

Consolidated Financial Statements  
For the three-month period, between  
January 1<sup>st</sup> and March 31<sup>st</sup> of 2017

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....</b>	<b>5</b>
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....</b>	<b>7</b>
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME .....</b>	<b>9</b>
<b>CONSOLIDATED CHANGE IN EQUITY STATEMENT .....</b>	<b>1</b>
<b>CONSOLIDATED CASH FLOWS STATEMENT .....</b>	<b>3</b>
<b>NOTE 1. REPORTING ENTITY .....</b>	<b>5</b>
<b>NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS .....</b>	<b>7</b>
2.2. Financial Statements for interim periods .....	7
2.3. Measurement basis.....	9
2.4. Presentation of Financial Statements.....	9
2.5. Consolidation principles.....	9
<b>NOTE 3. SIGNIFICANT ACCOUNTING POLICIES .....</b>	<b>11</b>
3.1. Goodwill and business combinations .....	11
3.2 Insurance activities .....	12
a. Reinsurance and coinsurance operations .....	12
b. Deferred Acquisition Costs - DAC.....	12
c. Liabilities from insurance contracts.....	13
d. Embedded derivatives .....	14
e. Liabilities Adequacy Test.....	14
f. Expected Favorable Returns (EFF) .....	14
g. Deferred Revenue.....	14
3.3. Currency.....	14
3.3.1. Functional.....	14
3.3.2 Foreign Currency .....	14
3.4 Investments .....	15
3.4.1. Subsidiaries.....	15
3.4.2. Associates and joint ventures .....	15
3.5. Income .....	16
3.5.1. Income from Premiums .....	16
3.5.2. Income from Professional Risk Management.....	16
3.5.3. Dividend Income.....	16
3.5.4 Commission Income .....	16
3.6. Taxes .....	17
3.7. Intangible assets .....	18
3.8. Financial instruments.....	18
3.9. Operating segments.....	20
3.10. Fair value.....	20

<b>NOTE 4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS.....</b>	<b>21</b>
<b>NOTE 5. FINANCIAL INSTRUMENTS .....</b>	<b>23</b>
5.1. Financial assets .....	24
5.1.1. Investments.....	26
5.1.2. Trade and other accounts receivables .....	27
5.2. Financial liabilities.....	28
5.2.1. Other financial liabilities .....	30
5.2.2. Accounts payable.....	32
<b>NOTE 6. INSURANCE CONTRACTS.....</b>	<b>32</b>
6.1. Technical Reserves for part reinsurers .....	32
6.2. Premiums .....	33
6.3. Expenses for retained claims .....	34
6.4. Technical reserves, insurance contracts .....	35
<b>NOTE 7. TAXES .....</b>	<b>37</b>
7.2 Current taxes.....	39
7.4 Taxes recognized in profit and loss.....	42
<b>NOTE 8. INTANGIBLE ASSETS .....</b>	<b>43</b>
8.1 Goodwill .....	43
8.2 Intangibles assets other than goodwill.....	44
8.3 Deferred Acquisition Costs (DAC) .....	46
<b>NOTE 9. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES .....</b>	<b>47</b>
9.1. Subsidiaries .....	47
9.2. Investments accounted for using <i>the Equity Method</i> .....	64
9.2.1. Investments in associates .....	65
9.2.2. Joint Ventures.....	68
<b>NOTE 10. PROVISIONS .....</b>	<b>69</b>
<b>NOTE 11. SECURITIES ISSUED .....</b>	<b>69</b>
<b>NOTE 12. SHAREHOLDER COMPOSITION AND DECLARED DIVIDENDS.....</b>	<b>70</b>
<b>NOTE 13. NON-CONTROLLING INTEREST .....</b>	<b>72</b>
<b>NOTE 14. OPERATING SEGMENTS .....</b>	<b>73</b>
14.1 Segments on which should be reported .....	73
14.2 The Information by operating segments: .....	76
14.3 Geographical information .....	78
14.4 Income Statement .....	78

<b>NOTE 15. INCOME AND EXPENSES FROM COMMISSIONS .....</b>	<b>80</b>
15.1 Income from commissions.....	80
15.2 Commission expenses.....	80
<b>NOTE 16. HONORARIUMS.....</b>	<b>81</b>
<b>NOTE 17. INCOME AND COSTS FOR PROVISION OF SERVICES.....</b>	<b>82</b>
17.1. Income from provision of services.....	82
17.2. Cost for provision of services.....	83
<b>NOTE 18. FINANCIAL INCOME AND EXPENSES .....</b>	<b>83</b>
<b>NOTE 19. ADMINISTRATIVE EXPENSES .....</b>	<b>84</b>
<b>NOTE 20. EARNINGS PER SHARE .....</b>	<b>85</b>
<b>NOTE 21. TRANSLATION OF A BUSINESSES ABROAD AND FOREIGN EXCHANGE .....</b>	<b>85</b>
<b>NOTE 22. RISK MANAGEMENT OBJECTIVES AND POLICIES .....</b>	<b>86</b>
<b>NOTE 23. DISCLOSURES ON RELATED PARTIES.....</b>	<b>93</b>
23.2 Transactions with related parties .....	94
23.3 Honorariums of the Board of Directors .....	99
<b>NOTE 25. APPROVAL OF FINANCIAL STATEMENTS</b> The issuance of the Financial Statements of Grupo SURA, corresponding to the year ended March 31, 2017, was authorized by the Board of Directors, as recorded in Minutes No. 261 of the Board of Directors Meeting on May 15, 2017, to be presented into the market. ....	<b>101</b>
<b>NOTA 26. ANALYSES OF FINANCIAL RESULTS (unaudited) .....</b>	<b>101</b>

**GRUPO DE INVERSIONES SURAMERICANA S.A.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At March 31, 2017 (with comparative figures at December 31, 2016)

(Expressed as millions of Colombian Pesos)

	Note	March 2017	December 2016
<b>Assets</b>			
Cash and cash equivalents	5	2,996,149	2,066,959
Investments	5	26,847,907	26,198,241
Trade and liabilities receivables	5	5,176,430	5,421,856
Accounts receivable related parties and associates, current	5	470,037	89,249
Technical reserves part re-insurance	6	2,719,372	2,656,756
Inventories		12,301	13,835
Current tax assets	7	600,705	587,073
Other financial assets	5	125,943	631,093
Other non-financial assets		244,211	209,503
Investment properties		1,008,561	1,033,526
Property, plant and equipment		1,007,581	1,028,690
Intangible assets other than goodwill	8	4,456,987	4,484,107
Goodwill	8	4,505,038	4,506,162
Accounted investments using <i>the Equity Method</i>	9	17,840,664	18,144,328
Deferred tax assets	7	641,601	745,663
<b>Total assets</b>		<b>68,653,487</b>	<b>67,817,041</b>
<b>Liabilities</b>			
Other financial liabilities	5	3,414,820	3,705,478
Trade and other payables	5	2,430,214	2,606,198
Accounts payable to related parties	5	434,372	68,096
Technical reserves	6	26,732,206	25,989,614
Current tax liabilities	7	774,693	750,945
Provisions for employee benefits		356,990	405,816
Other non-financial liabilities		468,833	491,205
Other provisions	10	228,822	247,267
Securities issued	11	6,712,882	6,038,924
Deferred tax liabilities	7	2,014,799	2,117,671
<b>Total liabilities</b>		<b>43,568,631</b>	<b>42,421,214</b>

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At March 31, 2017 (with comparative figures at December 31, 2016)

(Expressed as millions of Colombian Pesos)

Equity	Note	March 2017	December 2016
Share capital issued		107,882	107,882
Share premium		3,081,578	3,307,663
Net income		338,969	1,444,463
Retained earnings		12,892,485	12,302,406
Other equity interest		1,847,446	1,913,970
Reserves		4,134,545	3,584,844
<b>Equity attributable to controlling interest</b>		<b>22,402,905</b>	<b>22,661,228</b>
<b>Non-controlling interest</b>	13	<b>2,681,951</b>	<b>2,734,599</b>
<b>Total equity</b>		<b>25,084,856</b>	<b>25,395,827</b>
<b>Total equity and liabilities</b>		<b>68,653,487</b>	<b>67,817,041</b>

The notes are an integral part of the Consolidated Financial Statements.

David Bojanini Garcia  
Legal Representative

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

Mariana Milagros Rodríguez  
Auditor  
T.P. 112752-T  
Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of May 15, 2017)

GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended March 31, 2017 (with comparative figures at March 31, 2016)

(Values expressed in millions of Colombian Pesos, except net profit per share)

	Notes	March 2017	March 2016
Premiums issued	6	3,187,134	2,167,856
Premiums ceded	6	(385,316)	(195,170)
<b>Retained Premiums (Net)</b>		<b>2,801,818</b>	<b>1,972,686</b>
Commission income	15	545,003	525,348
Provision of services	17	643,940	558,181
Dividends	18	11,030	71,705
Investment income	18	346,637	295,254
Earnings at fair value	18	215,651	96,578
Income from the interest in <i>the Equity Method</i> , associates	9.2	252,426	184,458
Gains from sales of investments	18	28,616	2,985
Income from investment properties		18,279	16,088
Exchange differences (Net)	18	58,187	198,213
Other income		82,160	28,449
<b>Total income</b>		<b>5,003,747</b>	<b>3,949,945</b>
Total claims	6	(2,009,655)	(1,115,550)
Reimbursement claims	6	477,916	123,453
<b>Claims held</b>		<b>(1,531,739)</b>	<b>(992,097)</b>
Production reserves, net		(538,896)	(553,234)
Cost for services rendered	17	(638,673)	(554,698)
Administrative expenses	19	(451,167)	(372,106)
Employee benefits		(428,312)	(318,353)
Fees	16	(159,640)	(128,129)
Broker commissions	15	(440,426)	(205,054)
Amortization	8.2	(70,343)	(45,438)
Depreciation		(18,935)	(15,467)
Other expenses		(56,098)	(27,849)
Interest	18	(152,473)	(95,732)
Impairment		(11,224)	(10,805)
<b>Total expenses</b>		<b>(4,497,926)</b>	<b>(3,318,962)</b>

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three-month period ended March 31, 2017 (with comparative figures at March 31, 2016)  
*(Values expressed in millions of Colombian Pesos, except net profit per share)*

	Notes	March 2017	March 2016
<b>Pre-tax profit</b>		<b>505,821</b>	<b>630,983</b>
Income tax	7	(100,334)	(124,444)
<b>Net profit</b>		<b>405,487</b>	<b>506,539</b>
Controlling income	13	338,969	453,352
Non-controlling income		66,518	53,187
<b>Earnings per share</b>		<b>722.69</b>	<b>966.56</b>

The notes are an integral part of the Consolidated Financial Statements.

David Bojanini Garcia  
 Legal Representative

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

Mariana Milagros Rodríguez  
 Auditor  
 T.P. 112752-T  
 Designated by Ernst & Young Audit S.A.S. TR-530  
 (See my report of May 15, 2017)



**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**

For the three-month period, ended March 31, 2017 (With comparative figures at March 31, 2016)  
*(Values expressed in millions of Colombian Pesos)*

	March 2017	March 2016
<b>Net profit</b>	<b>405,487</b>	<b>506,539</b>
Other comprehensive income, losses in equity instruments of equity, net of taxes	(3,765)	(1,565)
Other comprehensive income, gains on revaluation, net of taxes	(7,729)	(22,132)
Other comprehensive income, losses from re-measurement of defined benefit plans, net of taxes	(442)	(227)
<b>Total other comprehensive income not reclassified to profit or loss, Net of tax</b>	<b>(11,936)</b>	<b>(23,924)</b>
Earnings from currency translation differences, net of tax	42,528	80,618
Loss on cash flow hedges, net of tax	4,962	(31)
Derivative hedging gains of investments abroad, net of tax	-	(27,933)
Participation of other comprehensive income of associates and joint ventures accounted for using <i>the Equity Method</i> that is reclassified to profit or loss, net of tax	(95,166)	198,364
<b>Total other comprehensive income reclassified to profit and loss</b>	<b>(47,676)</b>	<b>251,018</b>
<b>Total other comprehensive income</b>	<b>(59,612)</b>	<b>227,094</b>
<b>Total comprehensive income</b>	<b>345,875</b>	<b>733,633</b>
Comprehensive income attributable to:		
Controlling interest	272,444	778,074
Non-controlling interest	73,431	(444,541)

The notes are an integral part of the Consolidated Financial Statements.

David Bojanini Garcia  
Legal Representative

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

Mariana Milagros Rodríguez  
Auditor  
T.P. 112752-T

Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of May 15, 2017)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONSOLIDATED CHANGE IN EQUITY STATEMENT**

At March 31, 2017 (with comparative figures at March 31, 2016)

(Expressed in millions of Colombian Pesos)

	Note	Issued capital	Share premium	Retained earnings	Other equity participation	Legal reserves	Occasional reserves	Net income	Equity attributable to controlling interest	Non-controlling interest	Total Equity
<b>Balance at January 1, 2016</b>		<b>107,882</b>	<b>3,307,663</b>	<b>12,255,428</b>	<b>1,858,384</b>	<b>138,795</b>	<b>4,069,085</b>	<b>1,104,091</b>	<b>22,841,328</b>	<b>3,221,272</b>	<b>26,062,600</b>
<b>Other comprehensive income</b>					<b>324,823</b>				<b>324,823</b>	<b>(97,729)</b>	<b>227,094</b>
Reserve for revaluation of property and equipment		-	-	-	(16,009)	-	-	-	<b>(16,009)</b>	(6,122)	<b>(22,132)</b>
Translation adjustment net foreign investment		-	-	-	166,349	-	-	-	<b>166,349</b>	(85,731)	<b>80,617</b>
Financial instruments with changes to the OCI		-	-	-	(1,202)	-	-	-	<b>(1,202)</b>	(363)	<b>(1,565)</b>
Losses due to new measurements of defined benefit plans, net of taxes		-	-	-	(227)				<b>(227)</b>	-	<b>(227)</b>
Equity method, recognized in equity		-	-	-	198,364	-	-	-	<b>198,364</b>	-	<b>198,364</b>
Flows hedging – derivative instruments					211	-	-	-	<b>211</b>	(241)	<b>(31)</b>
Hedge of net investments abroad					(22,662)				<b>(22,662)</b>	(5,271)	<b>(27,933)</b>
<b>Net income</b>		-	-	-	-	-	-	<b>453,352</b>	<b>453,352</b>	<b>227,194</b>	<b>680,546</b>
<b>Total net comprehensive income for the period</b>		-	-	-	<b>324,823</b>	-	-	<b>453,352</b>	<b>778,175</b>	<b>129,465</b>	<b>907,640</b>
Transfer to retained earnings				1,104,091				(1,104,091)	-	-	-
2015 Profit distribution in accordance with the minutes No. 21, of the Shareholder's Meeting of March 31, 2016:		-	-		-	-	-	-	-	-	-
Dividends recognized as distributions for owners (456 pesos per share)	12	-	-	(262,372)	-	-	-	-	<b>(262,372)</b>	-	<b>(262,372)</b>
Dividends to shareholders (donations)		-	-	(5,000)	-	-	-	-	<b>(5,000)</b>	-	<b>(5,000)</b>
Reserves for the protection of investments		-	-	(456,617)	-	-	456,617	-	-	-	-
Excess paid in acquisition of non-controlling interest		-	-	-	-	-	(1,079,652)	-	<b>(1,079,652)</b>	(681,869)	<b>(1,761,521)</b>
Minimum dividend preference shares	11	-	-	4,320	-	-	-	-	<b>4,320</b>	-	<b>4,320</b>
Decreases from other equity changes		-	-	(237,824)	-	-	-	-	<b>(237,824)</b>	(193,857)	<b>(431,680)</b>
<b>Balance at March 31, 2016</b>		<b>107,882</b>	<b>3,307,663</b>	<b>12,402,027</b>	<b>2,183,207</b>	<b>138,795</b>	<b>3,446,049</b>	<b>453,352</b>	<b>22,038,975</b>	<b>2,475,011</b>	<b>24,513,987</b>

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**STATEMENT OF CHANGES IN EQUITY– CONSOLIDATED**  
At March 31, 2017 (with comparative figures at March 31, 2016)  
*(Expressed in millions of Colombian Pesos)*

	Note	Issued capital	Share premium	Retained earnings	Other equity interests	Legal reserves	Occasional reserves	Net income	Equity attributable to controlling interest	Non-controlling interest	Total Equity
<b>Balance at January 1, 2016</b>		107,882	3,307,663	12,302,406	1,913,970	138,795	3,446,049	1,444,463	22,661,228	2,734,599	25,395,827
<b>Other comprehensive income</b>					(66,523)				(66,523)	6,913	(59,612)
Reserve for revaluation of property and equipment					(6,083)				(6,083)	(1,647)	(7,729)
Translation adjustment net foreign investment					34,950				34,950	7,578	42,528
Financial instruments with changes to the OCI					(3,773)				(3,773)	8	(3,765)
Losses due to new measurements of defined benefit plans net of tax					(356)				(356)	(83)	(442)
Equity method, recognized in equity					(95,166)				(95,166)	-	(95,166)
Flows hedging – derivative instruments					3,905				3,905	1,057	4,962
<b>Net income</b>								338,969	338,969	66,518	405,487
<b>Total net comprehensive income for the period</b>		-	-	-	(66,523)	-	-	338,969	272,446	73,431	345,875
Transfer to retained earnings				1,444,463				(1,444,463)	-		-
2016 Profit distribution in accordance with the minutes No. 22, of the Shareholder's Meeting of March 31, 2017:									-		-
Dividends recognized as distributions for owners	12			(280,780)					(280,780)		(280,780)
(488 pesos per share)											
Donations to social projects				(5,000)					(5,000)		(5,000)
Reserves for the protection of investments				(549,701)			549,701		-		-
Minimum dividend preference shares	11		(226,085)	4,320					(221,765)		(221,765)
Increases (decreases) from other equity changes				(23,223)					(23,223)	(126,080)	(149,303)
<b>Balance at March 31, 2016</b>		107,882	3,081,578	12,892,485	1,847,446	138,795	3,995,750	338,969	22,402,905	2,681,951	25,084,856

The notes are an integral part of the Consolidated Financial Statements.

David Bojanini Garcia  
Legal Representative

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

Mariana Milagros Rodríguez  
Auditor  
T.P. 112752-T

Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of May 15, 2017)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONSOLIDATED CASH FLOWS STATEMENT**

For the period ended March 31, 2017 (with comparative figures at March 31, 2016)

(Values expressed millions of Colombian Pesos)

	Notes	March 2017	March 2016
Net income		405,487	506,539
<b>Adjustments to reconcile net income</b>			
Adjustments for income tax expenses		100,334	124,443
Adjustments for financial costs		-	652,640
Adjustments for decreases (increase) in inventories		1,534	(1,616)
Adjustments for decreases (increase) in accounts receivable insurance activities		269,801	(281,210)
Adjustments for decreases in accounts receivable from commercial sources		(107,573)	(414,152)
Adjustments for increases in other accounts receivable from operating activities		(380,788)	-
Adjustments for increase in accounts payable from commercial sources		2,494	434,347
Adjustments for increases in accounts payable, insurance activities		559,114	530,441
Adjustments for increases (decreases) in other accounts payable for operating activities		151,035	(16,971)
Adjustments for depreciation and amortization		494,792	98,014
Adjustments for impairment recognized in profit and loss		11,224	3,323
Adjustments for provisions		(67,712)	(43,411)
Adjustments for losses from unrealized foreign currency		(299,358)	6,772
Adjustments for fair value gains		(383,091)	(169,899)
Adjustments for undistributed profits from application of <i>the Equity Method</i>		(252,426)	(381,972)
Other adjustments to reconcile net income		-	(155,525)
<b>Total adjustments to reconcile net income</b>		<b>99,379</b>	<b>385,224</b>
<b>Net cash flows from operations</b>		<b>504,866</b>	<b>891,763</b>
Dividends paid	12	(65,539)	(60,702)
Dividends received, associates and subsidiaries	10	472,250	386,481
Income tax paid		(87,896)	(79,340)
Other non-financial assets		(57,080)	(40,550)
<b>Net cash flows from operating activities</b>		<b>766,602</b>	<b>1,097,652</b>
<b>Cash flows used in investing activities</b>			
Cash flows from loss of control of subsidiaries or other businesses		-	114,622
Cash flows used to obtain control of subsidiaries or other businesses		-	(1,758,715)
Other charges from the sale of equity or debt instruments of other entities		1,686,317	1,069,340
Other payments to acquire equity or debt instruments of other entities		(2,033,604)	(1,102,276)
Imports from the sale of property, plant and equipment		21,222	1,822
Purchase of property and equipment		(22,003)	(24,397)
Amounts from sales of intangible assets		2,203	-
Purchase of intangible assets		(427,663)	(16,318)
Resources for sales of other long-term assets		31,711	12,679
Purchase of other long-term assets		(24,286)	(159,216)
Payments arising from futures contracts, forwards, options and swaps		-	(116,987)
Collections arising from futures contracts, forwards, options and swaps		456,718	-
Financial instrument dividends received		266	1,294
Interest received		346,637	198,725
<b>Net cash flows from (used in) investing activities</b>		<b>37,519</b>	<b>(1,779,426)</b>

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONSOLIDATED CASH FLOWS STATEMENT**

For the period ended March 31, 2017 (with comparative figures at March 31, 2016)

*(Values expressed millions of Colombian Pesos)*

	Note	2017	2016
<b>Cash flows from (used in) financing activities</b>			
Payments for other equity interests		-	(104,113)
Proceeds from loans		1,378,320	2,791,214
Loan repayments		(1,251,332)	(392,077)
Interest paid		(83,218)	(668,008)
<b>Net cash flows from financing activities</b>		<b>43,771</b>	<b>1,627,016</b>
<b>Increase (decrease) net cash, cash equivalents, before the changes in the exchange rate</b>		<b>847,891</b>	<b>945,241</b>
Effects of variations in the exchange rate on cash and cash equivalents			
Effects of variations in the exchange rate on cash and cash equivalents		81,298	163,476
<b>Increase net of cash and cash equivalent</b>		<b>929,190</b>	<b>1,108,718</b>
Cash and cash equivalents at beginning of period	5.1	2,066,959	1,433,184
<b>Cash and cash equivalents at end of period</b>	<b>5.1</b>	<b>2,996,149</b>	<b>2,541,902</b>

The notes are an integral part of the consolidated financial statements.

David Bojanini Garcia  
Legal Representative

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

Mariana Milagros Rodríguez  
Auditor  
T.P. 112752-T  
Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of May 15, 2017)

## GRUPO DE INVERSIONES SURAMERICANA S.A.

### NOTES FOR THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period ended at March 31, 2017 (with comparative figures at December 31, 2016, of the figures of the Statement of Financial Position and at March 31, 2016, figures of the Income Statement, Comprehensive Income, and Change in Equity and Cash Flows.)

*(Values expressed in millions of Colombian Pesos, excluding foreign currency values, exchange rates, number of shares, and earnings per share.)*

#### NOTE 1. REPORTING ENTITY

Grupo de Inversiones Suramericana S.A., hereinafter, Parent Company, "Grupo SURA", was established in connection with the spin-off of Compañía Suramericana de Seguros S.A., according to Public Deed No. 2295 of 24 December 1997 of the 14<sup>th</sup> Notary, in Medellin, formalized accounting on 1 January 1998; the principal domicile is in the city of Medellin, at Carrera 43A #5A-113, Floor 15, but may have branches, agencies, offices, and representations in other places in the country and abroad, when determined by the Board of Directors. The duration of the Company is until the year 2097.

Its corporate purpose is investment in movable and immovable property. Related to investment in property, plus any kind of movable property, may be done in shares, quotas, or shares in companies, entities, organizations, funds, or any other legal figure that allows investment of resources. It also may invest in securities or fixed income instruments, variable, whether or not listed on a public market, in any case, issuers and/or investees may be, public or private, national, or foreign.

The Company is subject to sole control by the Financial Superintendence of Colombia (Superintendencia Financiera de Colombia), being registered in the National Registry of Securities and Issuers (RNVE) as issuer of securities.

Grupo de Inversiones Suramericana S.A. is a Latin American company listed on the Colombia Stock Exchange (BVC) and is registered in the ADR program - Level I in the United States. It is also the only Latin American company in the sector Diversified Financial Services, which is part of the Dow Jones Sustainability Index, with which companies that stand out worldwide for its best practices in economic, environmental, and social issues, are recognized. Grupo Sura classifies its investments in two ways: strategic, focused in the sectors of finance services, insurance, pensions, savings, and investment, and investments in portfolio that are, primarily, in the sectors of processed foods, cement, and energy.

In recent years, companies that are part of portfolio investment Grupo SURA have extended their presence to other countries and regions in the Western Hemisphere, including Central America, the Caribbean, the United States, Peru, Chile, Uruguay, Mexico, Argentina, and Brazil.

The investments in the financial services sector includes a 46.11% from the shares with voting rights (equivalent to a share capital of 25.59%) of Bancolombia, where Grupo SURA is the largest shareholder, with a share of 81.13% of the capital of Suramericana S.A., the company that groups together insurance companies. The remaining 18.9% of the share capital of Suramericana belongs to German insurance company Münchener Rückversicherungs-Gesellschaft Munich, known as "Munich Re." In addition, Grupo SURA directly holds 71.54% share capital of SURA Asset Management S.A., and 7.11% through Grupo de Inversiones Suramericana Panamá S.A., a company that groups together investments in the sector of pensions, savings, and investments in the region. The remaining 21.29% of the share capital of SURA Asset Management S.A. is held by other local and international shareholders.

The investments in the segment of processed foods of the industry sector, includes a stake of 35.17% of the share capital of Grupo Nutresa S.A., the largest processed foods conglomerate in Colombia, where Grupo SURA is also the majority Shareholders.

The investments in segment cement, concrete, energy, ports, coal mines, and the real estate sector, includes a stake of 35.56% of shares with voting rights of Grupo Argos S.A., where Grupo SURA is also the majority Shareholder. Grupo Argos S.A. is both the controlling Shareholder of Cementos Argos S.A. and Celsia S.A. E.S.P.

The regulators of each country gave their respective authorization, on the purchase of the companies of Brazil, Colombia, Chile, Argentina, Mexico, and Uruguay, in the year 2016; of which Suramericana has control, as of the following dates: Brazil on March 1, 2016, Colombia on April 1, 2016, Chile and Argentina on May 1, 2016, Mexico on June 1, 2016, and Uruguay July 1, 2016.

**The participation percentages acquired in each of the companies were as follows:**

#### **In Colombia**

98.8309% of Royal & Sun Alliance Insurance Seguros Colombia, was acquired, in addition, through acquisition of indirectly acquired 98.8875% of the shares of the company Financia Expreso RSA S.A. company dedicated to the investment of movable and immovable property and other activities and 50.4227% of Protección Garantizada Ltda., company dedicated intermediation of insurance.

On August 1, 2016 through previa Authorization of the Superintendencia Financiera de Colombia in the Public Resolution NO. 0889 of the 14 of July 2016, the Company, Royal & Sun Alliance Seguros Colombia S.A (RSA) was absorbed, through the process of fusion, by Seguros Generales Suramericana S.A., a subsidiary company dedicated to the insurance business, in Colombia.

#### **In Mexico**

100% of Seguros Sura S.A. de C.V. (Formerly Royal & Sun Alliance Seguros (Mexico) S.A. de C.V.).

#### **In Chile**

99.96% of Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.)

100% of Seguros de Vida Suramericana S.A (Formerly RSA Seguros de Vida S.A.)

100% of Chilean Holding Suramericana SPA (Formerly RSA Chilean Holding SpA.)

100% de Inversiones Suramericana Chile Limitada (Formerly Inversiones RSA Chile Limitada)

100% Servicios y Ventas Compañía Limitada

#### **En Brazil**

99.9997% of Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros (Brazil) S.A.)

#### **In Argentina**

100% of Atlantis Sociedad Inversora S.A.

100% of Santa Maria del Sol S.A.

99.35% of Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.

## En Uruguay

100% of Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros (Uruguay) S.A. de C.V).

On December 21, 2016, the Stockholders' Meeting approved the issuance of thirty-one thousand three hundred forty-two (31,342) ordinary shares, registered and capital shares of Suramericana S.A., which is recorded in Minutes No. 27 of December 12, 2016.

## NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

### 2.1. Compliance Statement

The Consolidated Financial Statements have been prepared in accordance with Accounting Standards and Financial Reporting accepted in Colombia (NCIF), established by Law 1314 of 2009, regulated by the Unified Regulatory Decree 2420 of 2016, amended by Decree 2496 of 2016. IFRS are based on the International Financial Reporting Standards (IFRS), along with the interpretations issued by the International Accounting Standards Board – as it is known by the acronym in English- IASB, translated in an official manner and authorized by the International Accounting Standards Board (IASB). The norms basis corresponds to those translated into Spanish and issued as of December 31, 2014, and to the amendment effectuated during the year 2014, by the IASB.

The following guidelines, that the company applies, are included in the aforementioned decrees, and constitute exceptions to the IFRS as issued by the IASB:

- Article 4 of Decree 2131 of 2016 amended Part 2 of Book 2 of Decree 2420 of 2015, added by Decree 2496 of 2015, allowing, at December 31, 2016, the determination of post-employment benefits for future retirement pensions or Disability, under the requirements of IAS 19, nevertheless requires the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, Articles 1.2.1.18.46 and following and, in the case of partial pension commutations, in accordance with the provisions of Paragraph 5 of Article 2.2.8.8.31 of Decree 1833 of 2016, informing the variables used and the differences with the calculation realized, in the terms of the technical framework under NCIF.

### 2.2. Financial Statements for interim periods

The Condensed Consolidated Financial Statements, for the three-month period, ended March 31, 2017, have been prepared in accordance with IAS 34 Interim Financial Reporting, and therefore, do not include all the information and disclosures required for Annual Financial Statements. Consequently, these Interim Financial Statements should be read in conjunction with the Annual Consolidated Financial Statements of Grupo SURA at December 31, 2016.

Some of the amounts and disclosures in relationship to the first quarter of 2016, presented in these Financial Statements for comparison purposes, may present variations from information published in the Condensed Consolidated Financial Statements as at March 31, 2016, due to the creation of new activities, reclassifications in lines, and adjustments that were realized following the audit and internal review by the Administration during the transition to IFRS, carried out for the closing of the Financial Statements ended December 31 2016, submitted and approved at the Shareholders' Meeting on March 31, 2017. The



Administration of the Group's considers that these adjustments are not material and do not affect the reasonability of the information Formerly published.

