

Condensed Consolidated Interim Financial Statements  
of Grupo de Inversiones Suramericana S.A.  
For the Three-month Period, between  
January 1<sup>st</sup> and March 31<sup>st</sup> of 2018



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## RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNTS

The Directors are required to prepare Financial Statements, for each financial period, that reasonably present the Company's financial position, results, and cash flows, at March 31, 2018, with comparative figures at March 31<sup>st</sup> and December 31<sup>st</sup> of 2017. For the preparation of these Financial Statements, the Directors are required to:

- Select appropriate Accounting Policies, and then apply them consistently.
- Present information, including Accounting Policies, that is relevant, reliable, comparable, and comprehensive.
- Make judgments, and reasonable, prudent estimates.
- State whether the applicable accounting standards have been followed, subject to any significant deviation revealed, and explained in the accounts.
- Prepare the accounts based on the ongoing business unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm, that the accounts meet the above requirements.

In addition, the Directors consider, that they are responsible for maintaining appropriate accounting records, that reveal with reasonable accuracy, at any time, the financial situation of the Company. They are also responsible for safeguarding the assets of the Company and, therefore, for taking reasonable steps to prevent and detect, fraud, and other irregularities.

David Bojanini Garcia\*  
President

Luis Fernando Soto Salazar\*  
Public Accountant  
Professional Card 16951-T

\* Traslacion into English of the original version signed in Spanish.

## CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The undersigned Legal Representative and Public Accountant, under whose responsibility, the Consolidated Financial Statements were prepared, certify:

That for the issuance of the Statement of Financial Position, at March 31, 2018, and of the Income Statement, for the year, as well as, the Statement of Other Comprehensive Income, Changes in Equity Statement, and the Cash flows Statement, for the year ended on that date, which are in compliance with the norms, are made available to Shareholders and Third Parties, and whose information, contained in them, have been previously verified.

Said affirmations, explicit and implicit, are the following:

*Existence:* The assets and liabilities of Grupo de Inversiones Suramericana S.A., exist on the cut-off date and the transactions recorded, have been realized, during the year.

*Integrity:* All economic events have been recognized.

*Rights and obligations:* The assets represent probable future economic benefits, and the liabilities represent probable future economic sacrifices, obtained or under the charge of Grupo de Inversiones Suramericana S.A., on the cut-off date.

*Valuation:* All elements have been recognized, in the appropriate amounts.

*Presentation and disclosure:* Economic events have been correctly classified, described, and disclosed.

In accordance with Article 46 of Law 964 of 2005, in my capacity as Legal Representative of Grupo de Inversiones Suramericana S.A., the Financial Statements, and other reports relevant to the public, related to the fiscal year ended March 31, 2018 and March 31<sup>st</sup> and December 31<sup>st</sup> of 2017, do not contain defects, inaccuracies, or errors, that prevent the knowledge of the true financial situation and the operations of the Company.

David Bojanini Garcia\*  
President

Luis Fernando Soto Salazar\*  
Public Accountant  
Professional Card 16951-T

\* Translation into English of the original version signed in Spanish.

## Interim Financial Information Review Report

Sirs:

Shareholders of Grupo de Inversiones Suramericana S.A.

### Introduction

I have reviewed the, herewith attached, Consolidated Statement of Financial Position (Condensed) of Grupo de Inversiones S.A., at March 31, 2018, and the corresponding Consolidated Statement of Comprehensive Income, Changes in Equity, and Cash Flows (Condensed) Statements, for the three-month period, ended at that date; as well as, a summary of the most Significant Accounting Policies and other explanatory Notes. The Management of the Company is responsible for the preparation and correct presentation of these Intermediate Financial Statements, in accordance with the Accounting and Financial Information Standards, accepted in Colombia. My responsibility is to issue a conclusion, on these Interim Financial Statements, based on my review.

### Scope of the review

I have effectuated my review, in accordance with the International Work Review Standards 2410, "*Review of Intermediate Financial Information, realized by the Independent Auditor of the Entity*", accepted in Colombia. A review, of the Financial Information, at an interim date, consists primarily, of making inquiries, to the personnel, of the Company, who are responsible for financial and accounting matters; as well as, applying analytical procedures and other review procedures. The scope of a review is substantially less than the review that is executed, to the Financial Statements, at year-end, in accordance with the International Auditing Standards, accepted in Colombia, and as a consequence, I cannot be assured, that I have been given the knowledge, of all important matters, that would have been identified, in an audit. As a result, I do not express an audit opinion.

### Conclusion

As a result of my review, no matter has been brought to my attention, that would make me conclude, that the Intermediate Financial Statements, herewith attached, do not reasonably present, in all significant aspects, the Consolidated Statement of Financial Position of Grupo de Inversiones Suramericana S.A., at March 31, 2018, the Income Statement of its operations, or Cash Flows Statement, for the three-month period, ended at that date, in accordance with the Accounting and Financial Information Standards, accepted in Colombia.

### Other information

The formats, that will be transmitted to the SFC, have been reviewed by me, prior to the digital signature of the same, in XBRL and PDF format, in accordance with Circular 038 of 2015, and its amendments. The information, contained, in the aforementioned formats, is consistent with the Intermediate Financial Statements, herewith attached to this report, which was taken from the Company's accounting books.

Mariana Milagros Rodríguez\*  
Independent Auditor  
Professional Card 112752 -T  
Designed by Ernst & Young Audit SAS TR-530  
Medellin, Colombia  
May 15, 2018

\* Traslacion into English of the original version signed in Spanish.



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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At March 31, 2018 (with comparative figures at December 31, 2017)

(Expressed as millions of Colombian Pesos)

	Note	March 2018	December 2017
<b>Assets</b>			
Cash and cash equivalents		1,734,284	1,588,289
Investments	6	26,107,896	26,926,217
Trade and other account receivables	6	5,679,036	6,213,746
Accounts receivable related parties and associates, current	6	424,286	39,726
Technical reserves part re-insurance	7	2,854,367	3,214,320
Inventories		10,893	14,347
Current tax assets	8	372,093	235,212
Non-current assets held for sale		36,708	36,711
Other financial assets	6	141,534	145,709
Other non-financial assets		148,569	112,460
Investment properties		974,744	1,031,538
Property and equipment		1,127,112	1,154,229
Intangible assets other than goodwill	9	4,262,022	4,532,439
Goodwill	9	4,525,420	4,768,779
Accounted investments using <i>the Equity Method</i>	10	18,181,734	18,833,942
Deferred tax assets	8	127,822	161,246
<b>Total assets</b>		<b>66,708,520</b>	<b>69,008,910</b>
<b>Liabilities</b>			
Other financial liabilities	6	2,279,512	2,206,050
Trade and other accounts payable	6	2,526,863	2,881,223
Accounts payable to related parties	6	396,264	2,378
Technical reserves	7	25,401,928	26,195,224
Current tax liabilities	8	665,687	546,820
Provisions for employee benefits		403,445	515,751
Other non-financial liabilities		548,915	612,939
Other provisions	11	265,575	286,230
Securities issued	12	7,561,329	7,836,685
Deferred tax liabilities	8	1,531,445	1,699,049
<b>Total liabilities</b>		<b>41,580,963</b>	<b>42,782,349</b>

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At March 31, 2018 (with comparative figures at December 31, 2017)

(Expressed as millions of Colombian Pesos)

Equity	Note	March 2018	December 2017
Share capital issued		109,121	109,121
Share premium		3,290,767	3,290,767
Net income		268,982	1,256,254
Retained earnings		13,484,050	12,950,571
Other equity interest		1,836,196	2,770,704
Reserves		3,905,725	3,452,104
<b>Equity attributable to the holders of controlling interest</b>		<b>22,894,840</b>	<b>23,829,521</b>
<b>Non-controlling interest</b>	14	<b>2,232,716</b>	<b>2,397,040</b>
<b>Total equity</b>		<b>25,127,557</b>	<b>26,226,561</b>
<b>Total equity and liabilities</b>		<b>66,708,520</b>	<b>69,008,910</b>

The Notes are an integral part of these 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, 2018)

\* Traslacion into English of the original version signed in Spanish.

GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended March 31, 2018 (with comparative figures at March 31, 2017)

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

	Notes	March 2018	March 2017
Premiums issued	7	3,081,606	3,096,904
Premiums ceded	7	(370,631)	(364,305)
<b>Retained Premiums (Net)</b>		<b>2,710,975</b>	<b>2,732,599</b>
Commission income	16	610,758	547,823
Provision of services	18	772,371	643,940
Dividends	19	674	9,092
Investment income	19	248,220	270,243
Earnings at fair value	19	1,839	225,491
Profit from the interest in <i>the Equity Method</i> , associates	10	207,556	252,426
Profit from sales of investments	19	17,461	30,425
Income from investment properties		18,221	13,088
Exchange differences (Net)	19	119,187	58,333
Other income		56,717	85,663
<b>Total income</b>		<b>4,763,979</b>	<b>4,869,123</b>
Total claims	7	(1,904,936)	(1,947,458)
Reimbursement claims	7	353,849	480,273
<b>Retained claims</b>		<b>(1,551,087)</b>	<b>(1,467,185)</b>
Production reserves, net	7	(259,607)	(493,650)
Cost for services rendered	18	(720,554)	(613,175)
Administrative expenses	20	(381,175)	(447,788)
Employee benefits		(471,724)	(418,966)
Fees	17	(163,426)	(157,696)
Broker commissions	16	(462,710)	(442,457)
Amortization	9	(72,043)	(67,770)
Depreciation		(20,019)	(18,336)
Other expenses		(93,979)	(79,087)
Interest	19	(147,530)	(152,162)
Impairment		(537)	(10,840)
<b>Total expenses</b>		<b>(4,344,391)</b>	<b>(4,369,112)</b>

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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three-month period ended March 31, 2018 (with comparative figures at March 31, 2017)

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

	Notes	March 2018	March 2017
<b>Pre-tax profit</b>		<b>419,588</b>	<b>500,011</b>
Income tax	8	(109,435)	(101,009)
<b>Profit, Net continuing operations</b>		<b>310,153</b>	<b>399,002</b>
Profit, Net discontinued operations		-	6,484
<b>Net profit</b>		<b>310,153</b>	<b>405,486</b>
Controlling income		268,982	338,969
Non-controlling income	14	41,171	66,517
<b>Earnings per share</b>			
Net income per share	21	573	723

The Notes are an integral part of these Financial Statements.

David Bojanini Garcia\*  
Legal Representative

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

Mariana Milagros Rodríguez\*  
Auditor

T.P. 112752-T

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(See my report of May 15, 2018)

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

**STATEMENT OF OTHER COMPREHENSIVE INCOME**

For the three-month period, ended March 31, 2018 (With comparative figures at March 31, 2017)

(Values expressed in millions of Colombian Pesos)

	Notes	March 2018	March 2017
<b>Profit for the period</b>		<b>310,153</b>	<b>405,486</b>
Other comprehensive income, losses in equity instruments of equity, net of taxes		(1,687)	(3,766)
Other comprehensive income, gains on revaluation, net of taxes		20	(7,727)
Other comprehensive income, losses from re-measurement of defined benefit plans, net of taxes		-	(439)
<b>Total other comprehensive income not reclassified to profit or loss, net of tax</b>		<b>(1,667)</b>	<b>(11,932)</b>
Earnings from currency translation differences, net of tax		(624,790)	45,784
Loss on cash flow hedges, net of tax		9,573	4,961
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		(426,212)	(95,166)
<b>Total other comprehensive income reclassified to profit and loss</b>		<b>(1,041,429)</b>	<b>(44,421)</b>
<b>Total other comprehensive income</b>		<b>(1,043,096)</b>	<b>(56,353)</b>
<b>Total comprehensive income</b>		<b>(732,943)</b>	<b>349,133</b>
Comprehensive income attributable to:			
Controlling interest		(666,364)	272,892
Non-controlling interest		(66,579)	76,241

The Notes are an integral part of these Financial Statements.

David Bojanini Garcia\*  
Legal Representative

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

Mariana Milagros Rodríguez\*  
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T.P. 112752-T

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(See my report of May 15, 2018)

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

At March 31, 2018 (with comparative figures at March 31, 2017)

(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, 2017</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 taxes					(356)				(356)	(83)	(442)
<i>The equity method</i> 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 (488 pesos per share)	13			(280,780)					(280,780)		(280,780)
Dividends to shareholders (donations)				(5,000)					(5,000)		(5,000)
Reserves for the protection of investments				(549,701)			549,701		-		-
Minimum dividend preference shares			(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, 2017</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

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

**STATEMENT OF CHANGES IN EQUITY– CONSOLIDATED**

At March 31, 2018 (with comparative figures at March 31, 2017)

(Expressed in millions of Colombian Pesos)

	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, 2018</b>	<b>109,121</b>	<b>3,290,767</b>	<b>12,950,571</b>	<b>2,770,704</b>	<b>3,313,309</b>	<b>138,795</b>	<b>1,256,254</b>	<b>23,829,521</b>	<b>2,397,040</b>	<b>26,226,561</b>
Issuance of shares	-	-	-	-	-	-	-	-	239	239
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(934,508)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(934,508)</b>	<b>(108,588)</b>	<b>(1,043,096)</b>
Reserve for revaluation of property and equipment	-	-	-	32	-	-	-	32	(12)	20
Translation adjustment net foreign investment	-	-	-	(515,384)	-	-	-	(515,384)	(109,406)	(624,790)
Financial instruments with changes to the OCI	-	-	-	(1,783)	-	-	-	(1,783)	96	(1,687)
<i>The equity method</i> recognized in equity	-	-	-	(425,374)	-	-	-	(425,374)	(838)	(426,212)
Flows hedging – derivative instruments	-	-	-	8,001	-	-	-	8,001	1,572	9,573
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>268,982</b>	<b>268,982</b>	<b>41,172</b>	<b>310,153</b>
<b>Total net comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(934,508)</b>	<b>-</b>	<b>-</b>	<b>268,982</b>	<b>(665,526)</b>	<b>(67,417)</b>	<b>(732,943)</b>
Transfer to retained earnings	-	-	1,256,254	-	-	-	(1,256,254)	-	-	-
Dividends recognized as distributions for owners (488 pesos per share)	-	-	(301,464)	-	-	-	-	(301,464)	(93,155)	(394,619)
Reserves for the protection of investments	-	-	(453,621)	-	453,621	-	-	-	-	-
Impact from the application of new accounting norms	-	-	(1,463)	-	-	-	-	(1,463)	-	(1,463)
Increases (decreases) from other equity changes	-	-	33,773	-	-	-	-	33,773	(3,991)	29,782
<b>Balance at March 31, 2018</b>	<b>109,121</b>	<b>3,290,767</b>	<b>13,484,049</b>	<b>1,836,196</b>	<b>3,766,930</b>	<b>138,795</b>	<b>268,982</b>	<b>22,894,840</b>	<b>2,232,716</b>	<b>25,127,557</b>

The Notes are an integral part of these Financial Statements.

David Bojanini Garcia\*  
Legal Representative

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

Mariana Milagros Rodríguez\*  
Auditor

T.P. 112752-T  
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(See my report of May 15, 2018)

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

For the period ended March 31, 2018 (with comparative figures at March 31, 2017)

(Values expressed millions of Colombian Pesos)

	Notes	March 2018	March 2017
Net income		310,154	405,486
<b>Adjustments to reconcile net income</b>			
Adjustments for income tax expenses	7.3	109,435	101,009
Adjustments for financial costs		75,413	152,162
Adjustments for decreases (increases) in inventories		3,454	1,534
Adjustments for decreases (increases) in accounts receivable insurance activities		592,731	336,213
Adjustments for decreases from accounts receivable from trade sources		(58,348)	(104,471)
Adjustments for increases in other accounts receivable from operating activities		(13,459)	(8,245)
Adjustments for increases in accounts payable from trade sources		(29,639)	(1,244)
Adjustments for increases in accounts payable, insurance activities		(324,721)	(186,833)
Adjustments for increases (decreases) in other accounts payable from operating activities		(8)	151,035
Adjustments for depreciation and amortization expenses		139,026	490,025
Adjustments for impairment recognized in profit and loss		537	10,840
Adjustments for provisions		(132,961)	(67,711)
Adjustments for losses from unrealized foreign currency		592,873	533,574
Adjustments from payments based on shares		-	-
Adjustments for fair value profit		(34,541)	(225,491)
Adjustments for undistributed profits from application of <i>the Equity Method</i>	10.2	(207,556)	(252,426)
Other adjustments from those other than cash (Valuation of investments at amortized cost)		(103,979)	(490,913)
Adjustments for losses (gains) from the disposal of non-current assets		3	102
Other adjustments for which the impact on cash, are cash flows from investment or financing (Valuation of investments at fair value)		(263,953)	(300,668)
Other adjustments to reconcile net income		(433,343)	682,973
<b>Total adjustments to reconcile net income</b>		<b>(89,036)</b>	<b>821,465</b>
<b>Net cash flows from operations</b>		<b>221,118</b>	<b>1,226,951</b>
Dividends received, associates		54,527	88,677
Income tax paid (reimbursed)		(91,062)	53,012
Other non-financial assets		(169,176)	(141,543)
<b>Net cash flows from (used in) operating activities</b>		<b>15,407</b>	<b>1,227,097</b>
<b>Cash flows from (used in) investing activities</b>			
Cash flows from loss of control of subsidiaries or other businesses	10.2.1	4,829	-
Cash flows used to obtain control of subsidiaries or other businesses		(324)	-
Other charges from the sale of equity or debt instruments of other entities	6.1.1. and 19 (5)	2,023,423	1,716,742
Other payments to acquire equity or debt instruments of other entities	6.1.1.	(2,063,949)	(2,033,604)
Imports from the sale of property, plant and equipment		430	21,222
Purchase of property and equipment		(19,225)	(22,003)
Proceeds from sales of intangible assets		89	2,203
Purchase of intangible assets		(64,229)	(427,663)
Resources for sales of other long-term assets		156	31,711
Purchase of other long-term assets		-	(24,286)
Payments arising from futures, forward, options and swap contracts (swaps)		7,272	-
Collection of forward, futures, options and swap contracts (swaps)		102,199	31,339
Financial instrument dividends received	6.1.1	(137)	266
Interest received	6.1.1	209,644	346,637
<b>Net cash flows from (used in) investing activities</b>		<b>200,178</b>	<b>(357,436)</b>



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

For the period ended March 31, 2018 (with comparative figures at March 31, 2017)

*(Values expressed millions of Colombian Pesos)*

	Note	March 2018	March 2017
<b>Cash flows from financing activities</b>			
Payments from issuance of shares		239	(221,765)
Proceeds from loans		1,242,102	1,378,320
Loan repayments		(1,233,101)	(1,029,567)
Payment of financial lease liabilities		(2,571)	-
Dividends paid		(726)	(65,539)
Interest paid		(68,769)	(83,218)
<b>Net cash flows from financing activities</b>		<b>(62,826)</b>	<b>(21,769)</b>
<b>Increases (decreases,) net of cash and cash equivalents, before the changes in the exchange rate</b>		<b>152,759</b>	<b>847,892</b>
Impact of variations in the exchange rate on cash and cash equivalents		(6,764)	81,298
<b>Decreases (increase) net of cash and cash equivalent</b>		<b>145,995</b>	<b>929,190</b>
Cash and cash equivalents at beginning of period	5.1	1,588,289	2,066,959
<b>Cash and cash equivalents at end of period</b>	<b>5.1</b>	<b>1,734,284</b>	<b>2,996,149</b>

The Notes are an integral part of these 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, 2018)

\* Traslacion into English of the original version signed in Spanish.

## GRUPO DE INVERSIONES SURAMERICANA S.A.

### NOTES FOR THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period ended at March 31, 2018 (with comparative figures at December 31, 2017), the figures of the Statement of Financial Position, and at March 31, 2017, figures of the Income Statement, Statement of Comprehensive Income, and Changes in Equity Statement and Statement of 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 43<sup>a</sup> #5<sup>a</sup>-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 24.44%) 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 18.87% 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 76.47% 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 16.42% 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 Shareholder.

The investments in segment cement, concrete, energy, ports, coal mines, and the real estate sector, includes a stake of 35.53% 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 main activities of Grupo SURA are described in Note 14 Operating Segments.

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

### **2.1. Statement of Compliance**

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 2015, amended by Decree 2496 of 2015 and 2131 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), contained in the “2015 red book version”, published by the International Accounting Standards Board (IASB - as it is known by the acronym in English).

The application of said International Standards, in Colombia, is subject to certain exceptions, established by the regulator, and contained in Decree 2420 of 2015, and amending. These exceptions vary depending on the type of company, for Suramericana, the following applies:

- Article 2.2.1 of Decree 2420 of 2015, added to by Decree 2496, of the same year and modified by Decree 2131 of 2016, established that the determination of the 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, 2018, 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, 2017.

Some of the amounts and disclosures in relationship to the First Quarter of 2017, presented in these Financial Statements for comparison purposes, may present variations from information published in the Condensed Consolidated Financial Statements at March 31, 2017, 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 NCIF, realized for the closing of the Financial Statements. ended December 31, 2017, submitted, and approved at the Shareholders' Meeting on March 28, 2018. The Administration of the Group

considers that these adjustments are not material and do not affect the reasonability of the information formerly published.

### 2.3. Basis for Measurement

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, rounded to the nearest unit, except net income per share and the representative exchange rate of the exchange market, which are expressed in Colombian Pesos and foreign currencies (for example: Dollars, Euros, etc. See Note 21).

### 2.4. Update of the Accounting Policies

The Board of Directors of Grupo Sura, on the recommendation of the Audit and Finance Committee, approved an update of the Accounting Policies, on income from customers and Financial Instruments, with the purpose of standardizing the scope in IFRS 15 and IFRS 9, respectively, which came into force as of January 1, 2018.

With regard to the income policy (IFRS 15), this update will allow the classification of the income, obtained by the Company, in accordance with the activities realized, to satisfy the obligations, acquired contractually, with customers, regardless of whether it is stipulated, in a single contract. The main impact, associated with this change, is in the case of insurers, where the separation of, income received from insurance premiums, and income from complementary services (assistance), is required, because it is considered that there are different performance obligations, to be met to the clients. However, this change will only generate impact, in the presentation of the Financial Statements. For the other operating segments, no significant changes have been identified.

In relation to the prospective impairment policy (IFRS 9), the methodology is based on the relevance of impacting the Company's results, from the losses associated with the credit risk of the financial assets, from the initial moment of their recognition in the balance sheet, instead of waiting for an event or contingency that evidences its deterioration to occur, as is the case with the incurred losses methodology, established in the previous standard (IAS 39). The prospective methodology corresponds to the estimate of loss, that can be foreseen from the initial moment, in which the financial asset is recognized, based on the probability of exposure, and the Company's real guarantees. These updates took effect on January 1, 2018.

## 2.5 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.

## 2.6. Consolidation Principles

### *Subsidiaries*

The Consolidated Financial Statements include the Financial Statements of Grupo SURA and its subsidiaries as of March 31, 2018. 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 said.

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 participation, 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 participation 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, 2018 are consistent with those used in the preparation of Annual Financial Statements to be prepared under IFRS as of December 31, 2017.

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. Business Combinations and Goodwill**

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 Cash Generating Unit.

### **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 be 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 said.

### 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 directly or indirectly ownership 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

#### *Income from customers:*

Grupo Sura establishes a five-step model, to account for the income derived from contracts with customers. Revenues are recognized for an amount that reflects the consideration to which an entity expects to be entitled, in exchange for transferring goods or services to a customer. The 5 steps identified for the determination of income recognition are:

1. Identification of the contract with the client
2. Identification of performance obligations
3. Determination of the transaction price
4. Assignment of the transaction price to each of the performance obligations
5. Recognition of income from ordinary activities when performance obligations are met.

The incremental costs (activatable costs,) are treated as assets, if Grupo Sura expects to recover them within the same contract. The costs of obtaining a contract, that is incurred independently, if the contract is won or not, will be carried to cost, in the period in which they are incurred.

The following specific recognition criteria must also be met before income is recognized.

#### 3.5.1. Income from premiums issued

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.

##### 3.5.1.1. General securities

The solution of automobiles, home, and fire, includes a component of services that do not correspond to insurance risks such as: Transportation due to injuries or illness, displacement and lodging of a family member, displacement due to the death of a family member, transportation in case of death, professional driver, transmission of urgent messages, towing, lodging and transportation due to the damages of the car, lodging and transportation due to the theft of the car, mobile and locksmith workshop, location and shipment of spare parts, designated driver, accompaniment with the transit authority, orientation via telephone for transit procedures, plumbing damages, electricity, locksmith, replacement for glass damages, security services, travel expenses for interruption of travel, telephone assistance for legal matters. These components constitute additional performance obligations, under the requirements of IFRS 15, which is the reason why the Company must assign, to the value of the premium received, a portion for complementary services to the insurance activity.

Grupo Sura decided to use the practical solution of IFRS 15 and will not adjust the value that has been committed, as consideration, to account for, the effects of a significant financing component, when it is expected, at initiation of the contract, in the period between, the time that the Company transfers committed service to the customer, and the time the customer pays for that good or service, is one year or less.

Therefore, for short-term advances, the amount of such advances will not be adjusted, even if the impact of the financing component is significant.

#### **3.5.1.2. Life**

The main corporate purpose of the Company is to realize individual insurance, and reinsurance operations on life policies, under the modalities and branches, expressly authorized by law.

