



3Q

QUARTERLY RESULTS



GRUPO SURA (BVC: GRUPOSURA – PFGRUPSURA) OBTAINED A NET INCOME OF COP 1.5 BILLION FOR A GROWTH OF 30.9%, THIS MAINLY DUE TO UPTURNS IN PREMIUMS AND INVESTMENT INCOME AS WELL AS A MORE FAVORABLE EXCHANGE RATE

- Consolidated assets reached COP 65.0 billion (USD 22.6 billion) at the end of Q3 2016, showing a 17.1% growth compared to year-end 2015. Likewise, equity attributable to the parent company came to COP 22.4 billion (USD 7.8 billion), showing a drop of 2.0% compared to year-end 2015
- Consolidated revenues at year-end 2016 reached COP 13.5 billion (USD 4.4 billion), for a growth of 34.4%.
- As for the Company's net income for this past quarter, this reached COP 1.5 billion (USD 519.2 million), for a growth of 30.9% compared to the same period last year.

November 24, 2016 - Grupo de Inversiones Suramericana - Grupo SURA, reported relevant information to the regulatory authorities consisting of market information corresponding to 2016, the highlights of which are as follows:

The Company posted consolidated revenues amounting to COP 13.5 billion (USD 4.7 billion), for an increase of 34.4% with net income reaching COP 1.5 billion (USD 519.2 million) on a year-to-date basis, showing an increase of 30.9%. This was mainly due to a significant growth in retained insurance premiums which rose by 39.1% as well as investment income reaching COP 1.6 million (USD 556 million) for a growth of 67.4%; all this coupled with a favorable exchange difference amounting to COP 277.843 million (USD 96.5 million) Consolidated wealth tax accruing for 2016 came to COP 87.624 million (USD 30.4 million), which was lower than that paid last year.

Grupo SURA's consolidated assets came to COP 65.0 billion (USD 22.6 billion) at the end of Q3, 2016, showing an increase of 17.1% compared to year-end 2015. Equity attributable to the shareholders stood at COP 22.4 billion (USD 7.8 billion), showing a drop of 2.0%, this due to having acquired an additional stake in SURA Asset Management.

GRUPO SURA share



	30-sep-16	% YoY Change*	% Chg YTD *
GRUPOSURA (COP)	37,620	4.8%	5.4%
PFGRUPSURA (COP)	37,300	5.4%	7.2%
COLCAP (Points)	1,339	9.8%	16.0%
* Excluding dividends			

1. Grupo SURA

Grupo de Inversiones Suramericana S.A. Statement of Comprehensive Income

From January 1st to September
30th

(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Written premiums	8,749,909	6,007,789	45.6%
Ceded premiums	(1,232,555)	(604,659)	103.8%
Retained premiums (net)	7,517,354	5,403,130	39.1%
Commission income	1,601,090	1,426,813	12.2%
Revenues on services rendered	1,699,257	1,433,402	18.5%
Dividends	81.985	61.869	32.5%
Investment income	1,602,319	957.330	67.4%
Equity method - Associates	644.390	758.631	-15.1%
Other revenues	118.714	63.447	87.1%
Exchange difference (net)	277.843	(28,108)	
Total revenues	13,542,952	10,076,513	34.4%
Total claims	(4,970,506)	(2,765,452)	79.7%
Reimbursed claims	1,280,439	298.909	328.4%
Retained claims	(3,690,067)	(2,466,543)	49.6%
Adjustments to reserves	(1,866,277)	(1,727,371)	8.0%
Cost of services rendered	(1,704,616)	(1,440,199)	18.4%
Administrative expense	(2,433,661)	(1,808,432)	34.6%
Brokerage commissions	(953,811)	(482,702)	97.6%
Fees	(516,750)	(378,344)	36.6%
Other expense	(184,621)	(85,663)	115.5%
Interest	(393,675)	(215,934)	82.3%
Impairment	(6,682)	(2,832)	135.9%
Total expense	(11,750,161)	(8,608,020)	36.5%
Earnings before tax	1,792,791	1,468,493	22.1%
Income tax	(297,515)	(326,251)	-8.8%
Net Income	1,495,276	1,142,242	30.9%
Earnings - parent company	1,285,944	1,006,683	27.7%
Earnings - non-controlling interest	209.332	135.559	54.4%

Grupo de Inversiones Suramericana S.A.
Statement of Comprehensive Income

From June 30th to September
30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Written premiums	3,483,696	2,287,804	52.3%
Ceded premiums	(530,045)	(217,090)	144.2%
Retained premiums (net)	2,953,651	2,070,714	42.6%
Commission income	550.454	517.504	6.4%
Revenues on services rendered	581.032	496.709	17.0%
Dividends	5.288	9.474	-44.2%
Investment income	693.329	269.646	157.1%
Revenues via equity method from Associates	221.287	250.281	-11.6%
Exchange difference (net)	17.299	(43,079)	
Other revenues	36.157	19.342	86.9%
Total revenues	5,058,496	3,590,592	40.9%
Total claims	(2,203,463)	(1,035,745)	112.7%
Reimbursed claims	789.214	107.123	636.7%
Retained claims	(1,414,248)	(928,622)	52.3%
Adjustments to reserves	(729,438)	(749,054)	-2.6%
Cost of services rendered	(581,914)	(488,455)	19.1%
Administrative expense	(872,431)	(600,367)	45.3%
Brokerage commissions	(398,703)	(176,962)	125.3%
Fees	(210,323)	(144,258)	45.8%
Other expense	(80,697)	(33,464)	141.1%
Interest	(158,484)	(77,986)	103.2%
Impairment	(14,660)	7.077	
Total expense	(4,460,897)	(3,192,091)	39.7%
Earnings before tax	597.599	398.501	50.0%
Income tax	(76,892)	(81,411)	-5.6%
Net Income	520.706	317.090	64.2%
Earnings - parent company	439.101	294.122	49.3%
Earnings - non-controlling interest	81.605	22.968	255.3%

Grupo de Inversiones Suramericana S.A.
Consolidated Statement of Financial Position

At September 30th, 2016 and December 31st,
2015

(stated in COP millions)

	Sept 2016	Dec 2015	% Change
Cash and cash equivalents	1,908,359	1,433,184	33.2%
Investments	24,823,761	21,723,891	14.3%
Accounts receivable	5,060,126	3,041,748	66.4%
Insurance reserves - reinsurers	2,784,997	581.124	379.2%
Current tax	592.602	332.191	78.4%
Deferred tax	786.272	417.809	88.2%
Other assets	729.756	359.033	103.3%
Investment properties	939.890	805.188	16.7%
Property, plant and equipment	1,006,953	918.130	9.7%
Goodwill	4,345,742	4,280,774	1.5%
Identified intangible assets	4,450,429	3,880,369	14.7%
Investments in associates	17,603,982	17,759,665	-0.9%
Total assets	65,032,867	55,533,106	17.1%
Financial liabilities	3,280,674	2,627,940	24.8%
Technical reserves	24,421,652	18,865,979	29.4%
Provisions for employee benefits	375.665	335.711	11.9%
Other provisions	239.939	78.405	206.0%
Accounts payable	2,646,092	1,374,761	92.5%
Current tax	797.102	454.197	75.5%
Issued securities	5,926,920	3,637,504	62.9%
Other non-financial liabilities	429.815	395.264	8.7%
Deferred tax	2,027,101	1,700,745	19.2%
Total liabilities	40,144,959	29,470,506	36.2%
Equity attributable to the owners of the parent company	22,385,006	22,841,328	-2.0%
Non-controlling interest	2,502,902	3,221,272	-22.3%
Total equity	24,887,908	26,062,600	-4.5%
Total equity and liabilities	65,032,867	55,533,106	17.1%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenues via equity method from Associates

Revenues obtained via the equity method fell by 15.1%, mainly due to declining profits on the part of Grupo Argos and Bancolombia, this due to higher tax rates, as well as the fact that Grupo Sura sold off a minor portion of the stakes held in both companies.

Equity method	Sept 2016	Sept 2015	% Change
Bancolombia	423.820	458.390	-7.5%
Grupo Argos	17.550	109.061	-83.9%
Grupo Nutresa	110.097	115.264	-4.5%
Protección	75.963	65.613	15.8%
Others	16.960	10.303	64.6%
Total	644.390	758.631	-15.1%

*Figures stated in COP
millions*

Insurance Reserves

Adjustments made to insurance reserves so far this year have reached COP 1.9 million (USD 648.0 million) for an overall growth of 8.0% given individual increases of 3.3% reported by Sura Asset Management and 52.5% for Suramericana.

Administrative expense

Administrative expense rose by 34.6% on a year-on-year basis to COP 2.4 million (USD 845.0 million) based on individual subsidiary growths of 63.4% in the case of Suramericana, given the former RSA operations that were taken over in their entirety this year, along with a 7.4% increase on the part of SURA AM thanks to the subsidiary's strict control over expense. This higher expenditure figure in the case of Suramericana included the expense of integrating its recent acquisitions, namely Seguros Banistmo Panama and RSA's Latin American operations.

Increases were also reported by our Colombian companies due to dollar-indexed expenditure as well as on the part of our foreign-based subsidiaries given the devaluation of the Colombian peso.

Wealth tax at the end of Q3 this year came to COP 87,624 million (USD 30.4 million), which shows a slight change compared to the amount recorded for the previous quarter, due to the fact that a similar wealth tax is charged in Uruguay and therefore both Sura AM and Suramericana recorded the amounts paid by their subsidiaries in said country for this past quarter. The following is a breakdown of wealth tax payable

Wealth Tax	Sept 2016	Sept 2015	% Change
Grupo SURA	3.345	4.563	-26.7%
SURA	27.191	32.631	-16.7%
SURA AM	56.684	63.946	-11.4%
Others	404	472	-14.4%
Total	87.624	101.612	-13.8%

*Figures stated in COP
millions*

Net Income

Grupo SURA's net income on a year-to-date basis came to COP 1.5 billion (USD 519.2 million), showing a rise of 30.9%, thanks to a good level of performance with the various income accounts which recorded individual growths of 39.1% in the case of retained insurance premiums, 13.1% of which corresponded to SURA AM and 52.5% to Suramericana now that it has assimilated all of the former RSA operations, without which said retained insurance premiums would have reached 16.9%. Other driving factors included increases of 12.2% in commission income, 18.5% in revenues from services rendered on the part of our health care provider companies and 20.6% in income from our investments which produced exceptional rates of return, all this against a backdrop of a positive exchange difference.

Consequently, upon deducting the percentage corresponding to other investors, the Parent Company recorded COP 1.3 billion (USD 446.5 million) in net income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Investments

Consolidated investments, including both the reserve requirement for mandatory pension funds as well as amounts deposited in insurance reserves totaled COP 24.8 billion (USD 8.6 billion), for a 14.3% increase compared to year-end 2015. The following table shows a breakdown of these investments based on their classification.

Investments	Sept 2016	Dec 2015	% Change
Valued at market prices	9,361,544	8,139,379	15.0%
SURA AM	4,825,688	4,750,927	1.6%
Suramericana	4,445,532	3,310,426	34.3%
Grupo SURA	23.683	21.512	10.1%
Other subsidiaries	66.641	56.514	17.9%
Held to maturity	15,450,717	13,574,188	13.8%
SURA AM	9,633,967	8,722,691	10.4%
Suramericana	5,816,750	4,851,497	19.9%
Other investments	11.498	10.324	11.4%
Suramericana	19	(1,155)	
Other subsidiaries	11.479	11.479	0.0%
Total	24,823,759	21,723,892	14.3%

*Figures stated in COP
millions*

Investments in associates

Investments in Associates showed a drop of 0.9% on a year-to-date basis, this due to changes to the equity of these companies as a result of the amount of dividends declared by the shareholders at their annual meetings held this year. Also as previously mentioned, certain minor stakes held in Bancolombia and Grupo Argos were sold off

Investments in associates	Sept 2016	Dec 2015	% Change
Bancolombia	7,001,874	7,246,354	-3.4%

Grupo Argos	4,830,878	4,779,890	1.1%
Grupo Nutresa	4,651,791	4,611,737	0.9%
Protección	1,016,936	1,023,590	-0.7%
Others	102.503	98.094	4.5%
Total	17,603,982	17,759,665	-0.9%

*Figures stated in COP
millions*

Insurance Reserves

Insurance reserves have showed a 29.4% growth on a year-to-date basis. The figures reported by Suramericana included COP 3.4 billion (USD 1.2 billion) in reserves corresponding to the RSA operations.

Reserves	Sept 2016	Dec 2015	% Change
SURA AM	11,695,746	10,753,464	8.8%
Suramericana	12,725,906	8,112,515	56.9%
Total	24,421,652	18,865,979	29.4%

*Figures stated in COP
millions*

Financial liabilities

Grupo SURA's consolidated financial liabilities reached COP 9.2 billion (USD 3.2 billion) for Q3, 2016, having risen by 47.0% compared to year-end 2015.

During this past quarter, Grupo SURA pre-paid certain bank loans for a total of COP 195 billion (USD 67.7 million).

Debt	Sept 2016	Dec 2015	% Change
Bonds	5,722,448	3,428,724	66.9%
Grupo SURA	779.733	900.893	-13.4%
SURA AM	1,468,786	1,583,686	-7.3%
Suramericana	1,000,724	0	
Other subsidiaries	2,473,205	944.145	162.0%
Banks and leasing	2,692,903	2,374,001	13.4%
Grupo SURA	966.016	715.074	35.1%
SURA AM	1,372,258	1,078,502	27.2%
Suramericana	282.700	508.567	-44.4%
Other subsidiaries	71.929	71.858	0.1%
Repos	62.008	0	
Grupo SURA	62.008	0	
Derivatives	525.763	253.940	107.0%
SURA AM	441.906	196.235	125.2%
Suramericana	25	46.360	-99.9%
Grupo SURA	83.832	11.345	638.9%
Preferred dividends	204.473	208.780	-2.1%
Total	9,207,595	6,265,445	47.0%

Figures stated in COP millions

CORPORATE SEGMENT

CORPORATE SEGMENT

Main figures

From January 1st to September
30th

(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Dividends	65.826	51.594	27.6%
Investment income	49.118	4.265	
Exchange difference (net)	287.793	(48,098)	
Revenues from Associates via equity method	503.829	628.431	-19.8%
Administrative expense	(331,604)	(267,404)	24.0%
Fees	(43,572)	(24,488)	77.9%
Interest	(433,441)	(213,443)	103.1%
Impairment	(5,379)	(223)	
Total expense	(814,047)	(505,566)	61.0%
Earnings (losses) before tax	98.619	135.217	-27.1%
Income tax	(32,855)	(98,532)	-66.7%
Earnings (losses), net	65.764	36.685	79.3%
Earnings (losses) - parent company	57.463	28.675	100.4%
Earnings (losses) - non-controlling interest	8.301	8.010	3.6%

CORPORATE SEGMENT

Main figures

From June 30th to September
30th

(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Dividends	(156)	4.483	
Investment income	28.330	(12,038)	
Exchange difference (net)	22.206	(43,608)	
Revenues from Associates via equity method	166.171	219.443	-24.3%
Administrative expense	(92,840)	(71,090)	30.6%
Fees	(10,927)	(13,585)	-19.6%
Interest	(189,236)	(78,120)	142.2%
Impairment	(5,350)	21	
Total expense	(298,404)	(162,782)	83.3%
Earnings (losses) before tax	(81,894)	8.045	
Income tax	35.484	(10,652)	
Earnings (losses), net	(46,410)	(2,606)	

Earnings (losses) - parent company	(52,394)	(105,081)	-50.1%
Earnings (losses) - non-controlling interest	5.984	102.475	-94.2%

Administrative expense recorded at the end of Q3 rose by 24.0% with SURA AM accounting for COP 209,839 million of this figure, which included amortizations of identified intangibles worth COP 78,567 million; with Suramericana representing another COP 54,557 million.

Interest accruing at the end of the third quarter rose by 142.2% due to a greater amount of debt taken out this year for the purpose of financing recent acquisitions.

The exchange difference remains favorable thanks to the performance of the exchange rate so far this year, which has had a positive effect on the exposure of both Grupo SURA and Suramericana to their dollar-denominated debt.

Grupo SURA's income tax dropped by 66.7% compared to the same period last year, due to the fact that Suramericana's taxable income is lower than that recorded in 2015 due to expenses incurred in the acquisition and consolidation of RSA's Latin American operations.

2. Suramericana

Suramericana S.A.