The summary of the changes in the Income Statement is as follows:

	March 2016 Actual	March 2016 Previous	Difference
Premiums issued	2,167,856	2,167,856	-
Premiums ceded	(195,170)	(195,170)	-
<b>Retained Premiums (net)</b>	<b>1,972,686</b>	<b>1,972,686</b>	<b>-</b>
Commission income	525,348	525,348	-
Provision of services	558,181	558,181	-
Dividends	71,705	71,705	-
Investment income	295,254	306,106	(10,852)
Gains at fair value	96,578	96,578	-
Gains from <i>the Equity Method</i> , associates	184,458	184,458	-
Gains from investment properties	2,985	2,985	-
Income from investment properties	16,088	16,088	-
Exchange differences, net	198,213	18,296	179,917
Other income	28,449	198,213	(169,764)
<b>Total income</b>	<b>3,949,944</b>	<b>3,950,644</b>	<b>(700)</b>
Total claims	(1,115,550)	(1,115,550)	-
Reimbursement of claims	123,453	123,453	-
<b>Claims held</b>	<b>(992,097)</b>	<b>(992,097)</b>	<b>-</b>
Net production reserves	(553,234)	(553,234)	-
Cost for services rendered	(554,698)	(549,422)	(5,276)
Administrative expenses	(372,106)	(370,335)	(1,771)
Employee benefits	(318,353)	(319,517)	1,164
Fees	(128,129)	(128,863)	734
Broker commissions	(205,054)	(168,609)	(36,445)
Amortization	(45,438)	(81,883)	36,445
Depreciation	(15,467)	(16,132)	665
Other expenses	(27,849)	(27,848)	(1)
Interests	(95,732)	(100,217)	4,485
Impairment	(10,805)	(11,505)	700
<b>Total expenses</b>	<b>(3,318,962)</b>	<b>(3,319,662)</b>	<b>700</b>
<b>Profit before taxes</b>	<b>630,982</b>	<b>630,982</b>	<b>-</b>
Income taxes	(124,444)	(124,444)	-
<b>Net income</b>	<b>506,538</b>	<b>506,538</b>	<b>-</b>
Controlling gains	453,352	453,352	-
Non-controlling gains	53,187	53,187	-

### 2.3. Measurement basis

The presentation of Financial Statements, in accordance with NCIF, requires that estimates and assumptions be made, which impact the reported amounts and disclosures of the Financial Statements, but do not impair the reliability of the financial information. The actual results may differ from those estimates. Estimates and assumptions are constantly reviewed. The review of the accounting estimates is recognized in the period, in which, the estimates are revised, in the case where the revision impacts that period, or in the period of the revision and future periods, if it the revisions impact both the current period, as well as, future periods.

Assets and liabilities are measured at cost or amortized cost, except for certain financial assets and liabilities and investment properties that are measured at fair value. Financial assets and liabilities measured at fair value correspond to those classified in the category of assets and liabilities at fair value through profit or loss, and those equity investments measured at fair value through equity, all financial derivatives and assets and recognized liabilities that are designated as hedged items in a fair value hedge, as well as, those whose book value is adjusted with changes in fair value, attributable to the hedged risk.

The Consolidated Financial Statements are presented in Colombian Pesos and its figures are expressed in millions of Colombian Pesos, except net income per share and the representative exchange rate of the exchange market are expressed in Colombian Pesos and foreign currencies (for example: Dollars, Euros, etc.).

### 2.4. Presentation of Financial Statements

Grupo SURA presents the statement of financial position by liquidity order.

In the statement of comprehensive income, income and expenses are not offset, unless such compensation is permitted or required by any accounting standard or interpretation, and is described in Grupo SURA's policies.

### 2.5. Consolidation principles

#### *Subsidiaries*

The Consolidated Financial Statements include the Financial Statements of Grupo SURA and its subsidiaries as of March 31, 2017. Grupo SURA consolidates the financial results of entities over which it exercises control.

A subsidiary is a controlled entity, directly or indirectly, by any of the companies that make up Grupo SURA. Control exists when one of the group companies has the power to direct the relevant activities of the subsidiary, which are generally operating activities and financing, in order to obtain benefits from its activities, and is exposed, or has rights, to the yields variables, of such.

Grupo SURA's Consolidated Financial Statements are presented in Colombian Pesos, which in turn is the functional currency and presentation currency of Grupo Sura, the Parent Company. Each subsidiary Grupo SURA determines its own functional currency and items included in its Financial Statements using that functional currency.

The Financial Statements of subsidiaries for consolidation purposes, are prepared under the accounting policies of Grupo SURA, and included in the Consolidated Financial Statements from the date of acquisition to date the Grupo SURA loses its control.

Assets, liabilities, equity, income, costs, expenses, and cash-flows intra Group are eliminated in the preparation of the Consolidated Financial Statements.

When Grupo SURA loses control over a subsidiary, any retained residual investment is measured at fair value, gains or losses arising from this measurement are recognized in profit or loss.

#### *Investment in associates*

An associate is an entity over which Grupo SURA has significant influence over the decisions of financial and operating policies without achieving control or joint control.

At the acquisition date, the excess of acquisition cost over the net fair value of identifiable assets, liabilities and contingent liabilities assumed of the associate or joint venture is recognized as goodwill. The goodwill is included in the book value of the investment.

The results, assets, and liabilities of associates are incorporated in the Consolidated Financial Statements using *the Equity Method*. *The Equity Method* is applied from the acquisition date to when the significant influence or joint control over the entity is lost.

The portion of profit or loss of an associate is presented in the Statement of Comprehensive Income, net of taxes and non-controlling interests in the subsidiaries of the associate or joint venture, the portion of changes recognized directly in equity and the other comprehensive income of the associate is presented in the statement of changes in equity and other consolidated comprehensive income.

Cash dividends received from the associate or joint venture is recognized by reducing the book value of the investment.

Grupo SURA periodically analyzes the existence of indicators of impairment and, if necessary, recognizes impairment losses for investment in the associate. Impairment losses are recognized in profit and loss and are calculated as the difference between the recoverable amount of the associate or joint venture, being the higher of value in use and its fair value less costs to sell, and their book value.

When the significant influence over the associate is lost, Grupo SURA measures and recognizes any retained residual investment remaining at fair value. The difference between the book amount of the associate (taking into account the relevant items of other comprehensive income) and the fair value of the retained residual investment, with the value from its sale is recognized in profit or loss for the period.

#### *Non-controlling interest*

Non-controlling interests in net assets of consolidated subsidiaries are presented separately within the equity of Grupo SURA. Profit or loss and other comprehensive income are also attributed to non-controlling and controlling interests.

Purchases or sales of shares in subsidiaries, non -controlling interests that do not involve a loss of control are recognized directly in equity.

## NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the Condensed Consolidated Financial Statements for the interim period ended March 31, 2017 are consistent with those used in the preparation of Annual Financial Statements to be prepared under IFRS as of December 31, 2016.

In accordance with the International Financial Reporting Standards and Financial Information accepted in Colombia (NCIF), Grupo Sura and its subsidiaries apply the accounting policies and procedures of the Parent Company. The following are the significant accounting policies applied by Grupo Sura, in the preparation of its Consolidated Financial Statements.

### 3.1. Goodwill and business combinations

Grupo SURA considers business combinations, those operations by the union of two or more entities or economic units into one single entity or group of entities occurs.

Business combinations are accounted for by *the acquisition Method*. Identifiable assets acquired, the liabilities and contingent liabilities assumed of the acquire are recognized at fair value at the date of acquisition, acquisition costs are recognized in profit or loss and goodwill as an asset in the Consolidated Statement of Financial Position.

The consideration transferred is measured as the value added of the fair value at the date of acquisition, of the assets given, liabilities incurred or assumed, and equity instruments issued by Grupo SURA, including any contingent consideration, for obtaining control of the acquired.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest, and when applicable, the fair value of any previously held equity interest in the acquired, on the net value of the assets acquired, the liabilities, and contingent liabilities assumed at the date of acquisition. The resulting gain or loss from the measurement of previously held interest can be recognized in current earnings or other comprehensive income, accordingly. In previous periods for which it was reported, the acquirer may have recognized in other comprehensive income the changes in the value of its equity interest of the acquired. If so, the import that was recognized in other comprehensive income shall be recognized on the same basis as it would be required if the acquirer had disposed directly of the previously held equity interest. When the consideration transferred is less than the fair value of the net assets of the acquired, the gain is recognized in profit or loss at the date of acquisition.

For each business combination, the acquisition date, Grupo SURA chooses to measure the non-controlling interest for the proportional share of identifiable assets acquired, the liabilities and contingent liabilities assumed from the acquired or at fair value.

Any contingent consideration in a business combination is classified as a liability or equity and recognized at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration classified as a financial liability are recognized in profit or loss or in other comprehensive income when it is classified as equity, is not re-measured, and its subsequent settlement is recognized within equity. If the consideration is not classified as a financial liability is measured in accordance with applicable IFRS.

Goodwill acquired in a business combination is allocated, at the acquisition date, to cash-generating units of Grupo SURA, which is expected will benefit from the combination, irrespective of whether other assets or liabilities of the acquired are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is sold, the goodwill associated with the operation disposed of is included in the book value of the operation when determining the gain or loss for the disposal of the operation. Goodwill written off is determined based on the percentage sold the operation, which is the ratio of the book value of the sold operation and the book value of the CGU.

### **3.2 Insurance activities**

#### **a. Reinsurance and coinsurance operations**

##### **REINSURANCE**

Grupo SURA considers reinsurance as a contractual relationship between an insurer and reinsurer, in which the first overall yields, or in part, the reinsurer, the risks assumed or to its policyholders.

Premiums corresponding to ceded reinsurance are registered according to the terms of reinsurance contracts and under the same criteria for direct insurance contracts.

Ceded reinsurance contracts do not relieve Grupo SURA of its obligations to policyholders.

Grupo Sura does not make compensation for the assets for reinsurance liabilities for insurance contracts generated and presented for separately in the Statement of Financial Position.

##### **COINSURANCE**

Grupo SURA considers coinsurance as concurrency agreed two or more insurers in covering the same risk; for co-insurance contracts the responsibility of each insurer to the insured is limited to its percentage stake in the business.

Grupo SURA's recognized in the Statement of Financial Position the balance derived from insurance operations based on the participation percentage agreed upon, in the insurance contract.

##### **IMPAIRMENT OF REINSURANCE AND COINSURANCE**

Grupo Sura considers that an asset for reinsurance and coinsurance is impaired and reduces its book value and recognizes the effects on the result, if, and only if:

- a) There is objective evidence, as a result of an event that occurred after the initial recognition of the asset for reinsurance, that the ceding may not receive all imports due to him according to the terms of the contract; and
- b) that event has an effect that can be measured reliably on amounts that the assigner will receive from the reinsurer.

#### **b. Deferred Acquisition Costs - DAC**

DAC corresponds to the deferral of the cost of acquiring new customers. For tax purposes this cost decreases the basis of income tax, on the exercise performed, while for international standards an amortizable intangible asset can recognized that represents the right of the company to benefit from the investment

management of its affiliates and it is amortized to the extent that the company recognizes revenues during the period in which a client maintains its investment with the company.

### **c. Liabilities from insurance contracts**

The liabilities from insurance contracts represent for Grupo SURA's the best estimate of future payments to be made for the risks assumed in insurance obligations; which are measured and recognized through technical reserves. The reserves for Grupo SURA are:

a) Ongoing Risk Reserve: is one that is made for the fulfillment of future obligations arising from commitments under policies in effect on the date of calculation. The current ongoing risk reserve is made up of for the unearned premium reserve and the reserve for insufficient premiums.

The unearned premium reserve represents the portion of current written policies' premiums and premiums for policies with future onset of effect, discounting the shipping costs, corresponding to the time not running the risk.

The reserve for insufficient premium complements the unearned premium, to the extent that the premium is not sufficient to cover the unexpired risks and expenses not incurred.

b) Mathematical Reserve: it is one that provides for the payment of obligations in individual life insurance and the shelters whose premium has been calculated as leveled or whose insurance benefit is paid as income.

c) Insufficient Asset Reserve: is one that is established to compensate for the failure that could arise, to cover expected liabilities flows that make up the Mathematical Reserve with flows of assets of the insurance company.

d) Pending Claims Reserve: it is one that provides for the payment of claims incurred once notified or to ensure coverage not reported to the calculation date. The reserve for outstanding is made up of the reserve of notified claims and the reserve of occurred claims not reported.

Notified claims reserves corresponds to the amount of resources to earmarked for the insurer to meet future claim payments that have already occurred, once these have been notified, like expenses associated with these at the date of calculation of the reserve.

Reserve claims incurred, but not reported, represents an estimate of the amount of resources earmarked for the insurer to meet future claims payments that have already occurred at the date of calculation of the reserve, but they not yet have been notified to the insurance or for those which an entity does not have sufficient information.

e) Claims Deviation Reserve: is one that is formed to cover risks whose claims experience may cause large deviations from the expected.

f) Reserve Catastrophic Risk: is one that is formed to cover the risks arising from catastrophic events, characterized by its low frequency and high severity.

#### **d. Embedded derivatives**

Embedded derivatives in insurance contracts are separated if not considered to be closely related to the main insurance contract and do not meet the definition of an insurance contract.

These embedded derivatives are presented separately in the category of the financial instruments and are measured at fair value through profit or loss.

#### **e. Liabilities Adequacy Test**

Technical provisions recorded are regularly subject to a reasonability test, in order to determine their adequacy on the basis of projections of all future cash flows of existing contracts. If, as a result of this test, it is shown that they are inadequate, they are adjusted against income for the year.

#### **f. Expected Favorable Returns (EFF)**

Grupo SURA recognizes future payments to be made for Expected Favorable Returns in terms of accidents and continuity that are agreed to at the start of insurance contracts, by recognizing a provision.

#### **g. Deferred Revenue**

##### **INCOME FROM REINSURANCE COMMISSIONS**

Grupo SURA defines a reinsurance commission as economic compensation paid for by the reinsurer to the reinsured company, usually in proportional reinsurance on the volume of ceded premiums. Grupo Sura realizes the recognition of income during the period of the reinsurance coverage.

##### **DEFERRED INCOME LIABILITIES (DIL)**

Corresponds to deferred income contribution to cover maintenance costs and a reasonable level of income in the periods in which such affiliates become non-contributors or pensioners and that by law cannot be charged for the administration of funds and/or pension payments, while fiscal revenue is recognized in full in the year it is that it is perceived.

### **3.3. Currency**

#### **3.3.1. Functional**

Items included in the Financial Statements of each of Grupo SURA entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional and presentation of the Consolidated Financial Statements of Grupo SURA currency is the Colombian Peso, which is the currency of the primary economic environment in which it operates, also due to the currency that influences the cost and revenue structure.

#### **3.3.2 Foreign Currency**

Transactions in foreign currencies are initially recorded at the exchange rate of the functional currency prevailing at the date of the transaction. Subsequently, monetary assets and liabilities in foreign currencies are translated at the exchange rate of the functional currency prevailing at the closing date of the period; non-monetary items that are measured at fair value are translated using the exchange rates at the date when fair value and non-monetary items that are measured at amortized cost are translated using the exchange rates prevailing determined to date of the original transaction.



All exchange differences are recognized in the Statement of Comprehensive Income except for exchange differences arising from the translation of foreign operations recognized in other comprehensive income; until the disposal of the foreign operation to be recognized in profit or loss.

For the presentation of the Consolidated Financial Statements of Grupo Sura, the assets and liabilities of foreign operations, including goodwill and any adjustment to the fair value of the assets and liabilities arising from the acquisition, are translated into Colombian Pesos at the rate exchange rate at the closing date of the reporting period. Income, costs and expenses and cash flows are translated at average exchange rates for the period.

### 3.4 Investments

#### 3.4.1. Subsidiaries

A subsidiary is a controlled entity, directly or indirectly, by any of the companies that make up Grupo SURA Control exists when one of the group companies has the power to direct the relevant activities of the subsidiary, which are generally operating activities and financing, in order to obtain benefits from its activities, and is exposed, or has rights, to the yields variables, of such.

#### 3.4.2. Associates and joint ventures

An associate is an entity over which Grupo SURA has significant influence over the decisions of financial and operating policies without achieving control or joint control.

Grupo SURA exercises significant influence when it has the power to intervene in the financial or operational decisions of another company, without achieving control or joint control. It should be presumed that Grupo SURA exerts significant influence when:

- Has, directly or indirectly, 20% or more of the voting power in the company, unless it can be shown that such influence does not exist through the management bodies; or
- Even if you own directly or indirectly less than 20% of the voting power in the company, you can clearly demonstrate that there is significant influence through the governing bodies.

Grupo SURA evidences significant influence through one or more of the following aspects:

Representation in the management body of the Company or associate;

- Participation in the determination of policies and decisions on dividends and other distributions;
- Transactions of relative importance with the associate;
- Exchange of management personnel; or
- Providing essential technical information

Investments are initially recognized at the cost of the transaction and are subsequently measured to *the Equity Method*.

Grupo SURA must account at the time of acquisition of the investment the difference between the cost of the investment and the portion that corresponds to Grupo Sura in the net fair value of the identifiable assets and liabilities of the associate, as follows:

- If the portion of the fair value of the associated assets and liabilities of the associate is less than the value of the acquisition, a higher value that forms part of the cost of the investment arises; or
- If the fair value portion of the associated assets and liabilities of the associate is greater than the value of the acquisition, it is considered a purchase on an advantageous basis, this difference is recognized as income for the period.



Dividends received in cash from the associate or joint venture are recognized as a lower value of the investment.

Grupo SURA periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses on the investment in the associate or joint venture. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable value of the associate or joint venture, which is the higher of the value in use and its fair value less costs to sell, and its value in books.

When significant influence on the associate or joint control over the joint venture is lost, Grupo SURA measures and recognizes any residual investment held in it at its fair value. The difference between the book value of the associate or joint venture (taking into account, the corresponding items of other comprehensive income) and the fair value of the residual investment retained, with the value from its sale, is recognized in the income for the period.

### **3.5. Income**

Grupo SURA recognizes income when the service is rendered or at the time of delivery of goods, to the extent that it is probable that the economic benefits from entering Grupo SURA and the income can be measured reliably. Income is measured at the fair value of the consideration received or for receiving, excluding taxes or other obligations. The discounts are granted lower values and are recorded as income.

The following specific recognition criteria must also be met before revenues are recognized.

#### **3.5.1. Income from Premiums**

The income from premium issued is recognized at the time policies are issued, except those relating to those whose term initiates later or exceeds the year, which are caused to the beginning of the term, or in the year following initiation term. Income from reinsurance premiums are caused at the time the corresponding reinsurers statements are received.

Unearned premiums are calculated separately for each individual policy to cover the remaining portion of the premiums written.

#### **3.5.2. Income from Professional Risk Management**

Professional Risk Management estimates the value of mandatory contributions, taking into account workers who were affiliated, during all, or part of, the period (new entry and withdrawal), the basic salary of trading and type of risk reported in the last assessment or affiliation. When the employer does not report novelties, the estimated value of the quote may not be less than the amount quoted in the latest self-assessment contribution form.

#### **3.5.3. Dividend Income**

Grupo SURA recognizes revenue for dividends when you have the right to receive payment, which is usually when dividends are declared, except when the dividend represents a recovery of investment cost. Nor is income from dividends, recognized, when payment is made to all Shareholders on the same portion in shares of the issuer.

#### **3.5.4 Commission Income**

Commission income is generally recognized with the service. Those emerging from negotiations or participation in negotiations of a transaction from a third party such as the arrangement of the acquisition of

shares or other securities, or the purchase or sale of businesses, are recognized on completion of the underlying transaction.

Portfolio fees and consultancy management and other services are recognized based on the services applicable to the contract where the service is provided.

The assets management fees related to investment funds and investment rates of the contract are recognized on a pro-rata basis over the period of service provision. The same principle applies to equity management, financial planning, and custody services that are continuously provided over an extended period of time. The fees charged and paid between banks for service payment are classified as income form fees and expenses for commissions.

### 3.6. Taxes

The tax structure of each country in which they are located Grupo SURA companies, regulatory frameworks and the plurality of operations that develop companies, each company makes taxable taxes, fees, and contributions of national and territorial.

#### Income tax

##### *Current*

The assets and liabilities for current income tax for the period are measured values expected to be recovered or paid to the tax authority. The expense for income tax is recognized with the current tax clearance, made between for taxable income and accounting profit or loss affected the rate of income tax for the current year and in accordance with the provisions of the tax rules. In Colombia, taxes and tax laws used to compute these values are those that are approved at the end of the reporting period is reported.

##### *Deferred*

The deferred income tax is recognized using *the liability method* calculated on temporary differences between the carrying amounts assets and liabilities and its tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, future compensation of tax credits and unused tax losses to the extent that it is probable availability profit future tax against which they can be imputed. Deferred taxes are not discounted.

Assets and deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and the case for Deferred tax liabilities when it arises from the initial recognition of goodwill.

Deferred tax liabilities related to investments in subsidiaries, associates, and interests in joint ventures are not recognized when the timing of the reversal of temporary differences can be controlled and it is probable that these differences will not reverse in the near future, and deferred taxes assets related to investments in subsidiaries, associates and interests in joint ventures are recognized only to the extent that it is probable that temporary differences will be reversed in the near future and is likely, the availability of future taxable profit against which these deductible differences will be charged.

The book value of deferred tax assets for is reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available, in totality or in part of the deferred

tax asset. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable income will recover.

Assets and deferred tax liabilities are measured at the tax rates that are expected to be applicable in the period when the asset is realized or the liability is settled, based on tax rates and tax rules that were approved at the date of filing or whose approval is nearing completion by that date.

The deferred taxes assets and liabilities are offset if there is a legally enforceable right to do so and are to the same taxation authority.

Deferred tax is recognized in profit or loss, except when relating to items recognized outside profit or loss in this case will be presented in other comprehensive income or directly in equity.

The assets and liabilities for current income tax also are offset if they relate to the same taxation authority and intends to settle for the net value or to realize the asset and settle the liability simultaneously.

### **3.7. Intangible assets**

An intangible asset is an identifiable asset, non-monetary without physical substance. Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is its fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated depreciation and any accumulated loss for impairment. Costs of intangible assets generated internally, excluding development costs that meet the recognition criteria, are not capitalized and expenditure is reflected in the Statement of Comprehensive Income in profit or loss, at the incurred time.

The useful lives of intangible assets are determined as finite or indefinite. Intangible assets with finite useful lives are amortized over their useful life linearly and evaluated to determine whether they had any impairment whenever there are indications that the intangible asset might have suffered such impairment. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. Amortization expenses of intangible assets with finite useful lives are recognized in the Statement of Comprehensive Income.

Intangible assets with indefinite useful lives are not amortized, but are tested annually to determine whether impairment suffered, either individually or at the level of the CGU. The assessment of indefinite life is reviewed annually to determine whether the indefinite life remains valid. If not, the change in useful life from indefinite to finite is made prospectively.

Gains or losses, arising when an intangible asset is derecognised, are measured as the difference between the value obtained in the arrangement and the book value of the asset and is recognized in the Statement of Comprehensive Income in the profit or loss.

### **3.8. Financial instruments**

#### *Financial assets*

Grupo SURA recognizes financial assets initially at fair value for subsequent measurement at amortized cost or at fair value depending on the business model of Grupo SURA to manage financial assets and the characteristics of contractual cash flows of the instrument.

Financial assets measured at amortized cost the effective interest rate is used, if the asset is held within a business model whose objective is to keep for the contractual cash flows and contractual terms of the grant, on specific dates, flows cash that are solely payments of principal and interest on the outstanding principal value. Notwithstanding the foregoing, Grupo SURA designates a financial asset irrevocably as measured at fair value through profit or loss.

#### *Accounts receivable and insurance*

Grupo SURA defined that the business model for accounts receivable is to receive the contractual cash flows, that are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate

#### *Financial assets different to those measured at amortized cost*

Financial assets different from those measured at amortized cost are measured at fair value, which includes investments in equity instruments that are not held for trading purposes. However, for investments in equity instruments that are not held for trading purposes, they are measured at fair value, unless they do not have a quoted market price easily observable in the market, for which Grupo SURA will measure the cost in that category. Dividends received in cash from these investments in recognized as income in the Income Statement for the period.

The financial assets that are measured at fair value are not performed impairment tests.

#### *Impairment of financial assets at amortized cost*

For assets amortized cost, impairment is assessed using the model of credit losses incurred at the date of the reporting period. Grupo SURA recognized in profit or loss, the value of the variation in credit losses incurred as income or loss from impairment.

A financial asset or a group of assets are impaired and will have a loss due to impairment if, and only if, there is objective evidence of impairment, as a result of one or more events that occurred after the initial recognition of the asset (a "event causing the loss") and this event or events causing the loss to have an impact on the estimated cash flows of the financial asset or group of them that can be reliably estimated.

#### *Financial liabilities*

Grupo SURA on initial recognition, measures its financial liabilities at fair value less the transaction costs that are directly attributable to the acquisition or issue of the financial liability and classifies, at the moment of initial recognition, the financial liabilities for subsequent measurement at amortized cost.

The liabilities at amortized cost are measured using the effective interest rate, when they are classified as long-term, that is with a maturity of 12 months. Gains and losses are recognized in the Statement of Comprehensive Income when the liabilities are derecognised as well as through the amortization process under the method of the effective interest rate, which is included in finance costs in the Statement of Comprehensive Income.

Financial instruments that contain both a liability component and equity (financial instruments compounds), shall be recognized and accounted for separately. The liability component is determined for the fair value of future cash flows and the residual value is assigned to the equity component.

#### *Derecognition*

A financial asset or part of it, is derecognized from the Statement of Financial Position when it is sold, transferred, or expires, Grupo SURA loses control over the contractual rights or cash flows of the instrument. A financial liability or part of it is derecognition from the Statement of Financial Position when the contractual obligation has been discharged or has expired.

#### *Off-setting financial instruments*

The financial assets and financial liabilities are offset so that the net amount is reported in the Consolidated Statement of Financial Position only if (i) there is, at present, a legally enforceable right to offset the recognized values, and (ii) there is an intention to settle the net amount, or realize the assets and liabilities, simultaneously.

#### *Derivative financial instruments*

Changes in the fair value of derivative contracts held for trading are included in profit (loss) from financial operations in the Statement of Comprehensive Income. Certain derivatives embedded in other financial instruments (embedded derivatives) are treated as separate derivatives when their risk and characteristics are not closely related to the host contract and it is not recorded at fair value with unrealized gains and losses are included in profit and loss.

Upon signing of a derivative contract, it must be designated by Grupo SURA as a derivative instrument for trading or hedging purposes.

Certain derivative transactions that do not qualify to be accounted for as derivatives for hedging are treated and reported as trading derivatives, even though they provide an effective hedge for managing risk positions.

### **3.9. Operating segments**

An operating segment is a component of Grupo SURA that engages in business activities from which they may earn income and incur costs and expenses, on which are available financial information and whose operating results are reviewed regularly for the highest authority in operation decisions Grupo Sura, and decide on the allocation of resources to segments and assessing their performance.

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the Consolidated Financial Statements of Grupo SURA.

### **3.10. Fair value**

Fair value is the price that would be received to sell an asset for or paid for transferring a liability in an orderly transaction between market participants at the measurement date. The fair value of all assets and financial liabilities is determined at the date of the presentation of Financial Statements for recognition or disclosure in the Notes to the Financial Statements.

The fair value is determined:

- Based on quoted prices in markets or identical assets for liabilities that the Company can access on the measurement date (Level 1)
- Based on valuation techniques commonly used for market participants using variables other than quoted prices that are observable for the assets or liabilities, directly or indirectly (Level 2)
- Based on internal valuation techniques of discounted cash flows or other valuation models for Grupo Sura using estimated variables unobservable for the asset or liability, in the absence of variables observed in the market (Level 3).

The trials include data such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could impact the fair value of financial instruments reported.

#### **NOTE 4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS**

The preparation of the Consolidated Financial Statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods impacted.

The determination of these estimates and assumptions is subject to internal control procedures and approvals, which are considered for internal and external studies, industry statistics, environmental factors and trends and regulatory and regulatory requirements.

##### **Accounting estimates and assumptions**

Herewith, are the key assumptions that estimate the future behavior of the variables to the reporting date that have a significant risk of causing a material adjustment to the value of the assets and liabilities during the following Financial Statement, by-product of the uncertainty surrounding described such behavior.

##### **a) Revaluation of property for own use**

Grupo SURA records real property (land and buildings) at fair value and changes therein are recognized in other comprehensive income in equity.

The revaluation increase is recognized in other comprehensive income and accumulated in equity as revaluation surplus. The revaluation is calculated every four years.

When the book value of an asset, as a result of a revaluation, is reduced, the decrease shall be recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity called revaluation surplus value.

The fair value of land and buildings are based on periodic assessments by qualified external appraisers, as well as, internally.

b) Fair value of financial instruments

When the fair value of the financial assets and financial liabilities recorded in the Statement of Financial Position is not obtained from active markets, it is determined using valuation techniques that include discount model cash flows. The information in these models is taken from observable markets where possible, but when it is not, some judgment is required to establish fair values. The trials include data such as liquidity risk, credit risk, and volatility.

c) Taxes

There is some uncertainty regarding the interpretation of complex tax regulations, changes to tax legislation and measurement and timing of future taxable income. Given the wide range of international trade relations and the complexity and long-term horizons of contractual agreements, differences between actual results and the estimates and assumptions made, as well as future changes to the latter arise. This may require future adjustments to taxable income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible findings of audits performed by tax authorities in all countries where it operates. The scope of these provisions is based on several factors, including historical experience from previous tax audits conducted by the tax authorities on the taxable entity.

Deferred tax assets are recognized for unused tax losses, to the extent that it is probable that there are taxable profits to offset such losses. An important judgment by management to determine the value to recognize the deferred tax asset, based on the likely timing and level of future taxable profits, together with future strategies of the Company's tax planning.

d) Impairment of goodwill

The determination of impairment of goodwill requires an estimation of the value in use of cash-generating units to which goodwill has been allocated it said. The calculation of value in use requires management to estimate the future cash flows of the CGU and appropriate discount rate to calculate the present value. When the actual future cash flows are lower than expected, there may be a loss for impairment.

e) The useful life and residual values of property, equipment, and intangibles

Grupo SURA shall review the useful lives of all property and equipment and intangible assets at least at the end of each accounting period. The effects of changes in the estimated life are recognized prospectively over the remaining life of the asset.

f) The probability of occurrence and the value of the liabilities of uncertain value or contingent

Grupo SURA shall recognize a provision when the following conditions are met:

- a) It has a present obligation (legal or implicit), as a result of a past event.
- b) Grupo SURA is likely to be an outflow of resources embodying economic benefits to settle that obligation.
- c) You can get a reliable estimate of the obligation.

**Judgments**

The preparation of the Financial Statements of Grupo SURA requires that management realize judgments, that may affect the values of revenues, expenses, assets, and liabilities reported, as well as, disclosure of contingent liabilities, at the close of the reporting period.



Information about critical judgments in applying accounting policies that have the most important effect on the amount recognized in the Financial Statements are described below: to.

- a. Classification of leases
- b. Classification of investment property

## NOTE 5. FINANCIAL INSTRUMENTS

The following is a description of methodologies and assumptions used to determine the values of the financial instruments in the Financial Statements:

### *Assets whose fair values approximated to the book value*

Financial assets for having a short-term maturity (less than three months), demand deposits and savings accounts without specific maturity, the book value is approximated at fair value. In the case of other equity instruments, an adjustment is also made to reflect the change in the differential required credit, since the instrument was initially recognized.

As for the instruments for short-term receivables, which are measured at amortized cost, the book value is equivalent, to a reasonable approximation of the fair value.

### *Financial instruments at agreed-upon rates*

The fair value of fixed income assets, at amortized cost, is calculated by comparing market interest rates when first recognized, with the current market rates for similar financial instruments.

The estimated fair value of term deposits is based on discounted cash flows using current interest rates in the money market, debt with a similar credit risk and maturity.

### *Fair value hierarchy*

Financial assets and liabilities of Grupo SURA are carried at fair value and are classified based on the fair value hierarchy detailed below:

#### *Level 1 - Quoted prices in markets assets*

The input data are Level 1 quoted prices, unadjusted, in assets markets, for identical assets and liabilities. An active market is one where transactions often an asset or liability occur with sufficient volume to generate informative prices.

#### *Level 2 - Modeling with data observable market entry*

Inputs Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. The input data includes:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities but in markets that are not active; and
- The input data other than quoted prices, for example: interest rates and exchange rates.