#### **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:

- a) there has been established, the right to receive payment of the dividend;
- b) it is probable that the entity receives economic benefits associated with the dividend; and
- c) The value of the dividend can be measured, reliably

#### **3.5.4. Commission Income**

When Grupo Sura involves a third party, in providing goods or services to a client, it is determined whether the nature of its commitment is a performance obligation, consisting of providing the goods or services specified by itself (i.e. the entity acts as a principal), or service in organization, for the third party, the supply of those goods or services (that is, the entity acts as an agent).

Grupo Sura will be a principal if it controls a good or service committed to, before the entity transfers it to a client. However, Grupo Sura is not necessarily acting as a principal, if it obtains the legal right over a product only momentarily, before the right is transferred to the client.

When Grupo Sura is defined as a principal, that is, satisfies a performance obligation, it recognizes revenue from ordinary activities, as the gross value of the consideration to which it expects to be entitled to change the goods or services transferred.

Grupo Sura acts as an agent, if the performance obligation consists of organizing the supply of goods or services for another entity. When Grupo Sura acts as an agent, revenue from ordinary activities is recognized for the value of any payment or commission, to which it expects to be entitled, in exchange for arranging for the other party, the provision of its goods or services. The payment, or commission, may be the net value of the consideration that the entity retains after paying, the other party, the consideration received in exchange for the goods or services, to be provided by that party.

Commission income is recognized with the provision of the service. Those that have arisen from the negotiations, or participation in the negotiations of a transaction of a third party, such as the disposition of

the acquisition of shares, or other securities, or the purchase or sale of business, are recognized in the 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 from fees and expenses for commissions.

### **3.5.5. Outsourcing companies**

The services, provided by the outsourcing companies, are sold through separate contracts, with customers or bundled with the sale of equipment. The Group currently registers equipment and services as separate deliverables, and allocates an amount for each deliverable, using the relative fair value approach.

The Group concluded that services are delivered over time, taking into account that the client receives and consumes the benefits simultaneously. At present, income and accounts receivable are recognized, even though the collection of the total consideration depends on the successful completion of the services.

### **3.5.6. Income from Health Provision Entities**

The health companies, of Grupo Sura, as delegates of the Resource Manager of the General System of Social Security in Health (ADRES), for the collection of the contributions of the Mandatory Health Plan, receive a per capita value for the provision of services for each affiliate, which is called the capitation payment unit - CPU, which is modified annually by the National Council for Social Security in Health, and recognizes income from this concept. Likewise, the Company records, as income, the per capita value for promotion and prevention, recognized by the General System of Social Security in Health, in each return and compensation statement, once the respective compensation process has been completed.

Revenues from prepaid medical contracts are caused to the extent that they expire.

## **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.

Current assets and liabilities, for income tax, are also 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.

The periodicity of the impairment is calculated monthly, and the model depends on the time of the financial asset:

#### ***Commercial portfolio of clients:***

The deterioration model of the client portfolio shows a percentage of impairment, applicable to the portfolio of companies, by the range of days in default; for this, historical information, available in each company, should be used to calculate the percentage of deterioration with which the portfolio will be impacted in the future. The number of periods, of historical information used, are sufficient to respond to the behavior of the payment of the clients, insuring that there is a balance in the statistics of the information and changes in the payment behavior, of the clients.

#### ***Investments:***

To determine the deterioration of this type of financial assets, investments are classified:

- Instruments, whose issuer is a Government, or an entity backed by the Government and which are issued in the functional currency of the country where that Government exercises sovereignty, will not deteriorate.
- Instruments without significant variation in the level of credit risk, from the moment of purchase: for these, the impairment will be determined, based on the probability of occurrence of a credit risk event, in the next 12 months after the reporting date.
- Instruments with significant variation, at the level of credit risk, from the moment of purchase: for these, the impairment will be determined, based on the probability of occurrence of a credit risk event, during the whole life of the instrument.

#### ***Reinsurance:***

The objective of the analysis and validation, realized with the model, is to review the evolution and financial position.

The model has 2 sections. The first is made up of the quantitative indicators, and the second is a qualitative indicator.

To calculate the percentage of the deterioration, a function is constructed by sections, in which it assigns a percentage of deterioration to each rating from 0 to 10. This deterioration is 100% for companies rated between 0 and 2, and passing then, to a root type function for grades between 2 and 8.5. From this last qualification, a deterioration of 0% is assigned, as illustrated in the graph below.

#### ***Coinsurance:***

For the calculation of the impairment, for this type of instruments, the following methodology is applied:

1. The net value, between the accounts receivable and accounts payable, of a co-insurer, is identified.
2. The impairment is applied to the co-insurer's result by default height between the accounts payable owed to a co-insurer and the account receivable from the same co-insurer at a given time.

This methodology is used, taking into account, the immateriality of co-insurance accounts receivable, and the effectiveness of portfolio management models, that reflect the effectiveness of each company's management.

### *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 decisions, on the allocation of resources, to segments, and assessing the 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 judgments 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.

### 3.11. Related parties

The following are considered related parties:

1. The companies that make up the **Grupo Empresarial SURA** ("The Companies").

2. The **associated companies**.

It will only apply for transactions that are considered **unusual** (outside of the ordinary course of business of the company) **and materials**.

In any case, it must be ensured, that the recurring transactions are realized, under competitive market conditions, and are recognized, in full, in the Financial Statements. For purposes of this document, the definition of associated companies, contained in the Accounting Policy for Investments in Associates, will be applied.

3. The Members of the Board of Directors (principals and alternates).
4. The Legal Representatives, excluding the Judicial Legal Representatives and Proxies.
5. The Personnel of Senior Management, specifically, the first two levels of the organization (including Executive Directors of Audit and Corporate or General Secretaries).
6. The close relatives of the Members of the Boards of Directors, the Legal Representatives, and the Personnel of Senior Management, that is, their spouses or permanent companions, as well as the persons within the first degree of consanguinity, first of affinity or only civil.

This policy will not apply to operations that do not involve the provision of a service, or the disposition of goods, between the parties; that is, collaborative activities, synergies, or joint developments, among the Companies, in the interest of the unity of purpose, and direction of the Grupo Empresarial SURA.

Aligned with the International Accounting Standards, and aware that each Company Group will be responsible for identifying transactions between related associated parties, with their businesses, the operations that will, at minimum, be considered, within the present policy are:

- Purchases or sales of products
- Purchases or sales of real estate and other assets
- Loans between companies, in effect at the close of the accounting period
- Leases, where there is a formalization, through a contract
- Provision or reception of services, where there is remuneration, reciprocity, and formalization, through a contract
- Transfers, in which a company generates development or research, exclusively for another entity, and there is remuneration, reciprocity, and formalization, through a contract
- Transfers made, in accordance with financing agreements, (including loans and equity contributions, in cash or in kind)
- Granting of collateral guarantees and warranties
- Settlement of liabilities, on behalf of the entity, or by the entity, on behalf of that related party
- Other commitments and contracts where there is reciprocity and remuneration
- Transactions, (including compensation and benefits) with members of the Boards of Directors, Legal Representatives, and Senior Management Personnel, which correspond to the first two levels of the organization, that is, to people of the highest hierarchical level of the Companies, responsible of the ordinary course of business, and for devising, executing, and controlling the objectives and strategies of the companies; Auditors and Corporate or General Secretaries are included. (It must be transactions with the company, in which the Senior Manager works)
- Transactions within the Company, in which one of the Senior Managers, described above, and their spouse or permanent companion, or their relatives, within the first degree of consanguinity, first of affinity, or solely civil
- Dividends decreed

### **Materiality of transactions**

All transactions, between related parties must be realized, under conditions of full competition, and framed within the principles of transparency, fairness, and impartiality.

For the purposes of determining materiality, the following factors shall be taken into account:

- Legal, accounting, and tax compliance, in all jurisdictions

- Specific conditions agreed upon with minority Shareholders
- Amount of the operation, which will be defined in the specific policies or procedures of the Companies
- Realization of conditions, other than market conditions, due to a particular event
- Disclosure to regulatory or supervisory authorities
- Reporting requirements, to Senior Management and/or Board of Directors

It will be considered material, if one of these factors applies to at least one of the Companies involved in the transaction.

## **NOTE 4. APPLICATION OF NEW STANDARDS**

### **4.1. Rules issued without effective application**

#### **Accounting and Financial Information Standards accepted in Colombia issued not yet effective**

The standards and interpretations, that have been published, but are not applicable at the date of these Financial Statements, are disclosed below. The Group will adopt these standards on the date they become effective, in accordance with the decrees, issued by the local authorities.

#### **IFRS 16: Leases**

IFRS 16 was issued by the IASB, in January 2016, and replaces IAS 17, IFRIC 4, SIC 15 and SIC 27. This standard establishes the principles of recognition, measurement, presentation, and disclosure of leases, and requires that tenants account for all their leases, under the same balance sheet model, similar to the accounting under IAS 17 of financial leases. The standard includes two recognition exemptions for tenants: leasing of low-value assets (for example, personal computers), and short-term leases (that is, leases with a term of less than 12 months). At the beginning of the lease, the lessee will recognize a liability for the payment of royalties, (liability for lease), and an asset, representing the right to use the underlying asset, during the term of the lease (right to use the asset). Tenants must recognize the interest expense of the lease liability and the depreciation expense of the right to use, separately.

Tenants must also remediate the lease liability from the occurrence of certain events (for example, a change in the term of the lease, a change in future fees, as a result of a change in the rate, or rate used to determine such fees). The lessee will generally recognize the amount of the remeasurement, of the lease liability, as an adjustment in the right-of-use asset.

The accounting of the lessor, under IFRS 16, has no substantial modifications, with respect to that effectuated, under IAS 17. The lessors will continue to classify all of their leases, using the same classification principles of IAS 17, between financial and operating leases.

IFRS 16 also requires lessees, and lessors, to include more extensive disclosures, to those included under IAS 17. This standard has not been introduced in the Colombian accounting framework, by any decree, to date. The Group is evaluating the potential impact of this standard, in its Financial Statements.

#### **IFRS 17: Insurance contracts**

In May 2017, the IASB issued IFRS 17, a new comprehensive accounting standard, for insurance contracts, covering measurement and recognition, presentation, and disclosure. Once in effect, IFRS 17 will replace

IFRS 4, issued in 2005. IFRS 17 applies to all types of insurance contracts, regardless of the type of entities that issue them, as well as certain guarantees, and financial instruments, with characteristics of discretionary participation. This standard includes few exceptions.

The general objective of the standard is to provide an accounting model for insurance contracts, that is more useful, and consistent, for insurers. Contrary to the requirements of IFRS 4, which primarily seeks to protect previous local accounting policies, IFRS 17 provides a comprehensive model for these contracts, including all relevant issues. The essence of this standard is a general model, supplemented by:

- A specific adaptation for contracts, with characteristics of direct participation (variable rate approach)
- A simplified approach, (the allocation bonus approach), mainly for short-term contracts

IFRS 17 has not been introduced into the Colombian accounting framework, by any decree, to date. The Group is evaluating the potential impact of this standard, in its Financial Statements.

## **4.2. Applied standards**

### **Revenue from contracts with customers**

IFRS 15 was issued in May 2014, and amended in April 2016, by the IASB. This norm was included in Colombia, through Decree 2496 of 2015, and its amendment was included in Decree 2131 of 2016, effective January 1, 2018. The norm establishes a model that consists of five steps for the accounting of the income generated from contracts signed with clients. Under IFRS 15, the income is recognized for an amount that reflects the consideration to which the entity expects to be entitled, in exchange for the provision of services, or the transfer of goods to a customer.

The Company adopted the new standard, on the established date, using the retrospective application method, in accordance with the transition options, granted by IFRS 15.

Our recognition of income, under IFRS 15, does not differ substantially from the previous practices, so there is no impact on recognition. However, there is impact, on reclassification of income, in the Statement of Comprehensive Income, of the complementary services, of some solutions, in the life and non-life segments, in Colombia.

The impact, on the reclassification of income, obtained in the life and non-life segments, in Colombia are described below:

#### **I. Life segment:**

The life segment includes a component of services that do not correspond to insurance risks such as: transportation due to injuries or illness, displacement and lodging of a family member, displacement due to the death of a family member, transportation in the case of death, relocation expenses due to interruption of travel, legal telephone assistance. These components constitute additional performance obligations, under the requirements of IFRS 15.

The income, obtained by the Occupational Risk Manager, corresponds to the mandatory contributions made to the Occupational Risk System. Decree 1295 of 1994 establishes, that of the contributions received, by the Occupational Risk Management companies, they must allocate a percentage

equivalent to 14.2%, for the development of this activity of mitigation and prevention of labor risks. This activity represents a different performance obligation, but complementary to the main objective of the occupational risk system. Therefore, under the requirements of IFRS 15, these values must be measured, recognized, and presented independently of those perceived by the occupational risk activity.

## II. Non-life segment:

Car, lease, home, and fire solutions, include a component of services, that do not correspond to insurance risks such as: transportation due to injuries or illness, displacement and lodging of a relative, displacement due to the death of a family member, transportation in the case of death, professional driver, transmission of urgent messages, towing, lodging and transportation from the damage of the car, lodging and transportation for theft of the car, mobile and locksmith workshops, location and shipment of spare parts, designated driver, assistance with the transit authority, telephone assistance for transit paperwork, plumbing damage, electricity, locksmith, replacement glass damage, security services, travel expenses for interruption of travel, legal telephone assistance. These components constitute additional performance obligations, under the requirements of IFRS 15.

The revenues, corresponding to the complementary services of the insurance segments, as of March 31, 2018, are detailed below by segment, solution, and the participation is indicated, in relation to the total income of the solution:

	Income from complementary services			Impact on total income
	Non-life segment	Life segment	Total	%
<b>Solutions:</b>				
Autos	24,885	-	24,885	0.52%
Home	1,232	-	1,232	0.03%
Fire	1,185	-	1,185	0.02%
Life group	133	316	449	0.01%
Leases	86		86	0.00%
Family health	-	1,915	1,915	0.04%
Collective health	-	732	732	0.02%
Mitigation and prevention of labor risk	-	44,420	44,420	0.93%
<b>Total</b>	<b>27,521</b>	<b>47,383</b>	<b>74,904</b>	<b>1.57%</b>

As of March 31, 2018, the Company did not present, in the Interim Financial Statements, income from supplementary services, to the insurance activity, the income generated by insurance premiums, independently.

The Company did not identify other impact, from the application of IFRS 15, other than the disaggregation of premium income, the components of complementary services, to the insurance business, in the other Group Companies. It is expected, that with effective date of the NII 17, to the first of 2021, the impact of the Insurance Companies, is recognized.



## **NOTE 5. 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 and investment properties**

The fair value of land and buildings, is based on periodic evaluations, realized 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:

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

### **NOTE 6. 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, 2018 and December 31, 2017, are as follows.

## **6.1. Financial assets**

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

### **March 2018**

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		-	-	-	1,720,708	1,720,708
Investments	6.1.1	35,012	7,825,264	24,432	-	7,884,708
Accounts receivable	6.1.2	5,579,443	-	-	-	5,579,443
Accounts receivable from related parties (1)		424,286	-	-	-	424,286
Derivatives (Other financial assets)		-	12,823	-	-	12,823

<b>Total current financial assets</b>		<b>6,038,741</b>	<b>7,838,087</b>	<b>24,432</b>	<b>1,720,708</b>	<b>15,621,968</b>
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Non-current	Note	Financial assets at amortized cost	Financial assets at fair value		Other Financial assets (cash)	Total
			Profit and loss	Equity		
Restricted cash (*)		-	-	-	13,576	13,576
Investments	6.1.1	14,888,470	3,231,202	103,516	-	18,223,188
Accounts receivable	6.1.2	99,593	-	-	-	99,593
Derivatives (Other financial assets)		-	128,711	-	-	128,711
<b>Total non-current financial assets</b>		<b>14,988,063</b>	<b>3,359,913</b>	<b>103,516</b>	<b>13,576</b>	<b>18,465,068</b>

<b>Total financial assets</b>		<b>21,026,804</b>	<b>11,198,000</b>	<b>127,948</b>	<b>1,734,284</b>	<b>34,087,036</b>
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(\*) Corresponds primarily to securities in legal proceedings, i.e. bank accounts seized by lawsuits against the Company.

#### December 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		-	-	-	1,573,443	1,573,443
Investments	6.1.1	29,298	8,388,845	24,529	-	8,442,672
Accounts receivable	6.1.2	6,119,629	-	-	-	6,119,629
Accounts receivable from related parties (1)		39,726	-	-	-	39,726
Derivatives (Other financial assets)		-	22,001	-	-	22,001
<b>Total current financial assets</b>		<b>6,188,653</b>	<b>8,410,846</b>	<b>24,529</b>	<b>1,573,443</b>	<b>16,197,471</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 (*)		-	-	-	14,846	14,846
Investments	6.1.1	14,907,394	3,527,065	49,086	-	18,483,545
Accounts receivable	6.1.2	94,117	-	-	-	94,117
Derivatives (Other financial assets)		-	123,708	-	-	123,708
<b>Total non-current financial assets</b>		<b>15,001,511</b>	<b>3,650,773</b>	<b>49,086</b>	<b>14,846</b>	<b>18,716,216</b>
<b>Total financial assets</b>		<b>21,190,164</b>	<b>12,061,619</b>	<b>73,615</b>	<b>1,588,289</b>	<b>34,913,687</b>

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

	March 2018	December 2017
Bancolombia S.A.	239,176	-
Grupo Nutresa S.A.	91,648	21,601
Protección S.A.	87,800	-
Brinks de Colombia S.A.	3,244	17,789
Others	2,418	336
<b>Total dividends, receivable</b>	<b>424,286</b>	<b>39,726</b>

Herewith, is a summary of financial assets, by country:

Country	March 2018	December 2017
Colombia	12,964,505	13,014,590
Chile	12,868,638	13,668,532
Mexico	3,955,487	3,427,899
Argentina	1,118,461	1,227,429
Peru	816,890	1,021,677
Panama	690,531	757,724
Brazil	620,428	679,629
Uruguay	417,254	440,349
El Salvador	381,746	426,228
Dominican Republic	201,091	207,541
Bermuda	49,470	39,143
Spain	2,005	2,155
Curacao	453	542
Holland	77	249
<b>Total</b>	<b>34,087,036</b>	<b>34,913,687</b>

### 6.1.1. Investments

A summary, of investments, is as follows:

	March 2018	December 2017
Colombian issuers	15,257,808	15,949,742
Titles of treasury - TES	4,154,354	3,906,573
Foreign issuers	4,032,950	4,281,075
Legal reserve pension fund - Investments at fair value in profit and loss	2,230,658	2,323,177
Other securities issued by the national government	417,637	433,318
Others	15,181	32,938
Impairment of investments of equity instruments changes in other comprehensive income	(276)	(276)
Impairment	(416)	(330)
	<b>26,107,896</b>	<b>26,926,218</b>

The movements of investment accounts are as follows:

<b>Balance at December 31, 2016</b>	<b>26,198,241</b>
Additions	10,567,069
Derecognition	(12,250,490)
Interest	(638,696)
Impairment	(9,591)
Valuation (net) of financial assets, at fair value	794,980
Valuation of equity investments	(91)
Dividends received	(607)
Valuation amortized cost	955,968
Exchange differences	1,309,435
<b>Balance at December 31, 2017</b>	<b>26,926,218</b>
Additions	2,063,949
Derecognition	(2,005,962)
Interest	(209,644)
Impairment	(152)
Valuation (net) of financial assets, at fair value	83,367
Valuation of equity investments	(1,687)
Dividends received	137
Valuation amortized cost	246,491
Exchange differences	(994,821)
<b>Balance at March 31, 2018</b>	<b>26,107,896</b>

### 6.1.2. Trade and other accounts receivables

Herewith is a breakdown of accounts receivable at March 31, 2018 and December 2017

	<b>March 2018</b>	<b>December 2017</b>
Insurance activities	4,060,994	4,649,207
Credit portfolio	36,374	38,441
Current commercial accounts	216,470	205,438
Interest	48	1,050
Commissions	146,461	139,498
Leases	12,400	12,848
Debtors	459,734	408,092
Legal withholdings	291,761	276,110
Advances to suppliers and contracts	14,042	12,297
To employees	49,717	58,569
Payments of client housing	57,726	54,334
Payments for client consumption	338,599	327,326
Promises of purchase and sale	155	-
Stock commission company	4,935	5,108
Various	232,837	250,801
General impairment (provision)	(557)	(573)
Impairment of credit portfolio, other	(205)	(221)

Impairment (provision) trade and accounts receivable	(137,848)	(129,299)
Impairment (provision) accounts receivable, insurance activity	(80,077)	(69,961)
Impairment (provision) accounts receivable, consumption	(2,351)	(1,836)
Impairment (provision) accounts receivable, other	(22,179)	(23,483)
<b>Total</b>	<b>5,679,036</b>	<b>6,213,746</b>

## 6.2. Financial liabilities

The following is related to the financial liabilities of Grupo SURA:

	Note	March 2018	December 2017
Other financial liabilities	6.2.1.	2,279,512	2,206,050
Trade and accounts payable	6.2.2.	2,526,863	2,881,223
Accounts payable of related parties	13	396,264	2,378
Securities issued	12	7,561,329	7,836,685
		<b>12,763,968</b>	<b>12,926,336</b>

Below is a summary of non-current and current financial liabilities, as well as, by type of financial liabilities:

### March 2018

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	30,969	30,969
Derivatives (*)	-	7,278	-	7,278
Accounts payable	2,526,863	-	-	2,526,863
Accounts payable for related parties	396,264	-	-	396,264
Other financial liabilities (*)	740,055	-	-	740,055
Securities issued	-	-	-	-
<b>Total</b>	<b>3,663,182</b>	<b>7,278</b>	<b>30,969</b>	<b>3,701,429</b>

Non-current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	56,789	56,789
Derivatives (*)	-	326,108	-	326,108
Accounts payable	-	-	-	-
Other financial liabilities (*)	1,118,313	-	-	1,118,313
Securities issued	5,174,800	2,386,529	-	7,561,329
<b>Total</b>	<b>6,293,113</b>	<b>2,712,637</b>	<b>56,789</b>	<b>9,062,539</b>
<b>Financial liabilities</b>	<b>9,956,295</b>	<b>2,719,915</b>	<b>87,758</b>	<b>12,763,968</b>

## December 2017

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	36,479	36,479
Derivatives (*)	-	1,893	-	1,893
Accounts payable	2,881,191	-	-	2,881,191
Accounts payable for related parties	2,378	-	-	2,378
Other financial liabilities (*)	1,037,090	-	-	1,037,090
<b>Total</b>	<b>3,920,659</b>	<b>1,893</b>	<b>36,479</b>	<b>3,959,031</b>

Current	Financial assets at amortized cost	Financial liabilities at fair value	Leases	Total
Leases (*)	-	-	63,334	63,334
Derivatives (*)	-	168,794	-	168,794
Accounts payable	32	-	-	32
Other financial liabilities (*)	898,461	-	-	898,461
Securities issued	7,836,685	-	-	7,836,685
<b>Total</b>	<b>8,735,178</b>	<b>168,794</b>	<b>63,334</b>	<b>8,967,306</b>
<b>Financial Liabilities</b>	<b>12,655,837</b>	<b>170,687</b>	<b>99,813</b>	<b>12,926,337</b>

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

	March 2018	December 2017
Colombia	7,035,125	6,847,923
Panama	2,510,277	2,693,349
Curacao	1,411,420	1,496,395
Chile	919,958	1,088,683
Mexico	328,192	146,751
Argentina	192,078	217,724
Brazil	123,771	121,094
Dominican Republic	92,922	89,330
Peru	53,458	102,065
Uruguay	52,829	52,832
El Salvador	38,234	46,705
Bermuda	5,293	23,486
Holland	298	-
Spain	113	-
<b>Total</b>	<b>12,763,968</b>	<b>12,926,337</b>

### 6.2.1. Other financial liabilities

Other financial liabilities are as follows:

	March 2018	December 2017
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Financial obligations (1)	1,858,368	1,935,551
Derivatives (liabilities part)	333,386	170,687
Financial leases	87,758	99,812
	<b>2,279,512</b>	<b>2,206,050</b>

Grupo SURA has had no breach of capital, interest, or other non-compliance with respect to the liabilities as of March 31, 2018 and December 31, 2017.

