

1Q - 2017

QUARTERLY NEWSLETTER



Grupo SURA displays consolidated revenues for COP 5 billion during Q1 of 2017 (+ 26.7%)

The subsidiaries of Grupo SURA - SURA Asset Management and Suramericana – displayed profit gains of 28.8% and 44.7%, respectively.

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HIGHLIGHTS OF THE QUARTER »



SURA Asset Management issued USD 350 million in international bonds

The placing reached a demand eight times the amount offered, which resources are destined to repay the Company's existing liabilities

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Grupo SURA signs an agreement with United Way and Dividendo por Colombia, in favor of the education and communities in Latin America.

The agreement was signed with the purpose of working together to identify and develop educational strategies.

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New Vice President of Corporate Affairs of Grupo SURA

Tatyana Orozco de la Cruz began her role last May 1, replacing Fernando Ojalvo Prieto, who worked at the Company until April 30 to enjoy his retirement.

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"Geociencias SURA" Magazine

The second edition of this publication will be published at the end of May, which will take a close look at the risks due to natural phenomena and the technology available to manage them.

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Grupo SURA gains shares of SURA Asset Management

Grupo SURA signed a shares purchase agreement to increase its shareholding in SURA Asset Management from 78.71% to 83.58%.

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Fundación SURA, present in Chile and Mexico

The incorporation process went through in these two countries of the region, for which US \$ 345,000 was allocated through Fundación SURA in Colombia, as an equity contribution.

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RESULTS OF MAJOR SUBSIDIARIES »

The quarterly results of both SURA Asset Management and Suramericana were positive.

SURA Asset Management maintains a positive revenue trend throughout its businesses, which led it to reach a consolidated net profit of COP 173,239 million (USD 60.1 million) in the quarter, up 28.8%, driven by the sound performance of the investments and a stringent control of its operating expenses.

The Company manages COP 356.1 billion (USD 123.4 billion) in assets, up 8.7% compared to the end of 2016. These resources belong to 19.2 million customers spread in 6 countries in Latin America.

On the other hand, Suramericana displayed a consolidated net profit of COP 145,325 million (USD 50.5 million), increasing 44.7% compared to the same quarter of 2016, maintaining a positive trend in the results of its insurance and social security operations in Colombia and Central America, while it makes satisfactory progress integrating the operations acquired from RSA in 2016.

This Company currently operates in 9 countries in the region. Thanks to this, 45% of its issued premiums derive from countries other than Colombia.

SURA ASSET MANAGEMENT

CONSOLIDATED NET INCOME »

COP 173,239
million

USD 60.1 million

Presence in 6 countries

SURAMERICANA

CONSOLIDATED NET INCOME »

COP 145,325
million

USD 50.5 million

Presence in 9 countries

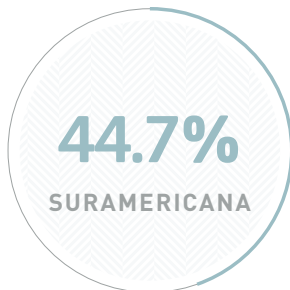


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INCREASE INCREASE IN PROFIT GAINS »



Grupo SURA presented to the market its Q1 2017 results, underlining the positive operational performance of its two subsidiaries: SURA Asset Management and Suramericana, which displayed profit gains of 28.8% and 44.7%, respectively. This trend enabled the Company to display consolidated revenues for COP 5.0 billion (USD 1.7 billion), climbing 26.7% compared to the same period in 2016.

On the other hand, the net profit of the Company amounted to COP 405,487 million (USD 140.8 million), down 19.9%. The explanation is two-fold: the exchange difference and a non-recurring provision which increased administrative expenses. By isolating both impacts, the net profit would have climbed 24.9%, backed by the results of the subsidiaries and by the increased equity method of the associates, which in turn allowed to counteract the larger financial expenses and the increased amortization of intangibles related to the acquisitions made in recent years.

The consolidated assets of Grupo SURA closed in March 2017 at COP 68.7 billion (USD 23.8 billion), up 1.2% compared to figures displayed in December, 2016. Equity set at COP 25.1 billion (USD 8.7 billion), down 1.2%, due to the registration of the payment of dividends and to the 0.5% increase of the minimum preferential dividend approved in the past General Assembly of Shareholders.

CONSOLIDATED INCOME GRUPO SURA »

COP 5 billion

▲ 26.7%



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STOCK PERFORMANCE »

The price of the ordinary share of GRUPOSURA on March 31, 2016, closed at COP 39,080, displaying an annual variation of -2.1% and a quarterly variation of 2.3%. The preferential share PFGRUPSURA closed at COP 38,200 with an annual variation of -2.6% and a quarterly variation of 3.2%.