#### *Level 3 - Modeling with unobservable input data*

The input data Level 3 are not observable for the assets and liabilities. It can be used to determine fair value when observable inputs are not available. These ratings reflect assumptions that the business unit would take into account that market participants will be using, for example, yields on shares not listed on the stock market.



*Financial liabilities whose fair value approximates the book value*

In the case of those obligations maturing in the short term, their book value approximates their fair value.

Accounts for long-term payables usually have maturities of between one and two years. This makes the respective book values are reasonable approximations of their fair values.

For loans with variable interest rates, the carrying amount corresponds to an approximation of its fair value. As for loans with fixed interest rates, the market interest rate for similar loans does not differ significantly; therefore, the carrying amount corresponds to a reasonable approximation of fair value.

The balances of financial assets and liabilities of Grupo SURA, at the close of the fiscal years ended March 31, 2017 and December 31, 2016, are as follows.

### 5.1. Financial assets

The following is a breakdown of current and non-current financial assets, as well as Financial assets:

#### March 2017

Current	Note	Financial assets at amortized cost	Financial assets at fair value		Other Financial assets (cash)	Total
			Profit and loss	Equity		
Cash and cash equivalents		-	193	-	2,994,270	2,994,463
Investments	5.1.1	68,377	7,367,275	22,102	-	7,457,754
Accounts receivable	5.1.2	4,818,817	306	-	-	4,819,123
Accounts receivable from related parties (1)		470,037	-	-	-	470,037
Derivatives (Other financial assets)		-	30,902	-	-	30,902
<b>Total current financial assets</b>		<b>5,357,231</b>	<b>7,398,676</b>	<b>22,102</b>	<b>2,994,270</b>	<b>15,772,279</b>

  

Non-current	Note	Financial assets at amortized cost	Financial assets at fair value		Other Financial assets (cash)	Total
			Profit and loss	Equity		
Restricted cash (*)		-	-	-	1,686	1,686
Investments	5.1.1	16,312,824	3,022,111	55,219	-	19,390,153
Accounts receivable	5.1.2	357,307	-	-	-	357,307
Derivatives (Other financial assets)		-	95,040	-	-	95,040
<b>Total non-current financial assets</b>		<b>16,670,131</b>	<b>3,117,151</b>	<b>55,219</b>	<b>1,686</b>	<b>19,844,187</b>
<b>Total financial assets</b>		<b>22,027,362</b>	<b>10,515,827</b>	<b>77,321</b>	<b>2,995,956</b>	<b>35,616,466</b>

(\*) Corresponds primarily to securities in legal proceedings, i.e. bank accounts seized by lawsuits against the company.

#### December 2016

Current	Note	Financial assets at amortized cost	Financial assets at fair value		Other Financial assets (cash)	Total
			Profit and loss	Equity		
Cash and cash equivalents		-	-	-	2,066,509	2,066,509

Investments	5.1.1	107,174	2,933,046	3,156,251	-	6,196,471
Accounts receivable	5.1.2	5,093,771	-	-	-	5,093,771
Accounts receivable from related parties (1)		89,249	-	-	-	89,249
Derivatives (Other financial assets)		-	56,562	-	-	56,562
<b>Total current financial assets</b>		<b>5,290,194</b>	<b>2,989,608</b>	<b>3,156,251</b>	<b>2,066,509</b>	<b>13,502,562</b>

Non-current		Note	Financial assets at amortized cost		Financial assets at fair value	Other Financial assets (cash)
			Profit and loss	Equity		
Restricted cash (*)		-	-	-	450	450
Investments	5.1.1	16,110,942	1,894,574	1,996,254	-	20,001,770
Accounts receivable	5.1.2	328,085	-	-	-	328,085
Derivatives (Other financial assets)		-	574,531	-	-	574,531
Total non-current financial assets		16,439,027	2,469,105	1,996,254	450	20,904,836
Total financial assets		21,729,221	5,458,713	5,152,506	2,066,959	34,407,398

(1) Accounts receivable, from related parties, correspond to dividends receivable from associated companies, and are summarized below:

	March 2017	December 2016
Bancolombia S.A.	222,856	52,062
Inversiones Argos S.A.	71,156	16,469
Grupo Nutresa S.A.	86,405	20,145
Protección S.A.	88,389	-
Others	1,231	573
<b>Total dividends, receivable</b>	<b>470,037</b>	<b>89,249</b>

A breakdown of financial assets by company, is as follows:

March 2017	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS Holding and Subsidiaries	Other Companies	Total
Cash and cash equivalents	1,116,253	1,517,658	355,450	1,928	4,860	2,996,149
Investments	20,328	10,773,906	15,950,505	-	103,168	26,847,907
Derivatives (Others financial assets)	72,891	20,238	32,814	-	-	125,943
Accounts receivable	745	4,372,430	752,747	48,190	2,318	5,176,430
Accounts receivable from related parties	380,416	499	88,389	-	733	470,037
<b>Total</b>	<b>1,590,633</b>	<b>16,684,731</b>	<b>17,179,905</b>	<b>50,118</b>	<b>111,079</b>	<b>35,616,466</b>

December 2016	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS Holding and Subsidiaries	Others	Total
Cash and cash equivalents	451,443	1,305,730	300,591	4,956	4,239	2,066,959
Investments	23,091	10,638,246	15,437,244	-	99,660	26,198,241
Derivatives (Others financial assets)	123,526	18,199	489,368	-	-	631,093
Accounts receivable	767	4,742,503	626,794	49,293	2,499	5,421,856
Accounts receivable from related parties	88,675	340	111	-	123	89,249
<b>Total</b>	<b>687,502</b>	<b>16,705,018</b>	<b>16,854,108</b>	<b>54,249</b>	<b>106,521</b>	<b>34,407,398</b>

Herewith, is a summary by country:

Country	March 2017	December 2016
Argentina	1,195,819	1,126,172
Bermuda	15,060	15,875
Brazil	513,505	536,451
Chile	11,318,926	11,567,217
Colombia	13,100,474	11,919,862
Curacao	272	324
Dominican Republic	186,081	191,969
El Salvador	390,689	397,320
Holland	331	552
Mexico	3,128,260	2,779,590
Panama	679,649	741,545
Peru	4,675,582	4,720,807
Spain	2,772	3,163
Uruguay	409,045	406,551
<b>Total</b>	<b>35,616,465</b>	<b>34,407,398</b>

### 5.1.1. Investments

Below is a summary of investments:

	March 2017	December 2016
Colombian issuers	14,781,345	14,228,565
Titles of treasury -TES	4,891,950	4,666,556
Foreign issuers	4,627,511	4,782,579
Legal reserve pension fund - Investments at fair value in profit and loss	2,041,244	1,943,249
Other securities issued by the national government	461,263	531,332
Other	45,499	48,149
Impairment	(905)	(2,189)
	<b>26,847,907</b>	<b>26,198,241</b>

The movements of investment accounts are as follows:

Balance at December 31, 2015	21,723,891
------------------------------	------------

Additions	8,260,019
Derecognition	(3,883,419)
Interest, received	(144,185)
Valuation (net) of financial assets	725,048
Valuation of equity investments	(829)
Exchange differences	(482,284)
<b>Balance at December 31, 2016</b>	<b>26,198,241</b>
Additions	2,033,604
Derecognition	(1,632,256)
Interest, received	(187,038)
Valuation of financial assets, net	358,078
Valuation of equity investments	(3,732)
Dividends received	(266)
Impairment	(1,162)
Exchange differences	(101,649)
Causal yields	184,087
<b>Balance at March 31, 2017</b>	<b>26,847,907</b>

### 5.1.2. Trade and other accounts receivables

Herewith is a breakdown of accounts receivable at March 31, 2017:

	March 2017	December 2016
Insurance activities	3,697,718	4,049,497
Debtors	367,362	358,494
Credit portfolio	294,141	304,232
Payments for client consumption	285,410	280,319
Current commercial accounts	280,261	182,056
Various	193,034	174,602
Commissions	133,248	124,820
Legal withholdings	58,172	63,203
Payments of client housing	50,699	51,014
To employees	43,107	39,648
Advances to suppliers and contracts	16,608	15,917
Leases	9,277	6,189
Interest	17	63
Sale of goods and services	2	8
General impairment	(831)	(812)
Impairment accounts receivable, consumption	(1,518)	(1,505)
Impairment of accounts receivable, other	(18,779)	(14,225)
Impairment of credit portfolio, other	(23,687)	(23,159)
Impairment accounts receivable, insurance activity	(83,641)	(76,577)
Impairment trade and accounts receivable	(124,170)	(111,928)
<b>Total</b>	<b>5,176,430</b>	<b>5,421,856</b>

## 5.2. Financial liabilities

The following is related to the financial liabilities included in accounts payable of Grupo Sura:

	Note	March 2017	December 2016
Other financial liabilities	5.2.1.	3,414,820	3,705,478
Trade and accounts payable	5.2.2.	2,430,214	2,606,198
Accounts payable of related parties (1)		434,372	68,096
Securities issued	11	6,712,882	6,038,924
<b>Total</b>		<b>12,992,288</b>	<b>12,418,696</b>

Below is a summary of accounts receivable of related parties:

	Note	March 2017	December 2016
Account payable from related parties		311	161
Dividends	12	434,061	67,935
<b>Total</b>		<b>434,372</b>	<b>68,096</b>

### March 2017

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	29,855	29,855
Derivatives (*)	-	16,610	-	16,610
Accounts payable	2,423,478	-	-	2,423,478
Accounts payable for related parties	434,372	-	-	434,372
Financial obligations (*)	2,944,105	-	-	2,944,105
<b>Total</b>	<b>5,801,955</b>	<b>16,610</b>	<b>29,855</b>	<b>5,848,420</b>

Non-current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	3,170	-	79,590	82,760
Derivatives (*)	-	167,596	-	167,596
Accounts payable	6,736	-	-	6,736
Financial obligations (*)	173,894	-	-	173,894
Securities issued	6,712,882	-	-	6,712,882
<b>Total</b>	<b>6,896,682</b>	<b>167,596</b>	<b>79,590</b>	<b>7,143,868</b>
<b>Financial Liabilities</b>	<b>12,698,637</b>	<b>184,206</b>	<b>109,445</b>	<b>12,992,288</b>

December 2016

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	31,707	31,707
Derivatives (*)	-	21,653	-	21,653
Accounts payable	2,599,315	-	-	2,599,315
Accounts payable for related parties	68,096	-	-	68,096
Financial obligations (*)	2,488,967	-	-	2,488,967
<b>Total</b>	<b>5,156,378</b>	<b>21,653</b>	<b>31,707</b>	<b>5,209,738</b>

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	86,253	86,253
Derivatives (*)	-	587,933	-	587,933
Accounts payable	6,883	-	-	6,883
Accounts payable for related parties	488,965	-	-	488,965
Financial obligations (*)	6,038,924	-	-	6,038,924
<b>Total</b>	<b>6,534,772</b>	<b>587,933</b>	<b>86,253</b>	<b>7,208,958</b>

<b>Financial Liabilities</b>	<b>11,691,150</b>	<b>609,586</b>	<b>117,960</b>	<b>12,418,696</b>
------------------------------	-------------------	----------------	----------------	-------------------

(\*) Are part of other financial liabilities, which include leases, derivatives, and financial obligations.  
Below is a summary of financial liabilities by country:

	March 2017	December 2016
	<b>12,992,288</b>	<b>12,418,696</b>
Colombia	7,212,563	6,026,935
Panama	2,590,734	2,662,636
Curacao	1,463,467	1,503,441
Chile	885,813	1,422,793
Mexico	210,933	189,006
Argentina	209,233	196,396
Peru	137,607	119,542
Brazil	118,004	125,964
Dominican Republic	82,352	85,484
El Salvador	41,708	40,039
Uruguay	39,566	46,117
Bermuda	113	140
Spain	112	108
Holland	83	95

### 5.2.1. Other financial liabilities

Financial liabilities are as follows:

	March 2017	December 2016
Financial Obligations (1)	3,117,999	2,977,932
Derivatives (liabilities part)	184,206	609,585
Financial leases	112,615	117,961
<b>Total</b>	<b>3,414,820</b>	<b>3,705,478</b>

Grupo Sura has had no breach of capital, interest, or other non-compliance with respect to the liabilities as of March 31, 2017 and December 31, 2016.

(1) The following is a breakdown of the financial obligations:

	March 2017	December 2016
Sura Asset Management and Subsidiaries	1,504,396	1,506,065
Grupo SURA separate	1,360,644	1,247,713
Suramericana and Subsidiaries	240,812	207,372
Arus and Subsidiaries	6,474	10,979
Other companies	5,673	5,803
<b>Total</b>	<b>3,117,999</b>	<b>2,977,932</b>

An overview of expirations and composition of obligations for the years ended March 31, 2017 and December 31, 2016, is as follows:

Financial Entities	Interest Rates	Expiration	March 2017	December 2016
BBVA España	Libor + 1.25% /1.5%	2020	289,028	300,280
Banco de Bogotá S.A.	CPI+2.93%	2019	288,488	289,664
Bancolombia Panamá	Libor + 1.47%	2019	236,973	246,433
Citigroup Global Market	Libor + 0.45%	2018	212,503	220,977
Davivienda Miami	Libor 6M + 1%	2024	173,529	135,032
Banco de Bogotá S.A.	CPI + 2.85%	2018	163,438	-
Repo Operations	---	2017	151,503	-
BBVA Colombia S.A.	7.70%	2026	142,151	180,043
Banco Davivienda S.A.	Libor + 1.50%	2019	130,102	136,237
Banco de Bogotá S.A.	IBR + 3.26%	2017	124,970	124,989
Corpbanca	CPI + 2.7%	2017	90,000	91,985
Banco de Bogotá S.A.	IBR + 3.17%	2017	88,309	90,931
Bancolombia	DTF + 2.9% TA	2017	80,208	-
Banco de Bogotá S.A.	DTF + 3.69%	2017	69,688	69,749
Banco de Bogotá S.A.	CPI + 3.10%	2018	54,142	-
Citigroup Global Market	Libor + 0.45%	2018	52,047	54,122
Corpbanca	CPI + 3.15%	2017	51,576	-
Bancolombia	DTF + 2.9% TA	2017	50,130	-

Davivienda S.A.	CPI + 3,4%	2023	45,000	45,461
Davivienda S.A.	CPI + 3,4%	2025	45,000	45,461
Davivienda S.A.	CPI + 2,7%	2017	42,976	42,994
Banco de Bogotá S.A.	IBR + 3,17%	2017	40,442	40,507
BBVA Colombia SA	11.00%	2017	37,174	37,320
Banco de Bogotá S.A.	DTF TA + 3,35	2017	36,045	10,041
Corpbanca	CPI + 2,7%	2017	35,000	35,099
Bancolombia	IBR 1M + 3,05	2018	30,106	-
Davivienda Miami	Libor + 1,75%	2019	28,884	-
BBVA Colombia S.A.	CPI + 3,1%	2017	27,025	27,027
Banco de Bogotá S.A.	CPI + 2,98%	2027	27,024	27,057
Scotiabank	TEA 5.93%	2017	27,016	-
Banco de Bogotá S.A.	DTF TA + 3,15	2017	25,116	20,081
Banco Popular S.A.	IBR 1M + 3,25	2017	20,093	-
Banco de Bogotá S.A.	CPI + 2,75%	2023	20,000	20,189
Banco Popular S.A	IBR 1M + 3%	2017	15,482	-
Banco de Occidente	DTF TA + 3,37	2017	15,071	15,061
Banco Popular S.A.	IBR 1M + 3,25	2017	15,069	36,025
Banco Popular S.A.	IBR 1M + 3	2017	15,069	-
Corpbanca	DTF + 3,59%	2017	14,000	14,373
Corpbanca	CPI + 3,15%	2018	13,764	-
Davivienda S.A.	CPI + 2,7%	2017	12,250	12,255
Helm Bank Panamá	0.0335	2017	11,595	-
Banco de Bogotá S.A.	IBR 3M + 3,21	2018	11,051	25,102
Banco AV Villas	IBR 1M + 3,2	2017	10,046	-
Banco AV Villas	DTF TA + 3,46	2017	10,046	15,061
Banco de Occidente	IBR 1M + 2,85	2018	10,046	-
Banco AV Villas	DTF EA + 3,7	2017	5,023	11,043
Banco Popular S.A	DTF TA + 3,15	2017	5,022	10,041
Banco Popular S.A	IBR 1M + 3%	2017	4,040	-
BANCOLOMBIA	IBR+3.79%	2018	3,351	3,352
Bancolombia	10.04%	2017	2,008	2,008
Banco Corpbanca	10.58%	2017	2,002	2,002
Others - Overdrafts on checking bank accounts	----	2017	2,592	6,975
Bancolombia	IBR+4.40%	2020	1,720	1,850
Bancolombia	10.93%	2017	1,662	-
Factoring Bancolombia	0.56%	2017	763	1,427
Bancolombia	IBR+4.30%	2022	601	601
Bancolombia	33.39%	2017	26	34
Bancolombia	33.39%	2017	4	-
Bancolombia	33.39%	2017	4	-
Bancolombia	33.39%	2017	3	-



Bancolombia	33.39%	2017	2	-
Banco Popular S.A.	DTF TA 3,14	2017	-	15,061
Banco Popular S.A.	IBR 1M 3,25	2017	-	5,020
Banco AV Villas	DTF EA 3,51	2017	-	5,019
Banco Popular S.A.	DTF TA+ 3.14%	2017	-	15,328
Helm Bank Panamá	3.35%	2017	-	12,003
Banco Popular S.A.	IBR 1M + 3%	06-2017	-	4,000
Helm Bank Panamá	Libor 6M + 1.77%	03-2017	-	1,511
Banco de Bogotá S.A.	IBR + 3.26%	2017	-	163,959
Banco de Crédito del Perú	TEA 6.135%	2017	-	26,835
Bancolombia Panamá	Libor + 1.75%	2018	-	30,007
Bancolombia Panamá	7.70%	2020	-	138,288
Davivienda S.A.	CPI + 2.1%	2017	-	106,105
Security deposits		2020	-	401
Bancolombia	11.02%	2017	-	1,004
Bancolombia	11.02%	2017	-	500
Helm Bank	11.28%	2017	-	2,501
Helm Bank	10.80%	2017	-	1,502
Bancolombia	28.92%	2017	-	1
			<b>3,117,999</b>	<b>2,977,932</b>

### 5.2.2. Accounts payable

The following is a breakdown of accounts payable:

	March 2017	December 2016
Accounts payable – insurers	1,376,155	1,559,632
Suppliers	569,685	600,809
Other accounts payable	484,374	445,757
<b>Total, accounts payable</b>	<b>2,430,214</b>	<b>2,606,198</b>

## NOTE 6. INSURANCE CONTRACTS

### 6.1. Technical Reserves for part reinsurers

#### Reinsurance

Reinsurance assets represent benefits arising from insurance contracts, at the date of the Statement of Financial Position:

	March 2017	December 2016
Reinsurance claims, notified	1,606,839	1,369,096
Ongoing risk reinsurance	1,024,000	1,198,577

Reinsurance of non-reported claims	78,782	78,889
Reinsurance deposits	9,751	10,194
<b>Technical reserves for reinsurers part</b>	<b>2,719,372</b>	<b>2,656,756</b>

Grupo SURA has a diversification of their risk insurance, in order to operate, in different industries, and maintain a strong presence in international markets.

Grupo SURA applies a system of procedures and limits that allow for control of the level of concentration of insurance risk. It is common practice to use reinsurance contracts as an element that mitigates the risk arising from concentration or accumulation of exceeding the maximum acceptance levels of insurance guarantees.

Insurers of Grupo SURA companies have ceded part of their risk contracts of insurance to reinsurers, to share potential losses that may occur.

## 6.2. Premiums

Net premiums earned by Grupo SURA and its subsidiaries, for the period ended, March 31<sup>st</sup>, are as follows:

	March 2017	March 2016
Life insurance contracts	1,662,854	1,579,457
Insurance contracts, non-life	1,524,280	588,399
<b>Premiums written</b>	<b>3,187,134</b>	<b>2,167,856</b>
Life insurance contracts – reinsurer part	(70,226)	(39,473)
Insurance contracts, non-life – reinsurer part	(315,090)	(155,697)
<b>Premiums ceded</b>	<b>(385,316)</b>	<b>(195,170)</b>
<b>Total, premiums net</b>	<b>2,801,818</b>	<b>1,972,686</b>

Premiums by countries, are detailed below:

### March 2017

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Gross life insurance contracts	937,425	470,894	122,808	90,230	-	-	-	-	-	42,329	<b>1,663,686</b>
Gross insurance contracts, non-life	453,326	300,849	107,501	-	270,631	146,469	62,095	93,398	56,170	33,009	<b>1,523,448</b>
<b>Premiums issued</b>	<b>1,390,751</b>	<b>771,743</b>	<b>230,309</b>	<b>90,230</b>	<b>270,631</b>	<b>146,469</b>	<b>62,095</b>	<b>93,398</b>	<b>56,170</b>	<b>75,338</b>	<b>3,187,134</b>
Premiums ceded to reinsurers life insurance contracts	(18,575)	(6,761)	(17,489)	(21,012)	-	-	-	-	-	(6,756)	<b>(70,593)</b>
Premiums ceded to reinsurers insurance contracts- non-life	(91,488)	(101,361)	(16,833)	-	(29,876)	(18,071)	(3,500)	(13,749)	(31,736)	(8,109)	<b>(314,723)</b>

Premiums ceded	(110,063)	(108,122)	(34,322)	(21,012)	(29,876)	(18,071)	(3,500)	(13,749)	(31,736)	(14,865)	85,316
----------------	-----------	-----------	----------	----------	----------	----------	---------	----------	----------	----------	--------

Total, net premiums	1,280,688	663,621	195,987	69,218	240,755	128,398	58,595	79,649	24,434	60,473	2,801,818
---------------------	-----------	---------	---------	--------	---------	---------	--------	--------	--------	--------	-----------

### March 2016

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Gross life insurance contracts	818,478	490,645	124,884	103,730	-	-	-	-	-	45,133	1,582,870
Gross insurance contracts, non-life	407,792	-	-	-	-	-	-	95,700	50,579	30,915	584,986
<b>Premiums issued</b>	<b>1,226,270</b>	<b>490,645</b>	<b>124,884</b>	<b>103,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,700</b>	<b>50,579</b>	<b>76,048</b>	<b>2,167,856</b>
Premiums ceded to reinsurers life insurance contracts	(15,933)	(6,993)	(10,845)	(1,650)	-	-	-	-	-	(7,039)	(42,460)
Premiums ceded to reinsurers insurance contracts- non-life	(103,799)	-	-	-	-	-	-	(19,490)	(25,603)	(3,818)	(152,710)
<b>Premiums ceded</b>	<b>(119,732)</b>	<b>(6,993)</b>	<b>(10,845)</b>	<b>(1,650)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,490)</b>	<b>(25,603)</b>	<b>(10,857)</b>	<b>(195,170)</b>
<b>Total, net premiums</b>	<b>1,106,538</b>	<b>483,652</b>	<b>114,039</b>	<b>102,080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,210</b>	<b>24,976</b>	<b>65,191</b>	<b>1,972,686</b>

### 6.3. Expenses for retained claims

Claims incurred by Grupo Sura and its subsidiaries for the years ended March 31<sup>st</sup> of 2017 and 2016, are as follows:

### March 2017

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Life insurance	(619,605)	(191,600)	(40,089)	(65,974)	-	-	-	-	-	(22,494)	(939,762)
Non-life insurance	(288,906)	(433,460)	(47,588)	-	(131,684)	(68,032)	(32,376)	(36,716)	(19,312)	(11,819)	(1,069,893)
<b>Total, claims</b>	<b>(908,511)</b>	<b>(625,060)</b>	<b>(87,677)</b>	<b>(65,974)</b>	<b>(131,684)</b>	<b>(68,032)</b>	<b>(32,376)</b>	<b>(36,716)</b>	<b>(19,312)</b>	<b>(34,313)</b>	<b>(2,009,655)</b>
Life insurance	36,286	104	-	-	-	-	-	-	-	10,187	46,577
Non-life insurance	53,315	337,243	6,754	-	-	7,880	9,085	12,669	4,989	(596)	431,339
<b>Claims reimbursement</b>	<b>89,601</b>	<b>337,347</b>	<b>6,754</b>	<b>-</b>	<b>-</b>	<b>7,880</b>	<b>9,085</b>	<b>12,669</b>	<b>4,989</b>	<b>9,591</b>	<b>477,916</b>
<b>Total, expenses retained claims</b>	<b>(818,910)</b>	<b>(287,713)</b>	<b>(80,923)</b>	<b>(65,974)</b>	<b>(131,684)</b>	<b>(60,152)</b>	<b>(23,291)</b>	<b>(24,047)</b>	<b>(14,323)</b>	<b>(24,722)</b>	<b>(1,531,739)</b>

### March 2016

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Life insurance	(510,520)	(129,301)	(40,739)	(64,240)	-	-	-	-	-	(30,174)	(774,974)
Non-life insurance	(270,566)	-	-	-	-	-	-	(38,399)	(19,801)	(11,810)	(340,576)
<b>Total, claims</b>	<b>(781,086)</b>	<b>(129,301)</b>	<b>(40,739)</b>	<b>(64,240)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,399)</b>	<b>(19,801)</b>	<b>(41,984)</b>	<b>(1,115,550)</b>
Life insurance	25,917	-	-	-	-	-	-	-	-	11,781	37,698
Non-life insurance	77,158	-	-	-	-	-	-	5,618	4,316	(1,337)	85,755
<b>Claims reimbursement</b>	<b>103,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,618</b>	<b>4,316</b>	<b>10,444</b>	<b>123,453</b>
<b>Total, expenses retained claims</b>	<b>(678,011)</b>	<b>(129,301)</b>	<b>(40,739)</b>	<b>(64,240)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(32,781)</b>	<b>(15,485)</b>	<b>(31,540)</b>	<b>(992,097)</b>

## 6.4. Technical reserves, insurance contracts

### Technical reserves

The items contained in the category of technical reserves are divided as follows:

- Reserves for claims: provisions constituted to reflect the estimated cost of claims that have occurred and have not been paid. This category includes:
  - Reserve of claims: corresponding to the liabilities and direct costs of settlement for claims notified. The reserve is recognized on the date the insured and/or beneficiary, notifies the occurrence of loss covered and subjected to a monthly recalculation.
  - Reserve for claims occurring but not reported (IBNR): this reserve is constituted with the purpose of reflecting those incidents that have occurred, but at the close of the period over which it is reported, have not been reported by the insured and/or beneficiary.
  - Reserves for future commitments: are provisions for reflect future commitments expected by policyholders. This category includes:
    - Mathematical reserves for insurance (excluding annuities): the reserves of insurance are calculated on the basis of *the actuarial method*, taking into account the current conditions of the insurance contracts. The liability is determined as the sum of present value of the expected future benefits, management of claims and expenses of the administration of policies, options, and warrants, and income from the investments of assets backing these liabilities, which are directly related to the contract, minus the value of discounted premiums are expected to be required to meet future payments, based on the valuation of assumptions used.
    - Mathematical reserves for annuities: they are calculated on the basis of present value of future benefits committed, under the contract, and the direct operating expenses the company incurred for payment of the of the contract commitments.

- Reserve premiums of non-accrued: are established for short-term insurance (both collective and individual), in which the periodicity of payment of premium differs of the effective date of coverage and therefore has received a premium for future risk, which should be provisioned. The provision is determined as the net premium of expenses, and is amortized over the term of coverage.

Reserves for components of deposits (savings), in life insurance or reserves of fund value for insurance: Unit Linked, Universal Life (including flexible), and other products that include the component of deposit (savings are recognized the value of the insured's fund).

Other reserves: Grupo SURA can recognize as "other", those reserves which are not covered in the above descriptions above, and are allowed under the guidelines of its accounting policies.

The Companies of the Group, in the insurance business, are as follows:

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador
<b>Life insurance</b>										
Seguros de Vida Suramericana S.A.	X									
Seguros de Riesgos Profesionales Suramericana S. A	X									
Seguros de vida Sura S.A.		X								
Seguros de Vida Sura México S.A. de C.V.			X							
Pensiones Sura S.A. de C.V.			X							
Asesuisa Vida S.A.										X
Seguros Sura S.A.				X						
RSA Seguros de Vida S.A.		X								
<b>Non-life insurance</b>										
Seguros Generales Suramericana S.A.	X									
Seguros Suramericana Panamá S.A.								X		
Seguros Sura S.A.									X	
Aseguradora Suiza Salvadoreña S.A.										X
RSA (México) SA de C.V.			X							
RSA Seguros (Argentina) S.A.					X					
Atlantis Sociedad Inversora S.A.					X					
RSA Seguros (Brazil) S.A.						X				
RSA Seguros (Uruguay) S.A.							X			

The technical reserves of Grupo SURA and its subsidiaries are as follows:

	March 2017	March 2016
Mathematical reserves	13,534,594	13,215,885
Reserves of unearned premiums	7,078,096	7,140,327
Reserves of claims not reported (IBNR)	1,413,143	1,392,739

Reserves for notified claims	4,288,199	3,828,052
Reserves of fund value	135,597	135,172
Other reserves	282,577	277,439
<b>Total, technical insurance reserves</b>	<b>26,732,206</b>	<b>25,989,614</b>

Grupo SURA considers that the adequacy of the premiums is an element of special importance and its determination is supported by specific informative applications.

Treatment of the benefits and the adequacy of the provisions are basic principles of insurance management. Technical provisions are estimated by the actuarial teams of the different countries.

Movement and effects of the measurement of the liabilities of insurance and reinsurance, are as follows:

	Liabilities from insurance contract	Assets from insurance contracts	Net
<b>At December 31, 2015</b>	<b>18,865,979</b>	<b>581,124</b>	<b>18,284,855</b>
Changes in reserves	4,674,928	1,022,093	3,652,835
Addition of business combinations	3,147,521	1,058,922	2,088,599
Translation adjustments	(865,907)	(4,880)	(861,027)
Adjustments for monetary corrections	167,093	(503)	167,596
<b>At December 31, 2016</b>	<b>25,989,614</b>	<b>2,656,756</b>	<b>23,332,858</b>
Changes in reserves	814,331	61,057	753,274
Translation adjustments	(105,675)	1,446	(107,121)
Adjustments for monetary corrections	33,936	113	33,823
<b>At March 31, 2017</b>	<b>26,732,206</b>	<b>2,719,372</b>	<b>24,012,834</b>

Technical reserves by countries are summarized, as follows:

Year	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panamá	Dominican Republic	El Salvador	Total
March 2017	8,881,796	9,206,216	2,225,142	3,901,561	925,157	521,164	213,734	392,305	132,936	332,195	26,732,206
December 2016	8,721,981	8,816,968	2,006,749	3,920,926	885,551	519,700	215,049	412,035	140,751	349,904	25,989,614

## NOTE 7. TAXES

### 7.1 Applicable norms

- I. **Colombia:** Income tax is taxed at a rate of 25%, by way of tax of income, except for special provisions that are handled at special rates of 10% income from windfall. Income tax for equity "CREE" is applicable at one of rate of 9%, pursuant to Law 1739 of December 2014. In addition, during the years 2016, 2017, 2017, and 2018, Law 23 of 1739 of December 2014, establishes surtax on income tax for equity - CREE, which is, the responsibility of the liabilities of this tax, at rates of 5%, 6%, 8%, and 9% per year, respectively.
- II. **Chile:** In Chile, the law implemented, separate systems for "return of capital" and "income from work." The first, are taxed First Category Tax, which mainly affects businesses. This tax has a fixed rate of 20% for the year 2014, and 21% for the year 2015 on taxable income, which is calculated by

effecting aggregates or decreases ordered by law. Tax paid in this manner is imputable against the Global Complementary, which taxes all of the income, of an individual, resident in that Country; or the additional which taxes the income from Chilean source, of natural and legal persons, residing out of Country, as applicable.

