

GRUPO DE INVERSIONES SURAMERICANA S.A.  
CONSOLIDATED STATEMENT OF CASH FLOWS »


At year-end 2016 (with comparative figures for year-end 2015)  
*Stated in COP millions*

	NOTE	2016	2015
Net cash flows sourced from (used for) financing activities			
Proceeds from loans		7,183,822	2,222,927
Loan repayments		(3,174,907)	(912,599)
Interest paid		(252,438)	(74,392)
Other cash outflows		(5,000)	(4,500)
Net cash flows sourced from (used for) financing activities		3,751,477	1,231,436
Net increase in cash and cash equivalents before exchange rate effect	532.277	138.261	(3,703)
Effects of exchange rate fluctuations on cash and cash equivalents			
Effects of exchange rate fluctuations on cash and cash equivalents		101.498	933
Net increase in cash and cash equivalents		633.775	139.195
Cash and cash equivalents at beginning of the period	8	1,433,184	1,293,989
Cash and cash equivalents at the end of period	8	2,066,959	1,433,184

The accompanying notes form an integral part of these financial statements.

  
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Legal Representative

  
LUIS FERNANDO SOTO SALAZAR  
Chief Accountant - Lic. No. 16951-T

  
MARIANA MILAGROS RODRÍGUEZ  
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Appointed by Ernst & Young Audit S.A.S. TR-530  
(Please refer to my Statutory Auditor's Report, issued February 24, 2017)

GRUPO DE INVERSIONES SURAMERICANA S.A  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS »

At year-end 2016 (with comparative figures at year-end 2015)  
*(Stated in millions of Colombian pesos, except for amounts stated in foreign currencies, exchange rates and share information).*

NOTE 1. REPORTING ENTITY

Grupo de Inversiones Suramericana S.A. was incorporated as a result of being spun off from Compañía Suramericana de Seguros S.A., by means of Public Deed No. 2295 drawn up December 24, 1997 before the Notary Public No. 14 of the Circuit of Medellín, with all the corresponding accounting formalities duly completed by January 1, 1998. Its main registered place of business is in Medellín, at the following address: Cra.43 A No. 5 A – 113. The Company is entitled to set up branches, agencies, and offices in other parts of the country as well as abroad, should its Board of Directors so decide. The Company is legally authorized to carry on its business purpose until 2097.

Its business purpose is to invest in personal and real estate property, and may do so in the form of shares, stakes or holdings in companies, entities, organizations, funds and any other legally-permitted mechanism that allows for the investment of funds. Likewise, it may invest in securities or instruments yielding either a fixed or variable income, regardless of whether these are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

The Company's reporting period shall follow that of the normal calendar year, ending on December 31.

The Company comes under the exclusive oversight of the Colombian Superintendency of Finance ("Superintendencia Financiera de Colombia"), since it is listed as an issuer of securities with the Colombian National Registry of Securities (Registro Nacional de Valores).

CORPORATE PROFILE:

Grupo de Inversiones Suramericana S.A. (hereinafter referred to as “Grupo SURA) is a multi-Latina listed on the Colombian Stock Exchange and registered with the ADR- Level 1 program in the United States. It is also the only Latin American company from the Diversified Financial Service Sector to be admitted to the Dow Jones Sustainability Index (DJSI), which tracks companies who have become global benchmarks thanks to the best practices they have adopted from the economic, environmental and social standpoints. In 2016, the DJSI awarded Grupo SURA its “Silver Class” distinction as the company upholding the second highest sustainability standards, in its respective sector, on a worldwide level. Group Sura’s investments are classified in two categories: strategic or core – those pertaining to the financial, insurance, pension, savings and investment sectors; and portfolio – those found mainly in the processed food, cement, energy, port services and real estate sectors.

Grupo SURA’s investee companies (Suramericana S.A., Sura AM S.A., Bancolombia S.A., Nutresa S.A. and Inversiones Argos S.A.) have continued to strengthen their presence in different parts of Latin America, the United States and to a lesser degree in Asia.

The Group’s interests in the Financial Services sector includes a 46.11% stake in the voting shares of Bancolombia (which is equal to 24.44% of its capital stock), where Grupo Sura is the largest shareholder, plus an 81.13% stake in Suramericana S.A., the Group’s insurance holding company. The remaining 18.87% of Suramericana is owned by the German insurer Münchener Rückversicherungs-Gesellschaft Munich Re, commonly known as “Munich Re.” Grupo SURA also directly holds a 71.60% stake in SURA Asset Management Colombia S.A.’s share capital as well as another 7.11% stake through its subsidiary, Grupo de Inversiones Suramericana Panamá S.A. Both companies are dedicated to the Latin American pension, savings and investment sectors. The remaining 21.29% stake in Sura Asset Management S.A.’s share capital belongs to other local and international shareholders.

The Group’s investments in the processed food segment of the local industrial sector include a 35.17% stake in Grupo Nutresa S.A., the largest processed foods conglomerate in Colombia where Grupo Sura is also the largest shareholder. Grupo Sura’s interests in the cement, concrete, energy, port services, coal-mining and real estate sectors include a 35.56% stake in the voting shares of Grupo Argos S.A. (equal to 26.78% of its share capital) where again Grupo Sura is the majority shareholder. Grupo Argos is in turn the controlling shareholder of Cementos Argos, S.A., Celsia S.A. E.S.P. and Odinsa. S.A.

Grupo Sura’s main business activities are described in Note 16 - Operating Segments

Our Strengths

- 1) GRUPO SURA holds equity interests in several companies who in turn own leading companies in Colombia, Mexico, El Salvador, the Dominican Republic, Panama, Peru, Chile Guatemala and Uruguay. Grupo SURA has invested in well established companies mainly in the financial service, insurance, health care, occupational health, pension fund and complementary service sectors, and to a lesser extent in several industrial sectors, including food processing, cement and ready-mix concrete, energy, port services, coal-mining and real estate.
- 2) Robust stream of sound cash flows diversified across different countries and sectors. Grupo SURA derives most of its cash flows from dividends received from a diversified group of companies operating across various industries and countries within Latin America. In recent years, these companies have consistently paid dividends, which have been increasing by at least the rate of inflation as measured by the Consumer Price Index (CPI)
- 3) Sound Statement of Financial Position to support Grupo SURA’s ongoing expansion. At year-end 2016, Grupo Sura’s consolidated shareholders’ equity came to COP 25,395,827 million with a total debt-to-asset ratio of just 14.4%. Grupo Sura has historically financed its expansion primarily with operating cash flows and the proceeds from sales of non-strategic assets. Here it is important to add that at the end of last year, the Company’s indebtedness was substantially low given the size of its portfolio of investments.

- 4) Multi-product, multi-segment and multi-channel business model. Grupo Sura has increased its market share in the Latin American financial services sector by developing an integrated business model, allowing us to take full advantage of the synergies existing between our different banking, insurance and pension fund businesses, while accessing a wider customer base, creating greater customer loyalty and at the same time strictly complying with all applicable regulations in each country and abiding by all legal restrictions. Our integrated business model represents a true competitive advantage for our different companies while creating a significant entry barrier that protects us from the competition
- 5) Commitment to best practices, corporate governance and sustainable development. Our Corporate Governance Code was first introduced in 2002 and we have been publishing annual corporate governance reports since 2005. Our corporate governance is governed by principles of fairness, respect, responsibility and transparency together with a firm commitment to both the region and its people. Our Corporate Governance Code is based on the highest international standards and contains the philosophy as well as the rules and regulations governing the Group's relationships with Senior Management, the Board of Directors, shareholders, investors and other stakeholders who are interested in the Company's performance. Also, and as part of our commitment to sustainability and in deploying our corporate responsibility model, Grupo Sura and its Subsidiaries participate in social development projects in the form of institutional donations and the work of its corporate volunteer corps, which are channeled through its foundation, the Fundación Suramericana. These initiatives help to improve the quality of life of the more vulnerable segments of the population by helping them to develop their skills.
- 6) Great human talent. The people who work for Grupo SURA are both knowledgeable and widely experienced and its Senior Management team has an excellent track record. The Company places a lot of importance on the human element with particular emphasis on integrity and the corporate values which form part of our organizational culture. With regard to the

Company's Senior Management, the majority of its members have held senior positions in various industries both in Colombia as well as the rest of Latin America, and at the same time have worked for Grupo Sura or its related companies for all of their working lives.

#### OUR CORPORATE STRATEGY:

In 2016, Grupo SURA made great efforts in strengthening its corporate role, as defined in its strategic road map, the purpose of which is to guide its relations with its core investments. Clearly as we are able to achieve a greater level of coordination, identifying and harnessing existing synergies and working together in the spirit of our mutual interests, we shall be able to further the growth of our business, creating added value for our core investments and guaranteeing our sustainability over the long term.

Here, Grupo Sura's strategic focus, as defined for the next few years, centers on providing added value and building trust. Growth shall consequently be driven by innovation, creating greater synergies as well as expanding and developing the different markets. The Group's human talent, financial strength, sound corporate reputation and brand image as well as a management model, firmly based on our Corporate Governance principles, form the basis for this growth. Also, all these different facets of our performance must be enshrined in a corporate culture and philosophy shared by all, as well as a firm commitment to enhancing our business sustainability

#### Progress made with our different businesses

- a) Our core investments. The main companies that make up the Group's investment portfolio are all leading players on their respective markets. We plan to maintain our leadership in these markets by employing highly skilled individuals with specialized knowledge, offering superior products and solutions to our clients, investing in research and development for greater innovation, fostering customer loyalty by providing a combination of personalized service and high-quality products and services at competitive prices and ensuring that our companies continue to uphold our guiding principles of fairness, respect, responsibility and transparency.

- b) Expanding into selected international markets and driving the growth of all those companies that form part of our portfolio of strategic investments in the financial services, insurance, social security, pension fund and complementary services sectors. In driving our sustainable growth and expanding our business the Company has continued to adopt international practices and standards with regard to responsible investing. We are well aware that developing a business on a global level poses a series of risks and opportunities that require us to uphold responsible practices when it comes to investing. Today, we have put into a place a Group-wide general policy governing responsible investing on the part of our companies, who must apply all applicable environmental, social and good governance criteria when analyzing present and future investments.
- c) Maintaining and enhancing a strong, diversified and increasing stream of cash flows. By expanding our presence within the region, we seek to maintain and enhance the financial strength of our companies while diversifying our sources of revenues. In so doing, we aim to ensure that our dividend flows continue to be well diversified across various industries and countries, rising at similar or faster rates than in recent years. Also, and to ensure that our growth shall not hamper our strong credit position, we intend to continue with our long-term policy of maintaining conservative leverage levels

SENIOR MANAGEMENT

Our Board of Directors, in keeping with our by-laws, consists of seven directors who are appointed at annual ordinary shareholders’ meetings. The current members of the Board of Directors were appointed to serve for a two-year period by the shareholders at their annual shareholder’s meeting held on March 31, 2016. The term of each of the current board members expires in March 2018. They may also be appointed to serve additional periods without any restriction whatsoever until they reach the age of 72.

The following table sets forth certain information regarding the current members of our Board of Directors:

NAME	POSITION
Luis Fernando Alarcón Mantilla (1)	Chairman
Sergio Michelsen Jaramillo (1)	Principal member
Alejandro Piedrahita Borrero	Principal member
Carlos Ignacio Gallego Palacio	Principal member
Jorge Mario Velásquez Jaramillo	Principal member
Carlos Antonio Espinosa Soto (1)	Principal member
Jaime Bermúdez Merizalde (1)	Principal member

(1) Independent Member, in accordance with Colombian law.

SENIOR MANAGEMENT

Our current executive officers are as follows:

NAME	POSITION
David Bojanini García	Chief Executive Officer
Fabián Fernando Barona Cajiao	Chief Corporate Auditor
Ricardo Jaramillo Mejía	Chief Corporate Finance Officer
Fernando Ojalvo Prieto	Chief Corporate Affairs Officer

BOARD COMMITTEES

The Corporate Governance Committee

Consisting of 3 members of the Board of Directors with the Company’s Chief Executive Officer attending these meetings by invitation. This Committee meets at least twice (2) a year and is responsible for issues regarding the Board of Directors, Senior Management and the Company’s Good Corporate Governance.

The Appointments and Remuneration Committee

Consisting of 3 members of the Board of Directors meeting at least twice (2) a year. This Committee is responsible for providing guidelines in terms of the Company’s human talent as well as the corresponding development and retention strategies, drawing up succession plans, evaluating the performance of the Chief Executive Officer and Senior Management performance, setting guidelines for

the fees paid to members of the Board of Directors as well as the remuneration corresponding to Senior Management which is based on their performance both individually as well as collectively.

The Risk Management Committee

Consisting of 3 members of the Board of Directors meeting at least twice (2) a year. This Committee is responsible for the Company’s risk management function, including analyzing and assessing the handling of the Company’s normal risk exposure, in terms of limits, risk profile, profitability and capital map; submitting to the Board the Company’s proposed risk management policy; providing the Board with proposals regarding delegation rules for approving various types of risk.

Also, this Committee is officially responsible for the sustainability issues affecting the Company, such as evaluating and monitoring social, environmental and political trends that could potentially affect the Company and its subsidiaries, and the results obtained by all; monitoring the performance of both the Company and its subsidiaries in the environmental, economic, social and reputational aspects; monitoring the handling and mitigation of risks of a financial nature; and reviewing non-financial information that the Company makes available to the market.

Finance and Audit Committee

Consisting of 3 members of the Board of Directors meeting at least four (4) times a year. It is in charge of creating and encouraging a supervisory culture throughout the Company. The responsibilities of this Committee are enshrined in Article 37, paragraph b. of the Company’s Bylaws as well as in the Rules and Regulations governing this Committee, which can be found on the Company’s website (www.gruposura.com).

PRINCIPAL SHAREHOLDERS

The following table contains a breakdown of the Company’s shareholder structure at year-end 2016, based on the data duly recorded in the Stock Ledger:

SHAREHOLDER	# SHARES HELD	% STAKE
Grupo Argos S.A.	129,721,643	22.55%
Grupo Nutresa S.A.	59,387,803	10.32%
Fondo De Pensiones Obligatorias Porvenir Moderado	53,698,083	9.33%
Cementos Argos S.A.	28,183,262	4.90%
Oppenheimer Developing Markets Fund	16,843,317	2.93%
Harbor International Fund	19,027,442	3.31%
Fondo De Pensiones Obligatorias Protección Moderado	46,742,019	8.12%
Fondo De Pensiones Obligatorias Colfondos Moderado	17,156,090	2.98%
Colombiana De Comercio S.A. Corbeta and/or Alkosto S.A.	10,000,000	1.74%
Grupo Argos´ Foundation	9,649,348	1.68%
Fondo Bursatil Ishares Colcap	9,496,987	1.65%
Old Mutual Fondo De Pens. Obligatorias - Moderado	6,933,937	1.21%
Other shareholders with stakes of less than 1% (1)	168,532,292	29.29%
Total	575,372,223	100.00%

(1) Including 12,895 shareholders, who individually hold less than 1.0% of our common and preferred stock.

Our ordinary shares are traded on the Colombian Stock Exchange (BVC) under the ticker symbol “GRUPOSURA”, and our Level 1 American Depositary Receipts (“ADRs”) are traded on the Over-the-Counter-Market (“OTC Market”) in the United States under the symbol “GIVSY.” Our preferred shares, on the other hand, trade on both the Colombian Stock Exchange (BVC) under the ticker symbol “PFGRUPSURA”) as well as on the OTC market in the United States in the form of ADRs Level 1 under the symbol “GIVPY”.

NOTE 2. BASIS FOR PREPARING THE FINANCIAL STATEMENTS

2.1. COMPLIANCE STATEMENT

These consolidated financial statements have been prepared in accordance with Financial Reporting and Accounting Standards (FRAS), as provided by Law 1314 of 2009, which in turn were regulated by the Unified Regulatory Decree 2420 of 2015 and subsequently amended by means of Decrees 496 of 2015 as well as 2131 of 2016. These FRAS are based on International Financial Reporting Standards (IFRS), together with their corresponding interpretations as issued by International Accounting Standards Board (IASB), these corresponding to their officially translated versions in Spanish which were approved by the aforementioned body on December 31, 2013.

**The following guidelines that are applied by the Company are included in the decrees listed below and constitute exceptions to the IFRS as issued by the IASB:**

- » Article 4 of Decree 2131 of 2016 amended Part 2 of Book 2 of Decree 2420 of 2015, and was later supplemented by Decree 2496 of 2015, allowing as of December 31, 2016 for post-employment benefits in the form of future retirement or disability pensions to be determined pursuant to that stipulated in IAS 19. This nevertheless requires disclosing the calculation used for pension liabilities in accordance with that laid out in Decree 1625 of 2016, namely in Articles 1.2.1.18.46 et seq. and, in the case of partial pension swaps in accordance with the provisions contained in paragraph 5 of article 2.2.8.8.31 of Decree 1833 of 2016, reporting the variables used and the differences resulting from the calculation made based on the technical framework under IFRS.

**The Company also applies the following guidelines in accordance with applicable legislation and other regulations in Colombia:**

- » External Circular 036 of 2014 issued by the Colombian Superintendency of Finance, which provides instructions on how to post adjustments made to the opening balance sheets in the case of all those companies coming

under the oversight of this Superintendency, or the parent companies of entities subject to such oversight. Besides containing recommendations relating to the adjustments to be made by entities subject to the oversight of the Colombian Superintendency of Finance, this same Circular also addresses how adjustments arising from the impairment of financial assets are to be posted in books. Likewise, it requires that IFRS preparers, in the case of entities coming under the oversight of said Superintendency, set up provisions for the assets received either in payment or in the form of restitution, regardless of how they are classified in books, this pursuant to instructions contained in Chapter III of the Basic Accounting and Financial Circular. Under IFRS, these assets are posted based on their specific classification in accordance with IAS 16 or IFRS 5, as applicable.

2.2. BASIS OF MEASUREMENT

These consolidated financial statements have been prepared on a historic cost basis, except for the following major items included in the Statement of Financial Position.

- Financial instruments measured at fair value
- Investment properties measured at fair value
- Assets and liabilities measured at cost or amortized cost

Financial assets and liabilities measured at fair value correspond to those classified as assets and liabilities at fair value through profit or loss, together with equity investments measured at fair value through equity as well as all derivatives, assets and liabilities that are designated as hedged items as part of hedging arrangements measured at fair value. Here, the corresponding carrying values are adjusted based on changes to their fair value attributable to the hedged risk.

These consolidated financial statements have been reported in Colombian pesos with figures stated in millions of Colombian pesos rounded up or down to the nearest unit, except for basic earnings per share, the Colombian market exchange rate as well as exchange rates quoted in Colombian pesos (i.e. for US dollar, euro, Chilean peso, Dominican peso and Mexican peso, the New Sol and Peruvian peso).

2.3. PRESENTATION OF FINANCIAL STATEMENTS

Grupo Sura presents its Statement of Financial Position in order of liquidity.

As for its Statement of Comprehensive Income, income and expense are not offset, unless this is permitted or required by any accounting standard or interpretation thereof, as stipulated in Grupo SURA's policies.

Reclassifications

Certain figures in the financial statements corresponding to 2015 were reclassified to facilitate a basis for comparison with those of 2016.

2.4. CONSOLIDATION PRINCIPLES

Subsidiaries

The consolidated financial statements include the financial statements of both Grupo SURA and its Subsidiaries at year-end 2016 and 2015 and for the years ending on said dates. Grupo SURA consolidates the assets, liabilities and financial results of all those entities over which it exerts control

A subsidiary is an entity that comes under the direct or indirect control of any of the companies that make up Grupo SURA. Control exists when any of the companies have the power to direct the subsidiary's activities, these being, generally speaking operating and financing activities, in order to obtain benefits from such activities and at the same time is exposed, or is entitled, to variable returns from said subsidiary.

Grupo SURA's consolidated financial statements are presented in Colombian pesos, which is the functional and reporting currency of the parent company, Grupo SURA. Each of Grupo SURA's subsidiaries determines its own functional currency and draws up its financial statements using said currency.

To facilitate subsequent consolidation, subsidiary financial statements are prepared according to Grupo SURA's accounting policies, and are included in the consolidated financial statements as of the date said subsidiaries were acquired and until whenever Grupo SURA should no longer exert control over such.

All intra-group assets, liabilities, equity, income, costs, expense and cash flows are eliminated upon preparing these consolidated financial statements.

When Grupo SURA no longer exerts control over a subsidiary, any residual stake retained in such is measured at fair value, and any gains or losses produced are recognized through profit and loss for the period.

Investments in Associates

An associate is an entity over which Grupo Sura exerts significant influence in terms of its financial and operating policy decisions without actually achieving total or joint control.

When first acquired, any surplus obtained between the associate´s purchase price and the share obtained in terms of the net fair value of the identifiable assets, liabilities, and contingent liabilities taken over from the associate or joint venture is posted as goodwill. Goodwill includes the investment´s carrying value.

The associate´s income, assets and liabilities are recorded in the consolidated financial statements using the equity method. The equity method is applied as of the date the associate is first acquired and ends whenever significant influence is no longer exerted over the entity in question.

The share of the earnings or losses obtained or incurred by the associate is shown in the income statement net of tax and non-controlling interest in the associate´s or joint venture´s subsidiaries, whereas the share of any changes directly recognized in the associate´s equity or other comprehensive income accounts are shown in the consolidated statements of changes to shareholders´ equity and other comprehensive income.

Cash dividends received from the associate are recognized by reducing the carrying value of this investment.

Grupo Sura periodically analyzes whether there are any signs of impairment and, whenever necessary, impairment losses are recognized for the corresponding investment in the associate. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable amount



of the associate or joint venture, this being the higher of its value in use or its fair value less selling costs, and its corresponding carrying amount.

When significant influence is no longer exerted over the associate, Grupo Sura measures and recognizes any residual investment that remains at fair value. The difference between the carrying amount of the associate (taking into account the relevant items of other comprehensive income) and the fair value of the retained residual investment, along with the value obtained from its sale, is recognized in profit or loss.

**Joint Ventures**

A joint venture is recognized when the contractual arrangement is structured through a separate vehicle to which rights are conferred on the net assets of such arrangement and not on the assets and obligations relating to said arrangement.

In the case of a joint venture, the stake held in such must be recognized in the consolidated financial statements as an investment and accounted for using the equity method in accordance with the Investments in Associates and Joint Ventures accounting policy.

**Non-controlling interest**

Non-controlling interest in the net assets belonging to the consolidated subsidiaries are shown separately in Grupo SURA's equity accounts. The income and other comprehensive income obtained during the period are also allocated to both controlling and non-controlling interests.

Any other stakes in subsidiaries sold or purchased by non-controlling interests, which in no way imply a loss of control over the entity in question, are directly recognized in equity.

**NOTE 3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been consistently applied upon preparing the Opening Consolidated Statement of Financial Position as well as the other consolidated financial statements in accordance with the Financial

Reporting and Accounting Standards accepted in Colombia (FRAS), unless otherwise indicated.

**3.1. BUSINESS COMBINATIONS AND GOODWILL**

A business combination is a transaction or other arrangement through which the acquiring party obtains control over one or more businesses.

Grupo SURA considers business combinations to be all those transactions involving the merger of two or more entities or economic units into one single entity or group of entities.

Business combinations are accounted for using the acquisition method. The identifiable assets acquired and the liabilities and contingent liabilities taken over from the acquired company are recognized at fair value on the date of their acquisition, and the corresponding acquisition costs are recognized through profit and loss for the period, with the respective goodwill recorded as an asset in the consolidated statement of financial position.

The consideration transferred for said business combination is measured as the added value at fair value, of the assets handed over, the liabilities incurred or taken over and the equity interests issued by Grupo SURA, including any contingent consideration in order to gain control over the acquired entity.

Goodwill is measured as the difference between the value of the consideration transferred, the fair value of any non-controlling interest, and wherever applicable, the fair value of any stake previously held in the acquired entity, on the one hand and the net identifiable assets acquired and the liabilities and contingent liabilities taken over on the date the entity is acquired. Any gains or losses resulting from measuring any previous stake held may be recognized through profit and loss for the period in question, or in the other comprehensive income statements, as required. It is possible that the acquiring party may have recognized changes in the value of the stake held in the acquired entity in the other comprehensive income accounts corresponding to prior reporting periods. Should this be the case, the value thus recorded in other comprehensive income must be recognized on the same basis that would have applied had the acquiring



company directly divested the previous stake in the acquired entity’s equity. Should the consideration thus transferred be lower than the fair value of the net assets belonging to the acquired entity, the difference is directly recognized in profit and loss as of the date acquired.

On the date when each business combination is acquired, Grupo SURA must decide whether to measure the non-controlling interest as a proportional share of the identifiable assets acquired, and the liabilities and contingent liabilities taken over from the acquired entity or at fair value.

Any contingent consideration for a business combination qualifies as a liability or an equity interest and is recognized at fair value on the date this is acquired. Subsequent changes in the fair value of a contingent consideration qualifying as a financial liability are recognized through profit or loss or other comprehensive income and when qualifying as an equity interest this is not re-measured but rather subsequently calculated and recognized in equity. If the consideration does not qualify as a financial liability, it is measured in accordance with applicable IFRS.

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

In the event that this goodwill forms part of a cash-generating unit and subsequently part of said unit’s operations are sold off, the goodwill associated with the operations thus disposed of, is included in the carrying amount of said operations when determining the gain or loss on their disposal. Goodwill that is consequently de-recognized is determined based on the percentage of the operation that is sold off, which is equal to the ratio between its carrying value and the carrying value of the cash-generating unit.

3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as appearing in the Statement of Financial Position and Statement of Cash Flows include cash in hand and banks, highly liquid

investments and money market transactions that are readily convertible into cash and subject to an insignificant risk of changes to their value, with maturities of three months or less from the date of their acquisition.

3.3. FINANCIAL INSTRUMENTS

Financial assets

Grupo Sura initially recognizes its financial assets at fair value for subsequent measurement at amortized cost or fair value depending on the business model used to manage said financial assets and the specific characteristics of the contractual cash flows obtained from the instrument in question.

The effective interest rate method is used to measure financial assets at amortized cost if the asset is held as part of a business model for obtaining contractual cash flows and the contractual terms of such provide for cash flows, on specific dates, consisting solely of payments of principal and interest on the amount of principal outstanding. Notwithstanding the foregoing, Grupo SURA has irrevocably determined that its financial assets are to be measured at fair value through profit or loss

Financial assets are recognized at the date the transaction is completed, and are recorded in the same account where the valuation thereof is included, for those assets measured at fair value.

Accounts receivable from customers and insurance business

For the purpose of measuring accounts receivable Grupo Sura opted for a business model based on their contractual cash flows, which is why these are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

Financial assets other than those measured at amortized cost

Financial assets, other than those measured at amortized cost, are measured at fair value, which includes investments in equity instruments that are not held for sale.

Cash dividends received from these investments are recognized in the income statement as profit or loss for the reporting period.

Financial assets measured at fair value are not subject to impairment tests, since their fair value reflects their corresponding valuation.

**Impairment of financial assets at amortized cost**  
In the case of assets recognized at amortized cost, impairment is assessed using the incurred credit loss model at the end of the reporting period. Grupo Sura recognizes the value of changes to credit losses incurred as an impairment gain or loss.

A single financial asset or group of such shall be considered impaired and have sustained a loss to its value if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the asset’s initial recognition (a “loss event”) and when such loss event (or events) have an impact on the estimated future cash flows of the financial asset(s) in question and can be reliably estimated.

**Grupo Sura’s Business Model**  
**Fair value**

Grupo Sura’s structural portfolio includes certain alternate investments which by their nature do not meet the requirements for classifying these at amortized cost and therefore must be classified at fair value and posted through profit and loss. These include, but are not limited to: fixed income securities with prepay options, private equity funds and structured products, among others. This type of investment may be acquired for the purpose of underpinning liabilities and maintaining these for an extended period of time, which is why they may form part of the Company’s structural portfolio.

**Fair value through Comprehensive Income (OCI)**  
Upon initially recognizing equity instruments in other companies that are not held for trading, Grupo Sura may irrevocably choose to record these at fair value through Comprehensive Income (OCI), which means that changes in their

value as a result of subsequent measurements shall not affect the Company’s statements of income but rather its statement of changes to shareholders’ equity.

**Financial liabilities**  
Upon initially recognizing its financial liabilities, Grupo SURA measures these at fair value less the transaction costs that are directly attributable to the acquisition or issue of the financial liability in question and then proceeds to classify these for subsequent measurement either at amortized cost or at fair value depending on the liability.

The de-recognition of a financial liability is recognized through profit and loss as well as when amortized using the effective interest rate method, which is recorded as a financial cost through profit and loss.

Financial instruments that contain both a liability and an equity component (compound financial instruments) are recognized and accounted for separately. The liability component is determined by the fair value of future cash flows and the residual value is assigned to the equity component.

**De-recognition**  
A financial asset, or a portion thereof, is de-recognized from the Statement of Financial Position when it is sold, transferred or otherwise matures or when Grupo Sura loses control over the contractual rights or cash flows pertaining to said instrument. A financial liability, or a portion thereof, is de-recognized from the Statement of Financial Position when the contractual obligation is settled, paid or otherwise matures.

**Offsetting financial instruments**  
Financial assets and financial liabilities are offset and their net amounts are recognized in the Consolidated Statement of Financial Position if, and only if (i) there is, at the present time, a legally enforceable right to offset such recognized values, and (ii) the holder of such intends to settle these at their net values or realize the assets and settle the liabilities simultaneously.

Derivatives

Changes to the fair value of derivative contracts held for trading purposes are included under “net gains (losses) from financial operations” in the Consolidated Statement of Income. Certain derivatives that are incorporated in other financial instruments (embedded derivatives) are treated as separate derivatives when their risk and characteristics are not closely related to the host contract and they are not recorded at fair value with their unrealized gains and losses recorded through profit and loss for the period

When a derivative contract is first signed, Grupo Sura must classify this as a derivative instrument held for trading or hedging purposes.

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

Hedge accounting:

Hedged items:

In the case of Grupo Sura, a hedged item may consist of a recognized asset or liability, an unrecognized firm commitment, a highly probable transaction or a net investment in a foreign operation.

Types of hedging arrangements:

Grupo Sura's hedging arrangements consist of the following:

- » Fair value hedges: these address the Company's exposure to changes in the fair value of a recognized asset or liability or an unrecognized, firm commitment, or an identified portion of such an asset, liability or firm commitment that is attributable to a particular risk and that could affect profit or loss.
- » Cash flow hedges: these address the Company's exposure to changes in its cash flows due to a specific risk relating to the recognized asset or liability or a highly probable transaction that could affect profit or loss.

- » Hedges of net investments in foreign currency: these address the exchange rate risk on the Company's net investments in foreign currency. The hedged item is the difference resulting from converting their respective currencies and the amounts posted in the financial statements.

Measuring effectiveness

The decision to apply hedge accounting is based on considerations regarding expectations of future hedging effectiveness (prospective), the purpose of which is to ensure that there is sufficient evidence to support an expectation of a highly effective hedge, as well as an assessment of its actual effectiveness (retrospective).

A hedge is considered as being highly effective only if it meets both of the following conditions:

- a. At the start of the hedging arrangement, and during subsequent periods, the effectiveness of the hedging instrument is expected to fall within a range of between 80% and 125%.
- b. The actual results of the hedging instrument fall between a range of 80% to 125%.

Measurement

Grupo Sura initially measures its hedging instruments at fair value. As in the case of derivatives, their fair values are zero on the date of their initial recognition, except for some options. Any subsequent measurements of hedging instruments are at fair value.

The best evidence of their fair value are quoted prices in an active market.

Recognition:

Fair value hedges:

If, during the period, a fair value hedge fulfills the corresponding documentation requirements, it is recorded as follows:

- a. The gain or loss from re-measuring the hedging instrument at fair value is recognized through profit and loss for the period.
- b. The gain or loss on the hedged item attributable to the hedged risk should be duly adjusted for the carrying amount of the hedged item and subsequently recognized through profit and loss for the period. This applies even if the hedged item is measured at cost.

**Cash flow hedges**

- a. The separate component of equity relating to the hedged item is adjusted so that it is equal (in absolute terms) to the lesser of:
  - a. The cumulative gain or loss on the hedging instrument from the inception of the hedging instrument.
  - b. The cumulative change in the fair value (present value) of the expected future cash flows from the hedged item from the inception of the hedging instrument.
- b. Any remaining gain or loss from the hedging instrument or the designated component of this same instrument (that is not an effective hedge) must be recognized through profit and loss for the period.
- c. If the Company's documentary risk management strategy, as governing a particular hedging relationship, excludes a specific component of the gain or loss or related cash flows on the hedging instrument from the corresponding assessment of the hedge's effectiveness, the component of the gain or loss thus excluded must be recognized through profit and loss for the period.

On the other hand, if, during the period, a cash flow hedge fulfills the corresponding documentation requirements, it is recorded as follows:

- » The portion of the gain or loss obtained from a hedging instrument that is determined to be an effective hedge, must be recognized in other comprehensive income.

- » The ineffective portion of the gain or loss obtained from a hedging instrument must be recognized through profit and loss for the period.

**Hedges for net investments in foreign currency**

Hedge accounting can be applied only to exchange differences arising between the functional currency of the foreign operation and the functional currency of the controlling entity.

The hedged item can be the value of net assets equal to or lower than, the carrying value of the net assets of the foreign operation as posted in the consolidated financial statements of the controlling entity.

**Compound financial instruments**

According to IAS 32, an issuer of a non-derivative financial instrument should assess the corresponding terms and conditions for classifying this as a compound financial instrument, that is to say, whether it contains both a liability and an equity component, based on the following criteria:

- » **A financial liability:** is a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable.
- » **An equity instrument:** is any contract or arrangement that evidences a residual interest in the assets of an entity after deducting all of its liabilities (net assets).

Grupo Sura's preferred shares cannot be considered entirely as an equity instrument because the corresponding contractual clauses provide for the obligation of delivering cash or another financial asset to their holders. Similarly, they cannot be considered entirely as a liability, because they do not convey the obligation of providing the holder with the total amount of money received on the issue of shares. Consequently they must be considered as compound financial instruments.

**Initial measurement of a compound financial instrument**

The liability and equity components of compound financial instruments must be measured separately. Therefore, for the initial measurement of a compound financial instrument, the equity component is determined as the residual amount after deducting the fair value of the instrument as a whole and the amount separately determined for the liability component. The sum of the carrying amounts allocated to said liability and equity components, at the time of their initial recognition, shall always be equal to the fair value of the instrument as a whole. No gains or losses may arise from the initial recognition separately performed on said components.

**Incremental costs relating to the issue of preferred shares**

Under IAS 32, a company incurs various types of costs and expense upon issuing its own equity instruments, which are posted as a lower value thereof (net of any applicable tax benefit), to the extent that these qualify as incremental costs directly attributable to the equity transaction itself that would otherwise not have been incurred had the instruments not been issued in the first place.

Transaction costs relating to an issue of compound financial instruments are allocated between their equity and liability components, bearing in mind that upon initial recognition IFRS 9 stipulates that a company shall measure a financial asset or a financial liability at fair value, adding or subtracting transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability itself. These costs should be included in calculating the effective interest rate for appraising the value of such.

Subsequent measurement of a financial liability in the form of a compound financial instrument

Grupo de Inversiones Suramericana S.A. measures its financial liabilities at amortized cost subsequent to their initial recognition.

**3.4. INSURANCE ACTIVITIES**

Under IFRS 4, an insurance company may continue using non-uniform accounting policies for all those insurance contracts belonging to its subsidiaries (as well as

deferred acquisition costs and related intangible assets). Although IFRS 4 does not relieve the Group of certain implications inherent to the criteria set out in paragraphs 10 to 12 of IAS 8.

**More specifically, the Company:**

- » Shall not recognize provisions for future claims as a liability when these arise as a result of nonexistent insurance contracts at the end of the corresponding reporting period (such as catastrophe or equalization reserves).
- » Shall carry out the liability adequacy tests.
- » Shall eliminate an insurance contract liability (or portion thereof) from its Statement of Financial Position when, and only when, it no longer exists that is to say, when the obligation stipulated in the corresponding contract is settled, paid or otherwise expires.
- » Shall not offset (i) reinsurance assets against the related insurance liabilities, or (ii) income or expense from reinsurance contracts against income or expense, from the related insurance contracts.
- » Shall consider whether its reinsurance assets have suffered any type of impairment.

An insurance risk is significant only if an insured event may give rise to the insurance company having to pay out a significant value in added benefits, under any scenario. Additional benefits refer to amounts that exceed those that would have been paid if the event in question had not occurred. Significant risk is assessed on an individual contract basis.

Based on the inherent characteristics of our products, these qualify as insurance contracts. It is important to note that once a contract is classified as an insurance contract, it remains in this category for the rest of its term, even when the corresponding insured risk becomes significantly lower.

Permitted practices and policies include mandatory liability adequacy tests and impairment tests on reinsurance assets. Prohibited practices include setting up catastrophe reserves, maintaining or setting up contingent or equalization reserves and offsetting reinsurance assets and liabilities

**Products classified under IFRS 4 - Insurance Contracts**

Grupo Sura took into account the following criteria contained in IFRS 4 upon classifying its insurance portfolios:

Insurance Contracts: These apply when the company (the insurer) accepts significant insurance risk from the counter-party (the policy-holder) by agreeing to provide compensation in the event of any uncertain adverse event affecting the policy-holder in the future. A significant insurance risk is considered to exist when the benefits to be paid out, should the insured event occur, differ to a substantial extent from those that would otherwise be paid out in the absence of such even. Insurance contracts include those that transfer the inherent financial risk, providing the insured risk component is more significant.

Investment contracts: These apply when the policy-holder transfers significant financial risk but not the actual insured risk. The definition of financial risk includes the risk of a future change in one or any combination of the following variables: interest rates, prices of financial instruments, commodity prices, foreign exchange rates, price indexes or rates, credit risk or credit risk indexes or any other non-financial variables, as long as the variable is not specific to one of the parties to the contract.

**Reinsurance and coinsurance operations**

**Reinsurance operations**

Grupo SURA considers reinsurance as a contractual relationship between an insurance and a reinsurance company, in which the former transfers all or a portion of the risks assumed with its policyholders to the latter.

Ceded reinsurance premiums are recorded based on the corresponding terms and conditions of the applicable reinsurance contracts and using the same criteria as for direct insurance contracts.

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

Grupo SURA does not offset reinsurance assets against liabilities arising from insurance contracts and these are recorded separately in the statement of financial position.

**Coinsurance operations**

Grupo SURA considers coinsurance as mutual arrangement agreed between two or more insurers for covering the same risk; with regard to co-insurance contracts the responsibility of each insurer with regard to the policy holders is limited to its percentage stake in the arrangement itself.

Grupo SURA recognizes in its Statement of Financial Position, the balance obtained from its coinsurance operations based on the percentage stake held in the agreed insurance arrangement.

