A breakdown of the fees paid to members of the Board of Directors is attached to the Balance Sheet, pursuant to Article 446 of the Code of Commerce.

At December 31, 2012 and December 31, 2011, the Company had not posted any transactions with legal representatives, senior management and shareholders who are real beneficiaries of 10% or more of the total amount of shares outstanding.

NOTE 22

Derivatives

Expense recorded for 2012 and 2011 corresponded to payments made on exercising European options with underlying securities consisting of Bancolombia ADRs, as shown below:

2012

TYPE OF OPERATION	COUNTERPARTY	DATE	SETTLEMENT PRICE (USD)	STRIKE PRICE (USD)	NO. OF OPTIONS	PAYMENT (IN USD 000S)	PAYMENT (IN COP 000S)
Call options sold	JP Morgan	January	59,26		8,813,853	2,707,81	5,020,744
Call options sold	JP Morgan	July	62,32	193,679,601		3,095,09	5,503,930
							10,524,674

2011

TYPE OF OPERATION	COUNTERPARTY	DATE	SETTLEMENT PRICE (USD)	STRIKE PRICE (USD)	NO. OF OPTIONS	PAYMENT (IN USD 000S)	PAYMENT (IN COP 000S)
Call options sold	JP Morgan	January	61,42	40,52	156,861	3,278,40	6,274,738
Call options sold	JP Morgan	July	66,89	41,39	156,529	3,991,50	7,074,242
							13,348,980

NOTE 23

Income and complementary taxes

The following is the reconciliation between pre-tax profits and taxable income estimated for the years ending December 31:

		2012	2011
Earnings before income tax	\$	572.706.435	345.369.350
Plus items that increase taxable earnings:			
Non-deductible provisions that constitute temporary differences		7.057.753	3.468.528
Profits on sales of taxable investments		123.165.141	-
Losses on sales of shares		-	160.552
Non-deductible vehicle tax		19.300	15.512
Dividends on permanent controlling investments		42.792.931	42.585.820
Financial transaction tax		715.372	4.199.297
Gains based on market prices		-	2.641.799
Amortizations		-	3.232.646
Other non-deductible tax		1.847.880	714.242
Losses incurred through equity method		7.121.318	33.628.411
Provision for investments		-	105.620
Miscellaneous expense		35.558	235.240
Less items that reduce taxable earnings:			
Industry and commerce tax payment		(5.498.989)	(3.448.113)
Earnings from sales of investments		(74.559.899)	(47.970.613)
Earnings – equity method		(330.218.764)	(168.404.291)
Reversed provision for ICA tax		-	(195.308)
Reversed provision for investment tax		(11.851)	-
Reversed provision for income tax		(514.587)	(2.661.676)
Non-taxable dividends and participations		(283.774.661)	(273.314.167)
Adjustments for exchange differences on investments		(114.087.194)	(421.886.276)
Income from equity gains		(8.795)	(29.909)
Total estimated taxable income		(53.213.052)	(481.553.336)
		2012	2011
Presumptive income applicable on net equity		79.414.941	38.253.112
Provision for income tax at a nominal rate of 33%*		26.206.931	12,623,527
Greater value of provision		400,000	10,473
Total provision for income and complementary tax	\$	26,606,931	12,634,000

The Company does not have any tax returns that remain subject to review on the part of the respective tax authorities.

The following is a breakdown of the tax memorandum accounts:

(a) Book equity at December 31 differs from tax equity due to the following items :

BOOK EQUITY	2012	2011
	\$ 20,791,859,933	18,864,466,979
Plus items that increase equity for tax purposes:		
	7,060,002	3,470,778
Non-deductible provision that constitutes a temporary difference	26,741,367	9,308,719
Prepaid dividend income	22,341,026	21,303,061
Non-deductible provisions that constitute permanent differences	-	1,202,227
Income tax provision	8,850,602,167	9,009,790,485
Tax cost of equity investments		
Less items that reduce equity for tax purposes:	-	504,587
Book cost of equity investments	(9,121,340,922)	(9,745,365,759)
Valuations	(12,372,807,057)	(10,602,066,339)
Less non-callable dividends	(26,741,367)	(9,308,719)
Tax equity	\$ 8,177,715,149	7,553,306,019

(b) The following is a breakdown of tax losses and surpluses on presumptive income adjusted for inflation at December 31:

		2012	2011
Tax losses			
Sustained in	2003	\$ -	10,437,914
	2004	44,744,853	43,169,178
	2006	30,374,922	29,305,279
	2008	4,869,475	4,697,998
	2009	5,612,110	5,414,481
	2010	59,933,912	57,823,359
	2011	493,847,017	-
Total		639,382,288	150,848,209
Tax surpluses			
	2005	-	11,730,942
	2006	-	26,588,656
	2007	13,357,073	12,886,708
	2008	44,648,807	43,076,515
	2009	16,936,329	16,339,922
	2010	23,405,536	22,581,318
	2011	43,048,476	-
Total		98,347,745	133,204,060

These losses, readjusted for tax purposes, may be offset with ordinary net income as follows: those produced between 2003 and 2006, within the following 8 years of having occurred, without exceeding 25% of their corresponding value per year, those occurring after 2007 do not carry any time restrictions as to

their subsequent offsetting.

Surplus presumptive income versus ordinary income may be readjusted for tax purposes and offset using the ordinary income obtained within five years of having occurred.

Law 1430 passed on December 29, 2010 introduced the following changes, amongst others, taking effect as of the tax year of 2011:

For the tax years of 2011 and 2012 self-assessed income tax returns shall be considered as firmly settled within a period of two years if the percentage increase in net income tax is several times higher than the inflation rate corresponding to the tax year in question, as shown below:

At least 5 times higher – 18 months as of the date presented
 At least 7 times higher – 1 year as of the date of presentation
 At least 12 times higher – 6 months as of the date of presentation

For the purposes of accepting costs, deductions, liabilities and deducted taxes, all payments made by taxpayers or those responsible for such, must be conducted by any of the means used by the Colombian financial system according to the manner, terms and conditions set by the Colombian Government, the deductibility of cash payments shall be gradually reduced as of 2014.

Wealth Tax

Law 1370 passed December 30, 2009 stipulated a wealth tax for the tax year of 2011 at a rate of

2.4% for all those taxpayers with net equities of more than COP 3.000 million and less than COP 5.000 million, and at a rate of 4.8% for all those taxpayers with net equities equal to or higher than COP 5.000 million. This tax accrued on the amount of equity held at January 1, 2011 and its payment consisted of eight equal installments scheduled between 2011 and 2014. Decree 4825 issued on December 29 2010 effectively extended the base for this tax and consequently all those taxpayers with equities of between COP 1.000 million and up to COP 2.000 million must pay wealth tax at a rate of 1% and all those taxpayers with equities of between COP 2.000 million and COP 3.000 million shall pay wealth tax at a rate of 1.4%. Furthermore a surtax of 25% was levied on all those taxpayers' equities of COP 3.000 million or more.

The Company posted and paid a total of COP 2.150.170 in wealth tax for 2012, which was charged to the equity revaluation account according to the interpretations given the respective regulatory authorities.

Wealth tax for the years 2013 and 2014, comes to COP 4.300.339.

NOTE 24

■ Presentation

Certain figures in the financial statements for 2011 were

reclassified so as to provide a comparative basis for the financial statements corresponding to 2012.

NOTE 25

■ Contingencies

We are currently involved in a lawsuit brought by Jhonny Alejandro Betancur, alleging damages for not having been opportunely registered as a shareholder of the Company.

It is unlikely that this legal proceeding shall have any adverse effect on the operations or financial position of Grupo de Inversiones Suramericana S.A.

NOTE 26**■ Subsequent Events**

In January 2013, Grupo de Inversiones Suramericana S.A., GRUPO SURA, declared its controlling interest over Administradora de Fondos de

Pensiones y Cesantía Protección S.A.. Subsequently the Company signed an agreement with

Cornerstone L.P. (a vehicle created by Alberta Investment Management Corporation ("AIMCo") for the purpose of investing mainly in Colombia) regarding the sale of 1,909,216 shares in the Sociedad Administradora de Fondos de Pensiones y Cesantías Protección S.A., which represents a 7.51% stake in said firm.

This transaction was carried out in full compliance with all the rules and regulations governing the Colombian Securities Exchange.

GRUPO SURA now has a direct stake of 32.85% in Protección's share capital along with an indirect stake held through Sura Asset Management for a total ownership interest of 49.36%.



NEST

115 X 160 cm. (approximate diameter)

Anodized aluminum

Celsia Collection

Ricardo Cárdenas

2012

INDIVIDUAL

FINANCIAL

STATEMENTS

STATUTORY AUDITOR'S REPORT

FEBRUARY 26, 2013

To the Stockholders
Grupo de Inversiones Suramericana S.A.:

I have audited the consolidated financial statements of Grupo de Inversiones Suramericana S.A. and its Subsidiaries "Grupo Sura" indicated in the note 1 to the consolidated financial statements, which comprise the consolidated balance sheet at December 31, 2012 and the consolidated statements of income, changes in equity, changes in financial position and cash flows for the year then ended and the related notes that include the summary of the significant accounting policies and other explanatory notes. The consolidated financial statements for the year 2011 were audited by other public accountant, member of KPMG Ltda., who expressed an unqualified opinion in his report dated March 6, 2012.

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Colombia. This responsibility includes: designing, implementing and maintaining the internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion on the consolidated financial statements based on my audit. I obtained the necessary information and carried out my examination in accordance with auditing standards generally accepted in Colombia. Such standards require the compliance with ethical requirements and that I plan and perform the audit to obtain a reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement in the consolidated financial statements. In making this risk assessment, the statutory auditor considers the internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates performed by management, as well as evaluating the overall presentation of the consolidated financial statements. I believe that my audit provides a reasonable basis for my audit opinion expressed below.

In my opinion, the above mentioned consolidated financial statements, attached to this report, present fairly, in all significant respects, the consolidated financial position of Grupo Sura at December 31, 2012, the consolidated results of its operations, the consolidated changes in its financial position and its consolidated cash flows for year then ended, in conformity with accounting principles generally accepted in Colombia, applied on a consistent basis with previous year.

Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of
Grupo de Inversiones Suramericana S.A.
Registration 43668 - T
Member of KPMG Ltda.

Consolidated Balance Sheets

FISCAL YEAR ENDED DECEMBER 31, 2012]

(With Comparative Figures for Year Ended December 31, 2011)

	2012	2011
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 533,999	1,093,092
Short-term investments (Notes 4 and 11)	3,368,843	2,130,541
Accounts receivable, net (Note 5)	2,078,529	1,742,512
Inventories	25,708	26,172
Realizable goods and received as payment (Note 6)	1,680	1,909
Prepaid expenses and deferred charges (Note 7)	253,726	258,888
Total current assets	6,262,485	5,253,114
Permanent investments (Note 4)	12,135,924	9,452,792
Accounts receivable, net (Note 5)	74,165	22,662
Property, plant and equipment (Notes 8 and 11)	690,197	540,914
Intangibles (Note 9)	5,447,639	5,661,308
Prepaid expenses and deferred charges (Note 7)	155,567	520,822
Other assets (Notes 10 and 11)	52,490	52,176
Excess cost on reciprocal investments	39,757	37,580
Valorizaciones (Nota 11)	12,521,171	10,759,971
Total assets	\$ 37,379,395	32,301,339
Liabilities, minority interest and Equity		
Current liabilities:		
Financial obligations (Note 12)	564,232	2,047,702
Suppliers	314,795	51,422
Accounts payable (Note 13)	627,453	1,337,603
Taxes, fees & duties	97,310	44,028
Employee benefit liabilities	127,654	89,592
Retirement pensions (Note 14)	1,700	1,493
Technical insurance reserves (Note 15)	9,473,477	6,060,919
Estimated liabilities and provisions (Note 16)	224,894	231,397
Deferred income	923,893	1,345,628
Other liabilities (Note 18)	71,886	267,800
Total current liabilities	12,427,294	11,477,584
Financial obligations (Note 12)	462,847	149,703
Bonds and Commercial papers (Note 17)	780,469	832,810
Retirement pensions (Note 14)	14,278	15,115
Total liabilities	13,684,888	12,475,212
Minority interest	2,837,955	1,015,516
Total liabilities and minority interest	16,522,843	13,490,728
Shareholders' equity:		
Common stock and paid-in capital (Note 19)	107,882	107,882
Additional paid-in capital (Note 20)	3,053,542	3,376,773
Reserves (Note 21)	3,582,450	3,355,626
Equity revaluations (Note 22)	983,950	986,639
Exchange rate effect	48,942	(243)
Losses from previous periods	(132,693)	(115,907)
Net income	691,288	339,846
Appreciation surpluses (Note 9)	12,521,191	10,759,995
Net shareholders' equity	20,856,552	18,810,611
Total liabilities, minority interest and Equity	\$ 37,379,395	32,301,339
Contingent and memorandum accounts (Note 23)		
Debtors per contra	\$ 22,902,096	18,315,399
Creditors	919,449,875	917,887,648

See notes to the consolidated financial statements.

Consolidated Income Statements

FISCAL YEAR ENDED DECEMBER 31, 2012

[With Comparative Figures for Year Ended December 31, 2011]

	2012	2011
Operating revenues:		
Health plans	\$ 9,442,802	7,443,509
Commissions	1,327,337	1,136,138
Interests, monetary correction, amortized discount	1,221,326	4,367
Changes	97,229	67,879
Dividends and stakes	120,375	26,205
Earnings from sale of investments, net	291,565	288,095
Investments valuations, net	87,893	55,314
Reimbursement provision for investments	536,928	253,042
Salvaged goods	1,136	870
Vehicle assessment and inspection	26,654	24,036
Data processing	15,111	14,201
Others	72,679	53,736
Otros	49,086	29,070
	13,290,121	9,396,462
Operating administrative expenses:		
Insurance businesses	8,606,470	6,755,729
Health plans	1,204,592	1,026,094
Commissions	267,953	-
Interests, monetary correction, amortized discount	144,413	137,168
Payroll expenses	697,627	356,212
Fees	342,388	240,072
Taxes	87,760	70,856
Rent	42,084	34,522
Contributions and memberships	56,835	56,167
Insurance	5,891	4,379
Services	114,179	92,464
Maintenance and repairs	59,173	12,990
Travel expenses	64,887	9,327
Supplies	5,838	5,794
Advertising and propaganda	74,802	24,142
Miscellaneous	25,379	18,504
Banking Services	56,446	63,466
Donations	750	39,009
Others	265,161	13,548
	12,122,628	8,960,442
Operating result before provisions, depreciations and amortizations	1,167,493	436,020
Provisions:		
Investments	6,859	3,480
Accounts receivable	19,352	18,172
Others	20,492	9,788
	46,703	31,440
Depreciations	48,584	17,494
Amortizations	193,715	6,168
Net operating income	878,491	380,918
Other income (expenses), net		
Income	231,195	52,380
Expenses	[28,085]	[29,509]
	203,110	22,871
Income before minority interest and taxes	1,081,601	403,789
Income and complementary taxes (note 24)	179,726	27,082
Income before minority interest	901,875	376,707
Minority interest	[210,587]	[36,861]
Net income for the period	691,288	339,846
Net earnings per share, in pesos	\$ 1,201.46	724.56

See notes to the consolidated financial statements.

ORIGINAL SIGNED
David Bojanini García - Legal representative

ORIGINAL SIGNED
Luis Fernando Soto Salazar - Accountant T.P. 16951-T

ORIGINAL SIGNED
Gonzalo Alonso Ochoa Ruiz - Statutory Auditor TP 43668 - T
Member of KPMG Ltda. [Refer to my report dated February 26, 2013]

Consolidated Statements of Changes in the Equity

FISCAL YEAR ENDED DECEMBER 31, 2012]

(With Comparative Figures for Year Ended December 31, 2011)

	Common stock	Additional paid-in capital	Reserves	Equity valuation	Exchange rate effect	Net income for the period	Income from previous period	Valuation surpluses	Total shareholders' equity
Balance on December 31, 2010	\$ 87,945	385,401	3,077,359	968,000	-	(115,894)	686,677	12,827,311	17,916,799
Distribution of 2010 results according to General Shareholders' Meeting Minutes # 15 dated March 31, 2011:									
Donations for Fundación Suramericana	-	-	-	-	-	-	(4,750)	-	(4,750)
Reserve for the protection of investments	-	-	555,495	-	-	-	(555,495)	-	-
Dividends over 469.037.260 (COP 290 pesos per share)	-	-	-	-	-	-	(136,021)	-	(136,021)
Suscribed capital 106.334.963 shares at COP 187.50	19,937	3,411,522	-	-	-	-	-	-	3,431,459
Payment of dividends over 106.334.963 shares at COP 975 for 4 months	-	-	(34,559)	-	-	-	-	-	(34,559)
Equity revaluation used for payment of equity tax	-	-	-	(8,601)	-	-	-	-	(8,601)
Revaluation	-	-	-	-	-	-	-	3,238,466	3,238,466
Net Income for the year	-	-	-	-	-	-	332,735	-	332,735
Consolidation net variations	-	(420,150)	(242,669)	27,240	(243)	(13)	16,700	(5,305,782)	(5,924,917)
Balance on December 31, 2011	\$ 107,882	3,376,773	3,355,626	986,639	(243)	(115,907)	339,846	10,759,995	18,810,611
Distribution of 2011 results according to General Shareholders' Meeting Minutes # 16 dated March 29, 2012:									
Donations for Fundación Suramericana	-	-	-	-	-	-	(4,000)	-	(4,000)
Allocate to sustainability projects	-	-	-	-	-	-	(3,000)	-	(3,000)
Reserve for the protection of investments	-	-	77,595	-	-	-	(77,595)	-	-
Dividends over 469.037.260 (COP 308 pesos per share)	-	-	-	-	-	-	(144,463)	-	(144,463)
Payment of dividends over 106.334.963 shares at COP 975	-	-	-	-	-	-	(103,677)	-	(103,677)
Revaluation	-	-	-	-	-	-	-	1,761,196	1,761,196
Net Income for the year	-	-	-	-	-	-	691,288	-	691,288
Consolidation net variations	-	(323,231)	149,229	(2,689)	49,185	(16,786)	(7,111)	-	(151,403)
Balance on December 31, 2012	\$ 107,882	3,053,542	3,582,450	983,950	48,942	(132,693)	691,288	12,521,191	20,856,552

See notes to the consolidated financial statements.

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Luis Fernando Soto Salazar - Accountant T.P. 16951-T

ORIGINAL SIGNED
Gonzalo Alonso Ochoa Ruiz - Statutory Auditor TP 43668 - T
Member of KPMG Ltda. [Refer to my report dated February 26, 2013]

Statements of Changes in Financial Position

FISCAL YEAR ENDED DECEMBER 31, 2012

(With Comparative Figures for Year Ended December 31, 2011)

		2012	2011
Sources of working capital:			
Net income for the period	\$	691,288	339,846
Items that do not use (provide) working capital			
Depreciation		48,584	17,494
Amortization		193,715	6,168
Provisions		46,703	31,280
Recoveries		[10,292]	[8,746]
Earnings from sale of investments		[87,893]	[55,314]
Minority interest		210,587	36,861
Working capital provided by operations		1,092,692	367,589
Earnings from sale of assets		95,919	1,307,950
Shares suscription		-	19,937
Share allocation premium		-	3,411,522
Decrease in prepaid expenses and deferred charges		-	524,819
Decrease in other assets		7,835	-
Increase in financial obligations		313,144	149,703
Decrease of intangibles		213,669	-
Increase in bonds and commercial papers		-	582,810
Excess cost in reciprocal investments		-	207,491
Minority interest		1,611,852	751,397
		3,335,111	7,323,218
Uses of working capital:			
Increase in permanent investments		2,517,043	6,868,263
Increase in long term accounts receivable		69,884	13,705
Increase in other assets		-	32,239
Increase in property, plant and equipment		203,536	415,138
Increase in prepaid expenses and deferred charges		171,540	-
Increase in intangibles		-	5,661,015
Decrease in retirement pensions, excluding current portion		837	146
Excess cost in reciprocal investments		2,177	-
Decrease in bonds and commercial papers		52,341	-
Dividends declared		258,092	180,483
		3,275,450	13,170,989
Increase (Decrease) in working capital	\$	59,661	[5,847,771]
Increase (decrease) in current assets:			
Cash and cash equivalents		[559,093]	819,506
Investments in available-for-sale securities		1,238,302	[447,322]
Accounts receivable		336,017	646,662
Inventories		[464]	[10,065]
Realizable assets and assets received as payment		[229]	[3,423]
Prepaid expenses and deferred charges		[5,162]	127,926
		1,009,371	1,133,284
Increase (decrease) in current liabilities:			
Financial obligations		[1,483,470]	1,892,953
Suppliers		263,373	17,896
Accounts payable		[710,150]	1,008,403
Taxes, duties and fees		53,282	38,661
Employee benefit liabilities		38,062	54,484
Current portion of retirement pensions		207	[405]
Technical insurance reserves		3,412,558	2,555,704
Estimated liabilities and provisions		[6,503]	73,082
Unearned revenues		[421,735]	1,329,972
Bonds and commercial papers		-	[233,652]
Other liabilities		[195,914]	243,957
		949,710	6,981,055
Increase (decrease) in working capital	\$	59,661	[5,847,771]

See notes to the consolidated financial statements.

ORIGINAL SIGNED
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Member of KPMG Ltda. [Refer to my report dated February 26, 2013]

Consolidated Cash Flow Statements

FISCAL YEAR ENDED DECEMBER 31, 2012

(With Comparative Figures for Year Ended December 31, 2011)

	2012	2011
Cash flow from operating activities:		
Reconciliation between the net income for the period and the net cash flow provided (used) by operating activities: efectivo neto provisto por (usado en) las actividades de operación:	\$ 691,288	339,846
Depreciation	48,584	17,494
Amortizations	193,715	6,168
Provisions	46,703	31,280
Recoveries	(10,402)	(21,246)
Increase in technical insurance reserves	3,412,558	2,555,704
Earnings from sale of investments	(87,893)	(55,314)
Valuation at market prices, net	(536,928)	(253,042)
Derivatives revaluations, net	744	744
Minority interest	210,587	36,861
	3,968,955	2,658,495
Changes in operating items:		
Accounts receivable	(266,876)	(633,701)
Other assets	7,835	(32,239)
Intangibles	213,669	(5,661,015)
Realizable goods and goods received as payment	264	3,384
Prepaid expenses and deferred charges	(166,378)	396,893
Inventories	464	10,065
Retirement pensions	(630)	(551)
Accounts payable	(729,588)	946,847
Estimated liabilities and provisions	(26,885)	84,984
Suppliers	263,373	17,896
Other liabilities	(195,914)	243,957
Taxes, duties and fees	53,282	38,661
Deferred revenues	(421,735)	1,329,972
Employee benefit liabilities	38,062	54,484
Minority interest	1,611,852	751,397
Earnings from sale of assets	95,919	1,307,950
Investments acquisitions	(3,585,604)	(7,168,408)
Excess cost in reciprocal investments, net	2,177	(207,491)
Net cash provided (used) by operating activities	862,243	(5,858,418)
Cash flow from investing activities:		
Decrease in property, plant and equipment	203,536	415,138
Cash flow from financing activities:		
Financial obligations	(1,483,470)	1,892,953
Bonds and commercial papers	(52,341)	349,158
Share subscription	(238,654)	(118,330)
Share allocation premium	-	19,937
Prima en colocación de acciones	-	3,411,522
Net cash provided (used) by financing activities	(1,774,465)	5,555,240
Net cash decrease (increase) and equivalents	(708,686)	111,960
Cash and cash equivalents at the beginning of the year	1,333,757	1,221,797
Cash and cash equivalents at the end of the year	\$ 625,071	1,333,757

See notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(With Comparative Figures for Year Ended December 31, 2011)

FISCAL YEAR ENDED DECEMBER 31, 2012

NOTE 1

■ Corporate Nature and Business Purpose

Grupo de Inversiones Suramericana S.A. was incorporated as a result of being spun off from Compañía Suramericana de Seguros S.A., by means of Public Deed No. 2295 drawn up December 24, 1997 before the Notary Public No. 14 of the Circuit of Medellin, with all the corresponding accounting formalities duly completed by January 1, 1998. Its main registered place of business is in Medellin, but it is entitled to set up branches, agencies, offices and representations in other parts of the country as well as abroad, should its Board of Directors so decide. The Company is legally authorized to carry on its business purpose until 2102.

Its business purpose is to invest in real estate and personal property, and may do so by means of shares, participations or holdings in companies, entities, organizations, funds and any other legally-permitted mechanism that allows for the investment of funds. Likewise, it may invest in securities or instruments yielding either a

fixed or variable income, regardless of whether they are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

The Company's reporting period shall follow that of the normal calendar year, ending on December 31. According to that set out in its by-laws, the Company shall close its books on the cut-off date so as to proceed to draw up its balance sheet and income statement corresponding to the year in question.