- III. **Mexico:** During the fiscal year of 2014, the rate of tax of income for Mexico was of 30%; which is applied to the taxable income. In addition, the participation of workers on taxable income is established at percentage of 10%.
- IV. **Peru:** Law 30296 of 2014 promotes economic recovery, through a gradual reduction of fixed rate income tax, which has remained at 30% since December 2014. For the following years, it is determined as such:

Non-lapsed fiscal years	Rate
2016 – 2017	28%
2017 – 2018	27%
2019 forward	26%

- V. **Uruguay:** The IRAE taxes at a rate of 25%, business income of Uruguayan sources derived from economic activities of any nature, 1.5% of Equity, 22% of VAT, and in between 7 and 12% of IRPF-IRNR. On the other hand, the insurer are responsible of the payment of the income tax, varying from 5 to 7% depending on the portfolio (Ordered Text of 1996 Title 6) and the “Nacional de Sangre” Tax, whose rate is 2% on premiums issued.

Considered of Uruguayan source, is any income coming developments activities, assets located or used economically in Uruguay, independent of nationality, domiciles or residence of the parties involved in the operations, or the place in which they are held. Source of foreign income, earned or received by a local taxpayer, are not taxed under this tax.

- VI. **Panama:** Income tax is determined based on the actual income for the year. The rate of income tax is 25%.
- VII. **Dominican Republic:** The tax code of the Dominican Republic, as amended, established that income tax paid is at the higher resulting, over the basis of net taxable income, or 1% of the assets subject to tax. The rates of income tax, established by Law 253-12 are 28% for 2014 and 27% from 2015. The law also includes important modifications on transactions with related entities and the obligation of inclusion of transfer prices studies and information disclosure of those transactions realized with related local parties, and also included in non-deductible expenses, the capitalization applicable to debts with foreign entities, where the relationship debt-capital is not greater than 3/1.
- VIII. **El Salvador:** The entities, established in El Salvador, pay income tax on income earned in the Country, in accordance with the Law of Income Tax, contained in Legislative Decree No. 134 of December 18, 1991, effective January 1992. Pursuant to said law, juridical persons domiciled will not estimate their applicable tax at the applicable rate thirty for percent (30%), with the exception of the companies that have obtained taxable income, less than, or equal to, one hundred fifty thousand dollars (\$150,000.00), which apply the rate of twenty-five percent (25%), excluding, in addition to said calculation, those revenues that were the subject to defined retention of income tax, on legal percentages established by law.



## 7.2 Current taxes

Balances of receivables and payables from taxes, at March 31, 2017 and December 31, 2016, include the following:

	March 2017	December 2016
<b>Current tax assets</b>		
Income tax and complementaries	128,011	169,710
Local taxes	38,681	29,060
Withholding tax	175,201	143,864
Sales tax	84,520	65,878
Tax in favor	60,850	65,477
Contributions	93,494	93,905
CREE tax, receivable	2,061	0
Others	17,887	19,179
<b>Total, current tax assets</b>	<b>600,705</b>	<b>587,073</b>

	March 2017	December 2016
<b>Current tax liabilities</b>		
Income tax and complementaries	411,432	428,996
Local taxes	54,751	48,694
CREE tax, payable	4,330	2,598
Sales tax, payable	246,971	247,284
Tax on wealth	21,934	20
Others	35,275	23,353
<b>Total, current tax liabilities</b>	<b>774,693</b>	<b>750,945</b>

The following details income tax balances, by Countries:

### March 2017

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Spain	Total
Current tax assets	328,023	115,230	29,717	61,611	30,159	5,060	12,740	11,942	409	5,815	-	600,705
Current tax liabilities	399,594	172,023	71,013	22,813	55,519	-	24,010	2,427	15,564	11,282	449	774,694
<b>Current income tax, net</b>	<b>(71,571)</b>	<b>(56,793)</b>	<b>(41,296)</b>	<b>38,798</b>	<b>(25,360)</b>	<b>5,060</b>	<b>(11,270)</b>	<b>9,515</b>	<b>(15,155)</b>	<b>(5,467)</b>	<b>(449)</b>	<b>(173,988)</b>

### December 2016

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Spain	Total
Current tax assets	281,349	112,603	102,069	38,501	16,459	7,216	10,904	12,381	116	5,476	-	587,073
Current tax liabilities	341,659	170,840	143,565	2,925	35,145	-	24,797	2,655	16,697	12,181	482	750,945
<b>Current income tax, net</b>	<b>(60,310)</b>	<b>(58,237)</b>	<b>(41,496)</b>	<b>35,576</b>	<b>(18,686)</b>	<b>7,216</b>	<b>(13,893)</b>	<b>9,726</b>	<b>(16,581)</b>	<b>(6,705)</b>	<b>(482)</b>	<b>(163,872)</b>



### 7.3 Deferred taxes

Below are deferred tax assets and liabilities, as of March 31, 2017 and December 31, 2016:

Deferred tax assets	March 2017	December 2016
Financial assets	150,955	163,276
Employee benefits	28,563	35,404
Intangibles	50,801	20,626
Other liabilities	182,576	149,069
Financial liabilities	23,769	34,300
Tax losses	142,414	125,177
Property and equipment	3,644	42,454
Technical insurance reserves	58,879	175,357
<b>Total deferred tax assets</b>	<b>641,601</b>	<b>745,663</b>

Deferred tax liabilities	March 2017	December 2016
Financial assets	70,045	72,529
Investments	472,987	465,838
Other liabilities	472,104	463,910
Financial liabilities	11,644	52,729
Intangibles	809,643	828,550
Property and equipment	67,173	68,505
Technical reserves	111,203	165,610
<b>Total deferred tax liabilities</b>	<b>2,014,799</b>	<b>2,117,671</b>

The following is a breakdown of tax balances, by countries:

#### March 2017

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
<b>Deferred tax assets</b>											
Financial assets	75,637	12,488	53,160	-	4,116	2,406	1,736	-	812	600	<b>150,955</b>
Employee benefits	25,020	9	1,865	-	765	665	239	-	-	-	<b>28,563</b>
Intangibles	43,439	490	-	-	-	-	4,348	-	2,525	-	<b>50,801</b>
Other liabilities	33,573	49,460	6,731	5,442	41,572	43,988	735	-	984	92	<b>182,577</b>
Financial liabilities	9,606	-	14,163	-	-	-	-	-	-	-	<b>23,769</b>
Tax losses	21,808	64,376	12,175	8,170	-	35,886	-	-	-	-	<b>142,415</b>
Property and equipment	423	-	1,071	-	-	-	2,149	-	-	-	<b>3,643</b>
Technical insurance reserves	-	27,206	-	-	18,878	45	-	-	1,712	11,037	<b>58,878</b>
<b>Total deferred tax assets</b>	<b>209,506</b>	<b>154,028</b>	<b>89,165</b>	<b>13,612</b>	<b>65,331</b>	<b>82,990</b>	<b>9,207</b>	<b>-</b>	<b>6,033</b>	<b>11,729</b>	<b>641,601</b>

Deferred tax liabilities	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Financial assets	20,258	-	24,573	23,952	1,071	-	-	-	-	192	70,045
Investments	184,719	-	-	251,606	3,230	-	33,431	-	-	-	472,987
Other liabilities	1,110	441,674	1,596	21,686	-	-	6,037	-	-	-	472,104
Financial liabilities	11,644	-	-	-	-	-	-	-	-	-	11,644
Intangibles	48,154	331,539	330,565	-	51,002	7,766	18,052	7,045	-	15,519	809,643
Property and equipment	43,625	2,033	14,407	1,372	1,232	-	-	1,282	2,950	271	67,173
Technical insurance reserves	83,010	-	26,130	-	-	-	1,925	138	-	-	111,204
<b>Total deferred tax liabilities</b>	<b>392,521</b>	<b>775,246</b>	<b>397,271</b>	<b>298,616</b>	<b>56,536</b>	<b>7,766</b>	<b>59,445</b>	<b>8,466</b>	<b>2,950</b>	<b>15,982</b>	<b>2,014,799</b>
<b>Total deferred tax, Net</b>	<b>(183,015)</b>	<b>(621,218)</b>	<b>(308,106)</b>	<b>(285,003)</b>	<b>8,795</b>	<b>75,224</b>	<b>(50,240)</b>	<b>(8,466)</b>	<b>3,083</b>	<b>(4,253)</b>	<b>(1,373,199)</b>

## December 2016

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Dominican Republic	El Salvador	Total
<b>Deferred tax assets</b>										
Financial assets	82,470	17,402	50,097	-	4,376	3,176	3,351	-	1,310	1,096
Employee benefits	28,986	1,268	2,794	-	188	1,927	241	-	-	-
Intangibles	1,549	1,900	1,392	-	8,976	-	4,223	-	2,586	-
Other liabilities	47,104	20,445	10,658	6,306	9,232	53,854	-	-	1,276	194
Financial liabilities	9,953	12,586	11,761	-	-	-	-	-	-	-
Tax losses	8,075	77,210	4,936	7,461	-	22,870	-	-	-	4,625
Property and equipment	5,834	34,258	691	-	-	-	1,672	-	-	-
Technical insurance reserves	48,461	27,051	-	-	78,991	-	-	6,950	2,504	11,400
<b>Total deferred tax assets</b>	<b>232,430</b>	<b>192,120</b>	<b>82,329</b>	<b>13,767</b>	<b>101,763</b>	<b>81,827</b>	<b>9,487</b>	<b>6,950</b>	<b>7,676</b>	<b>17,315</b>

Deferred tax liabilities	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Financial assets	3,385	23,248	21,429	22,388	1,544	-	-	-	-	536	72,529
Investments	171,534	-	-	256,942	3,098	-	34,264	-	-	-	465,838
Other liabilities	1,526	425,172	1,460	22,679	-	-	6,102	6,972	-	-	463,910
Financial liabilities	52,729	-	-	-	-	-	-	-	-	-	52,729
Intangibles	52,170	343,751	322,120	-	59,628	7,783	18,928	7,743	-	16,427	828,550
Property and equipment	50,046	-	11,136	1,381	1,255	-	-	1,333	3,100	254	68,505
Technical reserves	99,920	704	25,850	-	36,549	-	2,443	144	-	-	165,610
<b>Total deferred tax liabilities</b>	<b>431,310</b>	<b>792,873</b>	<b>381,995</b>	<b>303,390</b>	<b>102,074</b>	<b>7,783</b>	<b>61,737</b>	<b>16,193</b>	<b>3,100</b>	<b>17,217</b>	<b>2,117,671</b>
<b>Total deferred tax, Net</b>	<b>(198,879)</b>	<b>(600,754)</b>	<b>(299,666)</b>	<b>(289,623)</b>	<b>(311)</b>	<b>74,044</b>	<b>(52,250)</b>	<b>(9,243)</b>	<b>4,576</b>	<b>98</b>	<b>(1,372,008)</b>

## 7.4 Taxes recognized in profit and loss

Expenses from current and deferred taxes:

	March 2017	March-2016
Current tax expenses	106,270	163,610
Deferred tax expenses		
Constitution /reversal of temporary differences	(5,936)	(39,166)
<b>Tax expenses</b>	<b>100,334</b>	<b>124,444</b>

Grupo SURA considers that the accrued tax liabilities are adequate for all open tax years, based on the evaluation of many factors, including interpretations of tax law and prior experience.

## 7.5 Reconciliation of the effective tax rate

	March 2017		March 2016	
	Rate	Balance	Rate	Balance
<b>Profit before tax:</b>		<b>668,312</b>		<b>630,983</b>
Tax on income applying the local tax rate	37%	245,717	37%	235,945
<b>Plus tax impact from:</b>				
Effect of disposal on consolidated results	11%	71,545	16.31%	102,904
Non-deductible expenses	9%	57,670	7.36%	46,472
Tax income	15%	96,938	6.05%	38,188
Tax losses	0%	270	0.02%	100
Adjustments of rate changes	0%	1,086	0.12%	781
	13%	89,265	4.73%	29,875
<b>Minus the tax effect of:</b>				
Untaxed income	24%	157,835	24.03%	151,632
Untaxed dividends	28%	188,393	16.19%	102,141
Tax losses	0%	1,888	2.85%	18,004
Tax deductions	0%	1,786	0.63%	3,949
Adjustments of rate changes	0%	178	0.00%	2
Exempt income	11%	75,853	5.56%	35,065
Other	5%	36,225	3.02%	19,028
<b>Income tax</b>	<b>15%</b>	<b>100,334</b>	<b>20%</b>	<b>124,444</b>

## 7.6. Movement of deferred taxes

	March 2017	March 2016
<b>Initial balance, net liabilities</b>	<b>1,372,008</b>	<b>1,282,936</b>
Deferred tax expenses recognized in profit and loss	(5,936)	14,938
Income tax related to other comprehensive income components	(50,584)	(7,732)
Increases (decreases) from business combinations	393	16,356
Effect of variations from exchange rate differences	57,318	65,510
<b>Closing balance, net liabilities</b>	<b>1,373,199</b>	<b>1,372,008</b>

## NOTE 8. INTANGIBLE ASSETS

The classification of the intangible assets of Grupo SURA, at the end of March 31, 2017 and December 31, 2016, is summarized, as follows:

	Note	March 2017	December 2016
<b>Goodwill</b>	8.1	<b>4,505,038</b>	<b>4,506,162</b>
Intangibles assets other than goodwill	8.2	3,239,903	3,274,773
Deferred Acquisition Costs (DAC)	8.3	1,217,084	1,209,334
<b>Total intangible assets other than goodwill</b>		<b>4,456,987</b>	<b>4,484,107</b>
<b>Total intangible assets, including goodwill</b>		<b>8,962,025</b>	<b>8,990,269</b>

### 8.1 Goodwill

The following is a breakdown of goodwill:

Company	March 2017			December 2016		
	Cost	Impairment	Net	Cost	Impairment	Net
Aseguradora Suiza Salvadoreña S.A. (Asesuiza)	80,617	22,214	58,403	83,834	23,100	60,733
Seguros Sura S.A. República Dominicana	13,267	-	13,267	13,797	-	13,797
Seguro Suramericana Panamá (Formerly Banistmo)	48,441	-	48,441	50,374	-	50,374
Seguros Generales Suramericana S.A.(Formerly RSA Chile S.A.)	150,707	-	150,707	153,562	-	153,562
RSA Seguros Colombia S.A.	93,650	-	93,650	93,650	-	93,650
Seguros Sura S.A (Formerly RSA Seguros (Brazil) S.A.)	45,065	-	45,065	45,325	-	45,325
Seguros Sura (Formerly RSA Seguros México)	29,002	-	29,002	28,375	-	28,375
RSA Uruguay	104,967	-	104,967	106,086	-	106,086
Acquired assets from ING (*)	3,679,342	-	3,679,342	3,671,348	-	3,671,348
AFP Horizonte	242,226	-	242,226	243,748	-	243,748
Seguros de Vida SURA México S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)	14,539	-	14,539	13,735	-	13,735
Compuredes S.A.	25,429	-	25,429	25,429	-	25,429
	<b>4,527,252</b>	<b>22,214</b>	<b>4,505,038</b>	<b>4,529,263</b>	<b>23,100</b>	<b>4,506,162</b>

(\*) Includes the goodwill that was paid in the acquisition of the following companies:

- AFP Capital S.A. (Chile)
- Afore Sura S.A. of C.V. (Mexico)
- AFP Integra S.A. (Peru)
- AFAP SURA S.A. (Uruguay)
- Sura Investment Management Mexico S.A. de C.V. (Mexico)
- Fondos Sura SAF S.A.C. (Peru)
- Corredora of Bolsa Sura S.A.(Chile) and Administradora General of Fondos S.A. (Chile)

At the closing date, goodwill increased/decreased at each closing, taking into account the provisions, established in paragraph 47 of IAS 21, which indicates that goodwill should be expressed in the same functional currency of businesses abroad, and translated into the presentation currency at the rate of exchange at closing.

The following is a summary of goodwill, broken down by country:

Year	Chile	México	Perú	Uruguay	Colombia	El Salvador	Dominican Republic	Panama	Brazil	Total
March 2017	1,818,044	902,203	1,248,951	251,583	119,079	58,403	-	61,709	45,066	4,505,038
December 2016	1,852,482	853,308	1,256,797	254,267	119,079	60,733	13,797	50,374	45,325	4,506,162

## 8.2 Intangibles assets other than goodwill

Below are the movements of intangible assets of Grupo SURA:

	Acquired Brands	Intangibles assets related to customers	Software and Informational applications	Rights	Licenses And franchises	Others Intangible Assets	Total
<b>Cost</b>							
<b>Cost at January 1, 2016</b>	<b>129,421</b>	<b>3,413,973</b>	<b>94,013</b>	<b>32,704</b>	<b>17,738</b>	<b>221</b>	<b>3,688,070</b>
Business combinations	9,236	457,898	142,167	-	19,886	1,236	630,423
Additions	-	62,972	48,908	-	-	6,765	118,645
Disposals (-)	(2,215)	(3,790)	(641)	-	(535)	(771)	(7,952)
Exchange rate differences	(5,543)	(225,868)	(20,068)	(752)	(10,986)	550	(262,667)
Exchange rates, other		5	-	(206)	-	-	(201)
<b>Books value at December 31, 2016</b>	<b>130,899</b>	<b>3,705,190</b>	<b>264,379</b>	<b>31,746</b>	<b>26,103</b>	<b>8,001</b>	<b>4,166,318</b>
<b>Accumulated amortization and impairment of value</b>							
<b>Accumulated amortization and impairment of value January 1, 2016</b>	<b>(7,321)</b>	<b>(648,038)</b>	<b>(15,026)</b>	<b>(3,213)</b>	<b>(15,387)</b>	<b>(150)</b>	<b>(689,135)</b>
Amortization for the period	(246)	(194,831)	(31,846)	(7,286)	(15,893)	(436)	(250,538)
Additions	77	26,318	(59,980)	-	-	83	(33,502)
Disposals (-)	2,215	-	188	-	(4,223)	(1,061)	(2,881)
Exchange rate differences	4,123	78,503	(22,914)	(1,739)	26,347	191	84,511
<b>Accumulated amortization and impairment of value December 31, 2016</b>	<b>(1,152)</b>	<b>(738,048)</b>	<b>(129,578)</b>	<b>(12,238)</b>	<b>(9,156)</b>	<b>(1,373)</b>	<b>(891,545)</b>
<b>Intangibles assets December 31, 2016</b>	<b>129,747</b>	<b>2,967,142</b>	<b>134,801</b>	<b>19,508</b>	<b>16,947</b>	<b>6,628</b>	<b>3,274,773</b>
<b>Cost</b>							
<b>Cost at January 1, 2017</b>	<b>130,899</b>	<b>3,705,190</b>	<b>264,379</b>	<b>31,746</b>	<b>26,103</b>	<b>8,001</b>	<b>4,166,318</b>
Business combinations	-	-	-	-	-	-	-
Additions	-	2,484	14,292	-	8,147	812	25,735
Disposals (-)	-	(3,310)	(2,654)	-	-	-	(5,964)

Exchange rate differences	5,268	21,733	(2,130)	(6,533)	10,570	151	29,059
Others changes	-	4	-	-	-	-	4
<b>Cost in books at March 31, 2017</b>	<b>136,167</b>	<b>3,726,101</b>	<b>273,887</b>	<b>25,213</b>	<b>44,820</b>	<b>8,964</b>	<b>4,215,152</b>

<b>Accumulated amortization and impairment of value</b>							
<b>Accumulated amortization and impairment of value at January 2017</b>	<b>(1,152)</b>	<b>(738,048)</b>	<b>(129,578)</b>	<b>(12,238)</b>	<b>(9,156)</b>	<b>(1,373)</b>	<b>(891,545)</b>
Amortization from the period	-	(57,554)	(9,389)	(1,280)	(2,052)	(68)	(70,343)
Additions	-	-	-	-	-	-	-
Intangibles	-	-	(514)	-	1,493	-	979
Exchange rate differences	(7,019)	(4,694)	2,867	5,838	(11,057)	(275)	(14,340)
<b>Accumulated amortization and impairment values March 31, 2017</b>	<b>(8,171)</b>	<b>(800,296)</b>	<b>(136,614)</b>	<b>(7,680)</b>	<b>(20,772)</b>	<b>(1,716)</b>	<b>(975,249)</b>

<b>Intangibles assets March 31, 2017</b>	<b>127,996</b>	<b>2,925,805</b>	<b>137,273</b>	<b>17,533</b>	<b>24,048</b>	<b>7,248</b>	<b>3,239,903</b>
--	----------------	------------------	----------------	---------------	---------------	--------------	------------------

Herewith is a summary of the most significant useful lives of intangibles:

<b>Customer relationships</b>	<b>Total useful lives (Years)</b>	<b>Remaining useful lives (Years)</b>
AFP Capital (Chile)	27	22
Corredora de Bolsa SURA S.A. y Administradora General de Fondos S.A. (Chile)	10	5
Seguros de Vida SURA S.A. (Chile)	14	9
AFP Integra (Perú)	30	25
Wealth Management SURA S.A. (Perú)	4	0
AFAP Sura S.A. (Uruguay)	23	18
Afore Sura S.A. de C.V. (México)	27	22
Seguros Sura S.A. (Perú)	15	11
AFP Integra (Perú) AFP Horizonte	17	13
Sociedad Agente de Bolsa Sura S.A. (Perú)	4	3
Seguros Suramericana S.A de (antes Banistmo Panamá)	9	7.5
Aseguradora Suiza Salvadoreña S.A. Asesuisa (Salvador)	14	9
Compuredes S.A. (Colombia)	66	12
RSA Seguros Brasil	5	4.0
RSA Seguros Chile	7	6.1
RSA Seguros Colombia	5	4.1
RSA Seguros Argentina	10.6	9.7
RSA Seguros México	4	3.2
RSA Seguros Uruguay	16	15.3
<b>Affinity Contracts</b>		
RSA Seguros Brasil	3	2.0
RSA Seguros Chile	2.3	1.4
RSA Seguros Colombia	1.8	0.9

RSA Seguros Argentina	1.9	1.1
RSA Seguros México	1.7	1.0
RSA Seguros Uruguay	1.9	1.2
<b>Non-competing rights</b>		
Seguros Suramericana S.A de Panamá	5	3.5
<b>Brands</b>		
AFP Capital (Chile) (*)	Indefinite	Indefinite
AFP Integra (Perú) (*)	Indefinite	Indefinite
AFAP SURA S.A. (Uruguay)	1	-
AFP Integra (Perú) AFP Horizonte	3	-
RSA Seguros Argentina (*)	Indefinite	Indefinite
RSA Seguros México (*)	Indefinite	Indefinite

### 8.3 Deferred Acquisition Costs (DAC)

The following is summary of the movement of Deferred Acquisition Costs (DAC):

	Administration of assets	Insurance	Total
<b>At December 31, 2015</b>	<b>581,492</b>	<b>304,004</b>	<b>885,496</b>
Business combinations	-	1,014,141	1,014,141
Additions	168,298	562,046	730,344
Exchange differences	(61,938)	(2,366)	(64,304)
Amortization	(148,083)	(1,208,260)	(1,356,343)
<b>December 31, 2016</b>	<b>539,769</b>	<b>669,565</b>	<b>1,209,334</b>
Additions	27,439	374,490	401,929
Exchange differences	15,862	(4,527)	11,335
Amortization (Note 15.2)	(39,327)	(366,187)	(405,514)
<b>March 31, 2017</b>	<b>543,743</b>	<b>673,341</b>	<b>1,217,084</b>

Below is a summary of Deferred Acquisition Costs (DAC), in each related country:

	March 2017	December 2016
Argentina	92,527	87,161
Brazil	81,450	77,866
Chile	358,748	355,265
Colombia	206,475	213,005
México	328,661	322,905
Panama	28,497	27,799
Peru	45,487	46,168
Dominican Republic	15,190	16,695
El Salvador	29,356	30,584
Uruguay	30,693	31,886
	<b>1,217,084</b>	<b>1,209,334</b>

## Restrictions

To date there are no restrictions on Grupo SURA's intangible assets.

## NOTE 9. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

### 9.1. Subsidiaries

Herewith, a list of subsidiaries of Grupo SURA, at the close of the reporting period:

CORPORATE				
Suramericana S.A.				
		March 2017		December 2016
<b>Activity:</b>	Investor	<b>Asset</b>	5,374,719	5,282,383
<b>Location:</b>	Medellin	<b>Liability</b>	1,438,508	1,256,988
<b>Country:</b>	Colombia	<b>Equity</b>	3,936,211	4,025,395
<b>Date of constitution:</b>	25 May 1999	<b>Income</b>	143,236	396,151
		<b>Participation</b>	81.13%	81.13%
Inversura Panamá Internacional S.A.				
		March 2017		December 2016
<b>Activity:</b>	Investor	<b>Asset</b>	364,964	407,788
<b>Location:</b>	Panamá	<b>Liability</b>	-	-
<b>Country:</b>	Panamá	<b>Equity</b>	364,964	407,788
<b>Date of constitution:</b>	23 December 2002	<b>Income</b>	(2,761)	(206)
		<b>Participation</b>	81.13%	81.13%
Investments Sura Brasil S.A.S.				
		March 2017		December 2016
<b>Activity:</b>	Investor	<b>Asset</b>	238,846	238,865
<b>Location:</b>	Medellin	<b>Liability</b>	914	10
<b>Country:</b>	Colombia	<b>Equity</b>	237,932	238,855
<b>Date of constitution:</b>	4 December 2015	<b>Income</b>	(923)	(26)
		<b>Participation</b>	81.13%	81.13%
Arus Holding S.A.S.				
		March 2017		December 2016
<b>Activity:</b>	Investment in movable and immovable property	<b>Asset</b>	60,143	59,606
<b>Location:</b>	Medellin	<b>Liability</b>	10	9



<b>Country:</b>	Colombia	<b>Equity</b>	60,133	59,597
<b>Date of constitution:</b>	11 July 2012	<b>Income</b>	536	5,277
		<b>Participation</b>	100.00%	100.00%

#### Investments y Construcciones Estratégicas S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Investor	<b>Asset</b>	140,840	140,480
<b>Location:</b>	Medellin	<b>Liability</b>	4,786	4,473
<b>Country:</b>	Colombia	<b>Equity</b>	136,054	136,007
<b>Date of constitution:</b>	30 August 2007	<b>Income</b>	1,076	12,994
		<b>Participation</b>	100.00%	100.00%

#### Grupo de Investments Suramericana Panamá S.A.

			March 2017	December 2016
<b>Activity:</b>	Investment in securities	<b>Asset</b>	912,899	940,996
<b>Location:</b>	Panamá	<b>Liability</b>	871,681	890,453
<b>Country:</b>	Panama	<b>Equity</b>	41,218	50,543
<b>Date of constitution:</b>	29 April 1998	<b>Income</b>	(7,480)	(48,645)
		<b>Participation</b>	100.00%	100.00%

#### Planeco Panamá S.A.

			March 2017	December 2016
<b>Activity:</b>	Acquisition and disposition of movable and immovable property	<b>Asset</b>	32,195	35,120
<b>Location:</b>	Panamá	<b>Liability</b>	52,623	54,126
<b>Country:</b>	Panamá	<b>Equity</b>	(20,428)	(19,006)
<b>Date of constitution:</b>	12 December 2012	<b>Income</b>	(2,179)	(9,281)
		<b>Participation</b>	95.28%	95.28%

#### Grupo Sura Finance S.A.

			March 2017	December 2016
<b>Activity:</b>	Any lawful activity in the Cayman Islands	<b>Asset</b>	2,454,045	2,516,711
<b>Location:</b>	Cayman Islands	<b>Liability</b>	2,479,670	2,542,259
<b>Country:</b>	Cayman Islands	<b>Equity</b>	(25,625)	(25,548)
<b>Date of constitution:</b>	18 March 2011	<b>Income</b>	(1,071)	(5,411)
		<b>Participation</b>	100.00%	100.00%

#### Financia Expreso RSA S.A.

			March 2017	December 2016
--	--	--	------------	---------------

<b>Activity:</b>	Holding mutual contracts and making investments	<b>Asset</b>	6,870	5,569
<b>Location:</b>	Bogotá	<b>Liability</b>	174	136
<b>Country:</b>	Colombia	<b>Equity</b>	6,696	5,433
<b>Date of constitution:</b>	15 July 1970	<b>Income</b>	(35)	(4,221)
		<b>Participation</b>	81.11%	81.11%

#### Santa Maria del Sol S.A.

			March 2017	December 2016
<b>Activity:</b>	Investments	<b>Asset</b>	8,676	8,820
<b>Location:</b>	Buenos Aires	<b>Liability</b>	142	151
<b>Country:</b>	Argentina	<b>Equity</b>	8,534	8,669
<b>Date of constitution:</b>	11 April 1991	<b>Income</b>	(14)	(235)
		<b>Participation</b>	81.13%	81.13%

#### Atlantis Sociedad Inversora S.A.

			March 2017	December 2016
<b>Activity:</b>	Investments	<b>Asset</b>	4,702	4,787
<b>Location:</b>	Buenos Aires	<b>Liability</b>	77	86
<b>Country:</b>	Argentina	<b>Equity</b>	4,625	4,701
<b>Date of constitution:</b>	26 June 1992	<b>Income</b>	(11)	(124)
		<b>Participation</b>	81.13%	81.13%

#### Chilean Holding Suramericana SPA (Formerly RSA Chilean Holding SpA)

			March 2017	December 2016
<b>Activity:</b>	Investments	<b>Asset</b>	39,718	40,387
<b>Location:</b>	Santiago	<b>Liability</b>	43,289	43,520
<b>Country:</b>	Chile	<b>Equity</b>	(3,571)	(3,133)
<b>Date of constitution:</b>	16 October 2012	<b>Income</b>	(503)	(1,161)
		<b>Participation</b>	81.13%	81.13%

#### Investments Suramericana Chile Limitada (Formerly Investments RSA Chile Limitada)

			March 2017	December 2016
<b>Activity:</b>	Investments	<b>Asset</b>	37,138	37,747
<b>Location:</b>	Santiago	<b>Liability</b>	101	-
<b>Country:</b>	Chile	<b>Equity</b>	37,037	37,747
<b>Date of constitution:</b>	25 October 2012	<b>Income</b>	(8)	(77)
		<b>Participation</b>	81.13%	81.13%

#### Sura Asset Management S.A.

			March 2017	December 2016
<b>Activity:</b>	Investments in movable and immovable property	<b>Asset</b>	7,431,440	7,340,374
<b>Location:</b>	Medellin	<b>Liability</b>	2,057,607	1,626,766
<b>Country:</b>	Colombia	<b>Equity</b>	5,373,833	5,713,608
<b>Date of constitution:</b>	15 September 2011	<b>Income</b>	75,619	329,215
		<b>Participation</b>	78.71%	78.71%

#### Assets Estratégicos Sura A.M. Colombia S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	126	126
<b>Location:</b>	Medellin	<b>Liability</b>	2	2
<b>Country:</b>	Colombia	<b>Equity</b>	124	124
<b>Date of constitution:</b>	25 April 2013	<b>Income</b>	-	4
		<b>Participation</b>	78.71%	78.71%