**Impairment of reinsurance and coinsurance assets**

Grupo SURA shall only consider a reinsurance and coinsurance asset to be impaired for which it shall reduce its carrying value and recognize the corresponding effects in the income for the period, if, and only if:

As a result of an event that occurred after the initial recognition of the reinsurance asset in question, there is objective evidence that the cedant may not receive all the amounts that it is owed based on the terms and conditions of the contract; and that the event in question has an effect that can be reliably measured based on the amounts that the cedant shall receive from the reinsurance company.

Reinsurance assets are examined for impairment at least once a year so as to be able to opportunely detect any event that could impair the value of such. Triggers may include legal disputes with third parties, changes to the Company's capital structure and surplus levels, changes to the counter-party's credit risk rating as well as past experience with collecting amounts due from the respective reinsurance companies. In the case of Grupo SURA's insurance companies no impairment has been found with regard to their reinsurance assets.

Insurance liabilities

Insurance liabilities in the case of Grupo SURA consist of its best estimates of future payments to be made on the risks assumed as part of its insurance obligations; which are measured and recognized through technical reserves: Grupo SURA's reserves include the following:

- a. **Ongoing Risk Reserve:** this is set up for fulfilling future obligations arising from commitments undertaken based on policies in full force and effect on the date the corresponding calculations are made. The ongoing risk reserve is composed of the unearned premium reserve as well as the insufficient premium reserve.

The unearned premium reserve represents the portion of premiums written on policies in full force and effect as well as premiums written on policies beginning on future dates.

The insufficient premium reserve supplements the unearned premium reserve, to the extent that premiums are not sufficient to cover the ongoing risk and non-accrued expense;

- b. **Mathematical Reserve:** providing for the payment of individual life insurance obligations and those with level premiums or paid out in the form of annuities.
- c. **Insufficient Asset Reserve:** set up to compensate for any shortfall with regard to covering expected flows of liabilities that make up the mathematical reserve consisting of the insurer's asset flows;
- d. **Pending Claims Reserve:** providing for the payment of claims incurred once reported or to ensure coverage of those that have not been reported on the date this reserve is calculated. The pending claims reserve consists of both the reported and the incurred but not reported claim reserves.

The reported claims contains the amount of funds that the insurer must allocate to meet payments of claims incurred once these have been reported, and the corresponding expense, on the date this reserve is calculated.

The incurred but not reported claims reserve represents the estimated amount of funds that the insurer must allocate to meet payments of future claims incurred but not reported, at the date this reserve is calculated, along with other claims for which the insurer does not have sufficient information;

- e. **Embedded derivatives:** embedded derivatives pertaining to insurance contracts are recorded separately if these are not considered as closely relating to the host insurance contract and that does not meet the definition of an insurance contract.

These embedded derivatives are recorded separately under financial instruments and are measured at fair value through profit and loss.

- f. **Liability adequacy tests :** the technical provisions recorded in the financial statements are tested at least once a year, in order to determine their adequacy based on projections of all future cash flows from existing contracts. If as a result of these tests they are found to be inadequate, these are adjusted against income.

Future contractual cash flows are used to perform these adequacy tests, which are measured based on the best estimates available. Cash flows include both assets and liabilities over time and are discounted based on the rate of return corresponding to the portfolio of investments underpinning the Company's provisions and reinvestment.

The methodology used to perform these reserve adequacy tests and obtain the corresponding assumptions includes the following:

- » Projected contractual cash flows using assumptions based on the best estimates available at the time these projections are made. Assumptions are periodically reviewed and approved by the Models and Assumptions Committee as well as the Company's Risk Management Department.
- » Drawing up return rate scenarios (based on the investment-divestiture intentions of each of the Company's Subsidiaries)



- » Discounting flows of commitments (in order to obtain their current value).
- » Calculating the 50th percentile of the present values and comparing these to the carrying values of reserves. In the case of Mexico and Peru, where contracts have no optionality (they are symmetrical), cash flows are projected symmetrically. However, in the case of Chile, which has non- symmetrical contracts (for example: flexible contracts with guaranteed rates), stochastic projections are drawn up so as to proceed to calculate the 50th percentile.

The assumptions used to gauge the reserve adequacy tests that are performed include the following:

**Operating Assumptions:**

- » Exit rates, partial surrenders, collection factors (non-applicable in the case of life annuities): an experience-based analysis is periodically performed so as to be able to include the most recent behavioral patterns within the corresponding assumption. Analyses are performed on families of similar products.
- » **Operating Expense:** operating expense assumptions are reviewed every year taking into account the best estimated expense (based on portfolio volume and levels of expenditure). The Company's annual strategic road map forms an important tool for gauging these assumptions.
- » **Mortality tables:** the Company draws up its own tables for its life annuity portfolio, while for the rest of its life insurance portfolio, since it does not have enough experience for building its own tables, the assumptions used are based on the mortality tables provided by the reinsurer.
- » Financial assumptions: the reinvestment model provides scenarios for rates of return based on updated assumptions from the market and investment standpoints at the end of the reporting period. The assumptions obtained from the reinvestment model include:

- » Scenarios for Government Zero Coupon Rates; used in conjunction with the spread index to value the assets held for investment / reinvestment purposes.
- » Projected Spread Index: applicable to zero coupon rates.
- » Multiplicative Spread Factor.
- » Depreciation Factor: applicable to real estate and equity securities.
- » Projected Asset and Liability Flows.

- g. **Favorable Experience Dividends (FED):** Grupo SURA accounts for future payments of favorable experience in terms of claims and continuity, as agreed at the start of the corresponding insurance contracts by recognizing a provision for such.

**Deferred Income Liabilities (DIL)**

These correspond to the deferral of income from fund members to cover maintenance expense and a level of profit, in the periods in which those members become non-contributors or pensioners who by law cannot be charged for the management of their funds and/or pension payments, while, from the tax standpoint, this income is recognized in full for the year in which it is obtained.

**Deferred acquisition costs-DAC**

These correspond to the deferral of costs incurred in acquiring new clients for insurance contracts and pension funds. International standards provide for recognizing amortizable intangible assets that represent the right of the company to benefit from the handling of investments belonging to its fund members, and this is amortized to the extent that the company recognizes the income due for the period in which a client maintains his or her investment with the company

Deferred acquisition costs are directly related to the issuing of insurance contracts which provide contractual rights for obtain economic benefits while the corresponding service is being rendered.

3.5. INVENTORIES

Grupo Sura recognizes its inventories as of the date on which the risks and rewards inherent to the ownership of such begin to take effect. These inventories are measured on two separate occasions: their initial measurement is first recognized at cost and then any subsequent measurements performed at the end of the reporting period are be recognized at the lower of their cost or net realizable value.

Initial inventory measurements

Grupo Sura initially measures its inventories as follows:  
Purchase price plus import costs plus non-refundable taxes paid plus transport costs less discounts or rebates.

Subsequent inventory measurements

In the case of those products that are to be sold or marketed, Grupo Sura performs all subsequent measurements at the lower of their cost and net realizable value. Grupo Sura recognizes its inventories when these are sold at their carrying values, along with the related expense incurred for the period in which the corresponding income is recognized, for which it apply the weighted average cost method.

Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or set of assets that are closely interrelated or interdependent in terms of their design, technology and function, or with regard to their ultimate purpose or use.

Revenues received on ordinary activities as part of construction contracts are measured as the fair value of the consideration received or pending receipt.

When the revenue and costs of a construction contract can be reliably estimated, these are recognized either as revenue or expense, in terms of the stage of completion reached in terms of the contractual activity at the end of the reporting period in question.

The company uses the percentage completion method to recognize construction contracts, based on which contractual revenues are recognized as such in profit and loss for the period and in the “services rendered” account throughout the various accounting periods in which the contract is carried out. Contractual costs are usually recognized as an expense in the income accounts during the period in which the corresponding construction work is carried out.

3.6. TAXES

Each subsidiary is liable to pay the taxes, rates and contributions due on both a nationwide as well as local level, this based on the tax structures of each of the countries in which Grupo SURA’s Subsidiaries operate, together with their respective rules and regulations governing the different types of business operations that each subsidiary carries out.

Income tax

Current

Current income tax assets and liabilities for the current period are measured based on the amounts expected to be either recovered from or paid to the tax authorities. Income tax expense is recognized under current tax, based on comparing taxable income with book profits or losses subject to the income tax rate levied for the current year and in accordance with the provisions set out in Colombian tax legislation. The tax rates and regulations on which these values are based are those that are in full force and effect at the end of the reporting period in question.

Deferred Charges

Deferred income tax is calculated on temporary differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences as well as for the future offsetting of unused tax credits and tax losses to the extent that there is sufficient future taxable income against which said tax can be offset. Deferred tax is not discounted.

Deferred tax assets and liabilities are not recognized if the temporary differences arising from the initial recognition of an asset or liability forming part of a transaction that does not constitute a business combination and at the time of the transaction said deferred tax items affect neither book profits nor the taxable gains or losses; and in the case of deferred tax liabilities when these arise as a result of the initial recognition of goodwill.

Deferred tax liabilities with regard to investments in subsidiaries, associates and interests in joint ventures are not recognized when the timing of the reversal of temporary differences can be controlled and it is probable that these differences shall not be reversed in the near future. On the other hand, deferred tax assets with regard to investments in subsidiaries, associates and interests in joint ventures are recognized only to the extent that it is probable that the temporary differences shall be reversed in the near future and there is likely to be sufficient future taxable income against which these deductible differences can be charged.

The carrying amount of deferred tax assets is reviewed at the close of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable income shall be available to offset all or part of the deferred tax asset. Unrecognized deferred tax assets are reassessed at the close of each reporting period and are recognized to the extent that it is probable that there shall be sufficient future taxable income to cover such.

Deferred tax assets and liabilities are measured based on the tax rates projected for the period in which the asset is realized or the liability is paid, based on the tax rates and regulations that were either approved or due to be approved on or near the respective filing date.

Deferred tax is recognized in profit or loss, except for those items that are recognized either as other comprehensive income or directly in the equity accounts.

Current income tax assets and liabilities also are offset if they relate to the same tax authority and the holder intends to settle these at their net values or realize the asset and simultaneously settle the corresponding liability.

Grupo Sura offsets deferred tax assets with deferred tax liabilities if, and only if:

- a) There is a legally-recognized right to offset the amounts recognized for these items, as granted by the corresponding tax authority; and
- b) The deferred tax assets and the deferred tax liabilities are related to the income tax due to the same tax authority on the part of:
  - 1. The same entity or taxpayer; or
  - 2. different entities or taxpayers that intend to either offset current tax assets and liabilities at their net amounts, by simultaneously realizing the assets and paying the corresponding liabilities, in each of the future periods in which significant amounts of deferred tax assets or liabilities are expected to be paid or recovered.

3.7. PRE-PAID EXPENSE

These represent disbursements for future expense, and are recognized through profit and loss when the corresponding goods or services are received.

3.8. INVESTMENT PROPERTIES

Grupo SURA has defined its investment properties as land and buildings held for the purpose of earning income through operating leasing arrangements or obtaining capital gains

Grupo SURA initially measures its investment properties at cost, that is to say including all expense that directly relates to acquiring this type of asset.

For all subsequent measurements of such, Grupo Sura uses the fair value approach, based on the price that would be obtained if the Company were to sell the asset as part of a transaction that would otherwise have taken place between market participants on the date the measurement is carried out.

The fair value of these properties was determined based on observable market transactions, based on the nature of the property in question (land and buildings) that are similarly purchased and sold on their respective markets, in compliance with the valuation model set out in IFRS 13 - Fair Value Measurement. (Please refer to Note 15 - Investment Properties)

Any increases or decreases to the value of Grupo SURA's investment property produced by changes to its fair value must be recognized through profit and loss.

Consequently, Grupo Sura assesses whether there are any changes to the condition of use of an asset classified as investment property, and should this be the case, these assets are reclassified or transferred to another group of assets on Grupo SURA's financial statements. Assessments must also be performed to decide whether an asset classified as an operating asset still continues to meet the conditions to be classified as an investment property.

**De-recognitions or write-offs**

Grupo de Inversiones Suramericana S.A. de-recognizes an investment property when it is sold or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal or when the property is handed over as part of financial leasing arrangements.

Any gains or losses produced upon withdrawing or disposing of an investment property is recognized through profit or loss when the asset is withdrawn or disposed of.

**3.9. PROPERTY, PLANT AND EQUIPMENT**

Grupo Sura has defined as its property, plant and equipment (PP& E) all those tangible assets that will be used in more than one accounting period and that are expected to be recovered through their use as opposed to their sale.

Grupo Sura includes in the initial cost of such property, plant and equipment all those costs incurred in their acquisition or construction while these are made ready for use.

After initially recognizing real estate property (land and buildings) Grupo Sura proceeds to subsequently measure these using the revaluation approach, that is to say at fair value, which is the price that would be obtained were it to sell the asset as part of a transaction carried out between market participants on the date the measurement is carried out. The fair value of the Company's property, plant and equipment was determined by independent expert appraisers with a well-known professional capacity and experience.

For all other types of property, plant and equipment the cost approach is used.

At least every four years Grupo Sura commissions property appraisals to be performed on said property so as to ensure that the carrying value of these assets does not differ materially from their fair value. Appraisal gains are usually recognized through profit and loss as other comprehensive income, while the equity component is separately accounted for as a "revaluation surplus".

Declines in the prices of assets must be posted as a lower value of the balance of other comprehensive income account, should this exist, if not directly through profit and loss.

**Depreciation**

Grupo Sura depreciates its property, plant and equipment using the straight-line method for all types of assets, except for land. Land and buildings are separable assets and are accounted for separately, even when they are acquired together.

Depreciation begins when the assets are situated in their location and are ready to be operated; and ceases on the date the asset is classified as held for sale or as an investment property measured at fair value, in accordance with applicable accounting policies.

Grupo Sura de - recognizes its property, plant and equipment when this is sold off or when no future economic benefits are expected to be obtained from their use or disposal. Any gains or losses arising from the de-recognition of any item belonging to the property, plant and equipment account are charged to profit and loss for the period.

Useful lives

Grupo Sura defined the following useful lives for its property and equipment:

- Buildings \_\_\_\_\_ between 80 and 100 years
- IT equipment \_\_\_\_\_ 5 years
- Medical equipment \_\_\_\_\_ between 7 and 17 years
- Furniture and fixtures \_\_\_\_\_ between 8 and 10 years
- Vehicles \_\_\_\_\_ between 8 to 10 years

Grupo SURA reviews the useful lives of all assets, at least at the end of each accounting period.

3.10. INTANGIBLE ASSETS

An intangible asset is an identifiable, non-monetary asset with no physical appearance, which is expected to generate economic benefits over more than one accounting period. Intangible assets separately acquired are initially measured at cost. The cost of intangible assets acquired through business combinations is posted at fair value on their respective acquisition dates. After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment.

The useful lives of intangible assets are defined as finite or indefinite. Intangible assets with finite useful lives are amortized linearly over their useful economic life and periodically evaluated to determine whether there exists any impairment to such, whenever there are signs of such. The amortization period and method used for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful lives or the expected flows of future economic benefits of these intangible assets are accounted for by changing the amortization period or method, as appropriate, and treating these as changes to accounting estimates. The amortization expense of intangible assets with finite useful lives is recognized through profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested every year to determine whether they have suffered any impairment to their value, either individually or at the level of the cash-generating unit to which they

were assigned. Assets classified as having indefinite useful lives are reviewed on a yearly basis in order to determine whether this is still appropriate, if not, the change in their useful lives from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognizing an intangible asset are measured as the difference between the value obtained from its sale or disposal and its carrying amount, and this is recognized through profit and loss when the asset in question is de-recognized.

3.11. INVESTMENTS

3.11.1 Subsidiaries

A subsidiary is an entity that comes under the direct or indirect control of any of the companies that make up Grupo Sura ´s portfolio. Control exists when any of the companies have the power to direct the subsidiary’s activities, these being, generally speaking operating and financing activities, in order to obtain benefits from such activities and at the same time is exposed, or is entitled, to variable returns from said subsidiary.

3.11.2 Associates and joint ventures

An associate is an entity over which Grupo Sura exerts significant influence in terms of its financial and operating policy decisions without actually achieving total or joint control.

Grupo Sura exerts significant influence when it has the power to intervene in the financial or operating decisions of another company without achieving total or joint control. Grupo Sura is presumed to exert significant influence when:

- » It directly or indirectly holds 20% or more of the voting power of the company in question, unless there is clear evidence that such influence does not exist through its governing bodies; or
- » Although it may directly or indirectly hold less than 20% of the voting power of the company in question, there is clear evidence that such influence effectively exists through its governing bodies; or

Grupo Sura exerts significant influence through one or more of the following:

By being a member of the governing body of either the Company or the associate;

- » Participating in the policy-making and decisions taken in terms of dividends and other distributions;
- » Carrying out material transactions with the associate;
- » By exchanging Senior Management personnel; or
- » By providing essential technical information.

Investments are initially recognized at cost and are subsequently measured using the equity method.

When an investment is first acquired, Grupo Sura must post the difference between the cost of investment and the portion corresponding to Grupo Sura as the net fair value of identifiable assets and liabilities of the associate, as follows:

- » If the portion of the fair value of the associate’s identified assets and liabilities is less than the value of their acquisition, this produces a higher value that forms part of the cost of the investment; or
- » If the portion of the fair value of the associate’s identified assets and liabilities is higher than the value of their acquisition, this is considered a bargain purchase and the difference is recognized as income for the period.

Cash dividends received from the associate or joint venture are recognized as a lower value of the investment in question.

Grupo SURA periodically analyzes whether there are any signs of impairment and, whenever necessary, impairment losses are recognized for the corresponding investment in the associate or joint venture. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable amount of the associate or joint venture, this being the higher of its

value in use or its fair value less selling costs, and its corresponding carrying amount.

When significant influence is no longer exerted over the associate or joint control over the joint venture, Grupo Sura measures and recognizes any residual investment that remains at fair value. The difference between the carrying amount of the associate or joint venture (taking into account the relevant items of other comprehensive income) and the fair value of the retained residual investment, including the value obtained from its sale, is recognized through profit and loss.

3.12. IMPAIRMENT OF NON- FINANCIAL ASSETS

At each reporting date, Grupo SURA assesses whether there is any indication of an impairment to the value of a non-financial asset. Grupo SURA estimates the recoverable amount of the asset or cash-generating unit, when it detects any signs of impairment to such, or every year as part of its annual reviews of goodwill, intangible assets with indefinite useful lives and those that are not yet made ready for use.

The recoverable value of an asset corresponds to the higher of (i) its fair value less selling costs, whether or not this is an asset or a cash-generating unit, and (ii) its value in use. An asset’s recoverable value is determined on an individual basis, except when the asset in question does not produce cash flows that are largely separate from those from other assets. When the carrying value of an asset or a cash-generating unit exceeds its recoverable value, the asset is considered as impaired and its carrying value is reduced to its recoverable value.

Upon calculating an asset’s value in use, its estimated cash flows, whether from the asset or the cash-generating unit, are discounted at their present value by applying the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The valuation approach is used to determine the fair value less selling costs of this type of asset.

Impairment losses corresponding to continuing operations are posted through profit and loss, specifically in the expense accounts corresponding to the actual function of the impaired asset in question. Impairment losses attributable to a

cash-generating unit are initially allocated to goodwill and once this is exhausted, they are recorded on a proportional basis, based on the carrying value of each asset, to other non-current assets belonging to the cash-generating unit.

Impairment to goodwill is determined by assessing the recoverable value of each cash-generating unit (or group of cash-generating units) to which the goodwill is linked. Impairment losses relating to goodwill cannot be reversed in future periods.

In the case of assets in general, excluding goodwill, at the end of each reporting period an assessment is carried out to determine whether there is any indication that any previously recorded impairment loss either no longer exists or has decreased. Should this be the case, the recoverable value of either the asset or the cash-generating unit in question shall be re-estimated. A previously recorded impairment loss can only be reversed when there are changes in the assumptions used to determine the recoverable value of an asset since the last time an impairment loss was recognized. Such reversals are limited to the carrying value of the asset or cash-generating unit in question, and shall not exceed its recoverable value or the carrying value net of depreciation that would have been obtained if an impairment for such asset or cash-generating unit had not been recognized for prior periods. These reversals are recognized in the income statements.

3.13. FAIR VALUE

This is the price that would have been received or paid should the asset or liability have been sold or otherwise transferred between market participants on the date the asset or liability is measured. The fair value of all financial assets and liabilities are determined at the date on which the financial statements are drawn up, for their subsequent recognition or disclosure on the notes accompanying said financial statements.

Fair value is determined on the following inputs:

Based on quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date (Level 1 inputs)

Based on the valuation approaches commonly used by market participants who

use variables other than quoted prices that are observable for the asset or liability in question, either directly or indirectly (Level 2 inputs).

Based on internal discounted cash flow or other valuation approaches, using non-observable variables estimated by Grupo SURA for the asset or liability in question in absence of observable market variables (Level 3 inputs)

This includes weighing the corresponding liquidity, credit and volatility risks. Changes in assumptions regarding these factors could affect the reported fair values of financial instruments.

In measuring fair value, Grupo Sura takes into account all the following items:

- a. The specific asset or liability to be measured (in keeping with its unit of account).
- b. For a non-financial asset, the corresponding valuation approach selected.
- c. The main (or most advantageous) market for the asset or liability in question.
- d. The valuation approaches used for their measurement, in the light of available data with which to calculate the variables that form the basis of the assumptions that market participants would use when pricing the assets and liabilities and the level of the fair value hierarchy in which the variables are classified.

Measuring assets or liabilities

When measuring the fair value of an asset or liability, Grupo Sura considers the following factors:

The characteristics of the specific asset or liability as would market participants when pricing said asset or liability including, for example, the following:

The condition and location of the asset.

Restrictions, if any, on the sale or use of the asset in question.



How these characteristics would be borne in mind by market participants.

**Measuring financial liabilities**

A fair value measurement assumes that a non-financial liability is transferred to a market participant on the date the measurement is performed, and this liability remains outstanding while the recipient is able to satisfy the obligation.

When there is no observable market capable of providing pricing information, this data may be obtained from other parties who maintain these liabilities in the form of assets and the fair value of such shall be measured from the standpoint of a market participant.

**Fair value at initial recognition**

When Grupo Sura acquires an asset or a liability, the price paid (or the price of the transaction) is taken as the entry price. Since companies do not necessarily sell assets at the prices paid to acquire these and similarly, companies do not necessarily transfer liabilities at the price received for taking them on, from the conceptual viewpoint, entry and exit prices can be widely different. The purpose of a fair value measurement is to estimate the exit price.

**Valuation approaches**

The valuation approaches used by Grupo Sura as listed below:

- » Market approach: this technique is mainly used to measure investment properties and fixed assets whose subsequent measurement is based on the re-measurement model as determined by Grupo Sura. It is also used to measure financial assets that have been determined at fair value according to the fair value business model and that are normally traded on active markets.
- » Income approach: this valuation technique is used for financial assets and liabilities determined at fair value which are not traded on active markets.
- » Cost approach: this technique is used to determine the amount that would otherwise be required to replace the asset or service provided by such (often referred to as the current replacement cost).

**3.14. LEASE RENTALS**

Whether an arrangement is or contains a lease is based on the essence of the agreement at its inception date, if fulfilling such agreement depends on using a specific asset or group of assets, or if the agreement grants a right to use the asset(s) in question.

Leases are classified as finance and operating leases. A lease is considered to be of a financial nature when substantially all of the risks and benefits inherent to ownership of the leased asset is transferred to the lessee; otherwise, it is classified as an operating lease.

Assets leased under financial leasing arrangements are shown as assets in the Statement of Financial Position at the beginning of the lease agreement, and recognized at the fair value of the leased asset or the present value of the minimum lease payments, whichever is lower.

Assets leased under finance leasing arrangements are depreciated over the useful life of the asset in question using the straight line method. However, should there be no reasonable certainty that Grupo SURA would retain ownership at the end of the term of the corresponding leasing arrangement, the asset is depreciated over its estimated useful life or during the term of the lease, whichever is the lesser. Lease payments are divided upon between interest and payments of principal. Finance charges are recognized in the income statement.

Operating lease payments, including incentives received are recognized linearly over the term of the lease as expense through profit and loss.

Leases classifying as financial leasing arrangements are recognized in the property, plant and equipment account using the measurement criteria, as defined for that group of assets in the accounting policy governing property, plant and equipment.

Grupo Sura considers that if a lease does not classify as a financial leasing arrangement it should be classified as an operating leasing arrangement and all rentals paid on said leased assets shall be recognized as an expense in the income accounts.

3.15. EMPLOYEE BENEFITS

Employee benefits include all amounts that Grupo Sura pays its workers in exchange for their services. Employee benefits are classified as short-term, post-employment, long-term and / or termination benefits.

Short-term benefits

These are benefits (other than termination benefits) that are expected to be completely settled within a 12-month period following the end of the annual reporting period in which the employees provide their corresponding services. These short-term benefits are recognized to the extent that employees provide their services for the amounts expected to be paid. Changes to the value of these short-term benefits are offset against profit and loss for the period

Long-term benefits

The long-term benefits include all types of remuneration owing to the employee, after a 12-month period following the end of the annual reporting period in which the employees provide their corresponding services Here, Grupo Sura measures the surplus or deficit obtained from the long-term employee benefit plan using the post-employment benefit approach both for estimating the corresponding obligation as well as the assets pertaining to the plan; thereby arriving at the value of the net defined benefit by finding the deficit or surplus produced by the obligation.

Liabilities corresponding to long-term employee benefits are recognized as follows:

- a) The present value of the defined benefit obligation at the end of the reporting period;
- b) Less the fair value, at the end of the reporting period, of the assets assigned to the benefit plan (if any) with which the obligations are settled directly.

Changes to the value of these long-term benefits are recognized through profit and loss for the period

Post-employment benefits

Post-employment benefits are all those which are granted to employees after they leave the Company to enjoy their retirement. Grupo Sura’s post-employment benefits consist of the following:

- » Defined contribution plans: under which Grupo Sura’s obligation is limited to fixed contributions paid to an outside company or fund, and is recognized once the employee has provided his or her services for a set period of time and the expense incurred for the period is disclosed at its nominal value
- » Defined benefit plans, where Grupo Sura has a legal or implicit obligation to pay such benefits, and which require the use of actuarial calculations, in order to recognize the defined benefit obligation based on actuarial assumptions.

Actuarial gains and losses on defined benefit plans are recognized in the other comprehensive income, other changes in the valuation of defined benefits are recognized in the income statement.

Benefits classified as long term and post-employment are discounted using the sovereign bond rates of each of the countries where Grupo Sura is present, bearing in mind the dates of the flows from which Grupo Sura expects to make such disbursements. These rates are used given the absence of benchmark rates corresponding to high quality corporate bonds.

Termination benefits

Termination benefits are payments for early retirement or redundancy payments, and therefore only accrue when the employment relationship is completed. Grupo Sura recognizes termination benefits as a liability as well as an expense when the benefits thus offered cannot be withdrawn due to contractual issues or when recognizing restructuring costs.

3.16. PROVISIONS AND CONTINGENCIES

Provisions are recognized when Grupo Sura has a present legal or implicit obligation as a result of a past event and there is the likelihood of an outflow of resources embodying economic benefits being required in order to settle the

obligation, the value of which can be reliably estimated. If these conditions are not met, a provision should be recognized.

Grupo Sura recognizes provisions in its Statement of Financial Position using its best estimates of the expenditure required, i.e. the value to be paid in order to settle the obligation for the reporting period in question, bearing in mind the risks and uncertainties affecting said estimates.

Grupo Sura considers that a provision must be set up when there is more than a 50% probability of incurring a loss.

Grupo Sura recognizes, measures and discloses the provisions arising in connection with contracts made for valuable consideration, restructurings, contractual and litigation proceedings, as long as there is high probability that the Company shall have incurred in an obligation and must settle such.

Grupo Sura defines a contingent liability as being an obligation arising from past events and whose existence is confirmed by the occurrence or non-occurrence of uncertain future events, or as a present obligation that arises from past events but is not recognized since a) it is unlikely that satisfying the corresponding obligation shall require an outflow of resources embodying economic benefits; or b) the value of the obligation cannot be reliably measured. The Company classifies a contingent asset as arising from past events and whose existence is confirmed by the occurrence or non-occurrence of uncertain future events.

Since contingent assets and liabilities stem from unexpected events and there is no certainty of obtaining future economic benefits from such, they are not recognized in the Statement of Financial Position until they actually materialize.

3.17. OPERATING SEGMENTS

An operating segment is a unit belonging to Grupo SURA that engages in business activities from which it may earn revenues and/or incur costs and expense, for which financial information is made available and whose operating performance is regularly reviewed by Grupo SURA's maximum governing body in making operating decisions, deciding on how resources are to be allocated to the different segments as well as assessing their performance.

The financial information pertaining to these operating segments is drawn up using the same accounting policies as those used to prepare Grupo SURA's consolidated financial statements.

3.18. INCOME

Grupo SURA recognizes ordinary revenue when the corresponding risk or benefit is duly transferred; that is to say, when the corresponding service is rendered or when the respective goods are delivered, to the extent that it is probable that the economic benefits shall flow to Grupo SURA and that said revenue can be reliably measured. Revenue is measured based on the fair value of the consideration received or pending receipt, excluding taxes or other obligations. Discounts are recorded as a lesser value of the income received.

The following specific recognition criteria must also be met before proceeding to record income

Revenues relating to activities performed during the normal course of business are recognized based on the degree to which the transaction is completed during the respective reporting period. Revenues from a transaction can be reliably estimated providing all and every one of the following conditions are met:

The amount of revenue from ordinary business activities can be measured reliably;

It is probable that the entity shall receive economic benefits associated with the transaction in question;

The degree of completion of the transaction at the end of the reporting period in question, can be measured reliably, and

The costs already incurred with the transaction and the remaining costs to be incurred until the transaction is completed can be measured reliably.

Grupo SURA estimates the extent to which the service is provided as follows:

The proportion of services performed compared to the total extent of the services agreed upon.

The proportion of costs incurred and paid compared with the total amount of estimated costs. For this purpose, the costs incurred up to the present time include the costs incurred with the service provided up to said date; and with regard to the total estimated costs of the transaction itself, only the cost of the services that have been or shall be provided are included

**Measuring income**

Grupo Sura measures income by estimating the fair value of the consideration received or pending receipt.

The amount of income obtained from a transaction is usually decided between the Company and the buyer or user of the asset in question.

For the Company, in almost all cases, this consideration is usually paid in the form of cash or cash equivalents and the amount of revenue corresponds to the amount of cash or cash equivalents received or pending receipt.

The following specific recognition criteria must also be met before income can be recognized as such.

**3.18.1 Income from written premiums**

Income from written premiums is recognized when the corresponding policies are issued, except for those whose terms have not yet begun or which exceed a 12-month period, in which case said income accrues on the date the corresponding term begins or the year following the beginning of the term. Income from accepted reinsurance premiums accrue when the corresponding account statements from the reinsurance firms are received.

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

**3.18.2 Income from the Workers ‘ Compensation Subsidiary**

The Workers ‘ Compensation subsidiary must estimate the value of all mandatory contributions bearing in mind the number of workers that were affiliated during all or part of the period (incoming and outgoing), the wages on which contributions are calculated and the type of risk addressed, as reported on the last payment settlement or affiliation form. Should the employer not report any incident, the estimated value of the corresponding contributions cannot be lower than that contained on the last payment settlement form.

**3.18.3 Dividend income**

Grupo Sura recognizes dividend income when it is entitled to receive such, which is usually when the dividends are first declared, except when the dividend represents a recovery of the cost of the investment. No dividend income is recognized when payment is made to all shareholders in the same proportion as the stakes held in the corresponding issuer.

**3.18.4 Commission income**

Commissions are generally recognized when the corresponding service is rendered. Those corresponding to negotiating, or participating in the negotiations of transactions with a third party such as disposals of purchased shares or other securities acquired or purchases or sales of business enterprises, are recognized when the underlying transaction is completed.

Fees corresponding to portfolio management or management consultancy and other services are recognized based on the applicable service contract when the service is rendered.

Asset management fees relating to investment funds and contractual investment rates are recognized on a proportional basis over the period in which the service is provided. The same principle applies in the case of wealth management, financial planning and safekeeping services performed continuously for a prolonged period of time. The rates charged and paid between banks in payment of services, are classified as fee and/or commission income and expense

3.18.5 Investment income

Interest accruing on financial assets measured at their amortized cost are recognized through profit and loss based on their projected flows, as contractually defined.

3.18.6 Income from the Health Care Subsidiaries

The health care companies belonging to Grupo Sura, who is a delegated member of the Colombian Solidarity and Guarantee Fund and therefore responsible for receiving contributions for the Mandatory Health Plan receive a set value per capita for providing health care services for each member. This is called Capitation Payment Unit - CPU, which is increased every year by the Colombian National Health and Social Security Board and the corresponding revenues are duly recognized. Consequently, the Company records as income the aforementioned Capitation Payment Unit - CPU for the health care services provided as recognized by the Colombian General Health Care and Social Security System based on each service settlement statement once this has passed the corresponding clearance process.

Income from prepaid health care contracts accrue as their contractual terms elapse.

3.19. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit or loss attributable to the holders of shares outstanding for the period in question by the weighted average number of ordinary shares outstanding during this same time frame, this bearing in mind that the Company’s preferred shares are posted as a liability.

3.20. CURRENCY

3.20.1 Functional currency

The amounts reported in the financial statements of each of Grupo SURA entities are stated in the currency of the primary economic environment ( the functional currency) of the country where each entity operates: The functional and reporting currency of the consolidated financial statements belonging to Grupo SURA is the Colombian pesos, which is the currency of the primary economic environment of

the country where it operates, as well as being the currency with influences the Group´s spending and revenue structure.

Grupo SURA's consolidated financial statements are presented in millions of Colombian pesos, rounded up or down to the nearest unit.

3.20.2. Foreign Currency

Foreign currency transactions are initially recorded using the exchange rate applicable to the functional currency on the date of the corresponding transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate of the functional currency prevailing at the close of the reporting period; non-monetary items that are measured at fair value are translated using the exchange rates applicable on the dates when their fair value is determined and non-monetary items measured at historic cost are translated using the exchange rates applicable on the dates of the original transactions.

All exchange differences are recognized in the income statement except for exchange differences arising from the translation of foreign operations and the application of hedge accounting recognized in the other income accounts; even the disposal of a foreign based business enterprise is recognized through profit and loss for the period.

Upon drawing up Grupo SURA's consolidated financial statements, assets and liabilities held abroad, including goodwill, and any adjustment made to the fair value of the assets and liabilities arising from said acquisition, are converted to Colombian pesos using the exchange rate applicable on the closing date of the corresponding reporting period. Income, costs, expense and cash flows are translated using average exchange rates for the reporting period in question, and equity is converted using history rates.

3.21. EVENTS AFTER THE REPORTING PERIOD

Grupo SURA has defined the following circumstances as events occurring after the reporting period

**Events occurring after the reporting period that entail adjustments**

Grupo SURA must adjust the figures recorded in its financial statements to show the effect that any event occurring after the end of the reporting period could have in terms of additional adjustments to be made, providing these occur prior to the date on which these financial statements are approved by Grupo SURA's Board of Directors.

**Events occurring after the reporting period that do not entail adjustments**

Grupo SURA does not have to amend the figures stated in its financial statements as a result of this type of event. However, if the event is materially important for Grupo SURA the nature of the event itself must be disclosed and its financial effects estimated, or failing that a statement as to the impossibility of making such an estimate.

**Ownership dividends or surpluses.**

Grupo SURA must abstain from recognizing as a liability on its financial statements, any dividends or surpluses agreed upon subsequent to the reporting period.

**Going concern assumption**

Grupo Sura prepares its financial statements based on a going concern assumption, provided that, after the respective reporting period Senior Management does not decide or state its intention wind up or cease to perform its business activities or that there is no other alternative but to proceed with one of the aforementioned courses of action.

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

The preparation of the consolidated financial statements in accordance with FRAS requires Senior Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

These estimates and underlying assumptions are periodically reviewed. . The corresponding adjustments made to the accounting estimates are recognized in the period in which the estimate is reviewed as well as in any future periods that may be affected

Said estimates and assumptions are determined subject to internal control procedures and approvals, which are in turn based on internal and external studies, industry statistics, environmental factors and trends as well as legal and regulatory requirements.

**Accounting estimates and assumptions**

The following are the key assumptions regarding the future performance of certain variables at the reporting date and which pose a significant risk of causing a material adjustment to the value of assets and liabilities to be stated in the next financial statement given the uncertainty prevailing with their performance.

**a) Revaluation of investment property and property for own use**

Grupo SURA records its real estate property (land and buildings) at fair value and any changes thereto are recognized in the other comprehensive equity account and in the case of investment properties in the corresponding income accounts.

Revaluation increases with regard to fixed assets are directly recognized in other comprehensive income and are accumulated in the equity accounts as a revaluation surplus. These revaluations are calculated every four years.

When the carrying value of an asset as a result of a revaluation is reduced, the corresponding decrease is recognized in profit or loss. However, this decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus with regard to said asset. The decrease thus recognized in other comprehensive income reduces the amount accumulated in equity as a revaluation surplus.

The fair values of land and buildings are based on periodic appraisals carried out by qualified outside appraisal firms as well as internally by the Group's own professional staff.

b) **Fair value of financial instruments**

When the fair value of financial assets and liabilities recorded in the Statement of Financial Position is not obtained from active markets it is determined using valuation methods that include the cash flow discount model. The information provided by these models is taken from observable markets where possible, but when this is not the case, a certain amount of judgment is required to determine their fair values. This includes weighing the corresponding liquidity, credit and volatility risks.

c) **Taxes**

There is a certain degree of uncertainty regarding the interpretation of complex tax regulations, the modifications made from time to time to such as well as the measurement and timing of future taxable income. Given the wide range of international trade relations and the complex long-term horizons contained in contractual agreements, differences may well arise between the results actually obtained and the estimates and assumptions used for calculating such, as well as future changes to the latter. This may require future adjustments to be made to taxable income and expense already recorded. Provisions are set up, based on reasonable estimates, with regard to possible findings produced by official audits performed by the tax authorities in each of the countries where the Company is present. The scope of these provisions is based on several factors, including the Company’s past experience with previous audits conducted by the tax authorities on the taxpayer entity.

Deferred tax assets are recognized for unused tax losses, to the extent that it is probable that taxable profits shall be available to offset such losses. A significant amount of judgment is required from Senior Management to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) **Impairment to goodwill**

Determining whether goodwill is impaired requires estimating the value in use of the cash generating units to which goodwill has been allocated. This requires Senior Management to estimate the expected future cash flows

from the cash-generating unit in question and an appropriate discount rate to calculate the present value of the aforementioned value in use. In the event of future real cash flows being lower than expected, an impairment loss could occur

e) **The useful life and residual values of property, plant and equipment as well as intangible assets.**

Grupo SURA reviews the useful lives of all property, plant and equipment as well as intangible assets, at least at the end of each accounting period. The effects of changes to the estimated useful life of an asset are recognized prospectively over its remaining life.