Statement of Comprehensive Income

From January 1st to September 30th

(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Written premiums	6,619,814	4,137,125	60.0%
Ceded premiums	(1,181,594)	(572,009)	106.6%
Retained premiums (net)	5,438,220	3,565,116	52.5%
Commission income	187.503	116.077	61.5%
Services rendered	1,571,696	1,318,413	19.2%
Dividends	5.253	7.675	-31.6%
Investment income	849.680	435.984	94.9%
Revenues via equity method from associates	2.075	2.555	-18.8%
Other revenues	107.482	47.100	128.2%
Exchange difference (net)	10.502	19.199	-45.3%
Total revenues	8,172,411	5,512,119	48.3%
Total claims	(4,202,480)	(2,223,876)	89.0%
Reimbursed claims	1,280,439	298.909	328.4%
Retained claims	(2,922,041)	(1,924,967)	51.8%
Adjustments to reserves	(253,090)	(165,948)	52.5%
Cost of services rendered	(1,586,643)	(1,342,123)	18.2%
Administrative expense	(1,399,641)	(856,831)	63.4%
Brokerage commissions	(806,630)	(363,784)	121.7%
Fees	(455,450)	(327,712)	39.0%
Other expense	(184,621)	(85,663)	115.5%
Interest	(81,421)	(27,220)	199.1%
Impairment	(1,284)	(2,096)	-38.7%
Total expense	(7,690,823)	(5,096,343)	50.9%
Earnings before tax	481.588	415.775	15.8%
Income tax	(47,745)	(114,497)	-58.3%
Net Income	433.843	301.278	44.0%
Earnings - parent company	432.433	300.820	43.8%
Earnings - non-controlling interest	1.410	458	207.7%

Suramericana S.A.
Statement of Comprehensive Income

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Written premiums	2,802,475	1,531,333	83.0%
Ceded premiums	(514,459)	(205,344)	150.5%
Retained premiums (net)	2,288,017	1,325,989	72.6%
Commission income	85.806	42.946	99.8%
Services rendered	539.226	455.371	18.4%
Dividends	442	4.505	-90.2%
Investment income	323.704	131.703	145.8%
Revenues via equity method from associates	1.137	723	57.3%
Other revenues	32.161	14.137	127.5%
Exchange difference (net)	(1,780)	12.504	
Total revenues	3,268,712	1,987,878	64.4%
Total claims	(1,941,368)	(824,324)	135.5%
Reimbursed claims	789.214	107.123	636.7%
Retained claims	(1,152,154)	(717,201)	60.6%
Adjustments to reserves	(173,947)	(108,162)	60.8%
Cost of services rendered	(541,992)	(454,869)	19.2%
Administrative expense	(551,479)	(286,792)	92.3%
Brokerage commissions	(352,642)	(127,029)	177.6%
Fees	(190,856)	(125,164)	52.5%
Other expense	(80,697)	(33,464)	141.1%
Interest	(42,971)	(10,378)	314.0%
Impairment	(11,554)	2.605	
Total expense	(3,098,293)	(1,860,454)	66.5%
Earnings before tax	170.419	127.424	33.7%
Income tax	(15,508)	(37,584)	-58.7%
Net income	154.910	89.840	72.4%
Earnings - parent company	154.207	89.945	71.4%
Earnings - non-controlling interest	704	(105)	

The results posted by Suramericana for this past quarter include the entire Latin American operations acquired from RSA, with the last of these in Uruguay being introduced in the overall consolidation as of June 30, 2016. Each of the aforementioned operations were introduced in the Company's statement of comprehensive income as of the date on which they were formally taken over, the first being Brazil as of March of this year, followed by Colombia in April, Chile and Argentina in May, Mexico in June and Uruguay in July.

The consolidation of RSA's Latin American business has had multiple effects on Suramericana's results due to the new mix of solutions, channels and reinsurance structures. Beginning in the second quarter of this year we began to see the non-life segment gaining a greater share of the Company's total business, since this is where the product offerings of these newly-acquired companies are largely concentrated. Furthermore, the Company's Statement of Comprehensive Income shows an 83% growth in total production for this past quarter, 74% of which corresponded to these new acquisitions. Similarly, key metrics governing the reinsurance side of the business, such as ceded premiums, commission income and reimbursed claims, were affected by an increase in the levels of cession on the part of these newly acquired companies, which for Q3 2016 stood at 35%.

Operating revenues, including retained premiums, commission income and revenues from services rendered posted a growth of 60% for Q3 2016. Were we to exclude the effect of the aforementioned acquisitions, the growth in operating revenues would have come to 17.4%. The current lines of business have performed well throughout the year, thanks to having boosted solutions such as car, life, health care and occupational risk (ARL - Workers' Compensation) insurance.

On the other hand, non-operating revenues reflect a good level of performance on the part of the Company's investment portfolios, having produced a 145.8% increase in financial income for Q3 2016 compared to the same period last year. This was mainly due rising inflation in Colombia throughout the year and the substantial amount of CPI-indexed investments held by the Company. Financial income was also helped on by factors such as better stock market performance and a greater degree of stability on the local Forex market.

Suramericana's total expenditure increased by 66.5% for Q3 2016, this mainly due to technical factors inherent to the insurance business, in the form of reserves, claims, cost of services rendered and commissions. Also during this past quarter, we saw a growth in expense of COP 28.9 billion on the part of the newly consolidated operations.

The provision for income tax for this past quarter declined by 58.7% compared to the same period last year due to a significant change in the Holding Company's tax account (Corporate Segment) as shown on its separate financial statements. This was mainly due to a change in the tax treatment of all those dividends received by the Company as of 2016, a situation that should go back to normal at the end of the year. Another contributing factor was the increase in expense with the new corporate headquarters as well as the costs incurred in assimilating the RSA operations as well as the interest paid out on an issue of bonds totaling COP 1 billion.

Suramericana S.A.

Statement of Financial Position

	Sept 2016	June 2016	December 2015	% Change Sept 2016
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	versus Year- End 2015			
Cash and cash equivalents	1,324,771	1,057,393	762.498	73.7%
Investments	10,262,302	10,107,116	8,160,767	25.8%
Accounts receivable	4,204,271	4,337,443	2,272,284	85.0%
Technical insurance reserves - reinsurers	2,734,178	2,862,595	530.013	415.9%
Current tax	256.611	221.797	149.446	71.7%
Deferred tax	468.384	270.917	114.064	310.6%
Other assets	195.191	221.630	44.573	337.9%
Deferred acquisition costs (DAC)	703.875	653.589	304.005	131.5%
Investment properties	7.533	7.562	13.387	-43.7%
Property, plant and equipment	724.253	732.988	623.942	16.1%
Goodwill	479.151	423.683	119.324	301.6%
Identified intangible assets	565.099	514.333	70.910	696.9%
Investments in related companies	42.391	37.033	45.720	-7.3%
Total assets	21,968,011	21,448,078	13,210,934	66.3%
Financial liabilities	282.725	252.164	554.927	-49.1%
Technical reserves	12,725,906	12,420,539	8,112,515	56.9%
Provisions for employee benefits	238.666	190.992	165.287	44.4%
Other provisions	218.125	229.498	52.177	318.0%
Accounts payable	3,155,953	3,280,724	853.707	269.7%
Current tax	413.652	391.005	238.525	73.4%
Issued securities	1,000,724	1,000,643	0	
Other non-financial liabilities	369.847	378.864	333.666	10.8%
Deferred tax	642.842	507.950	235.350	173.1%
Total liabilities	19,048,439	18,652,380	10,546,153	80.6%
Total equity	2,919,572	2,795,700	2,664,781	9.6%
Total equity and liabilities	21,968,011	21,448,079	13,210,934	66.3%

The Company's Statement of Financial Position also shows the impact of having consolidated the aforementioned acquisitions. During the first half of the year, 5 of the total 6 companies acquired were included in the overall consolidation, and now the results for September include all six of the Latin American operations acquired from RSA. These newly acquired companies represented additional assets worth COP 7.1 billion, of which COP 1.8 billion corresponded to their investment portfolios, COP 2.1 billion in accounts receivable from its insurance business along with COP 1.4 billion in reserves held by the reinsurance companies. These newly acquired operations represented a total liability of COP 5.3 billion, of which COP 3.5 billion corresponded to technical insurance reserves and another COP 1.0 billion in accounts payable.

These new acquisitions were included in Suramericana's financial statements using the methodologies and standards stipulated in IFRS 3 - Business Combinations - and hence the Company proceeded to measure the fair value of all those assets, liabilities and shares obtained with the aforementioned acquisitions. This also included identifying all those intangible assets other than goodwill, such as the value of the business acquired (VOBA) including client lists, contracts, agreements, brands as well as licenses and proprietary software. The process of accounting for the price paid and its allocation (PPA) was carried out in each of the countries

where these acquisitions were made, in accordance with that stipulated in the contract of sale signed with RSA, hence the different closing dates for each portion of this transaction.

Entering the operations acquired in Uruguay into the accounts entailed identifying intangible assets and goodwill for a total of COP 150,922 million, which included those previously mentioned. The goodwill obtained through this acquisition came to COP 75,268 million.

The results for Q3 2016 also showed in the accounts payable account an advanced payment on the capitalization carried out by shareholders for a total of COP 1.3 billion, which shall be posted as a higher value of equity once the corresponding legalization proceedings have been completed.

LIFE INSURANCE SEGMENT

The Life Insurance Segment is attended by the subsidiaries Seguros de Vida Colombia, ARL Colombia, Asesuisa Vida El Salvador and Seguros de Vida Sura Chile, the latter introduced in the consolidation as of May of this year.

Life Insurance Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Written premiums	2,897,935	2,610,768	11.0%
Ceded premiums	(84,250)	(85,701)	-1.7%
Retained premiums (net)	2,813,685	2,525,068	11.4%
Investment income	604.410	327.442	84.6%
Retained claims	(1,689,748)	(1,404,727)	20.3%
Adjustments to reserves	(143,716)	(136,701)	5.1%
Administrative expense	(423,819)	(392,695)	7.9%
Fees	(251,015)	(204,019)	23.0%
Brokerage commissions	(251,773)	(200,582)	25.5%
Other expense	(56,000)	(50,821)	10.2%
Income tax	(4,565)	(5,105)	-10.6%
Earnings (losses), net	462.492	370.380	24.9%

Life Insurance Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Written premiums	1,053,787	964.715	9.2%
Ceded premiums	(29,812)	(30,915)	-3.6%
Retained premiums (net)	1,023,975	933.800	9.7%
Investment income	207.442	95.651	116.9%
Exchange difference (net)	(355)	6.083	
Retained claims	(592,611)	(514,514)	15.2%

Adjustments to reserves	(81,201)	(94,939)	-14.5%
Administrative expense	(117,142)	(119,451)	-1.9%
Fees	(105,274)	(75,347)	39.7%
Brokerage commissions	(89,720)	(69,196)	29.7%
Other expense	(34,077)	(23,527)	44.8%
Income tax	(3,400)	1.688	
Earnings (losses), net	165.668	99.687	66.2%

Life Insurance Segment

Statement of Financial Position - Key Figures

	Sept 2016
Total assets	8,884,433
Total liabilities	7,098,486
Total equity	1,785,947

This segment has performed well throughout the year, as can be seen by rising levels of insurance production together with a positive financial result on the part of the investment portfolio held by this segment, which has continued at above the levels originally budgeted for this year. The main factor driving returns on the investment portfolio has been rising inflation and the positive effect this has had on CPI-indexed securities.

However, an increase in Fees, Brokerage Commissions and Other Expenditure partially offset the increase in both production and investment returns. Upon excluding the life insurance operations in Chile, fees rose by 39.6% for Q3 2016, mainly due to the growth in external channels and large retail stores which have been a key force for the development plans for this segment in 2016.

On the other hand, the 29.7% increase in Commissions is largely due to having included the Chilean subsidiary in the Company's financial statements, without which the quarterly growth in this account would have come to 11.9% and very much in line with the 9.8% growth in production for this same period. As for the "Other Expenditure" account, upon excluding the Chilean operations the increase recorded for Q3 2016 came to 44.2%. This negative effect on the part of the Chilean subsidiary has largely been due to having renewed most of the non-proportional reinsurance contracts, which are denominated in dollars and whose costs are posted in the "Other Expenditure" account.

Written and retained premiums

Premiums obtained by the Life Insurance Segment showed a 9.2% growth for Q3 2016, thanks to the Health Care and Workers' Compensation solutions, where production increased by 16.7% and 15.6% respectively, compared to the same period in 2015. The Health Care solution has performed well throughout the year, thanks to an 18.2% increase in Premiums coupled with a 15% decrease in cancellations. On the other hand, the growth in revenues from our Workers' Compensation subsidiaries (ARL) have largely been due to the efforts of our sales personnel and the strategy put into place to counteract the effect of the deceleration in the hydrocarbon sector by increasing affiliations from other sectors albeit with lower contribution rates.

The Group Life and Social Security branches of insurance declined by 0.5% and 0.2% respectively this last quarter. Group Life has been affected by an increase in policy cancellations, as well as the fact that the sales campaign traditionally held at this time of the year in the bancassurance channel was not staged. Finally, the decline with Social Security solution obeyed the fact that the disability and survivors insurance business pertaining to Asesuisa in El Salvador was not renewed. Were we to exclude the effect of this latter situation, Social Security Insurance would have shown a growth of 12.03% for Q3 2016.

Written premiums						
	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
Life	547.556	493.955	10.9%	226.810	218.197	3.9%
Group Life	393.055	368.587	6.6%	143.324	144.034	-0.5%
Social Security	453.296	452.466	0.2%	155.214	155.486	-0.2%
Health Care	625.007	528.887	18.2%	215.279	184.544	16.7%
ARL (Workers' Comp.)	720.580	635.644	13.4%	250.571	216.808	15.6%
RSA	30.591	-		17.882	-	
Others	127.850	131.230	-2.6%	44.705	45.646	-2.1%
Total	2,897,935	2,610,768	11.0%	1,053,786	964.715	9.2%
Total ex RSA	2,867,344	2,610,768	9.8%	1,035,904	964.715	7.4%

Figures stated in COP millions

Retained premiums

	Sept 2016	Sept 2015	% Change		Q3 2016	Q3 2015	% Change
Life	489.011	440.996	10.9%		205.816	198.876	3.5%
Group Life	385.575	362.408	6.4%		205.816	198.876	3.5%
Social Security	452.729	438.565	3.2%		140.745	141.924	-0.8%
Health Care	613.562	522.196	17.5%		155.137	150.397	3.2%
ARL (Workers' Compensation)	720.580	635.644	13.4%		211.224	181.973	16.1%
RSA	30.448	-			250.571	216.808	15.6%
Others	121.779	125.260	-2.8%		17.890	-	
Total	2,813,684	2,525,068	11.4%		42.591	43.822	-2.8%
Total excl. RSA	2,783,236	2,525,068	10.2%		1,023,974	933.800	9.7%
					1,006,084	933.800	7.7%

Figures stated in COP millions

Retained claims and loss ratios

The retained claims in the Life Insurance segment rose by 15.2% for Q3 2016, given a greater impairment in this regard on the part of certain solutions belonging to this segment. Also with the Chilean subsidiary now being included in the overall consolidation, this has entailed an increase in comparative terms for the claims ratio this past quarter. Upon excluding the effect of the Chilean subsidiary, the increase in incurred claims for this past quarter would have come to 14.3%.

The claims ratio for life insurance rose from 19.1% in Q3 2015 to 23.6% in Q3 2016, mainly as a result of the increase in the constitution of Mathematical Reserve due to a higher level of inflation, thereby capturing more production and adversely affecting the claims ratio. Another factor

affecting the Company's claims ratio was the increased coverage provided for the new terms and conditions set out in the tender for the past due portfolio corresponding to the bancassurance channel.

On the other hand, the Health Care solution recorded a 69.7% incurred claims ratio for Q3 2016, having risen by 370 basis points compared to that obtained for the same period last year. This has been largely due to an increase in the frequency of claims and a higher cost of medical supplies, given the depreciation of the Colombian peso against the US dollar throughout the year.

As for our Workers' Compensation line of business, the corresponding incurred claims ratio rose as a result of a higher accident rate as well as increased mortality and disability rates. Likewise, higher inflation has also had a negative effect on the Company's claims ratio given the adjustments made to its mathematical reserves.