The Company is monitored by the Colombian Superintendency of Companies ("Superintendencia de Sociedades") and comes under the exclusive oversight of the Colombian Superintendency of Finance ("Superintendencia Financiera de Colombia"), given the fact that it is listed as an issuer of securities before the Colombian National Registry of Securities (Registro Nacional de Valores).

At December 31, 2012, the Company had a total of 42 employees all based at its Corporate Headquarters.

■ Corporate Profile:

GRUPO SURA is the principal shareholder of a group of leading companies operating in different parts of the world primarily in two key areas: the financial service sector, including commercial banking, insurance and pension funds, and the industrial sector, including processed foods, cement, ready mix concrete, energy, ports, coal mines and real estate.

In recent years, the companies that make up GRUPO SURA's investment portfolio have expanded to other countries and regions in the Western Hemisphere, including Central America, the Caribbean, the United States, Peru, Chile, Uruguay and Mexico.

Our principal interests in the financial service sector include a 44.8% stake in the voting shares of Bancolombia (equal to 26.8% of its capital stock), this being the largest bank in Colombia in which we are the largest shareholder; as well as our 81.1% stake in Suramericana S.A., the Group's insurance holding. The remaining 18.9% of Suramericana is owned by the German insurer Münchener Rückversicherungs-Gesellschaft

Munich Re, commonly known as "Munich Re." In addition, GRUPO SURA holds a direct stake of 40.4% in Protección, the second largest private pension fund administrator in Colombia, in which we are the largest shareholder.

Our investments in the processed food segment of the local industrial sector include a 35.1% stake in Grupo Nutresa S.A., the largest processed food conglomerate in Colombia where we are also the largest shareholder.

Our interests in the cement, concrete, energy, ports, coal-mining and real estate sectors include a 35.7% stake in the voting shares of Grupo Argos (equal to 29.5% of its capital stock) where again GRUPO SURA is the majority shareholder. Grupo Argos is in turn the majority shareholder of Cementos Argos, S.A. and Celsia S.A. E.S.P.

Some of the abovementioned companies also have cross holdings within the Group, which at December 31, 2012 consisted of the following:

Bancolombia held a 20.6% stake in Protección; Grupo Nutresa S.A. held 10.3% of the total shares outstanding belonging to GRUPO SURA and 12.7% of its voting shares along with a 10.2% stake in Grupo Argos. Grupo Argos S.A. and subsidiaries, for their part,

held 32.4% of the total shares outstanding belonging to GRUPO SURA and 37.5% of its voting shares along with a stake of 4.5% in Bancolombia S.A. and 9.8% in Grupo Nutresa.S.A.

Cash dividends received by GRUPO SURA from its portfolio companies pertaining both in 2012 and 2011 are set forth in the following table:

For years ended December 31

	2012	2011
Bancolombia S.A.	160,855,669	148,547,284
Grupo Nutresa S.A.	52,924,199	53,806,578
Suramericana S.A.	42,792,931	37,209,399
Grupo Argos S.A.	36,708,748	35,170,408
Protección S.A.	15,230,708	11,119,951
Celsia S.A. E.S.P	1,350	-
Others	-	10,808,603
Total	308,513,605	296,662,223

Out of the entire COP 308.513.605 million in cash dividends received by GRUPO SURA in 2012, 52.1% was obtained from Bancolombia S.A., 17.2% from Grupo Nutresa S.A., 13.9% from Suramericana and 11.9% from Inversiones Argos S.A.

At December 31, 2012, the value of GRUPO SURA's market capitalization came to COP 18.547.059 million.

Our ordinary shares are traded on the BVC (Colombian Stock Exchange) under the symbol "GRUPOSURA", and our Level

1 ADRs (American Depositary Receipts) are traded on the Over-the-Counter-Market in the United States under the symbol "GIVSY." Our shares are also traded on the Latibex market for Latin American Securities in Euros (Mercado de Valores Latinoamericanos en Euros - LATIBEX") under the symbol "XGSUR."

■ Our Ongoing Expansion

Consolidating the acquisition carried out at the end of 2011 was one of the most important aspects of our performance in

2012. Much effort was made with different initiatives and synergies that resulted in a merger between Administradora de Fondo de Pensiones y Cesantías Protección S.A. and AFP ING Administradora de Fondos y Pensiones y Cesantías S.A. at the end of the year.

Based on our growth and expansion plans and guided by responsible investment criteria, we were able to make new acquisitions within the region through our subsidiaries Suramericana S.A. and Sura Asset Management S.A. These included Aseguradora Suiza Salvadoreña S.A. ASESUISA in El Salvador and Invita Seguros de Vida S.A, the latter also comprising of InCasa, a company offering mortgage loans. We also purchased a share of the Bolsa de Comercio de Chile (Chile's Stock Exchange), Pactoril S.A. in Uruguay and more recently the remaining stake in AFP Integra en Peru for a full 100% ownership interest.

■ Our Strengths

- 1) GRUPO SURA is the principal shareholder of a group of leading companies operating primarily in Colombia, Mexico, El Salvador, the Dominican Republic, Panama, Peru, Chile and Uruguay. GRUPO SURA has invested in well-established companies mainly in the financial service, insurance, social security, pension fund and complementary service sectors, and to a lesser extent in several industrial sectors, including food processing, cement and ready-mix concrete, energy, ports, coal-mining and real estate.
- 2) Increasing stream of sound, diversified cash flows from the Group's companies. GRUPO SURA derives most of its cash flows from dividends paid by a diversified group of companies operating across various industries and countries within Latin America. In recent years, these companies have consistently paid dividends, which have been increasing by at least the rate of inflation as measured by the Consumer Price Index (CPI).
- 3) Strong balance sheet that supports the growth of our business. At December 31, 2012, GRUPOSURA's shareholders' equity came to COP 20,791,860 million and its total debt-to-shareholders' equity ratio was 5.5%. GRUPOSURA has historically financed its expansion primarily through operating cash flows and the sale of its non-strategic assets. It is worthwhile noting that the Company managed

to end the year with similar levels of debt as prior to the acquisition of what today is known as Sura Asset Management S.A.

- 4) Multi-product and multi-channel business model. We have increased our market share in the regional financial services sector by developing an integrated business model, allowing us to take full advantage of the synergies existing between our different banking, insurance and pension fund businesses while accessing a wider customer base and creating greater customer loyalty. All this has been carried out in strict compliance with all applicable regulations in each country and abiding by all legal restrictions. Our integrated business model represents a true competitive advantage for our different companies while creating a significant entry barrier that protects us from the competition.
- 5) Commitment to best practices, corporate governance and sustainable development. Our Corporate Governance Code was first introduced in 2002 and we have been publishing annual corporate governance reports since 2005. The guiding principle behind

our corporate governance policies is to champion a business policy governed by principles of fairness, respect, responsibility and transparency and a firm commitment to Colombia and its people. Our Corporate Governance Code follows international standards regarding relationships with regulatory entities, independent board members, board of directors' roles, board of directors' committees, along with internal controls and the disclosure of information. In addition, and as part of our emphasis on social responsibility and good corporate citizenship, we, in the company of our subsidiaries and affiliates, take part in projects that help improve the quality of life for the more vulnerable communities, by means of institutional contributions and the efforts of our own group of volunteers, all of which is channeled through our Suramericana Foundation. In 2012, the Suramericana Foundation invested a total of COP 11.345 million in 15 departments in Colombia.

6) An experienced management team. GRUPO SURA has an experienced management team with a proven track record. Most of the members of our senior

management have held executive positions across various industries in Colombia and elsewhere in Latin America.

■ Our Corporate Strategy

Our business strategy focuses on creating value with all those investments that make up the Group's strategic portfolio, expanding and developing our businesses through strong and sustainable growth while at the same time identifying synergies and taking advantage of growth and business opportunities among the companies that belong to the Group. We plan to pursue our business strategy by focusing on the following:

- a) Maintaining our leadership on the local markets. Our main portfolio companies are leaders in their own respective markets. Bancolombia is the leading financial institution in Colombia and El Salvador; Suramericana is the holding company of the largest insurance firms in Colombia and El Salvador, as well as an important player on the Dominican insurance market; Sura Asset

Management presides over a group of leading companies in Mexico, Peru, Chile and Uruguay. Grupo Nutresa is the largest food processing conglomerate; and Grupo Argos is the holding company for the largest company in the cement and ready-mix concrete market as well as an important player in the energy sector. It is also worth noting that Grupo Argos, through its cement subsidiary, holds an important position on the US market. We plan to maintain our leadership in these markets by employing highly-skilled individuals, offering superior products and solutions to our customers, investing in research and development for greater innovation, fostering customer loyalty by providing a combination of personalized attention and high-quality products and services at competitive prices while at the same time ensuring that our businesses continue to abide by our guiding principles of fairness, respect, responsibility and transparency.

- b) Expanding into selected international markets and driving the growth of all those companies that form part of our portfolio of strategic investments in the financial services, insurance, social security, pension fund and

complementary services sectors. As far as corporate strategy is concerned and expanding our interests abroad, we adhere to the following key criteria of responsible investment: (i) the political, social and macroeconomic stability of the countries in question; (ii) countries offering growth potential; (iii) companies that are leaders in their respective markets; (iv) acquiring controlling stakes; (v) companies providing positive levels of economic, environmental and social performance; (vi) good corporate governance practices; and (vii) sound corporate reputation. Based on these criteria we carried out the following acquisitions: Asesuisa in El Salvador (through Suramericana); Invita, today known as Seguros Sura in Peru, and Incasa, now Hipotecaria Sura in Peru plus the remaining 20% stake in AFP Integra and Wealth Management also in Peru (all through Sura Asset Management), as well as a share in the Bolsa de Comercio de Chile (Chile's Stock Exchange) and Factoril now known as Afisa in Uruguay.

- c) Harnessing synergies between our strategic investments. Within our financial services business, we seek to take full

advantage of synergies existing between our businesses through shared knowledge, information technology and human resource systems as well as deploying a multi-product and multi-channel business model through which we offer products and services across different industries. To date progress is being made with undertakings between Bancolombia and Suramericana, Suramericana and Protección as well as between Protección and Bancolombia. We are also striving to harness other synergies in different parts of Latin America where we are present.

- d) Maintaining and enhancing a strong, diversified stream of cash flows. By expanding our presence in the financial services sector, we seek to maintain and enhance the financial strength of our companies while diversifying our sources of revenues. In so doing, we aim to ensure that our dividend flows continue to be well diversified across various industries and countries, rising at similar or faster rates than in recent years. Also, and to ensure that our growth shall not hamper our strong credit position, we intend to continue

with our long-term policy of maintaining conservative leverage levels.

■ Senior Management

Our Board of Directors, in keeping with our by-laws, consists of seven directors who are elected at annual ordinary shareholders' meetings.

The current members of our Board of Directors were elected by the shareholders at an ordinary shareholder's meeting held on March 29, 2011 for a period of two years. The term of each of the current board members expires in March 2013. Directors may be appointed for additional terms without limitation.

It is to be noted that the former Chairman and Vice-Chairman of our Board of Directors resigned in favor of appointing two of the three

independent members to these same seats.

The following table sets forth certain information about our current directors:

NAME	POSITION
Armando Montenegro Trujillo(1)	Chairman
Hernando Yepes Arcila(1)	Vice-Chairman
José Alberto Vélez Cadavid	Principal member
Carlos Enrique Piedrahita Arocha	Principal member
Juan Guillermo Londoño Posada	Principal member
Jorge Mario Velásquez Jaramillo	Principal member
Jaime Bermúdez Merizalde (1)	Principal member

(1) Independent Member, in accordance with Colombian law.

Senior Management

Our current executive officers are as follows:

NAME	POSITION
David Bojanini García	Chief Executive Officer
Ignacio Calle Cuartas	Chief Financial Officer
Mario López López	Chief Audit Officer
Fernando Ojalvo Prieto	Chief Administrative Officer and Company Secretary

Board Committees

Committee for Board Matters and Investment

The Committee for Board Matters and Investments is responsible for monitoring both individual directors and the Board as a whole, as well as the Company's interests and continued adherence to the policies adopted under the Company's Corporate Governance Code. This Committee is comprised of two persons, one of whom must be the Chairman of the Board of the Directors and the other the Company's Chief Executive Officer.

Finance and Audit Committee

The Finance and Audit Committee is responsible for evaluating the Company's internal control system, ensuring continued adherence to the policies adopted under the Code of Ethics, and evaluating all aspects of the Company's finances and accounting, including

financial and contingency planning, the detection and handling of internal risk and the drawing up of administrative policies. It is also responsible for reviewing the interim and year-end financial statements. This Committee is comprised of three directors, all of whom must have an independent status.

Compensation and Development Committee

The Compensation and Development Committee is responsible for the strategic handling of the Company's human talent, directing key HR processes on a Senior Management level (employee selection, evaluation, compensation and development) and conducting periodic reviews of the mission of both the Chief Executive Officer and his

executive team, while ensuring the availability of critical human talent in being able to attract and retain such, as well as drawing up the corresponding succession plan. This Committee is also responsible for formally evaluating the performance of Senior Management, including the Company's Chief Executive Officer, bearing in mind their integrity, vision, leadership skills, ability to attain the goals set, succession plan, relationships with stakeholder groups and their immediate reports, by means of meetings held from time to time, making any recommendations required with regard to their remuneration based on performance, which shall be approved by the Company's Board of Directors and these shall strictly relate to the performance of each individual and the Company as a whole, while ensuring full compliance with Senior Management's remuneration policy. This Committee is comprised of three directors one of whom must be the Chairman of the Board of Directors.

Corporate Governance Committee

The Corporate Governance Committee is responsible for issues regarding the Board of Directors, Senior Management,

the Company's Good Corporate Governance and its sustainability performance. It consists of three directors one of whom must be the Chairman of the Board of Directors.

Principal Shareholders

Our ordinary or common shares are listed both on the Colombian Stock Exchange as well as on the LATIBEX market in Europe. They also trade in the form of ADRs on the OTC Market in the United States. In addition to this, on March 9, 2012 Grupo de Inversiones Suramericana S.A. launched a Level 1 ADR program for its preferred shares, thereby placing both types of stock at the disposal of international investors on the OTC market in the United States. One preferred ADR issued by Grupo de Inversiones Suramericana S.A. represents one preferred share.

The following table contains certain information concerning the actual ownership of our common stock as of December 31, 2012 with respect to our largest shareholders.

Shareholder	Number of common shares held	% beneficial ownership
Grupo Argos S.A.	147,309,723	25.60%
Grupo Nutresa S.A.	59,387,803	10.32%
Fondo de Pensiones Obligatorias Porvenir	37,040,195	6.44%
Fondo de Pensiones Obligatorias Protección	33,643,160	5.85%
Cementos Argos S.A.	28,183,262	4.90%
Fondo de Pensiones Horizonte	23,224,555	4.04%
Fondo de Pensiones Obligatorias Colfondos Moderado	18,703,072	3.25%
UBS AG London Branch	17,958,819	3.12%
ING Pensiones Obligatorias Fondo Moderado	17,182,829	2.99%
Celsia S.A. E.S.P.	10,652,795	1.85%
Colombiana de Comercio S.A.	10,000,000	1.74%
Fondo bursatil ishares COLCAP	7,539,952	1.31%
Skandia Fondo de Pensiones Obligatorias	6,956,136	1.21%
Other shareholders with stakes of less than 1.0% (1)	157,589,922	27.39%
	575,372,223	100.00%

(1) Includes 23,202 shareholders, who individually hold less than 1.0% of our common and preferred stock

■ Financial Risk Management

For the purpose of actively managing credit risk in GRUPO SURA, last year we designed and deployed a methodology to assign quotas to issuers and counterparties so as to limit our exposure to third parties. Here we set up and approved quotas for 26 financial institutions, 11 local counterparties and 19 international financial entities.

We also approved a set of rules and regulations for conducting transactions on shares belonging to the Company's portfolio, with issuers who are also related parties. These trading regulations embody all applicable legal provisions and also contain policies that ensure that said transactions are carried out based on sound market practices. The purpose of these regulations was to be able to obtain higher returns on GRUPO SURA's portfolio, while

simultaneously guaranteeing the market utmost transparency as well as full compliance with all applicable legislation.

■ Internal Control and Corporate Governance

Our Code of Good Governance continues to guide the Organization, embodying the philosophy, standards and practices that govern everything we do. It is firmly understood that the Company's principles are not a matter for negotiation and shall take precedence over any strategy, project or work plan.

In 2012, we continued to enhance our Internal Control System by means of an integrated risk management initiative which has allowed the Company to detect, analyze, contextualize, quantify, handle and monitor the risks to which it is exposed, by means of procedures, tools, policies and methodologies that provide the support needed for achieving our goals, thereby creating added value.

Both the Board of Directors and Senior Management are fully aware of the responsibility of being able to optimally handle risk, and based on different analyses carried out by the risk, investment and other business areas of the

Organization, have approved the objectives, guidelines and policies for managing risk, defining the Company's appetite for such as well as its exposure limits, while providing the necessary structure to further its risk management culture.

Risk management policies have been issued by Senior Management, based on different studies carried out by the risk, investment and other business areas in accordance with periodic reports produced by these same, and which provide for the corresponding administrative and operating decisions to be made. These policies have been formally drawn up and approved by the Board of Directors and Senior Management and are updated on a regular basis. Policy content is analyzed by the Department of Risk which is an area specialized in identifying, quantifying, handling and controlling all those risks inherent to our business.

The risk positions taken by the different business and cash management areas are periodically reported to the Board of Directors and Senior Management. These reports describe in detail the metrics regarding different risk exposures, and the follow-ups performed on these same and any breach of the limits set are duly

reported whenever they occur.

The Company's technological infrastructure provides the control and risk management areas with clear and timely information so as to be able to fine-tune the risk management models as applicable.

Risk is measured using different methodologies that make it possible to identify, with a high degree of reliability, the Company's exposure to various risks. The Board of Directors and Senior Management have been informed of the Company's risk profile.

Our Department of Risk is the organizational structure which is mainly responsible for ensuring comprehensive risk management. Its functions are completely independent to those of the control and investment areas so as to avoid conflicts of interest.

The Department of Risk is composed of a highly skilled, interdisciplinary team of professionals.

The Company's governing bodies, namely the Chief Auditor's Office and Statutory Auditing Firm, verify that all those rules and regulations issued by the corresponding oversight and control authorities, as the Company's own internal rules and regulations are fully

complied with, this by means of optimum security mechanisms.

Both our Internal and External Auditing personnel have access to the Company's operations and to reviews of the recommendations made with regard to limit compliance, completion of operations, the relation between market conditions and the terms of the operations carried out as well as those conducted between the Parent Company and its related parties.

■ Our Consolidated Companies

The following is a breakdown of the companies included in this consolidation and the corresponding stakes held:

COMPANY	DIRECT STAKE (%)	TOTAL STAKE HELD IN 2012 (%)	TOTAL STAKE HELD IN 2011 (%)
Directamente:			
Suramericana S.A.	81.13	81.13%	81.13%
Grupo de Inversiones Suramericana Panamá S.A.	100.00%	100.00%	100.00%
Compuredes S.A.	5.43%	100.00%	100.00%
Grupo Sura Finance	100.00%	100.00%	100.00%
Sura Asset Management S.A.	78.87%	100.00%	100.00%
Enlace Operativo S.A.	94.25%	100.00%	100.00%
Inversiones y Construcciones Estratégicas S.A.S.	100.00%	100.00%	100.00%
Sura Asset Management S.L (Antes Grupo de Inversiones Suramericana España, S.L.)	15.19%	66.19%	90.22%
Integradora de Servicios Tercerizados S.A.S	100.00%	100.00%	-

COMPANY	DIRECT STAKE (%)	TOTAL STAKE HELD IN 2012 (%)	TOTAL STAKE HELD IN 2011 (%)
Indirectly:			
Seguros Generales Suramericana S.A.		81.13%	81.13%
Seguros de Vida Suramericana S.A.		81.13%	81.13%
Administradora de Carteras Colectivas Suramericana S.A.		81.13%	81.13%
Seguros de Riesgos Profesionales Suramericana S.A.		81.13%	81.13%
Servicios de Salud IPS Suramericana S.A.		81.13%	81.13%
Consultoría en Gestión de Riesgos IPS Suramericana S.A.		81.13%	81.13%
EPS y Medicina Prepagada Suramericana S.A.		81.13%	81.13%
Seguros Suramericana S.A. (Panamá)		76.41%	76.41%
Servicios Generales Suramericana S.A.S.		81.13%	81.13%
Inversura Panamá Internacional S.A.		81.13%	81.13%
Dinámica IPS		81.13%	81.13%
Progreso Compañía de Seguros S.A.		81.11%	81.11%
Aseguradora Suiza Salvadoreña S.A.		76.41%	-
Sura S.A.		100.00%	100.00%
Sura Compañía de inversiones y servicios LTDA		100.00%	100.00%
Sura Agencia de valores S.A		100.00%	100.00%
Sura Administradora General de fondos S.A.		100.00%	100.00%
Sura Promotora de Servicios S.A.		100.00%	100.00%

COMPANY	DIRECT STAKE (%)	TOTAL STAKE HELD IN 2012 (%)	TOTAL STAKE HELD IN 2011 (%)
Indirectamente:			
Sura Seguros de vida		100.00%	100.00%
Sura Data Chile SA.		100.00%	100.00%
Sura Chile SA		100.00%	100.00%
AFP Capital S.A.		99.63%	100.00%
Santa María Internacional		99.63%	99.64%
ING Administradora de Fondos		-	100.00%
Sura Asesores		100.00%	100.00%
Sura Latin America Holding B.V.		100.00%	100.00%
Sura AE Chile Holdings I B.V.		100.00%	100.00%
Sura AE Chile Holdings II B.V.		100.00%	100.00%
Sura Pensiones		100.00%	100.00%
Sura Investment Management		100.00%	100.00%
Inverconsa		99.98%	99.98%
Afore Sura S.A.		100.00%	100.00%
Sura Art Corporation		100.00%	80.00%
Sura Wealth Management S.A.		100.00%	79.93%
AFP Integra S.A.		100.00%	79.99%
Sura Asset Management SA		100.00%	80.00%
Sura Fondos SAF SAC		100.00%	79.99%
Sura Servicios SAC		100.00%	100.00%
Sura International Perú S.A.		100.00%	99.76%
Sura Pensiones Perú		99.75%	-
Seguros Sura Perú (Invita)		63.00%	-
Sura AFAP S.A		100.00%	100.00%
Hipotecaria Sura EAH (Incasa)		63.00%	100.00%
Ahorro Inversión Sura Administradora de Fondos de Inversión		100.00%	.
Grupo Holanda B.V.		100.00%	100.00%
Grupo de Inversiones Suramericana Holanda B.V.		100.00%	100.00%

Below are brief descriptions of each of the companies included in the consolidation, including their main business purpose, registered place of business, nationality, geographical operating area and date of incorporation

- **Suramericana S.A.**

SURAMERICANA S.A. was incorporated by means of Public Deed No. 689 drawn up May 25, 1999 before the Notary Public No. 14 of the Circuit of Medellín, with all the corresponding accounting formalities duly completed by January 1, 1999. Its registered place of business is in Medellín, but it is entitled to set up branches, agencies, and offices in other parts of the country as well as abroad, should its Board of Directors so decide. The Company has a term of duration that expires in 2052.

Its business purpose is to invest in real estate and personal property, and may do so by means of shares, participations or holdings in companies, entities or organizations belonging to the insurance or social security sectors. Likewise, it may invest in securities or instruments yielding either a fixed or variable income, regardless of whether they are listed on a public stock

exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

SURAMERICANA S.A. is a subsidiary of Grupo de Inversiones Suramericana S.A., whose registered place of business is also in Medellín, Colombia.

The Company is subject to the oversight of the Colombian Superintendency of Companies (Superintendencia de Sociedades).

At December 31, 2012, the Company had a total of 37 employees.

On February 11, 2011, Suramericana S.A. received from its parent company, Grupo de Inversiones Suramericana S.A. a deposit of COP 189,998 for future share subscriptions.

Suramericana S.A. used these funds to increase its investment in its subsidiary Inversura Panamá International S.A. so that the latter could complete the acquisition of Aseguradora Suiza Salvadoreña S.A. (ASESUISA), belonging to Banagrícola, which in turn belonged to the Bancolombia Group. The estimated cost of

this purchase was initially set at USD 98 million, but upon making the corresponding deposit in dollars, a surplus of COP 3.625 was produced that was subsequently reimbursed to Grupo de Inversiones Suramericana S.A. by means of the sale of shares in the firm Enlace Operativo S.A. for COP 3.006 along with a bank transfer of COP 619. Consequently, the deposit in dollars on this acquisition came to COP 186.373.

On May 25, 2012, the composition of this deposit changed. A transfer of COP 35,219 was received from the German firm Munchener Ruckversicherungs Gesellschaft Aktiengesellschaft, its second largest shareholder which was reimbursed in its entirety to Grupo de Inversiones Suramericana S.A, thereby maintaining the amount deposited.