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

	March 2018	December 2017
Grupo SURA separate	1,061,798	1,083,378
Sura Asset Management and Subsidiaries	522,375	547,298
Suramericana and Subsidiaries	239,718	233,868
Other companies	25,972	64,052
Arus and Subsidiaries	8,505	6,955
<b>Total</b>	<b>1,858,368</b>	<b>1,935,551</b>

An overview of expirations and composition of obligations, for the years ended March 31, 2018 and December 31, 2017, is as follows:

Financial Entities	Interest Rates	Expiration	March 2018	December 2017
Bancolombia S.A.	IBR + 2.05%	2023	718,525	-
Banco de Bogotá S.A.	IBR (90) + 1,8%	2019	160,000	159,999
Overdrafts/repo and deposits	N/A	N/A	141,534	80,920
Helm Bank – Panamá	2.55%	2018	111,250	-
BBVA Colombia SA	7.70%	2020	104,490	104,491
Banco de Bogotá S.A.	DTF +1,39%	2018	91,500	91,501
Banco Davivienda S.A Miami International	Libor + 1%	2018	83,536	-
Banco Davivienda S.A Miami International	Libor + 0.7%	2018	83,525	-
Banco de Bogotá S.A.	IBR90 +1,78%	2018	62,000	61,999
Banco Popular S. A.	IBR 1M + 2,00%	2018	35,879	36,068
Banco de Bogotá S.A.	IBR90 +1,78%	2019	35,000	34,999
Banco Popular S. A.	CPI + 4,00%	2018	25,000	25,133
Banco de Bogotá S.A.	IBR 1M + 1,95%	2019	25,000	25,133
Banco de Bogotá S.A.	IBR 3M + 2,80%	2018	20,000	20,106
Itaú Corpbanca Colombia S.A.	CPI + 4,00%	2018	15,000	15,080
Bancolombia S.A.	IBR 1M + 2,05%	2018	15,000	15,080



Financial Entities	Interest Rates	Expiration	March 2018	December 2017
Bancolombia S.A.	IBR 1M + 2,00%	2018	15,000	15,080
Banco Popular S. A.	IBR 1M + 2%	2018	11,357	11,361
Helm Bank – Panamá	5.00%	2018	11,128	-
Bancolombia S.A.	IBR 1M + 2,00%	2018	11,000	11,057
Itaú Corpbanca Colombia S.A.	IBR 1M + 1,95%	2019	10,000	11,941
Bancolombia S.A.	IBR 1M + 2,14%	2018	10,000	10,053
Banco Popular S. A.	IBR 1M + 2,00%	2018	10,000	10,053
Bancolombia S.A.	IBR+3.2	2018	7,003	7,003
Banco Popular S. A.	CPI + 4,00%	2018	5,675	5,027
Banco de Bogotá S.A.	IBR 1M + 1,95%	2019	5,000	-
Bancolombia S.A.	IBR+3.3	2018	4,519	4,519
Bancolombia S.A.	10.25%	2022	4,270	4,522
Banco Popular S. A.	CPI + 4%	2018	4,011	4,012
Bancolombia Panamá	Libor + 0.9%	2018	3,900	29,618
Bancolombia S.A.	IBR+2.6	2018	3,668	-
Bancolombia S.A.	IBR+3.79	2018	3,352	3,352
Bancolombia S.A.	6.96%	2018	3,009	-
Itaú Corpbanca Colombia S.A.	DTF + 2,9%	2019	1,841	-
Bancolombia Panamá	Libor + 0.95%	2018	1,841	2,400
Itaú Corpbanca Colombia S.A.	DTF + 2,9%	2019	1,615	-
Bancolombia S.A.	IBR+4.4	2020	1,208	1,336
Bancolombia S.A.	N/A	2018	1,102	1,506
Bancolombia S.A.	IBR+4.3	2022	481	511
Bancolombia S.A.	0.3339	2018	36	-
Bancolombia S.A.	0.3339	2018	36	-
Bancolombia S.A.	33.39%	2018	31	-
IBM Capital de Colombia S.A.S.	N/A	2018	20	-
Banco de America Central S.A.	19.68%	N/A	13	-
Banco Agricola S.A.	15.90%	N/A	10	-
Banco de America Central S.A.	19.68%	N/A	2	-
Bancolombia S.A.	0.3339	2018	1	7
Banco AV Villas S.A.	IBR 1M + 3,20%	2018	-	5,026
Bancolombia S.A.	IBR 1M + 2,85%	2018	-	10,053
Bancolombia S.A.	30.91%	2018	-	12
Banco de crédito del Perú	TEA 2.090%	2018	-	46,837

Financial Entities	Interest Rates	Expiration	March 2018	December 2017
Banco de Bogotá S.A.	N/A	2018	-	5,225
Banco de Bogotá S.A.	N/A	2018	-	33,880
Factoring Bancolombia	N/A	2018	-	902
Bancolombia S.A.	33.39%	2018	-	1
Bancolombia S.A.	33.39%	2018	-	17
BBVA España	Libor + 1.25% /1.5%	2021	-	298,974
Banco de Bogotá S.A.	CPI + 2.93%	2018	-	287,705
Bancolombia S.A.	IBR + 2.18%	2018	-	200,343
Bancolombia S.A.	IBR + 2.24%	2018	-	227,396
Bancolombia Panamá	Libor + 0.95%	2018	-	1,559
Bancolombia Panamá	Libor + 0.9%	2018	-	8,970
Bancolombia Panamá	Libor + 0.9%	2018	-	2,992
Bancolombia Panamá	Libor + 0.8%	2018	-	1,792
			<b>1,858,368</b>	<b>1,935,551</b>

## 6.2.2. Accounts payable

The following is a breakdown of accounts payable:

	March 2018	December 2017
Accounts payable – insurers	1,446,186	1,770,908
Suppliers	570,336	610,119
Other accounts payable	510,341	500,196
<b>Total, accounts payable</b>	<b>2,526,863</b>	<b>2,881,223</b>

## NOTE 7. INSURANCE CONTRACTS

### 7.1. Technical reserves, reinsurance part

#### Reinsurance

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

	March 2018	March 2017
Reinsurance claims notified	1,679,360	1,796,229
Ongoing risk reinsurance	1,031,611	1,297,282
Reinsurance of non-reported claims	142,135	119,113
Reinsurance deposits	1,261	1,696
<b>Technical reserves for reinsurers part</b>	<b>2,854,367</b>	<b>3,214,320</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.

## 7.2. Premiums

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

	March 2018	March 2017
Life insurance contracts	1,496,570	1,573,457
Insurance contracts, non-life	1,585,036	1,523,447
<b>Premiums written</b>	<b>3,081,606</b>	<b>3,096,904</b>
Life insurance contracts – reinsurer part	(61,371)	(49,581)
Insurance contracts, non-life – reinsurer part	(309,260)	(314,724)
<b>Premiums ceded</b>	<b>(370,631)</b>	<b>(364,305)</b>
<b>Total, premiums net</b>	<b>2,710,975</b>	<b>2,732,599</b>

Premiums by countries, are detailed below:

March 2018	Life insurance contracts	Non-life insurance contracts	Premiums written	Reinsurers of non-life insurance contracts	Reinsurers of life insurance contracts	Premiums ceded	Total net premiums
Argentina	-	258,697	258,697	-	(21,959)	(21,959)	236,738
Bermuda	-	56	56	-	-	-	56
Brazil	-	120,020	120,020	-	(31,070)	(31,070)	88,950
Chile	373,876	320,957	694,833	(11,713)	(71,394)	(83,107)	611,726
Colombia	932,810	487,568	1,420,378	(21,382)	(116,765)	(138,147)	1,282,231
Mexico	145,491	163,141	308,632	(18,426)	(33,212)	(51,638)	256,994
Panama	-	98,890	98,890	-	(15,035)	(15,035)	83,855
Dominican Republic	-	39,344	39,344	-	(13,897)	(13,897)	25,447
El Salvador	44,393	30,648	75,041	(9,850)	(2,373)	(12,223)	62,818
Uruguay	-	65,715	65,715	-	(3,555)	(3,555)	62,160
	1,496,570	1,585,036	3,081,606	(61,371)	(309,260)	(370,631)	2,710,975

March 2017	Life insurance contracts	Non-life insurance contracts	Premiums written	reinsurers of non- life insurance contracts	Reinsurers of life insurance contracts	Premiums ceded	Total net premiums
Argentina	-	270,631	270,631	-	(29,876)	(29,876)	240,755
Brazil	-	146,469	146,469	-	(18,071)	(18,071)	128,398
Chile	470,894	300,849	771,743	(6,761)	(101,361)	(108,122)	663,621
Colombia	1,007,958	453,324	1,461,282	(36,064)	(91,488)	(127,552)	1,333,730
Mexico	52,276	107,501	159,777	-	(16,833)	(16,833)	142,944
Panama	-	93,398	93,398	-	(13,749)	(13,749)	79,649
Dominican Republic	-	56,170	56,170	-	(31,736)	(31,736)	24,434
El Salvador	42,329	33,010	75,339	(6,756)	(8,110)	(14,866)	60,473
Uruguay	-	62,095	62,095	-	(3,500)	(3,500)	58,595
	1,573,457	1,523,447	3,096,904	(49,581)	(314,724)	(364,305)	2,732,599

### 7.3. Retained claims

Claims incurred by Grupo SURA and its subsidiaries, for the quarter ended March 31<sup>st</sup> of 2018 and 2017, are as follows:

	March 2018	March 2017
Total claims	1,904,936	1,947,458
Reimbursement of claims	(353,849)	(480,273)
<b>Retained claims</b>	<b>1,551,087</b>	<b>1,467,185</b>

Claims by country, are as follows:

March 2018	Life insurance	Non-Life insurance	Total claims	Life insurance	Non-Life insurance	Reimbursement of claims	Total retained claims
Argentina	-	124,874	124,874	-	(1,945)	(1,945)	122,929
Brasil	-	47,277	47,277	-	(3,823)	(3,823)	43,454
Chile	268,853	158,608	427,461	(117)	(52,996)	(53,113)	374,348
Colombia	598,370	389,706	988,076	(33,578)	(163,151)	(196,729)	791,347
Mexico	52,081	112,600	164,681	-	(42,187)	(42,187)	122,494
Panama	-	33,098	33,098	-	(2,643)	(2,642)	30,456
Dominican Republic	-	50,544	50,544	-	(37,243)	(37,243)	13,301
El Salvador	25,851	13,148	38,999	(10,516)	(442)	(10,958)	28,041
Uruguay	-	29,926	29,926	-	(5,209)	(5,209)	24,717

945,155      959,781      1,904,936      (44,211)      (309,639)      (353,849)      1,551,087

March 2017	Life insurance	Non-Life insurance	Total claims	Life insurance	Non-Life insurance	Reimbursement of claims	Total retained claims
Argentina	-	131,684	<b>131,684</b>	-	-	-	<b>131,684</b>
Brazil	-	75,577	<b>75,577</b>	-	(15,426)	<b>(15,426)</b>	<b>60,151</b>
Chile	191,600	433,460	<b>625,060</b>	(104)	(337,243)	<b>(337,347)</b>	<b>287,713</b>
Colombia	636,878	288,609	<b>925,487</b>	(36,286)	(53,320)	<b>(89,606)</b>	<b>835,881</b>
Mexico	23,114	47,588	<b>70,702</b>	-	(6,754)	<b>(6,754)</b>	<b>63,948</b>
Panama	-	29,020	<b>29,020</b>	-	(4,973)	<b>(4,973)</b>	<b>24,047</b>
Dominican Republic	-	25,754	<b>25,754</b>	-	(11,431)	<b>(11,431)</b>	<b>14,323</b>
El Salvador	18,559	11,819	<b>30,378</b>	(4,856)	(795)	<b>(5,651)</b>	<b>24,727</b>
Uruguay	-	33,796	<b>33,796</b>	-	(9,085)	<b>(9,085)</b>	<b>24,711</b>
	<b>870,151</b>	<b>1,077,307</b>	<b>1,947,458</b>	<b>(41,246)</b>	<b>(439,027)</b>	<b>(480,273)</b>	<b>1,467,185</b>

The Group's companies, that are in the insurance business, are:

	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panamá	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						
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
Seguros Sura S.A. de C.V.			X							
Seguros Sura S.A.					X					
Atlantis Sociedad Inversora S.A.					X					
Seguros Sura S.A.						X				
Seguros Sura S.A.							X			

\* Entity considered in the results of 2017, at the end of the same year, was excluded from the scope of consolidation.

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

	March 2018	December 2017
Mathematical reserves	11,224,060	11,287,761
Reserves of unearned premiums	7,451,909	8,103,252
Reserves for notified claims	4,673,936	4,772,739
Reserves of claims not reported (IBNR)	1,598,138	1,585,659
Other reserves	285,700	283,998

Special reserves	168,185	161,815
<b>Total, technical insurance reserves</b>	<b>25,401,928</b>	<b>26,195,224</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 for 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, 2016</b>	<b>25,989,614</b>	<b>2,659,751</b>	<b>23,329,863</b>
Changes in reserves	3,372,124	608,319	2,763,805
Translation adjustments	710,338	2,797	707,541
Adjustments for monetary corrections	131,478	-	131,478
Derecognition of Seguros SURA Peru	(4,008,330)	(56,547)	(3,951,783)
<b>At December 31, 2017</b>	<b>26,195,224</b>	<b>3,214,320</b>	<b>22,980,904</b>
Changes in reserves	132,845	(230,250)	363,095
Translation adjustments	(568,982)	3,601	(572,583)
Adjustments for monetary corrections	(357,159)	(133,304)	(223,855)
<b>At March 31, 2018</b>	<b>25,401,928</b>	<b>2,854,367</b>	<b>22,547,561</b>

Technical reserves by countries are summarized, as follows:

Country	March 2018	December 2017
Chile	10,342,086	2,322,267
Colombia	9,705,942	20,688,222
Mexico	2,904,238	554,916
Argentina	938,051	988,860
Panama	436,310	446,716
Brazil	403,482	452,988
El Salvador	319,950	343,865
Uruguay	207,159	230,394
Dominican Republic	126,861	150,013
Bermuda	17,849	16,983
<b>Total</b>	<b>25,401,928</b>	<b>26,195,224</b>

## NOTE 8. TAXES

### 8.1 Applicable norms

Current and applicable tax provisions establish that the nominal rates of income tax for 2018, and 2017, applicable to Grupo SURA and its subsidiaries, located in Colombia, and to its subsidiaries located in Chile,

Peru, Argentina, Brazil, Uruguay, Mexico, Panama, Dominican Republic, El Salvador and Spain, are the following:

Country	2018	2017	Country	2018	2017
Colombia	33%	40%	Mexico	30%	30%
Chile	27%	25.5%	Panama	25%	25%
Peru	29.5%	29.5%	Dominican Republic	27%	27%
Argentina	35%	35%	El Salvador	25%	25%
Brazil	45%	45%	Spain	25%	25%
Uruguay	25%	25%			

**Colombia:** Income tax is taxed at a rate of 33%, by way of tax of income, except for special provisions that are handled at special rates, and at 10% income from occasional gains.

Law 1819 of 2016 eliminated the CREE tax, and the surcharge on the CREE tax, for the years 2017 and 2018, and in turn, increased the general rate of income tax to 34% for 2017 and 33% for the following years, creating a surcharge on the tax of income and complementary services of 6% and 4%, for the taxable years 2017 and 2018, respectively, the latter applicable to taxable bases of \$800 million and above. In addition, it is assumed from 2017, that the liquid income may not be less than 3.5% of the net equity, on the last day of the immediately preceding taxable year.

**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. Since the publication of Law No. 20.780 in September 2014, and after Law No. 20.899, in February 2016, two tax systems are born; Attributed Regime (Art. 14 A), whose rate. as of the year 2017. will be 25%, and the partially integrated Regime (Art 14 B), whose tax rate. for the year 2017. will be 25.5%. and for the years 2018 and the next, will amount to 27%. The general system will be a partially integrated regime, while certain taxpayers may opt for the attributed regime. The tax rate for the year 2018 is 27%, on the tax base, which is calculated by making additions, or decreases, ordered by the Income Law, in its Articles 29 to 33. The first category tax paid may be charged against final taxes (Global Supplementary Tax or Additional Tax), with the obligation to return 35%, as a fiscal debit (Not applicable when Chile maintains a treaty to avoid double taxation, with another country), which taxes, all of the income of natural persons, resident in the country; or the additional, that taxes the income of Chilean source, of natural and legal persons, residing outside the country, as the case may be.

**Peru:** The income tax rate as of December 31, 2017, and 2016, was 29.5%, on taxable income, after calculating the participation to the workers, which, according to what is established by the current regulations, is calculated, in the case of the Company, applying a rate of 5%, on the net taxable income.

**Mexico:** Income tax (ISR) is a direct tax on the profit obtained; that is, by the difference between the income and the deductions authorized in the fiscal year. This tax must be paid, on a monthly basis (on account of the annual tax), to the Tax Administration Service, or to the Authorized Offices of the Federal Entities. During fiscal years 2017 and 2018, the income tax rate applicable in Mexico is 30%. Additionally, the participation of workers, in tax profits, is established, at a percentage of 10%.

**Brazil:** In Brazil, there is a category of taxes, on gross income and net income. On gross income, there are social contributions to the global rate of 4.65%, after deduction of claims paid, in accordance with Law 9.718 of 1998.



Regarding taxes on net income, taxes are levied at a rate of 15%, as income tax, plus 10% on the portion of the taxable income exceeding R \$240,000, per fiscal year, in accordance with Decree 3.000 of 1999. There is also a social contribution, on net income, at a 20% tariff, in effect, until December 2018. Afterwards, this rate will return to 15%, in accordance with Law 13.169 of 2015.

**Argentina:** Regarding tax matters, there are 3 levels of taxes: national taxes, provincial, and municipal taxes. The income tax is applied, at the current rate of 35%, on the estimated taxable income. The law 27.430, published on 12/29/2017, establishes modifications to the Imp. Law, to profits, among them, the modification of the tax rate for capital companies, which will be 30%, for the years beginning 01/01/2018, and until 12/31/2019, and will be reduced to 25%, for subsequent years. Dividends that are distributed, with an aliquot of 7%, or 13%, for the aforementioned periods, are also taxed, respectively. The *Deferred Tax Method* is applied at the local level and IFRS.

There is a tax on gross income, which has, as its tax base, the net premium of annulment, rents, financial income, and other taxable income. Deductions: losses paid net of recoveries, reinsurance, and reserves of ongoing risks, and outstanding claims, have a rate of 5.5%.

**Panama:** In accordance with current tax regulations, undistributed profits, attributable to local operations of the Insurers, registered under the laws of the Republic of Panama, would be subject to a complementary tax of 4%, on undistributed profits, and a tax on dividends from 10%, at the time of distribution, subtracting, in this case, 4% of the complementary tax withheld, and paid from those profits distributed in dividends.

Law No. 8 of March 15, 2010, eliminates the so-called Alternate Calculation of Income Tax (CAIR) and replaces it with another form of presumed taxation of income tax, obliging any legal entity, that accrues income in excess to B /.1,500,000, to determine, as the taxable base, of said tax, the sum that is greater between: (a) the net taxable income, calculated by the ordinary method, established in the Fiscal Code, and the net taxable income, that results, from applying, to the total of taxable income, 4.67%. This Law also modifies the general rates of Income Tax (ISR). The companies dedicated to insurance activities in Panama will pay income tax, based on 25%.

Legal persons who incur losses by reason of the tax calculated under the presumed method or that, due to the application of said presumed method, its effective rate exceeds the tax rates applicable for the fiscal period in question, may request the Directorate General of Revenue that is authorized to calculate the tax under the traditional method.

**Dominican Republic:** The Dominican Republic's tax code, as amended, establishes that the income tax payable, will be the highest, that is based on the net taxable income, or 1% of the assets, subject to taxes. The income tax rate, established by Law 253-12, is 27%. Likewise, the Law includes important modifications on transactions with related entities, and the obligation to include in the studies of transfer prices, and informative declaration of the transactions realized, with related locals, also included in the concept of non-deductible expenses, the thin capitalization, applicable to the debts with entities from abroad, where the debt-capital ratio cannot be greater than 3/1.

**El Salvador:** The entities, incorporated in El Salvador, pay Income Tax, for the income obtained in the country, in accordance with the Law on Income Tax, contained in the Legislative Decree No. 134 of December 18, 1991, effective, January 1992. According to this Law, legal entities, domiciled or not, will calculate their tax, applying to the taxable income, the rate of thirty percent (30%), except for the companies that have obtained taxable income, less than, or equal to, one hundred fifty thousand dollars (\$150,000.00), which will apply the rate of twenty-five percent (25%), excluding, in addition to said calculation, that income, that would have been subject to the definitive withholding of income tax in the legal percentages, established in the Law.



**Uruguay:** The principal taxes, that apply in Uruguay, in accordance with the current regulations, Ordinance Text of 1996 (Titles 4, 6, 10, 14,7 and 8), are Income Tax, Wealth Tax, VAT, and Personal Income Tax (Personal Income Tax) - IRNR (Non-resident income tax). The corresponding rates are 25% of Income Tax, 1.5% of Equity, 22% VAT, and between 7 and 12% of Personal Income Tax (IRPF) - IRNR (Non-Resident Income Tax). On the other hand, the insurers are responsible for paying Income Tax, whose rate varies between 5 and 7%, depending on the portfolio (1996 Ordinance Text Title 6), and the National Blood Tax, whose rate is 2%, on the premiums issued.

**Bermuda:** In Bermuda, there are no taxes on profits, income, dividends, or capital gains, nor withholding taxes on such concepts. The benefits can be accumulated, and it is not obligatory to pay dividends. If direct taxes are applied, there is the possibility of accessing legal stability contracts, until the year 2035. Although there are no taxes on corporate income, income from investments, derived from sources abroad, may be subject to a tax of retention in origin. The interest, generated for deposits in foreign currency, are exempt from taxes.

**Spain:** By means of the promulgation of Law 27/2014, of November 27, of the Corporation Tax, changes were introduced to corporation tax, among which are mainly:

### Regime of foreign securities holding entities

This regime allows the Foreign Securities Holding Entities ("ETVE") to apply the exemption method, to the income obtained from participations, in non-resident entities, that meet certain requirements.

One of the main changes, introduced by the regulation, is the increase to 20 million euros (up to now, 6 million euros), the minimum amount of the investment to access this regime, when a minimum 5% participation is not available.

However, this new limit does not apply to those entities that were already applying the ETVE regime in tax periods, that began prior to January 1, 2016, and have been complying, with the quantitative limit of 6 million euros, in their investees.

### Type of tax

The general rate is progressively reduced, from 30% to 25%, within two years

In 2016: 28%

In 2017: 25%

## 8.2 Current taxes

Balances of receivables and payables from taxes, at March 31, 2018 and December 31, 2017, include the following:

	March 2018	December 2017
<b>Current tax assets</b>		
Income tax and complementaries	95,859	39,627
Local taxes	14,875	11,337
Withholding tax	64,501	5,386
Sales tax	90,733	74,956
Tax in-favor	61,725	64,801
Contributions	23,849	23,200
CREE tax, receivable	7,329	850
Others	13,222	15,055
<b>Total, current tax assets</b>	<b>372,093</b>	<b>235,212</b>

	March 2018	December 2017
<b>Current tax liabilities</b>		
Income tax and complementaries	352,413	202,528
Local taxes	33,130	29,188
Sales tax, payable	247,907	278,145
Tax on wealth	21	(6)
Others	32,216	36,965
<b>Total, current tax liabilities</b>	<b>665,687</b>	<b>546,820</b>

The following details income tax balances, by Countries:

March 2018	Argentina	Brazil	Chile	Colombia	Spain	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total
Current tax assets	22,512	3,872	78,978	176,304	2	40,976	9,846	21,948	421	2,892	14,342	372,093
Current tax liabilities	57,730	9,907	246,878	159,906	628	84,811	2,385	49,207	15,461	10,646	28,128	665,687
	(35,218)	(6,035)	(167,900)	16,398	(626)	(43,835)	7,461	(27,259)	(15,040)	(7,754)	(13,786)	(293,594)

December 2017	Argentina	Brazil	Chile	Colombia	Spain	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total	Argentina
Current tax assets	4,095	4,090	83,745	98,209	-	19,255	9,471	1,767	-	930	13,650	13,650	235,212
Current tax liabilities	25,151	10,784	253,258	115,025	-	58,615	2,883	23,093	18,618	9,780	29,613	29,613	546,820
<b>Current income tax, net</b>	<b>21,056</b>	<b>6,694</b>	<b>169,513</b>	<b>16,816</b>	<b>-</b>	<b>39,360</b>	<b>(6,588)</b>	<b>21,326</b>	<b>18,618</b>	<b>8,850</b>	<b>15,964</b>	<b>15,964</b>	<b>311,608</b>

### 8.3. Tax recognized, in the results of the period

Below are expenses from current taxes and deferred taxes:

	March 2018	March 2017
Current tax expenses	(179,915)	(106,271)
Deferred tax expenses		
Constitution/reversal of temporary differences	70,480	5,262
Changes in tax rates		
<b>Tax expenses</b>	<b>(109,435)</b>	<b>(101,009)</b>

Grupo SURA considers that the accumulated tax obligations are adequate, for all fiscal years, opened based on the evaluation of many factors, including interpretations of tax laws and previous experience.