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

Grupo Sura recognizes a provision when the following conditions are met:

- » It has a present obligation (legal or implicit) as a result of a past event
- » There is a likelihood of an outflow of resources embodying economic benefits being required in order to settle the obligation,
- » the value of which can be reliably estimated.

g) **Employee benefits**

The measurement of post-employment and defined benefit obligations includes determining key actuarial assumptions on which the value of these liabilities is based. Key assumptions include discount and inflation rates, salary and wage increases among others.

The rate corresponding to the Type B Sovereign Bonds issued by the Colombian Government is used to discount employee benefits at the end of the reporting period, since this rate reflects the currency in which the post-employment benefits are paid as well as other defined benefits, together with their estimated duration. This rate provides a better indication of market returns.



h) **Technical reserves - insurance contracts**

Reserves for insurance and annuity contracts are recognized on the basis of the best estimate assumptions. Also, like all insurance contracts, these are subject to an annual liability adequacy tests, which reflects Senior Management´s best estimates of future cash flows. In the event these reserves prove to be insufficient, the assumptions used are updated and remain locked-in until the next review or until these prove insufficient, whichever occurs the earliest

As described in the section corresponding to Deferred Acquisition Costs, certain expenses are deferred and amortized over the lifetime of the contracts. In the event that the assumptions regarding future contractual returns prove erroneous, the amortization of these costs is accelerated with the corresponding impact on the income statement for the period.

The main assumptions used in calculating these technical reserves include: mortality, morbidity and longevity rates, returns on investment, expenses, fund exit and collection as well as surrender and discount rates.

The assumptions corresponding to the mortality, morbidity and longevity rates are based on local industry standards for each subsidiary and are adjusted to reflect the Company´s own risk exposure, where applicable, as well as whenever there is sufficient historic information to perform an experience-based analysis that would alter industry estimates. The longevity assumptions are introduced through future improvement factors for mortality rates

For assumptions regarding rates of return, the proceeds received from investments, that is to say the assets underpinning the technical reserves set up on insurance contracts, are taken into account these based on market conditions at the date the contract is entered into, while factoring in future expectations of changes to local economic and financial conditions in all those markets where the companies operate together with the Company´s own investment strategy

Expense assumptions are based on expenditure levels prevailing when the contracts are signed which are then adjusted for expected inflation increases, where applicable

Exit, collection and surrender rates are based on an analysis of the subsidiary´s own experience in terms of the product itself or the respective family of products.

Discount rates are based on current industry and market rates and adjusted for the subsidiary´s own risk exposure.

In the case of insurance contracts with savings components based on unit-linked fund units, obligations are determined based on the value of the assets underlying the provisions as well as those arising from the value of each of the funds where the policies are deposited.

i) **Impairment to financial assets**

In order to calculate impairment to this type of asset the Company must estimated the future cash flows that are expected from a single or group of financial assets.

j) **Stakes held in other entities**

A subsidiary is an entity that comes under the control of any of the companies that make up Grupo SURA´s portfolio. Control exists when any of the companies have the power to direct the subsidiary´s activities, these being, generally speaking operating and financing activities, in order to obtain benefits from such activities and at the same time is exposed, or is entitled, to variable returns from said subsidiary.

An associate is an entity over which Grupo Sura exerts significant influence in terms of its financial and operating policy decisions without actually achieving total or joint control.

A joint venture is an arrangement over which two or more parties exercise joint control.

The investments that Grupo Sura classifies as subsidiaries, associates or joint ventures is based on the fact that it exerts significant control or influence or holds joint control, that is to say, it has the power to intervene in the financial or operational decisions of this other company. In cases where Grupo Sura does not have the percentage stake required to classify an investment in a specific category, it may still be classified in this category when the Company is duly represented as a member of the investment’s governing body which in turn allows it to exercise control

Information regarding assumption and estimation uncertainties that pose a significant risk of producing a material adjustment for year-end 2015, 2014 and January 01 2014, are included in the following notes:

- » Note 7. Business combinations: acquired subsidiaries, fair value provisionally measured
- » Note 11. Insurance Contracts: assumptions for calculating reserves.
- » Note 13. Taxes: availability of future taxable profits to be used to offset losses obtained in prior periods
- » Note 18 Investments in subsidiaries: assumptions used to determine the degree of control held over subsidiaries
- » Note 19. Impairment to the value of assets: key assumptions for calculating an asset’s recoverable value, including the recoverability of development costs.
- » Note 22. Provisions and contingent liabilities: recognizing and measuring provisions and contingencies: key assumptions relating to the probability and magnitude of an outflow of economic resources; and
- » Notes 20.2 Long-term benefits and Note 20.3 Defined benefits: key actuarial assumptions;

The following notes also include additional information regarding assumptions made for the purpose of measuring fair value:

- » Note 9. Financial instruments
- » Note 15. Investment properties

**Discretionary judgments**

Upon preparing Grupo Sura ’s financial statements, its Senior Management is called on to make judgments that affect the values of the income, expense, assets and liabilities therein reported as well as contingent liabilities disclosed at the end of the reporting period in question.

Information concerning critical judgments made when applying accounting policies and which significantly affect the amounts recognized in the financial statements is shown as follows:

- » Note 11. Insurance contracts: Determining whether Grupo Sura acts as agent or principal with regard to insurance contracts.
- » Note 15. Investment properties Classification of investment properties
- » Note 18. Investments in Subsidiaries, Associates and Joint Ventures Determining whether control over subsidiaries duly exists, including the revision of the pension funds managed by Grupo Sura.
- » Note 10. Leases: determining whether an agreement contains a lease; classification of leasing arrangements.
- » Note 29. Commission income and expense: determining whether the Group acts as an agent in a specific transaction as opposed to the principal

NOTE 5. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

STANDARDS AND THEIR NEW AND/OR MODIFIED INTERPRETATIONS

The Group has applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2016. The nature and impact of each new standard and/or amendment are described below:

Amendments to IFRS 10, IFRS 12 and IAS 27: Investment entities

These changes, to be applied retroactively (with certain exceptions during the transition period), provide for an exception to the requirement for consolidating all those entities that meet the definition of investment entities under IFRS 10 Consolidated Financial Statements. The above-mentioned exception requires that investment entities record their subsidiaries at fair value through profit or loss. These changes had no impact whatsoever on the Group, since none of the Group’s entities is classified as an investment entity under IFRS 10.

Amendments to IAS 32: Offsetting financial assets and financial liabilities

These amendments, to be applied retroactively, clarify the meaning of “currently has a legally enforceable right of set-off” as well as the criteria for determining the settlement process to be used when the realization of the financial asset and the settlement of a financial liability does not occur simultaneously. These changes had no impact on the Group, as none of the Group entities have any settlement arrangements.

Amendments to IAS 39: Novation of derivatives and continuation of hedge accounting

These amendments, to be applied retroactively, provide exemptions that allow for hedge accounting to be continued when the novation of a derivative, designated as a hedging instrument, meets certain criteria. These modifications have had no impact whatsoever on the Group, since no changes have been made to its derivatives during the current or prior years.

IFRIC 21 - Liens

IFRIC 21 stipulates that an entity must recognize as a liability the activity that triggers the payment of the levy in accordance with the relevant legislation.. Based on this standard, in the case of levies that become due and payable upon reaching a certain threshold, no liability shall be recognized until such minimum threshold is reached. IFRIC 21 is to be applied retroactively. This interpretation has had no impact on the Group whatsoever, since in previous years the principles for recognizing said liabilities as liens as contained in IAS 37 - Provisions, Contingent Liabilities and Contingent Assets have been applied, these being consistent with that stipulated in IFRIC 21.

IFRS annual improvements cycle - 2010-2012

In its 2010-2012 annual improvements cycle, the IASB issued seven amendments to a total of six standards, which included an amendment to IFRS 13 - Fair Value Measurement. The amendment to IFRS 13 became immediately effective and therefore has to be applied to the years beginning on January 1, 2016. The accompanying “Basis For Conclusions” provides guidance in the case of accounts receivable and payable in the short term that do not carry an interest rate, which can now be recorded as the amounts contained in the respective invoices when the effect of any discount offered is immaterial. This amendment to IFRS 13 had no impact whatsoever on the Group.

IFRS annual improvements cycle - 2011-2013

In the 2011-2013 annual improvement cycle, the IASB issued four amendments to four standards, which include a modification to IFRS 1 First-time Adoption of International Financial Reporting Standards. This amendment to IFRS 1 was made immediately effective and therefore has to be applied to the years beginning on or after January 1, 2016 and in the “Basis for Conclusions” clarifies that an entity may choose to apply a current standard or a new standard that has not yet been enforced, but which may be applied in advance, provided that each such standard is consistently applied in the years presented in the Company’s first financial statements. This amendment to IFRS 1 had no impact whatsoever on the Group, since first adopted IFRS prior to the reporting year of 2016..

NOTE 6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Section 3 of Article 2.1.2 of Book 2, Part 1 of Decree 2420 issued in 2015 and subsequently amended by Decrees 2496 of 2015 and 2131 of 2016 as well as Article 1 of Decree 2131 of 2016 include the standards that have been issued by the IASB and adopted In Colombia, but which are due to come into full force and effect after 2016.

New Accepted Accounting and Financial Reporting Standards in Colombia to be applied as of January 01, 2017 except for IFRS 9 and 15 applicable as of January 1, 2018

**IFRS 9 - Financial instruments Classification and measurement**

In July 2014, the IASB published the final version of IFRS 9 - Financial Instruments which was a compilation of all phases of its draft IFRS 9 project and replaces IAS 39 Financial Instruments: measurement and classification as well as all previous versions of IFRS 9. This new standard introduces new requirements for the classification, measurement and impairment of financial instruments as well as hedge accounting. IFRS 9 is to be applied for the financial years beginning on or after 1 January 2018. Retroactive application is required, but no changes to comparative information are necessary. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is allowed if the initial date of application is earlier than 1 February 2015.

**IFRS 14 Regulatory Deferral Accounts**

IFRS 14 is an optional standard that allows an entity, when adopting IFRS for the first time and whose activities are subject to rate regulations, to continue to apply most of its prior accounting policies to its regulatory deferred accounts. Entities adopting IFRS 14 must present their regulatory deferred accounts as separate items on their statements of financial position and record the movements in said accounts as separate items on both their income and comprehensive income statement. This standard requires disclosures regarding the nature and risks associated with the entity's regulated rates, as well as the impacts of regulated rates on their financial statements. IFRS 14 is applicable to the fiscal years beginning on or after 1 January 2017.

**IFRS annual improvements cycle - 2010-2012**

These improvements became effective as of July 01, 2014 These include the following amendments:

**IFRS 15 - Revenue from contracts with clients**

IFRS 15 was published in May 2014 and established a new five-step approach for revenues obtained from contracts with clients. According to IFRS 15, revenue is recognized in an amount that reflects the consideration that an entity expects to be entitled to receive in exchange for transferring goods or services to a client. This core principle is delivered in a more structured approach for assessing and recording said revenues.

This new standard applies to all entities and shall replace all previous revenue recognition standards. A full or partial retroactive application is required for periods beginning on January 1, 2018, but earlier application is permitted.

**Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations**

Amendments to IFRS 11 require a joint operator to account for the acquisition of a stake in a joint venture, which constitutes a business, applying the relevant principles of IFRS 3 for the accounting of business combinations. These modifications also clarify the fact that the interests previously maintained in the joint operation are not reappraised when additional interests are required providing joint control is maintained. Furthermore, an exception was introduced to the scope of these amendments insofar as these shall not apply when the parties who share joint control come under the common control of a controlling company

These amendments shall apply when interests are first acquired in a joint operation as well as any other additional interests in the same joint operation. These are to be applied prospectively for the fiscal years beginning on January 1, 2017, although earlier application is permitted.

**Amendments to IAS 16 and IAS 38: Clarification for Acceptable Methods of Amortization**

These amendments clarify that revenues must reflect a pattern of profits derived from the operation of a business (of which the asset forms part), rather than the economic benefits that are consumed by the use of the asset. Therefore, property, plant and equipment cannot be amortized using an revenue-based amortization method and can only be used in very limited circumstances to amortize intangible assets. These changes shall be applied prospectively for periods beginning on or after 1 January 2017, although they may be applied in advance.

**Amendments to IAS 16 and IAS 41: Biological Assets Relating to Agricultural Bearer Plants**

These amendments change the way of recording biological assets which are agricultural bearer plants. According to these new changes, the biological assets used to grow produce over several years no longer fall under the scope of IAS 41 and therefore must be recorded in accordance with IAS 16. After their initial recognition, these biological assets are measured at their amortized cost until maturity whereupon the cost or revaluation model is used. IAS 41 continues to be applied to the produce thus obtained which is to be measured at fair value less their selling costs. On the other hand, IAS 20 shall apply when receiving subsidies related to produce-bearing plants. These amendments must be applied retroactively for the years beginning on January 1, 2017, although their early application is permitted.

**Amendments to IAS 27: Equity method in separate financial statements**

An amendment made to IAS 27 - Equity Method in Separate Financial Statements allows entities to use the equity method to account for their subsidiaries, joint ventures and associates in its separate financial statements. Entities that have already implemented IFRS and choose to change to the equity method, must apply this change retrospectively. Entities that apply IFRS for the first time and choose to use the equity method in their separate financial statements shall have to apply the aforementioned method as of the date they transitioned to IFRS. These changes must be applied for the years beginning on January 1, 2017, although their early application is allowed.

**Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between the Investor and its Associates or Joint Ventures**

These amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is either sold or contributed to an associate or joint venture. They also clarify the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between the investor and its associate or joint venture, which must be recognized in its entirety. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only up to the extent of the interests held by unrelated investors in associate or joint venture. These amendments should be applied prospectively and shall become fully effective for periods beginning on or after January 1, 2017, with early adoption allowed.

**Annual Improvements Cycle 2012-2014**

These improvements are effective for annual periods beginning on or after January 1, 2017, with earlier adoption allowed. These include:

**IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations**

Assets (or groups of assets) are generally disposed of either by being sold to or distributed among their owners. This amendment clarifies that the change from one disposal method to another would not be considered as a new disposal plan, but rather a continuation of the original plan. Therefore there are no grounds for interrupting the application of the requirements contained in IFRS 5. This amendment should be applied prospectively.

**IFRS 7 - Financial instruments Disclosures**

**(i) Servicing costs**

This amendment clarifies that a servicing contract that includes a fee may constitute a continuing involvement in a financial asset. An entity should evaluate the nature of the fee and the servicing contract itself against the guidance provided in IFRS 7 for determining a “continuing involvement” in order to assess whether disclosures are required. This evaluation of which servicing contracts constitute a continuing involvement must be carried out retrospectively. However, the required disclosures shall not have to be provided for a period beginning before the annual period in which the entity applies the amendments for the first time.

**(ii) Applicability of Amendments to IFRS 7 to the Condensed Interim Financial Statements**

The amendment clarifies that offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a material restatement for the information reported in the most recent annual report. This amendment should be applied retrospectively.

**IAS 19 Employee Benefits**

This amendment clarifies that the depth of the market for high-quality corporate bonds should be assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high-quality corporate bonds in the corresponding currency, government bond rates should be used. This amendment should be applied prospectively.

**IAS 34 Interim Financial Information**

These amendments clarify that the required interim disclosures should be either in the interim financial statements or incorporated by cross-referencing between the interim financial statements and wherever interim financial information is included (for example in management comments or risk reports) . The other information contained in the interim financial information should be made available to users under the same conditions as the interim financial statements and at the same time. This amendment should be applied retrospectively.

**Amendments to IAS 1 - Disclosure Initiative**

Amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, the existing requirements of IAS 1. Said changes clarify:

- » The materiality requirements stipulated in IAS 1.
- » That specific line items in the statements of income and other comprehensive income as well in the statement of financial position can be disaggregated.
- » That entities are granted flexibility with regard to the order in which the notes to the financial statements are presented .

- » That the entity´s share of the other comprehensive income (OCI) of associates and joint ventures that are accounted for using the equity method should be presented together in a single line and classified among those items to be reclassified or not to the income accounts.

Furthermore, these amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position as well as the statements of income and other comprehensive income. These amendments shall be effective for annual periods beginning on or after January 1, 2017, with early adoption allowed.

**Amendments to IFRS 10, 12 and IAS 28 - Investment Entities: Application of the Consolidation Exception**

These amendments address issues that have arisen with the application of the exception for consolidation in investment entities under IFRS 10.

Amendments to IFRS 10 clarify that the exception to the consolidated financial statements applies to the parent entity which in turn is a subsidiary of an investment entity when the investment entity measures all of its subsidiaries at fair value.

On the other hand, amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity per se and which provides support services to the investment entity in question should be consolidated. All the other subsidiaries of an investment entity are measured at fair value. Amendments to IAS 28 allow the investor, when applying the equity method, to leave the measurement of the fair value applied by the associated investment entity or joint venture based on the investor´s participation in the subsidiaries.

These amendments should be applied retrospectively and are effective for annual periods beginning on or after January 1, 2017, with earlier adoption allowed. New Accepted Accounting and Financial Reporting Standards (NCIF) in Colombia applicable as of January 1, 2018 Article 1 of Decree 2131 of 2015 added Annex 1.2 to Decree 2420 of 2015, subsequently amended by Decree 2496 of 2015 adding amendments to IAS 7, IAS 12 and clarifications to IFRS 15

**Amendments to IAS 7**

Disclosure Initiative: amendments to IAS 7 form part of the IASB disclosure initiative and require companies to disclose information that allows users of financial statements to assess changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. Upon initially applying this amendment, the company would not be obliged to include comparative information from previous periods.

**Amendments to IAS 12**

Recognition of Deferred Tax Assets for Unrealized Losses: these amendments clarify how to record deferred tax assets for debt instruments measured at fair value.

**Amendments to IFRS 15:**

Clarifications to IFRS 15 Revenues from Contracts with Clients: this amendment clarifies certain issues relating to client contracts, in order to provide a more uniform understanding of this standard by the various interested parties.

**IFRS issued by the IASB but not adopted in Colombia**

The IASB issued on January 13, 2016 a new standard IFRS 16 - Leases, which provides a comprehensive model for identifying lease agreements and how they are to be treated in the financial statements of both lessees and lessors. This replaces IAS 17 - Leases and their interpretive guidance.

The following standards which, although have not been amended, do not apply in the case of Grupo Sura since the Company does not carry out this type of operation:

- » IFRS 14 Regulatory Deferral Accounts
- » IFRS 11: Accounting for acquisitions of interests in joint operations
- » IAS 16 and IAS 41: Biological Assets Relating to Agricultural Bearer Plants
- » IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations

**NOTE 7. BUSINESS COMBINATIONS**

**7.1. BUSINESS COMBINATIONS CARRIED OUT IN THE PRESENT REPORTING PERIOD (2016)**

On September 8, 2015, Suramericana S.A, signed an agreement for acquiring the Latin American operations of RSA Insurance Group plc, for approximately USD 614 million (403 million pounds sterling), which consisted of the following companies:

Suramericana on February 29, 2016 through Inversiones Sura Brasil S.A. acquired 99.9997% of the shares belonging to the insurance company, Royal & Sun Alliance Seguros (Brazil), (now known as Seguros Sura S.A.).

Royal & Sun Alliance Seguros Colombia - RSA: on March 31, 2016, Suramericana acquired a 98.8309% stake in the share capital of this insurance company. Also, through this same acquisition, a stake of 98.8875% was indirectly obtained by Financia Expreso RSA S.A. a company dedicated to investing in personal property and real estate as well as other activities along with a 50.4227% stake in Protección Garantizada Ltda., an insurance brokerage.

On August 1, 2016, having obtained prior authorization from the Colombian Superintendency of Finance as contained in Resolution No. 0889 issued on July 14, 2016, Royal & Sun Alliance Seguros Colombia S.A. (RSA) was taken over by Seguros Generales Suramericana S.A., which is a subsidiary of Suramericana, the Group´s insurance and reinsurance arm in Colombia.

Royal & Sun Alliance Seguros Argentina - RSA: on April 30, 2016 Suramericana acquired a 99.35% stake in this insurance company as well as 100% of the share capital belonging to Atlantis Sociedad Inversora S.A. a company dedicated to investing in personal property and real estate as well as other activities, 100% of the share capital belonging to Santa María del Sol S.A., also dedicated to investing in personal property and real estate as well as other activities and indirectly acquired a 99.99% stake in the insurance company Aseguradora de Créditos y Garantías.



Royal & Sun Alliance Seguros Chile - RSA: on April 30, 2016 Suramericana acquired 99.96% of the share capital of this insurance company, as well as a 100% stake in RSA Chilean Holding SpA, (now known as Chilean Holding Suramericana SPA), a company engaged in investing in personal property and real estate as well as other activities, another 100% stake in Inversiones RSA Chile Limitada, (now known as Inversiones Suramericana Chile Limitada), a company engaged in investing in personal property and real estate as well as other activities, and indirectly obtained a 100% stake in the insurance company, RSA Seguros de Vida S.A. together with a100% stake in Servicios y Ventas Compañía Limitada.

Royal & Sun Alliance Seguros Mexico - RSA (now known as Seguros Sura, S.A. de C.V.): on May 31, 2016 Suramericana acquired a 100% stake in the share capital of this insurance firm.

Royal & Sun Alliance Seguros Uruguay S.A.,: on June 30, 2016 Suramericana acquired a 100% stake in the share capital of this insurance firm.

In 2015 and 2016, Suramericana recorded administrative expense on the integration of these recently acquired companies, this consisting on consultancy fees on the paperwork required, the expense of changing to the new brand as well as traveling expense on the part of HQ staff to the various countries. The total amount of expense thus incurred is broken down as follows:

ACQUISITION EXPENSE	TOTAL VALUE:	PERIOD
Integration expense (with RSA)	48.225	2016
Integration expense (with Banistmo Panamá)	5.732	2015

Identifying and recording intangible assets and goodwill

The allocation of the price paid for the transactions was made in accordance with IFRS, in particular IFRS 3 - Business Combinations. For the purpose of this analysis, the Company adopted the definition of fair value as contained in IFRS 13 - Fair Value Measurement.

IFRS 13 stipulates that fair value measurements must be based on the highest and best use of the asset on the part of market participants must be used, considering its physically possible, legally permissible and financially feasible use on the date this is measured.

The methodology used for determining the PPA (Purchase Price Allocation) was based on FRAS guidelines, in particular those concerning:

- » IFRS 3 - Business Combinations
- » IFRS 4 - Insurance Contracts
- » IFRS 13 - Fair Value Measurement
- » IFRS 9 - Financial Instruments
- » IAS 39 - Financial Instruments: Recognition and Measurement

Accordingly, we proceeded to measure the fair value of the identifiable assets acquired, the liabilities assumed, and the shares issued in the acquired company. For this purpose, an analysis was performed on the items involved in the transaction itself, bearing in mind the following:

- i. Investment valuations
- ii. Accounts receivable valuations
- iii. Fixed asset valuations
- iv. Reinsurance asset valuations
- v. Appraisals of reserves at fair value and adequacy tests.
- vi. Accounts payable valuations
- vii. Identifying, recognizing and estimating the market value of intangible assets on the date the acquisition was performed.
- viii. Calculating goodwill
- ix. Calculating deferred tax.

Thus, Senior Management identified the following intangible assets to be recognized separately from goodwill:

- » VOBA (Value of Business Acquired): is an intangible asset that particularly applies to the insurance industry. This intangible asset corresponds to customer/client lists in the case of non-insurers. This type of asset has been

duly identified and recognized in the corresponding valuations since it is a separable intangible asset that generates future economic benefits, control is exerted and it can be reliably measured. The valuation method used was the excess income approach adjusted for the insurance sector (Multi-Period Earnings).

- » Contracts: An affinity contract is an exclusive contractual relationship between two companies that is entered into for the purpose of expanding the reach of the products and services offered through a mutual partnership.
- » An Affinity agreement with these companies provides the acquired companies with the economic benefits relating to the indirect sale of their insurance products (e.g. group and individual life, personal accident, fire and car insurance). These benefits are recognizable, separable, and measurable and therefore should be considered for the corresponding valuation. Because the expiry dates and renewal policies vary according to each individual contract, a finite life was considered for these benefits, this based on their respective contractual descriptions.
- » Software; This intangible represents the Company's own information system that was developed in-house. Software is an information tool that has a recognizable, measurable and separable value.
- » Trademarks: a trademark is defined as any word, name, symbol or device, or combination thereof, adapted and used by a company to identify and manage the business, goods or services offered and / or to distinguish it from its competitors. Trademarks were included in the PPA because they have a recognizable, measurable and separable value.
- » Operating licenses: this intangible represents the right to operate a company in a certain market. RSA Mexico holds a single license to operate two companies (Vida y Generales). The Mexican regulatory authorities currently do not grant licenses to operate Vida and Generales under the same corporate name.

MEXICO						ARGENTINA				BRAZIL			
	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Fair value of the acquired company
Amount allocated / cash consideration			293.575			162.256						211.022	
Assets													
Cash and cash equivalents	15.933	-	15.933	208.264	-	208.264	1.660	-	-	1.660	-	1.660	
Investments and derivatives	283.512	-	283.512	309.106	-	309.106	264.829	-	-	264.829	-	264.829	
Accounts receivable	315.845	-	315.845	625.869	[7,452]	618.417	397.094	1	1	397.094		397.094	
Property, plant and equipment	42.860	-	42.860	8.412	-	8.412	6.792	-	-	6.792		6.792	
Intangible assets	12.209	[981]	11.229	15.782	[12,000]	3.782	66.525	[11,044]		66.525		55.481	
Identified intangible assets	-	-	71.008	-	-	51.592	-	-	-	-		28.011	
Other assets	113.484	[16,727]	96.757	23.389	[6,477]	16.912	72.456	5.131		72.456		77.587	
Total assets	783.845	[17,708]	837.145	1,190.822	[25,929]	1,216,486	809.356	[5,912]		809.356		831.455	
Liabilities													
Financial obligations	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	122.551	[24]	122.528	228.658	[1,449]	227.209	220.656	259		220.656		220.915	
Technical reserves	369.917	-	369.917	715.367	-	715.367	409.726	1.455		409.726		411.180	
Deferred tax on identified intangible assets	-	-	21.302	-	-	18.057	-	-	-	-	-	12.605	
Other liabilities	67.657	36	67.693	54.670	-	54.670	-	-	-	-	-	-	-
Total liabilities	560.125	12	581.440	998.695	[1,449]	1,015,303	630.382	1.714		630.382		644.700	
Non-controlling interest						1.022			1				
Net acquired assets	223.719	[17,720]	255.705	192.127	[24,479]	200.161	178.974	[7,626]		178.974		186.754	
Cash flow hedges on purchase transaction			[5,498]			15.613						16.096	
Residual value of goodwill			32.372			[22,292]						40.364	

CHILE			RSA COLOMBIA			URUGUAY		
Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company	Carrying value of the acquired company	Recognized fair value	Fair value of the acquired company
Amount allocated / cash consideration		733.905			200.125			250.700
Assets								
Cash and cash equivalents	-	35.240	9.640	-	9.640	42.341	-	42.341
Investments and derivatives	-	499.162	204.494	(10.627)	193.867	129.629	-	129.629
Accounts receivable	(70.136)	1.804.153	848.011	(157)	847.855	118.096	-	118.096
Property, plant and equipment	(954)	34.248	11.554	(384)	11.169	5.167	-	5.167
Intangible assets	-	19.570	8.735	5.277	14.012	1.488	-	1.488
Identified intangible assets	-	242.323	-	-	33.453	-	-	74.165
Other assets	(31.547)	250.531	36.540	629	37.189	41.978	(578)	41.400
Total assets	(102,637)	2,885,227	1,118,994	(5,262)	1,147,185	338,699	(578)	412,286
Liabilities								
Financial obligations	-	-	3.778	-	3.778	-	-	-
Accounts payable	-	420.046	97.309	-	97.309	52.355	-	52.355
Contingent liabilities	-	-	18.603	-	18.603	-	-	-
Technical reserves	-	1,513,849	899.891	(52,427)	847,464	187.965	225	188,190
Labor liabilities	-	-	1.910	-	1.910	-	-	-
Deferred tax on identified intangible assets	-	63.610	-	-	13.381	-	-	18.541
Other liabilities	(229)	287.019	14.003	31.460	45.463	(25,798)	10.032	(15,767)
Total liabilities	(229)	2,284,524	1,035,492	(20,967)	1,027,907	214,522	10.256	243,319
Non-controlling interest		2.872			1.662			-
Net acquired assets	(102,408)	597,831	83.502	15.704	117,615	124.177	(10,834)	168,967
Cash flow hedges on purchase transaction		7.095			11.141			19,088
Residual value of goodwill		143.169			93.650			100.820

Breakdown of the revenues provided by these recently acquired companies:

	MEXICO		ARGENTINA		BRAZIL		CHILE		RSA COLOMBIA		URUGUAY	
	2016		2016		2016		2016		2016		2016	
From the date of acquisition to the end of the present reporting period												
Revenue from normal business activities	445,343		1,018,104		613,865		1,840,655		730,201		184,792	
Profit or loss	(13,556)		24,630		(7,184)		(8,942)		5,610		4,768	
For the entire reporting period												
Revenue from normal business activities	641,392		1,933,214		692,927		2,381,886		910,040		328,675	
Profit or loss	(11,390)		30,571		(37,989)		49,162		6,856		11,732	

Negative goodwill determined through the valuation of business combinations is recognized as income for the period in which the transaction is carried out.

In 2016, Suramericana SA recognized the initial amounts associated with the business combinations carried out as a result of having acquired RSA's operations in Latin America. Since at the end of the reporting period it has not been possible to definitely confirm the fair value of the insurance reserves held by these cash generating units (CGUs) and that IFRS 3 grants a maximum measurement period of one year for making the necessary adjustments to the initially recognized amounts, these figures are understood to be of a provisional nature and subject to change in 2017.

7.2. BUSINESS COMBINATIONS CARRIED OUT IN REPORTING PERIODS PRIOR TO 2015

On August 31, 2010, Suramericana S,A, acquired 100% of the voting rights of the acquired Seguros Suramericana de Panamá (formerly Seguros Banistmo S.A.) in Panama through the purchase of 1,000,000 shares for a total of USD 96,495,801.Through these business combinations, Suramericana S.A. expanded its coverage in Latin America, diversified its risk exposure and took advantage of the opportunities inherent to this new business, recognizing, in its financial statements, the identifiable assets acquired, the liabilities assumed and the non-controlling interests that remained in the equity of these business combinations.

The corresponding goodwill was also recognized. Once the Company took over, it began to direct the operating and financial policies of this newly acquired business, thus driving its corporate strategy, enriching its corporate knowledge by exploring other markets and cultures, capitalizing on the expertise of the staff now joining the Group while reaping the benefits of its financial situation and performance .

Seguros Suramericana de Panama S.A. (formerly Seguros Banistmo S.A.), is an insurance company based in Panama, which was incorporated on May 31, 1957, according to the laws of the Republic of Panama and is licensed to operate in the insurance and reinsurance business in all branches of property and casualty as well as life insurance together with performance bonds.

The breakdown of the fair value of the net assets acquired on August 31, 2015, and the corresponding goodwill is as follows:

	CARRYING VALUE OF THE ACQUIRED COMPANY	RECOGNIZED FAIR VALUE	FAIR VALUE OF THE ACQUIRED COMPANY
Amount allocated / cash consideration			297,204
Assets			
Cash and cash equivalents	75,958	-	75,958
Investments and derivatives	218,582	-	218,582
Loan portfolio	543	-	543
Accounts receivable	68,409	-	68,409
Property, plant and equipment	524	-	524
Intangible assets	-	41,298	41,298
Other assets	27,581	(916)	26,664
Total assets	391,596	40,382	431,977
Liabilities			
Accounts payable	37,193	-	37,193
Technical reserves	131,871	-	131,871
Deferred premiums	4,667	-	4,667
Other deferred items	2,142	-	2,142
Total liabilities	175,872	0	175,872
Net acquired assets	215,723	40,382	256,105
Goodwill obtained from the acquisition		41,099	41,099

In 2016, Suramericana S.A. concluded its review of the facts and circumstances that could somehow affect the provisional amounts recognized in its financial statements for the business combination corresponding to Seguros Banistmo Panama, now known as Seguros Suramericana Panamá S.A.. Also in August 2016, the maximum measurement term permitted by IFRS 3 expired and thus amounts recognized for this business combination are to be understood as definitive.

NOTE 8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for Grupo SURA and Subsidiaries are broken down as follows:

	2016	2015
Cash and cash equivalents	2.868	6.552
Domestic banks	1,325,798	893.436
Foreign banks	449.869	278.442
Cash equivalents (*)	287.975	246.968
Cash and cash equivalents	2,066,509	1,425,398
Restricted cash (Note 8.1)	450	7.786
Cash and cash equivalents pertaining to the Statement of Cash Flows	2,066,959	1,433,184

(\*) Including checks, special investment funds, fiduciary rights and other cash equivalents.

RESTRICTED CASH

Restricted cash at the end of the reporting period is broken down as follows:

RESTRICTION DETAILS	COUNTRY	TOTAL RESTRICTED CASH - 2016
Garnished bank accounts	Colombia	321
Funds used to pay taxes to SUNAT	Peru	98
Commission-related hedge funds - Foreign Brokerage Firm	Peru	31
Total		450

RESTRICTION DETAILS	COUNTRY	TOTAL RESTRICTED CASH - 2015
Garnished securities	Dominican Republic	1.769
Garnished bank accounts	Colombia	5.891
Funds used to pay taxes to SUNAT	Peru	126
Total		7.786

Bank accounts bear interest at variable rates based on daily bank deposit rates. Short-term loans are issued for periods of between one day and three months depending on the immediate cash needs of Grupo Sura and its Subsidiaries, all of which bear interest at the applicable short-term lending rates.

NOTE 9. FINANCIAL INSTRUMENTS

The methodologies and assumptions used to determine the value of financial instruments not recorded at fair value in the financial statements (i.e., items at amortized cost as well as loans and accounts receivable) are as follows.

Assets whose fair value is approximated to their book value

In the case of financial assets with short-term maturities (less than three months), such as demand deposits and savings accounts with no specific maturity, their carrying amounts approximate their fair values. As for short-term receivables, which are measured at amortized cost, their carrying values correspond to a reasonable approximation of their fair values.

Financial instruments at agreed rates

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

Financial liabilities whose fair value is approximated to their book value

In the case of short-term obligations, their carrying amounts approximate their fair value.

With regard to loans bearing variable interest rates, their carrying amounts correspond to approximations of their fair values. As for loans bearing fixed interest rates, the market interest rates for similar loans do not differ to a significant degree, therefore, their carrying amounts correspond to reasonable approximations of their fair value.

9.1. FINANCIAL ASSETS

The following table shows a breakdown of current and non current financial assets:

Year-end 2016

CURRENT	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS AT FAIR VALUE		OTHER FINANCIAL ASSETS (CASH)	TOTAL
		P/L	Equity		
Cash and cash equivalents	-	-	-	2,066,509	2,066,509
Investments	107.174	2,933,046	3,156,252	-	6,196,471
Accounts receivable	5,093,771	-	-	-	5,093,771
Accounts receivable due from related parties (1)	89.249	-	-	-	89.249
Derivatives	-	56.562	-	-	56.562
Total current assets	5,290,194	2,989,608	3,156,252	2,066,509	13,502,563
NON-CURRENT					
		P/L	Equity		
Restricted cash (*)	-	-	-	450	450
Investments	16,110,942	1,894,574	1,996,254	-	20,001,770
Accounts receivable	328.085	-	-	-	328.085
Derivatives	-	574.531	-	-	574.531
Total non-current assets	16,439,027	2,469,105	1,996,254	450	20,904,836
Total financial assets	21,729,221	5,458,713	5,152,506	2,066,959	34,407,398

Year-end 2015

CURRENT	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS AT FAIR VALUE		OTHER FINANCIAL ASSETS (CASH)	TOTAL
		P/L	Equity		
Cash	-	-	-	1,425,398	1,425,398
Investments	-	6,218,640	-	-	6,218,640
Accounts receivable	2,576,673	-	-	-	2,576,673
Accounts receivable due from related parties (1)	89.009	-	-	-	89.009
Derivatives	-	123.827	-	-	123.827
Total current financial assets	2,665,682	6,342,467	-	1,425,398	10,433,547
NON-CURRENT					
		P/L	Equity		
Restricted cash	-	-	-	7.786	7.786
Investments	13,908,102	1,531,938	65.212	-	15,505,252
Accounts receivable	376.065	-	-	-	376.065
Derivatives	-	138.354	-	-	138.354
Total non-current financial assets	14,284,167	1,670,292	65.212	7.786	16,027,457
Total financial assets	16,949,849	8,012,759	65.212	1,433,184	26,461,004

(1) Accounts receivable due from related parties consist of outstanding dividends receivable from associates as shown below:

	2016	2015
Bancolombia S.A.	52.061	52.744
Inversiones Argos S.A.	16.469	15.416
Grupo Nutresa S.A.	20.145	18.781
Others	573	2.067
Total dividends receivable	89.249	89.009

The maturities of the financial obligations held at year-end are shown as follows:

2016	LESS THAN 1 YEAR	BETWEEN 1 AND 3 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Cash	2,066,509	450	-	-	2,066,959
Investments	6,196,471	479.956	6,788,551	12,733,264	26,198,241
Trade receivables	5,181,462	13.673	32.013	283.957	5,511,105
Other financial assets	58.120	36.398	169.024	367.550	631.093
Total	13,502,562	530.477	6,989,588	13,384,771	34,407,398

2015	LESS THAN 1 YEAR	BETWEEN 1 AND 3 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Cash	1,433,184	-	-	-	1,433,184
Investments	6,218,640	8,501,472	2,039,864	4,963,915	21,723,891
Trade receivables	2,665,681	299.334	25.219	51.514	3,041,748
Other financial assets	123.827	13.019	2.928	122.407	262.181
Total	10,441,332	8,813,825	2,068,011	5,137,836	26,461,004

The following shows these financial liabilities based on their fair value hierarchy:

2016	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments	7,724,183	2,080,984	174.958	9,980,125
Other financial assets	489.368	141.725	-	631.093
Total	8,213,551	2,222,709	174.958	10,611,219

2015	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments	6,382,911	1,359,283	73.596	7,815,790
Other financial assets	62.986	199.195	-	262.181
Total	6,445,897	1,558,478	73.596	8,077,971

Details of how fair value is determined:

Level 1

Prices listed on active markets

Inputs for Level 1 consist of unadjusted prices listed on active markets for identical assets and liabilities. An active market is one in which transactions for the asset or liability in question occur frequently providing sufficient volume on which to provide pricing information

This level includes investments and derivatives, with stock exchange listed prices, that are classified as highly liquid securities.