Finally in 2012, the Company purchased Aseguradora Suiza Salvadoreña S.A. (ASESUISA), through its Panamanian subsidiary, Seguros Suramericana S.A., which obtained the necessary funds from a loan made by the foreign holding Inversura Panamá Internacional S.A. This acquisition was carried

out on September 27, 2012, after being approved by the Superintendency of the Financial System in El Salvador (Superintendencia del Sistema Financiero de EL Salvador), by means of authorizations Nos. SABAO-SEG-021019 and SABAO-SEG-021021 issued on September 24, 2012.

On October 31, 2012, Suramericana S.A. was officially re-capitalized, by means of a subscription of 8.310 registered ordinary shares each with a subscription price of COP 22,428 that was duly authorized by the Company's Board of Directors at a meeting held on September 26, 2012, as stated in the corresponding Minutes No. 81. This subscription represented increases in the Company's share capital of COP 4,155 as well as COP 186.369 in its capital surplus account, on account of the share placement premium.

On this same date, the Company received the sum of COP 53 from Grupo de Inversiones Suramericana S.A. and this was promptly reimbursed to the German Company Munchener, in order for both investors to participate in this additional capitalization in the same proportion as their previous stakes in the Company's share

capital. Consequently Grupo de Inversiones Suramericana S.A., participated in this additional capitalization with 6,742 new shares, maintaining its stake in Suramericana S.A. at 81.13 %. Munchener Ruckversicherungs Gesellschaft Aktiengesellschaft, for its part, maintained its former stake of 18.87 % with 1,568 shares from this new issue. Consequently the Company's total share capital came to COP 34 and now consists of 68,447 shares.

On September 21, 2012, Suramericana S.A. increased its investment in the Company EPS y Medicina Prepagada Suramericana S.A, by means of a capitalization amounting to COP 15,000, consisting of 187,500 shares, thereby increasing its direct stake in the Company's share capital to 93.68%.

- **Grupo de Inversiones Suramericana Panamá S.A.**
The business purpose of this Company is to invest in negotiable securities. It has a registered place of business in Panama and provides local coverage. This Company was incorporated on April 29, 1998.

- **Compuredes S.A. Costa Rica**
This Company was incorporated by means of a private instrument drawn up on October 9, 2007. Its registered place of business is in San Jose, namely Barrio Francisco Peralta. Los Yoses, 75 meters away from Casa Italia, Building 2947. This Company has a term of duration that expires in 2106. Its main business purpose is to provide services, including advisory services, for information systems, as well as to conduct different types of sales, including mortgages.
- **Grupo Sura Finance**
This Company was incorporated by means of a private instrument drawn up on March 18, 2011, according to the laws of the Cayman Islands. This is a tax-exempt limited company operating in the Cayman Islands since March 18, 2011.
- **Enlace Operativo S.A.**
This Company was incorporated by means of Public Deed No. 859 drawn up May 31, 2006 before the Notary Public No. 14 of the Circuit of Medellin, with all the corresponding accounting formalities duly completed by June 08, 2006. Its main registered place of business is in Medellin, but it is entitled to set up branches, agencies, and offices in other

parts of the country as well as abroad, should its Board of Directors so decide. The Company has a term of duration that expires on May 31, 2056

This Company's main business purpose is to provide and perform data-processing services for social security, labor, tax, accounting and administrative purposes and generally speaking all ancillary services relating to such and which can be outsourced.

Acquisitions:

On July 05, 2011, 2011, ENLACE OPERATIVO S.A. signed an agreement to purchase the entire 100% share capital of CompuRedes S.A., as part of its growth strategy aimed at consolidating its leading position in Colombia's BPO sector .

This acquisition was subsequently filed before the Colombian Superintendency of Industry and Commerce under Registration No. 10-164763 Process 305, Event 375, Proceeding 440, Folio 001. It was concluded that the transaction itself, in the terms and conditions that it was presented, did not represent any undue restriction on the competition and therefore no objection was lodged.

This transaction between ENLACE OPERATIVO S.A. and COMPUTEDES S.A., was carried out according to the following terms:

The entire (100%) capital stock belonging to CompuRedes S.A., was purchased, representing a stake of 94.26% for Enlace Operativo S.A. and the remaining 5.74% stake for Grupo de Inversiones Suramericana S.A. The seller was Negocios Belvedere S.A.S., the only shareholder of CompuRedes S.A., and the buyer was Enlace Operativo S.A.

- **Inversiones y Construcciones Estratégicas S.A.S.**

Inversiones y Construcciones Estratégicas S.A.S, is a joint-stock company with a registered place of business in Medellín. It was incorporated by means of Public Deed No. 1566 drawn up August 30, 2007, before the Notary Public No. 14 of the Circuit of Medellín, this Company was partially spun off from Compañía Suramericana de Construcciones S.A., whereupon Inversiones y Construcciones Estratégicas S.A. was duly incorporated.

This spin-off was approved by the Board of Directors at a meeting held August 27, 2007, as stated in Minutes No. 2241.

Its business purpose is to invest in real estate and personal property, and may do so by means of shares, quotas or holdings in companies, entities, organizations, funds and any other legally-permitted mechanism that allows for the investment of funds. Likewise, it may invest in securities or instruments yielding either a fixed or variable income, regardless of whether they are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad

- **Sura Asset Management España S.L (Formerly Grupo de Inversiones Suramericana S.L.)**

First incorporated by means of Public Deed No. 4888 drawn up on September 28, 2011, it subsequently changed its name to Sura Asset Management España S.L. by means of Public Deed No. 1799 dated April 17, 2012. This Company is a single-member LLC, parent of a group of controlled companies dedicated to providing insurance and managing pension and retirement savings funds.

Sura Asset Management España S.L, in which Grupo Sura holds a 66.19% controlling stake,

has its registered place of business in Colombia. Sura Asset Management España S.L is authorized to operate both in Spain as well as in Latin America namely in Mexico, Chile, Peru, Uruguay and Colombia. It also holds 100% stakes in two investment vehicles, GrupoSura Holanda B.V. and Grupo de Inversiones Suramericana Holanda B.V, both located in Holland.

Sura Asset Management España S.L was incorporated in Spain with a registered place of business in Madrid (Calle Ayala, 66, 28001).

- **AFP Capital S.A. - Chile**

This Company was incorporated in 1981, and its business purpose is to manage all those pension funds permitted by law, issue and manage employment benefits and payments as stipulated in Decree Law. N° 3.500 of 1980, as well as those specifically provided elsewhere by law, both now and in the future. It may also complement its normal course of business by setting up subsidiary joint-stock companies according to the terms and conditions stipulated in Article N° 23 of the aforementioned Decree Law N° 3.500 as well as invest in other joint-stock companies that have been specifically set

up as securities deposit firms, pursuant to Law N° 18.876.

- **Administradora General de Fondos S.A.- Chile**

Incorporated in 2008, its business purpose is to manage all those mutual and investment funds governed by Law 18.815, foreign equity funds governed by Law 18.657, housing funds governed by Law 19.821 and any other type of fund subject to the oversight of the Chilean Superintendency of Securities and Insurance (Superintendencia de Valores y Seguros), and permitted by law both now and in the future and/or carry out any other complementary activity authorized by said Superintendency. The Company may manage one or more types of the aforementioned funds as well as carry out all those complementary activities authorized by the Chilean Superintendency of Securities and Insurance.

The Company may manage one or more types of the aforementioned funds as well as carry out all those complementary activities authorized by the Chilean Superintendency of Securities and Insurance.

- **Compañía de Inversiones y Servicios Sura LTDA- Chile**

Incorporated in 1986, this Company is an investment firm that is also authorized to carry out any other activity inherent to providing financial intermediation services.

- **Sura S.A.- Chile**

Incorporated in 1981, the business purpose of this Company is to make any type of investment especially in pension fund management firms, third-party funds and insurance companies.

- **Seguros de Vida Sura S.A. - Chile**

Incorporated in 1989, its business purpose is to sell individual or collective life and annuity insurance.

- **Santa Maria Internacional S.A.- Chile**

Incorporated in 1994, the business purpose of this Company is to provide its services to natural or corporate persons operating abroad and invest in pension management firms or companies whose normal course of business encompasses retirement and pension plans, that have been set up in other countries, this

pursuant to Law N° 19.301 and Circular N° 856 issued by the Chilean Superintendency of Pensions.

- **Sociedad Administradora de Fondos de Cesantías de Chile S.A.**

Incorporated in 2002, its business purpose is to manage severance funds.

- **Agencia de Valores Sura S.A. - Chile**

Incorporated in 2008, its business purpose is to act as a broker for both securities and stocks and market third-party mutual funds.

- **Sura Chile S.A.**

Incorporated in 2002, this Company provides advisory services for the companies belonging to Grupo Sura.

- **Sura Data Chile S.A.**

Incorporated in 2002, this Company is dedicated to providing data processing services and leasing computer equipment.

- **SURA Promotora de Servicios S.A. - Chile**

Incorporated in 2005, this Company is dedicated to providing financial intermediation services.

- **Afore Sura S.A. de C.V.- México**

Incorporated in 1996, its business purpose is to open and manage individual retirement savings accounts for workers, as well as for any other person who is entitled to such pursuant to the laws governing the Mexican Social Security's Retirement Savings System (Sistema de Ahorro para el Retiro (LSAR)), the National Workers' Housing Fund Institute (Instituto del Fondo Nacional de la Vivienda para los Trabajadores) and the Institute of Social Security and Services for State Workers (Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado). In order to carry out its corporate purpose, ING Afore manages specialized pension fund investment firms (hereinafter, Siefores).

- **Sura Investment Management S.A. de C.V.- México**

The main corporate purpose of this fund management firm is to provide administrative services including portfolio management services and promote investment companies.

- **Pensiones Sura S.A. de C.V.- México**

This Company's basic business purpose is to receive funds from individual accounts that retirees hold with different

social security institutes and invest these in order to guarantee an annuity payable on a monthly basis either to the individual retiree or his or her beneficiaries, while these are entitled to a pension.

- **Asesores Sura S.A. de C.V.- México**

This Company is dedicated to providing marketing, promotional and dissemination services for financial products and services, as well as recruiting and training personnel, payroll-related activities, handling labor relations and any other administrative service.

- **Inverconsa de S.A. de C.V.- México**

This Company is dedicated to funding claim settlements, but is not operating at the present time.

- **Sura Art Corporation S.A. de C.V.- México**

Company dedicated to collecting Mexican works of art.

- **AFP Integra S.A.- Perú**

Incorporated in 1993, this Company is dedicated to handling pension funds in the form of individual capitalization accounts as well as issuing workers registered with the Private Pension Fund

Management System all those retirement, disability as well as survival benefits together with funeral expenses, pursuant to the Amended Text of the law governing the Private Pension System approved by means of Executive Decree N°054-97-EF. To this end, the Company receives all those funds paid into these funds, investing these on their behalf as provided by law.

The Company is subject to the oversight of the Superintendency of Banking, Insurance and Pension Management Firms (Superintendencia de Banca, Seguros y AFP (hereinafter "SBS"). Based on current legislation, the Company managed three types of funds, Types 1, 2 and 3 which offer different investment risks, returns and levels of volatility. The funds are legally exempt from any possible attachments or seizures and are set up as stand-alone funds quite separate from the Company, which is why the latter has no ownership rights to the assets contained in each Fund and is only responsible for handling such. In exchange for the services provided, the Company charges the members of these funds a commission of 1.80% of their respective insurable remuneration.

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- **Fondos Sura SAF S.A.C. – Perú**
This Fund Management firm handles seven mutual investment funds and three private investment funds, these latter are governed only by their own internal rules and regulations as well as the agreement signed with the fund members. The SMV is only entitled to request informative information with regard to said funds.
 - **Pensiones Sura Perú S.A.**
The business purpose of this Company is to invest in private pension firm management firms, handle funds of a general nature and provide advisory, training and fund portfolio management services. It may also carry out any other business activity relating to its business purpose or extend its activities to other businesses or investments that its Board of Directors should so decide. In carrying out its corporate purpose, the Company may engage in any activity, enter into any agreement or contract or conduct any type of operation that is permitted by the laws of Peru.
 - **Wealth Management Sura S.A.- Perú**
Incorporated in 2004, the business purpose of this Company is to make equity investments in other companies that have already been incorporated or are due to be incorporated, as well as purchase shares, participations or holdings issued by existing incorporated companies both in Peru and abroad. It also has an indefinite term of duration.
 - **Asset Management Sura S.A.C- Perú**
A company dedicated to providing business consultancy and advisory services.
 - **International Sura Perú S.A.- Perú**
A Company dedicated to investing in shares, securities and other instruments as well as buying and selling personal and real estate property.
 - **Servicios Sura S.A.C- Perú**
A company dedicated to providing business consultancy and advisory services.
 - **Seguros Sura S.A.- Perú**
A Company dedicated to all types of activities relating to life insurance and reinsurance; it may also issue mortgage loans.

- **AFAP Sura S.A.- Uruguay**
 Its main business activity is to manage a Pension Savings Fund pursuant to Law 16.173 passed on September 3, 1995 as well as its regulatory provisions.
- **Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.-Uruguay**
 This Company is dedicated to managing investments funds.
- **Seguros Generales Suramericana S.A.**
 This private joint-stock company, incorporated according to Colombian law by means of Public Deed No. 4438, drawn up December 12, 1944 before the Notary Public No. 2 of the Circuit of Medellin has its registered place of business in Medellin. It has a term of duration that expires in December 2024 and was permitted to operate by means of Resolution No. 01045 issued December 5, 1944 by the Colombian Superintendency of Finance.

This Company is a financial institution according to the definition contained in Article 90 of Law 45 of 1990. It is monitored and overseen by the Colombian Superintendency of Finance, an official authority

attached to the Colombian Ministry of Finance.

Its business purpose consists of providing insurance and reinsurance, according to the types and branches permitted by law. As part of its insurance business, the Company may validly enter into contracts and agreements in pursuit of its business purpose as well as invest and manage its capital and reserves.

Pursuant to instructions received from the Colombian Superintendency of Finance, by means of Resolution N° 1756 issued October 04, 2007, the Company registered with the Colombian Registry of Securities Exchange Brokers. By virtue of this registration, the Company may only purchase and sell securities directly and for its own account, in keeping with that stipulated in Section 7, Book 1, Article 7.1.1.1.1 of Decree 2555 issued in July, 2010.

This Company entered into a Legal Stability agreement with the Colombian Government, for a term of 20 years, during which time the Company shall be shielded from the tax laws therein stipulated. Furthermore it shall ensure compliance with

all the commitments it has acquired such as paying out premiums, carrying out pending investments, amongst others.

- **Seguros de Vida Suramericana S.A.**

This private joint-stock company, incorporated according to Colombian law by means of Public Deed No. 2381, drawn up August 04, 1947 before the Notary Public No. 3 of the Circuit of Medellin has its registered place of business in Medellin. It has a term of duration that expires in December 2027 and was permitted to operate by means of Resolution No. 01045 issued December 5, 1944 by the Colombian Superintendency of Finance.

This Company is a financial institution according to the definition contained in Article 90 of Law 45 of 1990. It is monitored and overseen by the Colombian Superintendency of Finance, an official authority attached to the Colombian Ministry of Finance.

Its business purpose consists of providing insurance and reinsurance, according to the types and branches permitted by law. As part of its insurance business, the Company may validly enter into contracts and

agreements in pursuit of its business purpose as well as invest and manage its capital and reserves.

Pursuant to instructions received from the Colombian Superintendency of Finance, the Company registered with the Colombian Registry of Securities Exchange Agents and Brokers. By virtue of this registration, the Company may only purchase and sell securities directly and for its own account, in keeping with that stipulated in Section 7, Book 1, Article 7.1.1.1.1 of Decree 2555 issued in July, 2010.

This Company entered into a Legal Stability agreement with the Colombian Government, for a term of 20 years, during which time the Company shall be shielded from the tax laws therein stipulated. Furthermore it shall ensure compliance with all the commitments it has acquired such as paying out premiums, carrying out pending investments, amongst others

- **Administradora de Carteras Colectivas Suramericana S.A.**

Administradora de Carteras Colectivas Suramericana S.A. is a joint-stock company incorporated by means of Public Deed No. 4228 drawn up on July

24, 1964 before Notary Public No. 4 of the Circuit of Medellin. It has a term of duration that expires on July 10, 2014.

The business purpose of Administradora de Carteras Colectivas Suramericana S.A. until October 27, 2012 was mainly to manage collective portfolios earning a fixed or variable income. This consisted of receiving deposits and handling these according to their corresponding investment portfolios or investor profile pursuant to all applicable legislation.

The Company's Board of Directors at a meeting held June 28, 2012, as stated in Minutes No. 940, announced its intentions to merge the Cartera Colectiva Abierta Renta Variable Sura (the Sura Open-Ended Collective Variable Income Portfolio) and the Cartera Colectiva Abierta Renta Fija Sura (Sura Open-Ended Collective Fixed-Income Portfolio) with the other portfolios managed by Fiduciaria Bancolombia S.A.

These portfolios were merged on October 27, 2012, and as a result this Company no longer handles funds belonging to third parties.

This Company comes under the oversight of the Colombian Superintendency of Finance, attached to the Colombian Ministry of Finance. el 10 de julio del año 2044.

- **Seguros de Riesgos Profesionales Suramericana S.A.**

This Colombian joint-stock company with a registered place of business in Medellin, was incorporated according to Colombian law by means of Public Deed No. 5083, drawn up November 9, 1995 before the Notary Public No. 11 of the Circuit of Medellin. It has a term of duration that expires in 2045 and was permitted to operate by means of Resolution No. 2983 issued December 13, 1995 by the Colombian Superintendency of Finance.

Its business purpose is to conduct individual life insurance and reinsurance operations with regard to its workers' compensation business, being able to validly enter into and execute all those contracts and agreements with a view to conducting its business purpose, in keeping with all applicable legislation and the rules and regulations issued by the Colombian Superintendency of Finance.

Pursuant to instructions received from the Colombian Superintendency of Finance, by means of Resolution N° 1812 issued October 13, 2007, the Company registered with the Colombian Registry of Securities Exchange Agents and Brokers. By virtue of this registration, the Company may only purchase and sell securities directly and for its own account, in keeping with that stipulated in Section 7, Book 1, Article 7.1.1.1.1 of Decree 2555 issued in July, 2010.

This Company entered into a Legal Stability agreement with the Colombian Government, for a term of 19 years, during which time the Company shall be shielded from the tax laws therein stipulated. Furthermore it shall ensure compliance with all the commitments it has acquired such as paying out premiums, carrying out pending investments, amongst others

- **Servicios de Salud IPS Suramericana S.A.**

Servicios de Salud IPS Suramericana S.A., was incorporated by means of Public Deed No. 5088 drawn up on December 19, 1996 before Notary Public No. 11 of the Circuit of Medellin. It has a term of duration that expires on December 19, 2046.

Its business purpose is to provide medical, paramedical and dental services for which it may carry out the following activities: healthcare, disease prevention, diagnostics and treatment by means of general and specialized medical consultations, emergency services, clinical lab tests, medical imaging, surgical procedures, hospitalization, dental consultation and treatment, oral surgery, and all those activities necessary in providing comprehensive healthcare services.

- **Consultoría en Gestión de Riesgos Profesionales Suramericana S.A.S.**

This private company was incorporated on April 15, 1996, by means of Public Deed No. 715 drawn up before Notary Public No. 14 of the Circuit of Medellin. It has a term of duration of 50 years and its registered place of business is in Medellin. It changed its corporate name by means of Public Deed No. 902 drawn up before Notary Public No. 14 of the Circuit of Medellin, which was subsequently filed before the Chamber of Commerce of Medellin on May 28, 2009 in Ledger No. 9 Reg No. 6950. On February 28, 2012, the Company ceased to be a joint-stock

company having been converted into a simplified stock company (Sociedad Por Acciones Simplificada).

The Company's business purpose is to provide consultancy services in the field of comprehensive risk management, either directly through strategic alliances or indirectly through third-party advisory services. These services consist of training, consultancies, diagnoses, analysis, metric assessments, investigations, research, designs, managing and carrying out programs and recommendations and generally speaking providing all those services relating to occupational health.

The Company came under the oversight of the Colombian Superintendency for Health (Superintendencia Nacional de Salud) until August 31, 2012 and as of September 1, 2012 is now overseen by the Colombian Superintendency of Companies (Superintendencia de Sociedades).

- **EPS y Medicina Prepagada Suramericana S.A.**

This Company was incorporated by means of Public Deed No. 203 drawn up on January 31, 1990 before Notary Public No.

11 of the Circuit of Medellín. It has a term of duration that expires on April 19, 2046.

On May 22, 2009, by means of Public Deed No. 884 drawn up before the Notary Public No. 14 of the Circuit of Medellín, the Company changed its name from Compañía Suramericana de Servicios de Salud S.A. SUSALUD Medicina Prepagada to EPS y Medicina Prepagada Suramericana S.A.

The Company's main business purpose is to organize, guarantee and provide healthcare services as well as comprehensive medical and dental services, either on a prepaid basis, in which case the Company shall act as a prepaid healthcare institution, or as part of a program called Empresa Promotora de Salud, in which case the Company will operate as a regular healthcare institution.

As part of its business purpose, the Company may carry out the following functions:

In its capacity as a Pre-Paid Healthcare Institution: provide healthcare services in one of several of the following fields: healthcare and disease prevention, general and specialized diagnostic and therapeutic services,

hospitalization, emergency services, surgery, diagnostic tests and dental services, provided either directly or by affiliated healthcare professionals or medical institutions or those freely chosen by the user at the discretion of the Company

In its capacity as a regular healthcare institution, as part of the mandatory EPS healthcare program, the Company provides the following basic functions:

- Affiliating and registering the public with the general healthcare social security system, either with the contribution- or the subsidy-based regime.
- Collecting contributions as delegated by the Solidarity and Guarantee Fund.
- Organizing and guaranteeing, either directly or indirectly, the provision of services covered by the obligatory healthcare plan to its members.
- Transferring to the Solidarity and Guarantee Fund, within the terms provided by Law 100 of 1993 and any other rules or regulations that should amend or replace such, the difference between the amounts collected in the form of contributions and

the value of the corresponding payment units per capita, deducting disability payments and provisions for health care and disease prevention programs.

- Offering and providing, either directly or indirectly, complementary plans for any individual who has an obligatory healthcare plan.

- **Seguros Suramericana S.A. (Panamá)**

The business purpose of this company is to provide property and life insurance as well as reinsurance according to the types and branches permitted by law. It has its registered place of business in Panama City, Panama and was incorporated in 1978. By means of Public Deed No. 6034 drawn up on August 05, 2010, it changed its business name to Seguros Suramericana S.A.

- **Inversura Panamá Internacional S.A.**

The business purpose of this Company is to invest in negotiable securities. Its registered place of business is in Panama and provides local coverage. This Company was first incorporated on December 23, 2002 by means of a private document drawn up in the

British Virgin Islands and was subsequently re-domiciled in Panama on January 06, 2010 by means of Public Deed No. 408 drawn up before the Notary Public No. 1 of the Circuit of Panama.

- **Servicios Generales Suramericana S.A.S.**

This Company was incorporated by means of Public Deed No. 1804 drawn up December 06, 2002 before the Notary Public No. 14 of the Circuit of Medellin, with all the corresponding accounting formalities duly completed by January 1, 1998. Its main registered place of business is in Medellin, but it is entitled to set up branches, agencies, and offices in other parts of the country as well as abroad, should its Board of Directors so decide. The Company has a term of duration that expires in December 2052.

Its business purpose is to invest in both personal and real estate property. In the former case it may do so in the form of shares, participations or holdings in companies. In any event, the corresponding issuers and/or investees may be either private or public entities both at home and abroad. It may also issue loans, credit or financing for third parties using its own funds, set up and run repair

shops for all types of vehicles, import, purchase and sell spare parts and accessories for these same, purchase and sell vehicles, conduct vehicle inspections, checks and similar activities, and enter into any agreement or contract relating to the above. As part of its business purpose, the Company may acquire, pledge, use, operate, encumber, lease, rent, deposit in a trust or dispose of any type of personal property, transfer, deliver, accept, endorse, negotiate, divest, pay, charge or assign in any manner all types of negotiable instruments or securities; sign all types of civil and commercial documents; participate as creditor or debtor in credit operations; accept or substitute guarantees or counter-guarantees, as the case may be, and generally speaking execute all those contracts, agreements or instruments that are directly related to its business purpose and to exercising the rights and complying with all legal or conventional obligations arising from the existence of the Company and the activities it carries out.

The Company may not receive habitual, large-scale deposits from the public, in keeping with applicable finance and exchange rules and regulations.

By means of Minutes No. 13 of a Shareholder Meeting held on September 29, 2010, the General Assembly of Shareholders gave its approval to a merger between Servicios Generales Suramericana S.A.S (the surviving company) and Servicios de Vehículos Suramericana S.A.S. This was duly recorded before the Chamber of Commerce of Medellin on March 17, 2011, in Ledger No. 9, Registration No. 4481. The corresponding accounting formalities were duly completed on March 31, 2011.

