

2Q - 2017

QUARTERLY NEWSLETTER RESULTS



Grupo SURA posted COP 9.9 billion (USD 3.3 billion) in revenues on a YTD basis for a growth of 22.4%.

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These results obey the good level of performance obtained from the Group's pension, savings and investment subsidiary, SURA Asset Management, as well as its insurance and trend/risk management arm, Suramericana, which have continued to drive their regional strategy, thereby securing healthy growth rates in both revenues and assets under management.



QUARTERLY HIGHLIGHTS



A New Corporate Department for Grupo SURA

Besides setting up a new Corporate Legal Affairs Department, Grupo SURA's Board of Directors appointed Mr. Juan Luis Múnera to head up this new area of the company.

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The first ever corporate volunteer event

Approximately 3,000 SURA volunteers from 10 countries and 26 cities throughout Latin America joined forces as part of the first day-long volunteer event dedicated to painting and enhancing the infrastructure of a total of 34 schools throughout Latin America.

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In Peru, SURA Asset Management signed an agreement to sell its local insurance operation to InterCorp Financial Services

It was announced back in May of this year that the insurance company in Peru, dedicated mainly to the annuity and mortgage lending business, was to be sold off. Regulatory authorization is currently being sought.

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Awards and Recognition

During the second quarter of 2017, the companies belonging to the SURA Business Group received different awards, as shown in the corresponding section of this newsletter.

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INVESTORS' DAY »

Next September 22, we shall be holding our fifth annual Investors' Day in Bogota. This event is exclusively aimed at engaging with our investor market, and shall be attended by senior executives of both the Company and its core subsidiaries, who shall be reporting on the progress made with their respective strategies as well as the challenges currently faced by their different lines of business in Latin America.

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GRUPO SURA POSTED YTD REVENUES OF COP 9.9 BILLION AT THE END OF Q2 2017 (+ 22.4%) DRIVEN BY A GOOD LEVEL OF OPERATING PERFORMANCE ON THE PART OF ITS SUBSIDIARIES »

Grupo SURA presented its results for the first half of this year, showing a 22.4% year-on-year growth in YTD revenues, totaling COP 9.9 billion (USD 3.3 billion). This was made possible by the good level of performance obtained from the Group's pension, savings and investment subsidiary, SURA Asset Management, as well as its insurance and trend/risk management arm, Suramericana which have continued to drive their regional strategy thereby securing a good level of growth in both revenues and assets under management.

On the other hand, revenues obtained from associates via the equity method rose by 22% to COP 515,910 million (USD 169.1 million) mainly due to good levels of performance on the part of Bancolombia and Protección.

The Company's total expense amounted to COP 9.1 billion (USD 3.0 billion), for a year-on-year increase of 29.7%, mainly due to having included all those

operations acquired from RSA last year, which were only partially consolidated at the end of the first half of 2016.

Grupo SURA's consolidated net income came to COP 637,091 million for the first half of 2017, having declined by 34.6%, mainly due to exchange differences given the depreciating Colombian peso as well as non-recurring provisions set up by both SURA Asset Management as well as the holding company. Were we to eliminate the effect of the aforementioned factors, net income would have risen by 11.4%, thanks to the levels of operating performance obtained by the Group's core subsidiaries, whose insurance, savings and asset management business continued on an uptrend at the end of the first half of this year.

Finally, at the end of Q2 2017, assets rose by 4.9% to COP 71.2 billion (USD 23.3 billion), and shareholders' equity reached COP 22.9 billion (USD 7.5 billion), for a 0.9% increase compared to the same period last year.

INVESTMENT INCOME

COP 1.1 billion
USD 372 million ▲ 61.5%

ASSETS

COP 71.2 billion
USD 23.3 billion ▲ 4.9%



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SUBSIDIARIES PERFORMANCE »

The results obtained from the Group's subsidiaries included a consolidated 47.2% growth in premiums on a regional level reaching COP 5.6 billion (USD 1.8 billion), thanks to the newly consolidated operations acquired last year. It is important to mention the successful business plans implemented on an individual company basis which so far have produced a double digit growth. This includes the Group's long-standing operations in Colombia, Central America and the Caribbean.

It is also worth noting that the claims rate on a consolidated level has improved by 63 basis points and now stands at 55.6%.

Finally, SURA Asset Management secured an increase in assets under management, which now come to COP 384.2 billion (USD 126.0 billion), for an increase of 14.4% at constant exchange rates. Similarly, operating revenues from its Pension and Voluntary Savings Fund Management business rose by 11.7% to COP 1.2 billion (USD 383.3 million). This was due to how well its different lines of business continue to perform, especially the voluntary savings funds which provided a 28% growth in assets under management. Similarly, the Company posted higher returns on the legal reserve corresponding to its Mandatory Pension line of business.