Levels 2 and 3

Level 2 - Modeling with input data from observable markets

Level 2 inputs are those other than quoted prices belonging to Level 1 that are observable for the asset or liability in question, either directly or indirectly. Inputs for Level 2 include:

- » Listed prices for similar assets or liabilities on active markets;
- » Quoted prices for identical or similar assets or liabilities, but in markets that are not active and input data other than quoted prices, e.g. interest rates and terms

Level 3 - Modeling with unobservable inputs

Inputs for Level 3 are unobservable for the asset and liability in question. These can be used to determine fair value when observable inputs are not available. These valuations reflect assumptions that the business unit makes based on other market participants i.e. earnings on non-listed shares.

The following table shows the valuation techniques used to determine the fair values corresponding to Level 3 of the fair value hierarchy, together with the non-observable variables used in the valuation models:

DESCRIPTION	VALUATION APPROACHES	Non-observable variable
Assets		
Negotiable or designated		
Low-liquidity shares	Attributed cost	Market price
Time Deposits	Internal rate of return	Market internal rate of return

Financial assets on an individual country basis is shown as follows:

	ARGENTINA	BERMUDA	BRAZIL	CHILE	COLOMBIA	CURACAO	SPAIN	HO- LLAND	MEXICO	PANAMA	PERU	DOMINI- CAN REP	EL SALVADOR	URUGUAY	TOTAL
Cash and cash equivalents	23,398	15,875	5,759	171,137	1,507,146	324	3,163	552	106,164	112,380	59,594	19,770	29,565	12,132	2,066,959
Investments	549,238	-	312,936	9,412,007	8,189,544	-	-	-	2,368,616	452,582	4,339,795	65,336	281,498	226,689	26,198,241
Other financial assets	-	-	-	489,368	141,725	-	-	-	-	-	-	-	-	-	631,093
Trade and other receivables	553,536	-	217,755	1,494,706	2,081,447	-	-	-	304,810	176,583	321,418	106,863	86,257	167,730	5,511,105
	1,126,172	15,875	536,451	11,567,217	11,919,862	324	3,163	552	2,779,590	741,545	4,720,807	191,969	397,320	406,551	34,407,398
2016	ARGENTINA	BERMUDA	BRAZIL	CHILE	COLOMBIA	CURACAO	SPAIN	HOLLAND	MEXICO	PANAMA	PERU	DOMINICAN REP	EL SALVADOR	URUGUAY	TOTAL
Cash and cash equivalents	-	-	-	109,822	886,740	50	1,635	2,438	106,411	101,343	187,308	16,106	19,693	1,638	1,433,184
Investments	-	-	-	6,881,450	7,439,403	-	-	-	2,328,809	463,911	4,202,527	65,643	281,599	60,549	21,723,891
Other financial assets	-	-	-	62,986	199,195	-	-	-	-	-	-	-	-	-	262,181
Trade and other receivables	-	-	-	186,713	2,048,720	-	-	-	50,747	168,687	380,828	94,838	94,964	16,251	3,041,748
	-	-	-	7,240,971	10,574,058	50	1,635	2,438	2,485,967	733,941	4,770,663	176,587	396,256	78,438	26,461,004



9.1.1 Investments

Investments are broken down as follows

	2016	2015
Domestic issuers	14,228,565	13,369,156
TES government bonds	4,666,556	4,300,486
Foreign issuers	4,782,579	1,345,151
Legal reserve requirement (pension funds) - investments at fair value through profit and loss	1,943,249	2,021,887
Other securities issued by the Colombian Government	531.332	681.327
Others	48.149	11.478
Impairment of equity investments through Other Comprehensive Income (Note 9.2)	(567)	(1,155)
Impairment (Note 9.2)	(1,622)	(4,439)
	26,198,241	21,723,891

The movements recorded in the investment account are shown as follows:

Balance held at year-end 2014	16,374,659
Additions	8,206,420
Derecognitions	(4,817,793)
Interest	699.346
Valuations of financial assets (net)	757.430
Valuations of equity investments (Note 26.3)	603
Translation differences	503.226
Balance held at year-end 2015	21,723,891
Additions	8,260,019
De-recognitions	(3,883,419)
Interest	(144,185)
Valuations of financial assets (net)	725.048
Valuations of equity investments (Note 26.3)	(829)
Translation differences	(482,284)
Balance held at year-end 2016	26,198,241

9.1.2 Trade and other accounts receivable

The following is a breakdown of the accounts receivable account at year-end :

	2016	2015
Insurance business	4,049,497	1,812,928
Loan portfolio	304.233	361.915
Business checking accounts:	182.056	136.985
Interest	63	32
Commissions	124.820	109.953
Lease rentals	6.189	3.729
Sales of goods and services	8	156
Receivables	358.494	222.088
Judicial deposits	63.203	23.512
Advanced payments - contracts and suppliers	6.905	5.196
Employees	39.648	28.859
Client payments - housing	51.014	44.894
Client payments - consumer	280.319	231.220
Promissory bills of sale	9.012	-
Miscellaneous	174.602	133.180
General impairment provision	(811)	-
Impairment on other items of loan portfolio	(23,159)	(24,445)
Impairment (provision) trade receivables	(111,930)	(84,855)
Impairment (provision) insurance accounts receivable	(76,577)	(46,511)
Impairment (provision) consumer accounts receivable	(1,505)	(964)
Impairment (provision) other accounts receivable	(14,225)	(5,134)
	5,421,856	2,952,738

9.2. IMPAIRMENT TO FINANCIAL ASSETS

Impairment to financial assets is broken down as follows:

	2016	2015
Impairment - accounts receivable (Note 9.1.2)	228.207	161.909
Impairment - investments (Note 9.1.1)	2.189	5.594
	230.396	167.503

The following table shows a reconciliation of the impairment sustained to financial assets:

	ACCOUNTS RECEIVABLE	INVESTMENTS	TOTAL
Balance held at January 01, 2015	139.315	3.029	142.344
Additions	20.580	-	20.580
Valuations and other adjustments	-	2.565	2.565
Recovered amounts	(1,370)	-	(1,370)
Exchange differences	3.384	-	3.384
Balance held at year-end 2015	161.909	5.594	167.503
Impairment additions for the period	92.102	32	92.134
Valuations and other adjustments	3.497	-	3.497
Recovered amounts	(25,842)	(2,770)	(28,612)
Exchange differences	(3,458)	(667)	(4,125)
Closing balance at year-end 2015	228.207	2.189	230.396

The following is a breakdown of impairment to financial assets based on their maturity:

2016	LESS THAN 1 YEAR	BETWEEN 1 AND 3 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Impairment to accounts receivable	119.736	63.176	23.980	21.316	228.207
Impairment to investments	2.189	-	-	-	2.189
Total	121.925	63.176	23.980	21.316	230.396

2015	LESS THAN 1 YEAR	BETWEEN 1 AND 3 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Impairment to accounts receivable	63.872	55.532	25.481	17.023	161.909
Impairment to investments	5.594	-	-	-	5.594
Total	69.466	55.532	25.481	17.023	167.503

9.3. FINANCIAL LIABILITIES

The table below shows the financial liabilities held by Grupo SURA:

	NOTE	2016	2015
Other financial liabilities	9.3.1	3,705,478	2,627,940
Trade and other payables	9.3.2	2,606,198	1,312,265
Accounts payable to related parties	25	68.096	62.509
Issued securities	23	6,038,924	3,637,504
		12,418,696	7,640,218

Current and non-current financial liabilities are broken down as follows:

Year-end 2016

CURRENT	FINANCIAL LIABILITIES AT AMORTIZED COST	FINANCIAL LIABILITIES AT FAIR VALUE	LEASE RENTALS	TOTAL
Lease rentals (*)	-	-	31.707	31.707
Derivatives (*)	-	21.653	-	21.653
Accounts payable	2,599,315	-	-	2,599,315
Accounts payable to related parties	68.096	-	-	68.096
Financial obligations (*)	2,488,967	-	-	2,488,967
Total	5,156,378	21.653	31.707	5,209,738

NON-CURRENT				
Lease rentals (*)	-	-	86.253	86.253
Derivatives (*)	-	587.933	-	587.933
Accounts payable	6.883	-	-	6.883
Financial obligations (*)	488.965	-	-	488.965
Issued securities	6,038,924	-	-	6,038,924
Total	6,534,773	587.933	86.253	7,208,958
Financial liabilities	11,691,151	609.585	117.960	12,418,696

Year-end 2015

CURRENT	FINANCIAL LIABILITIES AT AMORTIZED COST	FINANCIAL LIABILITIES AT FAIR VALUE	LEASE RENTALS	TOTAL
Lease rentals (*)	-	-	33.107	33.107
Derivatives (*)	-	46.360	-	46.360
Trade and other accounts payable	1,305,081	-	-	1,305,081
Accounts payable to related parties	62.509	-	-	62.509
Financial obligations (*)	911.835	-	-	911.835
Issued securities	224.293	-	-	224.293
Total	2,503,718	46.360	33.107	2,583,185
NON-CURRENT				
Lease rentals (*)	-	-	89.616	89.616
Derivatives (*)	-	207.579	-	207.579
Trade and other accounts payable	7.184	-	-	7.184
Financial obligations (*)	1,339,443	-	-	1,339,443
Issued securities	3,413,211	-	-	3,413,211
Total	4,759,838	207.579	89.616	5,057,033
Financial liabilities	7,263,556	253.939	122.723	7,640,218

The maturities of the financial obligations held at year-end are shown as follows:

2016	LESS THAN 1 YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Lease rentals (*)	31.707	74.958	11.295	117.960
Derivatives (*)	21.653	126.796	461.137	609.586
Other accounts payable	2,667,411	6.883	-	2,674,294
Financial obligations (*)	2,488,967	488.564	401	2,977,932
Bonds and securities	-	2,799,829	3,239,095	6,038,924
Total	5,209,738	3,497,030	3,711,928	12,418,696

2015	LESS THAN 1 YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
Lease rentals (*)	33.107	89.616	-	122.723
Derivatives (*)	46.360	11.345	196.234	253.939
Other accounts payable	1,367,590	7.184	-	1,374,774
Financial obligations (*)	911.835	1,154,643	184.800	2,251,278
Bonds and securities	224.293	-	3,413,211	3,637,504
Total	2,583,185	1,262,788	3,794,245	7,640,218

These financial liabilities at fair value correspond to derivatives classified in Level 2 of the fair value hierarchy. The majority of these are valued by discounting their present value at market rates or using Black-Scholes methodology.

Financial liabilities per individual country are shown as follows:

Financial liabilities per individual country are shown as follows:

2016	ARGENTINA	BERMUDA	BRAZIL	CHILE	COLOMBIA	CURACAO	SPAIN	HOLLAND	MEXICO	PANAMA	PERU	DOMINICAN REPUBLIC	EL SALVADOR	URUGUAY	TOTAL
Financial obligations (*)	-	-	-	-	2,938,648	-	-	-	-	-	27,235	12,003	46	-	2,977,932
Derivatives (*)	-	-	-	474,398	135,187	-	-	-	-	-	-	-	-	-	609,585
Lease rentals (*)	-	-	-	13,211	53,575	-	-	-	-	51,174	-	-	-	-	117,960
Trade and other accounts payable	196,395	140	125,206	935,004	848,326	16	108	94	189,006	69,107	83,304	73,481	39,894	46,117	2,606,198
Accounts payable to related parties	1	-	758	181	66,894	-	-	-	-	163	-	-	99	[0]	68,096
Issued securities	-	-	-	-	1,984,306	1,503,425	-	-	-	2,542,192	9,002	-	-	-	6,038,924
	196,396	140	125,964	1,422,793	6,026,935	1,503,441	108	94	189,006	2,662,636	119,542	85,484	40,039	46,117	12,418,696

2015	COLOMBIA	CHILE	MEXICO	PERU	URUGUAY	SPAIN	HOLLAND	CURACAO	EL SALVADOR	DOMINICAN REPUBLIC	PANAMA	TOTAL
Financial obligations (*)	2,235,466	-	-	3,156	-	-	-	-	58	12,598	-	2,251,278
Derivatives (*)	168,821	85,118	-	-	-	-	-	-	-	-	-	253,939
Lease rentals (*)	53,387	16,018	-	-	-	-	-	-	-	-	53,318	122,723
Trade and other accounts payable	759,674	206,218	38,405	129,900	1,720	403	38	19	27,886	65,709	82,293	1,312,265
Accounts payable to related parties	62,015	-	-	-	-	-	-	-	104	-	390	62,509
Issued securities	1,109,676	-	-	9,392	-	-	-	1,574,294	-	-	944,142	3,637,504
	4,389,039	307,354	38,405	142,448	1,720	403	38	1,574,313	28,048	78,307	1,080,143	7,640,218

(\*) forming part of a group of other financial liabilities that includes leases, derivatives and financial obligations.

9.3.1 Other financial liabilities

The other financial liabilities account is broken down as follows

	NOTE	2016	2015
Financial leasing arrangements	10	117.960	122.723
Derivatives	14	609.586	253.939
Financial obligations	9.3.1	2,977,932	2,251,278
		3,705,478	2,627,940

The movements recorded in the other financial liabilities account are shown as follows:

Balance held at year-end 2014	1,111,620
Loans received	1,934,452
Interest paid	(42,227)
Accrued interest	270.862
Loans paid	(898,900)
Valuations	43.155
Exchange differences	210.253
Overdrafts	[1,275]
Balance held at year-end 2015	2,627,940
Loans received	4,176,502
Interest paid	(180,703)
Accrued interest	142.827
Loans paid	(2,911,539)
Valuations	(175,375)
Exchange differences	26.143
Overdrafts	(318)
Balance held at year-end 2016	3,705,478

Grupo SURA has not defaulted on any payments of principal, interest and other amount owing on its financial liabilities at year-end 2016 and 2015.

The maturities and description of the financial obligations held at year-end 2016 and 2015 are as follows:

ENTITY	INTEREST RATE	MATURITY	DEC 2016	DEC 2015
Banco de Bogotá S.A.	IBR + 3.17%	2017	90.931	-
Banco de Bogotá S.A.	IBR + 3.17%	2017	40.507	-
Banco de Bogotá S.A.	IBR + 3.26%	2017	124.989	-
BBVA Colombia SA	11.00%	2017	37.320	-
BBVA Colombia SA	CPI + 3.1%	2017	27.027	-
Davivienda S.A.	CPI + 2.1%	2017	106.105	-
Banco de Bogotá S.A.	IBR + 3.26%	2017	163.959	-
Banco de Bogotá S.A.	DTF + 3.69%	2017	69.749	-
Davivienda S.A.,	CPI + 2.7%	2017	12.255	-
Davivienda	CPI + 2.7%	2017	42.994	-
Corpbanca	CPI + 2.7%	2017	35.099	-
Corpbanca	DTF + 3.59%	2017	14.373	-
Corpbanca	CPI + 2.7%	2017	91.985	-
Davivienda	CPI + 3.4%	2017	45.461	-
Davivienda	CPI + 3.4%	2017	45.461	-
Banco de Bogotá S.A.	CPI + 2.75%	2017	20.189	-
Banco de Bogotá S.A.	CPI + 2.98%	2017	27.057	-
BBVA Colombia SA	LIBOR + 1.68%	2020	180.043	174.150
Davivienda Miami	6-mth LIBOR + 2.7%	2017	135.032	-
Bancolombia Panamá	Libor + 1.75%	2018	30.007	31.495
Bancolombia Panamá	7.70%	2020	138.288	188.968
Banco de Crédito del Perú	TEA 6,135%	2017	26.835	-
Security deposits	N/A	2020	401	-
COFIDE - Corporación Financiera de desarrollo	0.076027	2033	-	2.686
BTG Pactual Perú SAC		2020	-	161
Logicalis Andina SAC		2020	-	82
Alimentos y Bebidas Gourmet SAC		2020	-	50

ENTITY	INTEREST RATE	MATURITY	DEC 2016	DEC 2015
JLT Affinity Latam SAC		2019	-	88
Enagas Perú SAC		2024	-	88
Bancolombia S.A.	IBR + 1.42%	2016	-	124.864
Itaú BBA Colombia	DTF+1.2%	2016	-	28.392
Bancolombia S.A.	IBR + 1.42%	2016	-	75.505
Davivienda S.A.,	0,068	2016	-	12.450
Bancolombia S.A.	DTF+2.28%	2016	-	30.585
Banco de Bogotá	8.06%	2016	-	256.767
Davivienda S.A.,	LIBOR + 3.5%	2016	-	132.627
Banco Popular	1-mth IBR + 3,25	2017	36.025	-
Banco de Bogotá	DTF qtly in adv. + 3.25%	2017	25.102	-
Banco de Bogotá	DTF qtly in adv + 3.15%	2017	20.081	-
Banco Popular S.A	DTF qtly in adv + 3.14%	2017	15.328	2.042
Banco Popular	DTF qtly in adv. + 3.14%	2017	15.061	-
Banco AV Villas	DTF qtly in adv.+ 3.46%	2017	15.061	-
Banco de Occidente	DTF qtly in adv + 3.37%	2017	15.061	14.978
Helm Bank Panamá	3.35%	2017	12.003	12.598
Banco AV Villas	DTF E.A.R. + 3.70%	2017	11.043	-
Banco de Bogotá	DTF qtly in adv + 3.35%	2017	10.041	10.002
Banco Popular	DTF qtly in adv + 3.15%	2017	10.041	-
Others - checking account overdrafts	N/A	2017	6.975	2.172
Banco Popular	1-mth IBR + 3,25	2017	5.020	-
Banco AV Villas	DTF 3.51	2017	5.019	-
Banco Popular S.A	IBR + 3%	2017	4.000	-
Helm Bank Panamá	6-mth LIBOR + 1.77%	2017	1.511	-
Banco de Occidente	DTF qtly in adv. + 3.5%	2016	-	73.417
Banco Popular	DTF qtly in adv. + 3.14%	2016	-	55.964
Banco AV Villas	DTF qtly in adv. + 3.51%	2016	-	16.034
Bancolombia	DTF + 3.75%	2016	-	35.116
Banco de Bogotá	DTF qtly in adv + 3.69%	2016	-	15.330
Bancolombia S.A.	DTF qtly in adv + 1.40%	2016	-	4.014
Banco de Occidente S.A.	DTF qtly in adv + 3.00%	2016	-	3.000
Davivienda	6-mth LIBOR + 3.75%	2025	-	111.681
Helm Bank Panamá	6-mth LIBOR + 2.75%	2025	-	111.681

ENTITY	INTEREST RATE	MATURITY	DEC 2016	DEC 2015
Helm Bank Panamá	6-mth LIBOR + 1.52%	2017	-	-
BBVA España	LIBOR + 1.25% /1.5%	2018	300.280	313.949
Bancolombia Panamá	LIBOR + 1.47%	2017	246.433	258.518
Citigroup Global Market	LIBOR + 0.45%	2017	220.977	-
Banco Davivienda S.A.	LIBOR + 1.50%	2017	136.237	142.607
Banco de Bogotá	CPI +2,93%	2018	289.664	-
Citigroup Global Market	LIBOR + 0.45%	2017	54.122	-
Bancolombia	8.06%	2017	-	641
Bancolombia	8.84%	2017	-	1.006
Helm	7.90%	2017	-	2.521
Bancolombia	11.02%	2017	1.004	-
Bancolombia	11.02%	2017	500	-
Bancolombia	11.02%	2017	2.008	-
Helm Bank	11.28%	2017	2.501	-
Helm Bank	10.80%	2017	2.002	-
Helm Bank	10.80%	2017	1.502	-
Factoring Bancolombia		2017	1.427	356
Coltefinanciera		2016	-	798
Bancolombia	28.92%	2017	34	27
Bancolombia	28.92%	2017	1	0
Bancolombia	IBR + 4.40%	2020	1.850	2.560
Bancolombia	IBR + 4.30%	2022	601	601
Bancolombia	IBR + 3.79%	2018	3.350	-
Bancolombia	IBR + 4.95%	2021	-	707
			2,977,932	2,251,278

9.3.2 Trade and other account payables

The following is a breakdown of the accounts payable account:

	2016	2015
Foreign reinsurers - current account	771.499	280.364
Commissions	436.160	72.767
Others (*)	310.836	281.315
Suppliers	234.524	169.672
Settled claims pending payment	146.475	72.204
Servicios	113.892	71.528
Ceding co-insurers - current account	103.365	19.064
Installments on retirement pensions	87.897	82.404
Ceded premiums payable	47.959	16.251
Withholding tax	46.366	26.533
Fees	41.838	442
Fosyga	40.322	31.950
On collected premiums	24.062	24.710
Deposits- policies	22.844	23.054
Obligations in favor of life insurance policy-holders	20.081	19.631
Uncollected drawn checks	19.721	14.646
Fund members and beneficiaries	17.530	18.230
Pension funds	14.660	11.381
Premiums receivable on ceded co-insurance	13.081	8.457
Health care institutions	13.067	10.335
Accepted co-insurers current account	12.679	3.221
National Road Safety Fund	11.722	9.863
Withholdings and payroll contributions	9.041	5.409
Traffic accident settlements	8.469	10.000
Health care entities	8.245	9.659
Policy applications	5.059	1.353
State or government creditors	4.851	4.479
Advertising and publicity	4.613	-
Dividends due to life insurance policy-holders	4.112	2.337
Contributions to family welfare and apprentice institutes	3.832	3.474

	2016	2015
Other deposits	1.790	1.663
National Fire-fighter Fund	1.039	1.181
Worker´s compensation fund	1.016	810
Employee fund	996	760
Worker´s compensation fund	533	412
Lease rentals	427	9
Accounts payable on joint operations	349	-
Sustainability rate for Ministry of Transport Registrations	341	249
Insurance policies	196	1.372
Labor unions	113	19
Legal	107	61
Maintenance and repairs	100	112
Foreign ceding companies - current account	88	700
Collections on automatic disenrollments	68	68
On other transactions	55	4
Colpensiones	54	47
Superintendencia Financiera de Colombia (Colombian Superintendency of Finance)	47	13
Cooperatives	35	16
Deposits retained from domestic reinsurers	29	34
Legal expense	5	1
Traveling expense	2	1
	2,606,198	1,312,265

[\*] Miscellaneous trade payables mainly include installments on retirement pensions, uncollected drawn checks, mandatory road insurance settlements, premiums receivable on ceded coinsurance, insurance, etc..

NOTE 10. LEASE RENTALS

10.1. FINANCIAL LEASING ARRANGEMENTS

10.1.1 Financial obligations

The total value of financial leasing arrangements recorded as a liability at year-end is shown as follows:

	2016	2015
Current financial leasing arrangements	31.707	33.107
Non-current financial leasing arrangements	86.253	89.616
<b>Total financial leasing arrangements (Notes 9.3.1)</b>	<b>117.960</b>	<b>122.723</b>

Financial leasing arrangements are shown as follows:

FINANCIAL INSTITUTION	INTEREST RATE	MATURITY	2016	2015
Helm Bank	DTF + 2.9%	2019	2.823	3.524
Banco de Chile	0,43%-0,36%-0,42%	2020	5.418	-
Banco de Chile	0,45%-0,43%	2020	784	-
Banco de Chile	0.44%	2020	691	-
Banco de Chile	0,48%-0,42%	2020	5.024	5.052
Banco de Chile	0.38%	2020	1.296	1.505
Banco de Chile	2.81%	2020	-	687
Banco de Chile	2.91%	2020	-	646
Banco de Chile	2.93%	2020	-	4.708
Banco de Chile	2.93%	2020	-	1.222
Banco de Chile	2.81%	2020	-	236
Banco de Chile	2.91%	2020	-	176
Banco de Chile	2.93%	2020	-	1.263
Banco de Chile	2.93%	2020	-	321
Banco de Chile	UF+4,5%	2020	-	202



FINANCIAL INSTITUTION	INTEREST RATE	MATURITY	2016	2015
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	955	1.207
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	373	481
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	1.124	1.433
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	11.690	15.444
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	8.433	11.237
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	2.127	2.826
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	849	1.088
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	572	740
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2019	935	1.198
Leasing Bancolombia	DTF + 5,5 mthly in arrears	2018	188	251
Leasing Bancolombia	0.68%	2017	170	327
Leasing Bancolombia	0.69%	2017	19	34
Leasing Bancolombia	0.22%	2017	11	33
Leasing Bancolombia	0.71%	2017	89	133
Leasing Bancolombia	0.85%	2017	23	38
Leasing Bancolombia	0.75%	2017	44	80
Leasing Bancolombia	0.89%	2017	96	155
Leasing Bancolombia	1.07%	2017	51	80
Leasing Bancolombia	1.49%	2017	17	29
Leasing Bancolombia	2.93%	2018	35	52
Leasing Bancolombia	1.06%	2018	121	166
Leasing Bancolombia	0.47%	2018	80	113
Leasing Bancolombia	0.72%	2018	90	127
Leasing Bancolombia	1.13%	2018	177	244
Leasing Bancolombia	0.51%	2018	66	88
Leasing Bancolombia	0.78%	2018	801	1.400
Leasing Bancolombia	0.55%	2018	178	274
Leasing Bancolombia	1.09%	2018	57	84
Leasing Bancolombia	0.31%	2019	67	96

FINANCIAL INSTITUTION	INTEREST RATE	MATURITY	2016	2015
Leasing Bancolombia	0.58%	2019	18	26
Leasing Bancolombia	0.63%	2019	-	689
Leasing Bancolombia	0.62%	2016	-	134
Leasing Bancolombia	0.32%	2016	-	11
Leasing Bancolombia	0.66%	2016	-	43
Leasing Bancolombia	0.66%	2016	-	119
Leasing Bancolombia	0.18%	2016	-	17
Leasing Bancolombia	0.68%	2016	-	14
Leasing Bancolombia	0.70%	2016	-	27
Bancolombia	DTF-2.56	2016	-	4.141
IBM	DTF-2.56	2016	-	4.311
Occidente	DTF-2.56	2016	-	637
Renting Colombia	DTF-2.56	2016	-	62
Bancolombia	0.064216	2017	3.941	-
IBM	0.064216	2017	178	-
Occidente	6.42%	2017	1.803	-
Renting Colombia	6.42%	2017	46	-
Bancolombia	DTF-2.56	2017	-	173
Bancolombia	DTF-2.56	2017	39	-
Corficolombiana	7.89%	2031	15.286	-
Bancolombia Panamá	Libor + 3.25%	2019	51.174	53.318
			117.960	122.723

10.1.2. Property, plant and equipment subject to financial leasing arrangements

The year-end carrying values of Grupo SURA's property, plant and equipment subject to financial leasing arrangements, are as follows:

	BUILDINGS	TRANS- PORT FLEET AND EQUIPMENT	IT EQUIP- MENT	FIXTURES AND ACCES- SORIES	MACHI- NERY AND MEDICAL EQUIPMENT	TOTAL
Cost						
Cost at January 1, 2015	107.935	64.812	39.659	19.874	9.609	241.889
Additions	15.324	-	39	108	-	15.471
Disposals (-)	(63,578)	-	(6,031)	-	(1,469)	(71,078)
Revaluations	-	-	-	-	-	-
Other changes	-	(3,057)	(20,377)	424	-	(23,010)
Book cost at year-end 2016	59.681	61.755	13.291	20.406	8.140	163.273
Accumulated depreciation and impairment						
Accumulated depreciation and impairment at January 01, 2015	(2,656)	(20,832)	(29,266)	(4,557)	(2,768)	(60,078)
Depreciation for the period	(85)	(6,869)	787	(2,346)	-	(8,512)
Disposals (-)	248	-	-	-	30	278
Other changes	-	1.095	19.546	(75)	-	20.566
Accumulated depreciation and impairment at year- end 2016	(2,493)	(26,605)	(8,933)	(6,977)	(2,738)	(47,745)
Property, plant and equipment at year-end 2016	57.188	35.150	4.358	13.429	5.403	115.528

10.1.3 Leasing term

Below is a breakdown of Grupo SURA's financial leasing terms:

	PRESENT VALUE OF MINIMUM LEASE PAYMENTS - 2016	PRESENT VALUE OF MINIMUM LEASE PAYMENTS - 2015
Up to one year	29.233	33.107
From one to five years	82.359	89.616
More than 5 years	6.369	-
Total lease payments	117.960	122.723

10.1.4 The more significant financial leasing arrangements

The most significant financial leasing arrangements entered into by Grupo de Inversiones Suramericana corresponds to properties leased in Medellin, Bogota and Cali for the purpose of building clinics as well as for medical equipment.

Other significant arrangements include an aircraft lease through its subsidiary Planeco, with Bancolombia Panama and leasing of the One Plaza building where Grupo Sura located its new HQ.

Grupo de Inversiones Suramericana also leases computer and communications equipment, through its subsidiaries Compuredes and Enlace Operativo order to cover service agreements with clients as well as for their own use. Software programs and licenses are also leased under financial leasing arrangements

10.2. OPERATING LEASING ARRANGEMENTS

The more significant operating leasing arrangements include:

- » The real estate property belonging to the Sura branch in El Poblado, Salud Sura Sao Paulo, IPS Sura Sandiego, IPS Sura los Molinos, the Autosura warehousing facilities in Medellín as well as the Metropolitan Business Center Building.

- » Real estate leased for the operating and administrative headquarters of Enlace Operativo y Compuredes.

Operating leasing arrangements are shown as follows:

	MINIMUM LEASE PAYMENTS - 2016	MINIMUM LEASE PAYMENTS - 2015
Up to one year	4.822	40.443
From one to five years	2.946	77.406
More than 5 years	15	
<b>Total lease payments</b>	<b>7.783</b>	<b>117.848</b>

The following is a breakdown of the operating lease expense recorded by the companies that make up Grupo Sura.

COMPANY	2016	2015
Suramericana	58.038	30.301
Sura Asset Management	46.455	46.063
AFAP Sura	1.465	-
Arus	782	1.970
Administradora de Fondo de inversión AFISA	656	-
Grupo Sura	-	90
Sura Asset Management Corredora de Seguros S.A. de C.V.	-	4
Inversiones y Construcciones Estratégicas	-	68
	<b>107.396</b>	<b>78.498</b>

Restrictions

To date there are no restrictions as to the operating and financial leasing arrangements held by Grupo SURA with regard to dividend distributions, additional debt or new leasing agreements.

NOTE 11. INSURANCE CONTRACTS

11.1. TECHNICAL INSURANCE RESERVES - REINSURERS

Reinsurance

Reinsurance assets represent the benefits obtained from insurance contracts at the closing date of the Statement of Financial Position.

	2016	2015
Reinsured reported claims	1,369,096	448.007
Reinsured ongoing risk	1,198,577	109.830
Reinsured unreported claims	78.889	22.763
Deposits - reinsurers	10.194	524
<b>Technical insurance reserves - reinsurers</b>	<b>2,656,756</b>	<b>581.124</b>

Grupo SURA has diversified its insurance risk by operating in different industries and having a broad presence on the international markets.

Grupo SURA applies a set of procedures and limits so as to be able to control the degree to which its insurance risk is concentrated. Reinsurance arrangements are commonly used to mitigate the risk arising from any concentration or accumulation of insurance guarantees that exceed the maximum accepted levels.

The insurance companies belonging to Grupo SURA have transferred part of the risk of their insurance contracts to reinsurance companies so as to be able to share out future claims.

11.2. PREMIUMS

The net premiums obtained at year-end by Grupo SURA and Subsidiaries are as follows:

	2016	2015
Life insurance contracts	6,907,618	6,176,558
Non-life insurance contracts	5,775,627	2,293,558
<b>Written premiums</b>	<b>12,683,244</b>	<b>8,470,116</b>
Life insurance contracts- reinsurer portion	(186,613)	(175,510)
Non-life insurance contracts- reinsurer portion	(1,664,618)	(762,475)
<b>Ceded premiums</b>	<b>(1,851,231)</b>	<b>(937,985)</b>
<b>Total net premiums</b>	<b>10,832,013</b>	<b>7,532,131</b>

Premiums per individual country are as follows:

2016	COLOMBIA	CHILE	MEXICO	PERU	ARGENTINA	BRAZIL	URUGUAY	PANAMA	DOMINICAN REPUBLIC	EL SALVADOR	TOTAL
Gross premiums - life insurance contracts	3,760,368	2,191,851	466,894	308,529	-	-	-	-	-	179,976	6,907,618
Gross premiums - non-life insurance contracts	2,055,635	1,233,628	312,659	-	797,799	481,475	143,426	387,272	233,989	129,743	5,775,627
<b>Written premiums</b>	<b>5,816,003</b>	<b>3,425,479</b>	<b>779,553</b>	<b>308,529</b>	<b>797,799</b>	<b>481,475</b>	<b>143,426</b>	<b>387,272</b>	<b>233,989</b>	<b>309,719</b>	<b>12,683,244</b>
Premiums ceded to reinsurers on life insurance contracts	(619,411)	(580,926)	(85,311)	-	(103,473)	(42,987)	(16,772)	(75,488)	(121,062)	(19,189)	(1,664,618)
<b>Premiums ceded to reinsurers on non-life insurance contracts</b>	<b>(702,462)</b>	<b>(604,141)</b>	<b>(128,084)</b>	<b>(6,102)</b>	<b>(103,473)</b>	<b>(42,987)</b>	<b>(16,772)</b>	<b>(75,488)</b>	<b>(121,062)</b>	<b>(50,661)</b>	<b>(1,851,231)</b>
<b>Ceded premiums</b>	<b>5,113,542</b>	<b>2,821,338</b>	<b>651,469</b>	<b>302,427</b>	<b>694,326</b>	<b>438,488</b>	<b>126,654</b>	<b>311,785</b>	<b>112,927</b>	<b>259,058</b>	<b>10,832,013</b>
Gross premiums - life insurance contracts	3,374,568	1,741,187	398,599	448,052	-	-	-	-	-	214,152	6,176,558
Gross premiums - non-life insurance contracts	1,753,824	-	-	-	-	-	-	239,381	192,961	107,392	2,293,558
<b>Written premiums</b>	<b>5,128,392</b>	<b>1,741,187</b>	<b>398,599</b>	<b>448,052</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>239,381</b>	<b>192,961</b>	<b>321,544</b>	<b>8,470,116</b>
Premiums ceded to reinsurers on life insurance contracts	(78,473)	(21,690)	(27,351)	(6,805)	-	-	-	-	-	(41,191)	(175,510)
Premiums ceded to reinsurers on non-life insurance contracts	(593,063)	-	-	-	-	-	-	(48,435)	(104,909)	(16,068)	(762,475)
<b>Total net premiums</b>	<b>(671,536)</b>	<b>(21,690)</b>	<b>(27,351)</b>	<b>(6,805)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,435)</b>	<b>(104,909)</b>	<b>(57,259)</b>	<b>(937,985)</b>
<b>Total primas netas</b>	<b>4,456,856</b>	<b>1,719,496</b>	<b>371,249</b>	<b>441,247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190,946</b>	<b>88,052</b>	<b>264,285</b>	<b>7,532,131</b>

11.3. RETAINED CLAIMS

Retained claims incurred by Grupo SURA and Subsidiaries at year-end 2015 and 2015 are as follows:

2016	COLOMBIA	CHILE	MEXICO	PERU	ARGENTINA	BRAZIL	URUGUAY	PANAMA	DOMINICAN REPUBLIC	EL SALVADOR	TOTAL
Life Insurance	(2,299,337)	(645,810)	(169,487)	(256,414)	-	-	-	-	-	(91,432)	(3,462,479)
Non-life Insurance	(1,585,068)	(632,264)	(187,387)	-	(320,180)	(231,436)	(65,620)	(135,708)	(80,106)	(50,331)	(3,288,101)
Total claims	(3,884,404)	(1,278,074)	(356,873)	(256,414)	(320,180)	(231,436)	(65,620)	(135,708)	(80,106)	(141,763)	(6,750,579)
Life insurance	102,562	171	-	-	-	-	-	-	-	47,231	149,965
Non-Life Insurance	731,603	398,360	81,624	-	39,227	44,056	17,719	21,537	18,909	(3,356)	1,349,679
Reimbursed claims	834,166	398,532	81,624	-	39,227	44,056	17,719	21,537	18,909	43,876	1,499,644
Total retained claims	(3,050,239)	(879,543)	(275,250)	(256,414)	(280,953)	(187,381)	(47,901)	(114,171)	(61,197)	(97,888)	(5,250,935)
2015											
Life insurance	(1,850,741)	(410,828)	(143,382)	(206,845)	-	-	-	-	-	(152,544)	(2,764,340)
Non-life Insurance	(871,770)	-	-	-	-	-	-	(77,533)	(86,798)	(38,676)	(1,074,776)
Total claims	(2,722,511)	(410,828)	(143,382)	(206,845)	-	-	-	(77,533)	(86,798)	(191,220)	(3,839,116)
Life insurance	86,965	-	-	-	-	-	-	-	-	44,970	131,935
Non-Life Insurance	237,894	-	-	-	-	-	-	17,100	41,082	2,395	298,472
Reimbursed claims	324,859	-	-	-	-	-	-	17,100	41,082	47,365	430,407
Total retained claims	(2,397,652)	(410,828)	(143,382)	(206,845)	-	-	-	(60,432)	(45,716)	(143,855)	(3,408,710)

11.4. TECHNICAL RESERVES - INSURANCE CONTRACTS

Technical reserves

Items contained in the Technical Reserve Account fall into two (2) categories:

- » Claim reserves: these are provisions set up on the estimated costs of the claims that have occurred but have not been paid . This includes
- » Loss reserve: the liabilities and direct settlement expense on reported claims. This reserve is set up on the date the policy-holder and / or beneficiary informs the Company of an insurance claim and this is subject to monthly recalculations.
- » The Incurred But Not Reported (IBNR) claim reserve: set up on claims that have occurred, but have not been reported by the policy-holder and / or the beneficiary on the corresponding reporting date
- » Reserves for future commitments: consisting of provisions set up on expected future commitments to policyholders. This includes:
- » Mathematical insurance reserves (excluding life annuities): insurance reserves are calculated using the actuarial method applied to the current terms and conditions of the insurance contracts. This liability is determined as the sum of the present value of expected future earnings, claims and policy handling expense, options and guarantees, and the returns on investment corresponding to the assets underlying these liabilities, and that are directly related to the contract, less the discounted value of the expected premiums required to meet future payments based on the valuation assumptions used.
- » Mathematical life annuity reserves: are calculated based on the present value of future earnings from the contract as well as the direct operating expenses that the company incurs upon paying its contractual obligations.
- » Unearned Premium Reserves: these are set up for short-term insurance (both group and individual) in which the premium payment frequency differs from the effective coverage term and therefore a premium has been received

for a future risk, which must be provisioned. The provision is determined on the basis of paid premiums net of expense and is amortized over the term of coverage.

Life insurance deposit (savings) reserves or fund value reserves for insurance, unit linked, universal life (including flexible), and other products that include a deposit component.

Other reserves: Grupo SURA may recognize as "Other", those reserves which are not mentioned above and that are permitted according to current accounting policies and guidelines.