- **Diagnóstico y Asistencia Médica S.A. Institución Prestadora de Servicios de Salud Dinámica IPS.**

Diagnóstico y Asistencia Médica S.A. Institución Prestadora de Servicios de Salud – DINAMICA IPS. was incorporated by means of Public Deed No. 929 drawn up on February 24, 1994, before Notary Public No. 11a of the Circuit of Medellin. It has a term of duration that expires on February 24, 2044.

The main business purpose of this Company is to provide diagnostic services such as clinical lab and pathological

tests, endoscopes, sonograms, medical imaging and mammographies, amongst others.

Its majority shareholders are EPS y Medicina Prepagada Suramericana S.A., Suramericana S.A. holding stakes of 50.98% and 49.01% respectively. The controlling Parent Company is Grupo de Inversiones Suramericana S.A.

- **Compuredes S.A.**

CompuRedes S.A. is a commercial company that was incorporated by means of Public Deed No. 2517 drawn up on August 16, 1988, before Notary Public No. 2 of Envigado. This Company was subsequently converted from a limited partnership to a joint-stock company and its by-laws were amended to this effect on December 27, 1995, as evidenced in Public Deed No 5 of Notary Public No. 29 of the Circuit of Medellin. Its registered place of business is in Medellin, but it may create branches, offices and agencies in other parts of the country or abroad, as decided by its Board of Directors.

The Company has a term of duration of 20 years as of

December 27, 1995, which can be extended, or the Company may be liquidated, merged or spun off whenever required. According to the Minutes No. 21 of an Extraordinary Shareholders' Meeting held April 30, 2009, the Company's term of duration was extended to 2060.

On May 4, 2011, a spin-off agreement was entered into by means of Public Deed No. 8374 drawn up before Notary Public No. 7 of the Circuit of Medellin, whereby a portion of the assets, liabilities and equity belonging to CompuRedes S.A. was transferred in block form, without being dissolved, to the newly-formed company, Inmobiliaria CR S.A.S.

- **Sura Asset Management S.A. (Antes Inversiones Internacionales Gruposura S.A.)**

Inversiones Internacionales Gruposura S.A., was incorporated by means of Public Deed No. 1548 drawn up September 15, 2011 before the Notary Public No. 14 of the Circuit of Medellin. However, by means of Public Deed No. 783 drawn up May 22, 2012 before Notary Public No. 14 of the Circuit of Medellin, it changed its corporate name to

Sura Asset Management. Its registered place of business is in Medellin, but it is entitled to set up branches, agencies, and offices in other parts of the country as well as abroad, should its Board of Directors so decide. The Company has a term of duration that expires on September 15, 2111.

Its business purpose is to invest in personal and real estate property. In the case of the former, it may invest in any type of personal property by means of shares, participations or holdings in companies, entities, organizations, funds and any other legally-permitted mechanism that allows for the investment of funds. Likewise, it may invest in commercial paper or securities yielding either a fixed or variable income, regardless of whether they are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

Sura Asset Management S.A. holds a 51% stake in Sura Asset Management España, a single-member LLC, parent of a group of controlled companies dedicated to providing insurance and managing pension and retirement savings funds.

- **Seguros Sura S.A.**

This Company was incorporated according to the laws of the Dominican Republic and it is entitled to operate in the fields of property, casualty and personal insurance. The Company is regulated by the Insurance and Surety Law No. 146-02 in the Dominican Republic (the Insurance Law) which was passed on September 11, 2002.

In June 2011, a 99.9% stake in this Company was purchased by Inversura Panamá Internacional S.A.. Before then, its majority shareholder was Palm Fund Insurance Investment, S. A., with 99% of its share capital.

On August 29, 2012, the Company was registered before the Santo Domingo Chamber of Commerce and Industry under the name of "Seguros Sura S.A."

The Company's registered place of business is Avenida John F. Kennedy No. 1, Torre Proseguros, in Santo Domingo, Dominican Republic.

- **Integradora de Servicios Tercerizados S.A.S**

Integradora de Servicios Tercerizados S.A.S was incorporated on July 11, 2012, by means of Private Deed No. 16288, with an indefinite term of duration.

Its business purpose is to invest in both personal and real estate property, in the form of shares, holdings or participations in private or public companies, both at home and abroad; it may also issue loans, credit or financing for third parties using its own funds; acquire, pledge, use, operate, encumber, lease, rent, deposit in a trust account or any other trust arrangement; dispose of any type of personal and real estate property; and transfer, deliver, accept and endorse, negotiable instruments or securities.

- **Aseguradora Suiza Salvadoreña S.A**

This Company was incorporated by means of a Public Deed drawn up in San Salvador on November 14, 1969. Its main business activity relates to all types of property and casualty as well as personal insurance and reinsurance along with sureties, investments and loans on the Salvadorean market.

- **Servicios Generales Panamá**
This Company was incorporated

on July 05, 2012. Its business purpose is to invest in both personal and real estate property, specifically in the form of shares, participations or holdings in companies. In any event, the corresponding issuers and/or investees may be either private or public entities both at home and abroad. It may also issue loans, credit or financing to third parties using its own funds; set up and run repair shops for all types of vehicles; import, purchase and sell spare parts and accessories for these same; purchase and sell vehicles; conduct vehicle inspections, checks and similar activities; and enter into any agreement or contract relating to the above. As part of its business purpose, the Company may acquire, pledge, use, operate, encumber, lease, rent,

deposit in a trust or dispose of any type of personal property; transfer, deliver, accept, endorse, negotiate, divest, pay, charge or assign in any manner all types of negotiable instruments or securities; sign all types of civil and commercial documents; participate as creditor or debtor in credit operations; accept or substitute guarantees or counter-guarantees, as the case may be; and generally-speaking enter into all those contracts, agreements or instruments that are directly related to its business purpose; and exercise the rights and comply with all legal or conventional obligations arising from the existence of the Company and the activities it carries out.

■ Breakdown of the Consolidation Effect on the Financial Statements

The Parent Company's financial statements versus its consolidated statements at December 31, 2012 are broken down as follows:

2012

		PARENT COMPANY STATEMENTS	CONSOLIDATED STATEMENTS	CONSOLIDATION EFFECT
Total assets	\$	21,680,178	37,379,307	15,699,129
Total liabilities		888,318	13,685,896	12,797,578
Results for the period		546,100	693,614	147,514
Equity		20,791,860	20,855,456	63,596
Minority interest		-	2,837,955	2,837,955

The Parent Company's financial statements versus its consolidated statements at December 31, 2012 are broken down as follows:

2011

		PARENT COMPANY STATEMENTS	CONSOLIDATED STATEMENTS	CONSOLIDATION EFFECT
Total assets	\$	21,590,397	32,301,339	10,710,942
Total liabilities		2,725,930	13,490,728	10,764,798
Results for the period		332,735	339,846	7,111
Equity		18,864,467	18,810,611	(53,856)
Minority interest		-	1,015,516	1,015,516

The following is a reconciliation of the Parent Company's net profits with its consolidated net profits for the following years ended December 31:

		2012	2011
Parent company's net profits	\$	546,100	332,735
Net results - Subsidiaries		1,147,880	565,575
		1,693,980	898,310
Eliminations that affected consolidated results:			
Equity method:		(823,524)	(352,222)
Business Combination- Grupo Sura España, S.L		32,584	(169,913)
Minority interest		(210,587)	(36,861)
Balance net of eliminations, income and expense		(1,163)	532
Consolidated net profits:	\$	691,288	339,846

Transactions with related parties were carried out on an "arms-length" basis based on normal market terms and conditions.

The following is a breakdown of the Consolidated Headcount at December 31:

		2012	2011
Total Number of Employees	\$		
Management personnel		17,060	15,639(1)
Personnel Expense			
Management personnel	\$	697,627	356,212

(1) Out of the total number of employees, 6.743 belonged to the companies acquired from ING. These did not affect the Company's personnel expense since said expenditure was already included in the purchase price of said assets.

The following is a breakdown of the assets, liabilities, shareholders' equity, profit and (loss) pertaining to the consolidated companies:

	ASSETS		LIABILITIES		EQUITY		PROFIT (LOSS)	
	2012	2011	2012	2011	2012	2011	2012	2011
Suramericana S.A.	\$ 1,965,566	1,783,271	43,530	230,660	1922,036	1552,611	246,999	196,154
Grupo de Inversiones Suramericana Panamá S.A.	560,757	1,836,679	516,785	1,796,597	43,972	40,082	(21,862)	(5,580)
Enlace Operativo S.A.	8,947	48,029	5,305	3,989	3,642	44,040	(380)	(4,492)
Inversiones y Construcciones Estratégicas S.A.S.	141,758	150,273	8,688	17,891	133,070	132,382	3,985	10,724
Seguros Generales Suramericana S.A.	1,606,557	1,422,853	1,151,747	1,003,999	454,810	418,854	38,285	38,785
Seguros de Vida Suramericana S.A.	4,104,212	3,448,021	3,217,234	2,675,738	886,978	772,283	135,200	99,740
Administradora de Carteras Colectivas Suramericana S.A.	8,722	8,748	433	600	8,289	8,148	141	(324)
Seguros de Riesgos Profesionales Suramericana S.A.	1,190,233	990,771	922,239	773,999	267,994	216,772	100,906	66,066
Servicios de Salud IPS Suramericana S.A.	36,377	39,594	29,469	28,745	6,908	10,849	(4,120)	(2,580)
Consultoría en Gestión de Riesgos IPS Suramericana S.A.	5,411	4,383	4,428	3,455	983	928	54	71
EPS y Medicina Prepagada Suramericana S.A.	296,049	265,020	215,450	202,521	80,599	62,499	3,562	6,374
Seguros Suramericana S.A. (Panamá)	248,505	98,060	239,779	75,019	8,726	23,041	(11,545)	973
Servicios Generales Suramericana S.A.	310,171	332,632	48,501	98,554	261,670	234,078	19,550	14,298
Inversura Panamá Internacional S.A.	221,679	265,106	-	1,559	221,679	263,547	(982)	715
Dinámica IPS S.A.	42,373	45,039	34,917	37,925	7,456	7,114	353	1,085
Compuredes S.A.	29,538	25,822	14,204	15,017	15,334	10,805	536	60
Sura Assets Management S.A.	3,543,169	3,314,295	51,327	628	3,491,842	3,313,667	215,037	(2,288)
Seguros Sura S.A. (Republica Dominicana)	125,846	132,376	106,178	106,376	19,668	26,000	(4,333)	(981)
Grupo Sura Finance	513,695	565,534	533,997	586,686	(20,302)	(21,152)	(1,050)	(21,171)
COmpuredes Costra Rica	-	239	-	49	-	190	-	25
Sura S.A.	1,785,724	1,964,201	178,686	176,392	1,607,039	1,787,809	(62,995)	-
Compañía de Inversiones y Servicios Sura LTDA.	977,772	1,090,028	1,199	957	976,572	1,089,071	1,521	-
Agencia de Valores Sura S.A.	46,045	18,745	20,336	15,601	25,708	3,144	(2,354)	(10,666)
Administradora General de Fondos Sura S.A.	16,359	34,081	14,571	30,209	1,787	3,871	(9,293)	(7,242)
Promotora de Servicios Financieros Sura S.A.	40	43	-	-	40	43	(2)	-
Seguros de vida Sura	2,063,992	1,773,058	1,641,082	1,351,782	422,910	421,276	49,751	48,998
Sura Data Chile S.A.	3,139	3,177	786	1,231	2,353	1,946	402	308
Sura Chile S.A.	13,108	9,975	13,272	14,960	(164)	(4,985)	4,687	-
AFP Capital S.A.	1,852,805	1,820,537	243,832	329,896	1,608,973	1,490,642	171,309	137,304
Santa María Internacional	37,296	37,311	7	82	37,289	37,229	166	12,789
ING Administradora de Fondos	-	239,976	-	38,831	-	201,145	-	(2,709)
Asesores Sura	4,205	14,092	3,524	17,720	681	(3,628)	215	(11,655)
Sura Pensiones	1,015,703	871,642	793,731	704,573	221,972	167,068	5,540	(3,313)
Sura Investment Management	44,904	45,809	11,283	15,056	33,621	30,752	(8,303)	-
Inverconsa	23	6	155	23	(131)	(17)	(33)	(55)

	ASSETS		LIABILITIES		EQUITY		PROFIT (LOSS)	
	2012	2011	2012	2011	2012	2011	2012	2011
Afore Sura	\$ 451,780	1,230,717	82,972	170,310	368,808	1,060,406	187,188	-
Sura Art Corporation	34,942	38,782	38	-	34,905	38,782	93	-
Wealth Management Sura S.A.	4,742	7,211	1,582	11	3,160	7,200	(3,648)	(38)
AFP Integra	394,996	336,277	109,793	82,949	285,203	253,328	89,584	-
Asset Management Sura S.A.	1	2	-	1	1	1	(4)	-
Fondos Sura SAF SAC	5,983	6,239	1,414	1,109	4,569	5,130	(1,701)	-
Servicios Sura SAC	5	8	1	-	5	8	(2)	-
International Sura Perú S.A.	2,019	42,723	1,520	158	499	42,565	-	(12,042)
Pensiones Sura	56,845	59,687	37	702	56,808	58,985	(19)	18,234
Seguros Sura S.A. - Perú	2,514,824	-	2,321,664	-	193,160	-	(1,335)	-
AFAP Sura S.A.	41,839	44,002	10,300	8,805	31,539	35,197	20,054	-
Ahorro Inversión SURA AFISA	3,427	-	350	-	3,077	-	(700)	-
Grupo Sura Holanda BV	2,403,822	2,581,067	83,227	98	2,320,594	2,580,969	143	-
Grupo de Inversiones Suramericana Holanda BV	3,580,727	3,936,732	84	59	3,580,642	3,936,673	(163)	-
Sura Asset Management España, S.L.	6,238,297	6,567,109	271,300	1,669,802	5,966,997	4,897,307	(15,053)	(1,993)
Servicios Generales Suramericana S.A. Panamá	125	-	111	-	14	-	(3)	-
Aseguradora Suiza Salvadoreña S.A.	164,722	-	111,938	-	52,784	-	4,143	-
Integradora de Servicios Tercerizados S.A.	46,987	-	5,006	-	41,981	-	(1,644)	-
	38,766,764	37,549,981	13,068,013	12,291,324	25,698,751	25,258,657	1,147,880	565,573
Grupo de Inversiones Suramericana S.A.	21,680,178	21,590,397	888,318	2,725,930	20,791,860	18,864,467	546,100	332,735
Eliminations	(27,554,747)	(32,446,654)	(841,325)	(3,379,701)	(26,713,421)	(29,066,953)	(824,688)	(595,323)
Assets identified in the business combination	4,487,200	5,607,614	569,881	839,659	3,917,318	4,767,955	32,583	-
Minority interest			2,837,955	1,015,516	(2,837,955)	(1,015,516)	210,587	36,861
Net consolidated balance	37,379,395	32,301,338	16,522,843	13,492,728	20,856,552	18,808,610	691,288	339,846

NOTE 2

■ Summary of principal accounting policies

(a) Consolidation Principles

The consolidated financial statements include the statements for subsidiary companies (where the Parent Company holds more than a 50% of their respective share capital or over which it has full control), applying the global integration method which consists of incorporating subsidiary assets, liabilities, shareholders' equity and results into the Parent Company's financial statements, after eliminating any existing reciprocal investments, shareholders' equity, transactions and balances. All significant reciprocal balances and transactions between the subsidiary companies were eliminated during the consolidation.

(b) Business combination

On December 31, 2011, Grupo de Inversiones Suramericana España, S.L, acquired the entire (100%) voting shares belonging to Grupo Sura Holanda B.V and Grupo de inversiones Suramericana Holanda B.V, which held majority stakes in the ING Latin American

companies. This included the purchases of insurance companies and pension funds in Mexico, Chile, Uruguay, Peru and Colombia for a total value of USD 3.4 billion. This payment was made in cash at the moment this transaction was completed.

Grupo de Inversiones Suramericana España, S.L, directly purchased these Latin American companies acting in its capacity as an investment vehicle for Grupo de Inversiones Suramericana S.A, in expanding its operations on an international scale.

Based on that stipulated by the International Financial Reporting Standard No. 3 (IFRS 3) governing Business Combinations, purchased goodwill is recognized as the difference between the value paid and the corresponding fair value of the assets, liabilities as well as the contingent assets and liabilities of the companies thus acquired, net of any identified intangible asset belonging to the acquired companies. Based

on this standard, goodwill is not amortized but subject to impairment tests, when there are indications of such. These same Standard provides a period of grace of 12 months to make any accounting adjustments relating to purchases over which control has been obtained.

With regard to the business combination and contractual relations with clients, the Colombian Superintendency of Finance considers it reasonable to post these in books pursuant to that provided in Official Notice 2012072089-003-000 issued on December 26, 2012.

Grupo de Inversiones Suramericana España, S.L, holds a 100% stake in the holding companies incorporated in Holland as well as other non-controlling interests in other companies acquired in different countries. Grupo de Inversiones Suramericana S.A, has chosen to measure the non-controlling stake in the acquired company as a portion of the net assets acquired, since the aforementioned transactions included the purchase of various direct and indirect stakes in a total of 36 companies in Colombia, Mexico, Chile, Peru and Uruguay.

This acquisition included a Purchase Price Allocation (APC in Spanish or PPA in English) and an Intangible Asset Valuation on the direct and indirect stakes purchased in the Acquired Companies, as shown below.

■ Acquired assets and assumed liabilities

El valor razonable de los activos y pasivos identificables del adquirente a la fecha de adquisición es la siguiente:

Assets:		
Property, plant and equipment	\$	81,531
Investment properties		265,093
Other intangible assets		10,364
Deferred acquisition costs (DAC)		520,212
Financial assets		3,858,999
Deferred tax assets		14,547
Other assets		51,579
Cash and cash equivalents		160,137
	\$	4,962,462
Liabilities:		
Financial obligations	\$	165,592
Deferred income liabilities (DIL)		236,545
Provision for life insurance (technical reserves)		1,867,071
Deferred tax liabilities		250,793
Provisions		48,746
Accounts payable		296,689
Employee benefits		64,299
Capital gains tax payable		24,678
Other liabilities		4,946
Total Liabilities:		2,959,360
Total net identifiable assets posted at fair value		2,003,102
Intangible assets recognized as part of the acquisition (1)		3,247,992
Deferred tax on business combination (2)		839,658
Total net identifiable assets posted at fair value		4,411,437
Non-controlling stakes posted at their fair value (3)		223,826
Goodwill obtained from the acquisition (4)		2,359,623
Consideration transferred on the acquisition	\$	6,547,233

- (1) Corresponding to the items identified in the purchasing process which are expected to represent future economic benefits for Grupo de Inversiones Suramericana S.A.
- (2) Deferred tax was calculated based on the tax rate applicable in each country where the intangible assets were acquired.
- (3) The fair value of the non-controlling stake held in Grupo de Inversiones Suramericana España S.L. was determined by calculating the stakes held in each of the companies acquired in terms of their respective net assets. Since Grupo de Inversiones Suramericana España S.L. is not listed on any stock exchange, there is no available market information on which to base said calculations.

Since the acquisition was carried out on December 31, 2011, the acquired companies did not report any income, costs and expense or pre-tax profits on the Company's financial statements for said year.

- (4) Goodwill was determined based on the value paid minus the fair value of the net assets acquired, minus non-controlling stakes.

■ The acquired Companies:

The following is a list of the Companies acquired from ING through Grupo de Inversiones Suramericana S.L.

COMPANY	COUNTRY
ING S.A.	Chile
ING Compañía de inversiones y servicios LTDA	Chile
ING Agencia de valores S.A	Chile
ING Administradora General de fondos S.A.	Chile
ING Promotora de Servicios Financieros S.A.	Chile
ING Seguros de Vida	Chile
ING Data Chile S.A.	Chile
ING Chile S.A.	Chile
AFP Capital S.A.	Chile

COMPANY	COUNTRY
Santa Maria Internacional	Chile
DCV Vida. S.A.	Chile
Inversiones DCV S.A.	Chile
Administradora de Fondos de Cesantía S.A.	Chile
Servicios de Administración Previsional S.A.	Chile
Deposito Central de Valores	Chile
ING Administradora de Fondos y Pensiones S.A.	Colombia
Afore Holding B.V	Holland
ING Latín América Holding B.V.	Holland
ING AE Chile Holdings I B.V.	Holland
ING AE Chile Holdings II B.V.	Holland
ING Asesores	México
ING Pensiones	México
ING Investment Management	México
Inverconsa	México
ING Afore S.A. de C.V.	México
Sura Art Collection	México
ING Wealth Management S.A.	Perú
AFP Integra	Perú
ING Asset Management S.A.C	Perú
ING Fondos SAF SAC	Perú
ING Servicios SAC	Perú
ING International Perú S.A.	Perú
ING Pensiones Perú	Perú
Afinidad AFAP S.A.	Uruguay

Pursuant to the IFRS 3, the identifiable assets acquired and the liabilities assumed on the date on which the acquisition was made were duly recognized and appraised. These values were determined using different valuation methods depending

on the type of asset and/or liability, and according to the best information available. In addition to different considerations that were borne in mind upon determining the fair value of such, expert counsel was also obtained.

(c) Basis for Preparing and Presenting the Financial Statements

The consolidated financial statements have been drawn up and presented pursuant to Article 122 of Decree 2641 issued in 1994 as well as the consolidation rules and regulations contained in External Circular No. 002 of 1998 issued by the Colombian Superintendency of Finance, plus the effect of the business combination as described in (b) of the Summary of Principal Accounting Policies

(d) Cash equivalents

For cash flow purposes, fiduciary rights on ordinary mutual funds, as well as negotiable shares and certificates of deposit were considered as cash equivalents.

(e) Investments Security-issuing entities

For valuation purposes, investments are classified according to the following criteria:

- Their intent and purpose: negotiable and permanent.
- Their corresponding yield: fixed, variable or a combination thereof
- Control held over the issuer: controlling and non-controlling stakes.
- The reason behind the

investment: voluntary or mandatory

- The rights granted by the security: participating and non-participating
Investments are appraised and posted as follows:

Negotiable investments: at their market value, and all variations with regard to their latest book values are recorded in the income accounts alongside each investment.

Controlling investments: these are companies in which more than a 50% stake is held and which appear in the Colombian Commercial Registry as under the Company's control; the book values of these are either increased or decreased depending on any changes in the subsidiary's equity subsequent to its acquisition, this based on the percentage stake held, and any adjustments made thereto are recorded in the income statement in the capital surplus account.

The equity method is used, pursuant to that laid out in Joint Circular No. 11 issued August 18, 2005 by the Colombian Superintendency of Companies and the Colombian Superintendency of Finance.

The difference between the book value of these investments and their intrinsic value is posted as a gain or a provision (which is charged to the income accounts) as applicable.

According to Decree No. 4918 issued December 26, 2007 equity investments in foreign subsidiaries must be restated in the functional currency using the applicable exchange rate, as certified by the Colombian Superintendency of Finance, or any other authority that should replace said Superintendency or act in such capacity, posting the difference between the book value of said assets and their restated value as an increase in the value of the Company's equity, in the account where equity variances are recorded.

When the investment in question is sold off, any adjustments on the exchange difference recorded in the equity accounts shall affect the results for the corresponding period.

Permanent (non-controlling) investments: should the value of the investments sold be higher than their book cost, the difference represents a gain for the period and this is posted in the valuation offset accounts (as a valuation against valuation surplus). Should the value of the

investments sold be lower than their book cost, the difference is charged first to the valuation account and then to the revaluation surplus account, up to the amount contained in said accounts with any amounts left over constituting a loss in the value of the investment which is charged to the aforementioned accounts as a lower value of these same, regardless of the contrary nature of their net balances.

Valuation procedure for entities coming under the oversight of the Colombian Superintendency of Finance.

Investments are appraised in keeping with the guidelines, criteria and methodologies stipulated in Chapter 1 of the Basic Accounting and Finance Circular issued by the Colombian Superintendency of Finance.

Based on the corresponding purposes and strategies of the investment in question, securities may be classified as negotiable investments, investments held-to-maturity or investments held for sale.

Any security or instrument and, generally-speaking any investment in general that has been purchased for the prime

purpose of obtaining gains on short-term price fluctuations are classified as negotiable investments. Held-to-maturity investments consist of those purchased with the intention of maintaining these until they mature. Held-for-sale investments are those made for the purpose of keeping for at least one (1) year as of the date on which they were duly classified in this category, after which they are either reclassified as negotiable or held-to-maturity or continue as investments held for sale.

Investments are appraised according to the following provisions:

Debt securities

These are securities according to the corresponding holder with the status of creditor with regard to the issuer in question.

Negotiable investments or those held for sale are posted according to a price, reference rate or margin which is calculated based on representative market transactions.

In the absence of a price, the corresponding market value is estimated by calculating the sum of the present value

of future flows of yields and principal, using a Discount Factor (DF) consisting of a reference rate and a margin that is published daily by INFOVAL or any other agent that the Colombian Superintendency of Finance should authorize for this purpose.

$$DF = [(1+BR)*(1+M)] ^ (n/365)$$

Where:

- DF:** Discount Factor
- BR:** Annual reference rate as calculated on the valuation date.
- M:** Margin for the respective category of security as calculated on the valuation date.
- N:** Number of days between the valuation date and the due date for the flow in question, this calculated on a basis of a 365-day year.
Should neither a price nor a margin be available on the valuation date, the corresponding margin must be calculated based on valuations of similar securities.
All those securities that cannot be appraised based on their price, reference rate or margin, must be valued exponentially based on their internal rate of return.