To highlight:
positive operating
performance of
the subsidiaries

SURAMERICANA

TOTAL PREMIUMS »

COP 5.6

billion

USD 1.8 billion

SURA ASSET MANAGEMENT

ASSETS UNDER MANAGEMENT »

COP 384.2

billion

USD 126 billion

▲ 14.4%



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STOCK PERFORMANCE »

The price of the ordinary share of GRUPOSURA on June 30th, 2017, closed at COP 39,600, displaying an annual variation of 3.4% and a quarterly variation of 1.3%. The preferential share PFGRUPSURA closed at COP 38,620 with an annual variation of 2.8% and a quarterly variation of 1.1%.

HOW OUR SHARES HAVE PERFORMED ON THE COLOMBIAN STOCK EXCHANGE



879

INTERNATIONAL FUNDS

having
21.2%
OF TOTAL SHARES

	30-JUN-17	% ANNUAL VAR*	% QUART. VAR.*	31-DEC-16	30-JUN-16
GRUPOSURA (Pesos)	39,600	3.4%	1.3%	38,200	38,300
PFGRUPSURA (Pesos)	38,620	2.8%	1.1%	37,000	37,580
COLCAP (Points)	1,463	11.4%	7.12%	1,352	1,313

*Appreciation with dividend



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A NEW CORPORATE DEPARTMENT FOR GRUPO SURA »

Juan Luis Múnera,
lawyer, specialist in
Commercial law and
master in compared
legislation, heads up
this new area

On June 29, Grupo SURA's Board of Directors decided to create a new Corporate Department of Legal Affairs, which is now responsible for steering the SURA Business Group with regard to all legal and regulatory matters, as well as overseeing all that relating to good corporate governance. The parent's Company Secretary shall henceforth report to this new department.

Mr. Juan Luis Múnera Gómez, holding a law degree from the Universidad Pontificia Bolivariana, joined the Company last August 8 to take over as our new Chief Corporate Legal Affairs Officer. Mr. Munera Gomez also holds a specialization in business law from this same university as well as a Master's Degree in comparative law from the University of San Diego in California. In the light of his extensive professional experience, including his last position as Chief Corporate Legal and Institutional Affairs Officer in Cementos Argos, he shall no doubt provide valuable input in strengthening the overall development and growth of Grupo SURA and its subsidiaries in Latin America.



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SUMANDO VOLUNTADES, THE FIRST EVER CORPORATE VOLUNTEER EVENT ON A PAN-REGIONAL SCALE »

3,000
VOLUNTEERS

10
COUNTRIES

26
CITIES

34
SCHOOLS

**SURA benefited
more than 18
thousand children**
with its first
regional volunteer
event

In May, approximately 3,000 SURA volunteers from 10 countries and 26 cities throughout Latin America joined forces in the first day-long volunteer event to be held as part of the Sumando Voluntades program; this consisting of painting and enhancing the infrastructure of a total of 34 schools throughout Latin America.

Our staff in Argentina, Brazil, Colombia, Chile, El Salvador, Mexico, Panama, Peru and Uruguay, together with their families and friends all took part in this event so that more than 18 thousand children and their teachers could enjoy a better environment for their school activities.

In this way the Sumando Voluntades program has become an ideal opportunity for our Company and our staff throughout the region to engage with their local communities in providing them with a greater degree of development and well-being.



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IN PERU, SURA ASSET MANAGEMENT SIGNED AN AGREEMENT TO SELL ITS LOCAL INSURANCE OPERATION TO INTERCORP FINANCIAL SERVICES »

**SURA Asset
Management
focuses its business
on pension funds,
voluntary savings
and investment
management**

On May 31st, SURA Asset Management Peru announced that it had sold its insurance operation in this part of the world to Intercorp Financial Services (IFS) for a total of USD 268 million, this subject to a eventual adjustments to be made prior to the closing date of this transaction. The respective contract of sale governs a 100% stake in this insurance company which mainly deals with annuities and mortgage loans. Regulatory authorization is currently being sought, and once obtained, this subsidiary shall be handed over to Interseguro, the insurance company belonging to IFS, who shall take over Seguros SURA in Peru, in which SURA Asset Management holds a 69.3% stake in its share capital. This transaction also included the 30.7% stake held by the Grupo Wiese in Seguros SURA in Peru.



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AWARDS AND RECOGNITION »



1. _____



Grupo SURA was given the Best Corporate Governance Practices in Latin America award in the Holding category as part of the Ethical Boardroom Corporate Governance Awards.

2. _____



AFP Integra was also recognized for its good corporate governance practices.

3. _____



SURA Asset Management México was awarded an advanced level for its 2016 Annual Report.

4. _____



SURA Investment Management was again ranked as the Best Fixed Income Fund Management firm.

5. _____



Suramericana remained amongst Colombia's top 10 companies in terms of human talent

6. _____



Suramericana's EPS Health Care Institution was ranked as the Best Health Care Provider out of Colombia's entire contributory system. - EPS 2017 Satisfaction Survey.