Retained claims

	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
Life	121.574	88.397	37.5%	48.540	37.976	27.8%
Group Life	150.297	114.103	31.7%	45.320	42.537	6.5%
Social Security	447.738	420.403	6.5%	157.318	153.522	2.5%
Health Care	409.907	332.946	23.1%	147.199	120.191	22.5%
ARL (Workers' Comp.)	413.653	329.304	25.6%	151.853	122.566	23.9%
RSA	2.628	-		4.313	-	
Others	143.953	119.550	20.4%	38.068	37.694	1.0%
Total	1,689,748	1,404,702	20.3%	592.611	514.488	15.2%
Total excl. RSA	1,687,120	1,404,702	20.1%	588.298	514.488	14.3%

Figures stated in COP millions

Retained claims rate

	Sept 2016	Sept 2015	Q3 2016	Q3 2015
Life	24.9%	20.0%	23.6%	19.1%
Group Life	39.0%	31.5%	32.2%	30.0%
Social Security	98.9%	95.9%	101.4%	102.1%
Health Care	66.8%	63.8%	69.7%	66.0%
ARL (Workers' Compensation)	57.4%	51.8%	60.6%	56.5%
RSA	8.6%		24.1%	
Others	118.2%	95.4%	89.4%	86.0%
Total	60.1%	55.6%	57.9%	55.1%
Total excl. RSA	60.6%	55.6%	58.5%	55.1%

NON-LIFE INSURANCE SEGMENT

The Non-Life segment encompasses the subsidiaries Seguros Generales de Suramericana in Colombia, El Salvador, Panama and the Dominican Republic, plus the non-life operations formerly belonging to RSA in Colombia, Argentina, Brazil, Chile, Mexico and Uruguay. These newly acquired operations have done much to drive Suramericana's Non-Life segment, which accounts for 56.6% of Suramericana's total volume of written premiums so far this year.

Non-Life Insurance Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change
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Written premiums	3,746,686	1,545,396	142.4%
Ceded premiums	(1,110,560)	(495,232)	124.3%
Retained premiums (net)	2,636,127	1,050,164	151.0%
Investment income	192.697	78.043	146.9%
Retained claims	(1,290,128)	(565,674)	128.1%
Adjustments to reserves	(109,375)	(29,247)	274.0%
Administrative expense	(687,213)	(240,945)	185.2%
Fees	(229,268)	(150,362)	52.5%
Brokerage commissions	(554,502)	(159,707)	247.2%
Other expense	(128,007)	(34,607)	269.9%
Income tax	(8,714)	(22,504)	-61.3%
Earnings (losses), net	83.011	16.326	408.5%

Non-Life Insurance Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Written premiums	1,755,591	571.605	207.1%
Ceded premiums	(489,887)	(178,492)	174.5%
Retained premiums (net)	1,265,704	393.113	222.0%
Investment income	97.412	24.901	291.2%
Retained claims	(580,338)	(218,563)	165.5%
Adjustments to reserves	(92,747)	(13,223)	601.4%
Administrative expense	(335,127)	(84,167)	298.2%
Fees	(96,840)	(54,388)	78.1%
Brokerage commissions	(264,624)	(56,842)	365.5%
Other expense	(46,431)	(9,885)	369.7%
Income tax	(9,814)	(12,085)	-18.8%
Earnings (losses), net	42.830	1.542	

Non-Life Insurance Statement of Financial Position - Key Figures

	Sept 2016
Total assets	12,222,749
Total liabilities	8,763,725
Total equity	3,459,025

This segment has grown significantly, thanks to having consolidated the results obtained by all 6 companies acquired by Suramericana from RSA, and whose production is highly concentrated in Non-Life Solutions.

Investment income grew by 147% so far this year, this due to several factors the most important being the inclusion of Seguros Banistmo and RSA in the overall consolidation. The fixed-income market in Colombia also performed much better than before, and hence the investment portfolio corresponding to Seguros Generales produced much higher returns than for the same period last year.

As for the segment's technical accounts, reserves were adjusted upwards given the consolidation of the RSA operations, which obliged the company to standardize the methodologies used to calculate and set up said reserves. Were we to exclude these newly consolidated operations, reserve adjustments for Q3 2016 would have declined by 8%.

Administrative expense rose by 179% for the quarter, excluding the RSA operations, this mainly due to the mergers between Seguros Generales and RSA Colombia in August 2016 and between Sura Panama and Banistmo in September 2015. These operations entailed higher employee benefit, depreciation and amortization expense, among others, thus producing an increase compared to the same period last year.

Brokerage fees excluding the RSA operations rose by 59% for Q3 2016, given the aforementioned merger between Seguros Generales and RSA in Colombia, which entailed an increase in this account,

Finally, the segment's overall performance showed a 408.5% increase in Net Income on a YTD basis, thanks to having consolidated the former RSA operations as well as our efforts to extend our premium production.

Written and retained premiums

Written premiums showed an increase of 11.2% for Q3 2016, this excluding the effect of the amount of premiums produced by the RSA operations. This growth was mainly driven by Seguros Generales in Colombia and Sura Panamá. This latter subsidiary, after merging with Banistmo, has obtained a significant level of growth with its production of premiums (53.85% for Q3 2016), thanks to the positive effect of consolidating the results of both companies as well as the depreciation of the Colombian peso.

Car insurance showed a growth of 16.5%, with mandatory road accident insurance (SOAT) rising by 14.9% thanks to a steady stream of policies being taken out and/or renewed throughout the year.

On the other hand fire insurance declined by 17.5% for Q3 2016 as a result of having lost the mortgage coverage arrangements with Bancolombia, which are subject to a public tender every

two years. This same pattern was also evident with the amount of retained premiums for this same branch of insurance, since the mortgage business maintains low cession levels.

The group of solutions falling under "Others" include civil liability, performance, transport and engineering insurance as well as life insurance in the case of our subsidiaries in Panama and the Dominican Republic.

Written premiums

	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
Car	768.632	605.075	27.0%	263.175	225.837	16.5%
Fire	310.122	311.252	-0.4%	93.527	113.305	-17.5%
Mandatory Road Accident	273.598	227.283	20.4%	96.293	83.816	14.9%
RSA	1,866,987	-		1,119,751	-	
Others	527.349	401.786	31.3%	182.847	148.646	23.0%
Total	3,746,689	1,545,396	142.4%	1,755,593	571.605	207.1%
Total excl. RSA	1,879,701	1,545,396	21.6%	635.842	571.605	11.2%

Retained premiums

	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
Car	743.762	583.976	27.4%	254.801	217.947	16.9%
Fire	47.438	59.133	-19.8%	14.983	20.979	-28.6%
Mandatory Road Accident	247.310	197.775	25.0%	88.699	77.530	14.4%
RSA	1,296,887	-		795.718	-	
Others	300.730	209.279	43.7%	111.503	76.658	45.5%
Total	2,636,127	1,050,164	151.0%	1,265,704	393.113	222.0%
Total excl. RSA	1,339,240	1,050,164	27.5%	469.986	393.113	19.6%

Figures stated in COP millions

For Q3 2016, the total cession ratio (excluding RSA) came to 26.1% versus 28.9% for the operations acquired from RSA. This reflects a higher level of reinsurance in the portfolios belonging to RSA, particularly the Chilean subsidiary, which during Q3 2016 recorded a cession ratio of 43.7%.

Retained claims and retained claims ratio

The total retained claims ratio for this segment stands at 48.9% on a YTD basis, which compares favorably with the 53.9% obtained for the same period last year. This improvement reveals the

positive impact of having consolidated the RSA operations, which recorded a claims ratio of just 39.9% for the year.

If we were to exclude the RSA operations, incurred claims would have increased by 21.6% for Q3 2016, this largely due to the impairment sustained by the car and mandatory road accident insurance, which has affected the entire Colombian market as a result of the Colombian peso losing ground against the US dollar, thus increasing the cost of spare parts and medical supplies.

On the other hand, fire insurance showed a decline of 22.8% in terms of retained claims throughout the quarter, which was offset by an increase of 280 basis points in the YTD accident rate given the effect of a fire that broke out in the Guatapé Hydroelectric Plant last February, the cost of which came to USD 1 million.

It is worth noting that claims for the Non-Life segment, excluding RSA, declined from 58.0% in Q2 2016 to 56.6% for Q3 2016, this as a result of the measures taken by Senior Management to counteract the adverse effects of the depreciating peso which were particularly evident during the first half of the year. As for mandatory road accident insurance, there was an important decline in overall claims, which fell from 65.4% to 60.0% on a quarterly basis, this mainly due to the seasonal effect on production during the third quarter of each year, which in turn helped to improve the overall claims rate

Retained claims

	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
Car	505.255	373.648	35.2%	170.810	145.959	17.0%
Fire	15.903	18.173	-12.5%	5.610	7.269	-22.8%
Mandatory Road Accident	147.979	98.594	50.1%	53.237	35.611	49.5%
RSA	517.278	-		314.544	-	
Others	103.713	75.259	37.8%	36.138	29.724	21.6%
Total	1,290,129	565.674	128.1%	580.339	218.563	165.5%
Total excl. RSA	772.850	565.674	36.6%	265.795	218.563	21.6%

Figures stated in COP millions

Retained claims rate				
	Sept 2016	Sept 2015	Q3 2016	Q3 2015
Car	67.9%	64.0%	67.0%	67.0%
Fire	33.5%	30.7%	37.4%	34.6%
Mandatory			60.0%	45.9%
Road Accident	59.8%	49.9%	39.5%	
RSA	39.9%		32.4%	38.8%
Others	34.5%	36.0%		
Total	48.9%	53.9%	45.9%	55.6%
Total excl. RSA	57.7%	53.9%	56.6%	55.6%

HEALTH CARE SEGMENT

The Health Care Segment includes the health care providers, EPS SURA, IPS SURA and Dinamica (Diagnostic Services).

Health Care Segment Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Services rendered	1,873,300	1,561,863	19.9%
Investment income	26.821	41.445	-35.3%
Cost of services rendered	(1,645,882)	(1,385,179)	18.8%
Administrative expense	(219,222)	(186,434)	17.6%
Fees	(9,254)	(12,901)	-28.3%
Brokerage commissions	(3,258)	(3,495)	-6.8%
Other expense	(593)	(172)	244.7%
Income tax	(3,506)	(2,163)	62.1%
Earnings (losses), net	14.996	11.329	32.4%

Health Care Segment Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Revenues on services rendered	655.783	543.359	20.7%
Investment income	8.801	16.028	-45.1%
Cost of services rendered	(576,512)	(469,797)	22.7%
Administrative expense	(75,389)	(66,408)	13.5%

Fees	(2,392)	(5,397)	-55.7%
Brokerage commissions	(1,023)	(991)	3.3%
Other expense	(181)	(11)	
Income tax	324	(115)	
Earnings (losses), net	5.936	16.327	-63.6%

Health Care Segment

Statement of Financial Position - Key Figures

	Sept 2016
Total assets	719.348
Total liabilities	539.397
Total equity	179.951

The health care segment posted a 20.7% growth in revenues during Q3 2016, which was partially offset by a 45.1% decrease in investment income, as well as an increase in the costs of providing health care services (22.7%). This entailed a 63.6% drop in the segment's Net Income for Q3 2016.

Investment income for the quarter declined due to having reclassified one of the investment accounts. This effectively overshadowed the positive performance of the investment portfolio held by this segment, which has posted returns averaging out at more than 8% so far this year.

Cost of services rendered

	Services rendered					
	Sept 2016	Sept 2015	% Change			
EPS (Mandatory Health Care)	1,443,631	1,198,470	20.5%			
IPS (Mandatory Health Care)	283.306	232.626	21.8%	Q3 2016	Q3 2015	% Change
Dinámica (Diagnostic services)	146.363	129.963	12.6%	503.017	415.654	21.0%
				102.063	82.172	24.2%
				50.702	44.728	13.4%
Total	1,873,300	1,561,059	20.0%	655.782	542.554	20.9%

Figures stated in COP millions

The Health Care segment posted a 20.9% increase in revenues obtained in Q3 2016, this driven by a double-digit growth in all of its solutions. EPS Sura accounted for 21% of the total for this past quarter, having steadily extended its membership base to the 2.4 million recorded in September.

Likewise the Complementary Health Care Plan secured a growth of 107% for this past quarter, thereby contributing to the growth of the entire solution

The IPS mandatory health care provider recorded a QoQ growth of 24.2%, thanks to the private services it now provides as well as having opened a new regional health care center in Medellin earlier this year.

Cost of services rendered

Cost of services rendered						
	Sept 2016	Sept 2015	% Change	Q3 2016	Q3 2015	% Change
EPS (Mandatory Health Care)	1,348,655	1,130,941	19.3%	471.680	379.800	24.2%
IPS (Mandatory Health Care)	197.139	162.540	21.3%	70.471	57.143	23.3%
Dinámica (Diagnostic services)	100.089	90.906	10.1%	34.361	32.061	7.2%
Total	1,645,882	1,384,388	18.9%	576.511	469.005	22.9%

Figures stated in COP millions

Claims rate				
	Sept 2016	Sept 2015	Q3 2016	Q3 2015
EPS (Mandatory Health Care)	93.4%	94.4%	93.8%	91.4%

EPS Sura's claims ratio is currently standing at 93.4%, which compares favorably with the 94.4% obtained last year. However, there was an increase in incurred claims during this past quarter as a result of the higher cost of services rendered as well as an increase in sick leave granted due to the epidemiological effects of climate change and environmental conditions.

CORPORATE SEGMENT (THE HOLDING COMPANY)

The corporate segment consists of our corporate headquarters, which was set up in early 2016 to consolidate, oversee and manage the subsidiaries belonging to Suramericana S.A., following the acquisition of the RSA operations in Latin America.

CORPORATE SEGMENT Main figures

From January 1st to September
30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Investment income	4.536	877	417.1%
Exchange difference (net)	24.164	12.762	89.3%
Revenues via equity method from associates	2.075	2.555	-18.8%
Administrative expense	(54,557)	(24,019)	127.1%
Fees	(24,387)	(10,320)	136.3%
Interest	(47,688)	(1,450)	
Impairment	(5,379)	(223)	
Total expense	(132,012)	(36,012)	266.6%
Earnings (losses) before tax	(103,300)	(19,773)	422.4%
Income tax	(19,341)	(77,080)	-74.9%
Earnings (losses), net	(122,641)	(96,853)	26.6%
Earnings (losses) - parent company	(122,641)	(96,853)	26.6%
Earnings (losses) - non-controlling interest	0	0	0.0%

CORPORATE SEGMENT

Main figures

From June 30th to September
30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change
Investment income	2.472	529	367.8%
Exchange difference (net)	(3,085)	11.127	
Revenues via equity method from Associates	1.137	723	57.3%
Administrative expense	(17,669)	(8,951)	97.4%
Fees	(6,036)	(8,057)	-25.1%
Interest	(31,247)	(934)	
Impairment	(5,350)	21	
Total expense	(60,304)	(17,921)	236.5%
Earnings (losses) before tax	(62,031)	(5,534)	
Income tax	(90)	(23,028)	-99.6%
Earnings (losses), net	(62,121)	(28,562)	117.5%
Earnings (losses) - parent company	(62,121)	(28,562)	117.5%
Earnings (losses) - non-controlling interest	0	0	0.0%

One of the main sources of revenues for the corporate segment is investment income, which includes the financial returns obtained from the savings accounts and collective portfolios held by the Company. These returns increased by 368% in Q3 2016, since last year the Company held less liquidity in banks based on a corporate structure that entailed significantly lower expense. Also,

the fact that interest rates have been steadily rising in Colombia throughout the year have also had a favorable effect on the returns obtained.

With regard to the acquisition of the RSA companies, an account payable in GBP was posted which had a negative effect this past quarter given the depreciation of the pound against the Colombian peso. This was duly recorded in the Exchange Difference account.

On the other hand, the corporate segment showed increased expenditure for Q3 2016, given the following items:

- *Administrative expense*: incurred with the new corporate headquarters the purpose of which is to bolster Suramericana's administrative structure with functional corporate teams of staff working in conjunction with all the Company's subsidiaries in all 9 countries so as to be able to consolidate our strategy in throughout the region.
- *Interest expense*: corresponding to the quarterly coupon payments due on the debt securities issued by the company in June 2016.
- *Impairment expense*: with regard to the acquisition of the RSA companies, a lower value was posted for one of the identified intangible assets, this corresponding to a business cooperation agreement.

Finally, income tax dropped by 99.6% for Q3 2016, since as previously mentioned, the Company implemented a change in the methodology used to recognize the tax due on dividends received, this coupled with a significant increase in expense.