#### Sura Investment Management Colombia S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	6,068	5,636
<b>Location:</b>	Medellin	<b>Liability</b>	399	83
<b>Country:</b>	Colombia	<b>Equity</b>	5,669	5,553
<b>Date of constitution:</b>	23 June 2015	<b>Income</b>	571	2,165
		<b>Participation</b>	78.71%	78.71%

#### SURA Asset Management Spain S.L.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	4,596,147	4,673,470
<b>Location:</b>	Madrid	<b>Liability</b>	559	590
<b>Country:</b>	Spain	<b>Equity</b>	4,595,588	4,672,880
<b>Date of constitution:</b>	28 September 2011	<b>Income</b>	(305)	(1,280)
		<b>Participation</b>	78.71%	78.71%

#### Grupo de Investments Suramericana Holland B.V.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	4,413,667	4,487,674
<b>Location:</b>	Amsterdam	<b>Liability</b>	32	26
<b>Country:</b>	Holland	<b>Equity</b>	4,413,635	4,487,648
<b>Date of constitution:</b>	12 October 2011	<b>Income</b>	(75)	(229)
		<b>Participation</b>	78.71%	78.71%

### Grupo SURA Chile Holdings I B.V.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	1,889,512	1,921,166
<b>Location:</b>	Amsterdam	<b>Liability</b>	1,191	1,155
<b>Country:</b>	Holland	<b>Equity</b>	1,888,321	1,920,011
<b>Date of constitution:</b>	7 July 1993	<b>Income</b>	(57)	(152)
		<b>Participation</b>	78.71%	78.71%

### SURA Asset Management Chile S.A.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	2,785,314	2,832,127
<b>Location:</b>	Santiago	<b>Liability</b>	16,056	15,282
<b>Country:</b>	Chile	<b>Equity</b>	2,769,258	2,816,845
<b>Date of constitution:</b>	1 de August de 2002	<b>Income</b>	4,845	132,621
		<b>Participation</b>	78.71%	78.71%

### Sura Data Chile S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the provision of services of data processing and leasing of computational equipment	<b>Asset</b>	8,811	9,440
<b>Location:</b>	Santiago	<b>Liability</b>	3,018	3,703
<b>Country:</b>	Chile	<b>Equity</b>	5,793	5,737
<b>Date of constitution:</b>	1 August 2002	<b>Income</b>	165	834
		<b>Participation</b>	78.71%	78.71%

### SURA Servicios Profesionales S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to consulting and business advice	<b>Asset</b>	23,375	28,513
<b>Location:</b>	Santiago	<b>Liability</b>	9,907	15,344
<b>Country:</b>	Chile	<b>Equity</b>	13,468	13,169
<b>Date of constitution:</b>	1 August 2002	<b>Income</b>	551	3,089
		<b>Participation</b>	78.71%	78.71%

### Santa María Internacional S.A.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	6,615	6,786
<b>Location:</b>	Santiago	<b>Liability</b>	4	7
<b>Country:</b>	Chile	<b>Equity</b>	6,611	6,779

<b>Date of constitution:</b>	17 October 1994	<b>Income</b>	(43)	(316)
		<b>Participation</b>	78.71%	78.71%

#### Grupo SURA Latin American Holdings B.V.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	345,728	351,601
<b>Location:</b>	Netherlands	<b>Liability</b>	(15)	(9)
<b>Country:</b>	Holland	<b>Equity</b>	345,743	351,610
<b>Date of constitution:</b>	28 September 1983	<b>Income</b>	(74)	(2,317)
		<b>Participation</b>	78.71%	78.71%

#### SUAM Finance B.V.

			March 2017	December 2016
<b>Activity:</b>	Holding Company holding the 144A / Reg S bonds issued in April 2014	<b>Asset</b>	1,385,346	1,440,665
<b>Location:</b>	Curacao	<b>Liability</b>	1,463,467	1,503,441
<b>Country:</b>	Curacao	<b>Equity</b>	(78,121)	(62,776)
<b>Date of constitution:</b>	01 December 2014	<b>Income</b>	(17,981)	(78,002)
		<b>Participation</b>	78.71%	78.71%

#### Sura Asset Management Mexico S.A. de C.V.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	985,658	934,894
<b>Location:</b>	Mexico	<b>Liability</b>	251	3,745
<b>Country:</b>	Mexico	<b>Equity</b>	985,407	931,149
<b>Date of constitution:</b>	17 April 2013	<b>Income</b>	(210)	195,081
		<b>Participation</b>	78.71%	78.71%

#### Sura Art Corporation S.A. de C.V.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to collecting Mexican works of art	<b>Asset</b>	39,086	41,101
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	88	76
<b>Country:</b>	Mexico	<b>Equity</b>	38,998	41,025
<b>Date of constitution:</b>	20 December 2011	<b>Income</b>	23	8
		<b>Participation</b>	78.71%	78.71%

#### Sura Asset Management Perú S.A.

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	233,739	194,783

<b>Location:</b>	Lima	<b>Liability</b>	34,134	53,120
<b>Country:</b>	Perú	<b>Equity</b>	199,605	141,663
<b>Date of constitution:</b>	4 July 2013	<b>Income</b>	87,587	62,985
		<b>Participation</b>	78.71%	78.71%

#### Sura Asset Management Uruguay Sociedad de Inversión S.A. (Formerly Tublyr S.A.)

			March 2017	December 2016
<b>Activity:</b>	Holding Company	<b>Asset</b>	206,456	207,274
<b>Location:</b>	Uruguay	<b>Liability</b>	479	743
<b>Country:</b>	Uruguay	<b>Equity</b>	205,977	206,531
<b>Date of constitution:</b>	2 July 2013	<b>Income</b>	1,651	22,310
		<b>Participation</b>	78.71%	78.71%

### MANDATORY - VOLUNTARY

#### AFAP Sura S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the administration of pension savings funds.	<b>Asset</b>	88,077	89,833
<b>Location:</b>	Montevideo	<b>Liability</b>	17,318	18,659
<b>Country:</b>	Uruguay	<b>Equity</b>	70,759	71,174
<b>Date of constitution:</b>	27 March 1995	<b>Income</b>	9,533	38,818
		<b>Participation</b>	78.71%	78.71%

#### AFP Capital S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the administration of pension savings funds.	<b>Asset</b>	2,850,057	2,794,219
<b>Location:</b>	Santiago	<b>Liability</b>	438,326	440,129
<b>Country:</b>	Chile	<b>Equity</b>	2,411,731	2,354,090
<b>Date of constitution:</b>	16 January 1981	<b>Income</b>	103,028	328,266
		<b>Participation</b>	78.48%	78.48%

#### Afore Sura S.A. de C.V.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to managing investment companies specializing in retirement funds	<b>Asset</b>	1,559,342	1,481,453
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	208,070	272,381
<b>Country:</b>	Mexico	<b>Equity</b>	1,351,272	1,209,072

<b>Date of constitution:</b>	17 December 1996	<b>Income</b>	66,664	245,589
		<b>Participation</b>	78.71%	78.71%

### AFP Integra S.A.

			March 2017	December 2016
<b>Activity:</b>	Administration of pension funds	<b>Asset</b>	1,272,763	1,327,484
<b>Location:</b>	Lima	<b>Liability</b>	296,758	232,958
<b>Country:</b>	Perú	<b>Equity</b>	976,005	1,094,526
<b>Date of constitution:</b>	19 May 1993	<b>Income</b>	41,129	166,430
		<b>Participation</b>	78.70%	78.70%

## VOLUNTARY

### Corredores de Bolsa Sura S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the purchase and sale of securities and securities brokerage operations	<b>Asset</b>	85,794	91,121
<b>Location:</b>	Santiago	<b>Liability</b>	43,756	47,855
<b>Country:</b>	Chile	<b>Equity</b>	42,038	43,266
<b>Date of constitution:</b>	4 February 2008	<b>Income</b>	(481)	(13,722)
		<b>Participation</b>	78.71%	78.71%

### Administradora General de Fondos Sura S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to managing mutual and investment funds	<b>Asset</b>	127,034	46,946
<b>Location:</b>	Santiago	<b>Liability</b>	102,230	24,631
<b>Country:</b>	Chile	<b>Equity</b>	24,804	22,315
<b>Date of constitution:</b>	9 July 2008	<b>Income</b>	2,944	3,002
		<b>Participation</b>	78.71%	78.71%

### Sura Investment Management S.A. de C.V.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the operation of investment companies	<b>Asset</b>	58,083	51,738
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	22,993	16,678
<b>Country:</b>	Mexico	<b>Equity</b>	35,090	35,060
<b>Date of constitution:</b>	13 February 1998	<b>Income</b>	(1,886)	(15,353)
		<b>Participation</b>	78.71%	78.71%

### Fondos Sura SAF S.A.C.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the administration of Mutual Funds and investment	<b>Asset</b>	10,826	17,077
<b>Location:</b>	Lima	<b>Liability</b>	2,535	13,113
<b>Country:</b>	Perú	<b>Equity</b>	8,291	3,964
<b>Date of constitution:</b>	7 December 2004	<b>Income</b>	(2,312)	(8,742)
		<b>Participation</b>	78.71%	78.71%

### Sociedad Agente de Bolsa S.A.

			March 2017	December 2016
<b>Activity:</b>	Securities brokers	<b>Asset</b>	13,712	9,858
<b>Location:</b>	Perú	<b>Liability</b>	729	966
<b>Country:</b>	Perú	<b>Equity</b>	12,983	8,892
<b>Date of constitution:</b>	25 September 2015	<b>Income</b>	(1,096)	(4,980)
		<b>Participation</b>	78.71%	78.71%

### Corredor de Bolsa SURA S.A.

			March 2017	December 2016
<b>Activity:</b>	Brokerage Services	<b>Asset</b>	5,400	3,196
<b>Location:</b>	Montevideo	<b>Liability</b>	329	644
<b>Country:</b>	Uruguay	<b>Equity</b>	5,071	2,552
<b>Date of constitution:</b>	01 December 2014	<b>Income</b>	(497)	(1,324)
		<b>Participation</b>	78.71%	78.71%

### AFISA SURA S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to the administration of investment funds	<b>Asset</b>	6,627	5,922
<b>Location:</b>	Montevideo	<b>Liability</b>	1,798	2,162
<b>Country:</b>	Uruguay	<b>Equity</b>	4,829	3,760
<b>Date of constitution:</b>	19 January 2011	<b>Income</b>	(1,957)	(7,084)
		<b>Participation</b>	78.71%	78.71%

### LIFE

### Seguros de Vida Suramericana S.A.

			March 2017	December 2016
<b>Activity:</b>	Insurance	<b>Asset</b>	6,744,229	6,572,896
<b>Location:</b>	Medellin	<b>Liability</b>	5,580,193	5,359,707



<b>Country:</b>	Colombia	<b>Equity</b>	1,164,036	1,213,189
<b>Date of constitution:</b>	4 August 1947	<b>Income</b>	104,413	314,064
		<b>Participation</b>	81.13%	81.13%

#### Seguros de Riesgos Laborales Suramericana S.A.

			March 2017	December 2016
<b>Activity:</b>	Operation of the labor risk branch	<b>Asset</b>	2,287,142	2,151,408
<b>Location:</b>	Medellin	<b>Liability</b>	1,883,411	1,721,474
<b>Country:</b>	Colombia	<b>Equity</b>	403,731	429,934
<b>Date of constitution:</b>	9 November 1995	<b>Income</b>	63,812	179,125
		<b>Participation</b>	81.13%	81.13%

#### Asesuisa Vida, S.A. Seguros de Personas

			March 2017	December 2016
<b>Activity:</b>	Insurance	<b>Asset</b>	361,426	372,181
<b>Location:</b>	San Salvador	<b>Liability</b>	284,885	299,339
<b>Country:</b>	El Salvador	<b>Equity</b>	76,541	72,842
<b>Date of constitution:</b>	5 December 2001	<b>Income</b>	6,253	27,889
		<b>Participation</b>	81.13%	81.13%

#### Seguros de Vida Suramericana S.A (Formerly RSA Seguros de Vida S.A.)

			March 2017	December 2016
<b>Activity:</b>	Life-insurance company	<b>Asset</b>	65,008	56,818
<b>Location:</b>	Santiago	<b>Liability</b>	27,258	18,303
<b>Country:</b>	Chile	<b>Equity</b>	37,750	38,515
<b>Date of constitution:</b>	21 November 2012	<b>Income</b>	(50)	196
		<b>Participation</b>	81.13%	81.13%

#### Seguros de Vida Sura S.A.

			March 2017	December 2016
<b>Activity:</b>	A company dedicated to the exercise of insurance activities related to annuities and life annuities	<b>Asset</b>	8,425,733	8,661,920
<b>Location:</b>	Santiago	<b>Liability</b>	7,552,118	7,787,570
<b>Country:</b>	Chile	<b>Equity</b>	873,615	874,350
<b>Date of constitution:</b>	12 January 1989	<b>Income</b>	10,367	45,942
		<b>Participation</b>	78.71%	78.71%

#### Pensiones Sura S.A. de C.V.

			March 2017	December 2016
--	--	--	------------	---------------

<b>Activity:</b>	Pension insurance	<b>Asset</b>	1,784,686	1,607,754
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	1,667,110	1,502,049
<b>Country:</b>	Mexico	<b>Equity</b>	117,576	105,705
<b>Date of constitution:</b>	12 May 1997	<b>Income</b>	5,304	29,637
		<b>Participation</b>	78.71%	78.71%

#### Seguros de Vida SURA Mexico S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)

			March 2017	December 2016
<b>Activity:</b>	Life-insurance	<b>Asset</b>	230,697	181,876
<b>Location:</b>	Mexico	<b>Liability</b>	192,974	142,014
<b>Country:</b>	Mexico	<b>Equity</b>	37,723	39,862
<b>Date of constitution:</b>	01 December 2014	<b>Income</b>	(4,172)	4,644
		<b>Participation</b>	78.71%	78.71%

#### Seguros Sura S.A. (Formerly Invita)

			March 2017	December 2016
<b>Activity:</b>	Life insurance and reinsurance	<b>Asset</b>	4,523,773	4,527,778
<b>Location:</b>	Lima	<b>Liability</b>	4,014,283	4,022,722
<b>Country:</b>	Perú	<b>Equity</b>	509,490	505,056
<b>Date of constitution:</b>	1 March 2000	<b>Income</b>	7,585	88,036
		<b>Participation</b>	54.54%	54.54%

#### SUAM Corredora de Seguros S.A. de C.V.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to all kinds of activities related to insurance and reinsurance	<b>Asset</b>	603	585
<b>Location:</b>	San Salvador	<b>Liability</b>	95	102
<b>Country:</b>	El Salvador	<b>Equity</b>	508	483
<b>Date of constitution:</b>	7 May 2013	<b>Income</b>	44	184
		<b>Participation</b>	78.71%	78.71%

#### Disgely S.A.

			March 2017	December 2016
<b>Activity:</b>	Company dedicated to commercialization of goods, leases of goods, works and services	<b>Asset</b>	1,059	1,573
<b>Location:</b>	Montevideo	<b>Liability</b>	307	497
<b>Country:</b>	Uruguay	<b>Equity</b>	752	1,076
<b>Date of constitution:</b>	01 December 2014	<b>Income</b>	(318)	(2,049)
		<b>Participation</b>	78.71%	78.71%

**NO VIDA**  
**Seguros Generales Suramericana S.A.**

			March 2017	December 2016
<b>Activity:</b>	General Insurance	<b>Asset</b>	3,289,499	3,478,392
<b>Location:</b>	Medellin	<b>Liability</b>	2,519,989	2,694,227
<b>Country:</b>	Colombia	<b>Equity</b>	769,510	784,165
<b>Date of constitution:</b>	12 December 1944	<b>Income</b>	17,141	34,079
		<b>Participation</b>	81.11%	81.11%

**Seguros Sura S.A.**

			March 2017	December 2016
<b>Activity:</b>	Insurance	<b>Asset</b>	282,741	295,929
<b>Location:</b>	Santo Domingo	<b>Liability</b>	244,786	258,142
<b>Country:</b>	Dominican Republic	<b>Equity</b>	37,955	37,787
<b>Date of constitution:</b>	17 July 1986	<b>Income</b>	2,162	(977)
		<b>Participation</b>	81.13%	81.13%

**Seguros Suramericana Panamá S.A.**

			March 2017	December 2016
<b>Activity:</b>	Insurance	<b>Asset</b>	1,077,762	1,152,792
<b>Location:</b>	Panama	<b>Liability</b>	483,077	520,922
<b>Country:</b>	Panamá	<b>Equity</b>	594,685	631,870
<b>Date of constitution:</b>	11 July 1972	<b>Income</b>	16,225	35,941
		<b>Participation</b>	81.13%	81.13%

**Aseguradora Suiza Salvadoreña S.A. Asesuisa**

			March 2017	December 2016
<b>Activity:</b>	General Insurance	<b>Asset</b>	285,289	295,607
<b>Location:</b>	San Salvador	<b>Liability</b>	120,402	123,801
<b>Country:</b>	El Salvador	<b>Equity</b>	164,887	171,806
<b>Date of constitution:</b>	14 November 1969	<b>Income</b>	(331)	(3,009)
		<b>Participation</b>	81.13%	81.13%

**Sura RE**

			March 2017	December 2016
<b>Activity:</b>	Insurance and/or reinsurance business	<b>Asset</b>	15,121	15,891
<b>Location:</b>	Hamilton	<b>Liability</b>	114	145
<b>Country:</b>	Bermuda	<b>Equity</b>	15,007	15,746

<b>Date of constitution:</b>	08 December 2015	<b>Income</b>	(137)	(770)
		<b>Participation</b>	81.13%	81.13%

#### Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Brazil) S.A.)

			March 2017	December 2016
<b>Activity:</b>	Operation in insurance of persons and damages	<b>Asset</b>	1,017,294	1,037,458
<b>Location:</b>	Sao Pablo	<b>Liability</b>	775,617	786,060
<b>Country:</b>	Brazil	<b>Equity</b>	241,677	251,398
<b>Date of constitution:</b>	31 August 1973	<b>Income</b>	(7,585)	(7,184)
		<b>Participation</b>	81.13%	81.13%

#### Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.)

			March 2017	December 2016
<b>Activity:</b>	General insurance operations	<b>Asset</b>	1,471,028	1,413,475
<b>Location:</b>	Buenos Aires	<b>Liability</b>	1,288,759	1,235,661
<b>Country:</b>	Argentina	<b>Equity</b>	182,269	177,814
<b>Date of constitution:</b>	13 July 1912	<b>Income</b>	6,915	20,851
		<b>Participation</b>	80.63%	80.63%

#### Aseguradora de Créditos y Garantías S.A.

			March 2017	December 2016
<b>Activity:</b>	Insurance, co-insurance, and reinsurance operations in general of all types of risks	<b>Asset</b>	87,736	89,113
<b>Location:</b>	Buenos Aires	<b>Liability</b>	67,861	70,096
<b>Country:</b>	Argentina	<b>Equity</b>	19,875	19,017
<b>Date of constitution:</b>	20 March 1959	<b>Income</b>	1,117	4,267
		<b>Participation</b>	81.12%	81.12%

#### Seguros Generales Suramericana S.A. (Formerly RSA Seguros Chile S.A.)

			March 2017	December 2016
<b>Activity:</b>	General insurance company	<b>Asset</b>	3,481,008	3,558,386
<b>Location:</b>	Santiago	<b>Liability</b>	2,708,170	2,764,570
<b>Country:</b>	Chile	<b>Equity</b>	772,838	793,816
<b>Date of constitution:</b>	15 April 1905	<b>Income</b>	(6,113)	(7,942)
		<b>Participation</b>	80.71%	80.71%

#### Seguros Sura, S.A de C.V. (Formerly Royal & Sun Alliance Seguros (Mexico) S.A. de C.V.)

			March 2017	December 2016
--	--	--	------------	---------------

<b>Activity:</b>	General insurance operations	<b>Asset</b>	916,124	887,823
<b>Location:</b>	Mexico Distrito Federal	<b>Liability</b>	647,193	639,383
<b>Country:</b>	Mexico	<b>Equity</b>	268,931	248,440
<b>Date of constitution:</b>	01 October 1941	<b>Income</b>	(3,354)	(13,556)
		<b>Participation</b>	81.13%	81.13%

#### Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros S.A.)

			March 2017	December 2016
<b>Activity:</b>	General insurance	<b>Asset</b>	590,338	595,153
<b>Location:</b>	Montevideo	<b>Liability</b>	302,320	307,134
<b>Country:</b>	Uruguay	<b>Equity</b>	288,018	288,019
<b>Date of constitution:</b>	07 November 1994	<b>Income</b>	3,087	4,768
		<b>Participation</b>	81.13%	81.13%

### HEALTH

#### EPS y Medicina Prepagada Suramericana S.A.

			March 2017	December 2016
<b>Activity:</b>	Organization, guarantee, and provision of health services	<b>Asset</b>	578,388	612,715
<b>Location:</b>	Medellin	<b>Liability</b>	417,927	456,992
<b>Country:</b>	Colombia	<b>Equity</b>	160,461	155,723
<b>Date of constitution:</b>	31 January 1990	<b>Income</b>	4,738	22,162
		<b>Participation</b>	81.13%	81.13%

#### Servicios de Salud IPS Suramericana S.A.

			March 2017	December 2016
<b>Activity:</b>	Medical, paramedical, and dental services	<b>Asset</b>	67,390	71,681
<b>Location:</b>	Medellin	<b>Liability</b>	55,839	62,863
<b>Country:</b>	Colombia	<b>Equity</b>	11,551	8,818
<b>Date of constitution:</b>	19 December 1996	<b>Income</b>	2,733	1,148
		<b>Participation</b>	81.13%	81.13%

#### Diagnóstico y Asistencia Médica S.A.

			March 2017	December 2016
<b>Activity:</b>	Provision of diagnostic health aids services	<b>Asset</b>	78,337	79,390
<b>Location:</b>	Medellin	<b>Liability</b>	51,350	54,859
<b>Country:</b>	Colombia	<b>Equity</b>	26,987	24,531

<b>Date of constitution:</b>	24 February 1994	<b>Income</b>	1,955	5,252
		<b>Participation</b>	81.13%	81.13%

### Hábitat Adulto Mayr S.A.

			March 2017	December 2016
<b>Activity:</b>	Provision of health services for the adult seniors	<b>Asset</b>	30,385	30,181
<b>Location:</b>	La Estrella	<b>Liability</b>	8,510	8,704
<b>Country:</b>	Colombia	<b>Equity</b>	21,875	21,477
<b>Date of constitution:</b>	24 July 2007	<b>Income</b>	398	1,171
		<b>Participation</b>	82.66%	82.66%

## OUTSOURCING

### Arus S.A.

			March 2017	December 2016
<b>Activity:</b>	Services and commercialization of products and solutions in telecommunications	<b>Asset</b>	78,606	73,263
<b>Location:</b>	Medellin	<b>Liability</b>	52,907	47,436
<b>Country:</b>	Colombia	<b>Equity</b>	25,699	25,827
<b>Date of constitution:</b>	16 August 1988	<b>Income</b>	(128)	3,818
		<b>Participation</b>	100.00%	100.00%

### Enlace Operativo S.A.

			March 2017	December 2016
<b>Activity:</b>	Information processing services under outsourcing	<b>Asset</b>	18,222	16,656
<b>Location:</b>	Medellin	<b>Liability</b>	5,468	4,612
<b>Country:</b>	Colombia	<b>Equity</b>	12,754	12,044
<b>Date of constitution:</b>	31 May 2006	<b>Income</b>	709	2,861
		<b>Participation</b>	100.00%	100.00%

## OTHERS

### Operaciones Generales Suramericana S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Investment in movable and immovable property	<b>Asset</b>	144,341	131,972
<b>Location:</b>	Medellin	<b>Liability</b>	87,596	84,045
<b>Country:</b>	Colombia	<b>Equity</b>	56,745	47,927
<b>Date of constitution:</b>	24 July 1964	<b>Income</b>	(5,278)	(11,224)
		<b>Participation</b>	81.13%	81.13%

### Servicios Generales Suramericana S.A.

			March 2017	December 2016
<b>Activity:</b>	Investments in movable assets especially stocks, shares, or parts of companies	<b>Asset</b>	471,691	464,883
<b>Location:</b>	Medellin	<b>Liability</b>	212,803	208,373
<b>Country:</b>	Colombia	<b>Equity</b>	258,888	256,510
<b>Date of constitution:</b>	6 December 2002	<b>Income</b>	2,378	3,519
		<b>Participation</b>	81.13%	81.13%

### Consultoría en Gestión de Riesgos Suramericana S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Provision of consulting services in integral risk management	<b>Asset</b>	11,473	13,360
<b>Location:</b>	Medellin	<b>Liability</b>	8,998	11,834
<b>Country:</b>	Colombia	<b>Equity</b>	2,475	1,526
<b>Date of constitution:</b>	15 April 1996	<b>Income</b>	449	386
		<b>Participation</b>	81.13%	81.13%

### Servicios Generales Suramericana S.A. (Panamá)

			March 2017	December 2016
<b>Activity:</b>	Service of inspection, repair, purchase and sale of vehicles	<b>Asset</b>	471	588
<b>Location:</b>	Panama	<b>Liability</b>	366	442
<b>Country:</b>	Panamá	<b>Equity</b>	105	146
<b>Date of constitution:</b>	2 August 2012	<b>Income</b>	(36)	121
		<b>Participation</b>	81.13%	81.13%

### Protección Garantizada LTDA

			March 2017	December 2016
<b>Activity:</b>	Insurance agency	<b>Asset</b>	6,564	5,920
<b>Location:</b>	Bogotá	<b>Liability</b>	5,658	2,794
<b>Country:</b>	Colombia	<b>Equity</b>	906	3,126
<b>Date of constitution:</b>	10 November 2005	<b>Income</b>	871	2,344
		<b>Participation</b>	41.36%	41.36%

### Servicios y Ventas Compañía Limitada

			March 2017	December 2016
<b>Activity:</b>	Provision of services	<b>Asset</b>	61	62
<b>Location:</b>	Santiago	<b>Liability</b>	73	75

<b>Country:</b>	Chile	<b>Equity</b>	(12)	(13)
<b>Date of constitution:</b>	28 January 1997	<b>Income</b>	-	-
		<b>Participation</b>	80.92%	80.92%

#### SURA Real Estate S.A.S.

			March 2017	December 2016
<b>Activity:</b>	Management consulting activities, real estate activities carried out with own or leased property	<b>Asset</b>	2,429	1,096
<b>Location:</b>	Bogotá	<b>Liability</b>	1,569	641
<b>Country:</b>	Colombia	<b>Equity</b>	860	455
<b>Date of constitution:</b>	9 February 2016	<b>Income</b>	405	(2,948)
		<b>Participation</b>	55.09%	55.09%

#### Asesores Sura S.A. de C.V.

			March 2017	December 2016
<b>Asset</b>	The selling products and provision of financial services	<b>Asset</b>	8,576	9,202
<b>Liability</b>	Mexico D.F.	<b>Liability</b>	6,306	7,120
<b>Equity</b>	Mexico	<b>Equity</b>	2,270	2,082
<b>Income</b>	17 October 2000	<b>Income</b>	61	1,170
		<b>Participation</b>	78.71%	78.71%

#### Promotora Sura AM S.A. de C.V.

			March 2017	December 2016
<b>Asset</b>	Provision of marketing services, promotion, and dissemination of products of any kind	<b>Asset</b>	6,762	5,589
<b>Liability</b>	Mexico	<b>Liability</b>	4,744	3,870
<b>Equity</b>	Mexico	<b>Equity</b>	2,018	1,719
<b>Income</b>	23 October 2013	<b>Income</b>	185	587
		<b>Participation</b>	78.71%	78.71%

#### Hipotecaria Sura Empresa Administradora Hipotecaria S.A.

			March 2017	December 2016
<b>Asset</b>	Company dedicated to the granting of mortgages and other financial services	<b>Asset</b>	14,556	15,370
<b>Liability</b>	Lima	<b>Liability</b>	1,752	2,395
<b>Equity</b>	Perú	<b>Equity</b>	12,804	12,975
<b>Income</b>	14 May 2008	<b>Income</b>	(90)	(3,060)
		<b>Participation</b>	55.09%	55.09%



## Changes in the participation of investments

### Year 2017

No movement has occurred in the interests in subsidiaries.

### Year 2016

- By the close of 2016, Dinámica IPS Zonas Francas S.A.S. was liquidated.
- On March 31, 2016, Suramericana acquired control and ownership of Royal & Sun Alliance Seguros Colombia.
- On February 29, 2016, through the company Inversiones Sura Brasil S.A., control is acquired of the company Royal & Sun Alliance Seguros (Brazil).
- On April 30, 2016, Suramericana acquired control of the company Royal & Sun Alliance Seguros Argentina.
- On May 31, 2016, Suramericana acquired control of Royal & Sun Alliance Seguros México - RSA.
- On April 30, 2016, Suramericana acquired control of Royal & Sun Alliance Seguros Chile - RSA.
- On July 1, 2016, Suramericana acquired control of the Royal & Sun Alliance Seguros Uruguay - RSA.
- On June 1, 2016, Grupo Sura S.A. acquires 191,198 shares of Sura Asset Management S.A. to General Atlantic for \$1,758,647, increasing Grupo SURA's stake in this company from 71.4% to 78.7%.
- In April and June 2016, Inversiones y Construcciones Estratégicas, acquired 2,908,153 and 6,519,063 shares of the company Habitat Adulto Mayor S.A. in the amount of \$507 and \$1,153 Million, equivalent to 2.45% and 5.49% of the investment, respectively.
- On March 17, 2016, the company Inversiones y Construcciones Estratégicas, acquired 484,258 shares of Habitat Adulto Mayor S.A. in the amount of \$68, which is equivalent to 0.41% of the investment.
- On March 16, 2016, SURA RE is incorporated in Bermuda, which is licensed to realize insurance and reinsurance business, and whose shareholder is Suramericana S.A. The objective of this company is to foster efficiencies in reinsurance for all operations and to leverage the development of new products, resulting from the Trends and Risk Management Model.
- On February 9, 2016, the subsidiary of Grupo SURA, Sura Investment Management S.A. incorporated Sura Real Estate S.A.S., with a Grupo SURA stake of 55.09%. This company's main activity is the management consulting, real estate activities, carried out with owned or leased property.