### 8.4. Reconciliation of the effective rate

	March 2018	March 2017
<b>Profit before tax:</b>	<b>419,589</b>	<b>500,011</b>
Tax on income applying the local tax rate	35% (148,750)	36% (178,369)
<b>Plus, tax impact from:</b>		
Effect of disposal in consolidated results	18% (75,258)	14% (69,531)

Non-deductible expenses	9%	(36,187)	12%	(58,714)
Tax income	23%	(95,847)	19%	(95,866)
Tax losses	6%	(26,005)	0%	(270)
Amortization of intangibles	0%	(1,671)	0%	-
Adjustments of rate changes	1%	(4,708)	0%	(1,086)
Inflationary effects	1%	(2,543)	0%	-
Others	20%	(84,328)	16%	(81,843)
<b>Minus the tax effect of:</b>				
Untaxed income	-32%	135,982	-47%	234,664
Untaxed dividends	-16%	67,729	-7%	36,227
Tax losses	-1%	4,218	0%	1,888
Amortization of intangibles	-1%	5,642	-1%	5,476
Tax deductions	0%	221	0%	1,786
Adjustments of rate changes	0%	-	0%	178
Exempt income	-14%	57,667	-15%	75,853
Effect of disposal in consolidated results	-15%	62,580	-1%	4,531
Other	-8%	31,821	-5%	24,068
<b>Income tax</b>	<b>26%</b>	<b>(109,435)</b>	<b>20%</b>	<b>(101,009)</b>

## 8.5 Deferred taxes

The deferred tax assets and liabilities, at March 31, 2018 and December 31, 2017, is as follows:

	March 2018			December 2017		
	Deferred tax asset	Deferred tax liability	Net	Deferred tax asset	Deferred tax liability	Net
Financial assets	10,953	(30,314)	<b>41,267</b>	(11,811)	50,593	<b>(62,404)</b>
Employee benefits	5,788	-	<b>5,788</b>	4,641	-	<b>4,641</b>
Investments	(883)	188,157	<b>(189,040)</b>	316	226,980	<b>(226,664)</b>
Intangibles	(48,254)	897,529	<b>(945,783)</b>	(2,822)	1,138,743	<b>(1,141,565)</b>
Other non-financial assets	-	-	-	(423)	(401)	<b>(22)</b>
Other liabilities	37,169	(71,071)	<b>108,240</b>	37,312	(218,411)	<b>255,723</b>
Financial liabilities	5,442	454,400	<b>(448,958)</b>	32	431,635	<b>(431,603)</b>
Tax losses	78,938	22,076	<b>56,862</b>	130,981	16,138	<b>114,843</b>
Property and equipment	(6,651)	55,346	<b>(61,997)</b>	(4,608)	64,038	<b>(68,646)</b>
Technical reserve of insurance	45,320	15,322	<b>29,998</b>	7,628	(10,266)	<b>17,894</b>
	<b>127,822</b>	<b>1,531,445</b>	<b>(1,403,623)</b>	<b>161,246</b>	<b>1,699,049</b>	<b>(1,537,803)</b>

The following is a breakdown of balances, by country:

Deferred taxes March 2018	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Financial assets	111,202	16,571	25,306	(29,511)	2,654	2,951	1,999	(1,375)	620	(379)	<b>130,039</b>
Employee benefits	8,410	12	2,808	-	3,106	408	169	-	-	-	<b>14,913</b>
Investments	(214,377)	-	-	(207,734)	(1,011)	-	(30,592)	-	-	-	<b>(453,715)</b>
Other liabilities	(19,328)	(414,373)	280	(14,450)	3,757	30,589	(5,218)	-	906	29	<b>(417,808)</b>
Financial liabilities	(37,579)	(3,139)	23,684	-	6,748	-	-	-	-	416	<b>(9,869)</b>

Tax losses	21,504	59,875	-	8,179	-	38,860	167	-	-	-	128,585
Intangibles	(6,312)	(347,276)	(311,859)	-	(45,327)	(5,784)	(11,280)	(4,166)	2,564	(15,120)	(744,562)
Property and equipment	(49,600)	(3,760)	(18,346)	(1,331)	(1,976)	-	1,999	(238)	(3,815)	(224)	(77,291)
Technical reserve of insurance	(54,609)	30,972	(5,186)	-	44,310	-	(3,044)	-	2,674	10,968	26,085
Assets (Liabilities) from deferred taxes, net	(240,690)	(661,118)	(283,312)	(244,847)	12,261	67,024	(45,800)	(5,779)	2,948	(4,310)	(1,403,623)

Deferred taxes 2017	Colombia	Chile	Mexico	Peru	Argentina	Brazil	Uruguay	Panama	Dominican Republic	El Salvador	Total
Financial assets	(10,861)	(377,452)	(417,024)	-	(52,456)	(6,679)	(12,215)	(6,042)	2,797	(16,617)	(896,549)
Employee benefits	(247,397)	-	-	(224,937)	(850)	-	(32,915)	-	(3)	-	(506,102)
Investments	7,581	(440,167)	112,553	(15,646)	9,040	33,968	(5,842)	-	1,306	41	(297,166)
Other liabilities	(64,683)	(3,981)	(18,547)	(1,422)	(2,305)	-	2,288	(1,475)	(4,195)	(226)	(94,546)
Financial liabilities	(81,271)	40,969	(31,381)	-	46,948	-	(3,070)	(255)	3,420	11,581	(13,059)
Tax losses	951	14,223	15,208	-	-	-	-	-	-	279	30,661
Intangibles	29,957	8,035	1,748	-	498	-	212	-	-	-	40,450
Property and equipment	60,258	(9,336)	18,222	(33,555)	2,323	4,081	1,728	-	1,103	135	44,959
Technical reserve of insurance	24,327	64,348	13,813	8,627	-	42,434	-	-	-	-	153,549
Assets (Liabilities) from deferred taxes, net	(281,138)	(703,361)	(305,408)	(266,933)	3,198	73,804	(49,814)	(7,772)	4,428	(4,807)	(1,537,803)

#### Deferred tax for unused tax losses and credits:

The deferred tax balance, for tax losses originated in the Companies of Colombia, Chile, Mexico, Peru, and Brazil. This company presents a balance of \$38,860. These are imprescriptible credits, that is to say, that they do not expire, according to the fiscal laws of Brazil. According to a study realized, by the company, it is estimated that this amount will be recovered from the year 2019.

In the case of Mexico, tax credits were generated mainly between the 2008 and 2011 periods and are valid for 10 years.

The tax credits, generated in Chile, correspond to the companies Seguros de Vida, Holding Spa, and Inversiones Chile Ltda. Generated, between the periods 2013 and 2016, are credits, that according to the established in the Chilean fiscal regulation, do not expire.

In the case of Colombia, the deferred asset tax, for tax losses, arises in Seguros Generales Suramericana S.A., due to the possibility of compensation of losses, and tax surpluses, that the Company owns, at the end of 2017.

#### Active Deferred Tax Not Recognized

The group presents tax losses of \$65 billion, primarily from the companies in Mexico and Peru. Additionally, in Colombia, \$48 billion, is presented, as tax credits, associated with tax discounts.

The previous items do not present an asset balance, for deferred taxes, derived from the analysis, and the low probability of recovery, realized by the Companies' administration, this, in relation to Mexico and Peru. In the case of Colombia, the explanation is given, from impact of the internal legislation, that limits the use of them.

On the other hand, Grupo SURA does not have, recognized deferred tax assets, related to tax losses, because the company does not pay net income, for which reason, no asset is recognized.

## 8.6. Movement of deferred taxes

	March 2018	December 2017
<b>Initial balance, net liabilities</b>	<b>1,537,803</b>	<b>1,372,008</b>
Deferred tax expenses recognized in profit and loss	(70,480)	68,536
Income tax related to other comprehensive income components	(15,585)	34,278
Increases (decreases) from business combinations	(2,231)	404
Effect of variations from exchange rate differences	(45,885)	62,577
<b>Closing balance, net liabilities</b>	<b>1,403,623</b>	<b>1,537,803</b>

## NOTE 9. INTANGIBLE ASSETS

The classification of the intangible assets of Grupo SURA, at the end of March 31, 2018 and December 31, 2017, is summarized, as follows:

	Note	March 2018	December 2017
	9.1	4,525,420	4,768,779
Goodwill			
Intangibles assets other than goodwill	9.2	2,948,948	3,149,755
Deferred Acquisition Costs (DAC)	9.3	1,313,074	1,382,683
<b>Total intangible assets other than goodwill and DAC</b>		<b>4,262,022</b>	<b>4,532,438</b>
<b>Total intangible assets, including goodwill</b>		<b>8,787,442</b>	<b>9,301,217</b>

## 9.1 Goodwill

The following is a breakdown of goodwill:

Company	March 2018		December 2017			
	Cost	Impairment	Company	Cost	Impairment	Net
Acquisitions realized in ING (*)	3,710,646	-	3,710,646	3,909,070	-	3,909,070
AFP Horizonte	234,923	-	234,923	250,951	-	250,951
Seguros de Vida SURA México S.A. de C.V. (Formerly Primero Seguros de Vida S.A. de C.V.)	14,314	-	14,314	14,419	-	14,419
Arus S.A.	25,429	-	25,429	25,429	-	25,429
Aseguradora Suiza Salvadoreña S.A. (Asesuiza)	77,681	21,405	56,276	83,367	(22,973)	60,394
Seguros Sura S.A. República Dominicana	-	-	-	13,720	-	13,720
Seguro Suramericana Panamá (Formerly Banistmo)	59,461	-	59,461	50,094	-	50,094

Seguros Generales Suramericana S.A. (Formerly RSA Chile S.A.)	157,874	-	157,874	168,462	-	168,462
Seguros Colombia S.A.	93,650	-	93,650	93,650	-	93,650
Seguros Sura S.A. (antes RSA Seguros (Brazil) S.A.)	41,217	-	41,217	44,636	-	44,636
Seguros Sura (Formerly RSA Seguros Mexico)	28,556	-	28,556	28,763	-	28,763
Seguros Sura S.A. de C.V. Uruguay	101,786	-	101,786	107,904	-	107,904
El Ciruelo	1,288	-	1,288	1,287	-	1,287
	<b>4,546,825</b>	<b>21,405</b>	<b>4,525,420</b>	<b>4,791,752</b>	<b>(22,973)</b>	<b>4,768,779</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)

In addition to business combinations, goodwill increases and / or decreases in each court taking into account the provisions of paragraph 47 of IAS 21, which indicates that goodwill should be expressed in the same functional currency of the business abroad, and they become the presentation currency at the closing exchange rate.

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

Country	March 2018	December 2017
Chile	1,904,498	1,867,382
Peru	1,211,294	1,256,797
Mexico	902,662	853,696
Uruguay	243,960	256,084
Colombia	106,052	365,976
Panama	59,461	63,814
El Salvador	56,276	60,395
Brazil	41,217	44,636
<b>Total</b>	<b>4,525,420</b>	<b>4,768,779</b>

## 9.2 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, 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	-	1,413	-	-	-	-	1,413
Additions	-	11,573	113,681	-	427	-	125,681

Disposals (-)	-	(138,676)	(41,430)	-	-	(1,279)	(181,385)
Exchange rate differences	14,966	197,267	24,879	(5,653)	(6,724)	1,084	225,819
Exchange, other	-	779	1	-	-	-	780
<b>Books value at December 31, 2017</b>	<b>145,865</b>	<b>3,777,546</b>	<b>361,510</b>	<b>26,093</b>	<b>19,806</b>	<b>7,806</b>	<b>4,338,626</b>

<b>Accumulated amortization and impairment of value</b>							
<b>Accumulated amortization and impairment of value January 1, 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 for the period	-	(228,526)	(55,361)	(5,167)	(1,245)	(278)	(290,577)
Additions	-	-	-	-	-	-	-
Disposals (-)	-	36,536	17,504	-	-	-	54,040
Exchange rate differences	(7,110)	(44,146)	(19,694)	5,492	4,249	420	(60,789)
<b>Accumulated amortization and impairment of value December 31, 2017</b>	<b>(8,262)</b>	<b>(974,184)</b>	<b>(187,129)</b>	<b>(11,913)</b>	<b>(6,152)</b>	<b>(1,231)</b>	<b>(1,188,871)</b>

<b>Intangibles assets, other than goodwill at December 31, 2017</b>	<b>137,603</b>	<b>2,803,362</b>	<b>174,381</b>	<b>14,180</b>	<b>13,654</b>	<b>6,575</b>	<b>3,149,755</b>
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<b>Cost</b>							
<b>Cost at January 1, 2018</b>	<b>145,865</b>	<b>3,777,546</b>	<b>361,510</b>	<b>26,093</b>	<b>19,806</b>	<b>7,806</b>	<b>4,338,626</b>
Business combinations	-	-	-	-	-	-	-
Additions	-	109	6,989	-	73	1,071	8,242
Disposals (-)	-	(19,272)	(2,200)	-	(879)	-	(22,351)
Exchange differences	(9,302)	(169,239)	(38,820)	(1,917)	9,608	(488)	(210,158)
Exchange, other	-	-	-	-	-	-	-
<b>Cost in books at March 31, 2018</b>	<b>136,563</b>	<b>3,589,144</b>	<b>327,479</b>	<b>24,176</b>	<b>28,608</b>	<b>8,389</b>	<b>4,114,359</b>

<b>Accumulated amortization and impairment of value</b>							
<b>Accumulated amortization and impairment of value at January 1, 2017</b>	<b>(8,262)</b>	<b>(974,184)</b>	<b>(187,129)</b>	<b>(11,913)</b>	<b>(6,152)</b>	<b>(1,231)</b>	<b>(1,188,871)</b>
Amortization from the period	-	(57,526)	(10,241)	(1,253)	(3,158)	(72)	(72,250)
Additions	-	18,004	6,569	-	5,408	-	29,981
Disposals (-)	-	-	-	-	-	-	-
Exchange differences	187	35,848	29,408	1,040	-	(754)	65,729
Exchange, other (Sale of Seguros Sura)	-	-	-	-	-	-	-
<b>Accumulated amortization and impairment values March 31, 2018</b>	<b>(8,075)</b>	<b>(977,858)</b>	<b>(161,393)</b>	<b>(12,126)</b>	<b>(3,902)</b>	<b>(2,057)</b>	<b>(1,165,411)</b>

<b>Intangibles assets, other than goodwill and DAC at March 31, 2018</b>	<b>128,488</b>	<b>2,611,286</b>	<b>166,086</b>	<b>12,050</b>	<b>24,706</b>	<b>6,332</b>	<b>2,948,948</b>
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Herewith is a summary of the most significant useful lives of intangibles:

<b>Relationships with customers</b>	<b>Total useful lives (Years)</b>	<b>Remaining useful lives</b>
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	(Years) at March 2018	
AFP Capital (Chile)	27	21.8
Corredora de Bolsa SURA S.A. and Administradora General de Fondos S.A. (Chile)	10	4.8
Seguros de Vida SURA S.A. (Chile)	14	8.8
AFP Integra (Peru)	30	24.8
AFAP Sura S.A. (Uruguay)	23	17.8
Afore Sura S.A. de C.V. (Mexico)	27	21.8
Seguros Sura S.A. (Peru)	15	9.8
AFP Integra (Peru)	17	11.8
Sociedad Agente de Bolsa Sura S.A. (Peru)	4	1.8
Seguros Suramericana S.A de (Formerly Banistmo Panama)	9	6.5
Aseguradora Suiza Salvadoreña S.A. Asesuisa (Salvador)	14	7.8
Arus S.A. (Colombia)	66	10.8
Seguros Sura S.A (Brazil)	5	3.0
Seguros Generales Suramericana S.A (Chile)	7	5.1
Seguros Sura S.A (Argentina)	10.6	8.7
Seguros Sura, S.A de C.V. (Mexico)	4	2.2
Seguros Sura S.A. (Uruguay)	16	14.3
List of companies "El Ciruelo"	3	2.3
<b>Affinity Contracts</b>		
Seguros Sura S.A (Brazil)	3	1.1
Seguros Generales Suramericana S.A (Chile)	2.3	0.5
Seguros Sura S.A (Argentina)	1.9	0.2
Seguros Sura, S.A de C.V. (México)	1.7	0.1
Seguros Sura S.A. (Uruguay)	1.9	0.3
<b>Non-completing rights</b>		
Seguros Suramericana S.A de Panamá	5	3.5
<b>Brands</b>		
AFP Capital (Chile)	Indefinite	Indefinite
AFP Integra (Peru)	Indefinite	Indefinite
AFAP SURA S.A. (Uruguay)	1	-
AFP Integra (Peru)	Indefinite	Indefinite
Seguros Sura S.A (Argentina)	Indefinite	-
Seguros Sura, S.A de C.V. (México)	Indefinite	Indefinite

### 9.3 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, 2016</b>	<b>539,769</b>	<b>1,098,835</b>	<b>1,638,604</b>
Business combinations	164,868	1,296,730	1,461,598
Derecognition	(8,778)	-	(8,778)
Exchange differences	35,571	29,085	64,656
Amortization	(171,441)	(1,601,955)	(1,773,396)
<b>December 31, 2017</b>	<b>559,989</b>	<b>822,695</b>	<b>1,382,684</b>
Additions	39,520	360,883	400,403



Exchange differences	(20,169)	(35,511)	(55,680)
Amortization	(46,630)	(367,703)	(414,333)
<b>March 31, 2018</b>	<b>532,710</b>	<b>780,364</b>	<b>1,313,074</b>

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

	March 2018	December 2017
Chile	460,086	491,771
Mexico	323,425	329,750
Colombia	199,003	219,661
Argentina	105,469	117,953
Brazil	57,440	57,567
Panama	47,632	33,937
Uruguay	36,781	40,333
Perú	33,513	36,126
El Salvador	32,570	35,282
Dominican Republic	15,826	18,414
<b>Bermuda</b>	<b>1,329</b>	<b>1,889</b>
	<b>1,313,074</b>	<b>1,382,684</b>

## Restrictions

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

## NOTE 10. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

### 10.1. Subsidiaries

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

CORPORATE				
Suramericana S.A.				
			March 2018	December 2017
<b>Activity:</b>	Investor	<b>Asset</b>	5,615,525	5,692,263
<b>Location:</b>	Medellin	<b>Liability</b>	1,378,858	1,201,762
<b>Country:</b>	Colombia	<b>Equity</b>	4,236,667	4,490,501
<b>Date of constitution:</b>	25 May 1999	<b>Profit</b>	96,699	504,888
		<b>Participation</b>	81.13%	81.13%
Inversura Panamá Internacional S.A.				
			March 2018	December 2017
<b>Activity:</b>	Investor	<b>Asset</b>	384,363	374,310
<b>Location:</b>	Panamá	<b>Liability</b>	34,104	5
<b>Country:</b>	Panamá	<b>Equity</b>	350,259	374,305
<b>Date of constitution:</b>	23 December 2002	<b>Loss</b>	(4,192)	(2,192)
		<b>Participation</b>	81.13%	81.13%
Investments Sura Brasil S.A.S.				
			March 2018	December 2017

<b>Activity:</b>	Investor	<b>Asset</b>	238,864	238,882
<b>Location:</b>	Medellin	<b>Liability</b>	140	1
<b>Country:</b>	Colombia	<b>Equity</b>	238,724	238,881
<b>Date of constitution:</b>	4 December 2015	<b>Loss</b>	(157)	(874)
		<b>Participation</b>	81.13%	81.13%

#### Arus Holding S.A.S.

			March 2018	December 2017
<b>Activity:</b>	Investment in movable and immovable property	<b>Asset</b>	65,574	69,369
<b>Location:</b>	Medellin	<b>Liability</b>	21	3
<b>Country:</b>	Colombia	<b>Profit/Loss</b>	65,553	69,366
<b>Date of constitution:</b>	11 July 2012	<b>Income</b>	(1,013)	7,768
		<b>Participation</b>	100.00%	100.00%

#### Investments and Construcciones Estratégicas S.A.S.

			March 2018	December 2017
<b>Activity:</b>	Investor	<b>Asset</b>	155,583	155,106
<b>Location:</b>	Medellin	<b>Liability</b>	5,886	5,484
<b>Country:</b>	Colombia	<b>Equity</b>	149,697	149,622
<b>Date of constitution:</b>	30 August 2007	<b>Profit</b>	620	10,226
		<b>Participation</b>	100.00%	100.00%

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

			March 2018	December 2017
<b>Activity:</b>	Investment in securities	<b>Asset</b>	800,295	972,795
<b>Location:</b>	Panamá	<b>Liability</b>	833,624	923,068
<b>Country:</b>	Panama	<b>Equity</b>	(33,329)	49,727
<b>Date of constitution:</b>	29 April 1998	<b>Loss</b>	(9,246)	(25,762)
		<b>Participation</b>	100.00%	100.00%

#### Planeco Panamá S.A.

			March 2018	December 2017
<b>Activity:</b>	Acquisition and disposition of movable and immovable property	<b>Asset</b>	26,530	29,298
<b>Location:</b>	Panamá	<b>Liability</b>	47,764	55,807
<b>Country:</b>	Panamá	<b>Equity</b>	(21,234)	(26,509)
<b>Date of constitution:</b>	12 December 2012	<b>Loss</b>	(1,297)	(7,525)
		<b>Participation</b>	95.28%	95.28%

#### SURA Ventures S.A.

			March 2018	December 2017
<b>Activity:</b>	Investment in securities	<b>Asset</b>	72,619	-
<b>Location:</b>	Panama City	<b>Liability</b>	1,946	-
<b>Country:</b>	Panama	<b>Equity</b>	70,673	-
<b>Date of constitution:</b>	21 February 2018	<b>Profit</b>	-	-
		<b>Participation</b>	100.00%	0.00%

#### Grupo SURA Finance S.A.

			March 2018	December 2017
<b>Activity:</b>	Any lawful activity in the Cayman Islands	<b>Asset</b>	2,364,524	2,502,571
<b>Location:</b>	Cayman Islands	<b>Liability</b>	2,392,312	2,531,229

<b>Country:</b>	Cayman Islands	<b>Equity</b>	(27,788)	(28,658)
<b>Date of constitution:</b>	18 June 2011	<b>Loss</b>	(1,116)	(3,217)
		<b>Participation</b>	100.00%	100.00%

#### Financia Expreso RSA S.A.

			March 2018	December 2017
<b>Activity:</b>	Holding mutual contracts and making investments	<b>Asset</b>	4,283	3,319
<b>Location:</b>	Bogotá	<b>Liability</b>	21	18
<b>Country:</b>	Colombia	<b>Equity</b>	4,262	3,301
<b>Date of constitution:</b>	15 July 1970	<b>Profit/Loss</b>	9	(3,429)
		<b>Participation</b>	81.12%	81.12%

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

			March 2018	December 2017
<b>Activity:</b>	Investments	<b>Asset</b>	6,385	7,449
<b>Location:</b>	Buenos Aires	<b>Liability</b>	23	19
<b>Country:</b>	Argentina	<b>Equity</b>	6,362	7,430
<b>Date of constitution:</b>	11 April 1991	<b>Profit/Loss</b>	(8)	77
		<b>Participation</b>	81.13%	81.13%

#### Atlantis Sociedad Inversora S.A.

			March 2018	December 2017
<b>Activity:</b>	Investments	<b>Asset</b>	3,452	4,028
<b>Location:</b>	Buenos Aires	<b>Liability</b>	19	15
<b>Country:</b>	Argentina	<b>Equity</b>	3,433	4,013
<b>Date of constitution:</b>	26 June 1992	<b>Profit/Loss</b>	(7)	24
		<b>Participation</b>	81.13%	81.13%

#### Chilean Holding Suramericana SPA

			March 2018	December 2017
<b>Activity:</b>	Investments	<b>Asset</b>	42,189	44,926
<b>Location:</b>	Santiago	<b>Liability</b>	47,688	50,280
<b>Country:</b>	Chile	<b>Equity</b>	(5,499)	(5,354)
<b>Date of constitution:</b>	16 October 2012	<b>Loss</b>	(496)	(1,774)
		<b>Participation</b>	81.13%	81.13%

#### Inversiones Suramericana Chile Limitada

			March 2018	December 2017
<b>Activity:</b>	Investments	<b>Asset</b>	38,887	41,465
<b>Location:</b>	Santiago	<b>Liability</b>	322	228
<b>Country:</b>	Chile	<b>Equity</b>	38,565	41,237
<b>Date of constitution:</b>	25 October 2012	<b>Loss</b>	(82)	(160)
		<b>Participation</b>	81.13%	81.13%

#### Sura Asset Management S.A.

			March 2018	December 2017
<b>Activity:</b>	Investments in movable and immovable property	<b>Asset</b>	7,339,608	7,180,525
<b>Location:</b>	Medellin	<b>Liability</b>	1,967,888	1,599,686
<b>Country:</b>	Colombia	<b>Equity</b>	5,371,720	5,580,839
<b>Date of constitution:</b>	15 September 2011	<b>Profit</b>	165,075	221,154
		<b>Participation</b>	83.58%	83.58%

Assets Estratégicos Sura A.M. Colombia S.A.S.				
			March 2018	December 2017
Activity:	Holding Company	Asset	131	131
Location:	Medellin	Liability	2	2
Country:	Colombia	Equity	129	129
Date of constitution:	25 April 2013	Profit	-	5
		Participation	83.58%	83.58%

Sura Investment Management Colombia S.A.S.				
			March 2018	December 2017
Activity:	Holding Company	Asset	7,426	6,685
Location:	Medellin	Liability	550	407
Country:	Colombia	Equity	6,876	6,278
Date of constitution:	23 June 2015	Profit	588	1,180
		Participation	83.58%	83.58%

Sura Asset Management España S.L.				
			March 2018	December 2017
Activity:	Holding Company	Asset	5,103,252	5,331,043
Location:	Madrid	Liability	741	619
Country:	Spain	Equity	5,102,511	5,330,424
Date of constitution:	28 September 2011	Loss	(185)	(967)
		Participation	83.58%	83.58%

Grupo de Inversiones Suramericana Holanda B.V.				
			March 2018	December 2017
Activity:	Holding Company	Asset	4,901,381	5,120,196
Location:	Amsterdam	Liability	80	43
Country:	Holland	Equity	4,901,301	5,120,153
Date of constitution:	12 October 2011	Loss	(105)	(306)
		Participation	83.58%	83.58%

Grupo SURA Chile Holdings I B.V.				
			March 2018	December 2017
Activity:	Holding Company	Asset	2,482,125	2,592,886
Location:	Amsterdam	Liability	1,485	1,384
Country:	Holland	Equity	2,480,640	2,591,502
Date of constitution:	7 July 1993	Loss	(148)	(505)
		Participation	83.58%	83.58%

Sura Asset Management Chile S.A.				
			March 2018	December 2017
Activity:	Holding Company	Asset	3,002,506	3,208,846
Location:	Santiago	Liability	20,737	21,228
Country:	Chile	Equity	2,981,769	3,187,618
Date of constitution:	1 de August de 2002	Profit/Loss	(5,673)	90,209
		Participation	83.58%	83.58%