RSA Operations

RSA Operations Statement of Comprehensive Income

Sept. 30 / 2016

(stated in COP millions)

	Brazil	Argentina	Chile	Mexico	Uruguay
Written premiums	306.325	481.028	744.236	170.858	62.968
Retained premiums (net)	272.117	416.336	406.874	119.486	55.900
Commission income	(329)	13.704	30.332	2.710	1.721
Investment income	25.284	32.965	5.332	3.389	3.951
Other revenues	41	37.194	4.460	17.416	2.436
Exchange difference (net)	(10,623)	(834)	(2,195)	4.699	507
Total revenues	286.490	499.364	444.802	147.700	64.514
Total claims	(137,510)	(193,809)	(388,236)	(69,861)	(28,951)
Retained claims	(100,554)	(164,226)	(149,515)	(58,917)	(23,389)
Adjustments to reserves	(21,109)	(66,184)	9.986	137	(4,389)
Administrative expense	(84,851)	(133,549)	(99,035)	(35,574)	(17,595)
Fees and commissions	(95,250)	(116,927)	(114,388)	(47,371)	(17,560)
Other expense	6.814	(1,486)	(64,075)	(2,451)	(96)

Total expense	(294,950)	(482,371)	(417,027)	(144,175)	(63,029)
Earnings before tax	(8,460)	16.993	27.776	3.525	1.485
Income tax	4.902	3.982	(1,229)	(3,459)	(972)
Net Income	(3,559)	20.975	26.546	67	513
Earnings - parent company	(3,559)	20.867	26.426	67	513
Earnings - non-controlling interest	(0)	108	120	0	0

The Statements of Comprehensive Income corresponding to each of the acquired RSA companies were drawn up as of the date on which Suramericana took over in each specific country and therefore do not correspond to comparable periods. Consequently, the information herein reported in the case of Brazil began as of March, of this year, with Colombia following in April, Chile and Argentina in May, Mexico in June and finally Uruguay in July.

Seguros Sura Uruguay is a company that mainly attends the Non-Life Insurance segment, with car insurance being its most popular solution accounting for 52.2% of the total amount of written premiums, followed by Property and Liability insurance with 13.9% and 7.4% respectively.

Seguros Sura Uruguay currently ranks as the third largest insurance company on the local market, with an insurance production of approximately USD 71.5 million in 2015 and around 163,000 clients. In terms of size, the Company posted assets amounting to USD 114.18 million and a Shareholders' Equity totaling USD 41.64 million at the end of June 2016.

Merger between Seguros Generales Suramericana and Sura Colombia (formerly RSA Colombia)

The RSA Company acquired in Colombia in April 2016 was taken over by Seguros Sura both now operating as a single company under the brand Seguros SURA. This transaction was finalized on August 1, 2016.

This merger is allowing us to provide a much broader service platform throughout Colombia, while extending the portfolio of services offered as well as the coverage of our client care service, with the added advantage of being able to attend our local clients on a pan-regional basis, thanks to Suramericana's presence in 6 major countries in Latin America.

Quarterly performance of the RSA acquisitions

RSA Operations

From June 30th to September 30th

Statement of Comprehensive Income (stated in COP millions)

QUARTER	Brazil	Argentina	Chile	Mexico	Uruguay
Written premiums	142.078	291.386	464.329	109.588	62.968
Retained premiums (net)	125.962	254.075	274.739	89.293	55.900
Commission income	(202)	7.583	25.187	1.323	1.721
Investment income	9.007	33.864	3.425	868	3.951
Other revenues	(9,902)	12.064	(7,652)	10.727	2.436
Exchange difference (net)	(3,916)	132	(432)	4.964	507
Total revenues	120.950	307.716	295.267	107.175	64.514
Total claims	(62,437)	(129,665)	(259,974)	(47,098)	(28,951)
Retained claims	(42,608)	(100,082)	(96,804)	(43,352)	(23,389)
Adjustments to reserves	(8,305)	(41,691)	(29,888)	1.394	(4,389)
Administrative expense	(60,687)	(105,589)	(84,261)	(32,671)	(17,595)
Fees and commissions	(38,572)	(71,858)	(79,841)	(34,061)	(17,560)
Other expense	30.349	18.994	(2,225)	3.544	(96)
Total expense	(119,823)	(300,225)	(293,019)	(105,144)	(63,029)
Earnings before tax	1.418	7.565	2.249	2.042	1.485
Income tax	1	(1,444)	(1,132)	(2,400)	(972)
Net Income	1.418	6.121	1.116	(358)	513
Earnings - parent company	1.418	6.013	996	(358)	513
Earnings - non-controlling interest	0	108	120	0	0

▪ Brazil

Premium income showed a 53% increase in local currency for this past quarter, mainly due to higher production in the affinity channel, which represented 30% (BRL 42 million) of the total amount of premiums written during this same period. Financial income, on the other hand, dropped by BRL 10 million mainly due to fluctuations with the exchange rates.

As for expense, the Company managed to bring down the provision for past due accounts, thereby improving overall expense compared to the same period last year. Net income, as posted on the Subsidiary's Statement of Comprehensive Income came to COP 1,418 million, showing a margin of 1.13% over retained premiums.

▪ Argentina

In local currency, written premiums rose by 42% for this past quarter compared to the same period last year, this mainly due to the improved performance of certain solutions other than car insurance, which recorded a growth of 50% for said period, this mainly driven by the affinity channel.

The technical result fell by 1.2% compared to the same period last year, mainly due to higher car insurance claims (70.1% in Q3 2016 versus 65.0% in Q3 2015) given the corresponding movements made to reserves. Despite this, net income for the quarter rose by 36.3% versus the same period last year due to a better performance of the Company's investment portfolio. Investment income increased by 70.7% due to rising rates of return as well as a higher value of said portfolio.

The Company's Statement of Comprehensive Income showed COP 6,121 million in net income, reflecting a margin of 2.41% over retained premiums.

▪ **Chile**

Written premiums recorded a growth of 27.9% in local currency for Q3 2016, 17.6% of which corresponded to higher production in the household insurance solution, thanks to new arrangements with the local bancassurance channel. Furthermore, the technical result obtained by this Chilean subsidiary rose by 16.5% for Q3 2016, given a better claims rate for the branches of household and car insurance.

Administrative expense on the other hand rose by 16.3% for Q3 2016, this largely due to rising personnel expense in keeping with the inflation rate and, to a lesser extent, with salary and wage increases.

The Company's Statement of Comprehensive Income recorded COP 1,418 million in net income, producing a margin of 0.41% over retained premiums.

▪ **Mexico**

In terms of production, the Company presented a 15% growth for this past quarter, this mainly due to the branches of business insurance (transport fleets, group life, group health and other technical solutions). As for the company's technical result, this posted a quarterly growth of MXN \$ 27million, as a result of a significant improvement with group life insurance, thanks to lower claims and acquisition costs.

Operating expense increased by 6.3% for this past quarter, comparing favorably with the growth in production, which more than doubled compared to the same period last year. Finally, the financial results for the quarter (including exchange rate fluctuations) shows an improvement of MXN 4.5 million compared to the same period last year, mainly as a result of the Company's long position in dollars and the depreciation of local currency. In spite of this, an increase of 50 basis points with the benchmark interest rate, introduced by the Mexican Central Bank in September 2016 partially affected the portfolio's returns.

The Company's Statement of Comprehensive Income posted a net loss of COP 358 million

- **Uruguay:**

Written and retained premiums rose by 26.5% and 23.3% respectively for Q3 2016, this mainly due to the organic growth of different solutions, especially those offered via the mass consumption channel.

The retained claims ratio stood at 46.9%, showing an improvement of 6.3% compared to the same period last year. Commissions also showed an increase of 53.58%, given the higher participation of the mass consumption channel, while administrative expenses rose in line with the amount of premiums written. This produced a combined ratio of 100% at the end of the quarter.

The financial result was 285% higher than that of Q3 2015, thanks to a better portfolio performance in terms of size and rates or return, coupled with a lower exchange loss compared to last year.

The Company's Statement of Comprehensive Income showed COP 513 million in net income, producing a margin of 0.92% over retained premiums.

3. Sura Asset Management

SURA Asset Management S.A. Statement of Comprehensive Income

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	1,413,615	1,310,739	7.8%	3.4%
Other investment income	9,297	10,258	-9.4%	-16.5%
Other gains and losses at fair value	875	166	428.2%	398.2%
Income from reserve requirement	115,165	15,189	658.2%	549.7%
Income (expense) via equity method	86,426	73,361	17.8%	16.7%
Other operating revenue	10,171	15,563	-34.6%	-39.4%
Operating revenue	1,635,548	1,425,276	14.8%	10.0%
Gross premiums	2,131,747	1,872,150	13.9%	6.0%
Premiums ceded to reinsurers	(50,961)	(32,649)	56.1%	51.3%
Net premiums	2,080,787	1,839,500	13.1%	5.3%
Income from reserve investments	498,008	524,208	-5.0%	-11.9%
Earnings at fair value from reserve investments	147,419	965	15177.5%	22487.2%
Claims	(771,023)	(543,622)	41.8%	32.5%
Movement in premium reserves	(1,613,187)	(1,561,423)	3.3%	-4.1%
Total insurance margin	342,003	259,628	31.7%	22.8%
Selling expense	(332,363)	(318,195)	4.5%	0.2%
Deferred acquisition costs (DAC)	10,127	49,554	-79.6%	-80.4%
Operating and administrative expense	(788,964)	(732,841)	7.7%	2.6%
Wealth tax	(56,684)	(63,946)	-11.4%	-11.4%
Total operating expense	(1,167,884)	(1,065,427)	9.6%	5.0%
Operating earnings	809,667	619,476	30.7%	24.0%
Financial income	22,765	16,402	38.8%	34.0%
Financial expense	(118,918)	(82,639)	43.9%	30.4%
(Expense) income from financial derivatives	54,344	(80,066)	-167.9%	-167.6%
(Expense) income on exchange differences	29,268	(39,021)	-175.0%	-180.0%
Earnings before income tax	797,125	434,152	83.6%	72.6%
Income tax	(280,342)	(189,639)	47.8%	42.3%
Net income (losses) for the year	516,783	244,513	111.4%	95.1%

SURA Asset Management S.A.
Statement of Comprehensive Income

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	464.702	474.608	-2.1%	3.6%
Other investment income	2.230	6.043	-63.1%	-62.2%
Realized gains on financial assets held for sale	0	0		
Other gains and losses at fair value	118	69	70.6%	81.8%
Income from reserve requirement	85.997	(38,268)	-324.7%	-306.4%
Income (expense) via equity method	30.389	27.539	10.3%	10.1%
Other operating revenue	3.515	6.179	-43.1%	-43.7%
Operating revenue	586.951	476.171	23.3%	30.5%
Gross premiums	681.725	757.661	-10.0%	-10.1%
Premiums ceded to reinsurers	(15,586)	(11,746)	32.7%	40.9%
Net premiums	666.138	745.915	-10.7%	-10.9%
Income from reserve investments	225.432	249.667	-9.7%	-11.3%
Earnings at fair value from reserve investments	67.881	(50,587)	-234.2%	-219.6%
Claims	(263,442)	(212,136)	24.2%	25.6%
Movement in premium reserves	(555,491)	(640,892)	-13.3%	-14.0%
Total insurance margin	140.519	91.967	52.8%	55.9%
Selling expense	(114,916)	(109,684)	4.8%	9.3%
Deferred acquisition costs (DAC)	6.224	14.815	-58.0%	-58.9%
Operating and administrative expense	(260,340)	(267,569)	-2.7%	1.7%
Wealth tax	(120)	(73)	65.3%	72.1%
Total operating expense	(369,152)	(362,511)	1.8%	6.5%
Operating earnings	358.318	205.627	74.3%	85.8%
Financial income	9.771	5.413	80.5%	92.6%
Financial expense	(43,440)	(29,718)	46.2%	46.0%
(Expense) income from financial derivatives	14.284	(59,331)	-124.1%	-124.0%
(Expense) income on exchange differences	(9,435)	(40,841)	-76.9%	-77.1%
Earnings before income tax	329.499	81.150	306.0%	368.5%
Income Tax	(108,305)	(36,563)	196.2%	218.3%
Net income (losses) for the year	221.194	44.587	396.1%	508.5%

SURA Asset Management S.A.
Statement of Financial Position

At September 30th, 2016 and December 31st,
2014
(stated in COP millions)

	Sept 2016	December 2015	% Change
Financial assets	14,459,655	13,473,618	7.3%
Goodwill	3,841,163	4,136,023	-7.1%
Other intangible assets	2,651,128	2,920,837	-9.2%
Investments in Associates	1,058,758	1,058,987	0.0%
Investment properties	891.223	750.667	18.7%
Accounts receivable	632.800	636.240	-0.5%
Deferred acquisition costs (DAC)	527.985	581.493	-9.2%
Cash and cash equivalents	395.527	423.963	-6.7%
Deferred tax assets	225.061	247.914	-9.2%
Current tax	265.728	151.631	75.2%
Fixed assets	175.688	197.232	-10.9%
Financial assets - hedging arrangements	357.392	62.986	467.4%
Reinsurance assets	50.819	51.110	-0.6%
Other assets	62.616	60.416	3.6%
Total assets	25,595,542	24,753,118	3.4%
Technical reserves	11,695,746	10,753,465	8.8%
Issued bonds	1,468,786	1,583,686	-7.3%
Deferred tax liabilities	1,294,694	1,318,737	-1.8%
Current tax liabilities	84.202	162.185	-48.1%
Financial obligations	1,372,257	1,078,501	27.2%
Accounts payable	410.351	381.042	7.7%
Financial liabilities - hedging arrangements	441.905	196.234	125.2%
Employee benefits	103.959	135.434	-23.2%
Deferred income liabilities (DIL)	54.707	56.501	-3.2%
Provisions	209.445	24.915	740.6%
Other liabilities	9.559	7.619	25.5%
Total liabilities	17,145,612	15,698,319	9.2%
PARENT COMPANY EQUITY	8,272,509	8,885,055	-6.9%
Minority interest	177.422	169.744	4.5%
Total equity	8,449,930	9,054,799	-6.7%
Total equity and liabilities	25,595,542	24,753,118	3.4%

Figures stated in dollars were converted from Colombian pesos using the exchange rate applicable of the end of September 2016 pesos (COP 2,880.1 per USD), merely as a restatement exercise, and therefore said figures are not necessarily the same as the dollar figures appearing in SURA Asset Management's accounts.

SURA Asset Management posted consolidated assets of COP 25.6 billion (USD 8.8 billion), for a growth of 3.4%, as well as a shareholders' equity of COP 8.4 billion (USD 2.9 billion) showing a decline of 6.7% compared to year-end 2015, this primarily as a result of fluctuations with the exchange rates in different parts of Latin America against the Colombian peso.

The following table shows how the different Latin American currencies have performed against the Colombian peso.

	Sept 2016	Sept 2015	% Change
Exchange rate	LC/USD	LC/USD	COP/LC
Chile	680.0	639.7	9.3%
Mexico	18.3	15.6	-1.1%
Peru	3.4	3.1	8.2%
Colombia	3,062.9	2,637.0	0.0%
Uruguay	30.7	26.5	0.4%

**LC: Local Currency*

SURA Asset Management obtained operating income from its fund management business (pensions and savings) totaling COP 1,635, 548 million (USD 567.9 million), showing a year-on-year increase of 10.0% at constant exchange rates together with a total insurance margin of COP 342.003 million (USD 118.7 million), for a growth of 22.8%.

It is important to note that AFP Protección and AFP Crecer do not form part of the consolidation of SURA Asset Management's financial statements given the 49.4% stake held, and therefore the income received from both companies that is to say COP 76,376.7 million (USD 24.9 million) corresponded to the Company's share of such using the equity method.

Operating expense came to COP 1,167,884 million (USD 405.5 million) for a growth of 5.0% at constant exchange rates. This growth was also evident with the Company's deferred acquisition costs which declined by 80.4% compared to the same period last year. This drop of 80.4% was mainly due to the fact that commissions are posted net in this account with their amortization, and that lower commissions were taken as assets in 2016 along with higher levels of amortization than for last year, especially in Chile and Mexico. In Mexico, the drop in DAC was due to lower sales in 2016 entailing a lower level of commissions taken as assets.

Net income for the third quarter of the year came to COP 516.783 million (USD 179.4 million), which was a gratifying result compared to the same period last year since this

represented a 95.1% increase at constant exchange rates, mainly due to higher returns earned on the Company's reserve requirement as well as a positive level of earnings due to exchange differences and derivative appraisals.

EBITDA

EBITDA on a YTD basis came to COP 1,021,031.2 million (USD 354.5 million), representing a year-on-year increase of 22.7% based on real rates. This was mainly affected by (i) the fluctuations with the exchange rates used for each period; and (ii) higher returns obtained on the Company's reserve requirements throughout this year.

Were we to have based this figure on constant exchange rates at the end of Q3 2016, this drop would have come to 17.0%.

If we were to eliminate the effect of the Company's reserve requirement on calculating EBITDA, this would have produced a year-on-year growth of 6.0%.