HOW OUR SHARES HAVE PERFORMED ON THE COLOMBIAN STOCK EXCHANGE



◆ GRUPOSURA

39,080

Closure

◆ COLCAP

1,366

Closure

◆ PFGRUPOSURA

38,200

Closure

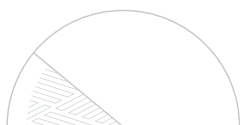
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INTERNATIONAL FUNDS

HAVING

21.8%

of total shares



	31-MAR-17	% VAR ANNUAL*	% VAR. QUART.*	31-DEC-16	31-MAR-16
GRUPOSURA (Pesos)	39,080	-2.1%	2.3%	38,200	39,900
PFGRUPSURA (Pesos)	38,200	-2.6%	3.2%	37,000	39,200
COLCAP (Points)	1,366	2.2%	1.0%	1,352	1,336

*Appreciation without dividend



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SURA ASSET MANAGEMENT ISSUED USD 350 MILLION IN INTERNATIONAL BONDS »

SURA Asset Management, a subsidiary of Grupo SURA and a pensions, savings and investments expert, issued international bonds for USD 350 million this past april, reaching a demand eight times the amount offered. This are destined to repay the Company's existing liabilities.

On one hand, the rating firm Fitch Ratings and Moody's granted the foregoing issue a BBB+ and a Baa1, respectively. In its report, Fitch Ratings sheds light on the fact that the Company properly manages its investments, with stable revenues and cash flows, and a sound experience in risk management. On the other hand, Moody's underlined that its rating stems from the fact that the Company would benefit from the favorable demographic aspects of the region, such as formal employments and wage increases. Both rating firms highlight the Company's leadership in Latin America.

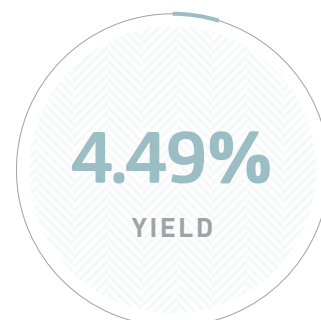
AMOUNT IN U.S. DOLLARS »

USD 350 million

Issuer: SURA ASSET MANAGEMENT S.A.

11-abr-17
Settlement Date

11-abr-27
Maturity Date



RATING »

Fitch BBB+
Stable

Moody's Baa1
Stable

UNDERWRITER BANKS »

Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. LL





**NEW VICE PRESIDENT OF
CORPORATE AFFAIRS OF
GRUPO SURA »**

Her capabilities, vast knowledge and experience in the public and private sector contribute to the development and growth of Grupo SURA.

The Board of Directors of Grupo SURA appointed Tatyana Orozco de la Cruz as its new Corporate Affairs Vice President, replacing Fernando Ojalvo Prieto, who worked at the Company until April 30 to enjoy his retirement.

Ms. Tatyana Orozco is an Economist from Universidad de los Andes, specialized in Marketing at Universidad del Norte and has a Masters in Development Management at the London School of Economics.

Her capabilities, vast knowledge and experience in the public and private sector, such as her role as the Director of the Social Prosperity Department, Director National Planning, Executive Director of Probarranquilla Foundation and of the Port Association of Barranquilla, among others, which strengthen her professional profile to contribute, hereafter, to the increased development and growth of Grupo SURA and its subsidiaries in Latin America.



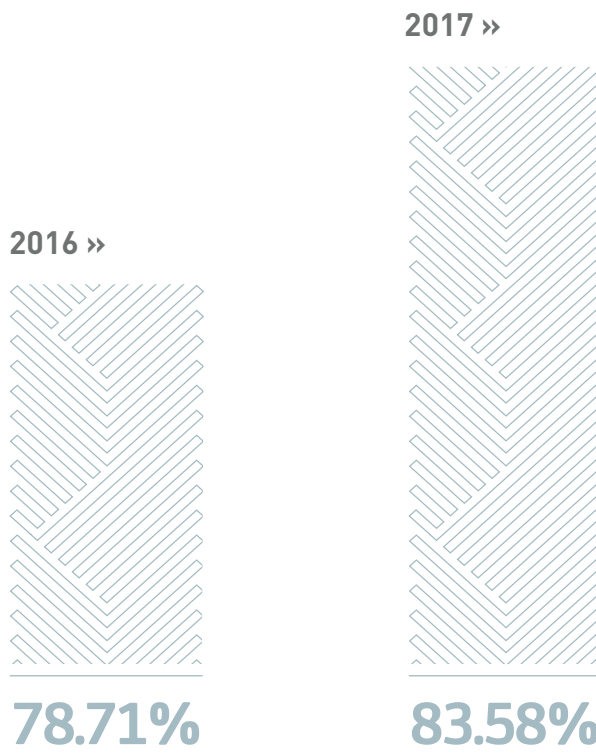
**GRUPO SURA
GAINS SHARES OF
SURA ASSET MANAGEMENT »**

In april, the Board of Directors approved signing a shares purchase agreement in which Grupo SURA acquires the shares which International Finance Corporation and IFC ALAC Spain S.L. had of SURA Asset Management S.A. With this operation, the Company increased its share of this corporation from 78.71% to 83.58%.