Sura Data Chile S.A.				
			March 2018	December 2017
Activity:	Company dedicated to the provision of services of data	Asset	9,735	10,256

processing and leasing of  
computational equipment

<b>Location:</b>	Santiago	<b>Liability</b>	3,396	3,537
<b>Country:</b>	Chile	<b>Equity</b>	6,339	6,719
<b>Date of constitution:</b>	1 August 2002	<b>Profit</b>	43	394
		<b>Participation</b>	83.58%	83.58%

#### Sura Servicios Profesionales S.A.

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to consulting and business advice	<b>Asset</b>	26,516	34,989
<b>Location:</b>	Santiago	<b>Liability</b>	10,132	18,002
<b>Country:</b>	Chile	<b>Equity</b>	16,384	16,987
<b>Date of constitution:</b>	1 August 2002	<b>Profit</b>	479	2,351
		<b>Participation</b>	83.58%	83.58%

#### SUAM Finance B.V.

			March 2018	December 2017
<b>Activity:</b>	Holding Company holding the 144A / Reg S bonds issued in April 2014	<b>Asset</b>	1,335,078	1,432,862
<b>Location:</b>	Curacao	<b>Liability</b>	1,411,420	1,496,394
<b>Country:</b>	Curacao	<b>Equity</b>	(76,342)	(63,532)
<b>Date of constitution:</b>	01 December 2014	<b>Loss</b>	(17,609)	(73,364)
		<b>Participation</b>	83.58%	83.58%

#### Sura Asset Management México S.A. de CV.

			March 2018	December 2017
<b>Activity:</b>	Holding Company	<b>Asset</b>	995,098	1,002,420
<b>Location:</b>	Mexico	<b>Liability</b>	249	177
<b>Country:</b>	Mexico	<b>Equity</b>	994,849	1,002,243
<b>Date of constitution:</b>	17 April 2013	<b>Profit/Loss</b>	(196)	229,637
		<b>Participation</b>	83.58%	83.58%

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

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to collecting Mexican works of art	<b>Asset</b>	38,673	38,902
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	94	81
<b>Country:</b>	Mexico	<b>Equity</b>	38,579	38,821
<b>Date of constitution:</b>	20 December 2011	<b>Profit</b>	38	171
		<b>Participation</b>	83.58%	83.58%

#### Sura Asset Management Perú S.A.

			March 2018	December 2017
<b>Activity:</b>	Holding Company	<b>Asset</b>	208,055	286,011
<b>Location:</b>	Lima	<b>Liability</b>	19,593	64,388
<b>Country:</b>	Perú	<b>Equity</b>	188,462	221,623
<b>Date of constitution:</b>	4 July 2013	<b>Profit</b>	93,041	133,147
		<b>Participation</b>	83.58%	83.58%

#### Sura Asset Management Uruguay Sociedad de Inversión S.A.

			March 2018	December 2017
<b>Activity:</b>	Holding Company	<b>Asset</b>	208,282	218,779
<b>Location:</b>	Uruguay	<b>Liability</b>	3,853	4,025
<b>Country:</b>	Uruguay	<b>Equity</b>	204,429	214,754
<b>Date of constitution:</b>	2 July 2013	<b>Profit</b>	1,895	25,559
		<b>Participation</b>	83.58%	83.58%

#### Inversiones SURA Brasil Participacoes LTDA

			March 2018	December 2017
<b>Activity:</b>	Investments	<b>Asset</b>	221,193	-
<b>Location:</b>	Sao Paulo	<b>Liability</b>	-	-
<b>Country:</b>	Brazil	<b>Equity</b>	221,193	-
<b>Date of constitution:</b>	16 March 2018	<b>Profit</b>	-	-
		<b>Participation</b>	81.13%	0.00%

#### MANDATORY - VOLUNTARY

##### AFAP Sura S.A.

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the administration of pension savings funds.	<b>Asset</b>	90,621	102,116
<b>Location:</b>	Montevideo	<b>Liability</b>	14,863	21,382
<b>Country:</b>	Uruguay	<b>Equity</b>	75,758	80,734
<b>Date of constitution:</b>	27 June 1995	<b>Profit</b>	9,551	44,989
		<b>Participation</b>	83.58%	83.58%

##### AFP Capital S.A.

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the administration of pension savings funds.	<b>Asset</b>	3,225,356	3,334,661
<b>Location:</b>	Santiago	<b>Liability</b>	577,381	582,530
<b>Country:</b>	Chile	<b>Equity</b>	2,647,975	2,752,131
<b>Date of constitution:</b>	16 January 1981	<b>Profit</b>	70,985	292,234
		<b>Participation</b>	83.33%	83.33%

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

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to managing investment companies specializing in retirement funds	<b>Asset</b>	1,582,749	1,512,587
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	230,052	216,568
<b>Country:</b>	Mexico	<b>Equity</b>	1,352,697	1,296,019
<b>Date of constitution:</b>	17 December 1996	<b>Profit</b>	66,362	257,279
		<b>Participation</b>	83.58%	83.58%

##### AFP Integra S.A.

			March 2018	December 2017
<b>Activity:</b>	Administration of pension funds	<b>Asset</b>	1,582,749	1,512,587
<b>Location:</b>	Lima	<b>Liability</b>	230,052	216,568
<b>Country:</b>	Perú	<b>Equity</b>	1,352,697	1,296,019
<b>Date of constitution:</b>	19 May 1993	<b>Profit/Loss</b>	66,362	257,279
		<b>Participation</b>	83.58%	83.58%

VOLUNTARY				
Corredores de Bolsa Sura S.A.				
			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the purchase and sale of securities and securities brokerage operations	<b>Asset</b>	81,589	138,860
<b>Location:</b>	Santiago	<b>Liability</b>	22,911	77,695
<b>Country:</b>	Chile	<b>Equity</b>	58,678	61,165
<b>Date of constitution:</b>	4 February 2008	<b>Profit/Loss</b>	506	(2,595)
		<b>Participation</b>	83.58%	83.58%
Administradora General de Fondos Sura S.A.				
			March 2018	December 2017
<b>Activity:</b>	Company dedicated to managing mutual and investment funds	<b>Asset</b>	97,684	82,698
<b>Location:</b>	Santiago	<b>Liability</b>	65,686	49,829
<b>Country:</b>	Chile	<b>Equity</b>	31,998	32,869
<b>Date of constitution:</b>	9 July 2008	<b>Profit</b>	1,231	7,764
		<b>Participation</b>	83.58%	83.58%
Sura Investment Management S.A. de C.V.				
			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the operation of investment companies	<b>Asset</b>	64,418	63,350
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	23,731	15,881
<b>Country:</b>	Mexico	<b>Equity</b>	40,687	47,469
<b>Date of constitution:</b>	13 February 1998	<b>Loss</b>	(6,478)	(14,586)
		<b>Participation</b>	83.58%	83.58%
Fondos Sura SAF S.A.C.				
			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the administration of Mutual Funds and investment	<b>Asset</b>	21,444	13,663
<b>Location:</b>	Lima	<b>Liability</b>	4,793	4,751
<b>Country:</b>	Perú	<b>Equity</b>	16,651	8,912
<b>Date of constitution:</b>	7 December 2004	<b>Loss</b>	(317)	(6,111)
		<b>Participation</b>	83.58%	83.58%
Sociedad Agente de Bolsa S.A.				
			March 2018	December 2017
<b>Activity:</b>	Securities brokers	<b>Asset</b>	10,713	12,011
<b>Location:</b>	Perú	<b>Liability</b>	1,043	941
<b>Country:</b>	Perú	<b>Equity</b>	9,670	11,070
<b>Date of constitution:</b>	25 September 2015	<b>Loss</b>	(710)	(3,458)
		<b>Participation</b>	83.58%	83.58%
Corridor de Bolsa Sura S.A.				
			March 2018	December 2017
<b>Activity:</b>	Brokerage Services	<b>Asset</b>	5,535	8,272
<b>Location:</b>	Montevideo	<b>Liability</b>	1,264	3,122
<b>Country:</b>	Uruguay	<b>Equity</b>	4,271	5,150



<b>Date of constitution:</b>	01 December 2014	<b>Loss</b>	(601)	(6,038)
		<b>Participation</b>	83.58%	83.58%

AFISA Sura S.A.				
			March 2018	December 2017
<b>Activity:</b>	Company dedicated to the administration of investment funds	<b>Asset</b>	5,883	7,155
<b>Location:</b>	Montevideo	<b>Liability</b>	1,186	2,241
<b>Country:</b>	Uruguay	<b>Equity</b>	4,697	4,914
<b>Date of constitution:</b>	19 January 2011	<b>Profit/Loss</b>	64	(4,621)
		<b>Participation</b>	83.58%	83.58%

LIFE				
Seguros de Vida Suramericana S.A.				
			March 2018	December 2017
<b>Activity:</b>	Insurance	<b>Asset</b>	7,209,948	7,253,468
<b>Location:</b>	Medellin	<b>Liability</b>	5,940,661	5,839,942
<b>Country:</b>	Colombia	<b>Equity</b>	1,269,287	1,413,526
<b>Date of constitution:</b>	4 August 1947	<b>Profit</b>	53,032	351,110
		<b>Participation</b>	81.13%	81.13%

Seguros de Riesgos Laborales Suramericana S.A.				
			March 2018	December 2017
<b>Activity:</b>	Operation of the labor risk branch	<b>Asset</b>	2,705,994	2,634,197
<b>Location:</b>	Medellin	<b>Liability</b>	2,297,878	2,095,313
<b>Country:</b>	Colombia	<b>Equity</b>	408,116	538,884
<b>Date of constitution:</b>	9 November 1995	<b>Profit</b>	57,937	186,316
		<b>Participation</b>	81.13%	81.13%

Asesuisa Vida, S.A. Seguros de Personas				
			March 2018	December 2017
<b>Activity:</b>	Insurance	<b>Asset</b>	325,561	369,422
<b>Location:</b>	San Salvador	<b>Liability</b>	263,803	287,273
<b>Country:</b>	El Salvador	<b>Equity</b>	61,758	82,149
<b>Date of constitution:</b>	5 December 2001	<b>Profit</b>	1,960	18,923
		<b>Participation</b>	81.13%	81.13%

Seguros de Vida Suramericana S.A.				
			March 2018	December 2017
<b>Activity:</b>	Life-insurance company	<b>Asset</b>	79,172	76,949
<b>Location:</b>	Santiago	<b>Liability</b>	39,103	34,662
<b>Country:</b>	Chile	<b>Equity</b>	40,069	42,287
<b>Date of constitution:</b>	21 November 2012	<b>Profit</b>	452	33
		<b>Participation</b>	81.13%	81.13%

Seguros de Vida Sura S.A.				
			March 2018	December 2017
<b>Activity:</b>	A company dedicated to the exercise of insurance activities related to annuities and life annuities	<b>Asset</b>	9,841,500	10,323,517
<b>Location:</b>	Santiago	<b>Liability</b>	8,774,700	9,203,966
<b>Country:</b>	Chile	<b>Equity</b>	1,066,800	1,119,551

<b>Date of constitution:</b>	12 January 1989	<b>Profit</b>	8,704	53,961
		<b>Participation</b>	83.58%	83.58%

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

			March 2018	December 2017
<b>Activity:</b>	Pension insurance	<b>Asset</b>	2,104,447	2,030,137
<b>Location:</b>	Mexico D.F.	<b>Liability</b>	1,966,106	1,895,032
<b>Country:</b>	Mexico	<b>Equity</b>	138,341	135,105
<b>Date of constitution:</b>	12 May 1997	<b>Profit</b>	4,230	24,633
		<b>Participation</b>	83.58%	83.58%

#### Seguros de Vida Sura Mexico S.A. de C.V.

			March 2018	December 2017
<b>Activity:</b>	Life-insurance	<b>Asset</b>	296,403	270,155
<b>Location:</b>	Mexico	<b>Liability</b>	258,232	230,058
<b>Country:</b>	Mexico	<b>Equity</b>	38,171	40,097
<b>Date of constitution:</b>	01 December 2014	<b>Loss</b>	(1,439)	(1,808)
		<b>Participation</b>	83.58%	83.58%

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

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to all kinds of activities related to insurance and reinsurance	<b>Asset</b>	707	733
<b>Location:</b>	San Salvador	<b>Liability</b>	82	87
<b>Country:</b>	El Salvador	<b>Equity</b>	625	646
<b>Date of constitution:</b>	7 May 2013	<b>Profit</b>	23	164
		<b>Participation</b>	83.58%	83.58%

#### Disgely S.A.

			March 2018	December 2017
<b>Activity:</b>	Company dedicated to commercialization of goods, leases of goods, works and services	<b>Asset</b>	1,961	2,148
<b>Location:</b>	Montevideo	<b>Liability</b>	131	168
<b>Country:</b>	Uruguay	<b>Equity</b>	1,830	1,980
<b>Date of constitution:</b>	01 December 2014	<b>Loss</b>	(39)	(617)
		<b>Participation</b>	83.58%	83.58%

#### NON-LIFE

##### Seguros Generales Suramericana S.A.

			March 2018	December 2017
<b>Activity:</b>	General Insurance	<b>Asset</b>	3,540,152	3,750,880
<b>Location:</b>	Medellin	<b>Liability</b>	2,676,017	2,870,049
<b>Country:</b>	Colombia	<b>Equity</b>	864,135	880,831
<b>Date of constitution:</b>	12 December 1944	<b>Profit</b>	12,893	77,079
		<b>Participation</b>	81.12%	81.12%

#### Seguros Sura S.A.

			March 2018	December 2017
<b>Activity:</b>	Insurance	<b>Asset</b>	285,772	313,228
<b>Location:</b>	Santo Domingo	<b>Liability</b>	246,130	272,548
<b>Country:</b>	Dominican Republic	<b>Equity</b>	39,642	40,680

<b>Date of constitution:</b>	17 July 1986	<b>Profit</b>	567	676
		<b>Participation</b>	81.13%	81.13%

#### Seguros Suramericana Panamá S.A.

			March 2018	December 2017
<b>Activity:</b>	Insurance	<b>Asset</b>	1,089,303	1,169,686
<b>Location:</b>	Panama	<b>Liability</b>	534,931	547,873
<b>Country:</b>	Panamá	<b>Equity</b>	554,372	621,813
<b>Date of constitution:</b>	11 July 1972	<b>Profit</b>	11,861	48,104
		<b>Participation</b>	81.13%	81.13%

#### Aseguradora Suiza Salvadoreña S.A. Asesuisa

			March 2018	December 2017
<b>Activity:</b>	General Insurance	<b>Asset</b>	283,143	304,142
<b>Location:</b>	San Salvador	<b>Liability</b>	114,956	123,856
<b>Country:</b>	El Salvador	<b>Equity</b>	168,187	180,286
<b>Date of constitution:</b>	14 November 1969	<b>Profit</b>	353	361
		<b>Participation</b>	81.13%	81.13%

#### Sura RE Ltd.

			March 2018	December 2017
<b>Activity:</b>	Insurance and/or reinsurance business	<b>Asset</b>	67,039	57,468
<b>Location:</b>	Hamilton	<b>Liability</b>	24,364	42,276
<b>Country:</b>	Bermuda	<b>Equity</b>	42,675	15,192
<b>Date of constitution:</b>	08 December 2015	<b>Loss</b>	(122)	(462)
		<b>Participation</b>	81.13%	81.13%

#### Sura SAC Ltd.

			March 2018	December 2017
<b>Activity:</b>	Insurance and/or reinsurance business	<b>Asset</b>	1,673	1,904
<b>Location:</b>	Hamilton	<b>Liability</b>	689	933
<b>Country:</b>	Bermuda	<b>Equity</b>	984	971
<b>Date of constitution:</b>	26 July 2017	<b>Profit/Loss</b>	81	(13)
		<b>Participation</b>	81.13%	81.13%

#### Seguros Sura S.A.

			March 2018	December 2017
<b>Activity:</b>	Operation in insurance of persons and damages	<b>Asset</b>	962,179	1,050,691
<b>Location:</b>	Sao Pablo	<b>Liability</b>	741,293	804,552
<b>Country:</b>	Brazil	<b>Equity</b>	220,886	246,139
<b>Date of constitution:</b>	31 August 1973	<b>Loss</b>	(6,946)	(155)
		<b>Participation</b>	81.13%	81.13%

#### Seguros Sura S.A.

			March 2018	December 2017
<b>Activity:</b>	General insurance operations	<b>Asset</b>	1,322,210	1,446,021
<b>Location:</b>	Buenos Aires	<b>Liability</b>	1,144,932	1,250,744
<b>Country:</b>	Argentina	<b>Equity</b>	177,278	195,277
<b>Date of constitution:</b>	13 July 1912	<b>Profit</b>	13,421	29,155

		Participation	80.67%	80.67%
<b>Aseguradora de Créditos and Garantías S.A.</b>				
			March 2018	December 2017
<b>Activity:</b>	Insurance, co-insurance, and reinsurance operations in general of all types of risks	<b>Asset</b>	127,551	87,275
<b>Location:</b>	Buenos Aires	<b>Liability</b>	114,443	73,930
<b>Country:</b>	Argentina	<b>Equity</b>	13,108	13,345
<b>Date of constitution:</b>	20 June 1959	<b>Profit/Loss</b>	226	(3,270)
		<b>Participation</b>	81.12%	81.12%
<b>Seguros Generales Suramericana S.A.</b>				
			March 2018	December 2017
<b>Activity:</b>	General insurance company	<b>Asset</b>	3,484,832	4,196,792
<b>Location:</b>	Santiago	<b>Liability</b>	2,675,334	3,325,728
<b>Country:</b>	Chile	<b>Equity</b>	809,498	871,064
<b>Date of constitution:</b>	15 April 1905	<b>Loss</b>	(6,191)	(3,595)
		<b>Participation</b>	80.71%	80.71%
<b>Seguros Sura, S.A de C.V.</b>				
			March 2018	December 2017
<b>Activity:</b>	General insurance operations	<b>Asset</b>	1,108,370	1,432,476
<b>Location:</b>	Mexico Distrito Federal	<b>Liability</b>	799,947	1,119,239
<b>Country:</b>	Mexico	<b>Equity</b>	308,423	313,237
<b>Date of constitution:</b>	01 October 1941	<b>Loss</b>	(4,071)	(7,082)
		<b>Participation</b>	81.13%	81.13%
<b>Seguros Sura S.A.</b>				
			March 2018	December 2017
<b>Activity:</b>	General insurance	<b>Asset</b>	566,068	602,676
<b>Location:</b>	Montevideo	<b>Liability</b>	307,909	331,371
<b>Country:</b>	Uruguay	<b>Equity</b>	258,159	271,305
<b>Date of constitution:</b>	07 November 1994	<b>Profit</b>	3,540	13,545
		<b>Participation</b>	81.13%	81.13%
<b>HEALTH</b>				
<b>EPS and Medicina Prepagada Suramericana S.A.</b>				
			March 2018	December 2017
<b>Activity:</b>	Organization, guarantee, and provision of health services	<b>Asset</b>	766,926	721,194
<b>Location:</b>	Medellin	<b>Liability</b>	553,965	524,958
<b>Country:</b>	Colombia	<b>Equity</b>	212,961	196,236
<b>Date of constitution:</b>	31 January 1990	<b>Profit</b>	16,300	31,823
		<b>Participation</b>	81.13%	81.13%
<b>Servicios de Salud IPS Suramericana S.A.</b>				
			March 2018	December 2017
<b>Activity:</b>	Medical, paramedical, and dental services	<b>Asset</b>	76,905	89,141
<b>Location:</b>	Medellin	<b>Liability</b>	62,753	75,537
<b>Country:</b>	Colombia	<b>Equity</b>	14,152	13,604
<b>Date of constitution:</b>	19 December 1996	<b>Profit</b>	970	1,660

		Participation	81.13%	81.13%
<b>Diagnóstico and Asistencia Médica S.A.</b>				
			March 2018	December 2017
Activity:	Provision of diagnostic health aids services	Asset	78,903	82,334
Location:	Medellin	Liability	45,195	50,348
Country:	Colombia	Equity	33,708	31,986
Date of constitution:	24 February 1994	Profit	2,005	5,986
		Participation	81.13%	81.13%
<b>Hábitat Adulto Mayor S.A.</b>				
			March 2018	December 2017
Activity:	Provision of health services for the adult seniors	Asset	53,475	50,075
Location:	La Estrella	Liability	25,161	21,884
Country:	Colombia	Equity	28,314	28,191
Date of constitution:	24 July 2007	Profit	165	1,187
		Participation	82.66%	82.66%
<b>OUTSOURCING</b>				
<b>Arus S.A.</b>				
			March 2018	December 2017
Activity:	Services and commercialization of products and solutions in telecommunications	Asset	86,565	84,104
Location:	Medellin	Liability	59,966	53,073
Country:	Colombia	Equity	26,599	31,031
Date of constitution:	16 August 1988	Profit/Loss	(1,884)	5,204
		Participation	100.00%	100.00%
<b>Enlace Operativo S.A.</b>				
			March 2018	December 2017
Activity:	Information processing services under outsourcing	Asset	24,502	20,293
Location:	Medellin	Liability	8,428	4,968
Country:	Colombia	Equity	16,074	15,325
Date of constitution:	31 May 2006	Profit	1,163	3,281
		Participation	100.00%	100.00%
<b>OTHERS</b>				
<b>Operaciones Generales Suramericana S.A.S.</b>				
			March 2018	December 2017
Activity:	Investment in movable and immovable property	Asset	146,019	127,864
Location:	Medellin	Liability	77,493	74,119
Country:	Colombia	Equity	68,526	53,745
Date of constitution:	24 July 1964	Loss	(7,681)	(8,278)
		Participation	81.13%	81.13%
<b>Servicios Generales Suramericana S.A.</b>				
			March 2018	December 2017

<b>Activity:</b>	Investments in movable assets especially stocks, shares, or parts of companies	<b>Asset</b>	518,293	506,017
<b>Location:</b>	Medellin	<b>Liability</b>	278,792	240,956
<b>Country:</b>	Colombia	<b>Equity</b>	239,501	265,061
<b>Date of constitution:</b>	6 December 2002	<b>Profit</b>	4,440	11,045
		<b>Participation</b>	81.13%	81.13%

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

			March 2018	December 2017
<b>Activity:</b>	Provision of consulting services in integral risk management	<b>Asset</b>	16,646	14,995
<b>Location:</b>	Medellin	<b>Liability</b>	11,603	12,676
<b>Country:</b>	Colombia	<b>Equity</b>	5,043	2,319
<b>Date of constitution:</b>	15 April 1996	<b>Profit</b>	2,723	293
		<b>Participation</b>	81.13%	81.13%

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

			March 2018	December 2017
<b>Activity:</b>	Service of inspection, repair, purchase and sale of vehicles	<b>Asset</b>	479	419
<b>Location:</b>	Panama	<b>Liability</b>	244	263
<b>Country:</b>	Panamá	<b>Equity</b>	235	156
<b>Date of constitution:</b>	2 August 2012	<b>Profit</b>	93	11
		<b>Participation</b>	81.13%	81.13%

#### Protección Garantizada LTDA

			March 2018	December 2017
<b>Activity:</b>	Insurance agency	<b>Asset</b>	1,273	2,479
<b>Location:</b>	Bogotá	<b>Liability</b>	455	889
<b>Country:</b>	Colombia	<b>Equity</b>	818	1,590
<b>Date of constitution:</b>	10 November 2005	<b>Profit</b>	484	1,555
		<b>Participation</b>	49.73%	49.73%

#### Sura Real Estate S.A.S.

			March 2018	December 2017
<b>Activity:</b>	Management consulting activities, real estate activities realized with own or leased property	<b>Asset</b>	3,826	3,426
<b>Location:</b>	Bogotá	<b>Liability</b>	2,259	2,383
<b>Country:</b>	Colombia	<b>Equity</b>	1,567	1,043
<b>Date of constitution:</b>	9 February 2016	<b>Profit</b>	550	588
		<b>Participation</b>	58.50%	58.50%

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

			March 2018	December 2017
<b>Asset</b>	The selling products and provision of financial services	<b>Asset</b>	10,507	11,175
<b>Liability</b>	Mexico D.F.	<b>Liability</b>	7,779	8,516
<b>Equity</b>	Mexico	<b>Equity</b>	2,728	2,659
<b>Income</b>	17 October 2000	<b>Profit</b>	89	660
		<b>Participation</b>	83.58%	83.58%

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

			March 2018	December 2017
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<b>Asset</b>	Provision of marketing services, promotion, and dissemination of products of any kind	<b>Asset</b>	7,211	6,734
<b>Liability</b>	Mexico	<b>Liability</b>	4,059	3,851
<b>Equity</b>	Mexico	<b>Equity</b>	3,152	2,883
<b>Income</b>	23 October 2013	<b>Profit</b>	291	1,086
		<b>Participation</b>	83.58%	83.58%

## Changes in the participation of investments

### Year 2018

- On February 21, 2018, the scission in Panama, called SURA VENTURES S.A., was approved. The capital, of the new company, that is constituted, is paid with the allocation of part of the capital of Grupo de Inversiones Suramericana Panamá S.A, leaving the authorized capital of SURA VENTURES S.A, for USD 27,094,024.
- On March 16, 2018, with the registration, before the local Ministry of Finance, Inversiones Sura Brasil Participações, a company domiciled, and governed, by the laws of the Republic of Brazil, was formally incorporated. Its purpose is to facilitate the development of business and investment of Suramericana, in Latin America, and particularly in this country. The participation of Suramericana, in this company, corresponds to 100% of its capital, indirectly, since the ownership of the property is through its Colombian subsidiaries, Inversiones Sura Brasil S.A.S and Operaciones Generales Suramericana S.A.S.
- On March 23, 2018, Suramericana S.A. capitalized its subsidiary Sura Re, with USD 10,300,000, so that it could reach the minimum capital required to start the registration process, as a reinsurer, and the subsequent acceptance of risks, assigned by its related companies. With the transfer of these resources, Sura Re reached a capital of USD 15,800,000, which has been contributed, in full, directly by Suramericana S.A.