In the case of securities classified as held-to-maturity

investments, these are appraised exponentially based on their internal rate of return calculated on the date of purchase.

Equity securities

These are securities according to the corresponding holder with the status of co-owner of the issuer in question.

Equity securities that are registered with the Colombian Registry of Securities and Issuers and listed with the Colombian Securities Exchange are appraised based on the prices published by the agents authorized by the Colombian Superintendency of Finance for this purpose. These prices are based on information sourced from the different regional exchanges where these are traded. In the event of there being no trades setting a price on the secondary market, as of their date of issue, these must be appraised considering the subsequent changes to the issuer's equity, this based on the purchase price or the price published by an agent authorized for this purpose by the Colombian Superintendency of Finance.

Interests in collective portfolios as well as securities issued as part of securitizations are appraised based on the unit value calculated by the firm managing such on the

date immediately preceding the valuation date even when these are listed on the Colombian stock exchange.

Equity securities listed on foreign stock exchanges are appraised based on the closing prices made available on the stock exchange in question on the valuation date, or failing that the closing price most recently reported by said exchange.

Should no closing price be available for the period in question, these must be appraised based on the simple average of closing prices reported during the previous thirty (3) trading days including the valuation date.

Equity securities that are issued and traded in Colombia but not listed on the Colombian stock exchange.

These investments must be appraised using any one of the following procedures:

- The purchase price must be increased or reduced according to the investor's percentage of any subsequent changes to the issuer's equity.

For this purpose, changes to the issuer's equity are calculated based on duly-certified financial statements, at June 30 and December 31 of each year. However, in the event of more recent certified

financial statements being made available, these should be used for appraising the corresponding investment. Entities are given a maximum term of three (3) months, subsequent to the cut-off date of their financial statements, to make the corresponding changes.

- Based on the price determined by an agent specialized in appraising personal assets.

- Based on a method that adequately reflects the economic value of the investment in question, which must be previously authorized by the Colombian Superintendency of Finance .

Generally speaking, in the case of all those securities denominated in foreign currency, in units of real value or other units, their present value or market value, or the value of its currency or designated unit is duly determined. The value thus obtained must be multiplied by the local market exchange rate applicable on the date the security is appraised, as duly certified by the Colombian Superintendency of Finance on said date, or by the value officially recorded for the unit on this same day, as applicable.

Derivatives

Investments in currency forwards

Currency forwards are appraised on a daily basis in accordance with that stipulated in Chapter XVIII of the Basic Accounting and Finance Circular issued by the Colombian Superintendency of Finance; this based on their fair exchange prices following the guidelines and criteria that must be used by all those entities coming under the oversight of this Superintendency.

Peso-dollar forward transactions are appraised using the forward points (PIPS) recorded at the daily closing of the forward market, as published by authorized agents.

In order to calculate the gains or losses obtained on this type of contract, the difference between the forward rate agreed upon and the forward rate applicable on the valuation date is calculated, which must correspond to the remaining term of the derivative in question, and this is converted to its present value using the zero coupon interest rate. For this the following formula is used:

$$\frac{\text{NUSD} * [\text{FER} - (\text{MMR}_{\text{spot}} + \text{PIPSK})]}{1 + (\text{rk} * \text{k}/360)}$$

Where:

NUSD: Nominal value of the contract stated in US dollars

FER: Peso-US dollar exchange rate stipulated in the contract and stated in pesos per dollar

k: Number of days between the valuation date and the stipulated delivery date.

PIPSk: Forward points ('mid') on the peso-US dollar forward market on the valuation date for a term of k days. This is stated in pesos per US dollar.

MRRspot: Market representative rate on the date of appraisal stated in pesos per US dollar

rk: Zero coupon interest rate for a term of k days, according to the guidelines governing discount rates as set out in sub-sections a), b) and c) of Section 7.2. of the aforementioned Chapter.

General policies governing derivative operations
The derivatives held by the Company correspond mainly to hedging operations performed to protect its portfolios, and to a lesser extent to speculative transactions conducted within a time frame of up to one (1) year. Structured Products are not limited to this same time horizon and must

consist of wholly-protected (100%) capital.

Based on the derivative and structured products permitted both by law and the Company's Investment and Risk Committee, the Company is considered to have a MEDIUM risk profile, and therefore its risk tolerance level is set at MEDIUM.

Any transactions involving new structured products, derivatives or operations performed on new underlyings must be authorized by the Investment and Risk Committee after the Investment Department has presented its strategy and this has been duly analyzed by the Risk Department.

Hedging arrangements were conducted in 2012, for the purpose of mitigating the amount of volatility affecting the Companies' financial statements in the short term as well as to fulfill the targeted goals.

Charges, constraints and encumbrances.

Operations with derivatives reported to date are free of any encumbrance as well as legal and financial constraints.

(f) Related parties

Related parties are companies under Grupo Sura's direct or indirect control, as well as members of its Board of Directors and Senior Management.

Colombian law sets forth certain restrictions and limitations on transactions carried out with certain related parties, such as the directors and senior management of a company, as well as its subsidiaries.

Restricted or prohibited transactions are duly stipulated in the Colombian Code of Commerce, as amended by Law 222 of 1995. This law establishes, among other things, the following: (i) all subsidiaries must carry out their activities independently and with sufficient administrative autonomy; (ii) transactions between the parent company and its subsidiaries or affiliates must be of a real nature and may not differ considerably from standard market conditions, nor be to the detriment of the Colombian government, stockholders or third parties and (iii) subsidiaries may not acquire any shares issued by their parent company.

Furthermore, all transactions between companies and their shareholders, directors and senior executives must be carried out on an arm's length basis and with the utmost transparency, fairness and impartiality.

(g) Accounts receivable

The provision for this account is based on the estimated collectability of the balances outstanding, according to their particular nature, the following being the most relevant:

- In the case of all those subsidiaries pertaining to the finance sector, the provision for loan portfolios and the provision for amounts to be collected is set up based on that stipulated by the Colombian Superintendency of Finance.
- Accounts receivable, that are more than 6 months past due, in the specific case of our insurance subsidiaries, require that a provision for 100% of the value of these is set up and charged to the income accounts.
- Provisions are charged against the income accounts should there be any doubt concerning the collection of the amounts outstanding. The Colombian Superintendency of Health, by

means of Resolution 1424 of 2008, requires a provision to be recorded covering eventual losses on revenues due from pre-paid healthcare services and/or complementary healthcare plans that have remained outstanding for more than 90 days, this equivalent to 100% of the value of the payments owing. As for amounts outstanding corresponding to injunctions and CTC orders, maternity

leaves, private individuals, and workers' compensation, the Company sets up a provision for 5% of the amounts that have remained between 90 and 180 days outstanding, 10% for between 181 and 360 days outstanding, and 100% for amounts more than 360 days outstanding. The general provision set up on accounts receivable, based on the amount of days outstanding, is broken down as follows:

PROVISION %	DAYS OUTSTANDING
5	Between 90 and 180 days
10	Between 181 and 360 days
15	More than 360 days

(h) Transactions and balances in foreign currencies

Transactions in foreign currency included in the consolidation are converted to Colombian pesos using the market representative rate as certified by the Colombian Superintendency of Finance on the date these are conducted. Balances in foreign currency are adjusted using the market representative rate applicable on the last day of the month, which at December 31, 2012 and December 31, 2011 came to COP \$1,768.23 and

COP \$1,942.70 respectively. Exchange differences are posted in the income accounts.

According to Decree No. 4918 issued December 26, 2007 by the Colombian Ministry for Commerce, Industry and Tourism, exchange differences resulting from equity investments in foreign subsidiaries must be posted as a higher or lower value of the Company's equity; and when the investment in question is sold off, this value is posted on the income accounts.

(i) Inventories

Inventories are managed using the permanent inventory system. These are appraised using the average inventory method and their depletion is recognized by charging the respective cost account for the service provided.

Inventories of real estate held for sale and plots of land for subsequent development, whether wholly or partly owned (both land and construction in progress together with buildings), are recorded at cost, which shall not exceed their corresponding market value.

(j) Realizable assets and assets received as payment

Assets received in the form of payment are posted at the value paid in kind, this based on technical appraisals.

Based on that stipulated in External Circular 043 issued in 2011, technical appraisals may not date back more than three years from the date on which the books are closed for the period for which said appraisals are used.

Should there be a difference in favor of the debtor between the value for which the asset is received and the value of the obligation to be paid, this is

posted as an account payable. Should the value of the asset not be enough to cover the amount owing on unpaid obligations, a provision is set up on the difference.

For the purpose of setting up individual provisions on all kinds of assets received in the form of payment, the instructions set out in Chapter III of the Basic Accounting and Finance Circular are duly followed.

All realizable assets are posted at their purchase or production cost, which includes all direct and indirect costs and expense that are incurred until they are ready to be used or sold.

Interest, monetary correction, foreign exchange adjustments, as well as any other financial expense incurred in acquiring, building or assembling assets constitute a higher value of the asset in question, until these are started up or ready to be used or sold.

(k) Intangibles

Intangible items consist of acquired goodwill, trademarks, non-competition agreements, contractual relations with clients, goodwill, goods received as part of leasing arrangements, software, trusts and licenses.

- **Acquired goodwill**

Based on that stipulated by the IFRS 3, the acquiring company shall recognize goodwill separately from the intangible assets acquired in a business combination. An intangible asset is identifiable if it meets the legal contractual or separability criterion.

Given the International Accounting Standard (IAS) No. 38 governing Intangible Assets, an intangible asset must be recognized separately from goodwill if it meets the recognition criteria therein prescribed.

Goodwill resulting from the purchase of a 20% and 16% stake in Wealth Management S.A and AFP Integra S.A, respectively, as approved by the shareholders at a meeting held on December 26, 2012, as evidenced in the corresponding Minutes No. 5, was recorded in books based on the IFRS 3, using the acquisition method on the date control over these companies was transferred. The goodwill posted corresponded to the purchase price paid on the date of this acquisition, less the fair value of the net assets thus acquired.

With regard to the business

combination and contractual relations with clients, the Colombian Superintendency of Finance considers it reasonable to post these in books pursuant to that provided in Official Notice 2012072089-003-000 issued on December 26, 2012.

Goodwill posted in this manner is not amortized but is subjected to impairment tests on an annual basis.

In 2011, goodwill mainly corresponded to the acquisition of the ING assets, Progreso Compañía de Seguros S.A and Compuredes S.A.

- **Contractual relations with clients and trademarks**

These are relations that said companies maintain with individuals and institutions that invest money in the different types of mutual funds offered, There are three types of clients, those entitled to tax benefits, those who are not entitled to tax benefits and institutional clients. Clients entitled to tax benefits are natural persons or private individuals (dependent or independent) who pay a single, second-category tax and or complementary global tax (persons who are liable for tax) and who are subscribers of all those mutual funds stipulated

by Article 57 bis of Chile's Income Tax Law.

Intangible assets, contractual client relations and trademarks were purchased as part of the business combination. The estimated useful life of contractual client relations is between 4 and 22 years, whereas trademarks have an indefinite duration.

Valuation Methodology

Grupo de Inversiones Suramericana S.A., used the Multi-Period Excess Earnings Method (MEEM) to determine the fair value of all those intangible assets relating to contractual relations with clients. This methodology forms part of the income approach pursuant to the IFRS 13 – Fair Value Measurement and is based on the principle that the value of a specific asset may be obtained as the present value of future cash flow surpluses, after the amount of tax attributable to said asset during the rest of its useful life.

Cash flow surpluses are estimated as the difference between:

- Operating cash flows after the amount of tax attributable to the asset in question; and
- The cost of capital invested

relating to other net operating assets (both tangible and intangible and different from the asset in question) that are required to provide the cash flows attributable to the asset itself.

It is important to note that in order to apply this methodology, all those assets that make up the cost of capital invested should have been adequately identified and appraised prior to estimating the asset's market value. Finally the cash flow surpluses attributable to the asset in question, are discounted at an appropriate rate, according to their respective risk profiles, so as to be able to estimate the present value of said flows.

- **Good Will**

This is initially measured at cost, as the surplus obtained from the amount of the consideration transferred and the amount recognized on the non-controlling stake, with regard to the identifiable assets acquired and the net liabilities taken over. This is later subject to impairment and charged to the income accounts.

- **Leasing**

Rights and obligations relating to leased assets are posted in keeping with the nature of the

respective lease contract or agreement, as described below:

a) Financial leasing arrangements

The present value of the lease rentals and the purchase option is calculated on the date the corresponding contract is signed, this being the cost of the asset which is recognized as a fixed asset, crediting a financial obligation. During the term of the lease contract, the portion of the lease rentals corresponding to payments of principal on the asset in question is applied as a lower value of the respective liability and the portion corresponding to interest is posted as a financial expense on the income accounts.

Depreciation is calculated by applying the straight-line method during the asset's useful life and this is posted as an amortization on the income accounts.

b) Operating leasing arrangements

With this type of contract, no asset or liability is recognized on the assets received. The total value of lease rentals is posted on the income statements as leasing expense.

The terms, conditions and

requirements for operating leasing contracts to be recognized as such are found in subsection 1 of paragraph 3 of Article 127-1 of the Colombian Tax Code (the only persons entitled to this form of treatment are lessees reporting total assets for up to the maximum limit for a medium-sized company as stipulated in Article 2 of Law 905 of 2004 , which is equivalent to 610.000 Units of Tax Value).

(l) Taxes

Income tax expense is determined based on taxable income. The effect of temporary differences that imply calculating higher or lower taxes to be paid for the current year, based on current tax rates, is posted as a deferred tax asset or liability, as applicable, providing said differences are reasonably expected to be reversed.

(m) Property, plant and equipment

Property, plant and equipment are recorded at their adjusted cost, including costs and expenses accruing up to the moment the asset is ready for use.

Any extensions, improvements and extraordinary repairs that significantly increase the useful life of the asset in question are recorded as an added cost, and

maintenance and repair costs are charged to expenses as these accrue.

With regard to performing maintenance on furniture and fixtures, there exists a maintenance program and a team of subcontractors in charge of carrying out repairs and attending incidents as these arise. Visits are scheduled on a regional level each year, and a general check is performed on all our premises.

In the case of both operating and non-operating property on a nationwide level, when these are occupied, maintenance and repairs are performed upon request, and once the initial evaluation is completed and depending on the extent of the damage or malfunction, the corresponding repair or maintenance work must be completed within four days of having been reported. In the case of unoccupied property a person has been assigned (not for this exclusive purpose) in every city in order to conduct periodic inspections and resolve all issues regarding such property.

Both real estate and personal property are duly insured against fire, low voltage and theft, as applicable. Real

estate is insured against earthquake and fire for its commercial value. Works of art are insured for their appraised commercial value however, it is the Company's policy not to move furniture or fixtures (including works of art) outside its premises without having obtained the corresponding coverage.

At December 31, 2012, all the Company's real estate property remained free of any encumbrance, mortgage or pledge.

Depreciation is recorded using the straight-line method based on the asset's estimated useful life in years. The annual depreciation rates for each type of asset are as follows:

**ANNUAL %
RATE**

Buildings	2 to 5
Equipment, furniture and office fixtures	10
Computer equipment	20
Vehicles	20
Medical and dental equipment	10

(n) Prepaid expense and deferred charges

These mainly consist of pre-paid expense such as insurance, non proportional contract costs (amortized during the life of the policy), interest, commissions paid to brokers on pending premiums and deferred charges relating to remodellings, computer programs, office stationery and supplies, improvements to leased assets, organization and pre-operating expense, advertising and publicity, contributions and membership fees.

Prepaid expense is amortized during the period in which the corresponding benefit is obtained.

Deferred charges are amortized as follows:

- Software programs up to a maximum of 3 years
- Office stationery and suppliers, as these are depleted.
- Organization and pre-operating expense up to a maximum of 5 years.
- Projects, during the time it takes for their completion.
- Deferred acquisition costs (DAC) represent an asset consisting of acquisition costs of insurance contracts which are deferred and amortized over time. Deferred costs, which vary as new contracts arise or existing contracts are renewed, consist mainly of commissions, expense incurred with signing and delivering contracts and certain brokerage or agency expense.

In the case of traditional and flexible life insurance together with non-life insurance contracts, DAC are amortized during the period the premiums are paid in proportion to the income to be received on recognized premiums.

For other types of traditional life insurance, DAC are amortized during the life of the policies with respect to the occurrence of estimated gross profits. In the case of DAC corresponding to flexible insurance contracts, a lineal amortization approach was used during the estimated term of duration of the policy in question. Once a year, in conjunction with the adequacy tests performed on reserves, an implicit adequacy test is carried out on DAC (to verify that net reserves of DAC are sufficient).

- Premiums for more than one year are amortized based on the term of the policy
- Those corresponding to leased assets are amortized over whichever is the shortest period between the term of the respective contract and their probable useful life.
- Advertising, publicity, contributions, membership fees, organizational and pre-operating expense are amortized over a 12-month period

(o) Trust rights

Real estate and administrative trusts received as part of liquidation and merger proceedings are recorded based on their liquidation cost multiplied by the percentage stake held.

(p) Valuations

The accounting policies applicable to recognizing gains and losses are presented as follows:

Property, plant and equipment

These are recorded by comparing their technical appraisals with their corresponding net book values. When their technically appraised value is greater than their book value the difference is posted as a gain on the balance sheet accounts, otherwise it is posted as a loss, initially charging the valuation accounts until their value is depleted and then any amount left over is charged to the income accounts.

Appraisals are performed at least every three years. In the interim these are updated based on either official indicators or on the CPI as applicable to the middle-income brackets, and published by the Colombian Statistics Bureau (DANE).

Investments in non-controlling companies

Valuations of permanent investments in non-controlling companies correspond to the higher value obtained from comparing their intrinsic value with their book cost which is then recorded firstly in the valuation account and then the valuation surplus account up to the total value of such. Should their intrinsic value be less than their book cost the difference is charged to the aforementioned valuation accounts, regardless of the contrary nature of their net balances.

Trusts

Trust valuations are posted according to the difference between the value appearing on the corresponding statement and their book cost.

(q) Deferred income

This consists of deferred and prepaid income which is amortized during the period it accrues or when the services are provided.

(r) Estimated liabilities and provisions

The preparation of financial statements according to generally-accepted accounting principles requires that Company Management records

estimates and provisions that affect the reported values of the Company's assets and liabilities as well as disclose assets and liabilities of a contingent nature on the date on which the financial statements are drawn up. The real results could therefore differ from the figures thus estimated.

(s) Retirement Pensions

Retirement pension liabilities are calculated based on actuarial studies, which are drawn up as required by law. Retirement pensions are amortized according to the percentages stipulated by law. The current portion is calculated on the estimated payments to be made during the following year.

For years ended December 31, 2012 and December 31, 2011, the Company amortized the total value of its retirement pensions. The payments made to retired personnel were charged to the provision for such.

(t) Memorandum accounts

These accounts contain events, circumstances, agreements and contracts that may entail certain rights and obligations which could consequently affect the Company's financial structure. These include control accounts used for

assets, liabilities, equity and management information or for future financial situations and differences between accounting records and tax returns.

(u) Insurance business

Provision for premiums pending collection

The Companies set up a provision for premiums pending collection on earned premiums and policy-issuing expense that have remained outstanding for more than 75 calendar days beginning on the date on which the technical term of the policy, together with the certificates and annexes issued based on such, begin. For this the policy-to-policy method is used as required by the Colombian Superintendency of Finance, except in the case of premiums to be collected from the State or Central Bank, providing there is a duly executed agreement with the State, a certificate of budgetary availability has been obtained or the respective budget record has been made to proceed with its corresponding payment.

As for accounts receivable in the case of the insurance sector, as well as other related assets in the case of accounts receivable corresponding to the insurance business that are more than 6

months past due, a provision for 100% of the value of these is set up and charged to the income accounts.

Provisions for premiums receivable are set up in accordance with that stipulated by the Colombian Superintendency of Finance in External Circulars Nos. 100 of 1995 and 036 of 2004, and charged to the income accounts.

The Workers' Compensation Companies must set up a provision equivalent to one hundred per cent (100%) of the amounts due and payable as of the first month in which the employer defaults on payment, charging this to the income accounts.

ARP Sura S.A. has set up the corresponding provisions for its accounts receivable that have remained outstanding up to a term of one year, this based on applicable legal and regulatory case law. It is worthwhile noting that Article 96 of Decree 1295 of 1994, subsequently amended by Article 18 of Law 776 of 2002, stipulates a statute of limitations of one year for all those benefits established by the Workers' Compensation System, which is why it is not appropriate to set up a provision for said accounts for a longer period of time, since the right

to claim such benefits expire within a maximum term of one year, beginning on the date the employer defaults on the payment of these installments.

Recognition of revenues, costs and expense

Revenues, costs and expense are recorded on the income accounts as they accrue.

Revenues on premiums issued are recognized when the respective policies are issued. These revenues are distributed throughout the period using the technical reserve. Revenues on premiums issued are reduced when the policies are either cancelled and/or revoked. In the case of the former, the value recorded corresponds to the total value of the premium earned up to the moment it is cancelled due to its payment term having expired.

Savings with respect to life insurance policies are recorded both as revenues as well as expenses against the reserve. The difference between the corresponding revenue and expense plus returns is posted on the income accounts.

In the case of each employer, the Workers' Compensation Company must estimate

the value of all mandatory contributions bearing in mind the number of workers that were affiliated during all or part of the period (incoming and outgoing), the wages on which contributions are calculated and the type of risk, as reported on the last payment settlement or affiliation form. Should the employer not report any incident, the estimated value of the corresponding contributions cannot be lower than that contained on the last payment settlement form.

Breakdown of contributions received

• Contingency and other coverages.

Ninety-four per cent (94%) of the contributions received are assigned to cover workers' compensation contingencies or to pay the corresponding economic or health benefits, develop and provide occupational risk and comprehensive rehabilitation programs as well as to manage the system itself.

• Fund for Research and Prevention Programs – work-related accidents and occupational disease

Five per cent (5%) of the contributions received are

assigned to developing programs, campaigns, educational initiatives and conducting research into work-related accidents and occupational disease, pursuant to Article 19 of Decree 1295 of 1994.

• **Work-related risk fund**

This fund is allotted one per cent (1%) of the contributions received, pursuant to Article 19 of Decree 1295 of 1994.

This sum is transferred on a monthly basis to the Fiduciaria la Previsora.

In the case of Compañía Seguros Sura S.A., premium income and commissions received on insurance contracts, as well as reinsurance and co-insurance transactions, expense incurred on claims together with commission expense are posted using the accrual method, while at the same time taking into account that stipulated in Law 146-02 governing insurance and sureties. Deferred premium subscription costs are initially presented as pre-paid expense on the regulated base statement of financial position and these are amortized using the straight-line method during the term of the respective contracts.

■ **Technical insurance reserves:**

Method used for ongoing risk

Pursuant to Law 45 of 1990, and Decree No. 839 of 1991, subsidiary companies must calculate their respective technical reserve for

ongoing risks based on 80% of the premiums retained during the year, according to the “eighths” method, except for the following types of insurance:

BRANCH OF INSURANCE	% RETAINED	RESERVE	FREQUENCY
Aviation, shipping, mining and oil risk	100	10	Annual
Global banking management and fidelity as well as financial risk	100	20	Annual
Transport	100	50	Quarterly

In the case of insurance for terms of less than one year, the technical reserve is calculated proportionately to the life of the insurance.

As of January 2007, Seguros de Vida Suramericana S.A., has calculated its technical reserve for ongoing risk using the policy-to-policy method, as authorized by the Colombian Superintendency of Finance, taking 80% as a basis for its calculation for the first year, 90% for the second and 100% from the third year onwards. At the Company’s request, the Colombian Superintendency of Finance, by means of Filing N° 2007 000886-001-00 dated February 08, 2007, authorized the Company to continue using 80% as the basis for this calculation.

As of January 2005, the Company had calculated its technical reserve for ongoing risk using the policy-to-policy method on 100% of the premiums retained. Subsequently the Colombian Superintendency of Finance, by means of Filing N° 2007 000886-001-00 dated February 08, 2007, authorized the Company to continue using 80% as the basis for this calculation.

At the request of Seguros Generales Suramericana S.A., the Colombian Superintendency of Finance by means of Filing No. 2007073701- 001-000 dated December 31, 2007, authorized the setting up of this reserve using as a basis for its calculation 80% of all those policies entering into full force and effect as of

December 1, 2007, except in the case of transport insurance which is governed by a special system regulated by Decree 839 of 1991. Pursuant to that stipulated in the paragraph contained in Article 3 of Resolution 1555 issued July 30, 2010, by means of which the mortality tables were updated for annuitants, Seguros de

Vida Suramericana S.A., gave notice that differences had been obtained between the value of the mathematical reserve at December 31, 2010 calculated by applying the Table RV08 in its entirety and the reserve calculated using the gradual adjustments contained in Law 100 covering pension changeovers and voluntary pensions and these were still pending due recordal.