## 9.2. Investments accounted for using *the Equity Method*

The balances of investment in associates and joint ventures:

	March 2017	December 2016
Investment in associates (9.2.1)	17,833,092	18,139,274
Joint ventures (9.2.2)	7,572	5,054
<b>Total investments accounted for using the equity method</b>	<b>17,840,664</b>	<b>18,144,328</b>

Gains using *the equity method* in associates and joint ventures:

	March 2017	December 2016
Investment in associates (9.2.1)	249,749	184,458
Joint ventures (9.2.2)	2,676	-
<b>Total investments accounted for using the equity method</b>	<b>252,425</b>	<b>184,458</b>

### 9.2.1. Investments in associates

Herewith, is a breakdown of associates of Grupo SURA, at the close of the reporting period:

			March 2017			December 2016		
Companies	Principal Activity	Country	% Part.	% voting rights	# Shares	% Part.	% voting rights	# Shares
Associates								
Bancolombia S.A.*	Global bank	Colombia	24.44%	46.11%	235,039,870	24.44%	46.11%	235,039,870
Grupo Argos S.A.*	Cement, energy, real estate, and ports	Colombia	26.78%	35.56%	229,534,810	26.78%	35.56%	229,534,810
Grupo Nutresa S.A.	Foods and processed	Colombia	35.17%	35.17%	161,807,155	35.17%	35.17%	161,807,155
Administradora de Fondos de Pensiones y Cesantias Protección S.A.	Pension and severance Funds	Colombia	49.36%	49.36%	12,541,088	49.36%	49.36%	12,541,088
Sodexo Soluciones de Motivación S.A.	Services	Colombia	49.00%	49.00%	261,342	49.00%	49.00%	261,342
Sodexo Colombia S.A.	Services	Colombia	35.00%	35.00%	1,604,015	35.00%	35.00%	1,604,015
Promotora Nacional de Zona Franca S.A.	Logistics services	Colombia	16.77%	16.77%	5,769,024	16.77%	16.77%	5,769,024
Inversiones DCV S.A.	Administration of shareholders' registration	Chile	34.82%	34.82%	3,431	34.82%	34.82%	3,431
Fondos de Cesantías Chile I S.A.	Pension and severance Funds	Chile	22.60%	22.60%	62,401	22.60%	22.60%	62,401
Servicios de Administración Previsional S.A.	Voluntary Funds	Chile	22.64%	22.64%	168,806	22.64%	22.64%	168,806
ARS Palic Salud S.A.	Administration and sales of health plans	Dominican Republic	30.00%	30.00%	247,665	30.00%	30.00%	247,665
Subocol S.A.	Marketing of parts for vehicle reparation	Colombia	50.00%	50.00%	492	50.00%	50.00%	492
Brinks de Colombia S.A. <sup>1</sup>	Transport	Colombia	18.62%	18.62%	3,377,445	18.62%	18.62%	3,377,445
Joint Ventures								
Interejecutiva de Aviación S.A.S. <sup>1</sup>	Administration of Air Transport	Colombia	33.00%	33.00%	1,500,000	33.00%	33.00%	1,500,000
Unión Para La Infraestructura S.A.S.	Fund	Colombia	50.00%	50.00%	-	50.00%	50.00%	-

(\*) **Voting rights:** The percentage with rights to vote, at March of 2017 and December of 2016 of Bancolombia S.A., is 46.11%, the above taking into account, the issue of preference shares, without voting rights, issued for this associate. For other investments in associates, the percentage of interest is equal to the voting rights.

<sup>1</sup> Despite not having more than 20% of stake in the investment in the Brinks de Colombia S.A., this investment is classified as an associate, since Grupo SURA has a member on the Board of Directors of the company and can participate in the decision making of the same.

## Investment balances

The following are the balances of associates:

Investments in associates	March 2017	December 2016
Bancolombia S.A.	7,239,293	7,337,334
Grupo Argos S.A.	4,810,259	4,952,061
Grupo Nutresa S.A.	4,691,406	4,716,733
Administradora of Fondos of Pensiones y Cesantías Protección S.A.	998,777	1,045,581
Others	93,357	87,565
<b>Total</b>	<b>17,833,092</b>	<b>18,139,274</b>

## Financial information of associates

Assets, liabilities, equity, and profit for the period, of each of the associated companies, included in the Consolidated Financial Statements of the Company, at March 31, 2017 and December 31, 2016, are as follows:

March 2017	Location	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
Bancolombia S.A.*	Colombia	196,720,146	-	174,669,777	-	22,050,369	2,855,213	632,053	187,940	819,993
Grupo Argos S.A.*	Colombia	7,081,471	39,934,961	9,831,420	14,049,072	23,135,941	3,357,194	144,807	(299,518)	(154,712)
Grupo Nutresa S.A.*	Colombia	2,559,775	2,673,763	11,162,330	2,077,402	3,443,996	8,314,695	2,041,823	139,828	2,181,651
Administradora de Fondo de Pensiones y Cesantías Protección S.A.*	Colombia	1,823,563	1,948,070	-	752,576	1,195,493		74,800	14,132	88,932

December 2016	Location	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
Bancolombia S.A.*	Colombia	196,793,694	-	174,316,713	-	22,476,981	11,208,757	2,954,947	(136,965)	2,817,982
Grupo Argos S.A.*	Colombia	6,311,642	38,644,950	7,287,461	13,827,517	23,841,614	14,552,884	1,132,002	(104,865)	1,027,136
Grupo Nutresa S.A.*	Colombia	2,559,775	11,139,779	2,113,963	3,198,716	8,386,875	8,676,640	399,691	177,017	576,708
Administradora de Fondo de Pensiones y	Colombia	1,823,563	-	522,260	-	1,301,303	-	240,610	-	240,610

Cesantías Protección S.A.*										
Sodexo Soluciones de Motivación S.A.	Colombia	137,928	3,361	138,581	-	2,709	24,461	305	-	305
Sodexo Colombia S.A.	Colombia	98,220	8,002	94,974	-	11,248	463,951	8,797	-	8,797
Inversiones DCV S.A.	Chile	14,397	-	19	-	14,378	-	3,030	-	3,030
Servicios de Administración Previsional S.A.	Chile	92,681	-	33,309	-	59,372	-	48,310	-	48,310
ARS Palic Salud S.A.	Dominican Republic	253,269	-	167,631	-	85,638	-	23,478	-	23,478
Subocol S.A.	Colombia	3,174	-	1,752	-	1,422	-	(30)	-	(30)
Brinks de Colombia S.A.	Colombia	152,873	-	55,216	-	97,657	-	18,503	-	18,503
<b>Joint ventures:</b>										
Interejecutiva de Aviación S.A.S.	Colombia	78,370	-	66,922	-	11,448	48,551	7,551	-	7,551

\*Figures taken from the Consolidated Financial Statements

Some of the investments in associates of Grupo SURA in Bancolombia S.A., Inversiones Argos S.A., Nutresa S.A., and Protección S.A., which are listed on the Colombian Stock Exchange, presented a closing price higher than the previous year's closing, showing a better performance as shown below, except for the Nutresa Group:

Associates	March 2017	December 2016	Variation
Bancolombia S.A.	26,260	25,220	4.12%
Inversiones Argos S.A.	20,240	19,280	4.98%
Grupo Nutresa S.A.	24,380	24,900	-2.09%
Fondo de Pensiones y Cesantías Protección S.A.	86,399	75,017	15.17%

Likewise, the fundamentals of the comportment of these issuers, is that of a positive manner and with interesting growth prospects, supported by the investments and growth plans realized, in recent years.

In addition, the market price at which these shares are traded is above the equity value in the consolidated of the company.

### Movement of investments in associates

	Bancolombia S.A.	Grupo Argos S.A.	Grupo Nutresa S.A.	Administradora de Fondos de Pensiones y Cesantías Protección S.A.	Others	Total
Balance at December 31, 2015	7,246,354	4,779,890	4,611,737	1,023,590	98,094	17,759,665

Derecognition	(476,756)	(9,424)	(17,962)		(13,183)	(517,325)
Income from <i>the Equity Method</i>	700,195	62,998	139,164	101,803	28,402	<b>1,032,562</b>
Change in equity	82,318	119,504	64,374	2,144	(4,079)	<b>264,261</b>
(-) Dividends	(214,777)	(908)	(80,580)	(81,956)	(21,091)	<b>(399,312)</b>
Others	-				(577)	<b>(577)</b>
<b>Balance at December 31, 2016</b>	<b>7,337,334</b>	<b>4,952,060</b>	<b>4,716,733</b>	<b>1,045,581</b>	<b>87,566</b>	<b>18,139,274</b>
Income from <i>the Equity Method</i>	148,760	10,464	48,934	33,302	8,289	<b>249,749</b>
Change in equity	(23,419)	(89,268)	12,144	8,231	(911)	<b>(93,223)</b>
(-) Dividends	(223,382)	(62,998)	(86,405)	(88,338)	(98)	<b>(461,221)</b>
Others					(1,487)	<b>(1,487)</b>
<b>Balance at March 31, 2017</b>	<b>7,239,293</b>	<b>4,810,258</b>	<b>4,691,406</b>	<b>998,776</b>	<b>93,359</b>	<b>17,833,092</b>

## Restrictions and commitments

At the closing date, there are no restrictions or commitments to investments in associates.

### 9.2.2. Joint Ventures

#### Cost of investment in joint ventures

The following breakdown of costs of investments in joint ventures, at March 31, 2017 and December 31, 2016, is as follows:

	Interejecutiva	UPI	Total
<b>Balance at December 31, 2015</b>	-	-	-
Reclasificación <sup>1</sup>	552	-	<b>552</b>
Additions	1,496	-	<b>1,496</b>
Profit from <i>the Equity Method</i>	2,517	1,238	<b>3,755</b>
Change in equity	(749)	-	<b>(749)</b>
<b>Balance at December 31, 2016</b>	<b>3,816</b>	<b>1,238</b>	<b>5,054</b>
Profit from <i>the Equity Method</i>	2,137	381	<b>2,518</b>
<b>Balance at March 31, 2017</b>	<b>5,953</b>	<b>1,619</b>	<b>7,572</b>

At December 1, 2016, a reclassification was realized to joint ventures in the amount of \$552, in 2016. Grupo SURA capitalized through its subsidiary Inversiones y Construcciones Estratégicas, 200,000 shares, in the amount of \$1,496 million Pesos of Internacional Ejecutiva de Aviación S.A.S.

At the closing date, there were no restrictions in investments of joint ventures.

## NOTE 10. PROVISIONS

	March 2017	December 2016
Litigations in process (*)	167,802	131,111
Other provisions	49,954	102,035
Labor lawsuits	11,066	14,121
	<b>228,822</b>	<b>247,267</b>

(\*) As of March 2017, a provision of 37,666 was recognized, due to a process initiated by the National Tax and Customs Office (DIAN), where resolutions were recently received as a decision to the appeals of the reconsideration, where the values proposed by the DIAN are confirmed, in the official liquidation of review. The resolutions of the appeals originate in differences of interpretation with the DIAN in the income tax assessments for the years 2009, 2010, 2011, and 2013, a situation that was announced to the market in the Relevant Information on March 23, 2016.

Based on the stipulations of Law 1819 of 2016 on Tax Reform, the Company carries out the analysis to realize a reconciliation process with the DIAN, with respect to the value of the aforementioned processes. This procedure will be subject to the regulations issued by the National Government, on the occasion of the reform. The mentioned proceeding will allow a solution to the differences with the tax authority without implying acceptance of any responsibility on the part of the Company, who maintains its criterion against the interpretation of the tax norm that gave origin to the difference.

## NOTE 11. SECURITIES ISSUED

The following is a summary of debt instruments issued:

	March 2017	December 2016
Outstanding shares (1)	6,278,059	5,830,111
Preference shares (2)	434,823	208,813
	<b>6,712,882</b>	<b>6,038,924</b>

<sup>1</sup> **Outstanding bonds:** Below is a detail of the bonds issued:

Issuer Company	Longer Maturity	Date issued	Maturity	March 2017	December 2016
Grupo Sura	4 years	07-may-16	07-may-20	100,744	101,003
Grupo Sura	5 years	07-may-14	07-may-19	104,200	104,216
Grupo Sura	9 years	07-may-14	07-may-23	224,999	225,075
Grupo Sura	10 years	07-may-14	07-may-24	54,368	54,480
Grupo Sura	16 years	07-may-14	07-may-30	100,681	100,727
Grupo Sura	20 years	25-nov-09	25-nov-29	96,404	96,678
Grupo Sura	40 years	25-nov-09	25-nov-49	95,489	95,789

Grupo Sura	5 years	23-feb-17	23-feb-22	194,405	-
Grupo Sura	7 years	23-feb-17	23-feb-24	166,461	-
Grupo Sura	12 years	23-feb-17	23-feb-29	192,098	-
Suramericana S.A.	15 years	22- June -16	05- Apr -31	996,494	997,525
Grupo Sura Finance S.A.	10 years	11-may-11	19-mar-21	879,126	901,121
Grupo Sura Finance S.A.	10 years	29- Apr -16	29- Apr -26	1,600,471	1,641,071
Sura Asset Management S.A.	10 years	01- Apr -14	08-feb-24	1,472,118	1,512,427
				<b>6,278,059</b>	<b>5,830,111</b>

## <sup>2</sup> Preference shares:

- On November 29, 2011, an issuance of 106,334,963 preference shares, in the amount off \$32,500 (Colombian Pesos) was realized; from the date of issuance and for 3 years, a quarterly dividend of 3% EAR is paid, on the value of the issuance. As of 2016, 0.5% EAR is payable quarterly, on the price of the issuance.
- On March 31, 2017, the Shareholders' Meeting approved the amendments to the Regulation for the Issuance and Placement of Preference Shares issued in 2011, which establishes the payment of a minimum preferential dividend equivalent to one percent (1%) per annum, over the sum, equivalent to the Reference Subscription Price (as defined below), provided that the value resulting from this calculation exceeds the dividend decreed for the common shares; otherwise the latter will be recognized.

For these purposes, the Reference Subscription Price shall mean the subscription price of preference shares in any placement of preference shares, by the Company in the most recent primary market operation, most recently approved by the General Meeting, including, but not limited to, issuances and public offerings, private issues, capitalization of credits, dividend payment in shares, among others. In no case, shall it be understood that the Reference Subscription Price will correspond to the trading price of the preference shares, in the secondary market. The General Meeting of Shareholders shall determine the form and dates of payments, of the dividend of the preference shares, under conditions equal to those of the dividend, of the common shares.

The previous dividend will be paid in preference to the dividend that corresponds to the ordinary shares.

In addition, on March 31<sup>st</sup>, the Board of Directors of the Company, fixed the subscription price of the preference shares that would be delivered for the payment of dividends in shares at thirty-five thousand nine hundred seventy-three pesos (\$ 35,973).

This entailed an increase in liabilities of 226,085 and its counterpart was a decrease in equity in the premium issued.

## NOTE 12. SHAREHOLDER COMPOSITION AND DECLARED DIVIDENDS

The following chart summarizes the information related to Shareholder composition of Grupo Sura, as well as, the Book of Register of Shareholders:



Shareholders	March 2017		December 2016	
	No. of shares	% Part.	No. of shares	% Part.
Grupo Argos S.A.	129,286,515	22.47%	129,721,643	22.55%
Grupo Nutresa S.A.	59,387,803	10.32%	59,387,803	10.32%
Fondo de Pensiones Obligatorias Porvenir Moderado	53,697,422	9.33%	53,698,083	9.33%
Fondo de Pensiones Obligatorias Protección Moderado	47,486,934	8.25%	46,742,019	8.12%
Cementos Argos S.A.	28,183,262	4.90%	28,183,262	4.90%
Harbor International Fund	22,609,072	3.93%	19,027,442	3.31%
Fondo de Pensiones Obligatorias Colfondo Moderado	17,121,111	2.98%	17,156,090	2.98%
Oppenheimer Developing Markets Fund	13,294,923	2.31%	16,843,317	2.93%
Fondo Bursátil Ishares Colcap	10,306,164	1.79%	9,496,987	1.65%
Fundación Grupo Argos	10,101,423	1.76%	9,649,348	1.68%
Colombiana De Comercio Sa Corbeta Y/O Alkosto S.A.	10,000,000	1.74%	10,000,000	1.74%
Old Mutual Fondo De Pens. Obligatorias – Moderado	6,933,937	1.21%	6,933,937	1.21%
Other Shareholders with participation less than 1%	166,963,657	29.02%	168,532,292	29.29%
<b>Total</b>	<b>575,372,223</b>	<b>100.00%</b>	<b>575,372,223</b>	<b>100.00%</b>

The following is a breakdown of paid and declared dividends at the closing date:

<b>Dividends payable at December 31, 2015</b>	<b>62,509</b>
Ordinary declared	213,721
Preference declared	48,489
<b>Subtotal declared dividends</b>	<b>262,210</b>
Paid ordinary shares	(209,203)
Paid preference shares	(47,581)
<b>Subtotal dividends paid</b>	<b>(256,784)</b>
<b>Dividends payable at December 31, 2017 (Nota 5.2)</b>	<b>67,935</b>
Ordinary declared (*)	379,775
Preference declared	51,891
<b>Subtotal dividends declared</b>	<b>431,666</b>
Paid ordinary shares	(53,418)
Paid preference shares	(12,121)
<b>Subtotal dividends paid</b>	<b>(65,539)</b>
<b>Dividends payable at March 31, 2017 (Nota 5.2)</b>	<b>434,061</b>

(\*) The following is a breakdown of dividends payable at March 2017, by Company:

Dividend	
Grupo SURA	262,372
Sura Asset Management	84,564
Suramericana	32,839
	<b>379,775</b>



### NOTE 13. NON-CONTROLLING INTEREST

Non-controlling interest attributable to third-parties interest, in the investments held, is herewith represented:

March 2017	% Non-controlling interest	Non- controlling equity	Non-controlling Results
Sura Asset Management S.A.	21.29%	1,731,409	36,421
Suramericana S.A.	18.87%	744,117	27,307
Seguros Sura Perú S.A.	30.71%	180,285	1,834
AFP Capital S.A.	0.29%	8,902	282
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.89%	5,422	171
Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.)	0.52%	4,003	(32)
Hipotecaria SURA Empresa Administradora Hipotecaria EAH S.A.	30.00%	3,814	(27)
Hábitat Adulto Mayor S.A.	17.34%	3,793	69
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	0.62%	1,132	43
Protección Garantizada LTDA	49.02%	444	427
Seguros Generales Suramericana S.A.	0.03%	214	5
AFP Integra S.A.	0.00%	10	-
Asesuisa Vida, S.A. Seguros de Personas	0.00%	3	-
Financia Expreso RSA S.A.	0.03%	2	-
Seguros Sura S.A. (Dominican Republic)	0.00%	2	-
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Brazil) S.A.)	0.00%	1	-
Aseguradora de Créditos y Garantías S.A.	0.01%	1	-
Sura Real Estate S.A.S.	30.00%	(639)	121
Planeco Panamá S.A.	4.72%	(964)	(103)
		<b>2,681,951</b>	<b>66,518</b>

December 2016	% Non-controlling interest	Non- controlling equity	Non-controlling Results
Sura Asset Management S.A.	21.29%	1,745,620	126,369
Suramericana S.A.	18.87%	760,802	75,422
Seguros Sura Perú S.A.	30.71%	202,317	24,591
AFP Capital S.A.	0.29%	9,382	882
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.89%	5,453	718
Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.)	0.52%	4,112	(41)
Hábitat Adulto Mayor S.A.	17.34%	3,724	203
Hipotecaria SURA Empresa Administradora Hipotecaria EAH S.A.	30.00%	2,975	(918)
Protección Garantizada LTDA	49.02%	1,533	1,149
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	0.62%	1,105	130
Seguros Generales Suramericana S.A.	0.03%	218	10
AFP Integra S.A.	0.00%	11	1
Asesuisa Vida, S.A. Seguros de Personas	0.00%	3	1
Seguros Sura S.A. (Dominican Republic)	0.00%	2	-
Financia Expreso RSA S.A.	0.03%	2	(1)
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Brazil) S.A.)	0.00%	1	-
Aseguradora de Créditos y Garantías S.A.	0.01%	1	-
Planeco Panamá S.A.	4.72%	(897)	(438)
Sura Real Estate S.A.S.	30.00%	(1,765)	(884)
		<b>2,734,599</b>	<b>227,194</b>

Non-controlling interest of equity is presented below:

	March 2017	December 2016
Social Capital	3,974	4,002
Reserves	331,250	247,039
Other comprehensive Income	253,249	246,336
Profit	66,518	227,194
Accumulated gains	2,026,959	2,010,028
	<b>2,681,950</b>	<b>2,734,599</b>

## NOTE 14. OPERATING SEGMENTS

### 14.1 Segments on which should be reported

For purposes of management, Grupo SURA is organized into business units, according to services provided. Said units of business, are divided, by the following reportable segments:

1. Insurance: Includes companies dedicated to the coverage of the risks, in charge of ensuring or indemnifying all or parts of damages incurred by the appearance of determined accidental situations.

1.1. Life: are classified as companies covering personal risks.

1.2. Non-life: are insurance companies that cover risks different from personal damages

2. Administration of funds:

2.1. Mandatory: the main activity concerns the collection and management of contributions made for employees in individual mandatory savings accounts, or in turn, the administration and payment of the benefits, established for the pension system.

2.2. Voluntary: the main activity focuses on voluntary pension savings, annuities, et. Al.

3. Corporate: Under this segment, are the holding companies, whose main objective is the acquisition of vehicles of investment. Additionally, other services that are not directly related to the strategy of business, but that complement the offer of services, are included.

4. Services:

4.1. Outsourcing: in this segment are the companies dedicated to services and marketing of products and solutions in telecommunications and services of processing of information included in

4.2. Health: Includes companies dedicated the provision of services of health, both mandatory and prepaid medicine

4.3. Others: are services that are not directly related to the strategy of business, but that complement the

services offered.

The highest authority in the of decision-making of the segments of Grupo SURA, are the Financial Vice Presidencies of subsidiaries, and Grupo SURA, who is in charge of supervising the operating results of the segments of operation, separately, for the purpose of making decisions over the allocation of resources and assessment of performance.

The performance of the segments is evaluated on the basis of the gains or losses for operations, before taxes, and are measured in a uniform manner, with the loss or gain, for operations of the Consolidated Financial Statements.

The following is a breakdown by Company, as they are segmented, by operation:

Entity	Corporate	Administrator of Funds		Insurance		Services		
		Mandatory	Voluntary	Life	Non-life Vida	Health	Outsourcing	Others
Grupo de Inversiones Suramericana S.A.	X							
Suramericana S.A.	X							
Inversura Panamá Internacional S.A.	X							
Inversiones Sura Brasil S.A.S.	X							
Arus Holding S.A.S.	X							
Inversiones y Construcciones Estratégicas S.A.S.	X							
Grupo de Inversiones Suramericana Panamá S.A.	X							
Planeco Panamá S.A.	X							
Grupo SURA Finance S.A.	X							
Financia Expreso RSA S.A.	X							
Santa Maria del Sol S.A. (Argentina)	X							
Atlantis Sociedad Inversora S.A.	X							
Chilean Holding Suramericana SPA (Formerly RSA Chilean Holding SpA)	X							
Inversiones Suramericana Chile Limitada (Formerly Inversiones RSA Chile Limitada)	X							
Sura Asset Management S.A.	X							
Activos Estratégicos Sura A.M. Colombia S.A.S.	X							
Sura Investment Management Colombia S.A.S.	X							
SURA Asset Management España S.L.	X							
Grupo de Inversiones Suramericana Holanda B.V.	X							
Grupo SURA Chile Holdings I B.V.	X							
SURA Asset Management Chile S.A.	X							
Sura Data Chile S.A.	X							
SURA Servicios Profesionales S.A.	X							
Santa María Internacional S.A. (Chile)	X							
Grupo SURA Latin American Holdings B.V.	X							
SUAM Finance B.V.	X							
Sura Asset Management México S.A. de C.V.	X							
Sura Art Corporation S.A. de C.V.	X							
Sura Asset Management Perú S.A.	X							
Sura Asset Management Uruguay Sociedad de Inversión S.A. (Formerly Tublyr S.A.)	X							
AFAP Sura S.A.		X	X					
AFP Capital S.A.		X	X					

Entity	Corporate	Administrator of Funds		Insurance		Services		
		Mandatory	Voluntary	Life	Non-life Vida	Health	Outsourcing	Others
Afore Sura S.A. de C.V.		X	X					
AFP Integra S.A.		X	X					
Corredores de Bolsa Sura S.A.			X					
Administradora General de Fondos Sura S.A.			X					
Sura Investment Management S.A. de C.V.			X					
Fondos Sura SAF S.A.C.			X					
Sociedad Agente de Bolsa S.A.			X					
Corredor de Bolsa SURA S.A.			X					
AFISA SURA S.A.			X					
Seguros de Vida Suramericana S.A. (Colombia)					X			
Seguros de Riesgos Laborales Suramericana S.A.					X			
Asesuisa Vida, S.A. Seguros de Personas					X			
Seguros de Vida Suramericana S.A (Formerly RSA Seguros de Vida S.A.) (Chile)					X			
Seguros de Vida Sura S.A. (Chile)					X			
Pensiones Sura S.A. de C.V.					X			
Seguros de Vida SURA México S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)					X			
Seguros Sura S.A. (Formerly Invita) (Perú)					X			
SUAM Corredora de Seguros S.A. de C.V.					X			
Disgely S.A.					X			
Seguros Generales Suramericana S.A. (Colombia)						X		
Seguros Sura S.A. (Dominican Republic)						X		
Seguros Suramericana Panamá S.A.						X		
Aseguradora Suiza Salvadoreña S.A. Asesuisa						X		
Sura RE						X		
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Brazil) S.A.) (Brazil)						X		
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.) (Argentina)						X		
Aseguradora de Créditos y Garantías S.A.						X		
Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.) (Chile)						X		
Seguros Sura, S.A de C.V. (Formerly Royal & Sun Alliance Seguros (México) S.A. de C.V.) (México)						X		
Seguros Sura S.A. (Formerly Royal & Sun Alliance Seguros S.A.) (Uruguay)						X		
EPS y Medicina Prepagada Suramericana S.A.							X	
Servicios de Salud IPS Suramericana S.A.							X	
Diagnóstico y Asistencia Médica S.A.							X	
Hábitat Adulto Mayor S.A.							X	
Arus S.A.								X
Enlace Operativo S.A.								X
Operaciones Generales Suramericana S.A.S.								X
Servicios Generales Suramericana S.A. (Colombia)								X
Consultoría en Gestión de Riesgos Suramericana S.A.S.								X
Servicios Generales Suramericana S.A. (Panamá)								X
Protección Garantizada LTDA								X
Servicios y Ventas Compañía Limitada								X
SURA Real Estate S.A.S.								X
Asesores Sura S.A. de C.V.								X

Entity	Corporate	Administrator of Funds		Insurance		Services		
		Mandatory	Voluntary	Life	Non-life Vida	Health	Outsourcing	Others
Promotora Sura AM S.A. de C.V.								X
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.								X

## 14.2 The Information by operating segments:

### Consolidated Income Statement at March 31, 2017, by Operating Segments

March 2017	Corporate	Administration of Funds		Insurance		Services			Eliminations	Total
		Mandatory	Voluntary	Life	Non-life	Health	Outsourcing	Others		
Premiums issued	-	-	255,871	1,413,571	1,524,279	-	-	-	(6,587)	3,187,134
Premiums ceded	-	-	(431)	(71,784)	(315,090)	-	-	-	1,989	(385,316)
Retained premiums (net)	-	-	255,440	1,341,787	1,209,189	-	-	-	(4,598)	2,801,818
Commission income	13	411,341	46,009	11,186	75,496	53	5	2,532	(1,633)	545,003
Provisions of Servicios	93	-	-	200	-	720,547	46,341	42,262	(165,503)	643,940
Dividends	8,778	-	150	2,061	41	-	-	-	-	11,030
Investment income	12,062	1,355	14,698	271,256	34,131	-	323	14,312	(1,500)	346,637
Gains at fair value	(80,215)	80,418	62,178	91,322	57,405	4,523	-	20	-	215,651
Gains from the Equity Method, Associates	184,488	38,136	2,495	1,832	13,715	1,686	-	10,074	-	252,426
Gains in sales of investments	4,850	1,742	16,444	3,544	2,024	12	-	1	-	28,616
Income from investment properties	96	84	1,730	15,758	2,425	405	-	486	(2,705)	18,279
Exchange differences (Net)	73,214	(5,502)	(281)	(3,809)	(5,367)	(17)	44	(97)	-	58,187
Other income	37,172	4,902	(4,453)	41,426	34,409	4,410	177	941	(36,824)	82,160
Total income	240,551	532,477	394,411	1,776,563	1,423,468	731,619	46,891	70,529	(212,763)	5,003,747
Total claims	-	-	(122,147)	(840,015)	(1,071,907)	-	-	-	24,415	(2,009,655)
Reimbursement of claims	-	-	-	46,577	432,833	-	-	-	(1,494)	477,916
Retained claims	-	-	(122,147)	(793,438)	(639,074)	-	-	-	22,921	(1,531,739)
Reserves net of production	-	-	(203,335)	(339,855)	4,294	-	-	-	-	(538,896)
Costs of provision of services	-	-	-	(42,375)	-	(637,836)	(37,282)	(32,137)	110,956	(638,673)
Administrative expenses	(86,759)	(44,570)	(9,677)	(106,993)	(168,103)	(40,264)	(1,778)	(9,551)	16,529	(451,167)
Employee benefits	(24,776)	(88,969)	(50,431)	(92,392)	(128,324)	(32,409)	(4,983)	(6,296)	268	(428,312)
Fees	(8,298)	(6,942)	(2,590)	(85,594)	(76,093)	(1,609)	(157)	(2,568)	24,213	(159,640)
Broker commissions	(45)	(35,896)	(8,065)	(95,755)	(300,606)	(1,042)	-	-	982	(440,426)
Amortization	(27,789)	(8,903)	(1,462)	(1,792)	(30,323)	(51)	(22)	-	-	(70,343)
Depreciation	(2,711)	(4,609)	(1,072)	(2,224)	(5,021)	(1,561)	(1,458)	(278)	-	(18,935)
Others expenses	-	-	-	(12,209)	(43,711)	(176)	-	(3)	-	(56,098)
Interest	(177,579)	(769)	(242)	(309)	(2,025)	(2,109)	(574)	(5,763)	36,897	(152,473)
Impairment	547	-	722	(4,524)	(8,730)	(73)	(89)	922	-	(11,224)
Total expenses	(327,411)	(190,658)	(398,299)	(1,577,460)	(1,397,714)	(717,130)	(46,344)	(55,675)	212,766	(4,497,926)
Gains before taxes	(86,860)	341,819	(3,888)	199,103	25,754	14,489	547	14,855	3	505,821
Income taxes	(22,367)	(80,290)	313	(5,267)	17,087	(2,979)	34	(6,865)	-	(100,334)
Gains, net	(109,226)	261,529	(3,576)	193,836	42,841	11,510	582	7,990	3	405,487
Controlling gains	(112,855)	262,995	(2,082)	192,300	42,841	11,510	582	8,017	(64,338)	338,969
Non-controlling gains	3,629	(1,466)	(1,494)	1,535	-	-	-	(27)	64,341	66,518

### Consolidated Income Statement at March 31, 2016, by Segments

March 2016	Corporate	Administration of Funds	Insurance	Services	Eliminations	Corporate
------------	-----------	-------------------------	-----------	----------	--------------	-----------

		Mandatory	Voluntary	Life	Non-life		Mandatory	Voluntary	Life	
Premiums issued	-	-	216,370	1,376,612	588,399	-	-	-	(13,525)	2,167,856
Premiums ceded	-	-	(1,369)	(42,738)	(155,697)	-	-	-	4,634	(195,170)
<b>Retained premiums (net)</b>	<b>-</b>	<b>-</b>	<b>215,001</b>	<b>1,333,874</b>	<b>432,702</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,891)</b>	<b>1,972,686</b>
Commission income	24	443,447	40,358	2,865	38,363	2	-	786	(497)	525,348
Provisions of Servicios	182	-	-	194	-	609,229	46,077	35,608	(133,109)	558,181
Dividends	65,757	-	361	5,442	145	0	-	(0)	-	71,705
Investment income	(8,757)	5,105	(14,279)	275,572	26,628	5	-	12,788	(1,808)	295,254
Gains (losses) at fair value	(3,779)	6,596	(7,159)	99,416	(4,330)	5,834	-	-	-	96,578
Gains (losses) from <i>the Equity Method, Associates</i>	148,967	24,158	3,455	(106)	883	398	-	6,703	-	184,458
Gains (losses) in sales of investments	8,932	478	(1,733)	(4,896)	195	9	-	1	(1)	2,985
Income from investment properties	408	87	1,875	13,405	2,135	378	-	334	(2,534)	16,088
Exchange differences (Net)	201,319	(2,442)	1,235	(5,084)	2,570	(20)	742	(107)	-	198,213
Other income	17,758	602	(1,003)	11,715	12,736	4,373	376	639	(18,747)	28,449
<b>Total income</b>	<b>430,811</b>	<b>478,031</b>	<b>238,111</b>	<b>1,732,397</b>	<b>512,027</b>	<b>620,208</b>	<b>47,195</b>	<b>56,752</b>	<b>(165,587)</b>	<b>3,949,945</b>
Total claims	-	-	(81,480)	(712,275)	(341,245)	-	-	-	19,450	(1,115,550)
Reimbursement of claims	-	-	-	37,699	87,589	-	-	-	(1,835)	123,453
<b>Retained claims</b>	<b>-</b>	<b>-</b>	<b>(81,480)</b>	<b>(674,576)</b>	<b>(253,656)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,615</b>	<b>(992,097)</b>
Reserves net of production	-	-	(91,351)	(450,359)	(11,524)	-	-	-	-	(553,234)
Costs of provision of services	-	-	-	(39,620)	-	(536,126)	(35,702)	(28,962)	85,712	(554,698)
Administrative expenses	(100,400)	(50,870)	(7,444)	(113,490)	(63,551)	(44,229)	(2,073)	(9,591)	19,542	(372,106)
Employee benefits	(19,824)	(86,237)	(47,964)	(94,471)	(35,938)	(24,709)	(4,319)	(5,104)	213	(318,353)
Honorariums	(11,056)	(7,604)	(3,146)	(68,841)	(54,276)	(2,497)	(202)	(3,382)	22,875	(128,129)
Intermediary commissions	-	(34,982)	(8,189)	(87,099)	(73,586)	(1,198)	-	-	-	(205,054)
Amortization	(31,985)	(9,634)	(1,135)	(965)	(1,277)	(51)	(377)	(14)	-	(45,438)
Depreciation	(2,725)	(4,596)	(1,111)	(1,690)	(2,287)	(1,194)	(1,667)	(197)	-	(15,467)
Other expenses	-	-	-	(11,223)	(16,392)	(225)	-	(8)	(1)	(27,849)
Interest	(104,989)	(1,187)	(836)	(642)	(1,675)	(1,249)	(330)	(4,400)	19,576	(95,732)
Impairment	(33)	-	10	(7,791)	(2,063)	(642)	163	(449)	-	(10,805)
<b>Total expenses</b>	<b>(271,012)</b>	<b>(195,110)</b>	<b>(242,646)</b>	<b>(1,550,767)</b>	<b>(516,225)</b>	<b>(612,120)</b>	<b>(44,507)</b>	<b>(52,107)</b>	<b>165,532</b>	<b>(3,318,962)</b>
<b>Gains (Loss), before taxes</b>	<b>159,799</b>	<b>282,921</b>	<b>(4,535)</b>	<b>181,630</b>	<b>(4,198)</b>	<b>8,088</b>	<b>2,688</b>	<b>4,645</b>	<b>(55)</b>	<b>630,983</b>
Income tax	(39,467)	(67,712)	2,231	(4,677)	(3,209)	(1,986)	(1,305)	(8,319)	-	(124,444)
<b>Gains (losses), Net</b>	<b>120,332</b>	<b>215,209</b>	<b>(2,304)</b>	<b>176,953</b>	<b>(7,407)</b>	<b>6,102</b>	<b>1,383</b>	<b>(3,674)</b>	<b>(55)</b>	<b>506,539</b>
Controlling gains	116,738	216,834	1,683	167,892	(7,407)	6,102	1,383	(3,661)	(46,212)	453,352
Non-controlling gains	3,594	(1,625)	(3,987)	9,061	-	-	-	(13)	46,157	53,187

Income between segments is eliminated in consolidation and are recognized under "adjustments and eliminations". All other adjustments and eliminations are part of the reconciliation, presented above.