The Group´s insurance companies are shown in the following table:

COMPANY	COLOM-BIA	CHILE	MEXICO	PERU	ARGEN-TINA	BRAZIL	URU-GUAY	PANAMA	DOMINI-CAN REPU-BLIC	EL SALVA-DOR
Life insurance										
Seguros de Vida Suramericana S.A.	X									
Seguros de Riesgos Profesionales Suramericana S.A.	X									
Seguros de Vida Sura S.A.		X								
Seguros de Vida Sura México S.A. de C.V.			X							
Pensiones Sura S.A. de C.V.			X							
Asesuisa Vida S.A.										X
Seguros Sura S.A.				X						
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)		X								
Non-life insurance										
Seguros Generales Suramericana S.A.	X									
Seguros Suramericana Panamá S.A.								X		
Seguros Sura S.A.					X					
Aseguradora Suiza Salvadoreña S.A.										X
Seguros Sura, S.A de C.V. (formerly Royal & Sun Alliance Seguros (Mexico) S.A. de C.V.)			X							

COMPANY	COLOM-BIA	CHILE	MEXICO	PERU	ARGEN-TINA	BRAZIL	URU-GUAY	PANAMA	DOMINI-CAN REPU-BLIC	EL SALVA-DOR
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)					X					
Atlantis Sociedad Inversora S.A.					X					
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Brazil) S.A.)						X				
Royal & Sun Alliance Seguros (Uruguay) S.A.							X			

Grupo SURA and Subsidiaries hold the following reserves:

	2016	2015
Mathematical reserve	13,215,885	11,682,279
Reserve for unearned premiums	7,140,327	3,932,620
Reserve for non-reported claims (IBNR)	1,392,739	993.283
Reserve for reported claims	3,828,052	1,665,638
Fund value reserves	135.171	133.218
Other reserves	277.439	458.941
<b>Total technical insurance reserves</b>	<b>25,989,614</b>	<b>18,865,979</b>

Grupo SURA considers that adequate premiums are of crucial importance and therefore these are underpinned by specific IT applications.

The treatment of benefits, as well as the adequacy of provisions, are basic principles of insurance management. Technical provisions are estimated by the actuarial staff based in the different countries.

The movement and effects on measuring insurance and reinsurance liabilities are presented below:

	LIABILITIES - INSURANCE CONTRACTS	ASSETS - INSURANCE CONTRACTS	NET
At year-end 2014	14,294,607	439.913	13,854,694
Changes to reserves	1,838,637	141.211	1,697,426
Currency translation adjustments	2,794,184	-	2,794,184
Monetary correction adjustments	(61,449)	-	(61,449)
At year-end 2015	18,865,979	581.124	18,284,855
Changes to reserves	4,674,928	1,022,093	3,652,835
Additions - business combinations	3,147,521	1,058,922	2,088,599
Currency translation adjustments	(865,907)	(4,880)	(861,027)
Monetary correction adjustments	167.093	(503)	167.596
At year-end 2016	25,989,614	2,656,756	23,332,859

Technical reserves held by each individual country are shown as follows:

YEAR	COLOM- BIA	CHILE	MEXICO	PERU	ARGENTI- NA	BRAZIL	URUGUAY	PANAMA	DOMINI- CAN REPUBLIC	EL SALVA- DOR	TOTAL
Year-end 2016	8,721,981	8,816,968	2,006,749	3,920,926	885.551	519.700	215.049	412.035	140.751	349.904	25,989,614
Year-end 2015	7,229,240	5,292,322	1,631,388	3,829,756	-	-	-	369.980	117.239	396.054	18,865,979

NOTE 12. INVENTORIES

Inventories are broken down as follows

	2016	2015
Merchandise not produced by the Company	185	1.990
Materials, spare parts and accessories	9.166	6.511
Other inventories (*)	4.484	3.637
	13.835	12.138

The Company uses the weighted average method to determine the cost of its inventories.  
(\*) Including other contracts being performed, hospital inventories, etc.

Restrictions

The Company's inventories have not been pledged as collateral for its liabilities and there are no restrictions as to their eventual sale or disposal.

Construction contracts

Grupo Sura, through its subsidiary Arus Holding S.A.S., (formerly Integradora de Servicios Tercerizados) provides outsourced construction services as part of contractual arrangements. The assets held in inventory that are used to render these services come under the scope of IAS 11 Construction Contracts. The following is an overview of this Subsidiary’s more significant construction contracts

PRODUCT	NETWORKS AND CABLING	NETWORKS AND CABLING
Customer	Colombia Telecomunicaciones S.A. E.S.P.	Colombia Telecomunicaciones S.A. E.S.P.
Project	C-R006-12 - Access Control	C-R079-10 Fiscalía Telefónica’s HQ
Start date:	2016/07/06	2016/11/20
Termination date:	2019/08/21	2017/12/31
Estimated contractual income	96	405
Incurred costs and expense	(37)	(48)
Cost of completing the contract	-	(274)
Estimated contractual costs and expense	(76)	(322)
Estimated earnings	20	84
Degree of completion	49%	15%
Revenues based on degree of completion	47	60
Accrued revenues	35	6

NOTE 13. TAXES

13.1. APPLICABLE RULES AND REGULATIONS

- » I. Colombia: Taxable income is subject to a 25% income tax rate, except for all those taxpayers that have been granted special rates as well as 10% occasional gains tax. Equality Income Tax (CREE in Spanish) is levied at a rate of 9% pursuant to that stipulated in Law 1739 passed December 2014. Law



1739 of 23 December 2014 provided for a surtax to be charged on equality income tax paid by eligible taxpayers for the years 2015, 2016, 2017 and 2018 of 5%, 6%, 8% and 9% per year, respectively.

- » II. Chile: In Chile, current tax legislation has provided for two separate regimes "capital income" and "employment income". The former consists of a First Category Tax which is mainly paid by businesses and legal persons. This tax was levied at a fixed rate of 20% in 2014 and 21% in 2015 on the tax base, which is calculated by adding or subtracting the amounts provided by law. The tax thus paid is imputable against Global Complementary Tax, which is levied on the total amount of income received by natural persons residing in the country; or Additional Tax, which is levied on income generated in Chile, by all natural and legal persons residing outside the country, as applicable.
- » III. Mexico: During fiscal year of 2016, the income tax rate in Mexico was 30% which was levied on all taxable income for the year. Workers also pay a rate of 10% on their taxable income.
- » IV. Peru: Law 30296 passed in 2014, promoting the country's economic recovery, provided for a gradual reduction in the income tax rate which in December 2014 stood at 30%. Thus, the tax rate for all subsequent years is shown as follows:

TAX YEARS	RATE	
2015	2016	28%
2017	2018	27%
2019 onwards	26%	

- V. Uruguay: Corporate Income tax is levied at a rate of 25% on all corporate income obtained in Uruguay on any type of economic activity.

Corporate income in Uruguay is considered to be income sourced from business activities conducted, or goods or rights used for economic purposes in Uruguay, regardless of the nationality, domicile or residence of the parties involved in the aforementioned transactions or the place in which these are carried out. Income earned or received from abroad by a local taxpayer are not subject to this tax.

- VI. Panama: Income tax is determined on the actual income for the year. The income tax rate currently stands at 25%.
- VII. Dominican Republic: The tax code in this country, as amended, provides for an income tax either on the net taxable income base or 1% of the assets subject to tax, whichever is the greater. Income tax rates pursuant to that stipulated in Law 253-12 were 28% for 2014 and 27% from 2015 onwards. This law also introduced important changes for related party transactions as well as the obligation to include transactions carried out with domestic related entities in transfer pricing studies and the corresponding declarations for this type of transaction. It also included the concept of non-deductible expense, thin capitalization applicable also to debts with foreign entities, where the debt-equity ratio cannot exceed 3 to 1

- VIII. El Salvador: Companies who are incorporated and duly existing in El Salvador pay income tax on income earned in that country, according to the Income Tax Law, contained in Legislative Decree No. 134 issued December 18, 1991 which has been in full force and effect since January 1992 . Pursuant to this law, all legal persons, whether they are domiciled in El Salvador or not, must calculate the amount of income tax payable at a rate of thirty per cent (30%), except for companies which have obtained taxable income less than or equal to one hundred fifty thousand dollars (US 150,000.00) in which case a tax rate of twenty-five per cent (25%) shall apply, excluding from this calculation all income subject to final withholding income tax based on the percentages prescribed by law.

IX. Brazil: In Brazil there is a tax category applicable on gross income and net income. Tax on gross income is levied at a rate of 4.65% after deducting claims paid, as stipulated in Law 9,718 of 1998.

On the other hand, net income is subject to a 15% income tax rate, plus 10% on the taxable portion of the tax base in excess of R \$ 240,000 per fiscal year in accordance with Decree 3,000 of 1999, There is also a social contribution levied at a rate of 20% on net income which shall remain in effect until year-end 2018, whereupon it shall be reduced to 15%, according to Law 13,169 of 2015

X. Argentina: During the fiscal year of 2016, the income tax rate in Mexico stood at 35% which was levied on all taxable income for the year.

13.2. CURRENT TAX

The following is a breakdown of the current tax assets and liabilities held at year-end:

	2016	2015
Current tax assets		
Income and Ancillary Tax	169.710	65.704
Local tax	29.060	26.125
Withholding tax	143.864	88.968
Sales tax	65.878	32.677
Tax credits	65.477	14.855
Contributions	93.905	90.665
Equality income tax receivable	1	9.872
Others	19.178	3.325
Total current tax assets	587.073	332.191

	2016	2015
Current tax liabilities		
Income and Ancillary Tax	428.996	337.581
Local tax	48.694	38.745
Equality income tax payable	2.598	1.968
Sales tax payable	247.284	61.263
Wealth Tax	20	0
Others	23.352	14.640
Total current tax liabilities	750.945	454.197

The following is a breakdown of the tax current balances held by each individual country:

YEAR-END 2016	COLOMBIA	CHILE	MEXICO	PERU	ARGENTINA	BRAZIL	URUGUAY	PANAMA	DOMINICAN REPUBLIC	EL SALVADOR	SPAIN	TOTAL
Current tax assets	281.349	112.603	102.069	38.501	16.459	7.216	10.904	12.381	116	5.476	-	587.073
Current tax liabilities	341.659	170.840	143.565	2.925	35.145	-	24.797	2.655	16.697	12.181	482	750.945
Current tax, net	(60,310)	(58,238)	(41,496)	35.576	(18,686)	7.216	(13,892)	9.726	(16,581)	(6,705)	(482)	(163,872)

2015	COLOMBIA	CHILE	MEXICO	PERU	URUGUAY	PANAMA	DOMINICAN REPUBLIC	EL SALVADOR	SPAIN	TOTAL
Current tax assets	176.631	91.766	20.626	23.004	236	6.578	-	9.247	4.103	332.191
Current tax liabilities	272.728	98.654	45.141	8.620	3.634	2.909	14.378	7.502	631	454.197
Current tax, net	(96,097)	(6,888)	(24,515)	14,384	(3,398)	3.669	(14,378)	1.745	3.472	(122,006)

13.3. DEFERRED TAX

The balance of deferred tax assets and liabilities at year-end is shown below:

DEFERRED TAX, NET	2016	2015
Financial assets	163.276	57.545
Employee benefits	35.404	25.780
Investments	-	9.732
Intangibles	20.626	-
Other non-financial assets	-	68.413
Other liabilities	149.069	59.362
Financial liabilities	34.300	24.230
Tax losses	125.177	139.339
Property and equipment	42.454	4.831
Technical insurance reserves:	175.357	28.577
Total deferred tax assets	745.663	417.809

DEFERRED TAX LIABILITIES	2016	2015
Financial assets	72.529	234.185
Investments	465.838	235.432
Other liabilities	463.910	19.092
Financial liabilities	52.729	45.290
Provisions	-	12.595
Intangibles	828.550	949.573
Property and equipment	68.505	132.112
Technical reserves	165.610	72.466
Total deferred tax liabilities	2,117,671	1,700,745

The following is a breakdown of the tax balances held by each individual country:

2016	COLOMBIA	CHILE	MEXICO	PERU	ARGENTINA	BRAZIL	URUGUAY	PANAMA	DOMINICAN REP	EL SALVADOR	SPAIN - HOLLAND	TOTAL
Deferred tax assets												
Financial assets	82.470	17.402	50.097	-	4.376	3.176	3.351	-	1.310	1.096	-	163.276
Employee benefits	28.986	1.268	2.794	-	188	1.927	241	-	-	-	-	35.404
Intangibles	1.549	1.900	1.392	-	8.976	-	4.223	-	2.586	-	-	20.626
Other liabilities	47.104	20.445	10.658	6.306	9.232	53.854	-	-	1.276	194	-	149.069
Financial liabilities	9.953	12.586	11.761	-	-	-	-	-	-	-	-	34.300
Tax losses	8.075	77.210	4.936	7.461	-	22.870	-	-	-	4.625	-	125.177
Property and equipment	5.834	34.258	691	-	-	-	1.672	-	-	-	-	42.454
Technical insurance reserves:	48.461	27.051	-	-	78.991	-	-	6.950	2.504	11.400	-	175.357
Total deferred tax assets	232.430	192.120	82.329	13.767	101.763	81.827	9.487	6.950	7.676	17.315	-	745.663
Deferred tax liabilities												
Financial assets	3.385	23.248	21.429	22.388	1.544	-	-	-	-	536	-	72.529
Investments	171.534	-	-	256.942	3.098	-	34.264	-	-	-	-	465.838
Other liabilities	1.526	425.172	1.460	22.679	-	-	6.102	6.972	-	-	-	463.910
Financial liabilities	52.729	-	-	-	-	-	-	-	-	-	-	52.729
Intangibles	52.170	343.751	322.120	-	59.628	7.783	18.928	7.743	-	16.427	-	828.550
Property and equipment	50.046	-	11.136	1.381	1.255	-	-	1.333	3.100	254	-	68.505
Technical insurance reserves:	99.920	704	25.850	-	36.549	-	2.443	144	-	-	-	165.610
Total deferred tax liabilities	431.310	792.873	381.995	303.390	102.074	7.783	61.737	16.193	3.100	17.217	-	2,117,671
Total deferred tax, net	(198,879)	(600,754)	(299,666)	(289,623)	(311)	74.044	(52,250)	(9,243)	4,576	98	-	(1,372,008)

2015	COLOMBIA	PANAMA	DOMINICAN REP	EL SALVADOR	CHILE	MEXICO	PERU	URUGUAY	TOTAL
Deferred tax assets									
Financial assets	56.840	-	-	-	-	-	705	-	57.545
Employee benefits	24.665	-	-	-	-	1.115	-	-	25.780
Investments	-	-	-	-	9.732	-	-	-	9.732
Other non-financial assets	29.738	233	88	1.962	19.659	14.730	1.077	926	68.413
Other liabilities	35.438	-	1.006	904	6.951	-	14.195	869	59.363
Financial liabilities	24.230	-	-	-	-	-	-	-	24.230
Tax losses	31.697	-	-	-	70.287	36.603	290	463	139.340
Property and equipment	3.798	-	-	-	-	-	-	1.031	4.829
Technical reserves	3.305	-	12.046	2.486	-	10.740	-	-	28.577
Total deferred tax assets	209.711	233	13.140	5.352	106.629	63.188	16.267	3.289	417.809
Deferred tax liabilities									
Financial assets	280	-	-	-	198.886	31.573	-	3.446	234.185
Intangibles	37.954	-	9.173	3.023	48.259	101.309	11.171	2.280	213.169
Investments	219.814	-	-	-	-	-	15.618	-	235.432
Other liabilities	-	-	-	-	9.278	9.814	-	-	19.092
Financial liabilities	45.290	-	-	-	-	-	-	-	45.290
Provisions	4.158	-	-	-	-	-	8.437	-	12.595
Goodwill	-	-	-	-	213.780	259.356	228.478	34.789	736.403
Property and equipment	49.710	10.187	159	2.261	57.078	7.392	5.326	-	132.113
Technical reserves	-	-	-	-	72.466	-	-	-	72.466
Total deferred tax liabilities	357.206	10.187	9.332	5.284	599.747	409.444	269.030	40.515	1,700,745
Total deferred tax, net	(147,495)	(9,954)	3.808	68	(493,118)	(346,256)	(252,763)	(37,226)	(1,282,936)

13.4. TAX RECOGNIZED THROUGH PROFIT AND LOSS FOR THE PERIOD

Current tax and deferred tax expense

	2016	2015
Current tax expense	415.311	444.428
Deferred tax expense		
Sources / reversals of temporary differences	(31,053)	125.219
Changes in tax rates	45.991	(159)
Tax expense	430.249	569.487

Grupo Sura considers that the accrued tax liabilities shown are adequate for all tax years still open for review, this based on its evaluation of many factors, including interpretations of applicable tax laws and prior experience.

13.5. TAX RECOGNIZED IN OTHER COMPREHENSIVE INCOME

The following table shows the balance of tax benefits with changes to the equity of the parent company:

	ACCRUED		RESULTS FOR THE PERIOD	
	2016	2015	2016	2015
Cash flow hedges	(1,712)	(1,712)	(2,174)	(215)
Post-employment benefits	341	227	331	-
Financial assets at fair value with changes in OCI	(1,751)	-	(1,938)	-
Revaluations of property, plant and equipment	(6,629)	(318)	(7,305)	(209)
Total deferred tax, imputed to Other Comprehensive Income	(9,751)	(1,803)	(11,086)	(424)

13.6. RECONCILIATION OF EFFECTIVE TAX RATE

	ACCRUED		RESULTS FOR THE PERIOD	
	2016	2015	2016	2015
Cash flow hedges	(1,712)	(1,712)	(2,174)	(215)
Post-employment benefits	341	227	331	-
Financial assets at fair value with changes in OCI	(1,751)	-	(1,938)	-
Revaluations of property, plant and equipment	(6,629)	(318)	(7,305)	(209)
<b>Total deferred tax, imputed to Other Comprehensive Income</b>	<b>(9,751)</b>	<b>(1,803)</b>	<b>(11,086)</b>	<b>(424)</b>

	2016		2015	
<b>Earnings before tax</b>		<b>2,101,907</b>		<b>1,893,428</b>
Income tax based on local tax rates	37%	769.079	34%	638.273
<b>Plus the tax effect corresponding to:</b>				
Eliminations from consolidated income	16%	345.950	18.71%	354.180
Non-deductible expense	8%	162.432	8.01%	151.700
Tax revenues	11%	238.132	9.19%	173.981
Tax losses	1%	21.961	0.26%	5.015
Rate change adjustments	1%	23.636		12.394
Others	9%	179.796	0.00%	
<b>Less the tax rate corresponding to:</b>				
Tax exempt income	21%	451.544	16.28%	308.272
Tax-exempt dividends	12%	248.009	11.43%	216.502
Tax losses	0%	3.039	0.00%	-
Tax deductions	1%	25.188	0.08%	1.451
Rate change adjustments	0%	1.511	0.00%	-
Tax exempt income	12%	251.573	8.76%	165.875
Others (*)	16%	329.872	3.91%	73.956
<b>Income tax</b>	<b>20%</b>	<b>430.249</b>	<b>29%</b>	<b>569.487</b>

(\*) Corresponding mainly to deferred tax on adjustments made to the consolidated figures; deferred tax on the amortization of intangibles, and deferred tax on items recorded by the Chilean companies

13.7. MOVEMENTS IN THE DEFERRED TAX ACCOUNT

	YEAR-END 2016	YEAR-END 2015
<b>Opening balance - net liabilities</b>	<b>1,282,936</b>	<b>1,079,581</b>
Deferred tax expense recognized in the income accounts for the period	14.938	125.060
Income tax relating to components of Other Comprehensive Income	(7,732)	(1,803)
Increases (decreases) due to business combinations	16.356	-
Effect of changes in foreign exchange rates	65.510	80.098
<b>Closing balance - net liabilities</b>	<b>1,372,008</b>	<b>1,282,936</b>

NOTE 14. DERIVATIVES

14.1. HEDGING ASSETS

Grupo SURA uses derivatives such as swaps, forwards and options to hedge its exposure to foreign exchange and interest rates, cash flows and its net investments abroad. These derivatives are initially recognized (on the date the corresponding contract is entered into) and later (when their value is updated) at their fair values.

Any gain or loss arising from changes in the fair value of derivatives are directly charged to income, except for the effective portion that may be generated from hedges of cash flows and net investments abroad, which are posted in other comprehensive income and subsequently reclassified to income when the hedged item affects other comprehensive income.

At year-end 2016 and 2015, Grupo SURA held derivatives that were recorded in books as financial assets and financial liabilities, based on their respective positive or negative fair values

The balance of the derivative financial assets held by Grupo SURA and Subsidiaries is as follows:

Derivatives	2016	2015	2016	2015	2016	2015	2016	2015
Type of instrument	Swap		Forward		Option		Total	
Negotiated agreements								
Assets								
Interest rates	1.015	5.390	4	0	-	-	1.019	5.389
Exchange rate	12.497	69.978	18.199	-	99.850	109.934	130.546	179.912
Subtotal	13.512	75.368	18.203	0	99.850	109.934	131.565	185.301
Liabilities								
Interest rates	(29,950)	(11,345)	2	(17)	-	-	(29,949)	(11,362)
Exchange rate	(86,006)	(126,848)	(182)	(35,339)	(18,740)	-	(104,928)	(162,187)
Subtotal	(115,957)	(138,193)	(180)	(35,356)	(18,740)	-	(134,877)	(173,549)
Hedging agreements								
Assets								
Interest rates	-	-	-	-	-	-	-	-
Exchange rate	489.365	62.986	10.164	13.893	-	-	499.529	76.880
Subtotal	489.365	62.986	10.164	13.893	-	-	499.529	76.880
Liabilities								
Interest rates	-	-	-	-	-	-	-	-
Exchange rate	(474,400)	(69,370)	(307)	(11,021)	-	-	(474,708)	(80,391)
Subtotal	(474,400)	(69,370)	(307)	(11,021)	-	-	(474,708)	(80,391)
Total derivative assets	502.877	138.354	28.367	13.894	99.850	109.934	631.094	262.181
Total derivative liabilities	(590,357)	(207,563)	(487)	(46,377)	(18,740)	-	(609,584)	(253,940)
Net	(87,480)	(69,209)	27.880	(32,483)	81.110	109.934	21.509	8.241

The derivatives held by Grupo SURA and its Subsidiaries are normally traded on the local financial markets as well as "over the counter" on the international markets. Derivatives carry net favorable or unfavorable terms and conditions (assets or liabilities, respectively) as a result of fluctuations with foreign exchange rates or market interest rates as well as other variables relating to their respective terms and conditions. Total fair values corresponding to the assets and liabilities that these derivatives represent may vary significantly from time to time.

The following are the movements recorded with the derivative account:

	ASSETS	LIABILITIES
Balance held at year-end 2014	49.776	(125,610)
Additions	312.272	(76,018)
Valuations	216.437	(37,695)
Financial asset maturities	(66,774)	-
Payments	(252,505)	243
Exchange differences	2.974	(14,842)
Balance held at year-end 2015	262.179	(253,923)
Additions	422.919	(399,677)
Valuations	(54,004)	48.694
Exchange differences	-	(4,679)
Balance held at year-end 2016	631.094	(609,585)

## 14.2 USING HEDGE ACCOUNTING

In drawing up its own risk management policies, some of the subsidiaries belonging to Grupo SURA have used hedge accounting in preparing their financial statements in accordance with the following:

### 14.2.1 Cash flow hedges

Two of Grupo Sura's subsidiaries have recorded cash flow hedges:

- Seguros de Vida Sura S.A. Chile, a subsidiary of SURA Asset Management took out swaps in 2015 as part of a strategy designed to protect its international fixed income investments (bonds issued in USD earning a fixed rate of interest) against prevailing market volatility.

These investments were made to hedge liabilities with regard to life annuities, individual life (excluding unit- linked insurance) and group creditor´s life insurance, with life annuities representing the larger hedging flows.

These agreements stipulate paying a fixed exchange rate in dollars (USD) and receiving a fixed value in UF (Unidades de Fomento - which is an inflation-indexed monetary unit in Chile), in order to protect against the exchange rate risk to fixed income securities held in foreign currency as well as the inflation risk to UF-indexed liabilities.

- 2. For the purpose of hedging its cash flows against foreign exchange risk, Grupo SURA, through its subsidiary Suramericana S.A., decided to perform three deliverable forward operations on December 17 and 18, 2015. This had the specific purpose of counteract the effects of the revaluation of the pound sterling, the currency in which the acquisition of the Latin American operations of the RSA Insurance Group was denominated, which was considered a highly probable transaction given the contractual conditions agreed upon. A deliverable forward contract is settled at maturity with the delivery of the underlying asset, and is intended to cover the risks of market liquidity, that is to say, the buyer secures the advance purchase of the underlying asset. The terms and conditions of these three forwards were as follows:

GBP/USD Forwards

OPERATION	ENTITY	AMOUNT IN GBP	EFFECTIVE DATE	MATURITY DATE	DAYS	FW POINTS
Forward purchase	CITIBANK	48	12/17/2015	1/27/2016	41	0.0004
Forward purchase	CITIBANK	112	12/17/2015	2/25/2016	70	0.00038
Forward purchase	GOLDMAN SACHS	155	12/18/2015	3/29/2016	102	0.0005
Total		315				

Hedging operations averaged out at between GBP 48.000 and155.000 with terms ranging from between 41 to 102 days. The aforementioned operations recorded an appraisal loss of COP 11,021 on December 31, 2015. At year-end 2015, all changes to hedging derivatives, as mentioned in this section, were recorded in equity under other comprehensive income, since the hedge had been fully effective

The company's functional and reporting currency is the Colombian peso (COP). The Company, in keeping with its ongoing expansion plans, signed an agreement to acquire the assets held by RSA Insurance Group (hereinafter RSA) in a total of 6 countries in Latin America. It was agreed that this transaction was to be settled using cash flows to be paid as due authorization was received from the respective regulatory authorities in each country; therefore, not all of the corresponding obligations shall fall due and payable at the same time. Furthermore, the price of this acquisition was set in pounds sterling (GBP), which means that Suramericana´s payment obligation is denominated in GBP.

Suramericana decided to hedge the exchange rate risk relating to the payment of this transaction using derivatives; as part of this hedging strategy the maturity dates of the respective derivatives are aligned with the estimated purchase dates of the assets in each individual country.

Also, in order to gain the greatest possible benefit, the Company decided to separately hedge the risk of the pound to dollar exchange rate (GBP-USD) as well as the risk of the peso to dollar exchange rate (COP USD). This information refers to a partial hedge set up on the GBP / USD exchange rate, for which the Company wishes to use cash flow hedge accounting.

Recognition of the hedging instrument

To hedge the market risk associated with the GBP / USD exchange rate, the Company took out three deliverable forward currency contracts through which it is committed to purchase British pounds (GBP) and sell US dollars (USD) . The maturity dates of these forward contracts were aligned with best estimates regarding the final termination dates of said acquisitions, and these were to be renewed or brought forward based on the actual dates. Suramericana has designated these derivatives as foreign exchange hedges for the acquisition of the RSA assets.



Recognition of the hedged item

On September 8, 2015, the Company agreed to purchase RSA´s Latin American assets, and therefore this acquisition has been designated as a hedged item based solely on the market risk associated with the exchange rate. While the entire agreement for said transaction was contained in a single legal document, it was agreed that the assets would be treated on an individual country basis, which is why the commitments that form part of this hedging relationship are evaluated separately. Thus, these hedging instruments shall be linked to the corresponding hedged items in the month that both commitments match, grouping them together based on that criterion.

The following are payment obligations agreed between the Company and RSA:

COUNTRY	VALUE OF THE OBLIGATION (GBP)	ESTIMATED PAYMENT DATE	ADDED PER MONTH (GBP)
Brazil	48.59	Feb 16	162.32
Colombia	47.38	Feb 16	
Mexico	66.35	Feb 16	
Chile	159.0	Mar 16	199.71
Argentina	40.71	Mar 16	
Uruguay	58.90	Apr 16	58.90
Total	420.93		420.93

\*Figures in millions of pounds sterling (GBP).

Recognition of the nature of the hedged risk

The Company intended to hedge the market risk associated with the GBP / USD exchange rate on the price of RSA´s Latin American assets which is denominated in pounds sterling (GBP) .

Hedge effectiveness

The effectiveness of the hedging instruments were measured using the Dollar-Offset method as follows:

% effectiveness

=

Change in fair value of GBP/USD derivative

Change in fair value of item hedged in GBP (acquisiton commitments)

Where:

- »
- The change in the fair value of the GBP / USD derivative corresponds to the change to their mark to market (MTM) prices brought about upon updating the spot rates, forward points and interest rate curves.

Changes in the fair value of the hedged item in GBP were changes brought about upon updating the acquisition commitments regarding the RSA assets based on changes in the spot rates, forward points and interest rate curves.

14.2.2 Net foreign investments

Grupo SURA's subsidiary Suramericana S.A. holds investments abroad which are exposed to the exchange risk to the functional currency of these operations stated in US dollars against the Grupo SURA's own functional currency in Colombia which is the Colombian peso.

On August 24 and 26, 2015 Suramericana received from Helm Bank Panama and Davivienda Panama two loans for USD 35 million each, payable over a term of 10 years, based on their respective amortization schedule, in order to hedge its business abroad (this being Inversura Panama Internacional, plus a direct stake in Seguros Suramericana Panama) only for their face value, that is to say excluding debt service.

Identification of the hedging instrument

As part of its intention to hedge its business abroad, on October 1, 2015, and based on the documentation required by IAS 39, the Company formally designated the loans granted by Helm Bank Panama and Davivienda Panama, as hedging instruments for a direct stake in its business abroad, specifically its business in Panama, solely in the amount of their principal, excluding debt service.

Identification of the hedged item

Based on that stipulated in IFRIC 16 Hedges of a Net Investment in a Foreign Operation, a hedged item can be an amount of net assets equal to or lower than the carrying value of the net assets of the foreign business reported in the consolidated financial statement.

Therefore, Suramericana S.A. considered that on the effective date of this hedge the aforementioned value was that corresponding to the net investment in the foreign business, taken as a partially hedged item, and the nominal value assigned as hedged.

Hedged items:

Foreign business unit	Net assets	% stake	Net hedged assets
Direct stake in foreign subsidiaries	199,851	100%	70
Breakdown of net investment - Suramericana S.A.'s direct stake			
Foreign business unit	Net assets	% stake	Net hedged assets
Inversura Panamá Internacional	128,048	100%	70
Seguros Suramericana S.A.	776	0.79%	
Seguros Suramericana de Panamá S.A. (Banistmo)	71,028	100%	
Total	199,852	100%	

On October 1, 2015, the Company consolidated a 100% stake held in Seguros Suramericana S.A. through the 99.21% stake held then in its Subsidiary Inversura Panama, which in turn was and is wholly owned (100%) by Suramericana. On December 31, 2015 Suramericana held a 23% direct stake in Seguros Suramericana S.A., consolidating the remaining 77% stake through Panama Inversura.

Identification of the nature of the hedged risk

The Company hedges the exchange rate risk on its foreign business operations.

Hedge effectiveness

The Company measures the effectiveness of hedging instruments as follows:

% effectiveness =

Change in exchange difference on the principal

Translation effect on foreign business operations

Where:

- » The exchange difference on the principal corresponds to the exchange difference brought about by updating hedging instruments based on changes to the exchange rate; and
- » The translation effect on foreign business operations corresponds to the exchange difference obtained by translating the profit and loss as well as financial position pertaining to the foreign business operation by continuously applying the rules contained in paragraph 23 of IAS 21.

The subsidiary Suramericana, has decided to measure the effectiveness of the hedge based on the exchange rate risk corresponding to the net investment abroad, as assessed on a quarterly basis. The following table shows the results obtained on the hedge effectiveness test performed on December 31, 2015:

PERIOD	RATE	PERCENTAGE HEDGED. (ASSET)	EFFECTIVENESS. TRANSLATING HEDGED VALUE (ASSET)	EFFECTIVENESS. TRANSLATING HEDGING INSTRUMENT	HEDGE EFFECTI- VENESS	OFFSET (EFFECTI- VE HEDGE VALUE)
October	2,897.83	35.03%	(13,172)	(13,224)	100.40%	(13,224)
November	3,142.11	34.96%	16.962	17.100	100.81%	17.100
December	3,149.47	33.99%	1.093	515	100.15%	515
			4.883	4.391	89.91%	4.391

NOTE 15. INVESTMENT PROPERTIES

Grupo SURA's investment properties are recorded at fair value and are broken down as follows:

	2016	2015
Land	298.429	214.732
Buildings	735.097	590.456
	1,033,526	805.188

The movements recorded in the investment property account are shown as follows:

	LAND	BUILDINGS	TOTAL
Investment properties at January 01, 2015	183.847	485.993	669.840
Acquisitions	-	54.456	54.456
Impairment losses to the recognized values of investment properties through profit or loss	-	(3,248)	(3,248)
Gains on adjustments to the fair values of investment properties	17.349	64.123	81.472
Transfers of investment properties from (to) inventories and real estate occupied by the owner	1.439	(9,094)	(7,655)
De-recognitions	-	(6,097)	(6,097)
Translation effect	12.097	4.323	16.420
Investment properties at year-end 2015	214.732	590.456	805.188
Acquisitions	107.045	127.201	234.246
Business combination acquisitions	1.883	3.235	5.118
Impairment losses to the recognized values of investment properties through profit or loss	-	-	-
(Losses) gains on adjustments to the fair values of investment properties	(2,509)	73.294	70.786
Transfers of investment properties from (to) inventories and real estate occupied by the owner	(13,132)	454	(12,679)
De-recognitions	(6,952)	(66,573)	(73,525)
Translation effect	(2,639)	7.031	4.392
Investment properties at year-end 2016	298.429	735.097	1,033,526

Appraisers

Grupo SURA's investment properties are appraised by the following experts:

- » J Elkin Ruiz Propiedad Raíz, holding degrees in Civil Engineering from the Universidad Nacional, Plant Design from Lehigh University, Pennsylvania and Chemical Engineering from the Universidad de Antioquia; he is also a member of the Medellin Real Estate Exchange (Lonja de Propiedad Raíz de Medellín)
- » Gabriel Rodriguez Walker, ICA 3.114, Taxpayer´s ID. No. 5.082.752-6, architect and independent appraiser registered with the Chilean Superintendency of Securities and Insurance (SVC in Spanish) and Guillermo Rosselot Iriarte, Taxpayer´s ID. No. 6.874.683-3 ,architect and independent appraiser also registered with the Chilean Superintendency of Securities and Insurance.
- » Jesús José Gómez Cabrera, an engineer with the firm Regner Basurco Jimenez – Consultant Engineers, registered with the Peruvian Engineers Association (Reg # 49108), Technical Inspection Center RD No 082-2014-Housing /VMCS-DNC, as well as the Peruvian Superintendency of Banking and Insurance (Resolution No 6293-2013.
- » Luis E. Cubria Crespi, an architect with the firm Arq. Luis Cubria & Asociados, Taxpayer´s Reg. No 213.526.280.012 in Uruguay.

Income on investment property

Lease income obtained from the Company's investment property at year-end is broken down as follows:

	2016	2015
Lease income	579	757
Investment appraisals (*)	78.338	83.650
Appraisal expense	-	(3,249)
Income on investment property	78.916	81.158

(\*) Realized and unrealized income from appraisal gains corresponding to Grupo SURA's investment properties is shown below:

	REALIZED	UNREALIZED	TOTAL
2016	5.370	73.546	78.916
2015	53.964	27.194	81.158

The movements recorded in the investment property account are shown as follows:

ASSET (*)	BALANCE HELD	RESTRICTIONS (YES/NO)	LEASED
Alsacia	106.371	No	Leased to third parties
Luterana Buildings	98.828	No	Leased to third parties
Suecia 211	73.564	No	Leased to third parties
Torre Apoquindo	68.646	No	Leased to third parties
Orquideas land	65.023	No	Leased to third parties
Orquideas Building	64.082	No	Leased to third parties
Millenium	55.548	No	Leased to third parties
Isidora Magdalena	47.032	No	Leased to third parties
Everfit Indulana land	33.753	No	Leased to third parties
Metropolitana Arequipa land	32.436	No	Not leased
Isidora Foster	31.431	No	Leased to third parties
Diez	30.121	No	Leased to third parties
Small Service	29.563	No	Leased to third parties
Seis	29.066	No	Leased to third parties
Pionero	28.747	No	Leased to third parties
Rivera Navarrete (Lutheran Church) land	27.042	No	Leased to third parties
Rivera Navarrete land (Costamar)	25.741	No	Not leased
San Juan de Lurigancho UTP land	24.499	No	Not leased
WTC	20.506	No	Leased to third parties
Paseo Las Palmas	16.620	No	Leased to third parties
Real 8 Building	15.253	No	Leased to third parties
Huancayo Maestro land	15.067	No	Leased to third parties
Huancayo Maestro	12.934	No	Leased to third parties
Mapfre Cercado Land	10.495	No	Leased to third parties
Tottus Callao Land	8.533	No	Leased to third parties
Las Bellotas	7.665	No	Leased to third parties

ASSET (*)	BALANCE HELD	RESTRICTIONS (YES/NO)	LEASED
Real 8 land	7.164	No	Leased to third parties
Unimarc Mexico land	5.695	No	Leased to third parties
Santa Lucia -Rionegro land	4.760	No	Leased to third parties
Nueva Los Leones	4.444	No	Leased to third parties
Office 407, Torre Concasa, Bogotá, Colombia	3.664	No	Leased to third parties
Plaza Independencia Building (a)	3.637	No	Leased to third parties
Unimarc Mexico Project	3.535	No	Leased to third parties
Costamar Project	3.105	No	Not leased
Unimar Barranca land	3.020	No	Leased to third parties
Unimar Barranca	2.893	No	Leased to third parties
Mapfre Cercado Buildings	2.520	No	Leased to third parties
Pionero 2 (Office Nos. 402+404 )	2.190	No	Leased to third parties
Plots Nos. 1, 3, 2 A, 2B	1.487	No	Leased to third parties
Coyancura	1.358	No	Leased to third parties
Office - Seguros Fenix Building, Cartagena, Colombia	1.270	No	Leased to third parties
Office No. 21	1.043	No	Leased to third parties
Bank branch premises	861	No	Leased to third parties
Office No. 101 C	484	No	Leased to third parties
Coronado Building	445	No	Leased to third parties
Premises and garages- Grupo Colombia Building, Pereira, Colombia	379	No	Leased to third parties
Parking facilities	310	No	Leased to third parties
Office - Camacol Building, Medellín, Colombia	132	No	Leased to third parties
Office - Camacol Building, Medellín, Colombia	122	No	Leased to third parties
Local food center #1	90	No	Leased to third parties
Local food center #4	80	No	Leased to third parties
Local food center #3	79	No	Leased to third parties
Local food center #2	79	No	Leased to third parties
San Lorenzo Building, Rosario.	69	No	Leased to third parties
Deposit 26	30	No	Leased to third parties
De las Medusas, Pinamar	14	No	Leased to third parties
República de Panamá - Wacs land	-	No	Leased to third parties
Wiese Wacs Headquarters	-	No	Leased to third parties
Total investment properties	1,033,526		

Fair value hierarchy

All investment properties are classified as belonging to Level 2 in terms of fair value hierarchy. The accounting method used for both years was the market approach.