### Year 2017

- On April 4, 2017, 127,464 shares of IFC of Sura Asset Management S.A., were purchased in the amount of \$ 1,079,056 million, increasing the stake in this company, by 4.8717%.
- On July 26, 2017, the company SURA SAC Ltda., a segregated accounts company, domiciled in Bermuda, was incorporated. The South American share, in this company, is direct, and corresponds to 100% of its capital. The value of the initial investment, in this company, was USD 200,000.
- The company, Services and Sales Company Ltda., was declared in the process of liquidation, therefore, from 2017, it deteriorated by 100%.

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

The balances of investment in associates and joint ventures:

	March 2018	December 2017
Investment in associates	18,174,810	18,829,782



Joint ventures	6,924	4,160
<b>Total investments accounted for, using the equity method</b>	<b>18,181,734</b>	<b>18,833,942</b>

	March 2018	December 2017
Income using <i>the equity method</i> in associates	207,233	251,886
Income using <i>the equity method</i> in joint ventures	323	540
<b>Total income by method of participation of investments accounted for using the equity method</b>	<b>207,556</b>	<b>252,426</b>

## 10.2. Investments accounted for using the equity method

The balance of investments in associates and joint venture is as follows:

	March 2018	December 2017
Investments in associates	18,174,810	18,829,782
Joint ventures	6,924	4,160
<b>Total Investments accounted for using the equity method</b>	<b>18,181,734</b>	<b>18,833,942</b>

	March 2018	December 2017
Income from the equity method, in associates	207,233	251,886
Income from the equity method, in joint ventures	323	540
<b>Total income from the equity method, in investments, accounted for under the equity method</b>	<b>207,556</b>	<b>252,426</b>

### 10.2.1 Investments in associates

The following is a breakdown of the associated Companies, of Grupo Sura, at the closing of the date of which is being reported:

			March 2018			December 2017		
Companies	Principal Activity	Country	% Part.	% voting rights	# Shares	% Part.	% voting rights	# Shares
Associates								
Grupo 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 and Cesantías 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
Acsendo S.A.S.	Investments	Colombia	25.8%	18.62%	63,570	25.8%	18.62%	63,570
<b>Joint Ventures:</b>								
Interejecutiva de Aviación S.A.S.	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 voting rights, at March 2018, and December 2017, of Bancolombia S.A. and Grupo Argos, is 46.11% and 35.53%, respectively, the foregoing, taking into account the issuance, of preference shares, without voting rights, issued by this associate. For other investments in associates, the percentage of participation is equal to the right to vote.

<sup>1</sup> Despite not having more than 20% participation, in the investment of 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 process of the same.

## Investment balances

The following are the balances of associates:

Investments in associates	March 2018	December 2017
Bancolombia S.A.	7,504,598	7,788,286
Grupo Argos S.A.	4,882,280	4,917,510
Grupo Nutresa S.A.	4,658,217	4,913,993
Administradora de Fondos de Pensiones and Cesantías Protección S.A.	1,039,093	1,120,041
Others	90,623	89,953
<b>Total</b>	<b>18,174,810</b>	<b>18,829,782</b>

## Financial information of associates (Issuers of securities)

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, 2018 and December 31, 2017, are as follows:

March 2018	Location	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
Bancolombia S.A.*	Colombia	200,945,570	-	177,755,926	-	23,189,644	2,684,069	544,049	(237,273)	306,776
Grupo Argos S.A.*	Colombia	6,506,956	39,217,002	7,567,713	14,561,959	23,594,286	3,310,548	221,062	(831,192)	(610,130)
Grupo Nutresa S.A.*	Colombia	2,597,048	10,971,337	2,065,945	3,282,231	8,220,209	2,104,345	121,789	(177,679)	(55,890)
Administradora de Fondo de Pensiones and Cesantías Protección S.A.*	Colombia	2,139,331	-	830,751	-	1,308,581	-	20,993	13,533	34,526

December 2017	Location	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
Bancolombia S.A.*	Colombia	203,908,211	-	179,478,661	-	24,429,550	11,220,216	2,754,173		2,754,173
Grupo Argos S.A.*	Colombia	6,750,119	40,816,318	7,107,746	16,153,054	24,305,637	14,572,084	905,088	330,935	1,236,023
Grupo Nutresa S.A.*	Colombia	2,685,577	11,623,900	1,954,961	3,404,335	8,950,181	8,695,604	424,340	396,661	821,001
Administradora de Fondo de Pensiones and Cesantías Protección S.A.*	Colombia	2,086,574	-	624,348	-	1,462,226	-	343,319	-	343,319

*\*Figures taken from the Consolidated Financial Statements*

Some of the investments in associates of Grupo SURA, which are listed on the Colombian Stock Exchange, presented a closing price at March 31, 2018, greater than the end of December 2017, show a better performance, as follows:

Associates	March 2018	December 2017	Variation
Bancolombia S.A.	30,220	29,980	0.80%
Inversiones Argos S.A.	18,820	20,880	-9.87%
Grupo Nutresa S.A.	25,980	27,820	-6.61%
Fondo de Pensiones and Cesantías Protección S.A. (*)	109,994	87,349	25.93%

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 each of the companies.

(\*) The shares of Protección, despite being publicly traded, are classified as low stock market shares in the Colombian stock market. This implies that the formation of prices over the asset does not represent the best reference on the economic value of this company.

## Movement of investments in associates

	Bancolombia S.A.	Grupo Argos S.A.	Grupo Nutresa S.A.	Administradora de Fondos de Pensiones and Cesantías Protección S.A.	Others	Total
<b>Balance at December 31, 2016</b>	<b>7,337,334</b>	<b>4,952,061</b>	<b>4,716,733</b>	<b>1,045,581</b>	<b>87,565</b>	<b>18,139,274</b>
Additions	-	-	-	-	3,648	3,648
Income from <i>the Equity Method</i>	639,023	87,174	147,770	151,843	35,109	1,060,919
Change in equity	35,311	(58,727)	135,894	10,955	(2,227)	121,206
(-) Dividends	(223,382)	(62,998)	(86,405)	(88,338)	(29,215)	(490,338)
Others	-	-	-	-	(4,926)	(4,926)
<b>Balance at December 31, 2017</b>	<b>7,788,286</b>	<b>4,917,510</b>	<b>4,913,992</b>	<b>1,120,041</b>	<b>89,954</b>	<b>18,829,782</b>
Derecognition	-	(4,829)	-	-	-	(4,829)
Income from <i>the Equity Method</i>	127,502	12,348	42,504	13,831	8,607	204,792
Change in equity	(171,449)	(42,749)	(206,632)	(3,957)	(1,278)	(426,065)
(-) Dividends	(239,741)		(91,648)	(90,823)	(3,244)	(425,456)
Others	-	-	-	-	(3,415)	(3,415)
<b>Balance at March 31, 2018</b>	<b>7,504,598</b>	<b>4,882,280</b>	<b>4,658,217</b>	<b>1,039,092</b>	<b>90,624</b>	<b>18,174,810</b>

## Restrictions and commitments

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

### 10.2.2. Joint Ventures

The following breakdown of costs of investments in joint ventures of Grupo SURA:

#### Cost of investment in joint ventures

The following breakdown of costs of investments in joint ventures, at March 31, 2018 and December 31, 2017, is as follows:

	Interejecutiva	UPI	Total
<b>Balance at December 31, 2016</b>	<b>3,816</b>	<b>1,238</b>	<b>5,054</b>
Reclassification		(137)	(137)
Profit from <i>the Equity Method</i>	(813)	1,130	317
(-) Dividends		(1,074)	(1,074)
<b>Balance at December 31, 2017</b>	<b>3,003</b>	<b>1,157</b>	<b>4,160</b>
Profit from <i>the Equity Method</i>	2,430	334	2,764
<b>Balance at December 31, 2017</b>	<b>5,433</b>	<b>1,491</b>	<b>6,924</b>

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

## NOTE 11. PROVISIONS

	March 2018	December 2017
Litigations in process (*)	203,711	223,662
Other provisions (**)	50,685	51,985
Labor lawsuits	11,719	10,583
	<b>265,575</b>	<b>286,230</b>

(\*) Includes, among others, the following concepts:

- Amount provisioned by Afore Sura S.A. of C.V., in Mexico, as a contingency, associated with a sanction, related to the trial, conducted by the Federal Commission of Economic Competition ("Cofece"), regarding the administrative procedure of "absolute monopolistic practices in the market for the provision of funds management services for the retirement of workers ", for approximately \$ 20,888 million pesos. This balance is recognized in 2017.
- Grupo de Inversiones Suramericana S.A., recently received the resolutions, that decide the reconsideration resources, where the values, proposed by the DIAN, in the official liquidation review, are confirmed. The resolutions, of the resources, originate in differences of interpretation with the DIAN, in the settlements to the income tax of the years 2009, 2010, 2011 and 2013, a situation that was announced to the market, in Relevant Information, on March 23, 2016.

Based on the provisions of Law 1819 of 2016, on Tax Reform, the Company realizes the analyses, to carry out a reconciliation process with the DIAN, with respect to the value of the processes previously mentioned, by an estimated amount of COP 37,666 million, which was provisioned, in the Financial Statements of the Company, and of which COP 34,196 million, has already been paid, in the month of October 2017. This procedure will be subject to the regulations, issued by the National Government, at the time of the reform. The aforementioned procedure 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, regarding the interpretation of the tax rule, that gave rise to the difference, to date is \$3,470 and has been provisioned for.

(\*\*) Includes, among others, provisions for dismantling, in the amount of \$733, costs that include disabilities, glosses, and maternity leave.

The following are the provisions by country:

	March 2018	December 2017
Brazil	183,626	196,574
Colombia	79,418	87,698
Argentina	2,368	1,894
Mexico	163	64
	<b>265,575</b>	<b>286,230</b>

## NOTE 12. SECURITIES ISSUED

The following is a summary of debt instruments issued:

	March 2018	December 2017
Outstanding shares (1)	7,100,778	7,385,933
Preference shares (2)	460,551	450,752
	<b>7,561,329</b>	<b>7,836,685</b>

#### <sup>1</sup> Outstanding bonds:

- On June 22, 2016, Suramericana issued ordinary bonds in local markets; the amount issued was one trillion pesos (\$ 1,000,000), distributed in 4 series (4, 7, 10 and 15 years), and all indexed to inflation, and quarterly interest payments. The proceeds, from the placement of the Ordinary Bonds, will be allocated, one hundred percent (100%), to the replacement of Sudamericana's financial liabilities.
- March 31, 2016, Grupo de Inversiones Suramericana S.A., issued, in the local markets, \$100,000, in ordinary series C6 bonds, with an CPI + 3.55% rate, due in 2020.
- In the month of April 2014, through its subsidiary, Sura Asset Management Finance B.V., placed bonds of \$1,492,000 million, with a 10-year fixed rate of 4.875% (T + 230bps), and an oversupply of 8.6 times the amount offered.
- On May 7, 2014, Grupo Inversiones Suramericana S.A., issued COP 650,000 ordinary bonds, in local markets, in four tranches, where the first three, were indexed to the CPI, with a quarterly coupon, and the last, indexed to the IBR, with a monthly coupon.
  - o A five-year tranche, for a total value of COP 103,278, with an interest rate of CPI + 3.24%;
  - o A nine-year tranche, for a total value of COP 223,361, with an interest rate of CPI + 3.08%;
  - o A sixteen-year tranche, for a total value of COP 100,000, with an interest rate of CPI + 4.15%; And
  - o A two-year tranche, for a total value of COP 223,361, with an interest rate of IBR + 1.20. This section expired in May 2016.
- May 11, 2011, the subsidiary Grupo Sura Finance, placed in the international capital market, ordinary bonds for USD 300 million, equivalent to \$578,049 million pesos, for a period of 10 years. The aforementioned issue was fully guaranteed by Grupo de Inversiones Suramericana S.A., as the Parent.
- On November 25, 2009, Grupo de Inversiones Suramericana S.A. issued, in the local markets, COP 250,000 of ordinary bonds, in three tranches, indexed to the CPI, with a quarterly coupon.
  - o A ten-year tranche, for a total value of COP 54,500, with an interest rate of the CPI + 4.40%;
  - o A twenty-year tranche, for a total value of COP 98,000, with an interest rate of CPI + 5.90%; And
  - o A forty-year tranche, for a total value of COP 97,500, with an interest rate of CPI + 6.98%.

Below is a detail of the bonds issued:

Maturity	Dare issued	Date of maturity	Amortized cost		Fair Value	
			March 2018	December 2017	March 2018	December 2017
4 Years	07-may-16	07-may-20	100,576	100,651	103,439	102,881
5 Years	07-may-14	07-may-19	104,310	104,346	105,325	105,475
9 Years	07-may-14	07-may-23	225,273	225,327	234,498	234,022
10 Years	07-may-14	07-may-24	54,428	54,431	56,803	56,508
16 Years	07-may-14	07-may-30	100,781	100,809	106,408	106,678
20 Years	25-nov-09	25-nov-29	96,183	96,281	117,381	117,657
40 Years	25-nov-09	25-nov-49	95,157	95,289	135,239	135,781
5 Years	23-feb-17	23-feb-22	194,465	194,515	199,592	199,402
7 Years	23-feb-17	23-feb-24	165,768	165,936	167,776	167,735
12 Years	23-feb-17	23-feb-29	191,239	191,456	193,537	194,972
10 Years	18-may-11	18-may-21	848,107	897,169	894,910	963,381
10 Years	29-abr-16	29-apr-26	1,544,132	1,634,001	1,654,372	1,794,022
4 Years	22-jun-16	22-jun-20	147,320	147,376	150,326	150,336
7 Years	22-jun-16	22-jun-23	255,602	255,780	268,830	267,953
10 Years	22-jun-16	22-jun-26	303,645	303,892	319,812	322,245
15 Years	22-jun-16	22-jun-31	287,263	287,517	307,899	308,437
6 Years	17-apr-14	17-apr-24	1,411,415	1,496,387	1,437,544	1,592,778
10 Years	11-apr-17	14-apr-27	975,114	1,034,770	957,940	1,056,018
			<b>7,100,778</b>	<b>7,385,933</b>	<b>7,411,630</b>	<b>7,876,281</b>

\* Grupo SURA is the guarantor of the bonds issued in Luxemburg.

## <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 2015, 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 13. 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:

	March 2018			December 2017		
	Ordinary Shares	Preference Shares	% Participation	Ordinary Shares	Preference Shares	% Participation
Grupo Argos S.A.	129,721,643	-	22.29%	130,990,706	-	22.51%
Grupo Nutresa S.A.	59,387,803	-	10.20%	59,387,803	-	10.20%
Fondo De Pensiones Obligatorias Porvenir Moderado	45,655,097	9,088,505	9.41%	45,927,415	8,642,181	9.38%
Cementos Argos S.A.	28,183,262	-	4.84%	26,751,424	-	4.60%
Harbor International Fund.	20,169,521	4,581,621	4.25%	20,169,521	4,581,621	4.25%
Fondo De Pensiones Obligatorias Protección Moderado	15,000,009	35,652,118	8.70%	15,000,009	35,589,388	8.69%
Oppenheimer Developing Markets Fund	12,992,596	-	2.23%	13,206,870	-	2.27%
Fondo De Pensiones Obligatorias Colfondos Moderado	11,109,887	6,068,916	2.95%	11,025,552	6,393,916	2.99%
Fundación Grupo Argos	10,652,344	-	1.83%	10,666,767	-	1.83%
Colombiana De Comercio Sa Corbeta and/or Alkosto S.A.	10,000,000	-	1.72%	10,000,000	-	1.72%
Fondo Bursatil Ishares COLCAP	7,349,335	4,035,962	1.96%	7,449,624	4,035,213	1.97%
Old Mutual Fondo De Pens. Obligatorias - Moderado	6,487,860	1,010,431	1.29%	6,541,960	992,931	1.29%
Abu Dhabi Investment Authority J.P. Morgan	5,430,534	1,612,668	1.21%	5,394,595	1,594,797	1.20%
Fundación Fraternidad Medellín	5,100,000	-	0.88%	5,100,000	-	0.88%
Norges Bank-Cb New York	4,735,917	270,000	0.86%	5,154,416	264,964	0.93%
Vanguard Emerging Markerts Stock Index Fund	3,977,199	1,716,405	0.98%	3,977,199	1,711,247	0.98%
Vanguard Total International Stock Index Fund	2,986,600	1,310,659	0.74%	2,898,486	1,335,078	0.73%
Fondo Bursatil Horizons Colombia Select De S&P	2,692,554	-	0.46%	2,615,306	-	0.45%
Ishares Core Msci Emerging Markets Etf	2,072,185	646,836	0.47%	1,815,181	566,655	0.41%
Ishares Msci Emerging Markets Etf	2,014,047	695,339	0.47%	1,887,691	651,815	0.44%
Fondo De Cesantias Porvenir	1,698,930	980,514	0.46%	1,795,132	980,514	0.48%
Fondo De Cesantias Protección- Largo Plazo	1,545,363	850,283	0.41%	1,525,363	752,483	0.39%

Dimensional Emerging Markets Value Fund	1,493,898	1,042,360	0.44%	1,451,045	1,042,360	0.43%
Vol-Eqcol Fondo De Pensiones Protección	589,046	3,204,223	0.65%	496,275	3,117,102	0.62%
Fondo De Pensiones Obligatorias Protección Retiro	432,061	1,728,786	0.37%	-	-	0.00%
Shareholders with participation, less than 1%	77,559,569	38,444,662	19.93%	77,808,920	40,688,023	20.36%
	<b>469,037,260</b>	<b>112,940,288</b>		<b>469,037,260</b>	<b>112,940,288</b>	

In April 2017 Grupo SURA issued 6,605,325 preference shares, which generated equity increase in the Company's capital of \$1,238 and \$209,189, in the issued premium. Grupo SURA corresponds primarily to the change in the regulation of the preference shares (minimum dividend and issue price) from 0.5% to 1%, generating an effect of \$226 thousand-million (Milliards).

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

<b>Dividends payable at December 31, 2017 (See Note 6.2)</b>	<b>2,378</b>
Ordinary declared	336,116
Preference declared	58,503
<b>Subtotal declared dividends (*)</b>	<b>394,619</b>
Paid ordinary shares	(733)
Paid preference shares	-
<b>Subtotal dividends paid</b>	<b>(733)</b>
<b>Dividends payable at March 31, 2018 (Nota 6.2)</b>	<b>396,264</b>

(\*) The following is a breakdown of dividends payable and declared, at March 2018, by Company:

	<b>Declared dividends</b>
Grupo SURA	301,464
Sura Asset Management	59,892
Suramericana	33,263
	<b>394,619</b>

#### NOTE 14. NON-CONTROLLING INTEREST

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

<b>March 2018</b>	<b>% Non-controlling interest</b>	<b>Non-controlling equity</b>	<b>Non-controlling Results</b>
Sura Asset Management S.A.	16.423%	1,409,397	21,625
Suramericana S.A.	18.870%	799,723	18,924
AFP Capital S.A.	0.290%	9,423	188
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.888%	5,150	67
Hábitat Adulto Mayor S.A.	17.338%	4,909	29
Seguros Generales Suramericana S.A (Chile)	0.518%	4,193	(32)
Seguros Sura S.A. (Argentina)	0.567%	1,005	76
Protección Garantizada LTDA.	38.692%	317	187
Seguros Generales Suramericana S.A. (Colombia)	0.016%	133	3
AFP Integra S.A.	0.000%	9	-

Asesuisa Vida, S.A. Seguros de Personas	0.004%	3	-
Seguros Sura S.A (Brazil)	0.000%	1	-
Financia Expreso RSA S.A.	0.039%	1	-
Aseguradora de Créditos y Garantías S.A.	0.007%	1	-
Seguros Sura S.A. (Dominican Republic)	0.002%	1	-
Sura Real Estate S.A.S.	30.000%	(548)	165
Planeco Panamá S.A.	4.718%	(1,002)	(61)
		<b>2,232,716</b>	<b>41,171</b>

December 2017	% Non-controlling interest	Non-controlling equity	Non-controlling Results
Sura Asset Management S.A.	16.423%	1,524,876	100,894
Suramericana S.A.	18.870%	847,003	95,345
AFP Capital S.A.	0.292%	9,861	779
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.889%	5,979	557
Hábitat Adulto Mayor S.A.	17.338%	4,888	206
Seguros Generales Suramericana S.A (Chile)	0.518%	4,512	(19)
Seguros Sura S.A. (Argentina)	0.567%	1,107	165
Protección Garantizada LTDA.	38.701%	615	602
Seguros Generales Suramericana S.A. (Colombia)	0.016%	136	13
AFP Integra S.A.	0.000%	11	1
Asesuisa Vida, S.A. Seguros de Personas	0.004%	4	1
Seguros Sura S.A (Brazil)	0.000%	1	-
Financia Expreso RSA S.A.	0.047%	1	(1)
Aseguradora de Créditos y Garantías S.A.	0.007%	1	-
Seguros Sura S.A. (Dominican Republic)	0.002%	1	-
Sura Real Estate S.A.S.	30.000%	(705)	176
Planeco Panamá S.A.	4.718%	(1,251)	(355)
		<b>2,397,040</b>	<b>198,364</b>

Non-controlling interest of equity is presented below:

	March 2018	December 2017
Social capital	4,553	4,399
Reserves	470,534	346,548
Other comprehensive Income	229,592	338,834
Profit	41,171	198,364
Accumulated gains	1,486,866	1,508,895
	<b>2,232,716</b>	<b>2,397,040</b>

## NOTE 15. OPERATING SEGMENTS

### 15.1 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	Corporate		Administrator of Funds		Insurance		
		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							

Entity	Corporate	Corporate		Administrator of Funds		Insurance		
		Mandatory	Voluntary	Life	Non-life Vida	Health	Outsourcing	Others
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	X							
Inversiones Suramericana 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							
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.	X							
AFAP Sura S.A.		X	X					
AFP Capital S.A.		X	X					
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					
Sura Asset Management Argentina 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 (Chile)				X				
Seguros de Vida Sura S.A. (Chile)				X				
Pensiones Sura S.A. de C.V.				X				
Seguros Sura, S.A de C.V. (México)				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. (República Dominicana)					X			
Seguros Suramericana, S.A. (Panamá)					X			
Aseguradora Suiza Salvadoreña S.A. Asesuisa					X			
Sura RE Ltd.					X			
Seguros Sura S.A (Brasil)					X			
Seguros Sura S.A (Argentina)					X			
Aseguradora de Créditos y Garantías S.A.					X			
Seguros Generales Suramericana S.A (Chile)					X			
Seguros Sura, S.A de C.V. (México)					X			
Seguros Sura S.A. (Uruguay)					X			
EPS y Medicina Prepagada Suramericana S.A.						X		

Entity	Corporate	Corporate		Administrator of Funds		Insurance		
		Mandatory	Voluntary	Life	Non-life Vida	Health	Outsourcing	Others
Servicios de Salud IPS Suramericana S.A.						X		
Diagnóstico y Asistencia Médica S.A. Dinámica IPS						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
SURA Real Estate S.A.S.								X
Asesores Sura S.A. de C.V.								X
Promotora Sura AM S.A. de C.V.								X
Sura SAC Ltd.								X
Inversiones SURA Brasil Participacoes LTDA	X							
SURA Ventures S.A.	X							