BRANCH		DIFFERENCE PENDING RECOGNITION
Law 100	\$	73,264
Pension changeovers		19,733
Voluntary pensions	\$	409

The Company decided to set up a reserve for claims incurred but not reported in connection with Policy 4 (valid from 2007 to 2010) namely the adverse deviation regarding the frequency of claims, calculated as the average amount paid out on unreported claims relating to this policy in 2010 and 2011. Furthermore an additional factor of 10% was included which as been duly approved in the budgeted funds for 2011 in order to cover obligations in the mid-term for our pension insurance business, which according to this methodology are not covered.

Furthermore, in the case of Education Annuity Insurance

(Filing No 2003036515-0 dated July 14, 2003) and Pension Annuity Insurance (Filing No. 2005014623-0 dated March 22, 2005) pertaining to Branch 41 (Voluntary Pensions), the adjustment required in calculating the reserve due to the change in the mortality table is not significant, since this has to do with Temporary Short-Term Annuities, and therefore the gradual adjustment provided by said Resolution was not considered necessary, which was why in October 2010 the Company proceeded to set up 100% of the reserve applying the Table RV08 in its entirety. Current risk reserves in the

case of Aseguradora Suiza Salvadoreña, S.A., are calculated based on accrued premiums, net of discharges, cancellations and assignments due to reinsurance or rebonding arrangements, as well as property and casualty, shrinking debt, personal accident healthcare and hospitalization, short-term life and graded premium life insurance, together with additional benefits provided on life insurance, extra premiums and mortality deductions on flexible insurance plans and sureties.

In the case of Compañía Seguros Sura S.A., current risk reserves on property and casualty insurance are calculated based on specific percentages of retained premiums, net of cancellations and discharges, depending on the branch of insurance in question. These percentages are stipulated in Article 141 of Law No. 146-02, as follows:

- 15% in the case of cargo transport insurance
- 40% for all other types of insurance and sureties

Reserves for catastrophic risks are set up between a minimum of 0.50% and a maximum of 5% of net retained premiums on the coverages provided by the branch of insurance in question, including:

Fire and Allied Lines exposed to catastrophic losses. These

reserves are considered as being cumulative liability reserves to be used exclusively to pay for any catastrophic losses sustained.

The current risk reserve for collective life, personal accident and healthcare insurance, provided the corresponding premiums are collected on a monthly basis, are calculated based on 5% of the subscribed premiums.

In the case of policies with terms of one or more years, the twenty-fourths method is used. In the case of policies with terms of less than one year, these are calculated proportionally on a policy-by-policy basis. As for carrier-certificated transport insurance, the corresponding reserve corresponds to fifty percent of the premiums outstanding on the date this is calculated.

Technical reserve for EPS Sura

As of 2007 and pursuant to Decree N° 574 of 2007, subsequently amended by Decrees Nos. 1698 of 2007 and 2353 of 2008 the Colombian Superintendency of Health required that technical reserves be calculated, set up and maintained for service authorizations, technical reserves for services charged and reserves for contingencies.

Technical reserves for service authorizations are equal to 100%

of all authorized health services pending collection, up to a maximum term of 12 months or until, a minimum of four months have elapsed since authorization was given without the service having been provided. Once this term has elapsed, without the corresponding invoice having been received, the reserve is duly freed up. This reserve is set up based on the entire amount of components that make up the authorized healthcare service, taking into account the historic average for the previous year of the total amount paid for the service(s) included in the authorization issued. In the case of capitalization agreements, a reserve must be set up within the first five days of each month for an amount equal to a month of the term of the contract. Payments are made charging the reserve thus set up.

In the case of deposits retained from overseas reinsurers:

The reserve for deposits for premiums assigned as part of overseas reinsurance arrangements is determined based on the following percentages: aviation, shipping, and mine and oil risks - 10%; global banking management and fidelity together with financial risk - 10%; and transport and other types of insurance - 20%. It is possible to set up, for the Company's own account, retained deposits that

would otherwise be for the account of the reinsurer with regard to aviation, navigation, mining, and oil, and global banking management insurance, in the case of the parties agreeing not to do so, or using a lower percentage.

In the case of Compañía Seguros Sura S.A., premium income and commissions received on insurance contracts, as well as reinsurance and co-insurance transactions, expense incurred on claims together with commission expense are posted using the accrual method, while at the same time taking into account that stipulated in Law 146-02 governing insurance and sureties. Deferred premium subscription costs are initially presented as pre-paid expense on the regulated base statement of financial position and these are amortized using the straight-line method during the term of the respective contracts.

In the case of reported claims pending settlement:

The reserve for reported claims pending settlement is set up and charged to the income accounts for the estimated amount of individual reported claims, both for those retained by the Company and for accepted reinsurance arrangements. For reported survivors' and disability claims, the estimated amount of the settlement to be

paid by the Company is recorded for each reported claim pending settlement.

Reserves for reported claims on disability and survival policies in the case of Seguros Sura S.A., are calculated using an actuarial formula consisting of the current value of future payments at a technical interest rate of 5%, plus discounts based on the life expectations of the annuitants themselves, using the switched mortality tables for both the active and disabled as issued by the Specialized Technical Governing Body for the Superintendency for Pensions (SIPEN in Spanish) attached to the Dominican Pension System.

In the case of unreported claims incurred

A reserve is set up for claims incurred and not reported, for the sum resulting from the average amount paid out on unreported claims over the previous three-year period and the retained portion, in real terms, based on the CPI corresponding to the previous year. In the case of workers' compensation insurance, the reserve for non reported claims is set up on a quarterly basis based on the difference between 94% of the 50% of the payments accruing (net retained premiums) during this same period, and the total amount of claims paid out, increases in the mathematical reserve and reported

claims pending settlement recorded during that quarter.

In any event, this reserve cannot be less than 5% of the payments accruing during the quarter, nor greater than 25% of the payments accruing over the previous 12-month period.

The balance of the reserve set up until November 1998 may not be reduced nor freed up. Pursuant to Decree 4310 issued December 21, 2004 by the Colombian Ministry of Finance and Public Credit, which amended Decree 231 of 2002: "beginning on January 1, 2010, the reserve for unreported claims incurred with regard to workers' compensation insurance shall be subject to the general framework stipulated in Article 7, Decree, 839 of 1991, or any other regulatory decree that should amend, extend or replace such".

The reserve for pending unreported claims from previous periods with respect to disability and survival insurance is adjusted on a quarterly basis and calculated for each policy on the earned portion of the risk, as stipulated in Decree 2345 of 1995.

In the case of Aseguradora Suiza Salvadoreña, S.A., these reserves are posted against catastrophic risk, based on 5% of net reinsurance premiums

corresponding to Fire and Allied Lines and others up to the maximum of the priority agreed on in the corresponding insurance contract, plus non-covered liability on the part of the assignor less the solvency margin corresponding to the catastrophic risk.

Seguros Sura S.A., records in the form of specific reserves all those amounts that are pending settlement or payment at year-end, as well as a provision for claims incurred and reported after December 31 and before the date of the independent auditor report. For all those companies that do not qualify for the treatment contained in the aforementioned decrees, reserves for claims are calculated on a case-by-case basis, or using approximations based on experience. Provisions may be set up on unreported incurred claims (IBNR) or on handling expense for future claims. These provisions are checked each year using standard actuarial methods. Furthermore, the costs of losses sustained and so far unreported are recognized in the reserves for IBNR claims.

For deviations with the claims rate

This reserve is set up on 40% of the net retained premiums in the case of earthquake risk which may accrue until reaching twice the maximum probable loss from the cumulative amount retained by the Company within the seismic area

with the greatest exposure.

The reserve for deviations with the claims rate in the case of workers' compensation insurance is cumulative and is increased on a quarterly basis in an amount equal to 4% of the premiums earned during that period, on the retained portion of the risk without the accumulated balance of the reserve exceeding 25% of the payments received over the last 12 months, less one-half of the insured amount in excess of the catastrophic losses that cover these risks.

Pursuant to Decree 2347 of 1995, the reserve may be used to pay claims that, due to their amount or nature, can reasonably be considered as being catastrophic.

Mathematical reserve

In the case of the life insurance companies, a mathematical reserve is set up on a policy-to-policy basis this according to actuarial calculations that are adjusted based on the technical note submitted to the Colombian Superintendency of Finance, using the same technical interest and mortality table for calculating the premiums for each type of insurance.

The mathematical reserves for individual long-term life

insurance on the part of Aseguradora Suiza Salvadoreña, S.A., are calculated based on the mortality table, technical interest rates and actuarial formulas for each type of insurance. In determining these reserves, the average reserve and deferred premiums are duly deducted.

The mathematical reserves for individual life insurance on the part of Seguros Sura S.A., consist of the equivalent of the difference existing between the current value of the Company's obligations with its insured clients and the current value of the obligations on the part of insured clients with the Company. These are calculated on the basis of net premiums corresponding to individual life insurance as well as survival probabilities on pension plans, this according to the interest rates and mortality tables used by the Company. Mathematical reserves are calculated on the basis of net premiums, however, modified reserves may be calculated providing their method of computation has been authorized by the Superintendency of Insurance.

In the case of workers' compensation insurance, an individual reserve must be set up on beginning on the

date on which the obligation to recognize the disability or survival pension is determined. The total amount of this reserve is the expected current value of the monthly outlays on the part of the workers' compensation firm.

This reserve is calculated using the system of fractionated annuities in arrears, pursuant to Resolutions 585 and 610 of 1994 issued by the Colombian Superintendency of Finance, or any new rules and regulations that should supersede these.

In the case of the mathematical reserve corresponding to the savings fund, this is calculated based on the net balance available per client, and includes amounts added and withdrawn on the part of each holder, in addition to the interest payable to each.

The value of the savings fund unit is calculated on a daily basis, this serving as a daily adjustment for the savings fund.

- Law 100 pensions
- Pensions subject to the Pension Changeover
- Voluntary pensions
- Pension annuities
- Education annuities

The mathematical reserve corresponds to the present actuarial value of the obligation acquired by the insurance company, calculated based on a real technical interest rate of 4%, as stipulated by the Colombian Superintendency of Finance in Resolution 0610 issued April 14, 1994 for companies that do not come under the oversight of said Superintendency. The life insurance reserve is calculated based on a prudent forecast using the actuarial method, considering the current conditions of the insurance contracts. Specific methodologies may be used between business units in accordance with local regulations and local practices for specific products with local market characteristics, these reserves are calculated based on assumptions with regard to mortality, morbidity, expense, return on investments and assignments. These assumptions are drawn up on the date the policy is issued and are constantly reviewed throughout the term of the policy, except in the case of recognizing losses.

Special reserves – Workers' Compensation

External Circular No. 052 of 2002 issued by the Colombian Superintendency of Finance stipulates a gradual framework for setting up a workman's compensation reserve, which can

only be used to cover the sums transferred by the Company to other workers' compensation management firms claiming economic benefits for occupational sickness.

This reserve is cumulative and represents two per cent (2%) of the monthly payments earned.

(v) Materiality

All economic events are recognized and presented according to their relative importance. Upon preparing the financial statements, materiality was determined based on total current assets and liabilities, total assets and liabilities, working capital, shareholders' equity and results for the year, as appropriate

As a general rule we applied a materiality threshold of 5% of the total value of assets and operating revenues.

(w) Bonds and commercial paper

These are securities received by the economic entity as a result of issuing and selling bonds and commercial paper in the form of credit securities issued for the purpose of financing working capital.

(x) Net earnings per share in pesos

Net earnings per share for the year 2012 were calculated

based on 575.372.223 shares outstanding. For 2011 these were calculated based on the weighted average of the

Company's subscribed shares outstanding for the period of time these had been placed which came to 477.898.507.

NOTE 3

■ Cash and banks

These correspond to cash and due from banks (both domestic and foreign) as well as savings accounts held abroad for the purpose of paying financial obligations and serving as working

capital. The cash and due from banks account is free from any constraint or encumbrance, except for an embargo affecting three checking accounts belonging to Seguros Generales Suramericana S.A.

NOTE 4

■ Investments

The following is a breakdown of investments held at December 31:

	2012	2011
Temporary:		
Negotiable investments in the form of debt securities:		
Int. Govt securities issued and guaranteed by the Govt Pension Bond	\$ 476,715	374,554
Int Govt securities issued and guaranteed by Govt TES bonds	91,848	78,233
Int Govt securities issued and guaranteed by Govt TIDIS bonds	8,516	5,323
Ext Govt securities issued and guaranteed by the State	1,034	117,546
Other Govt securities, Stock Company Bonds	135,270	107,806
Int Govt securities issued and guaranteed by the Govt Republic Bond	94,620	29,938
Int Govt securities issued and guaranteed by the Govt Constant Value Bond	158,800	188,035
Securities issued as credit for securitization processes	23,080	25,565
Securities issued and guaranteed multilateral banks stock company credit	-	6
Fiduciary rights	1,060,131	25,604
Other Stock Company Bonds	88,769	82,497
	\$ 2,138,782	1,035,106

	2012	2011
Investments held for sale in the form of debt securities:		
Int Govt security issued and guaranteed by the State Pension Bond	\$ 174,432	297,134
Int Govt security issued and guaranteed by Govt TES bonds	3,244	10,274
Other Govt securities, Stock Company Bonds	3,300	3,280
Securities issued by credit establishments	56,950	73,151
Int. Bonds issued and guaranteed (oversight) IFI CDs	63,007	76,648
Int.securities issued and guaranteed (oversight) Stock Company Bonds	39,904	25,308
Int. securities issued and guaranteed (non-oversight) Stock Company Bonds	5,682	5,462
Others	3,628	-
	\$ 350,147	491,257
Investments held for sale in the form of equity securities:		
Shares with high liquidity	51,916	81,861
Shares with mid-point liquidity	16,000	32,250
Shares with low or minimum liquidity	332,511	1,838
	400,427	115,950

	2012	2011
Negotiable investments in equity securities:		
Shares		
Shares with high liquidity	94,612	45,114
Participations in mutual funds	18,929	9,372
Participations in special mutual funds	16,296	11,874
Participations in equity funds	3,798	3,726
equity securities obtained from securitizations	8,857	3,326
Mixed securities obtained from securitizations	37,533	36,866
Participations in mutual funds – domestic investments	14,192	221,999
Participations in Investment Funds. Domestic equity	124,575	106,721
Repo rights on investments	2,276	1,519
Commercial paper	154,703	38,569
Fiduciary rights	7,257	12,480
	483,028	491,563
Less provision	(3,540)	(3,334)
Total temporary investments:	3,368,843	2,130,541
Permanent investments in equity securities		
Shares		
Finance sector	3,626,548	3,669,461
Real sector	64,452	50,295
Other foreign residents	8,883	76,102
	3,699,883	3,795,858

	2012	2011
Investments held-to-maturity in the form of debt securities:		
Int Govt securities issued and guaranteed by the State Pension Bond	101,174	109,256
Int Govt securities issued and guaranteed by Govt TES bonds	17,706	19,489
Int Govt securities issued and guaranteed by the Govt Red. Bond	5,288,692	3,185,408
Int Govt securities issued and guaranteed by the Govt Republic Bond	59,378	55,644
Int Govt securities issued and guaranteed by the Govt	1,842,883	1,476,546
Other Govt securities, Stock Companies	965,540	786,637
Credit securities originating in securitization operations	137,143	3,032
Int.securities issued and guaranteed (oversight) Stock Company Bonds	32,482	29,369
	8,444,998	5,665,381
Total permanent investments	12,144,881	9,461,239
Total permanent investments	[8,957]	[8,447]
Total investments	\$ 12,135,924	9,452,792
Total inversiones	\$ 15,504,767	11,583,334

Provision for investments

Movements in the provision for investments corresponding to the years ended December 31, 2012 and December 31, 2011 are broken down as follows

	2012	2011
Opening balance	\$ 11,781	22,519
Provision charged to expenses	6,859	3,480
Reversed provisions	(1,136)	(870)
Cancellation of provision for sales	(5,007)	(13,348)
Provisions	\$ 12,497	11,781
Temporary investments	3,540	3,334
Permanent investments	8,957	8,447
	\$ 12,497	11,781

The following is a breakdown of the Company's equity investments at December 31:

	2012		2011	
	NO . SHARES	% STAKE	NO . SHARES	NO . SHARES
Finance				
Bancolombia	227,920,258	26.8%	227,800,800	26.8%
Bancolombia ADR´s	-	-	42,182	0.0%
Inversiones ZFR	184,455	16.8%	168	16.8%
Pension Fund Management				
Protección - AFP	10,830,799	56.9%	10,257,279	48.4%
Administradora de Fondos de Cesantias S.A.	61,401	22.2%	62,401	22.6%
Food				
Grupo Nutresa	161,402,353	35.1%	163,431,661	35.5%
Cement				
Grupo Argos	230,466,132	29.4%	231,218,358	35.8%
Insurance and Social Security				
Alianza Cía - Bolivia	-	-	10,962	38.1%
Alianza Vida - Bolivia	-	-	4,559	32.6%
La Positiva - Perú	12,216,412	4.9%	25,161,492	12.3%
Services				
Sodexo Soluciones de Motivacion	261,342	49.0%	144,005	27.0%
Sodexo	1,604,015	35.0%	916,580	20.0%
Promotora de Proyectos	3,409,024	45.5%	3,009,024	49.6%
Hábitat Adulto Mayor	624,999	34.8%	624,999	34.8%
Tipiel	18,216,104	41.4%	18,216,104	41.4%
Planeco	10,500	50.0%	10,500	50.0%
Zona Franca	85,475,563	22.5%	63,826,441	16.7%

	2012		2011	
	NO . SHARES	% STAKE	NO . SHARES	NO . SHARES
Textiles				
Confecol	-	-	46,182,356	42.5%
Enka	2,250,383,109	19.1%	2,250,383,109	19.1%
Real Estate				
Caribbean Tourist Development	-	-	20,000	20.0%
Others				
Pizano	699,310,857	10.0%	6,491,397	10.0%
Holding Concorde	1,650,000	4.9%	1,650,000	5.8%
Fogansa	285,000	0.5%	285,000	0.5%
Altos M de Y S.A.S.	1,706,447	15.0%	1,706,447	15.0%
Celsia	20,000	0.0%	20,000	0.0%
DCV Vida S.A	1,356	10.0%	2,425	17.8%
Deposito central de valores	62,445	40.0%	62,445	40.0%
Inversiones DCV S.A.	2,291	23.2%	2,193	22.3%
Servicios de administración Previsional S.A.	168,807	22.6%	168,807	22.6%
Fatextol	71,962	4.8%	-	-

NOTE 5

■ Accounts receivable

The following is a breakdown of Accounts Receivable at December 31:

		2012	2011
Loan portfolio	\$	563,436	380,310
Advance payments		9,545	8,895
Deposits		2,775	3,791
Interest receivable		100,648	81,135
Prepaid taxes		115,829	110,396
Accounts receivable due from employees		5,369	4,648
Accounts receivable due from insurance business		1,210,834	1,032,606
Payments due from third parties		8,233	-
Loans to private individuals		179,803	176,995
Credit cards		414	514
Resale agreements		66	-
Forward contracts		6,243	-
Miscellaneous receivables		34,823	31,930
		2,238,017	1,831,220
Provisions		(85,322)	(66,046)
		2,152,694	1,765,174
Less: long-term portion		74,165	22,662
Current portion	\$	2,078,529	1,742,512

Provision for Accounts Receivable

Movements in the provision for accounts receivable at December 31 are broken down as follows:

		2012	2011
Opening balance	\$	66,046	59,009
Provision charged to expenses		39,845	18,172
Reversed provisions		(20,569)	(11,135)
Closing balance	\$	85,322	66,046

The following is a breakdown of the accounts receivable corresponding to the Company's insurance business at December 31:

		2012	2011
Accepted co-insurer current accounts	\$	14,899	14,227
Assigned co-insurer current accounts		1,172	246
Foreign assignor current accounts		2,668	5,844
Domestic reinsurer current accounts		2,677	886
Foreign reinsurer current accounts		63,346	16,768
Claims pending reinsurance portion		251,870	183,821
Reserve deposits corresponding to foreign reinsurers:		16,340	561
General worker compensation risk system		58,189	49,208
Intermediarios de Seguros		-	6,866
Premiums pending collection		799,673	754,179
Total	\$	1,210,834	1,032,606
Provision for premiums pending collection		(41,478)	(37,217)

The following is a breakdown of accounts receivable in the form of loans to private individuals at December 31:

		2012	2011
Secured with collateral	\$		
Housing		27,899	25,243
Vehicles		14,013	11,571
Other loans		8,021	20,901
		49,933	57,715
Secured with personal guarantee			
Financing using employee bonuses		110,789	98,265
Personal		13,401	16,104
Subsidiary employee insurance		t5,680	4,911
	\$	129,870	119,280
		179,803	176,995
Total loans to private individuals			

Maturity Period

- The maturity period for premiums pending collection is one month after delivering the policy, except when otherwise stipulated by any applicable legal or contractual provision.
- The balances corresponding to the accepted co-insurer current accounts are paid within 30 days following the receipt of the account cut-off forms as sent by the leader Company
- The balances corresponding to the assigned coinsurers' account are paid in the same month in which the account cut off forms are sent.
- Balances corresponding to foreign reinsurer current accounts are paid and collected within 90 days following the quarterly cut off date .
- Claims pending the reinsurer 's portion are paid once the losses are settled or upon a court ruling exonerating the reinsurer from all responsibility.

NOTE 6

Realizable assets and assets received as payment

The following is a breakdown of realizable assets and assets received in the form of payment at December 31:

		2012	2011
Adjusted	\$	2,818	3,083
Provision		(1,138)	(1,174)
	\$	1,680	1,909

NOTE 7**■ Prepaid expense and deferred charges**

The following is a breakdown of the Prepaid Expense and Deferred Charges Account at December 31:

		2012	2011
Pre-paid Expense	\$	452	25,217
Deferred charges			
Brokerage commissions		295,102	660,498
Non proportional contract costs		13,598	13,713
Projects		939	-
Deferred tax		39,000	15,262
Organizational and pre-operating expense		32,530	64,912
Others		27,672	108
		409,293	779,710
Less: long-term portion		155,567	520,822
Current portion	\$	253,726	258,888

NOTE 8

■ Property, plant and equipment

The following is a breakdown of the Property, Plant and Equipment account at December 31:

		2012	2011
Land, buildings and construction in progress	\$	639,037	440,994
Equipment, furniture and office fixtures		64,177	112,670
Computer equipment		71,787	104,602
Transport fleet and equipment		7,549	2,935
Machinery and medical equipment		7,883	11,162
Others		943	5,528
		791,377	677,891
Depreciation		(101,065)	(136,867)
Provision		(115)	(110)
	\$	690,197	540,914

NOTE 9

■ Intangibles

The following is a breakdown of the Intangibles account at December 31:

		2012	2011
Acquired goodwill	\$	3,196,628	2,385,050
Trademarks		92,843	100,890
Non-Competition Agreements		25	502
Contractual relations with clients		2,139,614	3,157,881
Assets leased under financial leasing arrangements		10,528	6,265
Software		6,291	10,364
Trusts		535	150
Licenses		1,175	205
	\$	5,447,639	5,661,308

NOTE 10**Other assets**

The following is a breakdown of the Other Assets account at December 31:

		2012	2011
Works of art and cultural collections	\$	32,161	35,860
Judicial deposits		12,496	5,401
Security deposits		28	-
Country club fees		67	67
Permanent contributions		500	500
Others		7,515	10,348
		52,766	52,176
Provisión		(277)	-
	\$	52,490	52,176

NOTA 11**Valuations**

The following is a breakdown of the Valuation account at December 31:

		2012	2011
Pertaining to investments	\$	12,436,140	10,673,521
Property, plant and equipment		76,922	77,104
Pertaining to other assets		8,110	9,346
	\$	12,521,172	10,759,971

NOTE 12

■ Financial obligations

The following is a breakdown of the Financial Obligations account at December 31:

		2012	2011
Checking account overdrafts	\$	648	3,319
Loans from banks and financial institutions (1)		496,292	2,017,820
Foreign banks (2)		457,661	165,592
Leasing obligations		20,980	5,232
Repos		46,055	-
Other entities		5,443	5,442
		1,027,079	2,197,405
Less: long-term portion		462,847	149,703
Current portion	\$	564,232	2,047,702

(1) The following is a breakdown of Loans from Banks and Financial Institutions at December 31:

2012			
FINANCIAL INSTITUTION	RATE		VALUE
Bancolombia S.A.	DTF +1.6	\$	101,370
Bancolombia S.A.	Libor + 2,65		2,829
Bancolombia S.A.	0,61% mv		5000
Banco de Bogotá S.A.	0,0650		51,000
Banco de Bogotá S.A.	DTF +1,8		164,200
Banco de Bogotá S.A.	5.81% E.A		33,172
Banco de Bogotá S.A.	DTF + 1,8 E.A		10,000
Banco de Bogotá S.A.	6.83% E.A.		2,500
Banco de Bogotá S.A.	6.40 % E.A		13,097
Banco Av Villas S.A.	DTF +1,4		25,000
Banco BBVA S.A.	0,0650		45,000
Banco BBVA S.A.	7% E.A		8,624
Banco Popular S.A.	DTF +1,4		18,000
Banco Popular S.A.	6.87% E.A.		16,500
		\$	496,292

These loans have been secured by means of promissory notes.