### 14.3 Geographical information

Grupo SURA holds investments in the following Countries: Argentina, Bermuda, Brazil, Cayman Islands, Colombia, Chile, Curacao, Dominican Republic, El Salvador, Holland, Luxemburg, Mexico, Panama, Peru, Spain, and Uruguay.

The following table highlights the distribution of income by geographical area:

	Argentina	Bermuda	Brazil	Chile	Colombia	Spain	Holland	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total
March 2017	296,813	49	139,050	1,079,525	2,509,264	-	-	453,624	94,124	246,057	33,433	66,932	84,876	5,003,747
March 2016	-	-	-	681,991	2,378,038	(48)	(7)	355,544	100,787	309,007	32,671	72,652	19,310	3,949,945

The following is the distribution of assets by geographical area:

	Argentina	Bermuda	Brazil	Chile	Colombia	Curacao	Spain	Holland	México	Panamá	Peru	Dominican Republic	El Salvador	Uruguay	Total
March 2017	1,559,225	15,121	1,017,294	15,334,398	37,236,603	1,261,314	2,787	1,524,795	3,134,072	996,899	5,020,119	282,741	592,140	675,979	68,653,487
December 2016	1,503,107	15,891	1,037,458	17,070,341	32,504,507	324	3,163	552	5,229,700	1,092,798	7,468,287	295,929	611,432	983,552	67,817,041

The following table highlights net gains, by country:

	Argentina	Bermuda	Brazil	Chile	Colombia	Curacao	Spain	Holland	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total
March 2017	8,007	(137)	(7,585)	107,732	198,123	(17,981)	(305)	(206)	59,023	2,699	39,897	2,162	5,965	8,093	405,487
March 2016	-	(226)	-	58,344	343,548	(19,826)	(431)	(188)	68,460	(3,771)	57,141	(3,306)	415	6,379	506,539

### 14.4 Income Statement

The following is an overview of the Income Statement of Grupo of Inversiones Suramericana, by Company:

March 2017	Grupo SURA	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS Holding and Subsidiaries	Others	Eliminations and Adjustments	Total
Premiums issued	-	2,529,516	658,322	-	-	(704)	3,187,134
Premiums ceded	-	(340,202)	(45,114)	-	-	-	(385,316)
<b>Retained premiums (net)</b>	<b>-</b>	<b>2,189,314</b>	<b>613,208</b>	<b>-</b>	<b>-</b>	<b>(704)</b>	<b>2,801,818</b>
Commission income	-	87,381	457,664	5	13	(60)	545,003
Provisions of Servicios	-	603,131	93	46,341	2,490	(8,115)	643,940
Dividends	7,631	264	1,987	-	1,148	-	11,030
Investment income	8,510	159,167	178,566	326	68	-	346,637
Gains at fair value	(96,471)	140,783	166,727	-	4,612	-	215,651
Gains from <i>the Equity Method</i> , Associates	210,839	929	40,658	-	-	-	252,426
Gains in sales of investments	1,214	2,090	25,312	-	-	-	28,616
Income from investment properties	-	928	17,265	-	87	(1)	18,279
Exchange differences (Net)	63,932	(12,183)	6,396	44	(2)	-	58,187



Other income	2,675	77,899	1,375	178	33	-	82,160
<b>Total income</b>	<b>198,330</b>	<b>3,249,703</b>	<b>1,509,251</b>	<b>46,894</b>	<b>8,449</b>	<b>(8,880)</b>	<b>5,003,747</b>

Total claims	-	(1,724,314)	(286,418)	-	-	1,077	(2,009,655)
Reimbursement of claims	-	477,916	-	-	-	-	477,916
<b>Retained claims</b>	<b>-</b>	<b>(1,246,398)</b>	<b>(286,418)</b>	<b>-</b>	<b>-</b>	<b>1,077</b>	<b>(1,531,739)</b>
Reserves net of production	-	(20,893)	(518,003)	-	-	-	(538,896)
Costs of provision of services	-	(600,067)	-	(37,282)	(1,425)	101	(638,673)
Administrative expenses	(44,477)	(300,693)	(111,090)	(1,781)	(543)	7,417	(451,167)
Employee benefits	(5,013)	(245,254)	(173,028)	(4,983)	(185)	151	(428,312)
Fees	(1,682)	(143,110)	(14,721)	(168)	(78)	119	(159,640)
Broker commissions	-	(393,446)	(46,980)	-	-	-	(440,426)
Amortization	-	(31,217)	(39,104)	(22)	-	-	(70,343)
Depreciation	(226)	(7,973)	(7,680)	(1,458)	(1,598)	-	(18,935)
Other expenses	-	(56,098)	-	-	-	-	(56,098)
Interest	(39,139)	(31,334)	(45,287)	(575)	(36,138)	-	(152,473)
Impairment	-	(10,691)	(444)	(89)	-	-	(11,224)
<b>Total expenses</b>	<b>(90,537)</b>	<b>(3,087,174)</b>	<b>(1,242,755)</b>	<b>(46,358)</b>	<b>(39,967)</b>	<b>8,865</b>	<b>(4,497,926)</b>

<b>Gains, before taxes</b>	<b>107,793</b>	<b>162,529</b>	<b>266,496</b>	<b>536</b>	<b>(31,518)</b>	<b>(15)</b>	<b>505,821</b>
Income tax	10,417	(17,204)	(93,257)	35	(325)	-	(100,334)
<b>Gains, net</b>	<b>118,210</b>	<b>145,325</b>	<b>173,239</b>	<b>571</b>	<b>(31,843)</b>	<b>(15)</b>	<b>405,487</b>
Controlling gains	118,244	144,711	171,028	537	(31,809)	(63,742)	338,969
Non-controlling gains	(34)	614	2,211	34	(34)	63,727	66,518

March 2016	Grupo SURA	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS Holding and subsidiaries	Others	Eliminations and Adjustments	Total
Premiums issued	-	1,449,186	719,260	-	-	(590)	2,167,856
Premiums ceded	-	(175,682)	(19,488)	-	-	-	(195,170)
<b>Retained premiums (net)</b>	<b>-</b>	<b>1,273,504</b>	<b>699,772</b>	<b>-</b>	<b>-</b>	<b>(590)</b>	<b>1,972,686</b>
Commission income	-	40,532	484,834	-	24	(42)	525,348
Provisions of Servicios	1	516,563	178	46,077	2,094	(6,732)	558,181
Dividends	64,477	1,371	4,583	-	1,274	-	71,705
Investment income	(16,854)	172,990	139,035	-	83	-	295,254
Gains at fair value	(29,222)	57,581	56,110	-	12,109	-	96,578
Gains from <i>the Equity Method, Associates</i>	156,221	599	27,638	-	-	-	184,458
Gains in sales of investments	8,518	(32)	(5,501)	-	-	-	2,985
Income from investment properties	-	612	15,076	-	400	-	16,088
Exchange differences (Net)	155,764	26,922	14,750	742	35	-	198,213
Other income	67	27,584	406	376	16	-	28,449
<b>Total income</b>	<b>338,972</b>	<b>2,118,226</b>	<b>1,436,881</b>	<b>47,195</b>	<b>16,035</b>	<b>(7,364)</b>	<b>3,949,945</b>
Total claims	-	(881,194)	(235,128)	-	-	772	(1,115,550)
Reimbursement of claims	-	123,453	-	-	-	-	123,453
<b>Retained claims</b>	<b>-</b>	<b>(757,741)</b>	<b>(235,128)</b>	<b>-</b>	<b>-</b>	<b>772</b>	<b>(992,097)</b>
Reserves net of production	-	(37,885)	(515,349)	-	-	-	(553,234)
Costs of provision of services	-	(517,801)	-	(35,702)	(1,204)	9	(554,698)
Administrative expenses	(9,389)	(211,402)	(146,194)	(2,078)	(9,390)	6,347	(372,106)
Employee benefits	(4,326)	(137,473)	(172,148)	(4,319)	(153)	66	(318,353)
Fees	(1,403)	(109,733)	(16,451)	(207)	(490)	155	(128,129)
Broker commissions	-	(153,120)	(51,934)	-	-	-	(205,054)
Amortization	(13)	(3,019)	(41,751)	(655)	-	-	(45,438)



Depreciation	(100)	(4,532)	(7,312)	(1,667)	(1,856)	-	(15,467)
Other expenses	-	(27,849)	-	-	-	-	(27,849)
Interest	(31,912)	(10,786)	(36,138)	(330)	(16,566)	-	(95,732)
Impairment	-	(6,169)	(4,799)	163	-	-	(10,805)
<b>Total expenses</b>	<b>(47,143)</b>	<b>(1,977,510)</b>	<b>(1,227,204)</b>	<b>(44,795)</b>	<b>(29,659)</b>	<b>7,349</b>	<b>(3,318,962)</b>
<b>Gains, before taxes</b>	<b>291,829</b>	<b>140,716</b>	<b>209,677</b>	<b>2,400</b>	<b>(13,624)</b>	<b>(15)</b>	<b>630,983</b>
Income tax	(7,483)	(40,285)	(75,165)	(1,308)	(203)	-	(124,444)
<b>Gains, Net</b>	<b>284,346</b>	<b>100,431</b>	<b>134,512</b>	<b>1,092</b>	<b>(13,827)</b>	<b>(15)</b>	<b>506,539</b>
Controlling gains	284,426	100,420	127,402	1,012	(13,814)	(46,094)	453,352
Non-controlling gains	(80)	11	7,110	80	(13)	46,079	53,187

## NOTE 15. INCOME AND EXPENSES FROM COMMISSIONS

### 15.1 Income from commissions

Herewith, is a breakdown of income from commissions, at the closing date:

	March 2017	March 2016
For administration of funds of mandatory pensions	414,150	446,933
Income on disposals	80,191	40,619
Other	24,696	21,105
For administration of funds of voluntary pensions	19,578	16,854
Profit sharing of re-insurance	6,657	100
Cancellations and/or annulations other expenses for reinsurance	-	4
Expenditure on acceptances	(269)	(267)
	<b>545,003</b>	<b>525,348</b>

Below a breakdown of commissions by Countries:

	March 2017	March 2016
Chile	184,891	171,290
Mexico	172,562	192,498
Peru	97,289	103,980
Colombia	50,783	28,598
Uruguay	19,757	16,975
Argentina	9,796	-
Panama	4,247	5,206
Dominican Republic	5,262	5,760
El Salvador	416	1,041
	<b>545,003</b>	<b>525,348</b>

### 15.2 Commission expenses

The following is an overview of the broker expenses:

	March 2017	March 2016
Amortization of deferred acquisition cost (DAC) (Note 8.3)	(405,514)	(36,444)
Personal insurance	(16,455)	(151,434)
Social Security Insurance	(15,048)	(13,550)
Obligatory Insurance	(1,968)	(3,532)
Accepted coinsurance	(1,441)	(94)
	<b>(440,426)</b>	<b>(205,054)</b>

The following are expenses from commissions, detailed by country:

	March 2017	March 2016
Colombia	(117,667)	(109,899)
Chile	(83,163)	(22,309)
Argentina	(73,736)	-
Brazil	(53,930)	-
Mexico	(50,099)	(20,955)
El Salvador	(15,984)	(16,704)
Panama	(15,125)	(18,489)
Uruguay	(15,017)	(293)
Peru	(7,970)	(8,376)
Dominican Republic	(7,735)	(8,029)
	<b>(440,426)</b>	<b>(205,054)</b>

## NOTE 16. HONORARIUMS

The following, a breakdown of expenses of honorariums:

	March 2017	March 2016
Administrators of insurance	(73,295)	(71,411)
Others	(45,735)	(8,512)
Insurance promoters	(16,878)	(15,397)
Auditor	(7,276)	(1,739)
Consultation	(6,710)	(23,050)
Commissions	(5,195)	(3,256)
Legal consultation	(2,531)	(1,896)
Board of Directors	(1,268)	(1,245)
Financial consultation	(738)	(1,600)
Appraisals	(14)	(23)
	<b>(159,640)</b>	<b>(128,129)</b>

A breakdown of expenses from commissions by country, is as follows:

	March 2017	March 2016
Colombia	(124,062)	(108,273)
Argentina	(12,497)	(8,188)
Chile	(7,637)	(3,931)

Uruguay	(4,247)	(308)
Peru	(3,272)	(3,655)
Panama	(2,549)	-
Brazil	(2,063)	(2,600)
Mexico	(2,023)	-
Dominican Republic	(423)	(389)
El Salvador	(343)	(230)
Bermuda	(241)	(279)
Spain	(204)	(179)
Curacao	(56)	(88)
Holland	(23)	(9)
	<b>(159,640)</b>	<b>(128,129)</b>

## NOTE 17. INCOME AND COSTS FOR PROVISION OF SERVICES

Income and costs for provision of services, corresponds basically to the EPS Sura and outsourcing companies of Arus Holding.

### 17.1. Income from provision of services

Income for the provision of services of Grupo SURA, are detailed as follows:

	March 2017	March 2016
Income from health -promoting entities - EPS	558,156	474,593
Laboratory services	23,501	24,511
Maintenance and repairs	20,527	17,861
Income from health services entities - IPS	19,051	15,753
Processing of data	12,410	13,387
Sales of office machinery, office equipment, and computer programs	2,249	4,408
Activities related to wiring	2,773	4,188
Rental of machinery and equipment	1,853	677
Sale of parts, pieces, and accessories	761	829
Telecommunication services	433	583
Business consultancy activities	1,802	962
Other	401	413
Community, social, and personal service activities	23	16
	<b>643,940</b>	<b>558,181</b>

The following is an overview of income from the provision of services, by country:

	March 2017	March 2016
Colombia	643,555	557,724
El Salvador	200	194
Mexico	93	182
Panama	92	81
	<b>643,940</b>	<b>558,181</b>

## 17.2. Cost for provision of services

Costs for the provision of services of Grupo SURA, are as follows:

	March 2017	March 2016
Cost of sales of services – EPS	(438,332)	(374,592)
Cost of sales of services – IPS	(105,525)	(88,316)
Data processing	(24,243)	(15,625)
Sale of parts, pieces, and accessories	(15,773)	(14,290)
Promotion and prevention of basic risks	(13,095)	(7,762)
Business consulting activities	(13,029)	(11,046)
Consulting of computer equipment and software	(12,460)	(17,335)
Consulting of Services of promotion and prevention of occupational risks	(9,894)	(17,216)
Sales office equipment and software	(1,150)	(3,287)
Maintenance and repairs	(2,637)	(3,048)
Occupational risk funds	(2,509)	(2,156)
Other community service, social, and personal activities	(26)	(25)
	<b>(638,673)</b>	<b>(554,698)</b>

Cost for provision of services by countries, are as follows:

	March 2017	March 2016
Colombia	(638,559)	(554,602)
Panama	(114)	(96)
	<b>(638,673)</b>	<b>(554,698)</b>

## NOTE 18. FINANCIAL INCOME AND EXPENSES

Financial income and expenses of Grupo SURA and its subsidiaries, at March 31, 2017 and 2016, are as follows:

	March 2017			March 2016		
	Income	Expense	Net	Income	Expense	Net
Investment income (1)	403,172	(56,535)	346,637	335,020	(39,766)	295,254
Exchange differences (2)	123,065	(64,878)	58,187	250,725	(52,512)	198,213
Gains (losses) at fair value (3)	511,987	(296,336)	215,651	548,312	(451,734)	96,578
Dividends	11,030	-	11,030	71,705	-	71,705
Gains from investment sales	39,923	(11,307)	28,616	11,396	(8,411)	2,985
Interest (4)	-	(152,473)	(152,473)	-	(95,732)	(95,732)

(1) Investment income, includes interest income, cash returns, collection portfolios, fiduciary assignments, and loans to directors.

(2) The exchange differences include income and expenses from re-expression of assets and liabilities, in foreign currency.

(3) Gains and losses recorded at fair value, are as follows:

	March 2017	March 2016
Increase of fair value – debt instruments	270,744	83,405
Forwards and futures	41,378	42,395
Currency swaps	(96,471)	(29,222)
	<b>215,651</b>	<b>96,578</b>

(4) An overview of interest, is as follows:

	March 2017	March 2016
Bank credits	(90,863)	(77,209)
Interest securities issued	(58,591)	(15,828)
Other interest	(2,549)	(2,155)
Amortized premium portfolio	(304)	(434)
Other credits	(164)	(106)
Moratoria in payment of pension allowances	(2)	-
	<b>(152,473)</b>	<b>(95,732)</b>

## NOTE 19. ADMINISTRATIVE EXPENSES

Administrative expenses of Grupo SURA, at March 31, 2017 and 2016, are as follows:

	March 2017	March 2016
Taxes	(113,400)	(135,899)
Others (*)	(66,841)	(16,628)
Commissions	(37,165)	(32,179)
Contributions	(33,511)	(34,622)
Leases	(29,972)	(20,630)
Publicity	(27,019)	(15,417)
Utilities	(24,619)	(17,106)
Maintenance and repairs	(24,158)	(18,415)
Seasonal services	(22,429)	(19,883)
Supplies and stationery	(19,192)	(16,139)
Representation and travel expenses	(18,217)	(14,357)
Legal	(11,448)	(6,290)
Sales expenses	(11,081)	(11,670)
Processing of electronic data	(9,821)	(9,779)
Insurance	(2,294)	(3,092)
	<b>(451,167)</b>	<b>(372,106)</b>

(\*) Includes expenses in commercial properties and offices, computer equipment, travel expenses, cleaning and security services, transport services, publications, and subscriptions, et.al.

The following are administrative expenses, by country:

	March 2017	March 2016
Colombia	(256,449)	(274,589)
Mexico	(44,248)	(37,259)
Chile	(42,830)	(11,385)
Argentina	(40,768)	-
Peru	(19,179)	(20,170)
Brazil	(18,041)	-
Uruguay	(12,165)	(2,905)
Panama	(8,395)	(16,815)
El Salvador	(6,278)	(5,184)
Dominican Republic	(2,612)	(3,546)
Bermuda	(130)	(138)
Spain	(64)	(98)
Curacao	(6)	(17)
Holland	(2)	-
	<b>(451,167)</b>	<b>(372,106)</b>

## NOTE 20. EARNINGS PER SHARE

Basic earnings for share are calculated by dividing profit and loss, attributable to Shareholders, by the number of outstanding shares, during the year.

The following table shows the data on income and shares used in basic earnings:

	March 2017	March 2016
Net income, controlling interest	338,969	453,352
Outstanding shares for basic earnings per share	469,037,260	469,037,260
<b>Earnings per share (Colombian Pesos)</b>	<b>723</b>	<b>967</b>

## NOTE 21. TRANSLATION OF A BUSINESSES ABROAD AND FOREIGN EXCHANGE

The rates used for currency translation in the Consolidated Financial Statements, at the closing dates are:

	Average rates		Rates at close	
	March 2017	March 2016	March 2017	December 2016
Chilean Pesos (CLP/USD)	655.476	701.047	656.285	669.785
Colombian Pesos (COP/USD)	2,922.468	3,249.036	2,885.570	3,000.710
Dominican Pesos (DOP/USD)	47.105	45.751	47.381	46.724

Euro (EUR/USD)	0.939	0.907	0.935	0.957
Mexican Pesos (MXN/USD)	20.318	18.028	18.716	20.602
Peruvian Sols (PEN/USD)	3.290	3.448	3.248	3.356
Uruguayan Pesos (UYU/USD)	28.439	31.503	28.520	29.345
Argentine Austral (ARS/USD)	15.663	-	15.433	15.825
Brazilian Real (BRS/USD)	3.144	-	3.168	3.259

## NOTE 22. RISK MANAGEMENT OBJECTIVES AND POLICIES

### Government Framework

For the Grupo Empresarial SURA, risk management is a dynamic and interactive process, framed within the internal control system, whose purpose is to support the achievement of strategic objectives and the sustainability of the Companies.

Grupo SURA, as a parent, is exposed both to its own risks and to its investment risks. It is for this reason that there is a framework of risk management that allows companies to articulate to generate value through their interaction and face the new challenges and opportunities of a changing environment.

The Board of Directors, its Committees, and the Senior Management of each of the Companies are responsible for an adequate Risk Management System and to make decisions based on an understanding of the opportunities and risks involved in each strategic issue. These responsibilities are complemented by an organizational structure, policies, and manuals, which seek consistency and feedback with the organizational risk strategy.

Grupo SURA has adequate communication and interaction mechanisms to monitor the Group's risk profile and management, including, among others, participation in the Boards of Directors, Committees, and joint spaces to share best practices, realize reports, and execute projects.

### Financial Risks

The Business Group has management systems that allow monitoring the exposure to different financial risks (credit, liquidity, and market risks) from treasury management, investment portfolios, and the responsibility of managing third-party portfolios.

#### 1. Credit Risk

Credit risk refers to the possibility of incurring losses arising from the non-fulfillment of the financial obligations that third parties have contracted with the Companies.

##### 1.1. Description of objectives, policies, and processes for risk management

Credit risk management seeks to reduce the probability of incurring losses arising from the non-fulfillment of the financial obligations contracted by third parties with the Companies. To this end, policies and procedures have been defined to facilitate the analysis and monitoring of issuers and counterparties, from

resources managed in the treasuries, insurance portfolios, and third party funds, in order to mitigate the exposure of the Companies.

## 1.2. Methods used to measure risk

At Grupo SURA, Suramericana and Sura Asset Management, the risk mitigation policies provide guidelines to ensure that investments are always backed by issuers and / or managers with adequate credit backing.

On the other hand, the Insurance Companies, from the management of their portfolios made up of profitable and liquid assets, which back up their technical reserves; Manage credit risk based on allocation policies, limits, and controls, as well as methodologies and procedures that adjust to the different assets of the portfolio and allow the quantification and monitoring of the evolution of this risk. These methodologies include detailed analyses of the financial strengths and conditions, and of different qualitative aspects of the issuers and managers of investment funds.

Likewise, in the activity of Third-party Resources Management and in compliance with its fiduciary duty, the management of the funds includes a process of due diligence for the issuers, counterparties, and fund managers in which they are invested.

## 1.3 Description of changes in objectives, policies, and processes to manage risk

SURA Asset Management has implemented changes to the credit risk analyses by standardizing the same between the different business units in the countries for bank and corporate issuers. In addition, material improvements have been made in the improvements to the issuer monitoring system and the 2017 plans to deepen the ESG analysis of issuers in line with Grupo SURA's responsible investment policy.

## 1.4 Summary of quantitative data on the entity's risk exposure

Exposures of resources managed in the treasuries:

At the end of the quarter, the Company's treasury investments are mostly concentrated in liquid collective portfolios managed by high credit quality managers, savings accounts, and checking accounts. As of March 2017, the portfolios of the Companies of Suramericana are distributed as follows:

- Seguros Generales Colombia has local investments distributed as follows: sovereign debt accounts for 19.7% of the portfolio, representing 27.1% with local AAA rating and 13.3% AA rating (+, -). International investments are distributed by qualification as follows: 1.3% have AAA rating, 1.6% have AA (+, -) and 9.7% A (+, -) and 13.5% BBB (=,-), The remaining 1% have lower grades.
- The company, Seguros de Vida in Colombia has local investments distributed as follows: sovereign debt accounts for 27% of the portfolio, 49.6% have a local AAA rating, 17.2% AA rating (+, -) and a remaining 0.8% have lower ratings. International investments are classified by classification as follows: 1% rating A (+, -), 4.2% international rating BBB (+, -) and 0.2% BB rating (+, -).
- The ARL company in Colombia presented local investments distributed as follows: sovereign debt represents 23.4% of the portfolio, 53.3% have local AAA rating, 16.7% AA rating (+, -), and a



remaining 0.8% have lower ratings. International investments are classified as follows: 1.6% with international rating A (+, -), 4.1% with BBB (+, -) and 0.1% with BB (+, -) rating.

- The Company, EPS SURA in Colombia presents distributed local investments as follows: 50.7% represents sovereign debt, 46.8% has local AAA ratings and 2.5% has AA (+, -) rating, EPS has no international investments.
- The Insurance Company in Panama presented local investments distributed as follows: sovereign debt represents 19.26%, 0.49% with AAA rating, 41.24% with a AA (+, -) rating, 5.66% with A (+, -) rating, 11.63% with a BBB rating (+, -) and a remaining 6.18% have lower ratings or have no qualification. International investments are classified as follows: 1.90% international rating AA (+, -), 2.76% international rating A (+, -), 10.37% BBB rating (+, -), and 0.51% BB rating (+, -).
- The Dominican Republic Insurance Company has local investments distributed as follows: sovereign debt represents 46.71% of the portfolio, 4.19% local rating AA (+, -), 22.10% a rating (+, -), 16.88% a local rating BBB (+, -), and a remaining 10.12% a lower ratings or no rating account.
- Asesuisa Company in El Salvador presented local investments distributed as follows: sovereign debt represents 22.16% of the portfolio, 39.68% a local AAA rating, 15.79% AA rating (+, -), and a remaining 13.67% lower ratings.

International investments are classified as follows: 1.57% AAA rated, 1.43% AA rated (+, -), 1.62% rated A (+, -), 2.64% BBB rated, and the remaining 1.43% have lower ratings.

- The insurance company Sura Chile presented local investments distributed as follows: sovereign debt accounts for 73.51% of the portfolio, 13.67% local AAA rating, 11.40% AA rating (+, -) and 1.42% A rating (+, -).
- Sura Argentina insurance company, presented local investments distributed as follows: sovereign debt accounts for 41.67% of the portfolio, 1.38% local rating AAA (+, -), 20.91% local rating AA (+, -), 0.8% rating BB (+, -), and 35.23% rating B (+, -).
- The insurance company Sura Brasil, presented local investments distributed as follows: sovereign debt represents 95.49% of the portfolio, and 4.51% a AAA rating.
- The insurance company Sura México, presented local investments distributed as follows: sovereign debt represents 82.65% of the portfolio and 17.35% a local AAA rating.
- The insurance company Sura Uruguay, presented local investments distributed as follows: sovereign debt accounts for 92.55% of the portfolio and 7.45% a local rating AA.

As of March 2017, the portfolios of the insurance companies of SURA AM are distributed as follows:

- The SURA AM Mexico company has sovereign investments that represent 91.0% of the fixed income portfolio, while the remaining portfolio is in securities with the highest credit ratings.

- The insurance company of SURA AM Perú has sovereign investments that represent 24.2% of the fixed income portfolio, while the remaining portfolio is in securities with the highest credit ratings.
- The insurance company of SURA AM Chile has sovereign investments that represent 7.7% of the fixed income portfolio, while the remaining portfolio is in securities with the highest credit ratings.

## 2. Liquidity risk

The liquidity risk refers to the ability of the Companies to generate the resources to fulfill the obligations acquired and the operation of the businesses.

### 2.1 Description of objectives, policies, and processes for risk management

In order to manage this risk, the Companies orient their actions within the framework of a liquidity management strategy for the short and long-term, in order to ensure compliance with the obligations acquired, under the conditions initially agreed upon and without incurring any costs.

### 2.2 Methods used to measure risk

The Companies track their cash flows in the short-term to manage cash collection and payment activities and cash flow projections in the medium-term to determine the companies' liquidity position and anticipate the measures necessary for a Management.

In addition, in order to deal with possible situations, the Companies maintain credit lines available with national and international financial institutions and have treasury investments that could be sold as a mechanism for access to immediate liquidity, in addition to other complementary sources of liquidity.

### 2.3 Description of changes in risk exposure

During the first quarter of 2017 Grupo SURA placed in the public securities market, ordinary bonds for \$ 550 billion pesos, in three series of 5, 7, and 12 years.