EBITDA	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	324.397	295.775	9.7%	0.4%	149.938	99.011	51.4%	48.4%
Mexico	342.261	276.920	23.6%	25.0%	138.009	92.549	49.1%	68.4%
Peru	296.749	204.312	45.2%	34.2%	108.257	45.710	136.8%	169.8%
Uruguay	31.198	29.400	6.1%	5.7%	9.770	9.014	8.4%	13.7%
Colombia	76.377	56.441	35.3%	35.3%	28.179	15.625	80.3%	80.3%
Corporate and Others	-49.950	-30.904	61.6%	59.3%	-18.450	-2.944	526.7%	517.6%
Total	1,021,031	831.945	22.7%	17.0%	415.703	258.965	60.5%	70.5%
Reserve Requirement	115.165	15.189	658.2%	549.7%	85.997	-38.268		
EBITDA (excl. reserve rqmt)	905.866	816.756	10.9%	6.0%	329.706	297.233	10.9%	16.3%

Figures stated in COP millions

The manner of calculating EBITDA at the end of Q3 2015 differed from that used to calculate this same figure for the previous quarter, that is to say Q2 2015 (COP 730,376 million), due to having drawn up and adopted a new accounting manual in January 2016. Here, income (expense) corresponding to the exchange differences obtained from non-proprietary investments underpinning the Company's reserves is considered to be of an operating nature, and therefore shall not be unwound from the previously calculated EBITDA.

Assets under Management

Assets Under Management, including those of AFP Protección and AFP Crecer, came to COP 332.2 billion (USD 115.4 billion) for a year-on-year growth of 13.1% at constant exchange rates. This was mainly due to increases of 17.8% in the net fund flow and

507.2% in returns on investments. At the end of Q3 2016, the YTD net fund flow came to COP 9.6 billion (USD 3.1 billion) with returns reaching COP 19.6 billion (USD 6.4 billion)

These assets belong to 18.6 million clients in Latin America, broken down as follows:

Assets under Management	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	111,256,881	103,974,389	7.0%	8.4%
Mexico	73,490,718	77,599,145	-5.3%	16.5%
Peru	52,242,564	49,670,570	5.2%	18.8%
Uruguay	6,554,672	5,802,898	13.0%	18.2%
Colombia	76,244,336	67,036,203	13.7%	13.7%
El Salvador	12,481,545	12,309,138	1.4%	8.7%
Total	332,270,717	316,392,342	5.0%	13.1%

Figures stated in COP millions

Clients (stated in millions)	Sept 2016	Sept 2015	% Change
Chile	1.9	1.9	-1.7%
Mexico	7.3	6.2	17.1%
Peru	2.1	2.1	-0.5%
Uruguay	0.3	0.3	2.1%
Colombia	5.6	5.4	4.1%
El Salvador	1.5	1.4	4.8%
Total	18.6	17.3	7.6%

Mandatory Pensions

Mandatory Pension Segment

Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	1,294,498	1,206,558	7.3%	2.9%
Other investment income	4.663	1.925	142.2%	121.7%
Other gains and losses at fair value	-	-		
Income from reserve requirement	112.581	14.185	693.6%	575.6%
Income (expense) via equity method	76.268	64.280	18.7%	17.3%
Other operating revenue	2.247	8.197	-72.6%	-74.6%

Operating revenue	1,490,257	1,295,145	15.1%	10.3%
Selling expense	(174,120)	(193,829)	-10.2%	-13.0%
Deferred acquisition costs (DAC)	2.608	40.117	-93.5%	-93.7%
Operating and administrative expense	(401,059)	(377,102)	6.4%	2.0%
Wealth tax	(231)	(176)	31.5%	30.9%
Total operating expense	(572,802)	(530,990)	7.9%	3.8%
Operating earnings	917.454	764.155	20.1%	14.8%
Financial income	10.844	12.242	-11.4%	-14.9%
Financial expense	(3,753)	(5,200)	-27.8%	-33.0%
(Expense) income from financial derivatives	-	-		
(Expense) income on exchange differences	1.051	11.520	-90.9%	-90.8%
Earnings before income tax	925.597	782.717	18.3%	13.2%
Income Tax	(225,750)	(185,964)	21.4%	16.4%
Net income (losses) for the year	699.847	596.754	17.3%	12.2%

Mandatory Pension Segment Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	425.721	429.337	-0.8%	5.2%
Other investment income	3.455	806	329.0%	310.4%
Realized gains on financial assets held for sale	-	-		0.0%
Other gains and losses at fair value	-	0	-100.0%	-100.0%
Income from reserve requirement	84.327	(38,114)	-321.3%	-303.3%
Income (expense) via equity method	28.007	24.497	14.3%	14.0%
Other operating revenue	1.132	4.431	-74.5%	-75.2%
Operating revenue	542.643	420.957	28.9%	37.0%
Selling expense	(61,778)	(64,494)	-4.2%	1.4%
Deferred acquisition costs (DAC)	4.217	11.323	-62.8%	-64.0%
Operating and administrative expense	(127,902)	(137,137)	-6.7%	-0.9%
Wealth tax	(82)	(60)	36.5%	42.2%
Total operating expense	(185,545)	(190,368)	-2.5%	3.7%
Operating earnings	357.098	230.589	54.9%	64.9%

Financial income	3.899	3.310	17.8%	32.4%
Financial expense	(1,252)	(1,797)	-30.3%	-27.6%
(Expense) income from financial derivatives	-	-		
(Expense) income on exchange differences	(74)	3.584	-102.1%	-101.7%
Earnings before income tax	359.670	235.686	52.6%	62.7%
Income Tax	(91,960)	(53,603)	71.6%	85.6%
Net income (losses) for the year	267.710	182.083	47.0%	56.1%

Fee and commission income came to COP 1,294,498 million for an increase of 2.9% at constant exchange rates.

Our mandatory pension business received a substantial boost from our reserve requirements producing a hefty year-on-year increase of 575.6% at constant exchange rates.

Operating expense rose by 3.8% at constant exchange rates, mainly affected by lower commission being posted and higher levels of amortization in terms of Deferred Acquisition Costs (DAC), which fell by 93.7%, mainly in the case of Chile y Mexico.

Commission income

So far this year, fee and commission income has risen by 7.3% to COP 1,294,498 million (USD 449.5 million), thanks to a higher wage base, which has increased by an average of 3.7% throughout the region. In terms of the different currencies, commission income rose slightly by an average of 2.9%, largely affected lower levels of growth in all those countries where we are present as well as impaired macroeconomic variables such as the unemployment rate. Also, fund membership has declined in Chile, Peru and Uruguay, given the tendering system in place in the first two cases as well as all-out efforts on the part of the competition. Furthermore, commissions currently charged in the case of Mexico are lower than for last year. Nevertheless, in spite of all these adverse factors, the Company's revenues continued to rise.

Commission income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	427.447	381.992	11.9%	2.4%	138.900	132.413	4.9%	3.0%
Mexico	518.000	510.379	1.5%	2.7%	172.967	183.750	-5.9%	7.2%
Peru	296.239	266.991	11.0%	2.5%	95.766	95.692	0.1%	4.4%
Uruguay	52.812	47.196	11.9%	11.4%	18.088	17.483	3.5%	7.0%
Total	1,294,498	1,206,558	7.3%	2.9%	425.721	429.337	-0.8%	5.2%

Figures stated in COP millions

Return on Reserve Requirement

This year got off to a difficult start with the amount of volatility and low growth rates affecting the global financial markets, nevertheless there was a distinct improvement in rates of return during this past quarter.

So far this year returns on the Company's pension reserve requirement (known as *encaje* in Spanish) has risen by a hefty 693.6%, on a year-on-year basis, reaching COP 112.581 million (USD 39.1 million). Using constant exchange rates for both years, this increase would have come to 575.6%. This was largely due to the Latin American financial markets bouncing back to a certain extent, especially in Peru, Mexico and Chile.

With regard to the fixed-income markets, from year-end 2015 to September 2016, there has been a drop in interest rates in the majority of countries where we are present which has in turn pushed up the value of the Company's investments, while the opposite occurred last year.

As for the equity markets, prices rose in all the Latin American stock markets, especially the Lima Stock Exchange, which so far has recorded a YTD growth of 55.3%, thus continuing as one of the most profitable exchanges on a global level.

This improved performance on the part of Latin American stocks has driven up the returns obtained from the Company's reserve requirements in all those countries where we are present.

In Mexico, stock performance improved during the months of March and August which in turn improved our results in this part of the world. The weighted average rate of return for the first 3 quarters of last year fell to -1.6%, which was well below the 5.7% obtained for the same period this year.

Returns obtained on the reserve requirement in Chile were higher than last year, due to the improved performance of the financial markets. So far this year, mandatory pension funds have produced an average rate of return of 5.1%, which is much higher than the 3.7% recorded for the same period last year.

Peru also saw an improvement in the returns obtained from its reserve requirement. Rates of return at the end of Q3 2016 averaged out at 10.1% compared to the -1.7% obtained for the same period last year.

Reserve Requirement	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	45.510	31.381	45.0%	32.7%	42.087	249		
Mexico	24.554	(11,834)			15.633	(16,208)		

Peru	40.650	(6,934)			26.391	(21,959)
Uruguay	1.868	1.572	18.8%	18.3%	215	(197)
Total	112.581	14.185	693.6%	575.6%	84.327	(38,114)

*Figures stated in COP
millions*

Operating Expense

Operating expense came to COP 572.802 million (USD 198.9 million), showing a 3.8% growth at constant exchange rates.

This was mainly due to lower deferred acquisition costs (DAC), which decreased by 93.7%, as a result of lower acquisition costs being posted coupled with higher levels of amortization compared to last year, in most of the countries where we are present, especially Chile and Mexico.

Operating and administrative expense increased by 2.0% mainly due to an increase of 9.4% in fee and commission expense and another increase of 1.5% in administrative expense. This growth in commission and fee expense was mainly sustained in Mexico and Peru, with increases of 38.2% and 75% respectively.

Total Operating Expense	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(178,501)	(153,068)	16.6%	6.7%	(58,276)	(56,522)	3.1%	0.6%
Mexico	(254,323)	(245,505)	3.6%	4.8%	(80,406)	(84,546)	-4.9%	9.3%
Peru	(121,410)	(115,824)	4.8%	-3.1%	(40,472)	(42,732)	-5.3%	-1.8%
Uruguay	(18,568)	(16,593)	11.9%	11.4%	(6,391)	(6,568)	-2.7%	0.2%
Total	(572,802)	(530,990)	7.9%	3.8%	(185,545)	(190,368)	-2.5%	3.7%

Figures stated in COP millions

Net Income

Net income at the end of Q3 reached COP 699.847 million (USD 243.0 million), showing an increase of 12.2% on a year-on-year basis, this mainly due to greater reserve requirements coupled with well-controlled operating expense that rose by just a single digit.

YTD	Quarter
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Net Income	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	238.319	215.394	10.6%	1.3%	97.314	66.049	47.3%	45.9%
Mexico	208.458	189.586	10.0%	11.2%	78.938	62.397	26.5%	43.8%
Peru	159.270	108.031	47.4%	36.2%	58.427	22.282	162.2%	205.4%
Uruguay	27.581	27.268	1.1%	0.7%	8.865	9.658	-8.2%	-4.8%
Colombia	66.219	56.474	17.3%	17.3%	24.166	21.697	11.4%	11.4%
Total	699.847	596.754	17.3%	12.2%	267.710	182.083	47.0%	56.1%

Figures stated in COP millions

Colombia: Equity method applied to AFP Protección and AFP Crecer

Fund membership

Mandatory Pension Fund membership rose by 7.7% on a year-on-year basis and now accounts for a total of 17.0 million savers. The growth recorded in Mexico was due to pension fund accounts being assigned and reassigned in this part of the world, for the purpose of rewarding the Mexican Pension Fund Management firms for enhancing net returns, as well encouraging their efforts to sign up more workers, lower their commissions, and for said firms to promote and extend voluntary savings plans. Afore SURA received the second largest volume awarded in Mexico, this consisting of approximately 1.16 million accounts. Here, it is important to note the drop in pension fund membership in Chile and Peru, given the prevailing bidding system for new members of the private pension system, in which SURA Asset Management did not take part.

Membership (in millions)	Sept 2016	Sept 2015	% Change
Chile	1.7	1.8	-2.7%
Mexico	7.2	6.2	17.5%
Peru	2.0	2.0	-0.6%
Uruguay	0.3	0.3	1.3%
Colombia	4.2	4.0	2.9%
El Salvador	1.5	1.4	4.8%
Total	17.0	15.8	7.7%

Wage base

The Basic Wage, the chief indicator used for plotting the value of the Company's mandatory pension business (except in the case of Mexico) recorded year-on-year increases of 10.1% at real exchange rates and 3.7% at constant exchange rates, mirroring a better earning power and job quality on the part of our fund members. All this in spite of the external shocks affecting our economies due mainly to factors relating to lower international commodity prices, the economic slowdown of the region's main trade

partners and the social-political challenges faced by neighboring economies, all of which are hampering growth within the region.

YTD Wage Base	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	29,124,149	26,110,274	11.5%	2.1%
Peru	19,027,315	17,460,443	9.0%	0.7%
Uruguay	2,779,194	2,479,811	12.1%	11.6%
Protección	25,913,044	24,268,767	6.8%	6.8%
El Salvador	6,078,040	4,998,574	21.6%	4.7%
Total	82,921,742	75,317,869	10.1%	3.7%

Figures stated in COP millions

AUM - Mandatory Pension Business

AUM for our Mandatory Pension Business continued to perform well in all those countries where we are present. Upon excluding the exchange rate effect, the total growth in AUM would have reached 12.1%

AUM - Mandatory Pension Business	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	97,221,853	92,209,544	5.4%	6.8%
Mexico	62,215,340	65,919,773	-5.6%	16.1%
Peru	46,110,972	44,762,272	3.0%	16.3%
Uruguay	6,412,905	5,721,723	12.1%	17.2%
Colombia	70,560,573	61,939,077	13.9%	13.9%
El Salvador	12,481,545	12,309,138	1.4%	8.7%
Total	295,003,187	282,861,527	4.3%	12.1%

Figures stated in COP millions

VOLUNTARY PENSION BUSINESS

Voluntary Segment

Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects

Fee and commission income	118.045	103.371	14.2%	9.2%
Other investment income	673	570	18.0%	8.0%
Other gains and losses at fair value	875	122	619.4%	564.8%
Income from reserve requirement	2.584	1.004	157.4%	143.1%
Income (expense) via equity method	9.996	8.905	12.3%	12.3%
Other operating revenue	(293)	1.447	-120.3%	-118.6%
Operating revenue	131.879	115.418	14.3%	9.5%
Gross premiums	669.843	505.956	32.4%	21.2%
Premiums ceded to reinsurers	(3,545)	(244)	1353.5%	1256.1%
Net premiums	666.298	505.712	31.8%	20.6%
Income from reserve investments	23.174	120.665	-80.8%	-82.4%
Earnings at fair value from reserve investments	79.639	2.463	3133.3%	2888.0%
Claims	(301,052)	(175,588)	71.5%	57.0%
Movement in premium reserves	(409,434)	(396,387)	3.3%	-5.4%
Total insurance margin	58.625	56.865	3.1%	-5.4%
Selling expense	(105,097)	(76,842)	36.8%	28.4%
Deferred acquisition costs (DAC)	7.110	9.356	-24.0%	-30.4%
Operating and administrative expense	(116,150)	(118,727)	-2.2%	-7.7%
Wealth tax	(53)	(36)	46.0%	45.3%
Total operating expense	(214,189)	(186,250)	15.0%	8.5%
Operating earnings	(23,686)	(13,967)	69.6%	56.8%
Financial income	2.587	1.293	100.1%	99.6%
Financial expense	(1,323)	(2,662)	-50.3%	-53.5%
(Expense) income from financial derivatives	54	0		
(Expense) income on exchange differences	(3,387)	165	-2148.6%	-2057.6%
Earnings before income tax	(25,755)	(15,171)	69.8%	56.3%
Income Tax	6.002	6.240	-3.8%	-9.0%
Net income (losses) for the year	(19,753)	(8,930)	121.2%	99.9%

Voluntary Segment Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	38.610	44.957	-14.1%	-11.0%
Other investment income	366	476	-23.0%	-28.6%
Realized gains on financial assets held for sale	0	0		

Other gains and losses at fair value	118	41	187.8%	199.4%
Income from reserve requirement	1.670	(154)	-1182.9%	-973.1%
Income (expense) via equity method	2.324	3.074	-24.4%	-24.4%
Other operating revenue	95	1.723	-94.5%	-95.0%
Operating revenue	43.183	50.116	-13.8%	-11.3%
Gross premiums	227.177	241.820	-6.1%	-9.9%
Premiums ceded to reinsurers	(1,204)	(168)	615.7%	601.7%
Net premiums	225.973	241.652	-6.5%	-10.3%
Income from reserve investments	28.007	44.754	-37.4%	-39.3%
Earnings at fair value from reserve investments	62.055	974	6274.4%	6274.6%
Claims	(108,429)	(93,494)	16.0%	10.2%
Movement in premium reserves	(188,269)	(168,976)	11.4%	7.3%
Total insurance margin	19.338	24.908	-22.4%	-23.9%
Selling expense	(35,471)	(28,523)	24.4%	25.8%
Deferred acquisition costs (DAC)	1.856	5.988	-69.0%	-70.5%
Operating and administrative expense	(30,891)	(60,151)	-48.6%	-47.8%
Wealth tax	(17)	(13)	31.1%	36.1%
Total operating expense	(64,523)	(82,698)	-22.0%	-20.7%
Operating earnings	(2,002)	(7,674)	-73.9%	-70.6%
Financial income	1.391	721	92.9%	99.3%
Financial expense	577	(997)	-157.9%	-155.9%
(Expense) income from financial derivatives	(150)	0		
(Expense) income on exchange differences	(5,389)	14	-38913.4%	-66793.5%
Earnings before income tax	(5,573)	(7,936)	-29.8%	-27.7%
Income Tax	4.812	1.305	268.8%	281.8%
Net income (losses) for the year	(761)	(6,631)	-88.5%	-85.0%

Our voluntary pension business performed well during this past quarter having achieved important growths in revenues. This was mainly due to fee and commission income increasing by 9.2% at constant exchange rates as well as a growth of 5.4% in the total insurance margin. Operating expense rose by 8.5%, which represents a higher loss compared to last year.