The fair values arrived at, as a result of the appraisals performed, are supported by market evidence and represent the values for which the asset could be purchased and sold between knowledgeable informed buyers and sellers on an arm’s length basis on the date on which such property is appraised, this in accordance with that stipulated by the International Valuation Standards Council (IVSC) as well as IFRS 13 - Fair Value Measurement. Properties are appraised every year and the corresponding gains or losses at fair value are recorded through profit and loss.

The parameters used for these appraisals are conservative compared to those observed on the market so as to allow for eventual market fluctuations.

Restrictions

Grupo SURA and Subsidiaries are not in any way restricted with regard to disposing of or selling their investment properties, neither do they have any contractual obligations to purchase, construct or develop investment property or carry out repairs or maintenance work and / or build property extensions. .

NOTE 16. PROPERTY AND EQUIPMENT

Property, plant and equipment for each individual country are broken down as follows

	2016	2015
Land	274.135	227.140
Buildings	467.728	408.382
Vehicles	54.127	56.293
Office equipment	23.515	11.297
IT equipment	83.525	74.736
Fixtures and accessories	20.789	37.464
Other property and equipment	30.729	4.956
Construction in progress	43.564	34.037
Improved leasing rights	30.579	59.763
	1,028,690	914.068

Movements in Grupo SURA's property, plant and equipment account are as follows:

	Land	Build- dings	Vehicles	Office equip- ment	IT equip- ment	Fixtures and acces- sories	Other property and equipment	Construction in progress	Improved leasing rights	Total
Cost										
Cost at January 1, 2015	222,068	389,963	65,008	29,467	188,371	57,492	28,946	52,549	20,877	1,054,741
Additions	3,850	28,033	4,612	4,076	37,471	6,705	8,294	24,586	7,754	125,381
Disposals (-)	(2,588)	(10,981)	(3,962)	(945)	(10,133)	(1,687)	-	(12,680)	(9,848)	(52,824)
Revaluations	8,677	-	-	-	-	-	-	-	-	8,677
Other changes	(4,864)	51,061	16,682	(5)	(21,785)	7,209	(21,767)	(30,418)	47,563	43,676
Book cost at year-end 2015	227,143	458,076	82,340	32,593	193,924	69,719	15,473	34,037	66,346	1,179,651
Accumulated depreciation and impairment										
Accumulated depreciation and impairment at January 01, 2015	-	(42,814)	(14,673)	(17,629)	(125,988)	(23,817)	(7,721)	-	(8,246)	(240,888)
Depreciation for the period	(3)	(7,622)	(12,620)	(4,068)	(16,642)	(8,009)	(3,105)	-	(3,731)	(55,800)
Disposals (-)	-	1,446	1,744	23	34,930	1,875	-	-	6,305	46,323
Other changes	-	(704)	(498)	378	(11,488)	(2,304)	309	-	(911)	(15,218)
Accumulated depreciation and impairment at year-end 2015	(3)	(49,694)	(26,047)	(21,296)	(119,188)	(32,255)	(10,517)	-	(6,583)	(265,583)
Property, plant and equipment at year-end 2015	227,140	408,382	56,293	11,297	74,736	37,464	4,956	34,037	59,763	914,068
Cost at January 1, 2016	227,143	458,076	82,340	32,593	193,924	69,719	15,473	34,037	66,346	1,179,651
Additions	22,398	28,517	8,958	13,915	39,907	4,774	9,281	18,344	16,231	162,324

Disposals (-)	(27)	(17,100)	(5,872)	(6,661)	(38,315)	(273)	(683)	(10,465)	(63)	(79,461)
Revaluations (Note 26.1)		11,706	-	-	-	-	-	-	-	11,706
Other changes	24,621	48,846	8,860	21,436	26,643	(15,022)	25,001	1,648	(34,518)	107,515
Book cost at year-end 2016	274,135	530,045	94,285	61,283	222,159	59,198	49,071	43,564	47,995	1,381,735
Accumulated depreciation and impairment										
Accumulated depreciation and impairment at January 01, 2016	(3)	(49,694)	(26,047)	(21,296)	(119,188)	(32,255)	(10,517)	-	(6,583)	(265,583)
Depreciation for the period	-	(9,285)	(11,417)	(3,477)	(26,103)	(4,731)	(7,554)	-	(8,574)	(71,141)
Disposals (-)	-	858	2,355	1,036	29,105	96	475	-	48	33,972
Other changes	3	(4,196)	(5,049)	(14,031)	(22,448)	(1,519)	(746)	-	(2,307)	(50,293)
Accumulated depreciation and impairment at year-end 2016	-	(62,317)	(40,158)	(37,768)	(138,634)	(38,409)	(18,342)	-	(17,416)	(353,045)
Property, plant and equipment at year-end 2016	274,135	467,728	54,127	23,515	83,525	20,789	30,729	43,564	30,579	1,028,690

After analyzing all impairment indicators, no evidence was found of any such impairment being sustained by the Company’s property and equipment on the date of this report.

There are no restrictions relating to property and equipment.

- » At the end of the period, an analysis was performed to determine whether there was any sign of impairment to the value of Grupo SURA’s property, plant and equipment, and it was confirmed that: During the period in question, the market value of these same assets had not decreased more than expected with the passage of time or the normal use of such.
- » No significant changes in their value are expected due to situations that could have an adverse effect on the Company.
- » There is no evidence of these assets having become obsolete or suffering any physical deterioration.
- » No changes are expected in the near future with regard to how assets are used and which could have an adverse affect on the Company.

NOTE 17. INTANGIBLE ASSETS

Intangible assets held by Grupo SURA at year-end 2015 and 2014 are broken down as follows:

	NOTE	2016	2015
Goodwill	16.1	4,506,162	4,280,774
Intangible assets other than goodwill	16.2	3,274,774	2,998,935
Deferred acquisition costs (DAC):	16.3	1,209,333	885.496
		4,484,107	3,884,431
		8,990,270	8,161,143

17.1 GOODWILL

Goodwill is broken down as follows

Company	2016			2015		
	Cost	Impairment	Net	Cost	Impairment	Net
Acquisition of the ING operations (*)	3,671,348	-	3,671,348	3,868,745	-	3,868,745
AFP Horizonte	243.748	-	243.748	250.166	-	250.166
Seguros de Vida SURA Mexico S.A. de C.V. (formerly Primero Seguros de Vida S.A. de C.V.)	13.734	-	13.734	17.111	-	17.111
Compuredes S.A.	25.429	-	25.429	25.429	-	25.429
Aseguradora Suiza Salvadoreña S.A. (Asesuiza)	83.834	(23.100)	60.733	87.990	(24.247)	63.743
Seguros Sura S.A. (Dominican Republic)	13.797	-	13.797	14.481	-	14.481
Seguro Suramericana Panamá (formerly Banistmo)	50.374	-	50.374	41.099	-	41.099
Seguros Generales Suramericana S.A (formerly RSA Chile S.A.)	153.562	-	153.562	-	-	-
RSA Seguros Colombia S.A.	93.650	-	93.650	-	-	-
Seguros Sura S.A. (formerly RSA Seguros (Brasil) S.A.)	45.325	-	45.325	-	-	-
Seguros Sura (formerly RSA Seguros México)	28.375	-	28.375	-	-	-
RSA Uruguay	106.086	-	106.086	-	-	-
	4,529,263	(23.100)	4,506,162	4,305,021	(24.247)	4,280,774

(\*) Including goodwill paid upon acquiring the following companies :

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

Besides the business combinations carried out during the period, goodwill is adjusted on each closing date, since in accordance with that provided in paragraph 47 of IAS 21 namely that goodwill must be stated in the same functional currency of foreign country where the company is based, and then converted into the reporting currency using the exchange rate applicable on the closing date of the respective reporting period.

The following shows a breakdown of goodwill by individual country:

YEAR	CHILE	MEXICO	PERU	URUGUAY	COLOM-BIA	SALVA-DOR	DOM. REP	PANAMA	BRAZIL	TOTAL
2016	1,852,482	853.308	1,256,797	254.267	119.079	60.733	13.797	50.374	45.325	4,506,162
2015	1,665,860	1,027,757	1,289,891	152.513	25.429	63.744	14.481	41.099	-	4,280,774

Movements in the Goodwill account are broken down as follows

CONSOLIDATED	
Cost at year-end 2014	3,765,132
Additions	41.099
Withdrawals	-
Exchange differences	498.790
Cost at year-end 2015	4,305,021
Impairment at year-end 2014	18.418
Additions	-
Withdrawals	-
Exchange differences	5.829
Impairment at year-end 2015	24.247
Net goodwill	4,280,774
Cost at year-end 2015	4,305,020
Additions	410.376
Withdrawals	-
Exchange differences	(186.133)
Cost at year-end 2016	4,529,263
Impairment at year-end 2015	24.245
Additions	-
Withdrawals	-
Exchange differences	(1.145)
Impairment at year-end 2016	23.100
Net goodwill	4,506,162

17.2 INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements in Grupo Sura’s intangible asset account are as follows:

	ACQUIRED TRADEMAR- KS	CUSTO- MER-RELA- TED INTANGIBLE ASSETS	SOFTWARE AND APPLICA- TIONS	RIGHTS	LICENSES AND FRAN- CHISES	OTHER INTANGIBLE ASSETS	TOTAL
Cost							
Cost at January 1, 2015	116.861	3,025,890	94.962	6.167	-	221	3,244,101
Business combinations (Note 7.1)	-	15.171	-	26.127	-	-	41.298
Additions	-	1.208	36.516	-	17.738	-	55.462
Disposals (-)	(658)	(663)	(51.575)	-	-	-	(52.896)
Exchange differences	13.218	372.367	14.110	616	-	-	400.311
Other changes	-	-	-	(206)	-	-	(206)
Book cost at year-end 2015	129.421	3,413,973	94.013	32.704	17.738	221	3,688,070
Accumulated depreciation and impairment at January 1, 2015	(7.056)	(397.336)	(58.940)	(1.155)	-	-	(464.487)
Amortizations	(1.336)	(139.488)	(14.083)	(2.975)	(15.387)	-	(173.269)
Additions	1.461	24	-	-	-	-	1.485
Disposals (-)	-	-	64.034	205	-	-	64.239
Exchange differences	(390)	(111.238)	(6.037)	712	-	(150)	(117.103)
Accumulated depreciation and impairment at year-end 2015	(7.321)	(648.038)	(15.026)	(3.213)	(15.387)	(150)	(689.135)
Intangible assets at year- end 2015	122.100	2,765,935	78.987	29.491	2.351	71	2,998,935
Cost							
Cost at January 01, 2016	129.421	3,413,973	94.013	32.704	17.738	221	3,688,070
Business combinations	9.236	457.898	142.167	-	19.886	1.236	630.423
Additions	-	62.972	48.908	-	-	6.765	118.645
Disposals (-)	(2.215)	(3.790)	(640)	-	(535)	(771)	(7.951)
Exchange differences	(5.543)	(225.868)	(20.068)	(752)	(10.986)	550	(262.667)
Other changes	-	4	-	(206)	-	-	(201)



	ACQUIRED TRADEMAR- KS	CUSTO- MER-RELA- TED INTANGIBLE ASSETS	SOFTWARE AND APPLICA- TIONS	RIGHTS	LICENSES AND FRAN- CHISES	OTHER INTANGIBLE ASSETS	TOTAL
Book cost at year-end 2016	130.899	3,705,190	264.379	31.746	26.103	8.000	4,166,318
Accumulated depreciation and impairment							
Accumulated depreciation and impairment at January 1, 2015	(7.321)	(648.038)	(15.026)	(3.213)	(15.387)	(150)	(689.135)
Amortizations	(246)	(194.831)	(31.846)	(7.286)	(15.893)	(436)	(250.538)
Additions	77	26.318	(59.980)	-	-	83	(33.502)
Disposals (-)	2.215	-	188	-	(4.223)	(1.061)	(2.881)
Exchange differences	4.122	78.505	(22.914)	(1.739)	26.347	191	84.512
Accumulated depreciation and impairment at year-end 2016	(1.152)	(738.046)	(129.578)	(12.238)	(9.156)	(1.373)	(891.544)
Intangible assets other than goodwill at year-end 2016	129.747	2,967,144	134.801	19.508	16.947	6.627	3,274,774

The following are the useful lives corresponding to the more representative intangible assets

CLIENT RELATIONS	TOTAL USEFUL LIFE (YEARS)	REMAINING USEFUL LIFE (YEARS)
AFP Capital S.A. (Chile)	27	22
Corredora de Bolsa SURA S.A. And Administradora General de Fondos S.A. (Chile)	10	5
Seguros de Vida SURA S.A. (Chile)	14	9
AFP Integra (Peru)	30	25
Wealth Management SURA S.A. (Peru)	4	-
AFAP Sura S.A. (Uruguay)	23	18
Afore Sura S.A. de C.V. (Mexico)	27	22
Seguros Sura S.A. (Peru)	15	11
AFP Integra (Peru) AFP Horizonte	17	13
Sociedad Agente de Bolsa Sura S.A. (Peru)	4	3

CLIENT RELATIONS	TOTAL USEFUL LIFE (YEARS)	REMAINING USEFUL LIFE (YEARS)
Seguros Suramericana S.A de (formerly Banistmo Panamá)	9	7.7
Aseguradora Suiza Salvadoreña S.A. Asesuisa (El Salvador)	14	9
Compuredes S.A. (Colombia)	66	12
RSA Seguros Brasil	5	4.2
RSA Seguros Chile	7	6.3
RSA Seguros Colombia	5	4.3
RSA Seguros Argentina	10.6	9.9
RSA Seguros México	4	3.4
RSA Seguros Uruguay	16	15.5
Affinity contracts		
RSA Seguros Brasil	3	2.2
RSA Seguros Chile	2.3	1.6
RSA Seguros Colombia	1.8	1.1
RSA Seguros Argentina	1.9	1.3
RSA Seguros México	1.7	1.2
RSA Seguros Uruguay	1.9	1.4
Non-competition rights		
Seguros Suramericana S.A de Panamá	5	3.7
Trademarks		
AFP Capital (Chile) (*)	Indefinite	Indefinite
AFP Integra (Perú) (*)	Indefinite	Indefinite
AFAP SURA S.A. (Uruguay)	1	-
AFP Integra (Peru) AFP Horizonte	3	-
RSA Seguros Argentina (*)	Indefinite	Indefinite
RSA Seguros México (*)	Indefinite	Indefinite

(\*) These assets have an indefinite useful life since, once the Purchase Price Allocation (PPA) was drawn up, it was not possible to determine a foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. Each year Grupo Sura evaluates whether these intangible assets continue to have an indefinite useful lives, or if there is evidence of impairment.. (See Note 19) Impairment of non- financial assets

The following is a breakdown of trademarks at fair value with indefinite useful lives:

TRADEMARKS	COUNTRY	VALUATION CURRENCY	RATE	VALUE IN LOCAL CURRENCY	COP
ACG	Argentina	Argentinian peso	15.83	18	284.94
Answer	Argentina	Argentinian peso	15.83	22	348.26
<b>RSA Seguros Argentina</b>			<b>40</b>	<b>633.2</b>	
Hogar Master	Mexico	Mexican pesos	20.6	7.6	156.56
Top driver	Mexico	Mexican pesos	20.6	2.1	43.26
<b>RSA Seguros México</b>			<b>9.7</b>	<b>199.82</b>	
AFP Capital	Chile	USD	3,000.71	28.9	86.721
AFP Integra	Peru	USD	3,000.71	17.7	53.113

17.3 DEFERRED ACQUISITION COSTS (DAC)

The following shows the movements recorded with Deferred Acquisition Costs (DAC):

	ASSET MANAGEMENT	INSURANCE	TOTAL
<b>At year-end 2014</b>	<b>450.021</b>	<b>216.315</b>	<b>666.337</b>
Additions	99.028	205.836	304.864
Exchange differences	32.443	-	32.443
Amortization (Note 29.2)	-	(118.147)	(118.147)
<b>At year-end 2015</b>	<b>581.492</b>	<b>304.004</b>	<b>885.496</b>
Business combinations	-	1,014,141	1,014,141
Additions	168.298	562.046	730.344
Exchange differences	(61.938)	(2.367)	(64.305)
Amortizations (Note 29.2)	(148.083)	(1,208,260)	(1,356,343)
<b>At year-end 2016</b>	<b>539.769</b>	<b>669.564</b>	<b>1,209,333</b>

Deferred Acquisition Costs (DAC) for each individual country are as follows:

	2016	2015
Chile	355.265	186.972
Mexico	322.905	338.240
Colombia	213,005	213,157
Argentina	87.161	-
Brazil	77.866	-
Peru	46.168	47.154
Uruguay	31.886	9.127
El Salvador	30.584	30.821
Panama	27.799	44.167
Dominican Republic	16.695	15.858
	<b>1,209,334</b>	<b>885,496</b>

Restrictions

To date no restrictions have been placed on Grupo Sura ´s intangible assets

NOTE 18. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

18.1. SUBSIDIARIES

Grupo SURA's subsidiaries, at the end of the reporting period, are listed as follows:

CORPORATE				
Suramericana S.A.				
		Year-end 2016		Year-end 2015
Activity:	Investing	Assets	5,282,383	3,294,845
Registered place of business:	Medellin	Liabilities	1,256,988	631.349
Country:	Colombia	Equity	4,025,395	2,663,496
Date of incorporation:	May 25, 1999	Earnings	396.151	345.848
		% stake	81.13%	81.13%
Inversura Panamá Internacional S.A.				
		Year-end 2016		Year-end 2015
Activity:	Investing	Assets	407.788	395.567
Registered place of business:	Panama City	Liabilities	-	-
Country:	Panama	Equity	407.788	395.567
Date of incorporation:	December 23, 2002	Earnings	(206)	(1.069)
		% stake	81.13%	81.13%
Inversiones Sura Brasil S.A.S.				
		Year-end 2016		Year-end 2015
Activity:	Investing	Assets	238.865	100
Registered place of business:	Medellin	Liabilities	10	-
Country:	Colombia	Equity	238.855	100
Date of incorporation:	December 04, 2015	Earnings	(26)	-
		% stake	81.13%	81.13%

CORPORATE				
Arus Holding S.A.S (formerly Integradora de Servicios Tercerizados S.A.)				
		Year-end 2016		Year-end 2015
Activity:	Investing in personal and real estate property,	Assets	59.606	54.192
Registered place of business:	Medellin	Liabilities	9	14
Country:	Colombia	Equity	59.597	54.178
Date of incorporation:	July 11, 2012	Net income	5.277	7.381
		% stake	100.00%	100.00%
Inversiones y Construcciones Estratégicas S.A.S				
		Year-end 2016		Year-end 2015
Activity:	Investing	Assets	140.480	135.113
Registered place of business:	Medellin	Liabilities	4.473	11.626
Country:	Colombia	Equity	136.007	123.487
Date of incorporation:	August 30, 2007	Earnings	12.994	23.425
		% stake	100.00%	100.00%
Grupo de Inversiones Suramericana Panamá S.A.				
		Year-end 2016		Year-end 2015
Activity:	Investing in negotiable securities	Assets	940.996	999.766
Registered place of business:	Panama City	Liabilities	890.453	922.919
Country:	Panama	Equity	50.543	76.847
Date of incorporation:	April 29, 1998	Earnings	(48.645)	(75.938)
		% stake	100.00%	100.00%
Planeco Panamá S.A.				
		Year-end 2016		Year-end 2015
Activity:	Buying and selling personal property and real estate	Assets	35.120	43.934
Registered place of business:	Panama City	Liabilities	54.126	57.216
Country:	Panama	Equity	(19.006)	(13.282)
Date of incorporation:	December 12, 2012	Earnings	(9.281)	(8.140)
		% stake	95.28%	95.28%

CORPORATE				
Grupo Sura Finance S.A.				
			Year-end 2016	Year-end 2015
Activity:	Company dedicated to any lawful activity in the Cayman Islands	Assets	2,516,711	922.924
Registered place of business:	Cayman Islands	Liabilities	2,542,259	944.153
Country:	Cayman Islands	Equity	(25.548)	(21.229)
Date of incorporation:	March 18, 2011	Earnings	(5.411)	(843)
		% stake	100.00%	100.00%
Financia Expreso RSA S.A.				
			Year-end 2016	Year-end 2015
Activity:	Investing and entering into loan agreements	Assets	5.569	-
Registered place of business:	Bogotá	Liabilities	136	-
Country:	Colombia	Equity	5.433	-
Date of incorporation:	July 15, 1970	Earnings	(4.221)	-
		% stake	81.11%	0.00%
Santa María del Sol S.A.				
			Year-end 2016	Year-end 2015
Activity:	Investments	Assets	8.820	-
Registered place of business:	Buenos Aires	Liabilities	151	-
Country:	Argentina	Equity	8.669	-
Date of incorporation:	April 11, 1991	Earnings	(235)	-
		% stake	81.13%	0.00%
Atlantis Sociedad Inversora S.A.				
			Year-end 2016	Year-end 2015
Activity:	Investments	Assets	4.787	-
Registered place of business:	Buenos Aires	Liabilities	86	-
Country:	Argentina	Equity	4.701	-
Date of incorporation:	June 26, 1992	Earnings	(124)	-
		% stake	81.13%	0.00%

CORPORATE				
Chilean Holding Suramericana SPA (formerly RSA Chilean Holding SpA)				
			Year-end 2016	Year-end 2015
Activity:	Investments	Assets	40.387	-
Registered place of business:	Santiago	Liabilities	43.520	-
Country:	Chile	Equity	(3.133)	-
Date of incorporation:	October 16, 2012	Earnings	(1.161)	-
		% stake	81.13%	0.00%
Inversiones Suramericana Chile Limitada (formerly Inversiones RSA Chile Limitada)				
			Year-end 2016	Year-end 2015
Activity:	Investments	Assets	37.747	-
Registered place of business:	Santiago	Liabilities	-	-
Country:	Chile	Equity	37.747	-
Date of incorporation:	October 25, 2012	Earnings	(77)	-
		% stake	81.13%	0.00%
Sura Asset Management S.A.				
			Year-end 2016	Year-end 2015
Activity:	Investing in personal and real estate property,	Assets	7,340,374	10,009,508
Registered place of business:	Medellin	Liabilities	1,626,766	1,265,898
Country:	Colombia	Equity	5,713,608	8,743,610
Date of incorporation:	September 15, 2011	Earnings	329.215	465.428
		% stake	78.71%	71.40%
Activos Estratégicos Sura A.M. Colombia S.A.S.				
			Year-end 2016	Year-end 2015
Activity:	Holding Company	Assets	126	122
Registered place of business:	Medellin	Liabilities	2	2
Country:	Colombia	Equity	124	120
Date of incorporation:	April 25, 2013	Earnings	4	2
		% stake	78.71%	71.40%

CORPORATE				
Sura Investment Management Colombia S.A.S				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	5.636	9
Registered place of business:	Medellin	Liabilities	83	21
Country:	Colombia	Equity	5.553	[12]
Date of incorporation:	June 23, 2015	Earnings	2.165	[151]
		% stake	78.71%	71.40%
Sura Asset Management España, S.L.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	4,673,470	5,128,807
Registered place of business:	Madrid	Liabilities	590	1.034
Country:	Spain	Equity	4,672,880	5,127,773
Date of incorporation:	September 28, 2011	Earnings	[1.280]	[21.650]
		% stake	78.71%	71.40%
Grupo de Inversiones Suramericana Holanda B.V.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	4,487,674	4,922,639
Registered place of business:	Amsterdam	Liabilities	26	18
Country:	Holland	Equity	4,487,648	4,922,621
Date of incorporation:	October 12, 2011	Earnings	[229]	[230]
		% stake	78.71%	71.40%
Grupo Sura Chile Holdings I B.V.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	1,921,166	2,107,650
Registered place of business:	Amsterdam	Liabilities	1.155	1.112
Country:	Holland	Equity	1,920,011	2,106,538
Date of incorporation:	July 07, 1993	Earnings	[152]	[208]
		% stake	78.71%	71.40%

CORPORATE				
SURA Asset Management Chile S.A.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	2,832,127	2,653,978
Registered place of business:	Santiago	Liabilities	15.282	21.115
Country:	Chile	Equity	2,816,845	2,632,863
Date of incorporation:	August 01, 2002	Earnings	132.621	217.563
		% stake	78.71%	71.40%
Sura Data Chile S.A.				
		Year-end 2016		Year-end 2015
Activity:	Providing data processing services and leasing computer equipment.	Assets	9.440	6.906
Registered place of business:	Santiago	Liabilities	3.703	2.093
Country:	Chile	Equity	5.737	4.813
Date of incorporation:	August 01, 2002	Earnings	834	763
		% stake	78.71%	71.40%
SURA Servicios Profesionales S.A.				
		Year-end 2016		Year-end 2015
Activity:	Providing business consultancy and advisory services.	Assets	28.513	33.400
Registered place of business:	Santiago	Liabilities	15.344	23.496
Country:	Chile	Equity	13.169	9.904
Date of incorporation:	August 01, 2002	Earnings	3.089	3.150
		% stake	78.71%	71.40%
Santa María Internacional S.A.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	6.786	7.468
Registered place of business:	Santiago	Liabilities	7	513
Country:	Chile	Equity	6.779	6.955
Date of incorporation:	October 17, 1994	Earnings	[316]	448
		% stake	78.71%	71.40%

CORPORATE				
Grupo Sura Latin American Holdings B.V.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	351.601	386.595
Registered place of business:	Netherlands	Liabilities	(9)	(51)
Country:	Holland	Equity	351.610	386.646
Date of incorporation:	September 28, 1983	Earnings	(2.317)	(114)
		% stake	78.71%	71.40%

SUAM Finance B.V				
		Year-end 2016		Year-end 2015
Activity:	Holding company for 144A/Reg S bonds issued in April 2014	Assets	1,440,665	1,511,797
Registered place of business:	Curacao	Liabilities	1,503,441	1,574,314
Country:	Curacao	Equity	(62.776)	(62.517)
Date of incorporation:	December 01, 2014	Earnings	(78.002)	(67.196)
		% stake	78.71%	71.40%

Sura Asset Management México S.A. de C.V.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	934.894	1,262,536
Registered place of business:	Mexico	Liabilities	3.745	2.234
Country:	Mexico	Equity	931.149	1,260,302
Date of incorporation:	April 17, 2013	Earnings	195.081	365.892
		% stake	78.71%	71.40%

Sura Art Corporation S.A. de C.V.				
		Year-end 2016		Year-end 2015
Activity:	Collecting Mexican works of art.	Assets	41.101	51.355
Registered place of business:	Mexico D.F.	Liabilities	76	252
Country:	Mexico	Equity	41.025	51.103
Date of incorporation:	December 20, 2011	Earnings	8	207
		% stake	78.71%	71.40%

CORPORATE				
SURA Asset Management Perú S.A.				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	194.783	156.732
Registered place of business:	Lima	Liabilities	53.120	5.160
Country:	Peru	Equity	141.663	151.572
Date of incorporation:	July 04, 2013	Earnings	62.985	89.246
		% stake	78.71%	71.40%

Sura Asset Management Uruguay Sociedad de Inversión S.A. (formerly Tublyr S.A.)				
		Year-end 2016		Year-end 2015
Activity:	Holding Company	Assets	207.274	211.126
Registered place of business:	Uruguay	Liabilities	743	701
Country:	Uruguay	Equity	206.531	210.425
Date of incorporation:	July 02, 2013	Earnings	22.310	42.123
		% stake	78.71%	71.40%

MANDATORY PENSION FUND MANAGEMENT FIRMS				
AFAP Sura S.A.				
		Year-end 2016		Year-end 2015
Activity:	Managing retirement savings funds.	Assets	89.833	84.182
Registered place of business:	Montevideo	Liabilities	18.659	19.182
Country:	Uruguay	Equity	71.174	65.000
Date of incorporation:	March 27, 1995	Earnings	38.818	36.304
		% stake	78.71%	71.40%

AFP Capital S.A.				
		Year-end 2016		Year-end 2015
Activity:	Managing pension funds.	Assets	2,794,219	2,615,518
Registered place of business:	Santiago	Liabilities	440.129	474.381
Country:	Chile	Equity	2,354,090	2,141,137
Date of incorporation:	January 16, 1981	Earnings	328.266	246.353
		% stake	78.48%	71.19%

MANDATORY PENSION FUND MANAGEMENT FIRMS				
Afore Sura S.A. de C.V.				
			Year-end 2016	Year-end 2015
Activity:	Managing investment firms specializing in retirement savings funds	Assets	1,481,453	1,741,767
Registered place of business:	Mexico D.F.	Liabilities	272.381	249.047
Country:	Mexico	Equity	1,209,072	1,492,720
Date of incorporation:	December 17, 1996	Earnings	245.589	262.267
		% stake	78.71%	71.40%
AFP Integra S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing its pension fund management services	Assets	1,327,484	1,356,924
Registered place of business:	Lima	Liabilities	232.958	237.367
Country:	Peru	Equity	1,094,526	1,119,557
Date of incorporation:	May 19, 1993	Earnings	166.430	164.297
		% stake	78.70%	71.40%
MANDATORY PENSION FUND MANAGEMENT FIRMS				
Corredores de Bolsa Sura S.A.				
			Year-end 2016	Year-end 2015
Activity:	Purchasing and selling securities and providing brokerage services	Assets	91.121	90.541
Registered place of business:	Santiago	Liabilities	47.855	36.460
Country:	Chile	Equity	43.266	54.081
Date of incorporation:	February 04, 2008	Earnings	(13.722)	(940)
		% stake	78.71%	71.40%

MANDATORY PENSION FUND MANAGEMENT FIRMS				
Administradora General de Fondos Sura S.A.				
			Year-end 2016	Year-end 2015
Activity:	Managing investment and mutual funds.	Assets	46.946	28.452
Registered place of business:	Santiago	Liabilities	24.631	9.495
Country:	Chile	Equity	22.315	18.957
Date of incorporation:	July 09, 2008	Earnings	3.002	5.528
		% stake	78.71%	71.40%
Sura Investment Management S.A. de C.V.				
			Year-end 2016	Year-end 2015
Activity:	Managing investment fund management firms.	Assets	51.738	59.491
Registered place of business:	Mexico D.F.	Liabilities	16.678	15.638
Country:	Mexico	Equity	35.060	43.853
Date of incorporation:	February 13, 1998	Earnings	(15.353)	(11.044)
		% stake	78.71%	71.40%
Fondos Sura SAF S.A.C.				
			Year-end 2016	Year-end 2015
Activity:	Managing investment and mutual funds.	Assets	17.077	11.067
Registered place of business:	Lima	Liabilities	13.113	5.832
Country:	Peru	Equity	3.964	5.235
Date of incorporation:	December 07, 2004	Earnings	(8.742)	(6.045)
		% stake	78.71%	71.40%
Sociedad Agente de Bolsa S.A.				
			Year-end 2016	Year-end 2015
Activity:	Stock brokerage firm	Assets	9.858	3.260
Registered place of business:	Peru	Liabilities	966	90
Country:	Peru	Equity	8.892	3.170
Date of incorporation:	September 25, 2015	Earnings	(4.980)	(574)
		% stake	78.71%	71.40%

MANDATORY PENSION FUND MANAGEMENT FIRMS				
Corredor de Bolsa SURA S.A.				
		Year-end 2016		Year-end 2015
Activity:	Providing brokerage services	Assets	3.196	1.469
Registered place of business:	Montevideo	Liabilities	644	50
Country:	Uruguay	Equity	2.552	1.419
Date of incorporation:	December 01, 2014	Earnings	(1.324)	(254)
		% stake	78.71%	71.40%
AFISA SURA S.A.				
		Year-end 2016		Year-end 2015
Activity:	Managing investments funds.	Assets	5.922	5.910
Registered place of business:	Montevideo	Liabilities	2.162	1.727
Country:	Uruguay	Equity	3.760	4.183
Date of incorporation:	January 19, 2011	Earnings	(7.084)	(7.124)
		% stake	78.71%	71.40%
LIFE INSURANCE				
Seguros de Vida Suramericana S.A.				
		Year-end 2016		Year-end 2015
Activity:	Personal Insurance	Assets	6,572,896	5,849,801
Registered place of business:	Medellin	Liabilities	5,359,707	4,714,880
Country:	Colombia	Equity	1,213,189	1,134,921
Date of incorporation:	August 04, 1947	Earnings	314.064	310.622
		% stake	81.13%	81.13%
Seguros de Riesgos Laborales Suramericana S.A.				
		Year-end 2016		Year-end 2015
Activity:	Occupational Risk Management	Assets	2,151,408	1,836,520
Registered place of business:	Medellin	Liabilities	1,721,474	1,485,492
Country:	Colombia	Equity	429.934	351.028
Date of incorporation:	November 09, 1995	Earnings	179.125	131.001
		% stake	81.13%	81.13%

LIFE INSURANCE				
Asesuisa Vida, S.A. Seguros de Personas				
		Year-end 2016		Year-end 2015
Activity:	Personal Insurance	Assets	367.556	408.645
Registered place of business:	San Salvador	Liabilities	294.714	347.543
Country:	El Salvador	Equity	72.842	61.102
Date of incorporation:	December 05, 2001	Earnings	27.889	11.309
		% stake	78.79%	78.79%
Seguros de Vida Suramericana S.A (formerly RSA Seguros de Vida S.A.)				
		Year-end 2016		Year-end 2015
Activity:	Life insurance	Assets	56.818	-
Registered place of business:	Santiago	Liabilities	18.303	-
Country:	Chile	Equity	38.515	-
Date of incorporation:	November 21, 2012	Earnings	196	-
		% stake	81.13%	0.00%
Seguros de Vida Sura S.A.				
		Year-end 2016		Year-end 2015
Activity:	Providing its insurance services, specifically life insurance and annuities.	Assets	8,661,920	6,348,976
Registered place of business:	Santiago	Liabilities	7,787,570	5,587,490
Country:	Chile	Equity	874.350	761.486
Date of incorporation:	January 12, 1989	Earnings	45.942	31.884
		% stake	78.71%	71.40%
Pensiones Sura S.A. de C.V.				
		Year-end 2016		Year-end 2015
Activity:	Pension insurance	Assets	1,607,754	1,663,434
Registered place of business:	Mexico D.F.	Liabilities	1,502,049	1,564,688
Country:	Mexico	Equity	105.705	98.746
Date of incorporation:	May 12, 1997	Earnings	29.637	8.665
		% stake	78.71%	71.40%



LIFE INSURANCE				
Seguros de Vida SURA Mexico S.A. de C.V. (formerly Primero Seguros de Vida S.A. de C.V.)				
		Year-end 2016		Year-end 2015
Activity:	Life insurance	Assets	181.876	132.765
Registered place of business:	Mexico	Liabilities	142.014	121.652
Country:	Mexico	Equity	39.862	11.113
Date of incorporation:	December 01, 2014	Earnings	4.644	(4.669)
		% stake	78.71%	71.40%
Seguros Sura S.A. (formerly Invita)				
		Year-end 2016		Year-end 2015
Activity:	Providing life insurance and reinsurance	Assets	4,527,778	4,349,624
Registered place of business:	Lima	Liabilities	4,022,722	3,917,897
Country:	Peru	Equity	505.056	431.727
Date of incorporation:	March 01, 2000	Earnings	88.036	53.585
		% stake	54.54%	49.47%
SUAM Corredora de Seguros S.A. de C.V.				
		Year-end 2016		Year-end 2015
Activity:	Providing insurance and reinsurance brokerage services	Assets	585	383
Registered place of business:	San Salvador	Liabilities	102	65
Country:	El Salvador	Equity	483	318
Date of incorporation:	May 07, 2013	Earnings	184	108
		% stake	78.71%	71.40%
Disgely S.A.				
		Year-end 2016		Year-end 2015
Activity:	Selling merchandise and leasing goods, properties and services.	Assets	1.573	1.881
Registered place of business:	Montevideo	Liabilities	497	458
Country:	Uruguay	Equity	1.076	1.423
Date of incorporation:	December 01, 2014	Earnings	(2.049)	(1.115)
		% stake	78.71%	71.40%

LIFE INSURANCE				
Seguros Generales Suramericana S.A.				
		Year-end 2016		Year-end 2015
Activity:	Property And Casualty Insurance	Assets	3,478,392	2,551,982
Registered place of business:	Medellin	Liabilities	2,694,227	2,111,066
Country:	Colombia	Equity	784.165	440.916
Date of incorporation:	December 12, 1944	Earnings	34.079	39.497
		% stake	81.11%	81.13%
Seguros Sura S.A.				
		Year-end 2016		Year-end 2015
Activity:	Insurance	Assets	295.929	277.323
Registered place of business:	Santo Domingo	Liabilities	258.142	227.277
Country:	Dominican Republic	Equity	37.787	50.046
Date of incorporation:	July 17, 1986	Earnings	(977)	(6.677)
		% stake	81.13%	81.13%
Seguros Suramericana Panamá S.A.				
		Year-end 2016		Year-end 2015
Activity:	Insurance	Assets	1,152,792	1,044,534
Registered place of business:	Panama City	Liabilities	520.922	501.693
Country:	Panama	Equity	631.870	542.841
Date of incorporation:	July 11, 1972	Earnings	35.941	17.556
		% stake	81.13%	81.13%
Aseguradora Suiza Salvadoreña S.A. Asesuisa				
		Year-end 2016		Year-end 2015
Activity:	Property And Casualty Insurance	Assets	295.607	205.269
Registered place of business:	San Salvador	Liabilities	123.801	98.722
Country:	El Salvador	Equity	171.806	106.547
Date of incorporation:	November 14, 1969	Earnings	(3.009)	5.137
		% stake	78.79%	78.79%

LIFE INSURANCE				
Sura				
		Year-end 2016		Year-end 2015
Activity:	Insurance and re-insurance	Assets	15.891	-
Registered place of business:	Hamilton	Liabilities	145	-
Country:	Bermuda	Equity	15.746	-
Date of incorporation:	December 08, 2015	Earnings	[770]	-
		% stake	81.13%	0.00%
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Brazil) S.A.)				
		Year-end 2016		Year-end 2015
Activity:	Personal and casualty insurance	Assets	1,037,458	-
Registered place of business:	Sao Pablo	Liabilities	786.060	-
Country:	Brazil	Equity	251.398	-
Date of incorporation:	August 31, 1973	Earnings	[7.184]	-
		% stake	81.13%	0.00%
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)				
		Year-end 2016		Year-end 2015
Activity:	General insurance	Assets	1,413,475	-
Registered place of business:	Buenos Aires	Liabilities	1,235,661	-
Country:	Argentina	Equity	177.814	-
Date of incorporation:	July 13, 1912	Earnings	20.851	-
		% stake	80.63%	0.00%
Aseguradora de Créditos y Garantías S.A.				
		Year-end 2016		Year-end 2015
Activity:	Insurance, co-insurance and re-insurance in general for all types of risk	Assets	89.113	-
Registered place of business:	Buenos Aires	Liabilities	70.096	-
Country:	Argentina	Equity	19.017	-
Date of incorporation:	March 20, 1959	Earnings	4.267	-
		% stake	81.12%	0.00%