2011

FINANCIAL INSTITUTION	RATE	VALUE
Banco de Bogotá S.A.	DTF +2.5	\$ 110,000
Banco de Bogotá S.A.	DTF +2.5	150,000
Banco de Bogotá S.A.	DTF +2.5	100,000
Banco de Bogotá S.A.	6.40 % E.A	22,999
Bancolombia S.A.	1.32% E.A	36,297
Bancolombia S.A.	7,63%	1,000
Bancolombia Panamá	libor +3.99%	1,103,454
Bancafé Panamá	libor +4.25%	116,562
Banco Davivienda S.A.	Libor +4	194,270
Banco Davivienda S.A.	Libor +4,25	77,708
Banco Popular	6.73% E.A	10,000
Banco Popular S.A.	6.87% E.A.	3,500
Banco Popular S.A.	DFT + 1.2%TA.	5,000
Banco AV Villas S.A.	5.61% E.A	3,000
Banco AV Villas S.A.	7% E.A	27,000
ING BANK BV	0,51% N.M	30,239
Other minor payables		26,791
		\$ 2,017,820

These loans have been secured by means of promissory notes.

(2) The following is a breakdown of Bank Loans at December 31:

		2012	2011
FINANCIAL INSTITUTION	RATE		VALUE
Bancolombia S.A.	Libor+2,5	252,503	-
Banco de Chile	0.61%	162,679	-
Corporación Financiera de Desarrollo S.A	6.6% <->7.6%	30,596	-
Banco Agrícola S.A.	4.5% E.A.	11,883	-
ING Bank	7% E.A.	-	165,592
		457,661	165,592

These loans have been secured by means of promissory notes.

NOTE 13

■ Accounts payable

The following is a breakdown of the Accounts Payable account at December 31:

		2012	2011
Insurance business	\$	269,611	209,037
Costs and expense payable		155,712	110,060
Amounts owed to shareholders or partners		-	811,085
Dividends or distributions payable		89,158	69,576
Withholding tax		26,260	27,969
Sales tax		32,523	29,686
Contributions and membership fees		24,025	20,475
Withholdings and payroll contributions		18,929	28,874
Miscellaneous payables		11,233	30,841
	\$	627,453	1,337,603

NOTE 14

■ Retirement Pensions

El siguiente es el detalle del valor acumulado por pensiones de jubilación al 31 de diciembre:

		2012	2011
Actuarial calculations	\$	15,978	16,608
Current portion		(1,700)	(1,493)
	\$	14,278	15,115

Actuarial liabilities corresponding to retirement pensions were drawn up according to the parameters contained in Article 2 of Decree 02984 dated August 12, 2009, with the new mortality tables for annuitants as approved by the Superintendency of Finance by means of Resolution 1555 issued July 30, 2010 providing the technical basis for such.

Bases:

1. Legal: those applicable at the date the corresponding evaluation is performed. The methodology applied included the additional monthly payments payable in June and December of each year, as well as the actuarial value of the funeral subsidy due on all those former employees who were directly pensioned off by the Company, according to Section b) of Article 2 of Decree 1517

dated August 4, 1998.

2. Technical: the technical bases used for this study included:

a) Mortality tables:

Corresponding to male and female annuitants for 2005-2008 as approved by the Colombian Superintendency of Finance according to Resolution N° 1555 issued July 30, 2010. In the case of all those groups that included invalids, the tables stipulated in Resolution 0585 issued on April 11, 1994 were used.

b) A pension adjustment rate of 3.53% corresponding to the average weighted inflation rate for the years 2008, 2009 and 2010. This included the following weightings: 3 points for 2010, 2 points for 2009 and 1 point for 2008, pursuant to Article 2 of Decree 02984 dated

August 12, 2009 as well as Section 1 of Article 1 of Decree 2783 dated December 20 2001.

c) A technical interest rate of 4.80%, pursuant to Article 1

of Decree 02984 dated August 12, 2009 as well as Section 2 of Article 1 of Decree 2783 dated December 20 2001.

NOTE 15

■ Technical insurance reserves:

The following is a breakdown of the Technical Insurance Reserves at December 31:

		2012	2011
Ongoing risk	\$	7,849,927	4,361,961
Deposits retained from foreign reinsurers:		84,958	76,544
Reserve for deviations with the claims rate		166,257	161,529
Reserve for the Company's portion of pending claims		1,042,668	1,203,977
Special Workers' Compensation reserves		94,020	66,771
Reserve for the reinsurers' portion of pending claims		235,647	190,137
	\$	9,473,477	6,060,919

NOTE 16

■ Estimated liabilities and provisions

The following is a breakdown of the Estimated Liabilities and Provisions account at December 31:

		2012	2011
Labor liabilities	\$	3,453	24,396
Tax liabilities		18,838	17,590
Commissions accruing on premiums pending collection		103,147	70,607
Industry and commerce tax		22,238	17,800
Income and complementary tax		33,903	15,762
Others		43,315	85,242
	\$	224,894	231,397

NOTE 17

■ Bonds and commercial paper

The following table lists the companies holding issues of outstanding bonds and commercial paper at December 31:

On November 25, 2009, GRUPOSURA issued on the local bond market a total of COP 250,000 million in CPI indexed senior notes divided up into three tranches: (i) a 10 year tranche for a total value of COP 54,500 million bearing an interest rate equal to the CPI + 4.40%, (ii) a 20 year tranche totaling COP 98,000 million and bearing

an interest rate equal to the CPI + 5.90% and (iii) a 40 year tranche in the amount of COP 97,500 million carrying an interest rate equal to the CPI + 6.98%.

On May 11, 2011, our subsidiary, Grupo Sura Finance placed on the international capital markets an issue of ordinary bonds worth USD 300 million, or COP 582.810, for a term of ten (10) years. This issue was guaranteed in its entirety by Grupo de Inversiones Suramericana S.A, in its capacity as Parent Company.

NOTE 18**Other Liabilities**

The following is a breakdown of the Other Liabilities account at December 31:

		2012	2011
Advance payments received	\$	16,646	15,762
Joint accounts		46	41
Others		55,193	251,997
	\$	71,886	267,800

NOTE 19**Subscribed and paid-in capital**

The Company's authorized capital consists of 600,000,000 shares each with a nominal value of COP 187.50 (Colombian pesos). Its

subscribed and paid-capital at December 31, 2012 and December 31, 2011 consisted of 575,372,223 shares.

NOTE 20**Capital surplus**

The following is a breakdown of the Capital Surplus account at December 31:

		2012	2011
Share placement premium	\$	3,769,548	3,769,549
Accumulated unrealized gains or losses		(716,006)	(392,776)
	\$	3,053,542	3,376,773

NOTE 21

■ Reserves

The following is a breakdown of the Capital Surplus account at December 31:

		2012	2011
Mandatory	\$	705,957	620,376
Statutory		8,021	7,384
Occasional		2,868,472	2,727,866
	\$	3,582,450	3,355,626

NOTE 22

■ Equity Revaluation

The Equity Revaluation account cannot be distributed in the form of profits but may be capitalized on a tax-exempt basis. Pursuant to Law 1111 of 2006, the book value of this account as of January 1, 2007 is not subject to the aforementioned tax benefit given the elimination of inflation adjustments for tax purposes.

As stipulated in the paragraph contained in Article 25 Chapter II of Law 1111 passed December 27, 2006, taxpayers may offset wealth tax against the equity revaluation account without affecting the results for the period.

NOTE 23

■ Memorandum accounts

The following is a breakdown of the Memorandum Accounts at December 31:

	2012	2011
Debit accounts:	\$	
Contingent rights	2,544,212	2,089,210
Tax receivable	8,774,751	6,348,541
Debit control account	11,583,133	9,877,648
	22,902,096	18,315,399
Credit accounts		
Contingent liabilities	526,275,326	566,602,971
Tax payable	18,216,957	17,414,352
Credit control account	374,957,593	333,870,325
	\$ 919,449,875	917,887,648

NOTE 24

■ Income tax

Income tax expense totaling COP 179,732 and COP 27,082 for the years 2012 and 2011 respectively correspond to the calculations made individually by each company included in the consolidation.

Law 1370 passed December 30, 2009 stipulated a wealth tax for the tax year of 2011 at a rate of 2.4% for all those taxpayers with net equities of more than COP 3.000

million and less than COP 5.000 million, and at a rate of 4.8% for all those taxpayers with net equities equal to or higher than COP 5.000 million. This tax accrued on the amount of equity held at January 1, 2011 and its payment consisted of eight equal installments scheduled between 2011 and 2014.

Decree 4825 issued December 29, 2010 effectively extended the

base for this tax and consequently all those taxpayers with equities of between COP 1.000 million and COP 2.000 million must pay wealth tax at a rate of 1% and all those taxpayers with equities of between COP 2.000 million and COP 3.000 million are liable for wealth tax at a rate of 1.4%. Furthermore a surtax of 25% was levied on taxpayer equities of COP 3.000 million or more.

For the purposes of this tax, all debt owed by the taxpayer to its foreign-based parent company, agencies, branches or subsidiaries is considered to form part of its

equity, except for debt giving rise to costs and deductions which are duly stipulated in sections a and b of Article 124-1 of the Colombian Tax Code.

Wealth Tax

The companies that took advantage of the different options contained in Concept No. 115-009819 issued on January 26, 2011 by the Colombian Superintendency for Companies were as follows.

NAME OF COMPANY	TAX		AMOUNTS OWING
	DECLARED	PAID IN 2012	
ADMINISTRADORA DE CARTERAS COLECTIVAS	99	25	49
DINAMICA	374	93	187
SERVICIOS GENERALES SURAMERICANA S.A.S.	7,646	1,911	3,823
EPS Y MEDICINA PREPAGADA	3,959	990	1,980
SERVICIOS DE VEHICULOS	99	-	-
SERVICIOS DE SALUD IPS	106	27	53
SURAMERICANA S.A.	3,485	871	1,743
SEGUROS GENERALES SURAMERICANA S.A.	21,891	5,473	10,946
SEGUROS DE VIDA SURAMERICANA S.A.	37,373	9,343	18,687
SEGUROS DE RIESGOS PROFESIONALES SURAMERICANA S.A.	11,200	2,800	5,600
Totales	86,232	21,533	43,068

The liability corresponding to wealth tax is recognized by each Company based on one of the options provided by the corresponding oversight authorities.

NAME OF COMPANY	TAX		AMOUNTS OWING
	DECLARED	PAID IN 2012	
GRUPO DE INVERSIONES	8,601	2,150	4,300
ENLACE OPERATIVO	309	77	154
INVERSIONES Y CONSTRUCCIONES ESTRATEGICAS	1,694	423	847
Total	10,604	2,650	5,301

NOTA 25

■ Contingencies

The following are the most representative contingencies existing:

Grupo de Inversiones Suramericana S.A.

The Company is involved in a lawsuit brought by Jhonny Alejandro Betancur, alleging damages for not having been opportunely registered as a Company shareholder. It is unlikely that this legal proceeding shall have any adverse effect on the operations or financial position of Grupo de Inversiones Suramericana S.A.

Diagnóstico y Asistencia Médica S.A. Institución Prestadora de Servicios de Salud – DINAMICA IPS

This Company is currently defending three extra-contractual civil liability lawsuits where the amounts being claimed have

been reasonably estimated at COP 1,017,260. These lawsuits have been filed based on alleged damages caused by the services provided.

Diagnóstico y Asistencia Médica S.A. Institución Prestadora de Servicios de Salud – DINAMICA IPS, has civil liability insurance which covers this type of risk.

Servicios de Salud IPS suramericana S.A.

This Company is currently defending 20 legal actions, 14 of these being contractual and extra-contractual civil liability suits based on alleged damages caused by services provided by medical personnel where the amounts being claimed have been reasonably estimated at COP 971,534. The six other legal proceedings are labor suits filed

by former employees claiming compensation due to dismissal without just cause which have been reasonably estimated at a total of COP 276,188. Servicios de Salud IPS Suramericana S.A. has civil liability insurance which covers this type of risk.

EPS y Medicina Prepagada Suramericana S.A.

A total of 207 contractual and extra-contractual civil liability lawsuits have been filed against the Company nationwide, notably in Medellín with 150 lawsuits, followed by Barranquilla with 20, Cali with 18, Bogotá with 17 and lastly the central coffee-growing region with 2. Compared with the 191 lawsuits filed in 2011 this shows an increase of 16.

The total amount being claimed with the aforementioned lawsuits comes to COP 563,163,150, however the estimated amounts to be paid out in the event of adverse rulings being given comes to COP 32,349,144. The majority (78%) of these lawsuits correspond to civil liability claims on the grounds of diagnostic errors, lack of timeliness, medical negligence, followed by disability claims accounting for 5% of the total. The Company has civil liability insurance which covers this type of risk, which is a requirement that all registered Healthcare Service Providers and medical personnel

must fulfill along with those who work for the Company. A total of 25 lawsuits were concluded in 2011, and out of a total amount claimed of COP 3,950,296 the Company only paid out COP 125,396.

In 2012, the Company continued with legal proceedings seeking compensation for damages caused by unlawful conduct on the part of the State with regard to recovering the benefits stipulated by injunctions and the Scientific Technical Committees as well as invalidity and reinstatement proceedings against Agreements and Resolutions and appeals against the unconstitutionality of articles contained in Law 1122 of 2007. Also lawsuits were brought against the State and the Ministry of Health and Social Protection seeking payment of services, medicine and supplies not covered by the Colombian Obligatory Healthcare Plan (POS in Spanish) as itemized by the FOSYGA (Echocardiograms, Re-synchronizers, ABA Therapy and Plastic Surgery), for which a total of COP 5,500 thousand is being claimed.

Inversiones y Construcciones Estratégicas S.A.S

This Company is defending two lawsuits brought by Ms. María Doris Berrio Mejía, who is seeking the restitution of two separate

common areas which were closed off given the construction of the Residential Estate “Cerros del Escorial” and by Mr. Jesús Germán Piedrahita Coronado, who is claiming the division of a property in which Inversiones y Construcciones Estratégicas S.A.S forms part of the community. These lawsuits are not likely to have any

adverse material effect on the Company’s operations or financial position.

NOTE 26

■ Reclassifications

For presentation and comparative purposes, some figures contained in the financial statements for the previous year were reclassified.

NOTE 27

■ Subsequent Events

Administradora de Fondos de Pensiones y Cesantía Protección S.A.

In January 2013, Grupo de Inversiones Suramericana S.A., GRUPO SURA, declared its controlling interest over Administradora de Fondos de Pensiones y Cesantía Protección S.A.. Subsequently the Company signed an agreement with

Cornerstone L.P. (a vehicle created by Alberta Investment Management Corporation (“AIMCo”) for the purpose of investing mainly in Colombia) regarding the sale of 1,909,216 shares in the Sociedad Administradora de Fondos de Pensiones y Cesantías Protección

S.A., which represents a 7.51% stake in said firm. This transaction was carried out in full compliance with all the rules and regulations governing the Colombian Securities Exchange.

GRUPO SURA now has a direct stake of 32.85% in Protección's share capital along with an indirect stake held through Sura Asset Management for a total ownership interest of 49.36%.

Enlace Operativo. S.A

With a new equality income tax (known as CREE in Spanish) coming into full force and effect, we expect that this shall have a negative effect on the revenues obtained by the Group's BPO subsidiary, since those required to

pay this tax shall be exempt from paying parafiscal contributions to the National Apprentice Institute (SENA in Spanish) and the Colombian Family Welfare Institute (ICBF in Spanish) when the Colombian Government regulates tax withholdings at source prior to July 1, 2013. Also employers who are private individuals shall no longer be required to pay employer healthcare contributions as of January 2014, which means a reduction in volume of operations conducted by this subsidiary.

CONTENTS

GRI INDICATORS

GLOBAL REPORTING INITIATIVE

Ind.	GRI Content	Comment(s) on Applicability	Status
1. Strategy and analysis			
1.1	Statement from the most senior decision maker of the organization.	Letter to Shareholders (Page 20)	Completed
1.2	Description of key impacts, risks, and opportunities.	Letter to Shareholders (Page 20) Control and Risk Systems (Page 36-39) Integrated Risk Management (Page 56-57)	Completed
2. Organizational Profile			
2.1	Name of the Organization.	Letter to Shareholders (Page 20) Control and Risk Systems (Page 36-39) Integrated Risk Management (Page 56-57)	Completed
2.2	Primary brands, products, and/or services.	The Company (Page 16) Portfolio (Page 19)	Completed
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Consolidated Financial Statements (Note 1) http://www.gruposuramericana.com/informe_anual/2012/index.html The Company (Page 16)	Completed
2.4	Location of organization's headquarters.	The organization's headquarters is at: Calle 64 # 49 A - 30, Medellín, Colombia	Completed
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Portfolio (Page 19) GRUPO SURA Grows in Latin America Suramericana (Page 72-75) SURA Asset Management (Page 76-79) Proteccion (Page 80-81) Bancolombia (Page 82-83)	Completed
2.6	Nature of ownership and legal form.	Consolidated Financial Statements (Note 1) Corporate Governance Report (Page 89-95)	Completed
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Letter to Shareholders (Page 20) Portfolio (Page 19)	Completed
2.8	Scale of the reporting organization.	GRUPO SURA Grows in Latin America (Page 68-71) Portfolio (Page 19) Corporate Governance Report (Page 89-95) GRUPO SURA does not report number of operations or net sales given its economic activity.	Completed
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Letter to Shareholders (Page 20)	Completed
2.10	Awards received in the reporting period.	Awards and Acknowledgements (Page 84-87)	Completed
3. Report Parameters			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	About Our Annual Report (Page 8-9) The reporting period of this Report covers fiscal period January-December, 2012	Completed
3.2	Date of most recent previous report (if any).	The most recent previous report covers fiscal year 2011 (from January 1 to December 31)	Completed
3.3	Reporting cycle (annual, biennial, etc.)	This report contains the Company's annual management of the 2012 fiscal period.	Completed

3.4	Contact point for questions regarding the report or its contents	<p>Investor Relations Luis Eduardo Martínez – Investor Relations Director E-mail: lemartinez@gruposura.com.co Telephone: +[57][4] 435-5628 Address: Cra. 64 B No. 49A-30 Medellín - Colombia</p> <p>Corporate Responsibility Management Luz Marina Velásquez Vallejo – Corporate Responsibility Manager E-mail: lvelasquezv@sura.com.co Telephone: +[57][4] 435-5753 Address: Calle 49B No. 63-21 Medellín, Colombia.</p>	Completed
3.5	Process for defining report content	<p>About Our Annual Report. Page 8-9 Our Stakeholders. Page 48-49 Investor Relations. Page 50-51 Materiality Analysis. Page 54-55</p> <p>See Relations Focus, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/EnfoqueRelacionamiento.aspx</p>	Completed
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	<p>About Our Annual Report. (Page 8-9) The environmental boundary solely includes Colombia, except water and energy which includes the other countries.</p> <p>The social boundary includes Colombia and different countries, except the figures of occupational health and safety which are only reported for Colombia.</p>	Completed
3.7	State any specific limitations on the scope or boundary of the report	About Our Annual Report. (Page 8-9)	Completed
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	About Our Annual Report. (Page 8-9)	Completed
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	<p>About Our Annual Report. (Page 8-9)</p> <p>Specific information on calculations in the corresponding indicators of the Report.</p>	Completed
3.10	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Significant changes made are explained in each indicator.	Completed
3.11	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	About Our Annual Report. (Page 8-9)	Completed
3.12	Table identifying the location of the Standard Disclosures in the report.	Table of GRI Indicators. (Page 280-290)	Completed
3.13	External assurance	<p>Accounting information audited by KPMG Ltda. See Individual Financial Statements. (Page 104-112) See Consolidated Financial Statements. (Page 174-178)</p> <p>Information on sustainability assured by KPMG Advisory Services Ltda. See Independent Auditor's Report. (Page 291-292)</p>	

4. Government, Commitments and Engagement			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	See Corporate Governance Report (Page 89-95) 42% of Board members are independent; 100% are male; no ethnic minorities are present. 85.7% of Board members range from 45 to 65 years old; 14.3% is over 65 years old.	Completed
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	<u>The Chair of the Board of Directors is not an executive officer of the Company.</u> <u>See Corporate Governance Report (Page 92)</u>	Completed
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/ or non-executive members.	The Board of Directors of GRUPO SURA has three (3) independent members. See Corporate Governance Report. (Page 92) See definition in the Code of Good Governance – Chapter 2. [http://www.gruposuramericana.com/Paginas/Responsabilidad/NPCodigoBuenGobierno-GrupoSura-Ene2011.pdf]	Completed
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	See Our Relation With Investors and Stakeholders. Page 50-51 Employees may provide their concerns and suggestions in regular meetings held with the President, through the Human Management area of the Shared Services Center of Suramericana. An Ethics Hotline was established to oversee compliance with the standards of the Code of Good Governance. This mechanism allows employees and other stakeholders report cases against corporate principles. See Ethics Hotline (Línea Ética) http://www.gruposuramericana.com/Paginas/LineaEtica.aspx No reports were received through the Ethics Hotline of GRUPO SURA in 2012.	Completed
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	See Corporate Governance Report (Page 90) See Code of Good Governance - Item 2.1.4.3 The Board's Remuneration & Compensation Committee supported the definition of criteria for the assessment of senior managers and executives with regards to the compliance of their responsibilities. The Company has a system of performance indicators for senior management that links matters related to sustainability. These indicators are currently being qualified to be assessed in terms of sustainability.	Completed
4.6	Procedures in place for the highest governance body to ensure conflicts of interest are avoided.	See Consolidated Financial Statements. Page 174-178 The Code of Good Governance and of Ethics provide guidelines to guarantee the relations of the corporation with its stakeholders. See Code of Good Governance, at: http://www.gruposuramericana.com/Paginas/Relacion/GobiernoCorporativo.aspx	Completed
4.7	Procedures for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	See Code of Good Governance - Item 2.1.1 – at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NPCodigoBuenGobierno-GrupoSura-Ene2011.pdf See Directors Profile. Page 12-15	Completed

4.8	In-house developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	<p>See Mission, Vision, and Principles, at: http://www.gruposuramericana.com/Paginas/Corporativo/MisionVisionPrincipios.aspx</p> <p>See Code of Good Governance - Chapter 5 – Code of Ethics, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NPCodigoBuenGobierno-GrupoSura-Ene2011.pdf</p> <p>See The Company – Strategic Direction. Page 17</p> <p>See Criteria for Investment in Strategic Direction. Page 17</p> <p>See Responsible Investment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/InversionResponsable.aspx</p>	Completed
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	<p>See Letter to Shareholders. Page 20</p> <p>GRUPO SURA is adhered to the United Nations Global Compact since August, 2009.</p> <p>See Global Compact, at: http://www.unglobalcompact.org/participant/4587-Grupo-de-Inversiones-Suramericana</p> <p>The Board of Directors of GRUPO SURA meets every month to review the strategy's progress and highlights of its investments.</p> <p>See Corporate Governance Report, at: http://www.gruposuramericana.com/informe_anual/2012/index.html</p>	Completed
4.10	Procedure for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	<p>No procedure for evaluating the Board of Director son environmental and social performance is held.</p> <p>See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx</p>	Completed
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	Completed
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	See Institutional Presence, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/PresencialInstitucional.aspx	Completed
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organization in which the organization: *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Deems membership as strategic.	<p>See Institutional Presence, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/PresencialInstitucional.aspx</p> <p>See Suramericana Foundation, at: http://www.fundacionsuramericana.com/fundacion</p>	Completed
4.14	List of stakeholder groups engaged by the organization.	See Relations Focus, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/EnfoqueRelacionamiento.aspx	Completed
4.15	Basis for identification and selection of stakeholders with whom to engage.	<p>The identification of our stakeholders is the result of the engagement dynamics to develop our businesses. A Policy has been defined for this including guidelines to address and enhance our relation with identified stakeholders.</p> <p>About Our Annual Report. Page 8-9 Our Stakeholders. Page 48-49 Investor Relations. Page 50-51 Materiality Analysis. Page 54-55</p> <p>See Relations Focus, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/EnfoqueRelacionamiento.aspx</p>	Completed