Commission income

This account recorded a 9.2% increase in local currency thanks to a rise of 20.0% in AUM corresponding to our Voluntary Pension business. This represented a growth in the net fund flow indicator of 59.8%, given higher levels of growth in the Voluntary Pension business in Peru given the new role and remuneration system for voluntary savings (APV in Spanish) as well as the passing of a new law permitting fund members to withdraw up to 95.5% of their pension savings. Said legislation has helped us to obtain part of the funds

that have been withdrawn from other fund managers as well as the effect of a new securities brokerage firm making its debut in Peru and Uruguay.

As for AUM on an individual country basis, Peru and Uruguay posted increases of 94.6% and 81.6% respectively.

Commission income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	60.877	50.454	20.7%	10.4%	18.911	19.632	-3.7%	-6.3%
Mexico	47.448	45.260	4.8%	6.0%	15.675	21.963	-28.6%	-20.6%
Peru	8.625	7.020	22.9%	13.5%	3.616	3.096	16.8%	17.3%
Uruguay	999	638	56.7%	56.0%	408	265	54.2%	58.6%
Colombia	95	-			0	-		
Total	118.045	103.371	14.2%	9.2%	38.610	44.957	-14.1%	-11.0%

Figures stated in COP millions

Net premiums

Net premiums corresponding to life insurance policies incorporating savings plans, 95% of which are held in an investment fund, rose by 20.6% at constant exchange rates on a year-on-year basis. These products are offered mainly in Chile.

Net premiums - policies w/ savings plans	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	616.015	485.448	26.9%	16.1%	207.944	244.905	-15.1%	-19.1%
Mexico	1.153	441	161.2%	164.1%	(37)	441		-100.0%
Peru	49.131	19.823	147.8%	129.0%	18.066	(3,694)		
Total	666.298	505.712	31.8%	20.6%	225.973	241.652	-6.5%	-10.3%

Figures stated in COP millions

Operating Expense

Operating expense came to COP 214.189 million, showing a 8.5% growth at constant exchange rates.

This included an increase in selling expense of 36.9% also at constant exchange rates. This was mainly due to higher personnel expense in Peru given higher sales and the required increase in sales staff to handle the effects of new legislation allowing fund members to withdraw 95% of their pensions. Also, a new stock brokerage firm, Sociedad Agente de Bolsa, was set up in Peru, giving rise to additional expense being reported for 2016.

In Uruguay the rise in operating expense obeys a 13.8% increase in selling expense.

Total operating expense	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(106,754)	(103,806)	2.8%	-5.9%	(28,825)	(45,163)	-36.2%	-38.3%
Mexico	(51,500)	(49,898)	3.2%	4.4%	(17,946)	(24,628)	-27.1%	-19.4%
Peru	(46,681)	(25,976)	79.7%	66.1%	(14,280)	(10,139)	40.8%	45.5%
Uruguay	(7,006)	(6,570)	6.6%	6.2%	(2,431)	(2,768)	-12.2%	-9.9%
Corporate	(2,248)	-			(1,041)	-		
Total	(214,189)	(186,250)	15.0%	8.5%	(64,523)	(82,698)	-22.0%	-20.7%

Figures stated in COP millions

Net Income

The net loss in this business has risen by 99.9% at constant exchange rates, and although there has been a steady stream of fee and commission income and our total insurance margin has risen significantly, we have not been able to offset the growth in our operating expense.

Also, since we are still a growing business, the growth in sales and administrative expense has outweighed the growth in revenues in some countries, especially since we have expanded our sales forces and opened up new lines of business for the purpose of supplementing our entire range of products. Selling expense is expected to improve as a result of changes made throughout the year to our sales structure. The purpose of this restructuring initiative is to make our sales force that much more efficient and reduce acquisition costs for our voluntary pension and savings business.

Net Income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects

							ge effects
Chile	2.954	(5,675)			8.554	4.083	109.5% 78.1%
Mexico	(1,433)	(1,645)	-12.9%	-11.9%	(1,149)	(2,181)	-47.3% -46.7%
Peru	(23,918)	(5,102)	368.8%	333.2%	(7,476)	(9,322)	-19.8% -25.2%
Uruguay	(5,835)	(5,413)	7.8%	7.3%	(2,031)	(2,285)	-11.1% -8.8%
Colombia	658	-			(7,014)	(5,831)	20.3% 20.3%
Corporate	7.821	8.905	-12.2%	-12.2%	8.355	8.905	-6.2% -6.2%
Total	(19,753)	(8,930)	121.2%	99.9%	(761)	(6,631)	-88.5% -85.0%

Figures stated in COP millions
Colombia: Equity method applied to AFP Protección and AFP Crecer

AUM - Voluntary Pension Business

Assets Under Management, including those of AFP Protección and AFP Crecer, came to COP 27.2 billion (USD 9.4 billion) for a year-on-year growth of 20.0% at constant exchange rates. This is mainly accounted for by a 59.8% rise in net fund flows so far this year reaching COP 2.6 billion (USD 831 million) as well as an increase in returns of 148.5% on a YTD basis amounting to COP 1.3 billion (USD 438 million)

These assets belong to a total of 912.172 clients in Latin America, broken down as follows:

AUM - Voluntary Pension Business	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	9,280,568	8,165,160	13.7%	15.1%
Mexico	9,677,039	10,064,781	-3.9%	18.3%
Peru	2,384,357	1,384,123	72.3%	94.6%
Uruguay	140.404	80.888	73.6%	81.6%
Colombia	5,683,764	5,097,126	11.5%	11.5%
Total	27,166,133	24,792,078	9.6%	20.0%

Figures stated in COP millions

Clients

Clients of our Voluntary Pension Business (in thousands)	Sept 2016	Sept 2015	% Change
Chile	400.9	376.1	6.6%
Mexico	175.8	145.5	20.8%
Peru	40.4	35.3	14.3%

Uruguay	9.8	5.9	66.0%
Colombia	285.4	263.1	8.5%
Total	912.2	825.9	10.4%

Net fund flows

The net fund flow indicator (used to gauge the growth in AUM) for our voluntary pension and savings business rose by 59.8%, in local currency on a year-on-year basis, given the amount of new deposits obtained through the portfolio purchased by the new stock brokerage firm in Peru from GPI Valores in February. Upon excluding the effect of this portfolio purchase, growth would have reached 41.2%.

In Mexico, the increase in net voluntary pension fund flows came to 15%, with retail funds rising by 67.1%, especially in terms of the institutional funds which have risen as much as 92.5%, these including the Chubb reserve in August and other important flows, as well as certain savings funds such as Genterra and OMA were shut down.

Uruguay also saw an important growth in its net fund flow indicator as a result of an improved performance of its investments, which has attracted many new clients, along with the start up of a new securities brokerage firm.

The decline posted by the other countries was mainly caused by market volatility which is driving clients towards more conservative options.

Net Flow - Voluntary Pension Business	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	805.686	856.305	-5.9%	-4.7%	648.193	573.295	13.1%	20.1%
Mexico	720.049	531.362	35.5%	66.7%	538.679	280.691	91.9%	168.3%
Peru	699.836	55.723			342.976	32.102	968.4%	
Uruguay	59.189	36.724	61.2%	68.6%	55.622	22.308	149.3%	178.5%
Colombia	108.497	136.597	-20.6%	-20.6%	67.927	72.298	-6.0%	-6.0%
Total	2,393,257	1,616,711	48.0%	59.8%	1,653,397	980.694	68.6%	95.0%

Figures stated in COP millions

Returns

Returns on Assets Under Management rose by 148.5% at constant rates compared to the same period last year, thanks to an improvement in market performance in almost all those countries where we are present, especially in Peru. The Lima Stock Exchange Index rose by 1.10% in September, thereby completing an increase of 55.32% on a YTD basis, making this one of the most profitable exchanges on a global level.

This situation was mainly due to soaring prices of metal and mining stocks, particularly in September with copper.

	YTD	Quarter
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Returns on Voluntary Pension Business	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	146.140	311.336	-53.1%	-52.4%	237.576	128.497	84.9%	113.9%
Mexico	528.177	332.579	58.8%	95.4%	376.328	258.838	45.4%	89.8%
Peru	217.954	-27.339			220.173	-10.410		
Uruguay	4.494	6.289	-28.6%	-25.3%	1.128	4.849	-76.7%	-79.6%
Colombia	364.628	-51.764			196.981	-21.964		
Total	1,261,392	571.101	120.9%	148.5%	1,032,186	359.810	186.9%	258.8%

Figures stated in COP millions

INSURANCE BUSINESS WITH PROTECCION

Insurance segment - Protección

From January 1st to September 30th

Main figures

(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	311.9	168.3	85.3%	60.6%
Other investment income	10.8	5.2	106.1%	77.5%
Other gains and losses at fair value	-	-		
Income from reserve requirement	-	-		
Income (expense) via equity method	78.4	234.3	-66.6%	-66.6%
Other operating revenue	1,020.9	1,114.8	-8.4%	-12.2%
Operating revenue	1,422.0	1,522.7	-6.6%	-11.0%
Gross premiums	228,693.9	220,970.4	3.5%	-1.3%
Premiums ceded to reinsurers	(47,415.7)	(32,405.4)	46.3%	41.8%
Net premiums	181,278.2	188,564.9	-3.9%	-8.6%
Income from reserve investments	8,093.6	61,391.2	-86.8%	-87.9%
Earnings at fair value from reserve investments	396.9	(37,976.5)	-101.0%	-101.0%
Claims	(124,448.7)	(136,498.5)	-8.8%	-14.1%
Movement in premium reserves	5,789.7	(8,414.1)	-168.8%	-168.0%
Total insurance margin	71,109.7	67,067.1	6.0%	1.3%
Selling expense	(34,839.2)	(34,916.6)	-0.2%	-3.1%
Deferred acquisition costs (DAC)	409.2	81.3		
Operating and administrative expense	(44,641.6)	(41,009.0)	8.9%	1.8%
Wealth tax	0.4	(0.3)	-275.0%	-274.2%
Total operating expense	(79,071.1)	(75,844.5)	4.3%	-0.8%

Operating earnings	(6,539,4)	(7,254,7)	-9.9%	-17.2%
Financial income	371.1	266.6	39.2%	32.3%
Financial expense	(567,2)	4,664.9	-112.2%	-111.1%
(Expense) income from financial derivatives	6.8	(4,327,7)	-100.2%	-100.1%
(Expense) income on exchange differences	(709,7)	58.4	-1315.4%	-1267.5%
Earnings before income tax	(7,438,4)	(6,592,6)	12.8%	3.7%
Income Tax	2,739.5	(2,554,7)	-207.2%	-205.1%
Net income (losses) for the year	(4,699,0)	(9,147,2)	-48.6%	-51.9%

Insurance segment - Protección Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	107	76	40.0%	36.2%
Other investment income	4	3	51.0%	42.3%
Other gains and losses at fair value	0	0		
Income from reserve requirement	0	0		
Income (expense) via equity method	28	26	8.9%	8.9%
Other operating revenue	329	(3,934)	-108.4%	-107.7%
Operating revenue	468	(3,829)	-112.2%	-111.1%
Gross premiums	67.601	64.369	5.0%	14.3%
Premiums ceded to reinsurers	(14,382)	(11,578)	24.2%	32.3%
Net premiums	53.218	52.791	0.8%	10.3%
Income from reserve investments	3.309	68.281	-95.2%	-95.5%
Earnings at fair value from reserve investments	(183)	(66,687)	-99.7%	-99.8%
Claims	(36,196)	(40,042)	-9.6%	-1.7%
Movement in premium reserves	9.463	(1,027)	-1021.8%	-938.1%
Total insurance margin	29.612	13.316	122.4%	159.8%
Selling expense	(10,530)	(11,167)	-5.7%	3.4%
Deferred acquisition costs (DAC)	152	(2,497)	-106.1%	-105.7%
Operating and administrative expense	(19,318)	(229)	8346.8%	-1319.6%
Wealth tax	(0)	(0)	-30.4%	-27.0%
Total operating expense	(29,697)	(13,892)	113.8%	155.0%
Operating earnings	383	(4,405)	-108.7%	-106.1%
Financial income	179	120	48.8%	45.1%
Financial expense	(172)	1.734	-109.9%	-109.9%
(Expense) income from financial derivatives	(19)	(3,821)	-99.5%	-99.5%
(Expense) income on exchange differences	(812)	(4,977)	-83.7%	-85.5%

Earnings before income tax	(440)	(11,349)	-96.1%	-95.7%
Income Tax	1.268	(1,732)	-173.2%	-175.8%
Net income (losses) for the year	828	(13,081)	-106.3%	-105.1%

Net premiums

Net premium revenues in Chile, Mexico and Peru reached COP 181.278 billion, (USD 62.9 million) for a year-on-year decline of 8.6% at constant exchange rates. This decline was mainly due to several products at a run off stage and a lower amount of group policies being renewed.

Chile sustained a drop in its branches of traditional and group insurance and Peru's decline was due to its payment protection insurance, which did not affect this subsidiary's overall margin to any significant degree, given the product's inherently low profitability.

The increase recorded in Mexico was due to a greater amount of premiums being written in September.

Net premiums	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	80.011	74.261	7.7%	-1.4%	22.733	3.775	502.2%	
Mexico	90.950	70.595	28.8%	30.3%	28.675	21.658	32.4%	54.0%
Peru	10.317	43.709	-76.4%	-78.2%	1.810	27.358	-93.4%	-93.3%
Total	181.278	188.565	-3.9%	-8.6%	53.218	52.791	0.8%	10.3%

Figures stated in COP millions

Reserves

Reserves are being released in both Peru, given the run off of products such as the disability and survivors insurance, as well as Chile with its individual and group insurance solutions, especially group payment protection insurance.

Reserve Movements	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(195)	(6,717)	-97.1%	-97.3%	7.563	4.408	71.6%	45.0%
Mexico	(5,623)	(7,079)	-20.6%	-19.7%	(2,345)	745		
Peru	11.608	5.382	115.7%	99.3%	4.244	(6,180)		

Total	5.790	(8,414)		9.463	(1,027)
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Figures stated in COP millions

Retained claims

Retained claims fell by 14.1% at constant exchange rates compared to the same period last year. The decline is due to a lower volume of premiums being written as well as contracts being terminated and insurance solutions with high claims rates being run-off.

Retained claims	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(57,073)	(57,779)	-1.2%	-9.6%	(18,657)	33		
Mexico	(55,263)	(37,281)	48.2%	49.9%	(17,065)	(15,368)	11.0%	25.8%
Peru	(12,112)	(41,439)	-70.8%	-73.0%	(474)	(24,708)	-98.1%	-97.5%
Total	(124,449)	(136,498)	-8.8%	-14.1%	(36,196)	(40,042)	-9.6%	-1.7%

Figures stated in COP millions

Insurance Margin: net premiums - reserves - claims + proceeds from investments

This indicator gauges the extent to which the insurance business contributes to the Company's income statement which in this case shows a growth of 1.3% in terms of constant exchange rates.