LIFE INSURANCE				
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)				
		Year-end 2016		Year-end 2015
Activity:	General insurance			
		3,558,386	-	
Registered place of business:	Santiago	Liabilities	2,764,570	-
Country:	Chile	Equity	793.816	-
Date of incorporation:	April 15, 1905	Earnings	[7.942]	-
		% stake	80.71%	0.00%
Seguros Sura, S.A de C.V. (formerly Royal & Sun Alliance Seguros (Mexico) S.A. de C.V.)				
		Year-end 2016		Year-end 2015
Activity:	General insurance	Assets	887.823	-
Registered place of business:	Federal District, Mexico	Liabilities	639.383	-
Country:	Mexico	Equity	248.440	-
Date of incorporation:	October 01, 1941	Earnings	[13.556]	-
		% stake	81.13%	0.00%
Royal & Sun Alliance Seguros (Uruguay) S.A.				
		Year-end 2016		Year-end 2015
Activity:	Property And Casualty Insurance	Assets	595.153	-
Registered place of business:	Montevideo	Liabilities	307.134	-
Country:	Uruguay	Equity	288.019	-
Date of incorporation:	November 07, 1994	Earnings	4.768	-
		% stake	81.13%	0.00%
HEALTH CARE SERVICES				
EPS y Medicina Prepagada Suramericana S.A.				
		Year-end 2016		Year-end 2015
Activity:	Organizing, guaranteeing and providing health care services	Assets	612.715	511.165
Registered place of business:	Medellin	Liabilities	456.992	377.604
Country:	Colombia	Equity	155.723	133.561
Date of incorporation:	January 31, 1990	Earnings	22.162	20.925
		% stake	65.82%	81.13%

HEALTH CARE SERVICES				
Servicios de Salud IPS Suramericana S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing medical, paramedical and dental services	Assets	71.681	61.061
Registered place of business:	Medellin	Liabilities	62.863	53.484
Country:	Colombia	Equity	8.818	7.577
Date of incorporation:	December 19, 1996	Earnings	1.148	(1.634)
		% stake	81.13%	81.13%
Diagnóstico y Asistencia Médica S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing health care services through diagnostic aids	Assets	79.390	74.480
Registered place of business:	Medellin	Liabilities	54.859	55.205
Country:	Colombia	Equity	24.531	19.275
Date of incorporation:	February 24, 1994	Earnings	5.252	3.094
		% stake	81.13%	81.13%
Habitat Adulto Mayor S,A,				
			Year-end 2016	Year-end 2015
Activity:	Providing health care services for the elderly	Assets	30.181	26.725
Registered place of business:	La Estrella	Liabilities	8.704	6.419
Country:	Colombia	Equity	21.477	20.306
Date of incorporation:	July 24, 2007	Earnings	1.171	832
		% stake	82.66%	73.23%

OUTSOURCING SERVICES

Arus S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing and marketing its telecommunication services, products and solutions	Assets	73.263	77.472
Registered place of business:	Medellin	Liabilities	47.436	54.866
Country:	Colombia	Equity	25.827	22.606
Date of incorporation:	August 16, 1988	Earnings	3.818	4.554
		% stake	100.00%	100.00%
Enlace Operativo S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing business process outsourcing (BPO) services	Assets	16.656	11.396
Registered place of business:	Medellin	Liabilities	4.612	2.213
Country:	Colombia	Equity	12.044	9.183
Date of incorporation:	May 31, 2006	Earnings	2.861	5.477
		% stake	100.00%	100.00%
OTHER SERVICES				
Operaciones Generales Suramericana S.A.S.				
			Year-end 2016	Year-end 2015
Activity:	Investing in personal and real estate property,	Assets	131.972	103.715
Registered place of business:	Medellin	Liabilities	84.045	82.811
Country:	Colombia	Equity	47.927	20.904
Date of incorporation:	July 24, 1964	Earnings	(11.224)	6.370
		% stake	81.13%	81.13%

OTHER SERVICES				
Servicios Generales Suramericana S.A.				
			Year-end 2016	Year-end 2015
Activity:	Financing premiums for private individuals, providing employee loans and acting as agent for subsidiaries	Assets	464.883	453.724
Registered place of business:	Medellin	Liabilities	208.373	165.637
Country:	Colombia	Equity	256.510	288.087
Date of incorporation:	December 06, 2002	Earnings	3.519	11.400
		% stake	81.13%	81.13%
Consultoría en Gestión de Riesgos Suramericana S.A.S.				
			Year-end 2016	Year-end 2015
Activity:	Consultancy firm with regard to comprehensive risk management	Assets	13.360	10.385
Registered place of business:	Medellin	Liabilities	11.834	9.246
Country:	Colombia	Equity	1.526	1.139
Date of incorporation:	April 15, 1996	Earnings	386	[271]
		% stake	81.13%	81.13%
Servicios Generales Suramericana S.A. (Panamá)				
			Year-end 2016	Year-end 2015
Activity:	Inspecting, repairing, purchasing and selling all types of vehicles and their corresponding spare parts	Assets	588	452
Registered place of business:	Panama City	Liabilities	442	419
Country:	Panama	Equity	146	33
Date of incorporation:	August 02, 2012	Earnings	121	21
		% stake	81.13%	81.13%

OTHER SERVICES				
Protección Garantizada LTDA				
			Year-end 2016	Year-end 2015
Activity:	Insurance brokerage	Assets	5.920	-
Registered place of business:	Bogotá	Liabilities	2.794	-
Country:	Colombia	Equity	3.126	-
Date of incorporation:	November 10, 2005	Earnings	2.344	-
		% stake	41.36%	0.00%
Servicios y Ventas Compañía Limitada				
			Year-end 2016	Year-end 2015
Activity:	Service provider	Assets	62	-
Registered place of business:	Santiago	Liabilities	75	-
Country:	Chile	Equity	[13]	-
Date of incorporation:	January 28, 1997	Earnings	-	-
		% stake	80.92%	0.00%
SURA Real Estate S.A.S.				
			Year-end 2016	Year-end 2015
Activity:	Management consultancy services, real estate activities with properties either leased or for own use.	Assets	1.096	-
Registered place of business:	Bogotá	Liabilities	641	-
Country:	Colombia	Equity	455	-
Date of incorporation:	February 09, 2016	Earnings	[2.948]	-
		% stake	55.09%	0.00%
Asesores Sura S.A. de C.V.				
			Year-end 2016	Year-end 2015
Activity:	Providing financial services and products	Assets	9.202	9.439
Registered place of business:	Mexico D.F.	Liabilities	7.120	8.298
Country:	Mexico	Equity	2.082	1.141
Date of incorporation:	October 17, 2000	Earnings	1.170	529
		% stake	78.71%	71.40%

OTHER SERVICES				
Promotora Sura AM S.A. de C.V.				
			Year-end 2016	Year-end 2015
Activity:	Providing advertising and marketing services for any type of product	Assets	5.589	6.184
Registered place of business:	Mexico	Liabilities	3.870	4.325
Country:	Mexico	Equity	1.719	1.859
Date of incorporation:	October 23, 2013	Earnings	587	1.447
		% stake	78.71%	71.40%

Hipotecaria Sura Empresa Administradora Hipotecaria S.A.				
			Year-end 2016	Year-end 2015
Activity:	Providing mortgage loans and other financial services	Assets	15.370	20.190
Registered place of business:	Lima	Liabilities	2.395	6.335
Country:	Peru	Equity	12.975	13.855
Date of incorporation:	May 14, 2008	Earnings	(3.060)	(2.965)
		% stake	55.09%	49.98%

The figures shown for each subsidiary were taken from their separate financial statements.

Changes to Investment Stakes  
2016

- » By June, the Royal & Sun Alliance companies had been included in the consolidation after receiving due authorization from the local regulatory authorities. (See Note 7 - Business Combinations):
- » Dinámica IPS Zonas Francas S.A.S. was wound up at year-end 2016

On March 31, 2016, Suramericana acquired ownership / control over Royal & Sun Alliance Seguros Colombia.

- » On February 29, 2016, Suramericana acquired control over Royal & Sun Alliance Seguros (Brazil).
- » On April 30, 2016, Suramericana acquired control over Royal & Sun Alliance Seguros Argentina.
- » On May 31, 2016, Suramericana acquired control over Royal & Sun Alliance Seguros México - RSA.
- » On April 30, 2016, Suramericana acquired control over Royal & Sun Alliance Seguros Chile - RSA.
- » On July 01, 2016, Suramericana acquired control over Royal & Sun Alliance Seguros Uruguay – RSA.
- » On June 1, 2016 Grupo Sura acquired 191,198 shares belonging to Sura Asset Management S.A. from General Atlantic for a total of COP 1,758,647, thereby increasing Grupo Sura’s stake from 71.4% to 78.7%.
- » In April and June 2016, Inversiones y Construcciones Estratégicas acquired 2,908,153 and 6,519,063 shares in Habitat Adulto Mayor S.A. for COP 507 and COP 1,153 million respectively, which is equal to stakes of 2.45% and 5.49% in this entity.
- » On March 17, 2016, Inversiones y Construcciones Estratégicas acquired 484,258 shares in Habitat Adulto Mayor S.A. for COP 68, which is equal to a 0.41% stake in said entity.
- » On March 16, 2016, Sura Re was incorporated in the Bermudas. This Company is licensed to carry out insurance and reinsurance operations and whose shareholder is Suramericana S.A. The corporate purpose of this newly created company is to drive reinsurance efficiencies for all operations and leveraging new product development based on the Group’s Trend and Risk Management Model.

- » On February 9, 2016, the Group ´s subsidiary, Sura Investment Management set up a new company called Sura Real Estate S.A.S. with Grupo Sura holding a 55.09% stake . The main business activity of this newly-created company is to provide its management consultancy services and carry out real estate activities on properties either leased or for own use.

2015

At year-end 2015 the following changes were recorded to the Group ´s investment stakes

- » On September 18, 2015, Grupo Sura acquired 113,435 shares, corresponding to the entire stake held by JP Morgan SIG Holding in Sura Asset Management S.A.; thereby extending its entire stake to 71.4%. This transaction came to a total value of COP 794.360 million.
- » On August 31, 2015, Grupo de Inversiones Suramericana, through its subsidiary Suramericana S.A., acquired Seguros Banistmo S.. in Panama (now known as Seguros Suramericana Panamá) for a total value of COP 297.204
- » Servicios Sura SAC was wound up on July 31, 2015.
- » Negocios Financieros S.A. was taken over by Sura Asset Management Perú on July 1, 2015.
- » On June 26 2015, Sura Investment Management, a company investing in real estate and personal property, was set up for a total value of COP 140 million.
- » On June 2, 2015, Inverconsa S.A. de CV and Pensiones Sura Perú S.A. were wound up.
- » On April 7, 2015, Inversiones y Servicios Sura S.A. merged with another of the Group ´s subsidiaries, Sura S.A.

- » Wealth Management Sura S.A. merged with Sura Asset Management Perú on March 31, 2015 .
- » On March 23, 2015 Mexamlux S.A. merged with Sura Asset Management Mexico, another of Grupo Sura ´s subsidiaries.
- » Seguros Suramericana Panama merged with Seguros Suramericana S.A. on November 1, 2015
- » Dinámica IPS Zonas Francas S.A.S. became impaired at year-end 2015 See Note 19.1 Impairment of investments in subsidiaries.
- » In 2015, 2,297,201 shares in the subsidiary Hábitat Adulto Mayor S.A. were purchased for a value of COP 296 million.

18.2 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The balance of investments held in associates and joint ventures is broken down as follows:

	YEAR-END 2016	YEAR-END 2015
Investments in associates (see Note 18.2.1)	18,139,274	17,759,665
Joint ventures (see Note18.2.2)	5.054	-
Total investments accounted for using the equity method	18,144,328	17,759,665

	YEAR-END 2016	YEAR-END 2015
Income from associates via the equity method (Note 18.2.1)	1,033,882	810.913
Income from joint ventures via the equity method (Note 18.2.1)	3.755	[7]
Total income posted via the equity method from investments accounted for via the equity method	1,037,637	810.906

18.2.1 Investments in associates

Grupo Sura ´s associates at the end of the reporting period are listed as follows:

YEAR-END 2016									Year-end 2015			
Name	Main business activity	Country	% stake	% voting rights	# shares	% stake	% voting rights	# shares				
Grupo Bancolombia S.A. (*)	Universal banking	Colombia	24.44%	46.11%	235,039,870	26.49%	46.11%	254,738,751				
Grupo Argos S.A.	Cement, energy, real estate and ports	Colombia	26.78%	35.56%	229,534,810	28.11%	35.65%	230,089,478				
Grupo Nutresa S.A.	Processed food	Colombia	35.17%	35.17%	161,807,155	35.34%	35.34%	162,608,498				
Administradora de Fondos de Pensiones y Cesantías Protección S.A.	Pension and severance fund	Colombia	49.36%	49.36%	12,541,088	49.36%	49.36%	12,541,088				
Sodexo Soluciones de Motivación S.A.	Services	Colombia	49.00%	49.00%	261.342	49.00%	49.00%	261.342				
Sodexo Colombia S.A.	Services	Colombia	35.00%	35.00%	1,604,015	35.0%	35.0%	1,604,015				
Interejecutiva de Aviación S.A.S.1	Air transport management services	Colombia	-	-	-	33.00%	33.00%	1,300,000				
Tipel S.A. 2	Construction services	Colombia	-	-	-	11.40%	11.40%	5,016,104				
Promotora Nacional de Zona Franca S.A. 3	Logistic services	Colombia	16.77%	16.77%	5,769,024	16.77%	16.77%	5,769,024				
Inversiones DCV S.A.	Shareholder register management services	Chile	34.82%	34.82%	3.431	34.82%	34.82%	3.431				
Fondos de Cesantías Chile I S.A.	Pension and severance fund	Chile	22.60%	22.60%	62.401	22.60%	22.60%	62.401				
Servicios de Administración Previsional S.A.	Voluntary funds	Chile	22.64%	22.64%	168.806	22.64%	22.64%	168.806				
Fondos de Cesantías Chile II4	Pension and severance fund	Chile	-	-	-	29.40%	29.40%	167.580				
ARS Palic Salud S.A.	Managing and selling health care plans	Dominican Republic	30.00%	30.00%	247.665	30.00%	30.00%	247.665				
Subocol S.A.	Selling spare parts for vehicle repairs	Colombia	50.00%	50.00%	492	50.00%	50.00%	492				
Brinks de Colombia S.A.3	Transport	Colombia	18.62%	18.62%	3,377,445	18.62%	18.62%	3,377,445				
Brinks de Colombia S.A.3	Transport	Colombia	18.62%	18.62%	3,377,445	18.62%	18.62%	3,377,445				

(\*)Voting rights: the percentage stake held carrying voting rights in Grupo Bancolombia S.A. at year-end 2015, December 31, 2014 and January 1, 2014 came to 46,11%, 45,59% and 44,68% respectively given the issue of non-voting preferred shares placed by this associate. In the case of the other investments held by Grupo SURA in the aforementioned associates, the percentage stake held is equal to the voting rights accorded.

1) At year-end, 2016, reclassifications were made to joint ventures in the amount of COP 552. In April 2015, Grupo Sura purchased, through its subsidiary Inversiones y Construcciones Estratégicas, 1,300,000 shares worth COP 552 million in Internacional Ejecutiva de Aviación S.A.S., thus acquiring a 33% stake as well as joint control over this investment.

2) In May 2015 a 30% stake held in the Company, Tipiel S.A. was sold off, this consisting of a 1% stake in Techip for a total of 440,000 shares to the firm, Italy SPA. The remaining stake of 29% was sold to Ascona S.A.S. (consisting of 12.760.000 shares), this based on the share ´s selling price. Once this investment was sold off, it was reclassified from an associate investment to a financial instrument with changes in equity.

More detailed information regarding the sale of Tipiel is provided below:

Selling price	20.000
Book value	27.730
Loss on sale (Note 31)	(7.730)

In 2016 this investment was reclassified to equity instruments in the amount of \$ 10,537.

3) In spite of not having more than a 20% stake in Brinks de Colombia S.A and Promotora Nacional de Zonas Francas. These investments are classified as associates, since Grupo Sura sits on the Board of directors of these companies and participates in the decisions to be made.

4) The 29.39% stake held in Administradora de Fondos de Cesantías de Chile S.A., which came to the equivalent of COP 1,995, was sold off in September 2016, as a result of having terminated the fund management contract for mandatory severance insurance as defined by Supreme Decree No. 65 issued in September 2013.

Balance of investments held in associates

The balance of investments held in associates is broken down as follows:

INVESTMENTS IN ASSOCIATES	2016	2015
Bancolombia S.A.	7,337,334	7,246,354
Grupo Argos S.A.	4,952,061	4,779,890
Grupo Nutresa S.A.	4,716,733	4,611,737
Administradora de Fondos de Pensiones y Cesantias Proteccón S.A.	1,045,581	1,023,590
Others	87.565	98.094
Total	18,139,274	17,759,665

Financial information regarding associates and joint ventures

The assets, liabilities, shareholders’ equity and income for each of the associated companies included in Grupo Sura´s consolidated financial statements at year-end 2016 and 2015 are shown as follows:

YEAR-END 2016	COUNTRY	CURRENT ASSETS	NON-CURRENT ASSETS	CURRENT LIABILITIES	NON-CURRENT LIABILITIES	EQUITY	REVENUES	NET INCOME	OTHER COMPREHENSIVE INCOME	COMPREHENSIVE INCOME
Bancolombia S.A.	Colombia	196,793,694	-	174,316,713	-	22,476,981	11,208,757	2,954,947	(136.965)	2,817,982
Grupo Argos S.A.	Colombia	6,311,642	38,644,950	7,287,461	13,827,517	23,841,614	14552884	1,132,002	- 104,865	1,027,136
Grupo Nutresa S.A.	Colombia	2,559,775	11,139,779	2,113,963	3,198,716	8,386,875	8,676,640	399.691	177.017	576.708
Administradora de Fondo de Pensiones y Cesantías Protección S.A.	Colombia	1,823,563	-	522.260	-	1,301,303	-	240.610	-	240.610
Sodexo Soluciones de Motivación S.A.	Colombia	137.928	3.361	138.581	-	2.709	24.461	305	-	305
Sodexo Colombia S.A.	Colombia	98.220	8.002	94.974	-	11.248	463.951	8.797	-	8.797
Interjefecutiva de Aviación S.A.S.	Colombia	78.370	-	66.922	-	11.448	48.551	7.551	-	7.551
Inversiones DCV S.A.	Chile	14.397	-	19	-	14.378	-	3.030	-	3.030
Servicios de Administración Previsional S.A.	Chile	92.681	-	33.309	-	59.372	-	48.310	-	48.310
ARS Palic Salud S.A.	Dominican Republic	253.269	-	167.631	-	85.638	-	23.478	-	23.478
Subocol S.A.	Colombia	3.174	-	1.752	-	1.422	-	(30)	-	(30)
Brinks de Colombia S.A.	Colombia	152.873	-	55.216	-	97.657	-	18.503	-	18.503

YEAR-END 2015	COUNTRY	CURRENT ASSETS	NON-CURRENT ASSETS	CURRENT LIABILITIES	NON-CURRENT LIABILITIES	EQUITY	REVENUES	NET INCOME	OTHER COMPREHENSIVE INCOME	COMPREHENSIVE INCOME
Bancolombia S.A.	Colombia	192,972,867	-	172,564,948	-	20,407,919	9,133,922	2,608,898	1,477,473	4,086,371
Grupo Argos S.A.	Colombia	5,667,971	36,107,042	6,989,265	11,895,949	22,889,799	12,579,678	643.155	195.087	838.242
Grupo Nutresa S.A.	Colombia	2,542,873	10,635,179	2,249,102	2,886,106	8,042,844	7,945,417	430.819	(230.961)	199.858
Administradora de Fondo de Pensiones y Cesantías Protección S.A.*	Colombia	1,671,708	-	444.497	-	1,227,211	218.743	218.743	-	218.743
Inversiones DCV S.A.	Chile	11.700	-	3	-	11.697	-	1.833	-	1.833
Servicios de Administración Previsional S.A.	Chile	90.550	-	17.747	-	72.803	-	27.618	-	27.618
Fondos de Cesantías Chile I S.A.	Chile	6.938	-	-	-	6.938	-	11	-	11
Fondos de Cesantías Chile II	Chile	72.091	-	12.006	-	60.086	-	4.458	-	4.458
ARS Palic Salud S.A.	Dominican Republic	230.694	-	147.123	-	83.572	-	18.711	-	18.711
Subocol S.A.	Colombia	3.443	-	1.921	-	1.522	-	783	-	783

\* Figures taken from the Consolidated Financial Statements



Investments in Grupo Sura’s associates, as listed on the Colombian Stock Exchange (BVC) produced year-end closing prices that were higher for 2016 compared to the previous year, thus showing a better performance as shown below:

COLOMBIAN PESOS PER SHARE			
Associate	2016	2015	Annual % Change
Bancolombia S.A.	25.220	20.980	20.20%
Inversiones Argos S.A.	19.280	16.200	19.00%
Grupo Nutresa S.A.	24.900	22.620	10.10%
Fondo de Pensiones y Cesantías Protección S.A. (*)	100.000	71.000	40.80%

Furthermore, the fundamentals pertaining to these issuers performed much better given their interesting growth prospects thanks to the plans carried out in recent years.

Furthermore, the shares of these associates are traded above the equity values that appear on the Company’s consolidated books.

(\*) In spite of the fact that the Protección share is listed on the Colombian stock market, it classifies as having low liquidity which means that their actual price is not a faithful indication of the Company’s economic value. However, it is important to note that its weighted average listed price throughout 2016 came to COP 91.797 At year-end 2015 this investment was duly appraised, and no indications were found of any impairment to its carrying value in the Consolidated Financial Statements.

Movements with investments in associates

	BANCOLOMBIA S.A.	GRUPO AR- GOS S.A.	GRUPO NU- TRESA S.A.	ADMINISTRADORA DE FONDOS DE PENSIO- NES Y CESANTÍAS PROTECCIÓN S.A.	OTHERS	TOTAL
Balance at year-end 2014	6,609,421	4,655,704	4,595,423	1,026,480	111.524	16,998,552
Additions	71.658	10.540	17.962		663	100.823
De-recognitions	(68.848)		-		(27.730)	(96.578)
Equity method revenues	555.431	908	151.310	86.214	17.050	810.913
Change in equity	290.201	154.103	(77.902)	989	4.990	372.382
(-) Dividends	(211.509)	(41.365)	(75.056)	(64.869)	(3.052)	(395.850)
Others	-	-	-	(25.225)	(5.351)	(30.576)
Balance at year-end 2015	7,246,354	4,779,890	4,611,737	1,023,590	98.094	17,759,665
Additions	-	-	-		-	-
De-recognitions	(476.756)	(9.424)	(17.962)		(13.183)	(517.324)
Equity method revenues	700.195	62.998	139.164	101.803	29.722	1,033,882
Change in equity	82,317.88	119.504	64.374	2.144	(4.079)	264.261
(-) Dividends	(214.777)	(908)	(80.580)	(81.956)	(21.091)	(399.312)
Others	-				(1.898)	(1.898)
Balance held at year-end 2016	7,337,334	4,952,061	4,716,733	1,045,581	87.565	18,139,274

Restrictions And Commitments:  
At the end of the reporting period, there were no restrictions or commitments encumbering Grupo SURA's investments in its associates.

**18.2.2 Joint Ventures**  
On August 11, 2015 Sura Investment Management Colombia S.A.S (SIM) a subsidiary of Sura Asset Management Colombia, formed a joint venture with the company Credicorp Capital Holding Colombia S.A.S.

The company that was formed as a result of this joint venture is called Unión Para La Infraestructura S.A.S. (UPI S.A.S.), in which SIM and CREDICORP each hold a 50% stake.

UPI S.A.S.'s business purpose is to provide investment advisory services with regard to the professional handling of investment funds with which to finance infrastructure projects. At the end of this reporting period, Unión Para La Infraestructura S.A.S. (UPI S.A.S.) is still at a pre operating stage.

Cost of joint venture investments

The following is a breakdown of the cost of these investments at year-end 2015:

	INTEREJECUTIVA	UPI	TOTAL
Balance at year-end 2015	-	-	-
Reclassifications <sup>1</sup>	552	-	552
Additions <sup>1</sup>	1.496	-	1.496
Equity method revenues	2.517	1.238	3.755
Change in equity	(749)	-	(749)
Closing balance at year-end 2015	3.816	1.238	5.054

<sup>1</sup>At year-end 2016, a reclassification to joint ventures in the amount of COP 552 was made. In 2016 Grupo Sura provided a capitalization through its subsidiary Inversiones y Construcciones Estratégicas consisting of 200,000 shares worth COP 1,496 million pesos in Internacional Ejecutiva de Aviación S.A.S..

At the end of this reporting period there were no restrictions encumbering the Group’s investments in joint ventures.

NOTE 19. IMPAIRMENT OF NON-FINANCIAL ASSETS

19.1. Impairment of Investments in Subsidiaries

Identifying signs of impairment is a key step in the appraisal process, as this defines the need to conduct an impairment test.

According to that set out in IAS 36- Paragraph 9: An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.

According to that set out in IAS 36, "Impairment of Assets". The subsidiaries belonging to Grupo de Inversiones Suramericana, have to consider the following facts and circumstances to determine whether there are signs of impairment, or not.

1. Operating losses or negative cash flows for the current period compared to those budgeted.
2. Increased interest rates on investments and debt for the period. Information: Investments in inflation-indexed securities, agreed rates on bank loans.
3. Significant changes to the IT environment, defined as the risk relating to losses caused by technology (hardware or software) or the use of the same. Information: Important declines in production due to technology risks or substantial exposure to hackers.
4. Significant changes to the legal environment that give rise to losses in the form of sanctions, fines or lawsuits due to a failure to comply with regulations or contractual obligations.
5. Significant changes in the regulatory environment. These refer to the negative implications that changes to the local regulatory framework may have on a company. These may be: Mortality tables or taxes such as Equality Income Tax.

- 6. Changes in the competitive environment. Information: The amount of market share lost (based on growth and loss rates), new or more aggressive competition or cut-throat sales quotas.
- 7. Significant changes in the manner or to the extent that the cash generating unit (CGU) is used or is expected to be used.
- 8. Significant reduction in the use of installed capacity
- 9. Additional indebtedness.
- 10. Absence or significant reduction, as opposed to a mere fluctuation, in the demand or need for the services provided by the asset.

Annual assessments are performed to see whether an impairment exists with the Group’s investments to rule out the aforementioned signs of such. If this is the case then the recoverable amount of the asset in question must be estimated. In 2015, the following impairment occurred with Grupo de Inversiones Suramericana’s investments in subsidiaries, namely with IPS Zona Franca S.A.S., that affected 100% of its carrying value, thereby providing grounds for this company to be liquidated. . In December 2016, this Company was effectively wound up

At year-end 2015 and 2016, investments in the subsidiaries Sura Finance B.V. Grupo de Inversiones Suramericana Panama and Grupo Sura Finance showed shortfalls in terms of the revenues these provide that shall be covered by Grupo de Inversiones Suramericana with the possible winding up of these firms.

19.2 IMPAIRMENT TO GOODWILL

Goodwill acquired through the purchase of the ING Latin American assets. Goodwill acquired through business combinations as well as trademarks with indefinite useful lives have been allocated to the following cash generating units (CGUs) for the purpose of performing individual impairment tests:

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

The above-mentioned entities represent the more relevant operating companies when the business combination was first carried out for the purpose of Sura Asset Management managing, controlling and projecting its business throughout the region.

Sura Asset Management S.A. and Subsidiaries performed impairment tests during the year, the results of which showed no indication of any impairment either to goodwill or to trademarks with indefinite useful lives.

For the purposes of allocating the consolidated goodwill to each of the CGUs, the fair value equity method was applied. This allocation was based on reasonable values, as stipulated in the PPA, for the 12-month period following the acquisition.

Also, certain trademarks have been associated to the business of the two CGUs,

namely the AFP Capital trademark belonging to AFP Capital S.A. as well as the AFP trademark belonging to AFP Integra S.A.,

Methodology for Estimating Value in Use

The value in use for the Group’s CGUs was estimated using the income approach.

General assumptions used in applying the income approach:

The calculation of the value in use for all CGUs is sensitive to the following assumptions:

- » Time horizon: The time horizon of the projection corresponding to the estimated duration of the CGUs analyzed. For more information see below:

- » Projection horizon: Based on the current macroeconomic conditions and the general characteristics and maturity of the different CGUs in question as well as all available information, we have considered the following specific forecasting horizons:
  - » Corredora de Bolsa Sura S.A. and Administradora General de Fondos Sura S.A.: 10 years
  - » AFP Capital S.A.: 5 years
  - » Afore Sura S.A. de C.V: 5 years
  - » Sura Investment Management Mexico S.A. de C.V: 10 years
  - » AFP Integra S.A.: 5 years
  - » Fondos Sura SAF S.A.C.: 10 years
  - » AFAP Sura S.A: 5 years

Generally speaking, it is understood that the CGUs in question shall achieve a degree of business maturity with the consequent stabilization of their cash flows.

- » Residual value: Since the CGUs in question are expected to continue operating and generating positive cash flows beyond the forecasting horizon, as mentioned above, the perpetual performance of said CGUs was estimated. This value is known as the residual or terminal value

In order to estimate the residual value, standardized cash flows were projected in perpetuity, duly adjusted according to the same growth expectations defined in the guidelines suggested in the applicable standard.

- » Year-end: The cut-off date corresponding to the fiscal year on which the CGU´s financial projections were estimated on the date the analysis was performed, that is to say December 31, which coincides with the closing date of the financial statements of the legal entities pertaining to said CGUs.
- » Currency Unit: Sura Asset Management S.A. and Subsidiaries have estimated their cash flows in the functional currency of each of their markets, in keeping with that stated in the applicable standards.

These cash flows were then converted to US dollars using the local exchange rate, so to achieve consistency with the discount rate applied, this stated in U.S. dollars.

- » Discount rate: Although the functional currency of each country corresponds to its local currency, future cash flows have been converted to nominal U.S. dollars for each projected period and discounted at a nominal rate in U.S. dollars after taxes. A discount rate in U.S. dollars was used because of a certain lack of data availability, as well as potential distortions from consistency problems with the existing data, thereby affecting estimated discount rates in these local currencies. These constraining factors consisted of: i) the absence of long-term benchmark rates of return in local currency; ii) market volatility; and iii) a lack of depth, diversification and liquidity on the capital markets, among other affecting factors.

The discount rates applied to the projections are based on the interest rates prevailing in each market, these ranging between 9.10 % and 10.10 % on an after-tax basis.

- » Income Tax Rates: Projected cash flows were estimated after tax, for the purpose of preserving consistency with the estimated discount rates. Here, the tax rates that were applied to current earnings in each market at year-end 2016 were 24% in the case of Chile,30% in Mexico, 28% in Peru and 25% in Uruguay (See Note 25)..

- » Macroeconomic Assumptions: financial projections for the CGUs in question, have been prepared based on macroeconomic variables projected by external sources of information.

The following assumptions were used for the impairment tests performed on trademarks:

- » Forecasting Horizon: to estimate the value in use corresponding to trademarks their indefinite useful life was used, based on brand positioning and past experience, as well as the market focus of each CGU. Therefore, a specific projection was drawn up over a 5 year time frame for the AFP

Capital and AFP Integra trademarks respectively, and then the present value of a perpetual flow of net royalties based on a 3.2% nominal growth in U.S. dollars was projected over the long term on stabilized cash flows.

- » Projected Income: To estimate the value in use of the AFP Capital and AFP Integra trademarks, operating income from both companies was used. This corresponds to commission income and returns on their reserve requirements on both their mandatory and voluntary pension business.
- » Market royalties and trademark attributes: The market royalty rate was estimated for the purposes of applying the Relief from Royalty methodology. Also, in order to define the royalties corresponding to these trademarks, an estimated range of market royalties was taken as a basis, bearing in mind the trademark’s relative strength and positioning based on the following attributes:
  - » Momentum: the current status and potential for future growth of both trademarks were taken into account.
  - » Recognition: the degree of brand awareness or “top of the mind” of both trademarks was evaluated based on market research.
  - » Brand loyalty: the degree of client loyalty towards the trademarks was evaluated according to market research.
  - » Market share: the brands’ market shares were evaluated on the Chilean and Peruvian markets, this based on market research.
  - » Longevity: brand seniority on the Chilean and Peruvian markets were evaluated, based on market research.

Based on the above procedures, royalties of 1.05% were estimated for the trademarks AFP Capital and AFP Integra respectively.

Taxes

For the purpose of calculating after-tax flows of royalties, the tax rates current in each country were used. In the case of Chile, after a recent tax reform was introduced, the tax rate shall go from 24% at year-end 2014 reaching 27% by 2018. Peru’s tax rate shall go from 28% in 2016 to 29.5% in 2017 onwards this being the proportional rate applicable to the subsidiaries in Chile and Peru, respectively.

Goodwill corresponding to Arus (formerly Compuredes) and Enlace Operativo Upon preparing its consolidated financial statements, the Company conducted an impairment test of the goodwill acquired through business combinations of cash-generating units (CGU), in this case Enlace Operativo and Compuredes, so as to verify whether any impairment had been sustained.

General assumptions for estimating fair value

The calculation of the value in use for all CGUs is sensitive to the following assumptions:

- » The Company’s valuation using the Discounted Free Cash Flow method.
- » Here, the Company’s historical financial statements in accordance with International Financial Reporting Standards (IFRS) were used as the basis.
- » Projection horizon: based on the current macroeconomic conditions and the general characteristics and maturity of the different cash-generating units in question as well as all available information, we have set the specific forecasting horizon over a period of five years. Generally speaking, it is understood that at the end of said period, the cash-generating units in question shall achieve a degree of business maturity with the consequent stabilization of their cash flows.
- » The year-end figures for 2016 and 2017 are based on the budget drawn up by the Company’s Senior Management and subsequently submitted for the approval of its Board of Directors. The budget for 2017 is expected to be finally approved in January 2017.

- » The economic projections were taken from the report “Projected Macroeconomics Table”, as published by Bancolombia’s Economic Research Department in October 2016.
  - » Residual value: since the cash-generating units Enlace Operativo and Arus are expected to continue operating and generating positive cash flows beyond the forecasting horizon, the Group has estimated a growth to perpetuity of 3% This value is known as the residual or terminal value
  - » Year-end: the cut-off date corresponding to the fiscal year on which the financial projections were estimated for the cash-generating units, Enlace Operativo and Compuredes for the purpose of this analysis, that is to say December 31, coincides with the closing date of the financial statements of the legal entities pertaining to said cash-generating units.
  - » Revenues: as of 2018, the Company’s revenues are set to grow at the same rate as Colombia’s Real GDP plus the projected inflation (CPI). The projected compound revenue growth rate between 2016 and 2021 comes 9.1%
  - » Costs and expense: selling costs, excluding Depreciation and Amortization (D & A), were projected as a proportion of revenues in accordance with Senior Management’s budget for 2017, this based on a constant proportion of 80.2%.
  - » Administrative and Sales Expenses, excluding D & A, were projected as a proportion of revenues in accordance with Senior Management’s budget for 2017 this based on a constant proportion of 2.92%.
- Employee Benefits shall rise at the same rate as the expected CPI plus 2%.
- » Discount and perpetuity rates: For valuation purposes, a moving WACC was used, duly adjusted to the Company’s capital structure:
    - » The average Cost of Equity for the valuation period was 14.8%.
    - » The Average Cost of Debt before Taxes came to 12%.

- » The Average WACC for the valuation period totaled 12.1%. Perpetuity was discounted at a rate of 12.3%.
- » A nominal growth in perpetuity of 6% is assumed.
- » Income Tax Rates: Projected cash flows were estimated after tax, for the purpose of preserving consistency with the estimated discount rates. Taxes are modeled independently and in the case of this business plan, payments for ordinary income tax are always made. The rates used were based on the recent tax reform.

### Conclusion

For the purpose of preparing its consolidated financial statements, the Company carried out impairment tests on its acquired goodwill using the following analyzes and methodologies, so as to be able to confirm whether there was any evidence of impairment to the Cash Generating Unit (UGE) corresponding to ARUS S.A. (formerly known as Compuredes) and Enlace Operativo:

#### (i) A historical analysis of the Company’s key performance indicators.

Based on the operating and financial aspects of the Company’s business, along with the figures reported at November 30, 2016, the Company does not show any evidence of impairment to its key performance indicators compared to its historical performance.

#### (ii) Valuations using the discounted cash flow approach

In order to estimate a CGU’s recovery value and based on the financial statements, a valuation was performed in Colombian pesos by estimating free cash flows and a perpetuity value and discounting at a weighted average cost of capital. The figure thus obtained was higher than that recorded by Arus Holding and Grupo Sura in their books, and thus no impairment was found to affect the goodwill of the investment in question..

#### (iii) Valuations using comparable multiples

A benchmarking exercise was conducted with companies belonging to the same sector so as to compare the aforementioned estimates with the range of values shown by their peers. Here we were able to conclude that

said estimates remain within a reasonable range and there is no evidence of impairment.

Accordingly, the goodwill recorded in the Statement of Financial Position of both ARUS S.A. and Grupo Sura showed no signs of impairment.

Goodwill corresponding to Aseguradora Suiza Salvadoreña S.A. Asesuiza In 2013, Suramericana S.A. acquired Seguros Sura S.A. in the Dominican Republic and Aseguradora Suiza Salvadoreña S.A. in El Salvador. These acquisitions were carried out through a business combination that resulted in goodwill being recorded by Suramericana S.A. Annual reviews are carried out to check for impairment to these intangible assets

Methodology used for calculating impairment.

- » Amount allocated: the Company's Value in Use.
- » Acquired net assets at their carrying values.
- » Surplus allocated :the amount allocated less acquired net assets at their carrying values
- » Total intangible assets: the value of the Company's intangible assets.

Conclusion:

After probing the existence of impairment in 2013, a loss of COP 9.392 was recorded, which has been increasing gradually every year given exchange rate fluctuations, since this intangible was recorded in the foreign company's functional currency, and subsequently translated into the reporting currency using the exchange rate applicable at the end of the reporting period. See Note 17.1 - Intangible Assets. Goodwill

Goodwill acquired through the purchase of the RSA Latin American assets. The Goodwill acquired through business combinations for the acquisitions and mergers made during 2016, were allocated in accordance with the Purchase Price Allocation (PPA) process, performed for each of the following Geographies:

- » Argentina
- » Brazil
- » Chile
- » Colombia
- » Mexico
- » Uruguay

Methodology used for calculating impairment.