4.16	Approaches to stakeholder engagement.	See Relations Focus; at: http://www.gruposuramericana.com/Paginas/Responsabilidad/EnfoqueRelacionamiento.aspx See Materiality Analysis. Page 54-55	Completed
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	See Materiality Analysis. Page 54-55	
Management Approach			
Economic	Economic Performance	Letter to Shareholders (Page 22-24)	
	Market Presence	Letter to Shareholders (Page 25-30) Letter to Shareholders (Page 50)	
	Indirect Economic Impacts	Letter to Shareholders (Page 19-20) Community (Page 64) Regional Context (Page 70-71)	
Environmental	Materials	The efficient use of resources has been the foundation of environmental management at GRUPO SURA entailing the beginning of a responsibly and proper management of goods demanded by the Company and subsidiaries, not only to comply with regulations, but for the appropriation of a culture based on taking care of resources. See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.asp	
	Energy	At Suramericana, eco-efficiency is understood as the efficient use of resources. This has been the beginning of a responsible and proper management of the goods demanded by the Company and its subsidiaries. The above has led to the design and development of initiatives to monitor and reduce energy consumption at the Company. See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Water	Under the culture of taking care of resources, the project to improve efficiency at our installations was made in 2012 to implement infrastructure changes plus the culture of saving. In 2013, the project is still underway with the necessary monitoring mechanisms to establish focuses. See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Biodiversity	<u>GRUPO SURA seeks the conservation and protection of eco-systems at its operations.</u> See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Emissions and Waste	GRUPO SURA established a plan to place ecological sites to improve the separation of solid waste at the offices of GRUPO SURA and Suramericana. This plan involved the main waste generated, number of people and size of facilities. A total of 340 sites will be installed during the first semester of 2013. See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	

	Products and Services	See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Compliance	See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Transport	GRUPO SURA monitors the environmental impacts of air and commercial flights. In addition, it promotes holding videoconferences to decrease air travel use and impact. See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
	Overall	See Environmental Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/CompromisoAmbiental.aspx	
Labor Practices	Employment	See Responsible Management. (Page 46-47) See Our Figures. (Page 62) See Our Stakeholders. (Page 49) See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx See Corporate Responsibility – Adherence to the Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx	
	Labor Management Relations	See Responsible Management. (Page 46-47) See Our Figures. (Page 62-63) See Our Stakeholders. (Page 49) See GRI Indicators Contents Index. (Page 284-285) See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx	
	Occupational Health and Safety	See Responsible Management. (Page 46-47) See Our Figures. (Page 62-63) See Our Stakeholders. (Page 49) See GRI Indicators Contents Index. (Page 284-285) See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx	
	Training	See Responsible Management. (Page 46-47) See Our Figures. (Page 63) See Our Stakeholders. (Page 49) See GRI Indicators Contents Index. (Page 284-285) See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx	

	Diversity and Equal Opportunity	<p>See Responsible Management. (Page 44-45) See Our Figures. (Page 63) See Our Stakeholders. (Page 47) See GRI Indicators Contents Index. (Page 284-285)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Equal Remuneration for Women and Men	<p>See Responsible Management. (Page 46-47) See Our Figures. (Page 63) See Our Stakeholders. (Page 49) See GRI Indicators Contents Index. (Page 288)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
Human Rights	Investment and Procurement Practices	<p>See Strategic Direction. (Page 17) See Responsible Management. (Page 47)</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Non-discrimination	<p>See Letter to Shareholders. (Page 35) See Our Stakeholders. (Page 49)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p>	
	Freedom of Association	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 286-287)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Child Labor	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 288)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Prevention of Forced Labor	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 288)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	

	Security Practices	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 288)</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Indigenous Rights	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 288)</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Assessment	<p>See Letter to Shareholders. (Page 35) See Responsible Management. (Page 46-47) See GRI Indicators Contents Index. (Page 288)</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Compensation	<p>See GRI Indicators Contents Index. (Page 288)</p> <p>See Ethics Hotline (Línea Ética) http://www.gruposuramericana.com/Paginas/LineaEtica.aspx</p>	
Society	Local Communities	<p>See Community. (Page 64) See Letter to Shareholders. (Page 36) See Suramericana Foundation Report, at: http://www.gruposuramericana.com/Documentos%20Inversionistas/INFORME_SOCIAL_2012.pdf</p>	
	Corruption	<p>See Governance Code. Principles. (Page 4) Criteria to Choose Suppliers (Page 30-31), at: http://www.gruposuramericana.com/Documentos%20GISuramericana/NP-CodigoBuenGobierno-GrupoSura-Ene2011.pdf</p> <p>See Corporate Responsibility – Adherence to Global Compact, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/ResponsabilidadCorporativa.aspx</p>	
	Public Policy	<p>See Corporate Governance, at: http://www.gruposuramericana.com/Paginas/Relacion/GobiernoCorporativo.aspx</p> <p>See Our Commitment, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx</p>	
	Anti-Competitive Behavior	<p>See Governance Code. Principles. (Page 35) Criteria to Choose Suppliers (Page 31), at: http://www.gruposuramericana.com/Documentos%20GISuramericana/NP-CodigoBuenGobierno-GrupoSura-Ene2011.pdf</p>	
	Cumpliance	<p>See Governance Code. Ethics Management. (Page 39), at: http://www.gruposuramericana.com/Documentos%20GISuramericana/NP-CodigoBuenGobierno-GrupoSura-Ene2011.pdf</p>	

Product Responsibility	Customer Health and Safety	Since Grupo Sura is a holding and not a company with its own operations, it does not have customers and hence, no health and safety policies.	
	Product Labeling	Grupo Sura is devoted to investments and hence, has no products, policies or guidelines related to product labeling.	
	Marketing Communications	See SURA A Regional Brand. (Page 52-53)	
	Customer Privacy	See Our Investor and Stakeholder Relations. (Page 50-51)	
	Cumpliance	See Governance Code. Ethics Management (Page 39), at: http://www.gruposuramericana.com/Documentos%20GISuramericana/NP-CodigoBuenGobierno-GrupoSura-Ene2011.pdf	
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Revenues: COP 688,364 million. Employee Compensation: COP 9,000 million. Community: COP 4,000 million. Suppliers: COP 34.700 million. Taxes: COP 27,9 million. Dividends Paid: COP 239,000 million. See Major Figures. (Page 60-64)	Partial
EC2	Financial consequences and other risks and opportunities for the organization's activities due to climate change.	At December 31, 2012, GRUPO SURA has no estimates of financial consequences and other risks and opportunities for the organization's activities due to climate change.	Not Reported
EC3	Coverage of the organization's defined benefit plan obligations.	GRUPO SURA has no retired or pensioned people in the Company.	Completed
EC4	Significant financial assistance received from government.	No financial aid was received from the Government.	Completed
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Every collaborator of the Company is within Colombia. The minimum wage paid by GRUPO SURA is 133% higher than the monthly minimum wage in force in Colombia in 2012, that is, COP 1,300,000. Only one female employee currently earns this wage.	Partial
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Keeping in mind that GRUPO SURA is devoted to investments and has not operation facilities overseas, the definition of 'local' relies on the location of its headquarters in Colombia. A total of 57% of procurements are made from locally-based suppliers; the remaining 43% is suppliers from abroad. See Social Management. (Page 63)	Completed
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	GRUPO SURA has no locations outside Colombia. Hence, 100% of its senior management is locally-based.	Completed
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	See Suramericana Foundation Report (Page 18-19), at: http://www.gruposuramericana.com/Documentos%20Inversionistas/INFORME_SOCIAL_2012.pdf	Completed
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	See Letter to Shareholders. (Page 20) See Portfolio Composition. (Page 18-19) See Development of Investments Portfolio. (Page 60-61) See Materiality Analysis. (Page 54-55) See Suramericana Foundation Report, at: http://www.gruposuramericana.com/Documentos%20Inversionistas/INFORME_SOCIAL_2012.pdf	Partial

Environmental Dimension			
EN1	Materials used by weight or volume.	See Environmental Management – Use of Paper (Renewable Materials), Diesel Oil and Kerosene (Non Renewable Materials). Page 65	Completed
EN2	Percentage of materials used that are recycled input materials.	See Environmental Management – Use of Paper. Page 65 The paper used by the administrative areas of the Company comes from sugar case fibers, an agro-industrial waste from the production of sugar. The main material used by the paper producer is bagasse, to avoid cutting trees.	Completed
EN3	Direct energy consumption by primary energy	The direct energy consumption of GRUPO SURA is diesel oil for the company's power plant, and fuel for the corporate jet. See Environmental Management – Diesel Oil and Kerosene. Page 65	Completed
EN4	Indirect energy consumption by primary source.	See Environmental Management – Energy Consumption. Page 65 Information on energy consumption is based on monitoring electric energy of the headquarters building of GRUPO SURA. Energy consumption is calculated based on the consumption per person according to total consumption of the building, and the number of people of GRUPO SURA. The electric energy consumption is purchased from the Public Utilities Company. In 2012, close to 75% of the electric energy generated in Colombia was from renewable sources.	Completed
EN5	Energy saved due to conservation and efficiency improvements.		Not Reported
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.		Not Reported
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	The following lists the main initiatives made to reduce our energy consumption: - Lighting changes to highly efficient LED-type lamps. - Air conditioning only used in operation hours per calendar y work schedules. - Energy consumption monitoring to implement follow-up indicators. - Signs on light switches to promote turning lights off when no work is made in working areas.	Partial
EN8	Total water withdrawal by source.	See Environmental Management – Water Consumption. Page 65 Water consumption is from the city water works system. GRUPO SURA makes no direct water withdrawal by source. Information of water consumption is provided by monitoring the water consumption of the headquarters building of GRUPO SURA. This is calculated based on the consumption per person based on total consumption of the building and the proportion of people of GRUPO SURA.	Completed
EN9	Water sources significantly affected by withdrawal of water.	GRUPO SURA does not withdraw water by source since its consumptions are from utilities services provided by city water work systems.	Completed
EN10	Percentage and total volume of water recycled and reused.	GRUPO SURA does not recycle water. The building inaugurated in 2013 will have a rain water recycling system.	Completed
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	GRUPO SURA does not have lands in areas of high biodiversity value.	Completed
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.		Not Reported

EN13	Habitats protected or restored.	<p>The headquarters of Suramericana is surrounded by gardens and forest species protected according to the flora inventory made in 2010. This facility consists of 2 hectares. The inventory made involves a technical sheet of each species, including physical condition, sanitary condition, type of management, technical opinion, and type of intervention required for each species. The inventory is used as a guide for the maintenance and conservation of these species.</p> <p>A total of 162 plants of 41 species were identified in this inventory. The presence of the following species stands out:</p> <ul style="list-style-type: none"> - Pandanus sp – Umbrella tree - Melicocca sp – Mamonzillo tree - Zamia - Salis babylonica – Weeping Willow 	Partial
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.		Not Reported
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	GRUPO SURA has no areas or habitats on the IUCN Red List, or species included in the national conservation list.	Completed
EN16	Total direct and indirect greenhouse gas emissions by weight.	<p>See Environmental Management Report - Scope 1 and Scope 2. – Page 65</p> <p>Bearing in mind the amount of travelling that Company Management have to do in order to attend to commitments in different parts of the country, the Company's own airplane became a necessity. The airplane consumed a total of 26.819 gallons of fuel producing 264 tCO₂ in total direct emissions.</p> <p>The burning of diesel fuel with the Company's own electricity generating plant produced another 0.5 t CO₂ in emissions.</p>	Completed
EN17	Other relevant indirect greenhouse gas emissions by weight.	<p>See Environmental Management Report - Page 65</p> <p>Flights with commercial airlines covered 835.093 km producing indirect emissions equal to 76 tCO₂</p>	Completed
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<p>See Environmental Management Report - Page 65</p> <p>In 2012 we measured the carbon footprint corresponding to the Annual General Meeting of Shareholders, including air and overland transport, electricity consumption and materials used for staging this event. We compensated for this by planting trees in the town of Santuario, the purpose of which is to protect the catchment areas in this location.</p> <p>Total CO₂ emissions calculated for the Annual General Meeting of Shareholders came to 3.2 tkgCO_{2eq}.</p>	Not Reported
EN19	Emissions of ozone-depleting substances by weight.		Not Reported

EN20	NO, SO, and other significant air emissions by type and weight		Not Reported
EN21	Total water discharge by quality and destination.	Waste water of administrative buildings is deemed equal to the volume of water intake. See Environmental Management – Water Consumption. Page 65	Completed
EN22	Total weight of waste by type and disposal method.	See Environmental Management – Waste. Page 65 The waste of GRUPO SURA not recycled is carried to the city's landfill.	Completed
EN23	Total number and volume of significant spills	No significant spills were reported via the Organization's formal channels	Completed
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	GRUPO SURA does not transport, import, export or treat waste deemed hazardous under the terms of the Basel Convention, Annex I, II, III and VIII.	Completed
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitat significantly affected by the reporting organization's discharges or water and runoff.		Not Reported
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partial
EN27	Percentage of products sold and their packaging materials reclaimed by category.		Not Reported
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	No fines or non-monetary sanctions for non-compliance with environmental laws were received by the Company's formal systems.	Completed
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Determined by the personal air transport of GRUPO SURA reported in indicator EN17.	Partial
EN30	Total environmental protection expenditures and investments by type.		Not Reported
Labor Practices			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	See Social Management. (Page 62-64) Total workforce includes 42 full-time employees hired directly by the Company. One person is making its full-time internship. All employees are within Colombia.	Completed
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	See Social Management. (Page 62-64)	Partial

LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	<p>See Social Management. (Page 62-64)</p> <p>The Company's benefit plans seek the well-being and promotion of a better quality of life for its employees. The Company provides extra-legal benefits, including products from the insurance Portfolio and social security of its subsidiary Suramericana, housing loans, education and personal matters, and health and well-being activities.</p> <p>Loans and aids: COP 515 million.</p> <p>Well-being: Recreation and cultural activities were provided to balance the working/personal life of the employees, such as sports events, walks, psychological and legal counsel, and training courses to enhance families, among others. Investment in well-being was COP3.3 million.</p> <p>SURA Fund (Fondo SURA): This Fund (Mutual Investment Fund for Suramericana Employees) provides employees the chance of making savings and investments safely and profitably throughout the years. In this Fund, employees make monthly contributions while the Company provides an additional contribution to boost its employees to save.</p>	Completed
LA15	Return to work after maternity/paternity leave.	No maternity/paternity leaves were recorded at GRUPO SURA during the year 2012.	Completed
LA4	Percentage of employees covered by collective bargaining agreements.	GRUPO SURA does not have a Trade Union. However, the Company's respect for the employees' rights, transparency and clear communications have led to open relations for the sound performance and relations of the Company and its employees.	Completed
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	<p>GRUPO SURA does not have Trade Unions or collective bargaining agreements.</p> <p>According to the laws, the minimum notice periods regarding operational changes are met.</p>	Completed
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	<p>As a result of the increased number of employees of GRUPO SURA, the Occupational Health Parity Committee –COPASO– was established in the year 2011. The Committee consists of two employer representatives and two employee representatives. Each representative has a substitute for a total of eight representatives in the Committee. Employee representatives are elected by vote and represent 100% of Company employees. The Committee holds monthly meetings and has a work plan to inspect work areas.</p> <p>This Committee was established in 2012 to promote healthy coexistence settings and to enhance positive relations among collaborators.</p>	Completed
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	<p>Work-Related Accidents Number of Accidents: 2 Number of Accidents with Lost Days: 1 Lost Days: 5 Total Accident Rate: 4.76%</p> <p>Occupational Diseases: No cases of occupational diseases were reported.</p> <p>Common Diseases: Number of Absenteeism for Common Diseases: 25 Days Lost for Common Diseases: 67 Rate of Absenteeism for Common Diseases: 60%</p>	Partial
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<p>Occupational health training and education has been provided seeking the overall welfare of our employees. These include identifying risk factors, posture-hygiene training, and active pauses.</p> <p>Tours have been made as well to update the emergency plan and its disclosure; evacuation coordinators and emergency brigades were trained.</p>	Partial
LA9	Health and safety topics covered in formal agreements with trade unions.	GRUPO SURA does not have a trade union. However, it respects the right to participate in unions and has labor guarantees that comply with every labor and safety law and regulation.	Completed

LA10	Average hours of training per year per employee by gender, and by employee category.	See Social Management. (Page 62-64) Hours of Training: 592 Average Hours of Training per Employee: 19.1 Employees Trained: 31	Partial
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Under the 'Preparing for Retirement' program coordinated by the Health and Well-being Direction, activities include the assistance and training on relevant subjects, such as life projects, managing free time, managing finances, family relations, proceedings before the social security entities, healthy habits, psycho-social assistance, among others. Two employees of GRUPO SURA attended this program in 2012.	Completed
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	GRUPO SURA conducts an annual performance review of 100% of its employees, to guarantee the continuity and quality of its processes, and to implement the improvement plans required.	Completed
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	See Board of Directors of GRUPO SURA. (Page 8-11) Composition of Board of Directors: GRUPO SURA: 100% male Suramericana: 100% male SURA Asset Management: 100% male Protección: 100% male Bancolombia: 100% male 85.7% of the Board members of GRUPO SURA range from 45 to 65 years old; 14.3% is more than 65 years old. None of the Board members belong to a minority group.	Completed
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	On the Manager category, the ratio of salaries of women to men is 0.83 On the Senior Management category, the ratio of salaries of women to men is 0.90 On the Coordinators category, the ratio of salaries of women to men is 0.99 On the Analysts category, the ratio of salaries of women to men is 0.73 On the Assistants category, the ratio of salaries of women to men is 1.28	Completed
Human Rights			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	The consolidation of acquisitions made included a review of labor practices and ethical commitments which was of great relevant. Labor conditions and compliance with employee rights were one of the factors of analysis and management. In addition, a work group was established to consolidate and develop responsible investment criteria.	Completed
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	No contracts were entered in 2012 which included clauses regarding human rights with suppliers.	Partial
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	A course on Human Rights was provided by the Company in 2012 organized by the Colombian network of Global Compact. 2% of the employees attended this 16-hour course. In 2013, strategies will be implemented to provide training and knowledge to employees on subjects related to Human Rights.	Completed
HR4	Total number of incidents of discrimination and corrective actions taken.	No incidents of discrimination were recorded through the formal systems of the organization.	Completed
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	The Company does not have trade unions. The formal systems do not record risks against freedom of association and collective bargaining. No risks to exercise freedom of association were recorded through the formal systems of the organization. See GRUPO SURA Grows in Latin America. (Page 68-71)	Completed

HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	No incidents of child labor related to our suppliers and operations were recorded in the formal systems of the organization. A program that contributes to prevent child labor, among others, is developed by the Suramericana Foundation. See Suramericana Foundation Report (Page 78-79), at: http://www.gruposuramericana.com/Documentos%20Inversionistas/INFORME_SOCIAL_2012.pdf	Completed
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	No compulsory labor incidents were recorded in the formal systems of the organization. To contribute to the elimination of forced labor, the Company guarantees that all of its employees are hired in compliance with the labor law and regulations, and meets all of the requirements of social security and occupational health. In addition, Company suppliers must meet labor laws and regulations to be hired.	Completed
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Security personnel is outsourced. During 2012, this personnel was trained on Human Rights; 100% of the security personnel attended a 4-hour course.	Completed
HR9	Total number of incidents involving human rights violations and the corrective actions taken.	No incidents of violations involving rights of indigenous people were recorded through the organization's formal systems.	Completed
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.		Not Reported
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	No grievances related to the violation of Human Rights were recorded through the organization's formal systems.	Completed
Society			
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		Not Reported
S02	Percentage and total number of business units analyzed for risks related to corruption.	GRUPO SURA and Suramericana S.A. provide a Program for the prevention and detection of activities or transactions related to Money Laundering and Financing Terrorism, which covers 100% of the 14 business units. This program seeks a systematic way to identify situations related to the movement of unlawful capitals from illegal activities or situations which intend to use the companies as a screen of legality of these activities.	Completed
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	In the year 2012, subsidiary Suramericana S.A. has focused on training its collaborators using different means: Briefs, conferences, teleconferences and particular advice to develop a culture and improve its money laundering and terrorism financing control system. Approximately 60 hours have been invested in these activities. The Company participated in the Anticorruption panel of the Global Compact network of Colombia, which reviewed international practices and standards on this matter.	Partial
S04	Actions taken in response to incidents of corruption.	No incidents of corruption were recorded through the formal systems of the organization.	Completed

S05	Public policy positions and participation in public policy development and lobbying.	See Code of Good Governance, at: http://www.gruposuramericana.com/Documentos%20GISuramericana/NP-CodigoBuenGobierno-GrupoSura-Ene2011.pdf See Focus on and Corporate Citizenship Responsibility, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestroCompromiso.aspx See Institutional Presence, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/PresencialInstitucional.aspx	Completed
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	<u>GRUPO SURA channels contributions to projects for social development and institutionalization through the Suramericana Foundation. No contributions to democracy (political parties) were made in 2012.</u> Ser Suramericana Foundation, at: http://www.gruposuramericana.com/Paginas/Responsabilidad/NuestraGestion.aspx	Completed
S07	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	No legal actions were filed against the Organization for alleged anticompetitive or monopolistic practices.	Completed
S08	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	No fines for non-compliance with laws and regulations were recorded through the formal systems of the organization.	Partial
S09	Operations with significant potential or actual negative impacts on local communities.	GRUPO SURA has no direct negative impact on local communities.	Completed
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	GRUPO SURA does not engage in any activities that could have a negative impact on local communities.	Completed
Product Responsibility			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant		Not Reported
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.		Not Reported
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements		Not Reported
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	No lawsuits for the non-compliance with codes concerning product and service information losses were recorded in the formal systems of the organization.	Completed
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	GRUPO SURA conducts an annual survey to evaluate shareholder satisfaction with the information provided in the Annual Report and in the Shareholders Meeting. See GRUPO SURA Grows in Latin America. Suramericana. (Page 75) SURA Asset Management. (Page 79) Protección. (Page 81) Bancolombia. (Page 83)	Completed
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Brand management is led by the Communications Direction of GRUPO SURA, which keeps in mind the recommendations and concerns of different stakeholders. GRUPO SURA has a Manual that establishes guidelines for brand management.	Completed

PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	No incidents of non-compliance with the manual and brand management were recorded through the formal systems of the organization.	Completed
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	No complaints regarding breaches of customer privacy and losses of data were recorded in the formal systems of the organization. Only one ordinary civil process is held against Suramericana de Inversiones S.A due to a litigation between two shareholders.	Completed
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	No fines for non-compliance with laws concerning the provision and use of products and services of the Company were recorded through the formal systems of the organization.	Completed



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Independent Auditor Limited Assurance Report to Management of Grupo de Inversiones Suramericana S.A.

We were engaged by the directors of Grupo de Inversiones Suramericana S.A. to provide limited assurance on non-financial information contained in the Annual Report for the year ended December 31, 2012 of Grupo de Inversiones Suramericana S.A. (hereinafter "the Report"). The information reviewed is limited to the content referenced in the Global Reporting Initiative (GRI) index report and includes verification of non-financial information of Grupo de Inversiones Suramericana S.A., Suramericana S.A., Sura Assest Management S.A. and its subsidiaries.

Management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 3.1 (G3) of the Global Reporting Initiative as described in the chapter "About our annual report" of the Report. In the mentioned chapter, there is a detailed description of the level of application self-declared. Management is also responsible for the information and assertions contained within it; for determining Grupo de Inversiones Suramericana S.A. objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. This Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement and comply the requirements related to independence included in the code of ethics issued by the International Federation of Accountants that sets detailed requirements related to integrity, objectiveness, confidentiality and professional conducts and qualifications.

A limited assurance engagement on sustainability information consists of making inquiries, primarily of persons responsible for the preparation of information presented in the sustainability report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Inquiries of management to gain an understanding of Grupo de Inversiones Suramericana S.A. processes for determining the material issues for Grupo de Inversiones Suramericana S.A. key stakeholder groups.
- Interviews with senior management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Interviews with relevant staff of Grupo de Inversiones Suramericana S.A. at corporate and business unit level responsible for providing the information in the Report.
- Visits to sites of Administrative Headquarters and Shared Services Center, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria.
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Report.
- Analysis of the collection processes and internal control of quantitative data reflected in the report, regarding to reliability of the information, using analytical procedures and testing based in samples.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Grupo de Inversiones Suramericana S.A.



- Verification that the financial information reflected in the report has been extracted from the annual accounts of Grupo de Inversiones Suramericana S.A., audited by independent third parties.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Annual Report of Grupo de Inversiones Suramericana S.A. for the year ended December 31, 2012 is not presented fairly, in all material respects, in accordance with the Sustainability Reporting Guidelines version 3.1 (G3) of the Global Reporting Initiative as described in the chapter "About our annual report" of the Report.

Our limited assurance report is made solely to Grupo de Inversiones Suramericana S.A. in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Grupo de Inversiones Suramericana S.A. those matters we have been engaged to state in this limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than Grupo de Inversiones Suramericana S.A. for our work, for this limited assurance report, or for the conclusions we have reached.

In a separated document, we will provide to Grupo de Inversiones Suramericana S.A. management an internal report that contains our findings and areas of improvement.

KPMG Advisory Services Ltda.

Ignacio Cortés Castán
Partner

March 14, 2013



Statement GRI Application Level Check

GRI hereby states that **Grupo de Inversiones Suramericana S.A.** has presented its report "Annual Report 2012" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 24 April 2013

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because Grupo de Inversiones Suramericana S.A. has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 15 April 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