## 15.2 The Information by operating segments:

### Consolidated Income Statement at March 31, 2018, by Operating Segments

March 2018	Corporate	Administration of Funds		Insurance		Services		Eliminations	Total
		Mandatory	Voluntary	Life	Non-life	Health	Outsourcing		
Premiums issued	-	-	159,318	1,338,349	1,585,821	-	-	-	3,081,606
Premiums ceded	-	-	(110)	(61,261)	(309,814)	-	-	-	(370,631)
<b>Retained premiums (net)</b>	<b>-</b>	<b>-</b>	<b>159,208</b>	<b>1,277,088</b>	<b>1,276,007</b>	<b>-</b>	<b>-</b>	<b>(1,328)</b>	<b>2,710,975</b>
Commission income	227	455,054	56,734	3,313	93,742	16	317	2,353	610,758
Provisions of Servicios	8	-	-	250	-	867,328	48,787	50,898	772,371
Dividends	246	-	255	148	25	-	-	-	674
Investment income	1,611	1,995	4,951	212,467	12,586	9	259	14,777	248,220
Gains at fair value	(125,679)	11,008	(8,545)	58,471	62,998	3,561	-	-	1,839
Gains from the Equity Method, Associates	533,335	18,246	665	2,729	7,392	1,267	-	7,765	207,556
Gains in sales of investments	1,727	3,196	9,841	26	2,709	(43)	-	5	17,461
Income from investment properties	399	27	2,048	15,244	2,720	292	-	542	18,221
Exchange differences (net)	130,450	(1,410)	(10)	(3,026)	(6,583)	28	(263)	1	119,187
Other income	34,864	1,495	612	10,929	39,735	4,610	345	2,420	56,717
<b>Total income</b>	<b>577,188</b>	<b>489,611</b>	<b>225,759</b>	<b>1,577,639</b>	<b>1,491,331</b>	<b>877,068</b>	<b>49,445</b>	<b>78,761</b>	<b>4,763,979</b>
Total claims	-	-	(180,454)	(788,032)	(963,885)	-	-	-	(1,904,936)
Reimbursement of claims	-	-	-	44,210	311,737	-	-	-	353,849
<b>Retained claims</b>	<b>-</b>	<b>-</b>	<b>(180,454)</b>	<b>(743,822)</b>	<b>(652,148)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,551,087)</b>
Reserves net of production	-	-	29,956	(258,879)	(30,684)	-	-	-	(259,607)
Costs of provision of services	-	-	-	(1)	-	(756,566)	(37,212)	(35,650)	(720,554)
Administrative expenses	(33,052)	(41,728)	(13,695)	(93,951)	(155,584)	(49,266)	(2,666)	(8,597)	(381,175)
Employee benefits	(27,683)	(101,613)	(51,113)	(98,625)	(139,465)	(39,856)	(7,111)	(6,719)	(471,724)
Fees	(6,787)	(8,691)	(3,405)	(87,579)	(78,172)	(2,129)	(119)	(2,471)	(163,426)
Broker commissions	(29)	(43,776)	(9,949)	(98,188)	(309,974)	(1,098)	-	-	(462,710)
Amortization	(26,653)	(10,474)	(1,661)	(2,217)	(30,929)	(51)	(58)	-	(72,043)
Depreciation	(2,450)	(5,029)	(1,003)	(1,866)	(4,922)	(2,707)	(1,695)	(347)	(20,019)
Other expenses	-	-	-	(64,822)	(53,033)	(555)	(139)	(3)	(93,979)

Interest	(175,655)	(726)	(352)	(39)	(805)	(1,185)	(247)	(4,736)	36,215	(147,530)
Impairment	(5)	-	(5)	(394)	673	(325)	(208)	(273)	-	(537)
<b>Total expenses</b>	<b>(272,314)</b>	<b>(212,037)</b>	<b>(231,681)</b>	<b>(1,450,383)</b>	<b>(1,455,043)</b>	<b>(853,738)</b>	<b>(49,455)</b>	<b>(58,796)</b>	<b>239,056</b>	<b>(4,344,391)</b>
<b>Gains before taxes</b>	<b>304,874</b>	<b>277,574</b>	<b>(5,922)</b>	<b>127,256</b>	<b>36,288</b>	<b>23,330</b>	<b>(10)</b>	<b>19,965</b>	<b>(363,767)</b>	<b>419,588</b>
Income taxes	(18,277)	(68,924)	(3,321)	(156)	(3,364)	(2,622)	(711)	(12,060)	-	(109,435)
<b>Gains continuing operations, net</b>	<b>286,597</b>	<b>208,650</b>	<b>(9,243)</b>	<b>127,100</b>	<b>32,924</b>	<b>20,708</b>	<b>(721)</b>	<b>7,905</b>	<b>(363,767)</b>	<b>310,153</b>
Gains discontinuing operations, net	-	-	-	-	-	-	-	-	-	-
<b>Gains, net</b>	<b>286,597</b>	<b>208,650</b>	<b>(9,243)</b>	<b>127,100</b>	<b>32,924</b>	<b>20,708</b>	<b>(721)</b>	<b>7,905</b>	<b>(363,767)</b>	<b>310,153</b>
Controlling gains	286,658	208,434	(9,396)	127,099	32,922	20,708	(722)	7,905	(404,626)	268,982
Non-controlling gains	(61)	216	153	1	2	-	1	-	40,859	41,171

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

March 2017	Corporate	Administration of Funds		Insurance		Services		Eliminations		Corporate
		Mandatory	Voluntary	Life	Non-life	Health	Outsourcing	Others		
Premiums issued	-	-	237,906	1,341,305	1,524,280	-	-	-	(6,587)	3,096,904
Premiums ceded	-	-	429	(51,633)	(315,090)	-	-	-	1,989	(364,305)
<b>Retained premiums (net)</b>	<b>-</b>	<b>-</b>	<b>238,335</b>	<b>1,289,672</b>	<b>1,209,190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,598)</b>	<b>2,732,599</b>
Commission income	13	411,341	49,034	11,187	75,502	53	5	2,321	(1,633)	547,823
Provisions of Servicios	93	-	-	200	-	720,547	46,341	42,262	(165,503)	643,940
Dividends	8,778	-	49	224	41	-	-	-	-	9,092
Investment income	12,062	1,355	11,566	214,324	17,934	-	323	14,179	(1,500)	270,243
Gains (losses) at fair value	(80,215)	80,418	61,795	85,368	73,602	4,523	-	-	-	225,491
Gains (losses) from <i>the Equity Method</i> , Associates	691,401	38,136	2,495	1,832	13,715	1,686	-	10,074	(506,913)	252,426
Gains (losses) in sales of investments	4,850	1,742	16,538	5,258	2,024	12	-	1	-	30,425
Income from investment properties	96	84	1,460	10,837	2,425	405	-	486	(2,705)	13,088
Exchange differences (Net)	73,214	(5,502)	(276)	(3,710)	(5,367)	(17)	44	(53)	-	58,333
Other income	37,172	4,902	(922)	41,426	34,382	4,410	177	940	(36,824)	85,663
<b>Total income</b>	<b>747,464</b>	<b>532,476</b>	<b>380,074</b>	<b>1,656,618</b>	<b>1,423,448</b>	<b>731,619</b>	<b>46,890</b>	<b>70,210</b>	<b>(719,676)</b>	<b>4,869,123</b>
Total claims	-	-	(117,774)	(774,480)	(1,079,619)	-	-	-	24,415	(1,947,458)
Reimbursement of claims	-	-	-	42,643	439,124	-	-	-	(1,494)	480,273
<b>Retained claims</b>	<b>-</b>	<b>-</b>	<b>(117,774)</b>	<b>(731,837)</b>	<b>(640,495)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,921</b>	<b>(1,467,185)</b>
Reserves net of production	-	-	(192,855)	(305,089)	4,294	-	-	-	-	(493,650)
Costs of provision of services	-	-	-	1	-	(637,836)	(37,282)	(32,137)	94,079	(613,175)
Administrative expenses	(86,759)	(44,570)	(10,043)	(103,500)	(168,103)	(40,264)	(1,778)	(9,300)	16,529	(447,788)
Employee benefits	(24,776)	(88,969)	(47,025)	(86,775)	(128,324)	(32,409)	(4,983)	(5,973)	268	(418,966)
Fees	(8,298)	(6,942)	(2,528)	(85,241)	(74,652)	(1,609)	(157)	(2,482)	24,213	(157,696)
Intermediary commissions	(45)	(35,896)	(11,189)	(94,661)	(300,606)	(1,042)	-	-	982	(442,457)
Amortization	(25,501)	(8,903)	(1,419)	(1,551)	(30,323)	(51)	(22)	-	-	(67,770)
Depreciation	(2,711)	(4,609)	(983)	(1,726)	(5,021)	(1,561)	(1,458)	(267)	-	(18,336)
Other expenses	-	-	-	(52,074)	(43,711)	(176)	-	(3)	16,877	(79,087)
Interest	(177,579)	(769)	(200)	(65)	(2,025)	(2,109)	(574)	(5,738)	36,897	(152,162)
Impairment	547	-	(59)	(3,450)	(8,730)	(73)	(89)	1,014	-	(10,840)
<b>Total expenses</b>	<b>(325,122)</b>	<b>(190,658)</b>	<b>(384,075)</b>	<b>(1,465,968)</b>	<b>(1,397,696)</b>	<b>(717,130)</b>	<b>(46,343)</b>	<b>(54,886)</b>	<b>212,766</b>	<b>(4,369,112)</b>
<b>Gains (Loss), before taxes</b>	<b>422,342</b>	<b>341,818</b>	<b>(4,001)</b>	<b>190,650</b>	<b>25,752</b>	<b>14,489</b>	<b>547</b>	<b>15,324</b>	<b>(506,910)</b>	<b>500,011</b>
Income tax	(23,041)	(80,290)	313	(5,268)	17,087	(2,979)	34	(6,865)	-	(101,009)
<b>Gains continuing operations, net</b>	<b>399,301</b>	<b>261,528</b>	<b>(3,688)</b>	<b>185,382</b>	<b>42,839</b>	<b>11,510</b>	<b>581</b>	<b>8,459</b>	<b>(506,910)</b>	<b>399,002</b>
Gains discontinuing operations, net	(1,613)	-	112	8,452	-	-	-	(467)	-	6,484
<b>Gains (losses), Net</b>	<b>397,688</b>	<b>261,528</b>	<b>(3,576)</b>	<b>193,834</b>	<b>42,839</b>	<b>11,510</b>	<b>581</b>	<b>7,992</b>	<b>(506,910)</b>	<b>405,486</b>
Controlling gains	394,060	262,995	(2,082)	192,300	42,841	11,510	582	8,017	(571,254)	338,969
Non-controlling gains	3,628	(1,467)	(1,494)	1,534	(2)	-	(1)	(25)	64,344	66,517



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.

### 15.3 Geographical information

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

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

	March 2018	March 2017
Colombia	2,508,999	2,563,759
Chile	937,695	1,086,080
Mexico	519,685	399,129
Argentina	295,886	296,814
Peru	111,262	104,898
Brazil	104,574	139,050
Panama	95,277	94,123
Uruguay	86,622	84,856
El Salvador	70,972	66,932
Dominican Republic	32,209	33,433
Bermuda	764	49
Holland	32	-
	<b>4,763,977</b>	<b>4,869,123</b>

The following is the distribution of assets by geographical area:

	March 2018	December 2017
Colombia	32,824,161	32,860,875
Chile	19,400,303	17,628,983
Mexico	6,004,438	5,391,251
Peru	3,160,007	7,454,058
Argentina	1,450,227	1,533,646
Panama	1,022,469	1,103,016
Uruguay	967,548	988,555
Brazil	962,179	1,050,691
El Salvador	555,750	616,202
Dominican Republic	285,772	313,228
Bermuda	68,712	59,372
Spain	6,163	8,156
Curacao	542	324
Holland	249	553
	<b>66,708,520</b>	<b>69,008,910</b>

The following table highlights net gains, by country:

	March 2018	March 2017
Colombia	160,549	198,121
Chile	59,962	107,731
Mexico	53,605	59,023
Peru	37,955	39,897
Argentina	13,587	8,007
Uruguay	10,523	8,094
El Salvador	2,335	5,966
Dominican Republic	568	2,162
Bermuda	(41)	(137)
Spain	(184)	(305)
Holland	(254)	(206)
Panama	(3,896)	2,699
Brazil	(6,946)	(7,585)
Curacao	(17,609)	(17,981)
	<b>310,153</b>	<b>405,486</b>

## 15.4 Income Statement

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

March 2018	Grupo SURA	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS and Subsidiaries	Others	Eliminations and Adjustments	Total
Premiums issued	-	2,590,246	491,545	-	-	(185)	3,081,606
Premiums ceded	-	(340,648)	(29,984)	-	-	1	(370,631)
<b>Retained premiums (net)</b>	<b>-</b>	<b>2,249,598</b>	<b>461,561</b>	<b>-</b>	<b>-</b>	<b>(184)</b>	<b>2,710,975</b>
Commission income	-	98,693	512,085	317	-	(337)	610,758
Provisions of Servicios	-	728,768	8	48,787	4,091	(9,283)	772,371
Dividends	(565)	145	283	-	811	-	674
Investment income	437	130,262	116,266	266	989	-	248,220
Gains at fair value	(141,262)	113,032	30,043	-	-	26	1,839
Gains from <i>the Equity Method</i> , Associates	185,073	3,589	18,893	-	-	1	207,556
Gains in sales of investments	364	4,307	11,493	-	1,297	-	17,461
Income from investment properties	-	830	17,008	-	383	-	18,221
Exchange differences (Net)	130,283	(16,244)	4,233	(263)	1,177	1	119,187
Other income	32	53,499	2,984	345	22	(165)	56,717
<b>Total income</b>	<b>174,362</b>	<b>3,366,479</b>	<b>1,174,857</b>	<b>49,452</b>	<b>8,770</b>	<b>(9,941)</b>	<b>4,763,979</b>

Total claims	-	(1,596,586)	(309,126)	-	-	776	(1,904,936)
Reimbursement of claims	-	353,849	-	-	-	-	353,849
<b>Retained claims</b>	<b>-</b>	<b>(1,242,737)</b>	<b>(309,126)</b>	<b>-</b>	<b>-</b>	<b>776</b>	<b>(1,551,087)</b>
Reserves net of production	-	(32,694)	(226,913)	-	-	-	(259,607)
Costs of provision of services	-	(680,620)	-	(37,212)	(2,740)	18	(720,554)
Administrative expenses	(6,699)	(297,706)	(81,164)	(2,921)	(1,760)	9,075	(381,175)
Employee benefits	(5,390)	(268,262)	(190,629)	(7,111)	(334)	2	(471,724)
Fees	(1,958)	(143,934)	(17,411)	(129)	(63)	69	(163,426)
Broker commissions	-	(406,301)	(56,409)	-	-	-	(462,710)

Amortization	-	(32,406)	(39,559)	(77)	-	(1)	(72,043)
Depreciation	(323)	(9,237)	(7,894)	(1,745)	(819)	(1)	(20,019)
Other expenses	-	(93,840)	-	(139)	-	-	(93,979)
Interest	(50,095)	(23,901)	(37,523)	(247)	(35,765)	1	(147,530)
Impairment	-	(324)	(5)	(208)	-	-	(537)
<b>Total expenses</b>	<b>(64,465)</b>	<b>(3,231,962)</b>	<b>(966,633)</b>	<b>(49,789)</b>	<b>(41,481)</b>	<b>9,939</b>	<b>(4,344,391)</b>

<b>Gains, before taxes</b>	<b>109,897</b>	<b>134,517</b>	<b>208,224</b>	<b>(337)</b>	<b>(32,711)</b>	<b>(2)</b>	<b>419,588</b>
Income tax	1,460	(33,927)	(76,190)	(711)	(67)	-	(109,435)
<b>Net gains continuous operations</b>	<b>111,357</b>	<b>100,590</b>	<b>132,034</b>	<b>(1,048)</b>	<b>(32,778)</b>	<b>(2)</b>	<b>310,153</b>
Net gains from discontinued operations	-	-	-	-	-	-	-
<b>Net gains continuous operations</b>	<b>111,357</b>	<b>100,590</b>	<b>132,034</b>	<b>(1,048)</b>	<b>(32,778)</b>	<b>(2)</b>	<b>310,153</b>
Controlling gains	111,322	100,290	131,681	(1,013)	(32,746)	(40,552)	268,982
Non-controlling gains	35	300	353	(35)	(32)	40,550	41,171

March 2017	Grupo SURA	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	ARUS and subsidiaries	Others	Eliminations and Adjustments	Total
Premiums issued	-	2,529,516	568,092	-	-	(704)	3,096,904
Premiums ceded	-	(340,202)	(24,102)	-	-	(1)	(364,305)
<b>Retained premiums (net)</b>	<b>-</b>	<b>2,189,314</b>	<b>543,990</b>	<b>-</b>	<b>-</b>	<b>(705)</b>	<b>2,732,599</b>
Commission income	-	87,387	460,478	5	13	(60)	547,823
Provision of services	-	603,131	93	46,341	2,490	(8,115)	643,940
Dividends	7,631	264	50	-	1,147	-	9,092
Investment income	8,510	141,960	119,378	326	69	-	270,243
Gains at fair value	(96,471)	157,990	159,360	-	4,612	-	225,491
Gains from <i>the Equity Method</i> , Associates	210,839	929	40,657	-	-	1	252,426
Gains in sales of investments	1,214	2,090	27,121	-	-	-	30,425
Income from investment properties	-	928	12,074	-	88	(2)	13,088
Exchange differences (net)	63,931	(12,181)	6,541	44	(2)	-	58,333
Other income	2,676	77,872	4,905	177	33	-	85,663
<b>Total income</b>	<b>198,330</b>	<b>3,249,684</b>	<b>1,374,647</b>	<b>46,893</b>	<b>8,450</b>	<b>(8,881)</b>	<b>4,869,123</b>
Total claims	-	(1,728,092)	(220,444)	-	-	1,078	(1,947,458)
Reimbursement of claims	-	480,273	-	-	-	-	480,273
<b>Retained claims</b>	<b>-</b>	<b>(1,247,819)</b>	<b>(220,444)</b>	<b>-</b>	<b>-</b>	<b>1,078</b>	<b>(1,467,185)</b>
Reserves net of production	-	(20,893)	(472,757)	-	-	-	(493,650)
Costs of provision of services	-	(574,569)	-	(37,282)	(1,425)	101	(613,175)
Administrative expenses	(44,476)	(303,202)	(105,202)	(1,782)	(542)	7,416	(447,788)
Employee benefits	(5,013)	(245,254)	(163,681)	(4,983)	(185)	150	(418,966)
Fees	(1,682)	(141,669)	(14,219)	(168)	(78)	120	(157,696)
Broker commissions	-	(393,445)	(49,012)	-	-	-	(442,457)
Amortization	-	(31,216)	(36,531)	(22)	-	(1)	(67,770)
Depreciation	(225)	(7,973)	(7,081)	(1,458)	(1,598)	(1)	(18,336)
Other expenses	-	(79,087)	-	-	-	-	(79,087)
Interest	(39,140)	(31,335)	(44,975)	(574)	(36,138)	-	(152,162)
Impairment	-	(10,692)	(59)	(89)	-	-	(10,840)
<b>Total expenses</b>	<b>(90,536)</b>	<b>(3,087,154)</b>	<b>(1,113,961)</b>	<b>(46,358)</b>	<b>(39,966)</b>	<b>8,863</b>	<b>(4,369,112)</b>
<b>Gains, before taxes</b>	<b>107,794</b>	<b>162,530</b>	<b>260,686</b>	<b>535</b>	<b>(31,516)</b>	<b>(18)</b>	<b>500,011</b>
Income tax	10,417	(17,204)	(93,931)	34	(325)	-	(101,009)
<b>Net gains continuous operations</b>	<b>118,211</b>	<b>145,326</b>	<b>166,755</b>	<b>569</b>	<b>(31,841)</b>	<b>(18)</b>	<b>399,002</b>

Net gains from discontinued operations	-	-	6,484	-	-	-	6,484
<b>Gains, Net</b>	<b>118,211</b>	<b>145,326</b>	<b>173,239</b>	<b>569</b>	<b>(31,841)</b>	<b>(18)</b>	<b>405,486</b>
Controlling gains	118,245	144,712	171,028	535	(31,807)	(63,744)	338,969
Non-controlling gains	(34)	614	2,211	34	(34)	63,726	66,517

## NOTE 16. INCOME AND EXPENSES FROM COMMISSIONS

### 16.1 Income from commissions

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

	March 2018	March 2017
For administration of funds of mandatory pensions	458,061	414,150
Income on cession	95,932	80,197
Other	33,322	27,510
For administration of funds of voluntary pensions	22,391	19,578
Profit sharing of re-insurance	1,266	6,657
Cancellations and/or annulations other expenses for reinsurance	32	-
Expenditure on acceptances	(246)	(269)
	<b>610,758</b>	<b>547,823</b>

Below a breakdown of commissions by Country:

	March 2018	March 2017
Chile	215,773	187,916
Mexico	200,325	172,562
Peru	104,056	97,079
Colombia	47,099	50,788
Uruguay	20,874	19,757
Argentina	8,083	9,796
Dominican Republic	5,130	5,262
Panama	4,180	4,247
Brazil	4,075	-
Bermuda	660	-
El Salvador	503	416
<b>Total</b>	<b>610,758</b>	<b>547,823</b>

### 16.2 Expenses from commission and intermediaries

The following is an overview of commission and broker expenses:

	March 2018	March 2017
Amortization of deferred acquisition costs (DAC) (Note 9.3)	(414,334)	(403,919)
Insurance of personal damage	(29,928)	(19,104)
Social security insurance	(15,857)	(15,048)
Mandatory insurance	(1,978)	(2,945)
From accepted co-insurance	(613)	(1,441)

(462,710) (442,457)

The following is a breakdown of commission expenses, by country

	March 2018	March 2017
Chile	(126,802)	(89,719)
Colombia	(123,771)	(117,667)
Argentina	(71,778)	(73,736)
Mexico	(54,505)	(50,098)
Brazil	(36,634)	(53,930)
El Salvador	(17,668)	(15,984)
Uruguay	(16,319)	(15,017)
Dominican Republic	(8,148)	(7,735)
Peru	(3,739)	(3,446)
Panama	(2,887)	(15,125)
Bermuda	(459)	-
<b>Total</b>	<b>(462,710)</b>	<b>(442,457)</b>

#### NOTE 17. HONORARIUMS

The following, a breakdown of expenses of honorariums:

	March 2018	March 2017
Insurance administrators	(76,682)	(73,295)
Others (*)	(44,157)	(44,104)
Insurance promoters	(20,204)	(16,878)
Auditor	(6,913)	(7,174)
Assistance	(5,727)	(6,710)
Commissions	(5,015)	(5,194)
Legal consultation	(2,661)	(2,460)
Board of Directors	(1,102)	(1,129)
Financial consultation	(946)	(738)
Appraisals	(19)	(14)
	<b>(163,426)</b>	<b>(157,696)</b>

(\*) includes items, such as, fees for occupational risk system, software development, medical services, consulting and counseling, medical examinations, among others.

A breakdown of expenses from fees, by countries, is as follows:

	March 2018	March 2017
Colombia	(127,881)	(125,096)
Chile	(11,715)	(12,497)
Mexico	(8,867)	(6,602)
Panama	(4,031)	(3,272)
Argentina	(3,074)	(2,023)

Uruguay	(2,866)	(2,806)
Brazil	(2,337)	(2,549)
Peru	(1,507)	(1,561)
El Salvador	(418)	(423)
Holland	(276)	(204)
Dominican Republic	(210)	(343)
Spain	(161)	(241)
Bermuda	(76)	(56)
Curacao	(7)	(23)
<b>Total</b>	<b>(163,426)</b>	<b>(157,696)</b>

## NOTE 18. 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.

### 18.1. Income from provision of services

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

	March 2018	March 2017
Income from health -promoting entities - EPS	679,644	558,156
Laboratory services	26,189	23,501
Maintenance and repairs	21,071	20,527
Income from health services entities - IPS	22,356	19,051
Processing of data	8,727	12,410
Sales of office machinery, office equipment, and computer programs	1,990	2,249
Activities related to wiring	2,609	2,773
Rental of machinery and equipment	6,745	1,853
Sale of parts, pieces, and accessories	755	761
Business consultancy activities	1,377	1,802
Telecommunication services	461	433
Other	421	401
Community, social, and personal service activities	26	23
	<b>772,371</b>	<b>643,940</b>

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

	March 2018	March 2017
Colombia	771,983	643,555
El Salvador	251	200
Panama	129	92
Mexico	8	93
<b>Total</b>	<b>772,371</b>	<b>643,940</b>

## 18.2. Cost for provision of services

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

	March 2018	March 2017
Cost of sales of services – EPS	(524,796)	(438,332)
Cost of sales of services – IPS	(122,670)	(105,525)
Data processing	(26,302)	(24,243)
Sale of parts, pieces, and accessories	(16,484)	(15,773)
Business consulting activities	(15,308)	(13,029)
Consulting of computer equipment and software	(10,886)	(12,460)
Maintenance and repairs	(3,017)	(2,637)
Sale of office machinery equipment and computer programs	(726)	(1,150)
Amortization	(207)	-
Depreciation	(127)	-
Community service activities, social, and personal	(31)	(26)
	<b>(720,554)</b>	<b>(613,175)</b>

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

	March 2018	March 2017
Colombia	(720,466)	(613,061)
Panama	(88)	(114)
<b>Total</b>	<b>(720,554)</b>	<b>(613,175)</b>

## NOTE 19. FINANCIAL INCOME AND EXPENSES

Financial income and expenses of Grupo SURA and its subsidiaries, at March 31, 2018 and 2017, are as follows:

	March 2018			March 2017		
	Income	Expenses	Net	Income	Expenses	Net
Investment income (1)	337,119	(88,891)	248,228	343,984	(73,741)	270,243
Exchange differences (2)	225,629	(106,442)	119,187	123,063	(64,730)	58,333
Gains (losses) at fair value (3)	385,052	(383,213)	1,839	503,278	(277,787)	225,491
Dividends (4)	674	-	674	9,092	-	9,092
Gains from investment sales (5)	25,022	(7,561)	17,461	39,674	(9,249)	30,425
Interest (6)	-	(147,537)	(147,537)	(1)	(152,161)	(152,162)

- (1) Investment income includes interest income, cash returns, collection portfolios, fiduciary assignments, and loans to directors. The following is an overview:

	March 2018	March 2017
Investment income	246,492	270,243
Income of cash equivalents	1,736	-
	<b>248,228</b>	<b>270,243</b>



(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 2018	March 2017
Increase of fair value – debt instruments	83,366	280,583
Forwards and futures	59,734	41,379
Currency swaps	(141,261)	(96,471)
	<b>1,839</b>	<b>225,491</b>

(4) At March 2018, this corresponds to dividends from investments, other than financial instruments, of Sura Asset Management. At March 2017, this corresponds primarily to the dividends decreed, by Grupo Argos (Associated Companies) of the 2016 profits, on the Separate Financial Statements.