After the end of the quarter, on April 6, SURA Asset Management issued an international bond issue worth USD 350 million over a period of 10 years.

## 3. Market risks

The management of this risk focuses on how changes in market prices impact the value of the portfolios being managed and the revenues of the Companies. For this, in the portfolios of insurers and in the processes of portfolio management and third-party resources, there are Market Risk Management Systems, through which the exposures are identified, measured, and monitored.

Said systems are composed of a set of policies, procedures and mechanisms for internal monitoring and control.

### 3.1 Foreign exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of a financial instrument may fluctuate, as a result of changes in exchange rates. The Companies are exposed to this risk, in so far as they have assets or liabilities denominated in foreign currency.

### 3.1.1 Description of objectives, policies, and processes for risk management

In order to manage the exposure to this risk, the Companies monitor their exposures and, if necessary, determine the suitability of having a coverage scheme, constantly monitored by the areas in charge and aligned with the guidelines issued by their Boards of Directors.

### 3.1.2 Methods used to measure risk

The management of this risk in the insurance companies' portfolios establishes methodologies, limits and/or alerts according to the internal policies and rules applicable to each of the countries. Some measures taken into account are: Value at Risk, Information Ratio, and Sensitivities, and Simulations.

Within its methodology, Suramericana makes use of Value at Risk (VaR) measurement tools, which estimates the maximum expected loss that could be incurred in a period of one month with a confidence level of 95%. The VaR can be expressed as a percentage of the value of the investment portfolio.

The methodology in SURA Asset Management consists of a dynamic and continuous process of ALM (Assets and Liabilities Management) that starts with the analysis of the profile of liabilities and according to the appetite of risk/return, determines a strategic allocation of assets.

Within the ALM process, impact sensitivity analyses are performed on the Balance Sheet to changes in market value in exchange rates and in inflation.

### 3.1.3. Summary of data on the exposure to risk of the entity

At March 2017, the following exposures are held:

Assets by company and by type of currency Q 1 2017			
Company	Local currency	USD	Total
<b>Suramericana</b>			
Argentina	97.1%	2.9%	100.0%
Brazil	100.0%	0.0%	100.0%
Chile	100.0%	0.0%	100.0%
Seguros Generales Colombia	82.6%	17.4%	100.0%
Seguros de Vida Colombia	93.3%	6.7%	100.0%
ARL Colombia	93.3%	6.7%	100.0%
EPS	100.0%	0.0%	100.0%
El Salvador	100.0%	0.0%	100.0%
Mexico	81.5%	18.5%	100.0%
Panama	100.0%	0.0%	100.0%

Dominican Republic	76.6%	23.4%	100.0%
Uruguay	92.6%	7.5%	100.0%
<b>Sura Asset Management</b>			
Chile	99.8%	0.2%	100.0%
Mexico	94.6%	5.4%	100.0%
Peru	60.2%	39.8%	100.0%

In SURA Asset Management, the objective is to reduce currency exposure gaps between assets and liabilities, in order to minimize a possible mismatch. If material exposures are generated, these are reflected in the equity of the Companies.

### 3.2 Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument may fluctuate, as a result of changes in market interest rates. Exposure to this risk arises from the holding of fixed income assets or liabilities associated with variable interest rates.

#### 3.2.1 Description of objectives, policies, and processes for risk management

In order to manage the exposure to this risk, the Companies monitor their exposures and, if necessary, determine the suitability of having a coverage scheme, constantly monitored by the areas in charge, and aligned with the guidelines issued by their Boards of Directors.

In the case of the insurers, it is sought to support the technical reserves by setting the liabilities in terms of interest rates and terms, thus mitigating this risk. In addition, through an adequate investment classification strategy, it is possible to stabilize financial income and reduce risk exposure.

#### 3.2.2 Methods used to measure risk

For the management of this risk in the insurers companies' portfolios, methodologies, limits and/or alerts are established in accordance with the internal policies and rules applicable to each of the countries where they have a presence. Some measures that are taken into account are: Value at Risk, Information Ratio, and Sensitivities, and Simulations.

Within its methodology, Suramericana makes use of Value at Risk (VaR) measurement tools, both regulatory and internal. The internal methodology is based on a VaR MonteCarlo.

The methodology in SURA Asset Management consists of a dynamic and continuous process of ALM (Assets and Liabilities Management) that begins with the analysis of the profile of liabilities and according to the appetite of risk / return, determines a strategic allocation of assets. It also controls this risk by monitoring the mismatch in duration and a sensitivity analysis of the balance to market value, against interest rate variations and a liability adequacy test that allows quantifying the risk of reinvestment of the portfolios.

#### 3.2.3 Summary of quantitative data on the entity's risk exposure

From the resources managed in the treasuries, the exposure that Companies have from the risks from credits tied to variable interest rates.

Exposures of the portfolios of insurers of Suramericana:

Exposures of assets from fixed-income and variable income Q1 2017			
Company	Fixed income	Variable income and others	Total
<b>Suramericana S.A.</b>			
Argentina	67.0%	33.0%	100.0%
Brazil	94.0%	6.0%	100.0%
Chile	99.9%	0.1%	100.0%
Seguros Generales Colombia	96.5%	3.5%	100.0%
Seguros de Vida Colombia	98.5%	1.5%	100.0%
ARL Colombia	98.3%	1.7%	100.0%
EPS	100.0%	0.0%	100.0%
El Salvador	100.0%	0.0%	100.0%
Mexico	100.0%	0.0%	100.0%
Panama	86.2%	13.8%	100.0%
Dominican Republic	99.1%	0.9%	100.0%
Uruguay	100.0%	0.0%	100.0%

In the case of SURA Asset Management in Chile, Mexico and Peru, the fixed-income securities of its portfolio are mostly tied to a fixed rate.

### 3.3 Risk of Price Variation Variable Income

Share price risk refers to the risk that the fair value of a financial instrument will fluctuate, as a result of changes in the prices of shares or other equity assets. Since the investment portfolio of the Companies has equity assets, they are exposed to this risk.

#### 3.3.1 Description of objectives, policies, and processes for risk management

The companies realize continuous analyses and follow-ups to the exposure to this risk, through the different tools with which each one counts.

Some of the Companies have regulatory limits, regarding exposure to local and foreign equity instruments, as well as having limitations to aggregate and individual exposure to financial instruments.

#### 3.3.2 Methods used to measure risk

The management of this risk in the insurance companies' portfolios establishes methodologies, limits and/or alerts in accordance with the internal policies and regulations applicable to each of the countries, where they have a presence. Some measures that are taken into account are: Value at Risk, Information Ratio, Sensitivities, and Simulations.

Within its methodology, Suramericana makes use of Value at Risk (VaR) measurement tools, both regulatory and internal. The internal methodology is based on a VaR MonteCarlo.

The methodology in SURA Asset Management consists of a dynamic and continuous process of ALM (Assets and Liabilities Management) that starts with the analysis of the profile of liabilities and according to the appetite of risk/return, determines a strategic allocation of assets.

#### 3.3.3 Summary of quantitative data on the entity's exposure to risk

The exposures of the companies of Suramericana to the variation of the prices of the shares, are in note 3.2.3

In the SURA Asset Management portfolio, there are no holdings in these assets (only 0.2% of the investment portfolio excluding Unit Linked funds).

### **3.4 Price Risk of Real Estate Assets**

The price risk of real estate assets refers to the risk that the market value of a real estate will be diminished.

#### **3.4.1 Description of objectives, policies, and processes for risk management**

Those Companies, to which it applies, have limits to the exposure in real estate.

The Companies have internal limits, regarding the exposure in real estate assets.

#### **3.4.2 Methods used to measure risk**

SURA Asset Management in its dynamic and continuous process of ALM (Assets and Liabilities Management) based on the analysis of the liabilities profile and based on the risk/return appetite, determines a strategic asset allocation, which serves as input to determine the limit of investment in real estate assets, among others. In addition, a sensitivity analysis, of the balance at market value, is carried out against changes in the value of the real estate of the investment portfolio.

#### **3.4.3 Summary of quantitative data on the entity's exposure to risk**

In the portfolio of SURA Asset Management, the exposure to this type of assets is 10.8%, in SURA AM Chile, and 7.2% in SURA AM Peru, excluding, in both cases, Unit Linked funds, from the investment portfolio.

## **NOTE 23. DISCLOSURES ON RELATED PARTIES**

### **23.1. Related Parties**

Subsidiaries, key personnel of management, as well as, entities, key management personnel that can exercise either control, or joint control of post-employment benefits, for the benefit of employees, are considered related parties to Grupo SURA.

The following is an outline of related parties, of Grupo SURA, at March 31, 2017:

- a) Companies under direct or indirect control of Grupo SURA, found in Note 9.1 Investments in subsidiaries.
- b) Members of the Board of Directors

Jaime Bermúdez Merizalde  
Carlos Antonio Espinosa Soto  
Alejandro Piedrahita Borrero

Sergio Michelsen Jaramillo  
Jorge Mario Velásquez Jaramillo  
Carlos Ignacio Gallego Palacio  
Luis Fernando Alarcón Mantilla

c) Directors

a. Grupo SURA S.A.

David Bojanini García, President  
Ricardo Jaramillo, Vice President of Corporate Finance  
Fernando Ojalvo Prieto, Vice President of Corporate Affairs and Secretary General  
Fabian Barona, Corporate Auditor

b. Suramericana S.A.

Gonzalo Alberto Pérez R.  
Juan Fernando Uribe N.  
Liliana Espinal Montoya

c. Sura Asset Management S.A.

Ignacio Calle Cuartas  
Andres Bernal  
Sebastian Rey  
Juan Camilo Osorio  
Catalina Restrepo  
Claudia Urquijo  
Joaquín Idogayaga  
Maria Adelaida Tamayo  
Beatriz Castaño Hoyos  
Lorena Campo Travisany

d. ARUS Holding S.A.S.

Maria Claudia Rey

a. Hábitat

Jaime Posada

d) Investments in associates and joint ventures

Associated companies and joint ventures of Grupo SURA, are listed in the Note 9.2.1 Investments in associates and Note 9.2.2. Joint ventures.

e) Shareholders of Grupo de Inversiones Suramericana

See details of shareholding in Note 12 Shareholding Composition, dividends paid, and decreed.

## 23.2 Transactions with related parties

Among the transactions recorded, between related parties, are the following:

- Loans between related companies, with contractually agreed terms and conditions, and rates of interest, set in accordance, with the rates of market. All are canceled in the short-term.
- Provision of financial services, services of IT Services, and payroll services.
- Leases and sub-leases of offices and commercial spaces, as well as, the re-billing of related utilities
- Cash refunds

It is worth mentioning, that all operations are considered short-term, and are considered market transactions.

Balances are reconciled at the end of each year, in order to affect the removal of transactions among corresponding related companies. The exchange rate differences generated are charged to income in the Consolidated Financial Statements.

Here is a summary of the total 31 transactions, with related parties, as of March 31, 2017, December 31, 2016, and March 31, 2016, that have been eliminated in the Consolidated:



## March 2017

Entity	Accounts receivable	Accounts payable	Income	Expenses
Administradora General de Fondos Sura S.A.	278	(3,165)	(2,314)	(12,453)
AFAP Sura S.A.	-	(31)	-	(95)
Afore Sura S.A. de C.V.	2,550	(3,170)	1,843	(2,999)
AFP Capital S.A.	-	(600)	132	(8,094)
AFP Integra S.A.	31,439	(60,430)	660	(713)
Aseguradora Suiza Salvadoreña S.A. Asesuiza	478	(975)	877	(17)
Asesores Sura S.A. de C.V.	5,767	-	4,406	(42)
Asesuiza Vida, S.A. Seguros de Personas	945	(621)	1,396	(2,494)
Consultoría en Gestión de Riesgos Suramericana S.A.S.	147	(283)	16,331	(221)
Corredores de Bolsa Sura S.A.	1,668	(262)	8,726	(2,200)
Diagnóstico y Asistencia Médica S.A.	4,962	(230)	27,752	(935)
Enlace Operativo S.A.	3,263	(80)	2,554	(40)
EPS y Medicina Prepagada Suramericana S.A.	1,231	(10,223)	390	(88,137)
Fondos Sura SAF S.A.C.	-	(66)	-	(160)
Grupo de Inversiones Suramericana Panamá S.A.	402	(871,681)	-	(12,495)
Grupo de Inversiones Suramericana S.A.	450,989	(1,619,264)	-	(22,259)
Grupo SURA Finance S.A.	2,452,771	(65)	34,337	-
Hábitat Adulto Mayor S.A.	-	-	-	(11)
Inversiones y Construcciones Estratégicas S.A.S.	24,476	-	409	(2)
Inversura Panamá Internacional S.A.	127	-	-	-
Operaciones Generales Suramericana S.A.S.	18,986	(65,278)	21,811	(1,315)
Pensiones Sura S.A. de C.V.	-	(110)	-	(1,261)
Planeco Panamá S.A.	-	(522)	-	-
Promotora Sura AM S.A. de C.V.	4,686	-	5,945	(33)
Seguros de Riesgos Laborales Suramericana S.A.	3	(93,194)	7	(27,750)
Seguros de Vida Sura S.A.	2,767	(563)	10,861	(5,684)
Seguros de Vida Suramericana S.A.	1,278	(118,664)	6,052	(20,160)
Seguros Generales Suramericana S.A.	17,725	(50,784)	3,545	(27,461)
Seguros Sura S.A.	552	(18,637)	223	(1,194)
Seguros Suramericana Panamá S.A.	333	(7,913)	93	(321)
Servicios de Salud IPS Suramericana S.A.	13,735	(4,161)	92,148	(10,375)
Servicios Generales Suramericana S.A.	66,792	(59)	1,204	(595)
Servicios Generales Suramericana S.A. (Panamá)	18	(333)	-	-
Servicios y Ventas Compañía Limitada	-	(15)	-	-
Sura Asset Management México S.A. de C.V.	88	(24)	-	(19)
Sura Asset Management S.A.	1,033	(299,811)	-	(629)
Sura Chile S.A.	3,207	(9)	9,402	(81)
Sura Data Chile S.A.	-	-	3,721	(3)
Sura Investment Management S.A. de C.V.	211	(12,105)	550	(8,847)
Sura S.A.	-	(114)	-	(273)
Suramericana S.A.	223,828	(137,803)	-	(78)
Hipotecaria SURA EAH	-	(67)	400	(22)
Seguros de Vida SURA México, S.A. de C.V.	-	(212)	320	(738)
Arus S.A.	1,343	(2,881)	5,529	(91)
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	155	-	11	129
Aseguradora de Créditos y Garantías S.A.	-	(155)	-	(140)
Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.)	43,948	-	893	-
Chilean Holding Suramericana SPA (Formerly RSA Chilean Holding S.A.)	-	(43,288)	-	(585)
Seguros de Vida Suramericana S.A (Formerly RSA Seguros de Vida S.A.)	-	(544)	-	(308)

Protección Garantizada LTDA	-	(1,577)	986	-
SURA Asset Management S.A. Holding (SUAM Colombia)	26,114	(546)	53	345
Financia Expreso RSA S.A.	1,577	-	-	-
Inversiones Suramericana Chile Limitada (Formerly Inversiones RSA Chile Limitada)	-	(101)	-	-
Grupo de Inversiones Suramericana Holanda (H2)	1,046	-	-	-
Grupo SURA Latin American Holding B.V.	138	-	-	-
SURA Investment Management Colombia S.A.S. (SIM)	-	(76)	-	(2)
SURA Asset Management Perú S.A.	52,611	(31,418)	413	(522)
Grupo SURA AE Chile Holding I B.V. (GSAEI)	-	(1,171)	-	-
SURA Art Corporation S.A. de C.V. (SURA ART)	111	-	172	(18)
Sociedades de agente de valores SAB	4	(11)	18	(28)
SURA Real Estate S.A.	-	-	-	(4)
SURA Asset Management Uruguay sociedad de inversión S.A.	-	(490)	6,700	(7,190)
Administrador de fondos de inversión S.A. AFISA SURA	-	-	64	-
	<b>3,463,782</b>	<b>(3,463,782)</b>	<b>268,620</b>	<b>(268,620)</b>

## December 2016

Entity	Accounts receivable	Accounts payable	Income	Expenses
Administradora General de Fondos Sura S.A.	270	(3,178)	(4,539)	(15,731)
AFAP Sura S.A.	-	(234)	18	(494)
Afore Sura S.A. de C.V.	1,082	(4,603)	5,370	(10,722)
AFP Capital S.A.	-	(633)	271	(18,951)
AFP Integra S.A.	24	(1,405)	293	(2,649)
Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.	-	-	130	-
Aseguradora Suiza Salvadoreña S.A. Asesuisa	771	(905)	3,159	(1,457)
Asesores Sura S.A. de C.V.	2,664	-	9,261	-
Asesuisa Vida, S.A. Seguros de Personas	805	(918)	6,804	(9,707)
Consultoría en Gestión de Riesgos Suramericana S.A.S.	6,611	(266)	66,429	(891)
Corredores de Bolsa Sura S.A.	1,624	(130)	11,646	(4,668)
Diagnóstico y Asistencia Médica S.A.	5,735	(176)	101,885	(4,611)
Enlace Operativo S.A.	1,785	(2)	11,711	(27)
EPS y Medicina Prepagada Suramericana S.A.	2,972	(17,580)	1,389	(314,059)
Fondos Sura SAF S.A.C.	-	(28)	-	(253)
Grupo de Inversiones Suramericana Holanda B.V.	1,087	49	-	-
Grupo de Inversiones Suramericana Panamá S.A.	22	(890,453)	-	(52,226)
Grupo de Inversiones Suramericana S.A.	11,222	(1,660,159)	2	(66,435)
Grupo SURA Chile Holdings I B.V.	-	(1,140)	-	-
Grupo SURA Latin American Holdings B.V.	6	46	-	-
Grupo Sura Finance S.A.	2,515,379	(67)	118,193	-
Hábitat Adulto Mayor S.A.	-	-	-	(43)
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	-	(409)	1,107	(74)
Inversiones y Construcciones Estratégicas S.A.S.	24,113	-	78	(5)
Operaciones Generales Suramericana S.A.S.	8,175	(64,877)	78,407	(4,590)
Pensiones Sura S.A. de C.V.	-	(455)	-	(2,510)
Planeco Panamá S.A.	-	(15)	-	-
Promotora Sura AM S.A. de C.V.	2,286	-	12,718	-
Seguros de Riesgos Laborales Suramericana S.A.	13	(11,891)	21	(112,768)
Seguros de Vida SURA México S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)	-	(7,588)	-	(899)
Seguros de Vida Sura S.A.	2,381	(660)	16,208	(9,911)
Seguros de Vida Suramericana S.A.	251	(31,151)	17,896	(77,892)

Seguros Generales Suramericana S.A.	34,289	(19,042)	26,140	(96,572)
Seguros Sura S.A.	-	(299)	-	(394)
Seguros Sura S.A. (Formerly Invita)	449	(571)	483	(2,180)
Seguros Suramericana Panamá S.A.	183	(9,397)	879	(8,235)
Servicios de Salud IPS Suramericana S.A.	19,394	(3,981)	329,490	(39,121)
Servicios Generales Suramericana S.A.	65,504	(28)	5,142	(2,409)
Servicios Generales Suramericana S.A. (Panamá)	7	(183)	-	-
Servicios y Ventas Compañía Limitada	-	(15)	-	-
Sociedad Agente de Bolsa S.A.	-	-	-	(62)
Sura Art Corporation S.A. de C.V.	-	(7)	-	(43)
SURA Asset Management España S.L.	-	(49)	-	-
Sura Asset Management México S.A. de C.V.	7,436	(7)	-	(44)
Sura Asset Management Perú S.A.	-	-	-	(69)
Sura Asset Management S.A.	1,163	(1,959)	46	(4,763)
Sura Asset Management Uruguay Sociedad de Inversión S.A. (Formerly Tublyr S.A.)	-	-	8,920	(8,920)
Sura Chile S.A.	7,845	(194)	30,915	(250)
Sura Data Chile S.A.	-	-	6,260	(4)
Sura Investment Management Colombia S.A.S.	-	(71)	-	(3)
Sura Investment Management S.A. de C.V.	367	(4,546)	1,608	(19,645)
Sura S.A.	75	-	-	-
Suramericana S.A.	11,264	(251)	-	(1,629)
Arus S.A.	2,159	-	23,141	(122)
Seguros Sura S.A (Formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	146	-	179	487
Aseguradora de Créditos y Garantías S.A.	-	(146)	-	(589)
Seguros Generales Suramericana S.A (Formerly RSA Seguros Chile S.A.)	43,775	-	2,232	-
Chilean Holding Suramericana SPA (Formerly RSA Chilean Holding SpA)	-	(43,520)	-	(1,349)
Seguros de Vida Suramericana S.A (Formerly RSA Seguros de Vida S.A.)	-	(240)	-	(883)
Protección Garantizada LTDA	-	-	4,557	-
Santa Maria del Sol S.A.	-	-	-	(46)
Atlantis Sociedad Inversora S.A.	-	-	-	(31)
	<b>2,783,334</b>	<b>(2,783,334)</b>	<b>898,449</b>	<b>(898,449)</b>

## March 2016

Entity	Accounts receivable	Accounts payable	Income	Expenses
Aseguradora Suiza Salvadoreña S.A. Asesuiza	443	(603)	648	(680)
Asesuiza Vida, S.A. Seguros de Personas	677	(443)	1,612	(2,295)
Compuredes S.A.	1,307	(212)	4,094	(6)
Consultoría en Gestión de Riesgos Suramericana S.A.S.	2,430	(1,023)	12,668	(505)
Diagnóstico y Asistencia Médica S.A.	2,208	(2,460)	21,896	(1,382)
Enlace Operativo S.A.	949	(45)	2,630	(17)
EPS y Medicina Prepagada Suramericana S.A.	2,515	(3,794)	334	(69,081)
Grupo de Inversiones Suramericana Panamá S.A.	974	(891,953)	-	(13,697)
Grupo de Inversiones Suramericana S.A.	339,608	(1,650,891)	-	(4,024)
Grupo Sura Finance S.A.	2,515,665	(7)	17,348	-
Hábitat Adulto Mayor S.A.	-	-	-	(9)
Integradora de Servicios Tercerizados S.A.S.	200	-	-	-
Inversiones Sura Brasil S.A.S.	-	(218,394)	-	-
Inversiones y Construcciones Estratégicas S.A.S.	27,114	-	368	-
Inversura Panamá Internacional S.A.	322	-	-	-
Operaciones Generales Suramericana S.A.S.	20,682	(85,687)	19,763	(1,089)

Planeco Panamá S.A.	-	(1,289)	-	-
Seguros de Riesgos Laborales Suramericana S.A.	1,183	(78,667)	3	(23,103)
Seguros de Vida Suramericana S.A.	22,465	(201,560)	10,392	(16,762)
Seguros Generales Suramericana S.A.	39,415	(38,738)	6,242	(25,119)
Seguros Sura S.A.	-	(95)	-	(144)
Seguros Suramericana Panamá S.A.	180	(8,549)	223	(2,163)
Servicios de Salud IPS Suramericana S.A.	6,651	(5,086)	72,509	(9,960)
Servicios Generales Suramericana S.A.	103,503	(35,327)	1,550	(696)
Servicios Generales Suramericana S.A. (Panamá)	33	(180)	-	-
Sura Asset Management S.A.	-	(239,372)	-	(583)
Suramericana S.A.	506,693	(130,650)	-	(796)
Seguros Sura S.A. (Formerly Invita)	155	(1,155)	238	(907)
AFP Integra S.A.	2	(688)	164	(883)
Fondos Sura SAF S.A.C.	-	(61)	-	(114)
Sura Investment Management Colombia S.A.S.	-	(70)	-	(1)
Corredores de Bolsa Sura S.A.	1,594	(139)	6,923	(2,357)
AFP Capital S.A.	-	(559)	139	(9,016)
Seguros de Vida Sura S.A.	2,379	(591)	8,704	(4,560)
Administradora General de Fondos Sura S.A.	130	(2,805)	(2,417)	(8,625)
Sura Chile S.A.	2,635	(10)	11,375	(112)
Afore Sura S.A. de C.V.	2,650	(2,520)	2,329	(4,603)
AFAP Sura S.A.	-	(94)	-	(177)
Sura Asset Management Perú S.A.	621	-	-	(71)
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	424	(161)	565	(52)
Sura Art Corporation S.A. de C.V.	28	(15)	-	(22)
Sura Investment Management S.A. de C.V.	296	(9,456)	739	(8,722)
Asesores Sura S.A. de C.V.	4,261	-	4,517	-
Pensiones Sura S.A. de C.V.	-	(476)	-	(1,315)
Sura Asset Management México S.A. de C.V.	5,588	(15)	-	(23)
Promotora Sura AM S.A. de C.V.	3,653	-	5,933	-
Seguros de Vida SURA México S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)	-	(5,617)	-	(419)
Sociedad Agente de Bolsa S.A.	-	(176)	-	(2)
Sura Data Chile S.A.	-	-	2,537	(1)
Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.	-	-	67	-
	<b>3,619,633</b>	<b>(3,619,633)</b>	<b>214,093</b>	<b>(214,093)</b>

### 23.3 Honorariums of the Board of Directors

The honorariums of the Directors are as follows:

During the period ended March 31, 2017 and March of 2014, the Members of the Board of Directors perceived remuneration for their participation of the Board Meeting and of the Committees of Board, pursuant to the provisions established in the statutes of the Company, and the guidelines of the Assembly of Shareholders, which determine the following:

	March 2017	March 2016
Honorariums, Board of Directors, Members	1,268	1,245

It is the responsibility of the Members of the Board of Directors, of Grupo of Inversiones Suramericana and its subsidiaries, to formulate the guidelines and directives of business, and make keys decisions.

## NOTE 24. EVENTS AFTER THE REPORTED DATE

The Consolidated Financial Statements for interim period, ended March 31, 2017, were prepared for the purposes of supervision, and authorized for issuance by the Board of Grupo SURA, on April 27, 2017. After that date and at the publication date, herewith is a presentation of information of subsequent events that do not involve adjustments to the Financial Statements, ended March 31, 2017:

1. On April 4, 2017, Grupo de Inversiones Suramericana S.A. (Grupo SURA) reported that the Board of Directors, in an extraordinary session, approved the signing of a share purchase agreement, whereby Grupo SURA acquires the shareholding that the International Finance Corporation and IFC ALAC Spain S.L., have in their subsidiary SURA Asset Management S.A., thus increasing their participation from 78.71% to 83.58% in that company. The value of the transaction was agreed upon at USD 383,174,629.
2. On April 6, 2017 Grupo de Inversiones Suramericana S.A. (Grupo SURA) reported that its subsidiary SURA Asset Management S.A. successfully placed into the international capital market, ordinary bonds in the amount of USD 350 million, within a period of 10 years.

The coupon and rate of return were 4.37%. and claims were received, for 8 times the amount offered.

The resources of the issue will be destined to substitute liabilities and other corporate purposes.

3. On April 21, 2017 Grupo de Inversiones Suramericana S.A. informed that the Board of Directors, at an extraordinary meeting, authorized the release, from the reserve of the Company, six million six hundred five thousand three hundred twenty-five (6,605,325) shares with a preference dividends, and without voting rights, for the payment of dividends, in kind.

The Company's preference share dividend was approved at the General Shareholders' Meeting, held on March 31, 2017, as a default form of payment for those ordinary and preference shareholders, who did not express their intention to receive their cash dividend, in the terms and deadlines indicated in the projection of distribution of profits, approved at said Assembly.

4. On May 4, 2017, Afore SURA, a subsidiary of Grupo de Inversiones Suramericana S.A., informed the market in Mexico City, that it would immediately comply with the resolution issued by COFECE, adopting the corresponding decisions.

It is important to note that the situation referred to by COFECE, which occurred more than three years ago, did not affect the savings of clients, not did it modify the commissions charged to them. Its real impact was that for some months, the number of transfers to and from Aura SURA, were reduced. This happened when the market presented an excessive increase of transfers that the regulation itself sought to contain. Many of these transfers were to lower-performing managers, which primarily impacted customers. Afore SURA was interested in reducing these transfers, for which it had communication with other administrators, but were inadequate and deeply regrettable.

Afore SURA categorically rejects any practice contrary to the law. In line with this, and seeking to preserve at all times, the confidence of its clients, it has already applied the necessary measures to avoid that this type of situation is repeated, and provides full cooperation with the investigation of COFECE. As

part of the internal measures taken, the Company continues to reinforce all training, monitoring, and control programs, in the various areas, based on its codes of conduct, and ethical management, as well as its competitive culture, while maintaining strict respect for the legal and institutional frameworks.

5. Standard & Poor's Global Ratings rated the long-term sovereign debt, in both the local and foreign currency of El Salvador. The foregoing qualification calls for a conjunctural aspect where the management of Grupo SURA, expects not to directly impact the Consolidated Financial Statements.

## NOTE 25. APPROVAL OF FINANCIAL STATEMENTS

The issuance of the Financial Statements of Grupo SURA, corresponding to the year ended March 31, 2017, was authorized by the Board of Directors, as recorded in Minutes No. 261 of the Board of Directors Meeting on May 15, 2017, to be presented into the market.

## NOTA 26. ANALYSES OF FINANCIAL RESULTS (unaudited)

Below are the analyses of financial results, for the period ended March 31, 2017, with comparative figures as of December 31, 2016. These analyses are performed by management and are not part of the Financial Statements.

*(Expressed in millions of pesos)*

		March		December			
INDEX		2017		2016		INTERPRETATION	
LIQUIDITY	Solidity	43,568,631		42,421,214		Creditors own 63.46% at March 2017 and 62.55% at December 2016, with the shareholders owning the complement: 36.54% in March 2017 and 37.45% in December 2016.	Total Liability
		=	63.46%	=	62.55%		
		68,653,487		67,817,041			Total asset
INDEBTEDNESS	Total	43,568,631		42,421,214		Of each peso that the company has invested in assets 63.46% to March of 2017 and 62.55% to December of 2016, have been financed by the creditors	Total Liability
		=	63.46%	=	62.55%		
		68,653,487		67,817,041			Total asset
	Coverage of interest	557,961		2,204,590		The Company generated net income equal to 365.94% as of March 2017 and 413.67% in December 2016, from interest paid.	Net profit + interest
		=	365.94%	=	413.67%		
	Leverage	152,473		532,932			Financial expenses
			43,568,631		42,421,214		Each peso (\$ 1.00) of the Company is committed to 173.68% to March
	Total	=	173.68%	=	167.04%		

PERFORMANCE		25,084,856		25,395,827		2017 and 167.04% to December 2016.	Equity
		10,127,702		9,744,402		For each peso of equity, financial commitments are made at 40.37% to March 2017 and 38.37% to December 2016.	Total liabilities with financial entities
	Financial Total	=	40.37%	=	38.37%		Equity
		25,084,856		25,395,827			
		405,487		1,671,658		Net profit corresponds to 8.1% of net income in March 2017 and 8.81% of net income in 2016.	Net profit
	Net margin of profit	=	8.10%	=	8.81%		
		5,003,747		18,973,322		Net results correspond to 1.64% of equity in March 2017 and 7.05% in December 2016.	Net income
		405,487		1,671,658			Net profit
	Return on total liabilities	=	1.64%	=	7.05%	Net results with respect to total assets, correspond to 0.59% at March 2017 and 2.46 in December 2016.	Equity - profit
		24,679,368		23,724,170			
		405,487		1,671,658			Net profit
	Return on total assets	=	0.59%	=	2.46%		Total assets
		68,653,487		67,817,041			