Total Insurance Margin	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	25.054	26.839	-6.7%	-14.6%	12.197	7.283	67.5%	67.8%
Mexico	34.056	28.290	20.4%	21.8%	11.398	7.937	43.6%	67.9%
Peru	11.997	11.938	0.5%	-7.1%	6.017	(1,904)		
Total	71.107	67.067	6.0%	1.3%	29.613	13.316	122.4%	159.8%

Figures stated in COP millions

Operating Expense

Operating expense showed a YTD decline of -0.8% at constant exchange rates. Here selling expense fell by 4.0% whereas operating and administrative expense rose by 1.8%.

The rise in operating expense in Mexico was due to increases of 40.9% in selling expense and 20.8% in administrative expense.

In Uruguay, operating expense rose given a 15.4% increase in selling expense since both here and in El Salvador a new insurance distribution business is being launched.

Total operating expense	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(33,440)	(34,461)	-3.0%	-11.2%	(16,646)	(2,815)	491.4%	727.6%
Mexico	(37,403)	(28,301)	32.2%	33.7%	(11,538)	(8,409)	37.2%	60.5%
Peru	(6,853)	(11,845)	-42.1%	-46.5%	(1,080)	(2,092)	-48.4%	-33.6%
Uruguay	(1,255)	(1,166)	7.7%	7.2%	(393)	(546)	-28.0%	-26.7%
El Salvador	(120)	(72)	66.1%	43.0%	(39)	(29)	31.4%	29.1%
Total	(79,071)	(75,844)	4.3%	-0.8%	(29,697)	(13,892)	113.8%	155.0%

Figures stated in COP millions

Net Income

The net loss recorded on a YTB basis for this business showed a decline on a year-on-year basis, given a lower insurance margin together with higher administrative and selling expense.

Net Income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(7,180)	(7,252)	-1.0%	-9.4%	(4,588)	(5,419)	-15.3%	-21.5%
Mexico	(1,996)	(1,325)	50.6%	52.3%	1,213	(2,107)		
Peru	5,079	240			4,386	(5,074)		
Uruguay	(812)	(1,112)	-27.0%	-27.3%	(259)	(534)	-51.6%	-50.7%
El Salvador	132	68	92.5%	65.8%	48	27	78.2%	74.9%
Colombia	78	234	-66.6%	-66.6%	28	26	8.9%	8.9%
Total	(4,699)	(9,147)	-48.6%	-51.9%	828	(13,081)		

Figures stated in COP millions

LIFE ANNUITY BUSINESS

Life Annuity Segment

Main figures

From January 1st to September 30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Other operating revenue	1.889	461	309.4%	281.5%
Operating revenue	1.889	461	309.4%	281.5%
Gross premiums	1,233,210	1,145,223	7.7%	0.6%
Premiums ceded to reinsurers	(0)	-		
Net premiums	1,233,210	1,145,223	7.7%	0.6%

Income from reserve investments	466.740	342.156	36.4%	27.3%
Earnings at fair value from reserve investments	67.383	36.478	84.7%	70.7%
Claims	(345,522)	(231,535)	49.2%	40.9%
Movement in premium reserves	(1,209,542)	(1,156,622)	4.6%	-2.5%
Total insurance margin	212.269	135.700	56.4%	45.0%
Selling expense	(17,793)	(12,133)	46.7%	35.0%
Deferred acquisition costs (DAC)	0	0		
Operating and administrative expense	(60,899)	(46,940)	29.7%	20.7%
Wealth tax	0	0		
Total operating expense	(78,692)	(59,073)	33.2%	23.7%
Operating earnings	135.466	77.089	75.7%	62.8%
Financial income	1.771	985	79.8%	67.8%
Financial expense	(1,869)	(5,978)	-68.7%	-71.3%
(Expense) income from financial derivatives	15.385	-		
(Expense) income on exchange differences	6.102	1.316	363.8%	328.6%
Earnings before income tax	156.855	73.411	113.7%	98.1%
Income Tax	(15,289)	(5,683)	169.1%	149.1%
Net income (losses) for the year	141.566	67.729	109.0%	93.8%

Life Annuity Segment Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Other operating revenue	2.059	1.488	38.4%	24.5%
Operating revenue	2.059	1.488	38.4%	24.5%
Gross premiums	386.947	451.472	-14.3%	-13.5%
Premiums ceded to reinsurers	(0)	-		
Net premiums	386.947	451.472	-14.3%	-13.5%
Income from reserve investments	194.115	136.634	42.1%	43.9%
Earnings at fair value from reserve investments	6.009	15.127	-60.3%	-55.1%
Claims	(118,817)	(78,599)	51.2%	59.0%
Movement in premium reserves	(376,686)	(470,890)	-20.0%	-19.7%
Total insurance margin	91.569	53.744	70.4%	71.4%
Selling expense	(6,593)	(5,466)	20.6%	16.0%
Operating and administrative expense	(19,721)	(14,284)	38.1%	47.1%
Wealth tax	-	-		

Total operating expense	(26,314)	(19,749)	33.2%	37.9%
Operating earnings	67.314	35.483	89.7%	87.2%
Financial income	(1,231)	862	-242.8%	-228.6%
Financial expense	(667)	(1,521)	-56.1%	-54.0%
(Expense) income from financial derivatives	3.241	-		
(Expense) income on exchange differences	(84)	288	-129.1%	-116.7%
Earnings before income tax	68.573	35.112	95.3%	92.6%
Income Tax	(9,311)	(1,488)	525.7%	559.2%
Net income (losses) for the year	59.261	33.623	76.3%	73.6%

Net premiums

Net premium income in Chile, Mexico and Peru reached COP 1.2 billion, (USD 428.2 million) for a year-on-year growth of 0.6% at constant exchange rates. In Peru, the decline in written premiums has been due to the new legislation allowing for 95.5% of all pension funds to be withdrawn. This has led to the life annuity market shrinking by 36%, but in spite of this we continue to hold a 18.8% share of the market.

	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	823.977	678.584	21.4%	11.1%	248.994	264.817	-6.0%	-8.6%
Mexico	233.280	214.308	8.9%	10.1%	88.804	79.200	12.1%	26.0%
Peru	175.953	252.332	-30.3%	-35.6%	49.149	107.455	-54.3%	-53.1%
Total	1,233,210	1,145,223	7.7%	0.6%	386.947	451.472	-14.3%	-13.5%

Figures stated in COP millions

These assets belong to a total of 156.990 clients in Latin America, broken down as follows:

Insurance policy-holders (in thousands)	Sept 2016	Sept 2015	% Change
Chile	43.4	44.9	-3.3%
Mexico	52.6	77.6	-32.3%
Peru	57.3	56.4	1.5%
Uruguay	0.1	0.0	
Colombia	2.5	2.1	20.8%
El Salvador	1.2	2.3	-49.4%
Total	157.0	183.3	-14.4%

Including holders of life annuities and insurance policies incorporating savings plans and mortgage arrangements with Protección

The decline in Mexico and El Salvador is due to having debugged the client data bases and consolidated the CRM information

Reserves

Reserves fell by 2.5% at constant exchange rates given the low growth in net premiums. The decline in Peru was caused by a lower volume of premiums being written compared to last year, given the passing of new legislation allowing the over 65s to withdraw up to 95.5% of their pension funds.

Reserve Movements	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(843,081)	(707,861)	19.1%	9.0%	(252,185)	(284,353)	-11.3%	-13.9%
Mexico	(217,772)	(195,138)	11.6%	12.9%	(87,237)	(79,026)	10.4%	22.6%
Peru	(148,690)	(253,624)	-41.4%	-45.8%	(37,264)	(107,511)	-65.3%	-64.2%
Total	(1,209,542)	(1,156,622)	4.6%	-2.5%	(376,686)	(470,890)	-20.0%	-19.7%

Figures stated in COP millions

Retained claims

Retained claims rose by 40.9% at constant exchange rates compared to the same period last year. This increase was mainly obtained in Chile and Peru.

Retained claims	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(106,363)	(56,359)	88.7%	72.7%	(39,190)	(23,124)	69.5%	63.7%
Mexico	(72,635)	(62,939)	15.4%	16.7%	(24,256)	(20,503)	18.3%	36.0%
Peru	(166,524)	(112,237)	48.4%	37.1%	(55,371)	(34,973)	58.3%	68.6%
Total	(345,522)	(231,535)	49.2%	40.9%	(118,817)	(78,599)	51.2%	59.0%

Figures stated in COP millions

Insurance Margin: net premiums - reserves - claims + proceeds from investments

This indicator gauges the extent to which the life annuity business contributes to the Company's income statement which in this case shows a growth of 45.0% in terms of constant exchange rates.

This increase was mainly due to the growth in investments underpinning the Company's reserves which rose by 41%. Chile recorded a 23.3% increase given the improved performance of its investment portfolio. Mexico recorded a growth of 71% , also given the improved performance of its investment portfolio as well as earnings on sales of

instruments, due to the recomposition of its portfolio in keeping with the Solvency II directive, which called for extending the matching between assets and liabilities from 26 to 30 years, which is why the pension fund management firm has begun to restructure its portfolio.

The growth in Peru came to 27%, also due to better market performance and non-recurring gains obtained on property appraisals.

Total Insurance Margin	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	62.034	53.451	16.1%	6.2%	30.028	15.911	88.7%	87.1%
Mexico	35.540	11.184	217.8%	221.4%	25.558	5.330	379.5%	408.6%
Peru	114.695	71.066	61.4%	49.1%	35.982	32.502	10.7%	12.0%
Total	212.269	135.700	56.4%	45.0%	91.569	53.744	70.4%	71.4%

Figures stated in COP millions

Operating Expense

Selling and administrative expense showed a YTD growth of 23.7% at constant exchange rates

The increase in Chile mainly consists of administrative expense, which increased by 141.7% given higher trade union expense, the amortization of pre-paid expense as well as other operating expense.

Total Operating Expense	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(31,695)	(18,603)	70.4%	55.9%	(9,976)	(4,110)	142.7%	151.7%
Mexico	(5,441)	(5,305)	2.6%	3.7%	(1,814)	(1,800)	0.8%	15.4%
Peru	(41,555)	(35,165)	18.2%	9.2%	(14,524)	(13,839)	4.9%	7.7%
Total	(78,692)	(59,073)	33.2%	23.7%	(26,314)	(19,749)	33.2%	37.9%

Figures stated in COP millions

Net Income

Net income for this business for showed a year-on-year growth of 93.8% at constant exchange rates, due to higher income obtained from investments underpinning reserves.

Net Income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	37.519	24.934	50.5%	37.7%	14.963	10.541	41.9%	36.6%
Mexico	23.472	5.269	345.5%	350.6%	17.615	2.905	506.4%	536.1%
Peru	80.575	37.525	114.7%	98.4%	26.684	20.178	32.2%	31.3%
Total	141.566	67.729	109.0%	93.8%	59.261	33.623	76.3%	73.6%

Figures stated in COP millions

CORPORATE SEGMENT

CORPORATE SEGMENT

Main figures

From January 1st to September 30th

(stated in COP millions)

	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	760	641	18.5%	9.5%
Other investment income	3.950	7.754	-49.1%	-53.0%
Other gains and losses at fair value	-	44	-100.0%	-100.0%
Income from reserve requirement	0	0		
Income (expense) via equity method	84	(57)	-245.7%	-245.7%
Other operating revenue	5.308	4.342	22.2%	12.6%
Operating revenue	10.102	12.724	-20.6%	-26.8%
Selling expense	(514)	(473)	8.7%	3.3%
Operating and administrative expense	(166,215)	(149,063)	11.5%	6.7%
Wealth tax	(56,400)	(63,733)	-11.5%	-11.5%
Total operating expense	(223,129)	(213,270)	4.6%	1.4%
Operating earnings	(213,027)	(200,545)	6.2%	3.3%
Financial income	7.191	1.615	345.3%	344.7%
Financial expense	(111,406)	(73,464)	51.6%	37.0%
(Expense) income from financial derivatives	38.899	(75,738)	-151.4%	-151.4%
(Expense) income on exchange differences	26.211	(52,081)	-150.3%	-152.7%
Earnings before income tax	(252,133)	(400,213)	-37.0%	-38.7%
Income Tax	(48,045)	(1,678)	2762.6%	5829.7%
Net income (losses) for the year	(300,178)	(401,892)	-25.3%	-27.1%

CORPORATE SEGMENT
Main figures

From June 30th to September 30th
(stated in COP millions)

QUARTER	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Fee and commission income	264	238	10.7%	14.5%
Other investment income	(1,596)	4,758	-133.5%	-128.3%
Other gains and losses at fair value	-	28	-100.0%	-100.0%
Income from reserve requirement	0	0		
Income (expense) via equity method	30	(57)	-151.6%	-151.6%
Other operating revenue	(99)	2,471	-104.0%	-103.1%
Operating revenue	(1,402)	7,438	-118.8%	-115.3%
Selling expense	(544)	(34)	1500.3%	1626.7%
Operating and administrative expense	(62,508)	(55,769)	12.1%	13.0%
Wealth tax	(22)	(0)	-	
Total operating expense	(63,073)	(55,803)	13.0%	13.9%
Operating earnings	(64,475)	(48,365)	33.3%	35.0%
Financial income	5,534	399	1286.7%	1374.8%
Financial expense	(41,926)	(27,137)	54.5%	53.2%
(Expense) income from financial derivatives	11,212	(55,509)	-120.2%	-120.2%
(Expense) income on exchange differences	(3,076)	(39,750)	-92.3%	-92.2%
Earnings before income tax	(92,731)	(170,362)	-45.6%	-44.6%
Income Tax	(13,114)	18,955	-169.2%	-172.3%
Net income (losses) for the year	(105,845)	(151,407)	-30.1%	-29.5%

Operating Expense

Operating expense rose by 1.4% at constant exchange rates,

with administrative expense showing an increase of 6.7%. The Corporate segment in Colombia represents the lion's share of this expense, given the wealth tax and surtaxes recorded in this account for a value of COP 56.400 million (USD 19.6 million), for a drop of 11.5%, all of which was posted in Q1 2016. Also COP 11.098 million (USD 3.6 million) in additional tax was recorded in the form of withholding tax on dividends received from Peru as well as contribution and membership expense.

In Chile, Mexico and Peru, 90% of this expense corresponds to the amortization of intangibles, specifically with regard to clients.

YTD

Quarter

Operating Expense	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(51,128)	(50,347)	1.5%	-7.1%	(24,098)	(23,188)	3.9%	-0.8%
Mexico	(27,472)	(28,568)	-3.8%	-2.7%	(9,050)	(9,921)	-8.8%	4.3%
Peru	(26,326)	(22,790)	15.5%	6.8%	(11,200)	(7,961)	40.7%	45.7%
Uruguay	(5,720)	(5,577)	2.6%	2.1%	(1,966)	(1,953)	0.7%	4.6%
Corporate and Others	(112,484)	(105,988)	6.1%	5.7%	(16,759)	(12,780)	31.1%	30.8%
Total	(223,129)	(213,270)	4.6%	1.4%	(63,073)	(55,803)	13.0%	13.9%

Figures stated in COP millions

Net Income

The net loss posted in this segment showed a decline of 27.1% at constant exchange rates

This was due to gains obtained on financial derivatives and favorable exchange differences produced by the appreciation of local currencies over recent months.

Financial expense also rose on higher debt, as recorded in the corporate segment.

The loss recorded in Chile rose as a result of exchange differences on investments held as part of the Company's own proprietary position.

The loss sustained in Peru, was due to the income tax rate going from 30% to 28% last year and amounts thereby recovered, the effect of which did not continue this year, hence the decline.

As for the corporate segment, the decrease in the overall loss was due to favorable exchange differences as well as derivative appraisals.

Net Income	YTD				Quarter			
	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects	Q3 2016	Q3 2015	% Change	% Change excl. foreign exchange effects
Chile	(65,865)	(15,093)	336.4%	299.4%	(27,243)	(1,723)		1808.9%
Mexico	(7,717)	(18,878)	-59.1%	-58.7%	(3,524)	(5,846)	-39.7%	-32.0%
Peru	(19,043)	7,969			(8,559)	(4,211)	103.3%	67.7%
Uruguay	(4,962)	(2,712)	82.9%	82.2%	(2,203)	(641)	243.8%	271.5%
Corporate and Others	(202,590)	(373,179)	-45.7%	-47.1%	(64,316)	(138,986)	-53.7%	-53.3%
Total	(300,178)	(401,892)	-25.3%	-27.1%	(105,845)	(151,407)	-30.1%	-29.5%

Figures stated in COP millions

RECURRING NET INCOME:

The following table in no way portrays the actual financial statements of SURA Asset Management but rather helps to demonstrate the effect of non-recurring items on the Company's net income.

The figures for each year are based on the exchange rates applicable for said periods.