(5) An overview of interest is as follows:

	March 2018	March 2017
Bank credits	(98,533)	(90,551)
Interest securities issued	(47,718)	(58,591)
Other interest	(1,049)	(2,549)
Other credits	(237)	(165)
Amortized premium portfolio	-	(304)
Moratoria in payment of pension allowances	-	(2)
	<b>(147,537)</b>	<b>(152,162)</b>

## NOTE 20. ADMINISTRATIVE EXPENSES

Administrative expenses of Grupo SURA, at March 31<sup>st</sup> of 2018 and 2017, are as follows:

	March 2018	March 2017
Taxes <sup>1</sup>	(79,973)	(112,172)
Others <sup>2</sup>	(42,234)	(75,267)
Contributions	(33,832)	(32,658)
Leases	(32,907)	(29,723)
Commissions	(29,097)	(37,165)
Utilities	(27,102)	(24,360)
Seasonal services	(25,834)	(21,913)
Publicity	(24,405)	(26,775)
Maintenance and repairs	(24,248)	(23,478)
Representation and travel expenses	(19,897)	(18,031)
Legal	(12,721)	(10,457)
Supplies and stationery	(11,717)	(11,145)
Sales expenses	(5,262)	(11,081)
Insurance	(5,259)	(2,292)
Processing of electronic data	(3,669)	(8,762)
Labor Risk Fund	(3,018)	(2,509)
<b>Total</b>	<b>(381,175)</b>	<b>(447,788)</b>

<sup>1</sup>The variation corresponds to causation of the taxation of wealth tax, in 2017, that no longer applies for 2018.

<sup>2</sup>The variation corresponds, to the fact that in 2017, it includes \$37,666 million, corresponding to the reconciliation of the process, with the DIAN (See Note 11).

The following are administrative expenses, by country:

	March 2018	March 2017
Colombia	(203,571)	(264,862)
Chile	(42,246)	(42,829)
Mexico	(41,913)	(38,345)
Argentina	(33,741)	(40,768)
Brazil	(17,219)	(18,041)
Uruguay	(12,522)	(12,165)
Peru	(11,970)	(13,291)
Panama	(8,312)	(8,395)
El Salvador	(7,156)	(6,278)
Dominican Republic	(2,236)	(2,612)
Bermuda	(228)	(130)
Curacao	(26)	(6)
Spain	(24)	(64)
Holland	(11)	(2)
	<b>(381,175)</b>	<b>(447,788)</b>

## NOTE 21. 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:

	Note	March 2018	March 2017
Net income, controlling interest		268,982	338,969
Outstanding shares for basic earnings per share	13	469,037,260	469,037,260
<b>Earnings per share (Colombian Pesos)</b>		<b>573</b>	<b>723</b>

## NOTE 22. 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 Rate		Closing Rate	
	March 2018	March 2017	March 2018	December 2017
Colombian Pesos (COP/USD)	2,858.87	2,922.47	2,780.47	2,984.00
Chilean Pesos (CLP/USD)	602.28	655.48	603.68	607.15
Dominican Pesos (DOP/USD))	48.85	47.10	49.30	48.33
Euro (EUR/USD)	0.81	0.94	0.81	0.83
Mexican Pesos (MXN/USD)	18.73	20.32	18.32	19.52
Peruvian Sols (PEN/USD)	3.24	3.29	3.23	3.24
Uruguayan Pesos (UYU/USD)	28.47	28.44	28.34	28.69
Argentine Austral (ARS/USD)	19.70	15.66	20.15	18.54
Brazilian Real (BRS/USD)	3.24	3.14	3.34	3.31

## NOTE 23. RISK MANAGEMENT OBJECTIVES AND POLICIES

### Government Framework

For the Grupo Impresario 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.



AA+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%	0.0%	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA-	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A+	0.0%	0.0%	0.0%	0.1%	1.5%	0.0%	1.6%	0.0%	0.0%	18.9%	0.0%
A	0.0%	0.0%	35.1%	1.1%	1.2%	0.0%	1.3%	0.0%	0.0%	11.9%	0.9%
A-	0.0%	0.0%	3.8%	0.7%	1.7%	0.0%	0.0%	0.0%	0.0%	29.6%	1.2%
BBB+	0.0%	0.0%	22.8%	0.8%	2.3%	16.4%	1.7%	0.0%	0.0%	20.7%	2.5%
BBB	0.0%	0.0%	13.6%	51.2%	2.4%	0.1%	8.2%	0.0%	0.0%	8.7%	0.7%
BBB-	0.0%	0.0%	3.3%	19.5%	1.5%	0.5%	11.8%	0.0%	9.0%	2.0%	0.6%
BB+	0.0%	0.0%	0.0%	0.9%	1.6%	0.1%	9.2%	0.0%	0.0%	0.7%	0.0%
BB	0.0%	0.0%	0.0%	0.2%	0.2%	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%
BB-	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	17.9%	0.0%	2.6%	0.0%	0.0%
Others	38.4%	0.0%	0.6%	0.4%	58.7%	0.0%	29.1%	55.1%	7.8%	0.0%	0.0%
<b>Total</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## 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

In March 2018, SURA Asset Management announced the signing of a sale agreement, in the amount of USD 232 million, through which it will transfer its life annuity operation to BICECORP S.A., and Investment Company BICE Chileconsult S.A. The transaction will be subject to approvals by local regulators, in the coming months.

## 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 2018, the following exposures are held:

Assets by company and by type of currency for the First Quarter of 2018				
Company	Local currency	USD	Others	Total
<b>Suramericana</b>				
Argentina	97.0%	3.0%	-	100.0%
Brazil	100.0%	0.0%	-	100.0%
Chile	100.0%	0.0%	-	100.0%
Colombia	92.5%	7.5%	-	100.0%
El Salvador	0.0%	100.0%	-	100.0%

Mexico	83.9%	16.1%	-	100.0%
Panama	0.0%	100.0%	-	100.0%
Dominican Republic	80.6%	19.4%	-	100.0%
Uruguay	80.6%	19.4%	-	100.0%
<b>SURA Asset Management</b>				
Chile	99.9%	0.1%	-	100.0%
México	99.9%	0.1%	-	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.

Exposures exclude Unit Link. Local currency includes both real and nominal currency.

The percentage of real currency within the local currency section is as follows:

Chile 98.22% and Mexico 95.1%

### 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 and SURA AM:

In the portfolios of the insurers of Suramericana, exposures to real estate assets are consolidated in the exposures to Variable Income.

Exposures of assets from fixed-income and variable income for the First Quarter of 2018					
Company	Fixed income	Variable income	Real Estate Assets	Mortgage Securities	Total
<b>Suramericana</b>					
Argentina	90.7%	9.3%	-	-	100.0%
Brazil	100.0%	0.0%	-	-	100.0%
Chile	100.0%	0.0%	-	-	100.0%
Colombia	88.3%	11.7%	-	-	100.0%
El Salvador	100.0%	0.0%	-	-	100.0%
México	100.0%	0.0%	-	-	100.0%
Panamá	88.1%	11.9%	-	-	100.0%
Dominican Republic	99.2%	0.8%	-	-	100.0%
Uruguay	100.0%	0.0%	-	-	100.0%
<b>Sura Asset Management</b>					
Chile	85.6%	0.05%	14.4%	0.0%	100.0%
México	100.0%	0.0%	0.0%	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 analyzes 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 0.05% 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 realized 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**

Exposure to risk of the insurers' portfolios:

The exposure to this type of assets of Sura Asset Management is found in Section 3.2.3.

## **NOTE 24. DISCLOSURES ON RELATED PARTIES**

### **24.1. 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, 2018:

a) Companies under direct or indirect control of Grupo SURA, found in Note 10.1 Investments in subsidiaries.

b) Investments in associates and joint ventures

Group companies and joint ventures of Grupo SURA are listed in Note 10.2.1 Investments in associates and Note 10.2.2. Joint ventures.

c) Shareholders of Grupo de Inversiones Suramericana

See detail of the shareholding composition in Note 13 Shareholding, dividends paid, and decreed.

### **24.2 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 transactions, with related parties, as of March 31, 2018, December 31, 2017, and March 31, 2017, that have been eliminated in the Consolidated:

March 2018

Entity	Accounts receivable	Accounts payable	Income	Expenses
Administradora General de Fondos Sura S.A.	230	(3,944)	(4,026)	(7,711)
AFAP Sura S.A.	-	(95)	-	(66)
Afore Sura S.A. de C.V.	1,881	(1,766)	2,063	(3,496)
AFP Capital S.A.	-	(897)	132	(9,280)
AFP Integra S.A.	-	(107,852)	57	(458)
Aseguradora Suiza Salvadoreña S.A. Asesuisa	442	(484)	1,086	(85)
Asesores Sura S.A. de C.V.	5,597	(209)	5,876	(54)
Consultoría en Gestión de Riesgos Suramericana S.A.S.	13	(372)	24,028	(91)
Corredores de Bolsa Sura S.A.	2,098	(206)	7,136	(2,678)
Enlace Operativo S.A.	7,858	-	4,202	(78)
EPS y Medicina Prepagada Suramericana S.A.	1,131	(11,615)	320	(102,452)
Fondos Sura SAF S.A.C.	1	(1,293)	-	(198)
Grupo de Inversiones Suramericana Holanda B.V.	1,266	-	-	-
Grupo de Inversiones Suramericana Panamá S.A.	1,967	(827,861)	-	(12,229)
Grupo de Inversiones Suramericana S.A.	447,863	(1,575,134)	-	(21,809)
Grupo Sura Chile Holdings I B.V.	-	(1,266)	-	-
Inversiones y Construcciones Estratégicas S.A.S.	38,138	-	457	-
Inversura Panamá Internacional S.A.	649	(34,104)	-	-
Operaciones Generales Suramericana S.A.S.	21,210	(58,753)	23,116	(1,148)
Pensiones Sura S.A. de C.V.	-	(557)	-	(1,471)
Planeco Panamá S.A.	-	(2,610)	-	-
Promotora Sura AM S.A. de C.V.	5,842	-	6,576	(41)
Seguros de Riesgos Laborales Suramericana S.A.	1,087	(95,833)	5	(37,594)
Seguros de Vida Suramericana S.A.	14,454	(124,541)	1,413	(22,576)
Seguros Generales Suramericana S.A.	34,096	(54,901)	4,133	(27,767)
Servicios de Salud IPS Suramericana S.A.	11,353	(6,138)	105,029	(11,191)
Servicios Generales Suramericana S.A. (Panamá)	362	(170)	64	-
Sociedad Agente de Bolsa S.A.	64	-	101	(21)
Sura Art Corporation S.A. de C.V.	103	(7)	202	(20)
Sura Asset Management México S.A. de C.V.	-	(7)	-	(21)
Sura Asset Management Perú S.A.	62,691	(1)	85	-
Sura Asset Management S.A.	50,779	(307,343)	537	(1,362)
Sura Asset Management Uruguay Sociedad de Inversión S.A.	93	(2,969)	-	(83)
Sura Data Chile S.A.	-	-	3,710	(4)
Sura Investment Management S.A. de C.V.	178	(12,054)	657	(10,560)
Suramericana S.A.	266,510	(143,700)	-	(6)
Arus S.A.	2,309	(6,411)	5,064	(25)
Seguros Sura S.A (Argentina)	(21)	-	-	125
Aseguradora de Créditos y Garantías S.A.	-	21	-	(125)
Chilean Holding Suramericana SPA (Chile)	-	(47,688)	-	(585)
Inversiones Suramericana Chile Limitada (Chile)	-	(321)	-	-
SURA Servicios Profesionales S.A.	1,336	(55)	9,503	574
Disgely S.A.	-	(83)	-	-
Corredor de Bolsa SURA S.A.	381	-	494	-
AFISA SURA S.A.	-	(298)	66	(494)
Sura Asset Management Argentina S.A.	16	-	-	-
Activos Estratégicos Sura A.M. Colombia S.A.S.	-	(1)	-	-
SURA Asset Management Chile S.A.	-	(57)	-	(93)
Seguros de Vida Sura S.A. (Chile)	3,371	(719)	10,244	(6,297)
Seguros de Vida SURA México S.A. de C.V.	209	(297)	440	(845)
SURA Real Estate S.A.S.	1,307	-	1,243	-

Entity	Accounts receivable	Accounts payable	Income	Expenses
GrupoSura Finance S.A.	2,364,521	(62)	33,595	-
Servicios Generales Suramericana S.A.	60,767	(30,027)	1,154	(635)
SURA Ventures S.A.	1,947	(1,947)	-	-
Seguros Generales Suramericana S.A (Chile)	48,918	-	1,149	(278)
Seguros de Vida Suramericana S.A.	108	(1,198)	-	(586)
Seguros Sura, S.A de C.V. (México)	-	(605)	-	(165)
Royal & Sun Alliance Seguros (Uruguay) S.A.	8	(29)	12	(37)
Diagnóstico y Asistencia Médica S.A.	9,850	(718)	34,243	(689)
Seguros Sura S.A.	-	(69)	-	(17)
Seguros Suramericana Panamá S.A.	170	(7,052)	2,175	(516)
Asesuisa Vida, S.A. Seguros de Personas	1,587	(442)	-	(1,086)
Habitat Adulto Mayor S.A.	-	-	-	(17)
	<b>3,474,740</b>	<b>(3,474,740)</b>	<b>286,341</b>	<b>(286,341)</b>

## December 2017

Entity	Accounts receivable	Accounts payable	Income	Expenses
Activos Estratégicos Sura A.M. Colombia S.A.S.	-	(1)	-	-
Administradora General de Fondos Sura S.A.	333	(4,344)	3,455	(47,331)
AFAP Sura S.A.	-	(110)	-	(640)
AFISA SURA S.A.	-	(1)	266	(6)
Afore Sura S.A. de C.V.	708	(4,002)	8,204	(15,554)
AFP Capital S.A.	-	(1,353)	575	(36,043)
AFP Integra S.A.	27	(710)	976	(2,481)
Arus S.A.	2,206	(1,883)	26,019	(260)
Aseguradora de Créditos y Garantías S.A.	-	(141)	270	(604)
Aseguradora Suiza Salvadoreña S.A. Asesuisa	1,076	(1,156)	4,370	(1,188)
Asesores Sura S.A. de C.V.	3,218	(177)	21,897	(46)
Asesuisa Vida S.A. Seguros de Personas	1,432	(1,076)	6,210	(7,966)
Chilean Holding Suramericana SPA	-	(50,280)	-	(2,237)
Consultoría en Gestión de Riesgos Suramericana S.A.S.	7,168	(327)	79,283	(1,119)
Corredor de Bolsa SURA S.A.	-	(1)	-	(3)
Corredores de Bolsa Sura S.A.	2,175	(605)	24,178	(10,887)
Diagnóstico y Asistencia Médica S.A. Dinámica IPS	5,630	(651)	122,633	(5,582)
Disgely S.A.	-	-	-	(1)
Enlace Operativo S.A.	3,257	(81)	14,840	(98)
EPS y Medicina Prepagada Suramericana S.A.	969	(23,709)	2,060	(381,012)
Fondos Sura SAF S.A.C.	-	(26)	-	(543)
Grupo de Inversiones Suramericana Holanda B.V.	1,204	-	-	-
Grupo de Inversiones Suramericana Panamá S.A.	3,828	(875,713)	-	(50,503)
Grupo de Inversiones Suramericana S.A.	60	(1,663,232)	890	(91,788)
Grupo Sura Chile Holdings I B.V.	-	(1,204)	-	-
Grupo Sura Finance S.A.	2,502,553	(67)	139,732	-
Hábitat Adulto Mayor S.A.	-	-	-	(51)
Inversiones Suramericana Chile Limitada	-	(228)	-	-
Inversiones y Construcciones Estratégicas S.A.S.	36,235	-	2,107	(4)
Inversura Panamá Internacional S.A.	1,269	-	-	-
Operaciones Generales Suramericana S.A.S.	9,002	(60,484)	85,415	(5,797)
Pensiones Sura S.A. de C.V.	-	(531)	-	(5,724)
Planeco Panamá S.A.	-	(5,090)	-	-
Promotora Sura AM S.A. de C.V.	2,224	-	25,319	(36)

Entity	Accounts receivable	Accounts payable	Income	Expenses
Protección Garantizada LTDA.	-	-	3,056	(1)
Seguros de Riesgos Laborales Suramericana S.A.	38	(13,026)	43	(136,200)
Seguros de Vida SURA México S.A. de C.V.	177	(220)	347	(2,984)
Seguros de Vida Sura S.A. (Chile)	3,727	(1,143)	38,429	(25,197)
Seguros de Vida Suramericana S.A (Chile)	-	(544)	-	(1,850)
Seguros de Vida Suramericana S.A.	762	(18,692)	21,780	(95,996)
Seguros Generales Suramericana S.A (Chile)	51,045	(84)	4,066	(263)
Seguros Generales Suramericana S.A.	21,918	(9,263)	49,886	(102,778)
Seguros Sura S.A (Argentina)	141	-	604	(270)
Seguros Sura S.A. (Dominican Republic)	-	(166)	-	(261)
Seguros Sura S.A. (Uruguay)	29	-	-	(36)
Seguros Sura, S.A de C.V. (México)	-	(599)	-	(1,020)
Seguros Suramericana, S.A. (Panamá)	186	(9,780)	2,620	(31,356)
Servicios de Salud IPS Suramericana S.A.	29,148	(4,481)	397,173	(45,581)
Servicios Generales Suramericana S.A. (Colombia)	62,426	(73)	5,092	(2,464)
Servicios Generales Suramericana S.A. (Panamá)	307	(186)	427	-
Sociedad Agente de Bolsa S.A.	26	-	161	(25)
Sura Art Corporation S.A. de C.V.	341	(5)	1,040	(79)
Sura Asset Management Argentina S.A.	16	-	-	-
SURA Asset Management Chile S.A.	-	(153)	-	(662)
Sura Asset Management México S.A. de C.V.	97	(7)	85	(85)
Sura Asset Management Perú S.A.	-	(2)	119	(713)
Sura Asset Management S.A.	3,684	(1,219)	3,573	(5,282)
Sura Asset Management Uruguay Sociedad de Inversión S.A.	-	(3,072)	-	-
Sura Data Chile S.A.	-	-	14,314	(15)
Sura Investment Management Colombia S.A.S.	-	-	-	(222)
Sura Investment Management S.A. de C.V.	273	(4,657)	2,666	(40,051)
SURA Real Estate S.A.S.	-	-	393	(4)
SURA Servicios Profesionales S.A.	5,379	(11)	47,976	(709)
Suramericana S.A.	534	(262)	534	(1,475)
	<b>2,764,828</b>	<b>(2,764,828)</b>	<b>1,163,083</b>	<b>(1,163,083)</b>

## 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. Asesuisa	478	(975)	877	(17)
Asesores Sura S.A. de C.V.	5,767	-	4,406	(42)
Asesuisa 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)

Entity	Accounts receivable	Accounts payable	Income	Expenses
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 (Argentina)	155	-	11	129
Aseguradora de Créditos y Garantías S.A.	-	(155)	-	(140)
Seguros Generales Suramericana S.A (Chile)	43,948	-	893	-
Chilean Holding Suramericana SPA	-	(43,288)	-	(585)
Seguros de Vida Suramericana 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	-	(101)	-	-
Grupo de Inversiones Suramericana Holanda	1,046	-	-	-
Grupo SURA Latin American Holding B.V.	138	-	-	-
SURA Investment Management Colombia S.A.S.	-	(76)	-	(2)
SURA Asset Management Perú S.A.	52,611	(31,418)	413	(522)
Grupo SURA AE Chile Holding I B.V.	-	(1,171)	-	-
SURA Art Corporation S.A. de C.V.	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>



### 24.3 Honorariums of the Board of Directors

The honorariums of the Board of Directors are as follows:

During the period ended March 2018 and March 2017, 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 2018	March 2017
Honorariums, Board of Directors, Members	1,102	1,129

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 25. BUSINESS COMMITMENTS

To date, the following commitments are presented:

- The financial strategy of Suramericana S.A. contemplates the continuous investment, in its operations, seeking to generate greater capabilities, in both its subsidiaries and the holding company, with a view to grow business, strengthen processes, and generate operational efficiencies, that allow long-term sustainability for the organization.

In addition to the portfolio investments, that must be made in each of the subsidiaries, to meet the solvency and reserve coverage requirements, the Companies of Suramericana S.A., in the region that there are, in different stages of processes of technological renewal, in transactional systems of clients, resource planning systems-ERP, among others. During 2018, it is estimated that the investments of the subsidiaries in technological projects exceed COP 50,000 million. Although most of these investments will be covered through the generation of profits and cash flows, from each of the subsidiaries, in some cases an injection of capital by the holding of Suramericana S.A., may be required, in line with adequate capital management.

At the level of the holding company, the investment commitments are mainly derived from capitalizations to the subsidiaries and new acquisitions.

The budget for 2018, involves capitalizations of approximately COP \$92,000 million, of which COP \$29,000 million, will be used to finance the Company's regional reinsurance platform, in Bermuda, and the remainder to strengthen the growth of international subsidiaries.

With regard to acquisitions, on February 28, 2018, the subsidiary Diagnóstico & Asistencia Médica S.A. Dynamics IPS, of Suramericana S.A., signed a contract with la Fundación Instituto de Alta Tecnología Médica - "IATM", and la Fundación Hospitalaria San Vicente de Paul, for the assignment of assets, liabilities, and contracts, of 3 of the 5 sites, that currently have "IATM" in operation. The assets will be transferred in the amount of COP 22,500 million, subject to a price adjustment mechanism, defined by contract, and which will depend on the regulatory authorizations, required to realize this operation.

- Grupo de inversiones Suramericana S.A., (Sura Group), informs of the agreement, signed by SURA Asset Management Chile S.A., Seguros de Vida SURA S.A. to sell its life annuity business, in Chile, to the companies BICECORP S.A. and Inversiones BICE Chileconsult S.A., for a base price of USD 232 million.

As clarification, that the transaction does not entail the sale of Seguros de Vida SURA S.A., (Chile), just the part corresponding to its annuities business, exclusively.

This operation is part of the process of portfolio optimization and reallocation of capital, to the strategic businesses of the SURA Business Group. Additionally, this transaction generates value, to the extent that a return is achieved, that exceeds the cost of capital invested in the company.

#### NOTE 26. EVENTS AFTER THE REPORTING PERIOD

The Consolidated Financial Statements for the interim period, ended March 31, 2018, were prepared for the purposes of supervision, and authorized for issuance by the Board of Grupo SURA, on May 15, 2018. After that date and to the date of publication, herewith is a presentation of information of subsequent events that do not involve adjustments to the Financial Statements.

#### NOTE 27. APPROVAL OF FINANCIAL STATEMENTS

The issuance of the Financial Statements of Grupo SURA, corresponding to interim period ended March 31, 2018, was authorized by the Board of Directors, as recorded in Minutes No. 278, of the Board of Directors Meeting on May 15, 2017, to be presented into the market.

#### ANALYSES OF FINANCIAL RESULTS (unaudited)

Below are the analyses of financial results, for the period ended March 31, 2018, with comparative figures as of December 31, 2017. These analyses are performed by management and are not part of the Financial Statements.

*(Expressed in millions of pesos)*

INDEX	March		December		INTERPRETATION	
	2018		2017			
LIQUIDITY	Solidity	41,580,963	42,782,349		Creditors own 62.33% at March 2018 and 62% at December 2017, with the shareholders owning the complement: 37.67% in March 2018 and 38% in December 2017.	Total Liability
		= 62.33%	= 62.00%			Total asset
INDEBTEDNESS	Total	41,580,963	42,782,349		Of each peso that the company has invested in assets 62.33% at March 2018 and 62% to December of 2017, have been financed by the creditors.	Total Liability
		= 62.33%	= 62.00%			Total asset
	Coverage of interest	66,708,520	69,008,910		The Company generated net income equal to 310.23% as of March 2018 and 327.74% in December 2017, from interest paid.	Net profit + interest
		457,683	2,093,323			Financial expenses
		= 310.23%	= 327.74%			

PERFORMANCE	Leverage	147,530	638,707						
	Total	41,580,963	42,782,349						
		=	165.48%		=	163.13%			
		25,127,557	26,226,561						
		9,840,841	10,042,735						
	Financial Total	=	39.16%		=	38.29%			
		25,127,557	26,226,561						
		310,153	1,454,616						
		=	6.51%		=	7.11%			
	Net margin of profit	4,763,979	20,461,749						
		310,153	1,454,616						
		=	1.25%		=	5.87%			
	Return on total liabilities	24,817,404	24,771,945						
		310,153	1,454,616						
		=	0.46%		=	2.11%			
	Return on total assets	66,708,520	69,008,910						

Each peso (\$1.00) of the Company is committed to 165.48% to March 2018 and 163.13% to December 2017.

Total liabilities with thirds

Equity

Total liabilities with financial entities

For each peso of equity, financial commitments are made at 39.16% to March 2018 and 38.29% to December 2017.

Equity

Net profit

Net profit corresponds to 6.51% of net income in March 2018 and 7.11% of net income in 2017.

Net income

Net results correspond to 1.25% of equity in March 2018 and 5.87% in December 2017.

Net profit

Net results with respect to total assets, correspond to 0.46% at March 2018 and 2.11% in December 2017.

Equity - profit

Net profit

Total assets