With this acquisition, Grupo SURA strengthens its position in a strategic asset to develop its strategy of delivering a comprehensive range of financial services to latinamerican people. The strategy of SURA Asset Management currently seeks to realize its potential in the region given the low penetration of financial services displayed. Its clear customer-focus, leveraged on innovation, efficiency and a wide range of products, grants SURA Asset Management the chance to continue the sound growth of its mandatory and voluntary funds.

SHAREHOLDING OF GRUPO SURA IN ITS SUBSIDIARY SURA ASSET MANAGEMENT

With this acquisition,
Grupo SURA
strengthens its
position to develop its
strategy of delivering
a comprehensive
range of financial
services





**GRUPO SURA SIGNS
AN AGREEMENT WITH
UNITED WAY AND
DIVIDENDO POR COLOMBIA,
IN FAVOR OF THE EDUCATION
AND COMMUNITIES IN
LATIN AMERICA. »**

**AGREEMENT
WITH UNITED
WAY**

to determine
and implement
a regional
educational proposal

Grupo SURA signed an international collaboration agreement with United Way and Dividendo por Colombia, with the purpose of working together to identify and develop educational strategies, with the participation of its employees, to benefit the communities of Latin America.

Said agreement, the first entered by United Way with a company outside of U.S.A., shall be developed in Argentina, Brazil, Chile, Colombia, Peru, Mexico, Panama and Dominican Republic, countries where Grupo SURA is present through its affiliates Suramericana and SURA Asset Management.

The purpose is to determine and implement a regional educational proposal, and to identify local initiatives in the countries where this alliance will be made, including the chance to study and research topics related to education in Latin America.

Tatyana Orozco, Vice President of Corporate Affairs of Grupo SURA, also reported that there will be activities conducted to enhance the SURA Volunteer Corps Program on a regional scale, developing activities enabling the participation of the employees and their community integration.





GeoSURA

a repository of graphic information which the Company is building by gathering data of phenomena which have taken place in Latin America.

“GEOCIENCIAS SURA” MAGAZINE »

The specialized publication “Geociencias SURA”, launched in 2016 and published in its second edition on the end of May, provides customers, Board members and other stakeholders of Suramericana, applied knowledge on the trends and risks of nature and how they interrelate with the strategic objectives of organizations. Indeed, by joining research and science, this publication provides access to key information to optimize opportunities and to manage uncertainty.

The second edition not only takes a close look at natural phenomena but also to existing applications and technologies to manage them. Such is the case of GeoSURA, a repository of graphic information which the Company is building by gathering data of phenomena which have taken place in Latin America.

Each edition of this specialized magazine – following the Trends and Risks Management vision developed by Suramericana – seeks to put into practice the phenomena and concepts addressed so that customers can learn and understand the tools and technologies developed to manage them, and hence, to project actions and plans keeping in mind global, regional or local circumstances, be it social, economic, weather or regulatory.

[MORE HERE »](#)



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FUNDACIÓN SURA, PRESENT IN CHILE AND MEXICO »

Fundación SURA is a tangible expression of our Company's social commitment and today, besides operating in Colombia, the foundation shall be directly present in two other countries: Mexico and Chile.

Fundación SURA Colombia shall be responsible of assisting the teams of both countries during the entire process.

The incorporation process already took place after the approval of the By-laws and the destination made by Grupo SURA and amounting to USD 345,000 through Fundación SURA Colombia, as an equity contribution. Step two is the approval of regulatory bodies of each country to be able to begin their work and contribute to enhance SURA's projection, the coherence and efficiency in social investment and increase regional impact.

The foundations of Mexico and Chile will determine their action plans based on the guidelines established by Grupo Empresarial SURA in terms of social investment. Fundación SURA Colombia shall be responsible of assisting the teams of both countries to standardize concepts, follow-up the participation and investments made in social initiatives, to manage resources and alliances, to organize regional meetings, among others.

It is worth highlighting that besides operating directly in these three countries (Colombia, Mexico and Chile), Fundación SURA Colombia invests in social projects in Panama, Dominican Republic and El Salvador.



EQUITY CONTRIBUTION BY
FUNDACIÓN SURA COLOMBIA »

USD 345,000



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