<i>In millions of US dollars</i>	2012	2013	2014	2015	Sept. 2016
Net income - IFRS	336.8	238.2	204.7	183.2	168.7
Minority interest	-134.2	-5.2	-3.9	-5.7	-6.8
Net income - IFRS (excl. minority interest)	202.7	233.0	200.9	177.5	161.9
Adjustments for non-recurring expense					
Wealth tax payable on the part of Sura AM - Colombia				-23.3	-18.5
Dividends - Protección			17.4		
Impact of wealth tax on equity method applied to Protección				-2.5	-2.0
Issue of international bonds			-11.0		
Bank Guarantee		-33.2			
Reversal of provision set up by Sura-AM Colombia				23.2	
Recurring net income - IFRS	202.7	266.2	194.5	180.2	182.5
Non-cash items					
Amortization of Intangibles (ING and Invita)	-52.9	-54.5	-54.5	-41.2	-28.4
Deferred tax on intangibles (ING and Invita)	13.9	14.3	-14.0	19.7	7.6
Amortization of intangibles (Horizonte)		-5.8	-8.79	-7.14	-5.15
Deferred tax on intangibles (Horizonte)		1.7	2.6	2.0	1.4
Income (expense) on exchange difference	-3.3	37.4	10.1	25.2	9.6
Income (expense) from derivatives	0.0	0.0	-26.2	-30.0	17.7
Net income after non-recurring and non-cash items	245.0	273.1	285.3	211.7	179.6
Returns on reserve requirement*	84.1	30.8	75.6	27.2	37.6
Net income after non-recurring and non-cash items - EXCL RESERVE RQMT	160.9	242.3	209.7	184.5	142.0
"Excluding Protección's reserve requirement"					
Equity	3,935.3	3,927.8	3,729.3	2,875.0	2,933.9
Reserve Requirement		486.0	678.9	617.2	692.6
Equity excl. reserve requirement	3,935.3	3,441.8	3,050.4	2,257.8	2,241.3

Return on equity excl. reserve requirement	4.1%	7.0%	6.9%	8.2%	8.4%
Return on reserve requirement		6.3%	11.1%	4.4%	7.2%

Attachments

EBITDA per Individual Business

EBITDA - Mandatory Pension Business	Sept 2016	Sept 2015	% Change	% Change excl. foreign
Chile	314,103.4	280,306.2	12.1%	2.6%
Mexico	308,875.6	271,427.9	13.8%	15.1%
Peru	241,801.1	167,734.3	44.2%	33.2%
Uruguay	38,617.5	35,208.1	9.7%	9.2%
Protección	66,219.0	56,474.4	17.3%	17.3%
Total	969,616.6	811,151.0	19.5%	14.3%
Reserve Requirement	112,581.1	14,185.4	693.6%	575.6%
EBITDA (excl. reserve rqmt)	857,035.5	796,965.6	7.5%	3.1%

Figures stated in COP millions

EBITDA - Voluntary Pension Business	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	4,220.4	(7,535,1)		
Mexico	(205,4)	(1,541,6)	-86.7%	-86.5%
Peru	(22,196,4)	(1,355,9)		
Uruguay	(5,568,2)	(4,891,1)	13.8%	13.4%
Protección	8,524.2	8,904.7	-4.3%	-4.3%
Total	(15,225,3)	(6,419,0)	137.2%	110.5%

Figures stated in COP millions

EBITDA Insurance Business with Protección	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	(6,742,3)	(5,445,9)	23.8%	13.3%
Mexico	(2,562,5)	774.6		
Peru	5,916.4	521.3		948.8%
Uruguay	(1,114,9)	(1,108,8)	0.5%	0.1%
Corredora Salvador	171.8	88.9	93.4%	92.5%
Protección	78.4	234.3	-66.6%	-66.6%
Total	(4,253,1)	(4,935,6)	-13.8%	-21.4%

Figures stated in COP millions

EBITDA Life Annuities	Sept 2016	Sept 2015	% Change	% Change excl. foreign exchange effects
Chile	31,895.6	35,990.1	-11.4%	-18.9%
Mexico	30,222.4	6,064.0	398.4%	404.1%
Peru	77,483.8	38,805.6	99.7%	84.5%
Total	139,601.8	80,859.7	72.6%	59.9%

Figures stated in COP millions

ROE

Sura Asset Management's consolidated ROE came to 8.7%. If we were to adjust net income by unwinding the amortization of intangible assets, ROE would have come to 9.8%

The pension fund management firms in the various countries are producing positive returns, given the maturity and robustness of their respective businesses. On the other hand, some life insurance companies and mutual fund management firms are still producing negative returns, since they are so new and still at an incipient stage

Sector	Company	Country	ROE
Pension fund management firms	AFP Capital	Chile	13.1%
	AFORE SURA	Mexico	20.2%
	AFP Integra	Peru	22.2%
	AFAP SURA	Uruguay	50.0%
	AFP Proteccion	Colombia	20.9%

ROE corresponding to Chile, Mexico and Peru has been adjusted for the amortization of intangible assets

Sector	Company	Country	ROE
Voluntary pensions	Administradora General de Fondos S.A.	Chile	49.3%
	Stock brokerage firms	Chile	7.4%

Sector	Company	Country	ROE
Insurance & Life Annuities	Life Insurance	Chile	5.6%
	Life Insurance	Mexico	N/A
	SURA Pensions	Mexico	14.3%
	SURA Insurance	Peru	19.8%
	Insurance Brokerage Firm	Uruguay	N/A

	Insurance Brokerage Firm	El Salvador	48.8%
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AUM Performance Comparison - SURA versus the Rest of the Industry

Chile	AUM - SURA	AUM - The Rest of the Industry	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
Mandatory Pension Funds	32.274	161.932	19.9%	4 / 6	2.0%	5.2%	7.5%	9.5%
Voluntary Pension Funds	872	6.315	13.8%	3 / 6	-2.1%	11.7%	-1.9%	8.9%
Life Insurance	868	4.476	19.4%	1 / 17	25.4%	21.5%	31.6%	22.2%
Life Annuities	1.103	38.345	2.9%	11 / 17	54.2%	13.0%	141.4%	11.1%
Mutual Funds	1.594	43.568	3.7%	11 / 18	32.5%	5.0%	33.9%	9.1%
Banking	-	136.028	0.0%	0 / 24	N/A	9.9%	N/A	12.1%
Total	36.712	390.664	9.4%	4 / 37	4.5%	7.7%	8.8%	10.6%

AUM in the case of Insurance and Annuities correspond to reserves; in the case of Banking these are term deposits and savings accounts

CAGR: Compound average growth rate In the case of Annuities, CAGR is calculated from when the product was launched 30 months ago

Sura AM is ranked in No. 4 position in the savings industry (excluding the banking industry) with a market share of 14.5%

Mexico	AUM - SURA	AUM - The Rest	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
Mandatory Pension Funds	21.393	143.514	14.9%	3 / 11	7.3%	8.7%	15.2%	15.0%
Voluntary Pension Funds	227	4.216	5.4%	4 / 11	32.4%	20.8%	53.0%	38.7%
Life Insurance	8	22.530	0.0%	25 / 39	-16.4%	6.4%	12.7%	14.3%
Life Annuities	448	11.835	3.8%	7 / 9	10.6%	4.8%	11.1%	12.7%
Mutual Funds	2.162	112.604	1.9%	10 / 28	8.9%	5.9%	12.3%	11.4%
Banking	0	84.978	0.0%	0 / 39	N/A	8.4%	N/A	6.3%
Total	24.240	379.678	6.4%	6 / 78	7.7%	7.7%	17.3%	19.9%

Voluntary pensions include social security funds

* AUM in the case of Insurance and Annuities correspond to reserves; in the case of Banking these are term deposits and savings accounts

*Voluntary pensions include social security funds

* Sura AM is ranked in No. 5 position in the savings industry (excluding the banking industry) with a market share of 8.3%

Peru	AUM - SURA	AUM - The Rest	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
Mandatory Pension Funds	15.811	39.227	40.3%	1 / 4	5.1%	6.2%	13.6%	7.4%
Voluntary Pension Funds	65	193	33.7%	2 / 4	1.0%	-0.9%	1.4%	-4.3%
Life Insurance	91	648	14.1%	3 / 9	19.4%	17.1%	15.3%	14.6%
Life Annuities	1.162	5.632	20.6%	3 / 7	12.0%	13.1%	14.0%	17.6%
Mutual Funds	289	6.705	4.3%	5 / 7	9.1%	10.2%	4.6%	6.1%
Banking	-	44.065	0.0%	0 / 16	N/A	9.7%	N/A	11.8%
Municipal and rural savings banks								
Total	17.418	96.470	18.1%	3 / 26	5.7%	8.5%	13.4%	9.8%

* AUM in the case of Insurance and Annuities correspond to reserves; In the case of Banking these are term deposits and savings accounts

* SURA AM leads the savings industry (excluding the banking industry with a market share of 33.3%

Colombia	AUM - SURA	AUM - The Rest	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
Mandatory Pension Funds	21.983	60.551	36.3%	2 / 4	10.3%	10.3%	10.6%	11.0%
Voluntary Pension Funds	1.884	5.261	35.8%	1 / 9	6.6%	6.2%	8.6%	5.6%
Severance Funds	1.347	3.546	38.0%	2 / 4	9.7%	9.3%	7.4%	7.4%
Life Insurance	0	816	0.0%	0 / 18	N/A	12.8%	N/A	15.0%
Life Annuities	0	3.389	0.0%	0 / 10	N/A	20.5%	N/A	14.3%
Mutual Funds	0	19.636	0.0%	0 / 39	N/A	-2.9%	N/A	14.2%
Banking	0	92.750	0.0%	0 / 23	N/A	14.7%	N/A	16.4%
Total	25.214	185.950	13.6%	2 / 26	10.0%	10.9%	10.3%	13.7%

Uruguay	AUM - SURA	AUM - The Rest	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
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Mandatory Pension Funds	2.010	11.266	17.8%	2 / 4	16.1%	17.4%	18.6%	18.7%
Mutual Funds	31	31			17.8%	46.4%	186.7%	186.7%
Banking	0	5.931				25.1%		14.1%
Total	2.041	17.931	11.4%	3 / 16	16.4%	20.5%	18.9%	17.3%

El Salvador	AUM - SURA	AUM - The Rest	Market Share	Position / Total	YoY Growth - SURA	YoY Growth - The Rest	5-YR CAGR - SURA	5-YR CAGR - The Rest
Mandatory Pension	4.195	8.923	47.0%	2 / 2	7.4%	6.9%	9.1%	8.7%
Banking	0	7.651		0 / 13	N/A	7.7%	N/A	0.7%
Total	4.195	16.575	25.3%	2 / 14	7.2%	7.3%	9.6%	4.6%

Accounting Equivalences - Income Statement

The following is a glossary of accounts reported by Grupo Sura in its Consolidated Income Statements and their equivalences as reported by SURA Asset Management

GRUPO SURA's CONSOLIDATED INCOME STATEMENT	SURA AM's CONSOLIDATED INCOME STATEMENT
Written premiums	Gross premiums
Ceded premiums	Premiums ceded to reinsurers
Retained premiums (net)	Net premiums
Commission income	Fee and commission income
Revenues on services rendered	Other operating revenue
Dividends*	Other investment income + net realized gains and losses on available-for-sale financial assets + revenues from investments underpinning insurance reserves + financial income*
Investment income *	Other investment income + net realized gains and losses on available-for-sale financial assets + revenues from investments underpinning insurance reserves + financial income*
Gains (losses) at fair value	Other gains and losses at fair value + gains and losses on investments underpinning insurance reserves + income from reserve requirements + (expense) income from financial derivatives*
Gains (losses) via equity method from subsidiaries	Income (expense) via equity method

Gains (losses) on sale of investments*	Other investment income + net realized gains and losses on available-for-sale financial assets + revenue from investments underpinning insurance reserves + financial income*
Income on investment properties*	Other investment income + net realized gains and losses on available-for-sale financial assets + revenue from investments underpinning insurance reserves + financial income*
Other revenues	Other operating revenue
Total revenues	
Total claims	
Reimbursed claims	
Retained claims	Claims
Net production reserves	Movement in premium reserves
Cost of services rendered	Total operating expense *
Administrative expense *	Total operating expense *
Employee benefits *	Total operating expense *
Fees *	Total operating expense *
Brokerage commissions	Total operating expense *
Amortizations	Total operating expense *
Depreciation	Total operating expense *
Other expense	Total operating expense *
Interest	Financial expense
Exchange difference (net)	(Expense) income on exchange differences
Impairment *	Total operating expense *
Total expense	
Earnings (losses) before tax	
Income tax	Income Tax
Earnings (losses), net	Net income (losses) for the year
Earnings (losses) - parent company	Controlling interest
Earnings (losses) - non-controlling interest	Non-controlling interest

* Items are not reconciled on an individual basis, but rather as groups of several items, such as

Dividends + Investment income + Gains (losses) on sales of investments + Income from investment properties.	Other investment income + net realized gains and losses on available-for-sale financial assets + revenues from investments underpinning insurance reserves + financial income
Cost of services rendered + Administrative expense + Employee benefits + Fees + Brokerage Commissions + Amortizations + Depreciation + Other expense + Impairment	Total operating expense

SURA ASSET MANAGEMENT: Statement of Comprehensive Income and Sub-Consolidated Statement of Financial Position (Grupo Sura Format)

SURA Asset Management S.A. Statement of Comprehensive Income

From January 1st to September
30th
(stated in COP millions)

	Sept 2016	Sept 2015	% Change
Written premiums	2,131,747	1,872,150	13.9%
Ceded premiums	(50,961)	(32,649)	56.1%
Retained premiums (net)	2,080,787	1,839,500	13.1%
Commission income	1,413,615	1,310,739	7.8%
Revenues on services rendered	88	0	
Dividends	10.373	2.614	296.7%
Investment income	837.486	484.498	72.9%
Equity method - Associates	86.426	73.361	17.8%
Other revenues	9.503	15.560	-38.9%
Exchange difference (net)	29.268	(39,021)	
Total revenues	4,467,544	3,687,252	21.2%
Total claims	(771,023)	(543,622)	41.8%
Reimbursed claims	0	0	0.0%
Retained claims	(771,023)	(543,622)	41.8%
Adjustments to reserves	(1,613,187)	(1,561,423)	3.3%
Cost of services rendered	0	0	0.0%
Administrative expense	(966,164)	(899,341)	7.4%
Brokerage commissions	(147,181)	(118,918)	23.8%
Fees	(50,405)	(46,415)	8.6%
Other expense	0	0	0.0%
Interest	(117,321)	(82,631)	42.0%

Impairment	(5,138)	(750)	584.8%
Total expense	(3,670,419)	(3,253,101)	12.8%

Earnings before tax	797.125	434.152	83.6%
Income tax	(280,342)	(189,639)	47.8%
Net Income	516.783	244.513	111.4%
Earnings - parent company	495.947	232.574	113.2%
Earnings - non-controlling interest	20.836	11.939	74.5%

SURA Asset Management S.A.
Statement of Financial Position

At September 30th, 2016 and December 31st,
2015
(stated in COP millions)

	Sept 2016	December 2015	% Change
Cash and cash equivalents	395.527	423.963	-6.7%
Investments	14,459,655	13,473,618	7.3%
Accounts receivable	632.799	636.240	-0.5%
Technical insurance reserves - reinsurers	50.819	51.111	-0.6%
Current tax	265.728	151.630	75.2%
Deferred tax	237.893	247.912	-4.0%
Other assets	420.007	123.402	240.4%
Investment properties	891.224	750.668	18.7%
Property, plant and equipment	175.687	197.233	-10.9%
Goodwill	3,841,162	4,136,022	-7.1%
Identified intangible assets	3,179,113	3,502,330	-9.2%
Investments in associates	1,058,759	1,058,986	0.0%
Total assets	25,608,373	24,753,114	3.5%
Other financial liabilities	1,814,164	1,274,737	42.3%
Technical reserves	11,695,746	10,753,464	8.8%
Provisions for employee benefits	103.959	135.433	-23.2%
Other provisions	20.203	24.916	-18.9%
Accounts payable	410.351	381.042	7.7%
Current tax	273.442	162.184	68.6%
Issued securities	1,468,786	1,583,686	-7.3%
Other non-financial liabilities	64.265	64.119	0.2%
Deferred tax	1,307,525	1,318,736	-0.9%
Total liabilities	17,158,439	15,698,318	9.3%
Equity attributable to the owners of the parent company	8,272,512	8,885,052	-6.9%
Non-controlling interest	177.422	169.744	4.5%
Total equity	8,449,934	9,054,796	-6.7%
Total equity and liabilities	25,608,373	24,753,114	3.5%