- » Calculating Value in Use (the Company's value): a valuation was performed on each of the companies at September 30, 2016, using the methodology defined by the Company which consisted of the following assumptions:
  - » The present value of estimated future cash flows that the Company expects to obtain were discounted at September 30, 2016.
  - » Projections of future flows were based on the short-term planning approved by the Board of Directors and on the medium and long-term assumptions made by Senior Management.
  - » Te capital costs defined by Suramericana S.A. were used for each company, including the discount rate on future flows.

Upon allocating the purchase price (PPA) for the business combination, the following brands were identified as intangible assets whose value is separate from goodwill and other assets:

The ACG and ANSWER brands acquired in Argentina, and the brands Hogar Master and Top Driver acquired in Mexico.

The estimated values of these trademarks were arrived at using the Relief from Royalties methodology, which consisted of :

1. Identifying future revenues that are directly attributable to these trademarks.

- 2. Estimating the trademarks’ approximate royalties as would be acceptable to a licensee and licensor of the individual trademark, using two different sources.
- 3. Applying the royalty rate to projected future revenues corresponding to these trademarks in order to estimate the pre-tax savings resulting from the payment of royalties.
- 4. Applying income tax to pre-tax royalty savings.
- 5. Finally, the estimated value was arrived at after discounting after-tax royalty savings at a discount rate commensurate with the risks inherent to these trademarks, as well as any tax benefits relating to the property at present value.

**Estimates used to measure the recoverable amount of CGUs:**

Each of the reporting requirements, as stipulated in IAS 36 - Impairment of Assets, regarding the estimates used to measure the recoverable amount of the cash-generating units in terms of their value in use, are shown below:

- » **Key assumptions on which Senior Management has based its cash flow projections:**  
Impairment to goodwill is tested using a discounted free cash flow model. This model, which complies with industry-standardized financial and valuation methodologies, consists of future estimations of free cash flows to the shareholder for each of the companies in question, discounting at present value all those flows at a rate that reflects the estimated risk to these same.
- » These projections were based on the detailed budgets prepared by each country’s senior management for 2017. Indicators such as growth in premiums, claims, commissions, administrative expenses, financial income, taxes, among other items, were projected over the next 5 years. The main balance sheet accounts as well as the capital requirements of each company were also projected so as to arrive at the amount of free cash flow used for the valuation.

» **Description of the approach used by Senior Management to determine the value assigned to each key assumption:**

The projection assumptions used for each company take into account historical averages, the latest figures reported by each subsidiary, assumptions based on the strategic road map, as approved by the Board of Directors for 2017, as well as Senior Management’s best estimates of future performance for the main financial and operating variables of business.  
In the case of the subsidiaries that were acquired from RSA in Latin America, historical pro forma financial statements were taken into account, as contained in the Information Memorandum provided by the seller during the acquisition process. This reflected the financial performance of the companies thus acquired, that was subsequently adjusted to cover the impact of intra-group transactions between each of these subsidiaries and their parent company, such as reinsurance operations, inter-company charges, and non-recurring items, among others.

» **Projected cash flow period used by Senior Management:**

These projections were made based on the Operating Budget for 2017 and subsequently the statements of income, the balance sheet and the free cash flow for the years 2018-2022 were also projected. A projection period of five years was used, in addition to the budget corresponding to the current year, this being considered a reasonable period of time for the acquired operations to reach a greater level of maturity while adopting the strategic road map that Suramericana is deploying on a regional level. As of 2022, a terminal value was calculated based on the present value of the future flows increasing at a constant rate. This rate was determined based on the economic growth and inflation rates of each individual country.

» **The growth rate used to extrapolate the cash flow projections of cash flows beyond the period covered, is explained below:**

The growth rates in premiums written during the specific projection period reflect factors such as the historical growth of each subsidiary, the historical growth of the insurance industry in each country, as well as the projected nominal economic growth estimated for each of the individual countries. During this period, compound annual growth rates in the case



of income were various points higher than the respective economic growth rates, considering the insurance industry’s low penetration levels in all those markets where Suramericana is present. The terminal growth rate used for calculating perpetuity assumes that the insurance industry shall grow in keeping with the rise of the GDP of the host country and that each Suramericana subsidiary manages to maintain its respective market share.

» The discount rate applied to cash flow projections:

The discount rates used were arrived at using the Capital Asset Pricing Model (CAPM), which takes into account variables such as the risk free rate, the equity market risk premium, and the specific risk exposure pertaining to the insurance segments in which each subsidiary participates. Furthermore, country risk premiums were taken into account for each of the geographies as well as the corresponding risk of devaluation, as measured by long-term inflation differentials, bearing in mind that the discount rates obtained are stated nominally in local currency.

Assumptions for estimating fair value

Subsi- diary	Year-end	Currency Unit	Time horizon	Projection horizon	Present value for specific period	Present residual value	Total value	Discount rate	Income tax rate (1)	Macroeco- nomic assump- tions (1)	Flow growth rates (2)
Sura Argentina	Valuation at 9/30/2016	ARS	5 years	5 years	352	1.218	1.570	20.5%	40.0%	GDP Growth: 3.2% / Inflation: 11.3%	11.1%
SURA BRAZIL	Valuation at 9/30/2016	BRL	5 years	5 years	39	232	271	14.3%	45.0%	GDP Growth: 1.9% / Inflation: 5.2%	7.0%
SURA Chile	Valuation at 9/30/2016	CLP	5 years	5 years	49.614	220.745	270.359	9.8%	26.7%	GDP Growth: 2.3% / Inflation: 3.2%	6.1%
SURA México	Valuation at 9/30/2016	MXN	5 years	5 years	149	1.858	2.007	11.4%	30.0%	GDP Growth: 2.7% / Inflation: 3.6%	7.6%
Sura Uruguay	Valuation at 9/30/2016	UYU	5 years	5 years	989	1.996	2.984	15.5%	25.0%	GDP Growth: 2.8% / Inflation: 6.9%	9.5%
Sura Generales (3)	Valuation at 9/30/2016	COP	5 years	5 years	143	1.141	1.284	11.7%	36.9%	GDP Growth: 3.8% / Inflation: 3.9%	7.7%
Sura Panama	Valuation at 9/30/2016	USD	5 years	5 years	52	164	216	10.0%	16.6%	GDP Growth: 6.0% / Inflation: 2.1%	6.1%
Sura RD	Valuation at 9/30/2016	DOP	5 years	5 years	197	865	1.063	14.2%	31.6%	GDP Growth: 4.6% / Inflation: 3.9%	8.7%
Asesuisa	Valuation at 9/30/2016	USD	5 years	5 years	25.812	59.346	85.159	13.5%	35.3%	GDP Growth: 2.0% / Inflation: 1.9%	4.0%

Figures stated in millions of clients  
(1) Average figures for the forecasting horizon.  
(2) Terminal growth rate.  
(3) In order to perform an impairment test on the goodwill corresponding to RSA Colombia, a valuation was performed on Seguros Generales Colombia given the merger that subsequently took place between these two companies.

Pruebas de deterioro Marcas

TRA- DE- MARKS	PROJECTION HORIZON	PROJECTED INCOME	MARKET ROYAL- TIES	BRAND ATTRIBU- TES (1)	TAXES
ACG	2016 - 2035	The percentage assumed with regard to income from this trademark came to 5.7% which is in line with the corresponding historic average.	1.54%	Market Stability Leadership International scope Trends Support Protección	35%
Answer	2016 - 2035	The percentage assumed with regard to income from this trademark came to 9.1% which is in line with the corresponding historic average.	1.16%		
Hogar Master	2016 - 2035	The percentage assumed with regard to income from this trademark came to 3.0% which is in line with the corresponding historic average.	1.19%		30%
Top driver	2016 - 2035	The percentage assumed with regard to income from this trademark came to 0.8% which is in line with the corresponding historic average.	1.33%		

(1) Based on the brand analysis methodology used by Deloitte Asesores y Consultores Ltda.

Conclusion

This valuation allowed us to conclude that the value of the corresponding goodwill is higher than that recorded in books as well as that calculated at the time the business combination was carried out. Consequently no evidence was found of any impairment in 2016 to the acquired RSA operations.

With regard to trademarks, we were also able to conclude that at the end of 2016, none of the trademarks showed any signs of impairment.

NOTE 20. EMPLOYEE BENEFITS

Grupo Sura's employee benefits are broken down as follows:

	NOTE	2016	2015
Short term	20.1	299.531	243.140
Long term	20.2	30.414	33.854
Post-employment	20.3	75.870	58.717
		405.816	335.711

20.1 SHORT-TERM BENEFITS

Grupo de Inversiones Suramericana's short-term benefits include:

- a) Mandatory social security and employment benefits: accruing on a monthly basis according to the legal regulations of each country. Payments are made in accordance with applicable legislation.
- b) Short-term Performance Incentives: accruing on a monthly basis using estimated percentages of performance compliance. These are paid every year in March to all those employees entitled to such incentives, after being evaluated in terms of their achieving the predefined targets and to the extent that corporate objectives have been attained
- c) Other employee benefits: including vacation and Christmas bonuses, as well as extra-legal seniority bonuses that are recognized as expense as the service or benefit is provided.

Short-term benefits are broken down as follows:

	2016	2015
Payroll due	2.365	4.496
Severance	37.849	30.750
Interest on severance payments	4.613	3.429
Vacation bonus	60.849	39.305
Legal bonuses	68	609
Extra-legal bonuses	287	33.236
Performance bonus	193.500	131.315
Total short-term benefits	299.531	243.140

20.2 LONG TERM BENEFITS

The following table contains the long-term benefits provided by Grupo de Inversiones Suramericana:

- » Seniority bonus This benefit is paid to the employee every five years and ranges between 18 and 44 days of his or her salary or wage, this based on the number of years of service provided. These payments are based on the following seniority benefit scale

YEARS OF SERVICE	DAYS SALARY
5	18
10	29
15	34
20, 25, 30 and 35	44

- » Performance bonus: The Group´s performance incentive system recognizes the efforts of all employees in achieving the Company’s goals and continuing to provide added value. This system is governed by its own rules and regulations, as summarized below:

General terms and conditions: general policies, defined performance levels and procedures and governance .

Measurement system - performance indicators: it is essential to have an appropriate framework of performance indicators, ensuring that these are clearly defined, measurable and achievable. These indicators are decided at the beginning of each year in keeping with the Company’s strategic planning, along with the various activities and skills required to achieve the Company’s goals. This includes the corresponding measurement period, performance assessments and monitoring as well as any adjustments required to the indicators thus defined.

- » Payment system: this is conditional on fulfilling the performance indicators set and obtaining the approval of the Appointment and Remuneration Committee. The remuneration framework is defined according to each level.
- » Productivity bonus for sales personnel: This bonus is given every five years if and when the member of the sales staff fulfills the minimum average commissions that appear on the following table:

COMMISSIONS		
Period of service (years)	% Bonus	Average Minimum (basic monthly wages)
5	45%	9
10	45%	12
15	45%	14
20	45%	16
25	45%	18
30	45%	21
35 and every additional five-year period	45%	24

- » Severance payments and corresponding interest payable on the part of the Company: this corresponds to the severance payments and interest thereon that the Company owes all those employees and sales personnel covered under the previous employment regime (Law 50, 1990)

The following are the long-term benefits offered by Grupo SURA:

	2016	2015
Seniority bonus	6.594	6.200
Performance bonus	19.082	20.660
Retroactive severance payments	4.284	6.225
Productivity bonus	454	769
Total short-term benefits	30.414	33.854

The movements recorded in Grupo SURA's long-term employee benefit account are shown as follows:

	PERFORMANCE BONUS	RETROACTIVE SEVERANCE PAYMENTS	SENIORITY BONUS	PRODUCTIVITY BONUS	TOTAL
Present value of obligations at January 1, 2015	14.802	4.736	5.840	316	25.694
Re-measurements	10.084	1.523	2.050	529	14.186
Financial assumptions	(155)	(34)	(407)	(14)	(610)
Plan-based payments	(3.543)	-	(1.283)	(62)	(4.888)
Upcoming payments	(528)	-	-	-	(528)
Present value of obligations at year-end 2015	20.660	6.225	6.200	769	33.854
Re-measurements	6.875	(1.925)	2.599	(55)	7.494
Financial assumptions	(59)	(16)	(233)	(11)	(319)
Plan-based payments	(8.394)	-	(1.964)	(248)	(10.606)
Derecognitions	-	-	(8)	(1)	(9)
Present value of obligations at year-end 2016	19.082	4.284	6.594	454	30.414

The main actuarial assumptions used to determine liabilities corresponding to defined long-term benefit plans are as follows:

	BONUS BANK		SENIORITY BONUS		RETROACTIVE SEVERANCE PAYMENTS		PRODUCTIVITY BONUS	
	2016	2015	2016	2015	2016	2015	2016	2015
Discount rate (%)	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos	*10-year ZCC rate in pesos
How the discount rate is decided	Infovalmer	Infovalmer	Infovalmer	Infovalmer	---	---	---	---
Annual salary increase (%)	---	----	---	5%	CPI +1.5%	CPI +1.5%	8%	8%
Annual inflation rate (%) long term	3%	3%	3%	3%	Own turnover table	Own turnover table	Own turnover table	Own turnover table
Survival tables	Own turnover table	Own turnover table	Own turnover table	Own turnover table	Internal turnover table	Internal turnover table	Internal turnover table	Internal turnover table

The following table shows the sensitivity of 1% changes to the discount and inflation rates regarding the benefits corresponding to the bonus bank and seniority bonus; plus a 1% wage increase on seniority bonuses and retroactive severance payments:

	BONUS BANK		SENIORITY BONUS		RETROACTIVE SEVERANCE PAYMENTS		PRODUCTIVITY BONUS	
	Discount rate	Inflation rate	Discount rate	Salary increase	Discount rate	Salary increase	Discount rate	Salary increase
+1 Increase	- 1 Dis-count	+1 Increase	- 1 Dis-count	+1 Increase	+1 Increase	- 1 Dis-count	+1 Increase	- 1 Dis-count
Present value of the obligation	18.900	19.208	18.957	6.177	6.739	6.878	4.263	4.306
Change due to the sensitivity of the variables	(182)	126	(125)	(417)	145	284	470	484
					(21)	(261)	(13)	30

20.3 POST-EMPLOYMENT BENEFITS

The following table contains the post-employment benefits provided by Grupo de Inversiones Suramericana:

- » Retirement bonus: corresponding to a lump sum which the Company provides members of its senior management when these retire
- » Retirement pensions: this payment is awarded to all those employees who reach retirement age and is directly paid by the Company.

The following are the post-employment benefits offered by Grupo SURA:

	2016	2015
Retirement bonuses	60.198	42.943
Retirement pensions	15.672	15.774
	75.870	58.717

20.3.1 Defined benefit plans

The following table shows the movements corresponding to Grupo Sura's post employment benefits:

	RETIREMENT BONUSES	RETIREMENT PENSIONS	TOTAL
Value of the obligation at year-end 2014	37.065	16.563	53.628
Present service costs	1.379	-	1.379
Financial interest expense	2.422	918	3.340
Re-measurements	1.694	-	1.694
Actuarial gains or losses from changes in financial assumptions	(564)	230	(334)
Actuarial gains or losses from changes in actuarial assumptions (Note 26.2)	(544)	1.421	877

Previous costs of service	1.609	-	1.609
Plan-based payments	(118)	(3.358)	(3.476)
Value of the obligation at year-end 2015	42.943	15.774	58.717
Present service costs	12.398	-	12.398
Financial interest expense	3.128	1.069	4.197
Re-measurements	15.315	-	15.315
Actuarial gains or losses from changes in financial assumptions	3.063	884	3.947
Actuarial gains or losses from changes in actuarial assumptions (Note 26.2)	(729)	229	(500)
Plan-based payments	(5.240)	(2.284)	(7.524)
Other changes	(10.680)	-	(10.680)
Value of the obligation at year-end 2016	60.198	15.672	75.870

The main actuarial assumptions used to determine liabilities corresponding to defined benefit plans are as follows:

EMPLOYEE RETIREMENT BONUSES			RETIREMENT PENSIONS	
	2016	2015	2016	2015
Discount rate [%]	10-year ZCC (*) rate in pesos: (6.94%)	10-year ZCC (*) rate in pesos: 8.7%	9.97	7.79%
Annual salary increase [%]	7.9%	---	-----	3.50%
Future annual pension increase [%]	---	---	4.93	---
Annual inflation rate [%] long term	3% - 3.50%	3.00%	4.93	3.50%
Survival tables	Own turnover table	Own turnover table	RV08(**)	RV08(**)

(\*) ZCC: Zero Coupon Curve in pesos (Government Rate)  
(\*\*) Mortality tables for valid annuitants

The maturity profile of the defined benefits based on the corresponding payment schedule is shown as follows:

YEAR	NUMBER OF EMPLOYEES ENTITLED TO BENEFITS DURING THE YEAR	VALUE OF THE EXPECTED BENEFIT ACCRUING FOR THE YEAR (IN CURRENT COLOMBIAN PESOS)	PRESENT VALUE OF THE EXPECTED BENEFIT FOR THE YEAR
2017	2	9.407	8.786
2019	2	27.048	22.086
2021	1	18.408	13.003
2022	1	5.190	3.420
2025	1	5.898	3.155
2031	1	11.271	3.972
2032	1	14.016	4.367
2034	2	20.010	5.575
2035	2	34.718	9.093
2036	1	13.774	3.217
2037	1	16.679	3.873

Sensitivity Analysis

The following table shows the effect of 1% change in the inflation rate, a 1% change in the discount rate and a 1% increase in the future pension rate

Retirement pensions.

	RETIREMENT PENSION - 2016				RETIREMENT PENSION - 2015			
	Discount rate		Inflation rate		Discount rate		Inflation rate	
	+1 Increase	- 1 Decrease	+1 Increase	- 1 Decrease	+1 Increase	- 1 Decrease	+1 Increase	- 1 Decrease
Post-employment benefits	15.574	15.765	15.722	15.616	15.698	15.850	15.812	15.736
Change due to the sensitivity of the variables (*)	98	[94]	[51]	55	75	[77]	[39]	37

Retirement bonuses

	RETIREMENT BONUS - 2016				RETIREMENT BONUS - 2015			
	Discount rate		Inflation rate		Discount rate		Inflation rate	
	+1 Increase	- 1 Discount	+1 Increase	- 1 Discount	+1 Increase	- 1 Discount	+1 Increase	- 1 Discount
Present value of the obligation	59.163	59.722	59.557	59.323	42.698	43.194	20.581	20.408
Change due to the sensitivity of the variables	[1,035]	[476]	[641]	[875]	[245]	251	[22,362]	[22,535]

(\*) The effect of this change corresponds to a greater or lesser value of the obligation in question with its respective balancing entry in other comprehensive income before taxes should the sensitivity analysis be performed on the actuarial variables or on the statement of income before taxes for all the other variables.

20.3.2 Defined contribution plans

Grupo Sura’s defined contribution plans were recognized in the income accounts for 2015 as an expense amounting to COP 59.799 for 2016 and COP 33,311 million for 2015.

20.4 EMPLOYEE BENEFIT EXPENSE

The following table shows a breakdown of the expense incurred with employee benefits for the years 2016 and 2015:

	2016	2015
Salaries and wages	[596.762]	[421.598]
Commissions	[196.631]	[177.449]
Bonuses	[193.204]	[142.762]
Other employee benefits	[128.524]	[105.385]
Integrated salary	[107.258]	[84.996]
Legal bonuses	[65.912]	[54.443]
Pension contributions	[59.799]	[33.311]

Vacation bonus	(43.408)	(28.871)
Indemnities	(33.867)	(22.545)
Contributions to family welfare and apprentice institutes	(30.189)	(23.988)
Health care contributions	(28.954)	(25.623)
Vacation bonuses	(24.171)	(19.389)
Severance	(23.709)	(19.822)
Employee profit-sharing plans	(19.945)	(7.026)
Extra-legal bonus	(17.527)	(14.679)
Personnel training	(16.045)	(13.375)
Meal subsidies	(15.806)	(7.928)
Severance payments - agents	(7.966)	(7.166)
Seniority bonus	(4.996)	(2.895)
Insurance	(4.618)	(1.124)
Transport subsidy	(4.492)	(4.003)
Retirement Pensions	(4.144)	(918)
Overtime	(2.188)	(1.567)
Employee supplies and equipment	(1.961)	(1.943)
Interest on severance payments	(1.535)	(1.272)
Collective bargaining subsidy	(1,437)	(1,344)
Interest on severance payments for agents	(1.239)	(1.105)
Traveling expense	(1.081)	(674)
Sick and disability leave	(873)	(561)
Sport and recreation expense	(392)	-
Representation expense	(74)	(85)
Trade union contributions	(63)	(42)
Operating risk	(2)	(56)
	(1,638,771)	(1,227,944)

NOTE 21. OTHER NON-FINANCIAL ASSETS AND LIABILITIES

21.1 OTHER NON-FINANCIAL ASSETS

Other non-financial assets are broken down as follows:

	2016	2015
Security deposits	112.492	-
Pre-paid expense	68.359	17.112
Works of art	23.570	47.063
Others	5.082	889
Property and goods received as payment in kind	-	1.437
Non-proportional contract costs	-	18.214
Total	209.503	84.714

21.2. OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are broken down as follows:

	2016	2015
Pasivo por ingreso diferido (DIL) (1)	180,636	173,057
Comisiones (2)	204,546	150,736
Otros (3)	72,058	46,078
Sobrantes de primas	22,338	17,777
Primas seguros de depósitos	11,627	7,616
	491,205	395,264

(1) Since Mandatory Pension Savings entail certain administrative costs, even when no fund management commissions or fees are received, it is important to note the rationale behind the recognition of the corresponding income is to be able to ensure the financing of these costs over time. For this reason a Provision for Deferred Income Liabilities (DIL) is set up.

The purpose of DIL is to be able to defer income over all those periods in which fund members become non-contributors or pensioners who by law cannot be charged for the management of their funds and/or pension payments.

This is because when fund members become non-contributors they do not generate any income to meet the costs. Consequently, this provision remains in place while the company collects the corresponding amounts and is released as future costs are incurred.

Methodology for Calculating DIL

This provision is calculated at least every quarter, in the currency in which the Company's collections and obligations are denominated. In the case of all those subsidiaries in which the provision is calculated on an inflation-indexed unit of account, said provision is re-stated in the country's local currency using the applicable exchange rate between the currency in question and the inflation-index unit rate on the closing date of the balance sheet or at the end of each month.

This provision is calculated on the basis of the estimated cost of non-contributing fund members as well as members who have already been pensioned off and therefore cannot be charged for the management of their funds and/or the pension payment, which is discounted using the AAA rated corporate bond rate with no prepayment option.

The following table contains the movements recorded in the DIL account:

	INSURANCE	FUND MANAGEMENT	TOTAL
Balance held at year-end 2014	89.325	52.684	142.009
Provision set up	174.689	54	174.743
Amortizations (Note 29.1)	(152.872)	(2.937)	(155.809)
Translation differences	5.414	6.701	12.115
Balance held at year-end 2015	116.556	56.501	173.057
Provision set up	305.074	399	305.473
Amortizations (Note 29.1)	(291.992)	(1.169)	(293.161)
Translation differences	(4.477)	(256)	(4.733)
Balance held at year-end 2015	125.161	55.476	180.636

(2) The commission costs thus recorded correspond to obligations owing to insurance brokers

(3) These include commissions received, payments from private individuals, cash surpluses, consortium and temporary business associations, and income received for third parties.

NOTE 22. PROVISIONS AND CONTINGENT LIABILITIES

22.1 PROVISIONS

The following shows the current and non-current provisions set up by Grupo Sura:

CURRENT	2016	2015
Other provisions	89.851	13.316
	89.851	13.316
NON-CURRENT		
Provisions for lawsuits	156.436	23.271
Other provisions	980	41.805
	157.416	65.076
Total provisions	247.267	78.392



The following is a reconciliation of the provisions set up on lawsuits and litigations brought or defended by Grupo Sura on the reporting date:

	LAWSUITS AND LITIGATIONS	OTHER PROVISIONS (*)	TOTAL
Closing balance at year-end 2014	75,342	42,423	117,765
Provisions and additions	9,001	18,472	27,473
Amounts used	(63.414)	(2.196)	(65.610)
Translation differences	2.342	(3.578)	(1.236)
Closing balance at year-end 2015	23.271	55.121	78.392
Provisions and additions	12.830	2.454	15.284
New provisions for business combinations	124,830	47,192	171,579
Amounts used	-	(14.322)	(13.879)
Translation differences	(4.495)	386	(4.109)
Closing balance at year-end 2015	156.436	90.831	247.267

(\*) Including provisions for dismantling costs as well as those relating to sick, disability and maternity leaves.

The following is a breakdown of the provisions recorded per individual country:

	2016	2015
Brazil	119.355	-
Chile	58.541	4.882
Colombia	54.634	53.693
Mexico	9.463	13.461
Argentina	5.160	-
Uruguay	102	6.053
El Salvador	12	3
Peru	-	299
Total	247.267	78.392

In 2015, Sura Asset Management Colombia recovered a provision in the amount of COP 62.144 (USD 25,975) covering a bank guarantee taken out in 2013 in favor of Protección S.A.. The purpose of this provision was to cover eventual liabilities that could have arisen from a possible obligation to indemnify the fund members of Protección S.A., who formerly belonged to ING Colombia, whose funds had been invested in shares belonging to Interbolsa S.A., a company which was seized and wound up by the regulatory authorities .

Arus Holding S.A.S. also set up a provision for having dismantled and stripped the bank premises and corresponding equipment as part of an agreement with Banco Agrario, which is expected to expire in 2018. The corresponding transport and other services that were required for dismantling the equipment of a total of 800 branches belonging to the Banco Agrario, located in different parts of Colombia, were also estimated. given the fluctuations prevailing with the cost of such transport and additional items on the date these branches were dismantled and stripped.

22.2 CONTINGENT LIABILITIES

- » Contingencies corresponding to eventual or remote litigations are those that are considered as having a medium or low likelihood of obtaining an unfavorable ruling, this based on a legal analysis of the probabilities of success. At year-end 2016 these were considered as having a medium or low possibility of representing outflows for the Company.

Aseguradora Suiza Salvadoreña S.A is involved in an administrative litigation worth USD 1.3 million brought about by the Salvadorean Superintendency of with the Superintendence of Competition. This is considered to entail a possible payment. On July 22, evidence was heard and a written statement was presented offering sufficient legal arguments to show that there was no agreement between competitors The Company intends to appeal the resolutions issued by the directors of said Superintendency on April 17, 2014 and May 27, 2015, as part of a strategy to suspend the effects of such resolutions declaring these as being unlawful, which would consequently provide the grounds for annulling the fine imposed on said Company.

» On November 27, 2014 the Company was notified of Resolution No. 230-005278 issued by the Colombian Superintendency of Companies, imposing a fine in the amount of COP 886 for the late filing of a Colombian Replacement Investment Abroad Declaration, this as part of the restructuring which took place in 2011. The Company decided to challenge this fine and filed the corresponding appeal, in response to which this same Superintendency issued Resolution No.0301002903 notifying that said fine was reduced to COP 93; which was promptly paid on September 29, 2015.

On March 16, 2016 the Company was notified of an official settlement issued by the Colombian Tax Authorities (DIAN), relating to the Company’s income tax returns for the fiscal years of 2009, 2010, 2011, 2012 and 2013, which consisted of amending the Company’s own tax returns drawn up for said years. In response to this, the Company filed a petition for reconsideration, within the legal terms established for such, and this is currently going through the corresponding administrative channels, as stipulated by current legislation.

The Company’s legal advisors, based on their analysis of the case, have concluded that the probability of obtaining an adverse ruling is remote.

NOTE 23. ISSUES OF SECURITIES

Below is a breakdown of the debt securities issued by Grupo Sura:

	2016	2015
Bonds outstanding (1)	5,830,111	3,428,724
Preferred shares (2)	208.813	208.780
	6,038,924	3,637,504

(1) Bonds outstanding:

- » On June 22, 2016, Suramericana placed an issue of ordinary bonds on the local market, worth one billion pesos (COP 1,000,000), in the form of 4 series (for terms of 4, 7, 10 and 15 years) all at inflation-indexed rates with a quarterly interest payment frequency The proceeds from the placement of these ordinary bonds was totally (100%) allocated to substituting Suramericana´s financial liabilities
- » On March 31, 2016, Grupo de Inversiones Suramericana S.A placed an issue of ordinary bonds on the local markets worth COP 100.000, pertaining to Series C6 bearing an interest rate equal to the CPI 3.55% and maturing in 2020.
- » In April 2014, SURA Asset Management, through its subsidiary, Sura Asset Management Finance B.V., placed an issue of bonds worth USD 500 million at a fixed, 10-year rate of 4.875% (T+230 bp) obtaining bids for 8.6 times the amount offered.
- » On May 7, 2014, Grupo de Inversiones Suramericana S.A. issued on the local bond markets a total of COP 650.000 in ordinary notes divided up into four tranches, the first three earning CPI-indexed coupon rate payable every quarter and the fourth earning an IBR-indexed coupon rate payable on a monthly basis.
- » A 5-year tranche for a total value of COP 103,278 bearing an interest rate equal to the CPI+ +3.24%;
- » A 9-year tranche totaling COP 223,361 bearing an interest rate equal to the CPI + +3.08%;
- » A 16-year tranche for a total value of COP 100.000 bearing an interest rate equal to the CPI+ 4.15%; and
- » A 2-year tranche for a total value of COP 223.361 bearing an IBR-indexed interest rate + 1.20%. This latter tranche matures in May of 2016.
- » On May 11, 2011, our subsidiary, Grupo SURA Finance placed on the international capital markets an issue of ordinary bonds worth USD 300

million, or COP 578,049 million for a term of ten (10) years. This issue was guaranteed in its entirety by Grupo de Inversiones Suramericana S.A, in its capacity as Parent Company.

- » On November 25, 2009, Grupo de Inversiones Suramericana S.A. issued on the local bond market a total of COP 250,000 in ordinary bonds divided up into three tranches all earning CPI-indexed coupon rates payable on a quarterly basis:
  - » A 10-year tranche for a total value of COP 54,500 bearing an interest rate equal to the CPI+ +4.40%;
  - » A 20-year tranche totaling COP 98.000 bearing an interest rate equal to the CPI + +5.90%; and
  - » A 40-year tranche in the amount of COP 97.500 bearing an interest rate equal to the CPI + +6.98%.

(2) Preferred shares

On 29 November 2011, Grupo SURA placed an issue of 106,334,963 preferred shares worth COP 32,500 per share. Beginning on the corresponding date of issue and for a period of 3 years thereafter, a quarterly dividend of 3% E.A.R was paid on the value of said issue. As of 2015, a quarterly dividend of 0.5% E.A.R. was paid on the issue´s total value.

Approach used to measure preferred dividends:

Projecting the value of quarterly dividends

- » The dividend paid In April 2012 came to COP 325 per share, corresponding to the payment due on December 2011 (1 month at COP 81 per share) and the first quarter of 2012 (COP 244 per quarter per share).
- » In 2014 a quarterly dividend was paid equal to a 3% E.A.R on the price of the issue.

- » In the specific case of January 2015, the Company paid the value corresponding to two months of the quarterly dividend at a 3% E.A.R + a one-month dividend at a 0.5% E.A.R.
- » Since 2015, a quarterly dividend equal to a 0.5% E.A.R. has been paid on the value of this issue.

Discounting flows

In order to discount the flows of projected quarterly dividends, Grupo Sura used the CPI AAA curve (over 41 years) obtained from PIP Latam.

Perpetuity is assumed as of year 41 at a rate of 8.97% (based on the CPI AAA curve). No growth (gradient = 0) is assumed.

The result of this exercise is the sum of the present value of cash flows (quarterly dividends paid) until the year 41 plus the value of the perpetuity.

Movements in the Company’s debt securities at year-end 2016 and 2015 are as follows:

Movements in the Company’s debt securities at year-end 2016 and 2015 are as follows:	BONOS	ACCIONES PREFERENCIALES	TOTAL
Al 31 de diciembre de 2014	2,817,660	204,568	3,022,228
Reconocimiento de intereses	17,613	-	17,613
Pago de cuota	-	(12,960)	(12,960)
Intereses	(49,337)	17,172	(32,165)
Diferencia en cambio	642,788		642,788
Al 31 de diciembre de 2015	3,428,724	208,780	3,637,504
Adiciones	2,665,652	-	2,665,652
Pago de cuota	(146,102)	(17,280)	(163,382)
Intereses causados	154,758	17,313	172,071
Retiros	(223,361)	-	(223,361)
Diferencia en cambio	(49,559)	-	(49,559)
Al 31 de diciembre de 2016	5,830,111	208,813	6,038,924

NOTE 24 SHAREHOLDERS´ EQUITY

24.1. ISSUED CAPITAL

The Company’s authorized capital consists of 600,000,000 shares each with a nominal value of COP 187.50 . Its subscribed and paid-capital at year-end 2016 and 2015, respectively consisted of 575,372,223 shares.

	2016	2015
Authorized share capital	600,000,000	600,000,000
Subscribed and paid-in capital		
Ordinary shares at a nominal value of COP 187.50.	469,037,260	469,037,260
Non-voting, preferred shares at a nominal value of COP 187.50.	106,334,963	106,334,963
Total shares	575,372,223	575,372,223

24.2. RESERVES

The reserves held by Grupo Sura are shown as follows:

	2016	2015
Statutory (1)	138.795	138.795
Occasional (2)	3,446,049	4,069,085
Total share capital	3,584,844	4,207,880

(1) Statutory Reserve

According to that provided by law, the Company must set up a statutory reserve, appropriating 10% of each year’s net profits until 50% of the value of the Company’s subscribed capital is reached. This reserve may be reduced to less than 50% of the total value of its subscribed capital, providing it is used to wipe out losses that exceed the amount of undistributed profits. This reserve may not

be used to either pay dividends or cover expense or losses incurred during the entire time the Company remains in possession of undistributed profits.

(2) Occasional reserves

Should the Company’s Shareholders so decide at their Annual General Meeting, this reserve may be increased beyond fifty per cent (50%) of the Company’s subscribed capital, in which case this may be used for any purpose that the Company’s shareholders should so determine.

24.3. SUBSIDIARY RESTATEMENTS

The year-end figures for 2016, included the effect of having restated the financial statements of the subsidiary, Suramericana S.A. corresponding to 2015. These restatement adjustments covered the following:

- » Deferred tax on the catastrophic reserve: under IFRS 4 the reserve set up for catastrophic risks is not recognized in the consolidated financial statements. However, the Companies offering earthquake insurance in Colombia recognized said reserves in their tax equity accounts which produced a consequent difference between the financial reporting and tax bases of such. In accordance with IAS 12, deferred tax liabilities associated with this difference in the consolidated financial statements should be recognized. This deferred tax had not previously been recognized since the difference was considered to be permanent. However, the Company upon reexamining its position believes that this difference could be reversed in the future.
- » Unearned insurance premium reserve: in previous reporting periods and in order to comply with the principle of no offsetting principle stipulated in IFRS 4, the Company posted in its consolidated financial statements deferred assets corresponding to the capitalization of the policy issuance costs (DAC). This situation has been reexamined since it was considered that the recognition of this asset implies an error if the current risk reserve is not adjusted to the same extent, since it breaches the accounting principle of accrual and the proper association of income and expense relating to the Insurance contracts. This has had a consequent impact on the Company’s subsidiaries in Colombia and Central America, since the ongoing risk reserve

was set up discounting the policy issuance costs which includes accrued brokerage commissions. Here, we proceeded to increase the ongoing risk reserve and its corresponding deferred tax asset.

The consequent effect on Grupo Sura’s Consolidated Financial Statements to 2016 is shown as follows:

	RESTATEMENT
Deferred tax assets	43.751
Net effect on assets	43.751
Technical reserves	216.316
Deferred tax liabilities	61.344
Net effect on liabilities	277.660
Other comprehensive income	(4.584)
Retained earnings	(184.837)
Non-controlling interest	(44.488)
Net effect on equity	(233.909)

This change had no effect on cash flows sourced from the Group’s operating, investing and financing activities.

NOTE 25. SHAREHOLDER STRUCTURE, DIVIDENDS DECLARED AND PAID

See list of shareholders contained in Note 1 Reporting entity

The following table contains the dividends declared and paid on the cut-off date of the corresponding years.

Dividends payable at year-end 2014	67.896
Ordinary dividends declared	197.934
Preferred dividends declared	44.874
Subtotal - dividends declared	242.808
Payments of ordinary dividends	(193.804)
Payments of preferred dividends	(54.391)
Subtotal - dividends paid	(248.195)
Dividends payable at year-end 2015 (See Note 9.3)	62.509
Ordinary dividends	213.882
Preferred dividends	48.489
Subtotal - dividends declared	262.372
Payments of ordinary dividends	(209.203)
Payments of preferred dividends	(47.581)
Subtotal - dividends paid	(256.785)
Dividends payable at year-end 2016 (See Note 9.3.)	68.096

Subsequent to the respective dates of the Statements of Financial Position, the Board of Directors proposed the following dividend distribution. These dividends have not been provisioned and do not affect income tax:

A 100% tax-exempt annual dividend for the shareholders of COP 488 per share on a total of 575,372,223 shares, which shall become immediately due and payable when declared by the General Assembly of Shareholders and shall be paid either in cash or in the form of preferred shares freed up by the Company, as the shareholder shall so choose.

In any event, said payment shall be made in a lump sum between April 21 and 30 of 2017.

NOTE 26. COMPREHENSIVE INCOME

The following is a breakdown of comprehensive income:

	ACCUMULATED			YEAR	
	2016	2015	2014	2016	2015
Asset revaluations	39.936	34.457	27.660	5.479	6.797
Re-measurement component of defined benefit plans	572	961	190	(388)	770
Equity investments measured at fair value through equity	(2.165)	(197)	319	(1.968)	(516)
Translation gains or losses on foreign operations	808.438	1,041,143	566.803	(232.705)	474.340
Cash flow hedges	4.994	(2.980)	(0)	7.974	(2.980)
Hedges for net investments abroad	2.744	(11.114)	-	13.858	(11.114)
Equity movements with investments in associates	1,059,450	796.114	428.317	263.336	367.797
	1,913,970	1,858,384	1,023,290	55.585	835.094

Other comprehensive income is shown in greater detail in the following table:

	NOTE		2016		2015	
			Total	Other comprehensive income	Non-controlling interest - OCI	Other comprehensive income
Opening balance - other comprehensive income			2,295,258	1,858,384	436,874	1,304,947
Asset revaluations	26.1		4,404	5,479	(1,075)	8,468
Losses (gains) on actuarial plans (post-employment)	26.2		(169)	(388)	219	877
Financial assets at fair value through OCI	26.3		(2,767)	(1,968)	(799)	603
Exchange differences on investments in associates and subsidiaries	26.4		(426,670)	(232,705)	(193,965)	629,967
Cash flow hedges	26.5		9,834	7,974	1,859	(3,703)
Hedges for net investments abroad	26.6		17,081	13,858	3,223	(13,699)
Surplus via equity method from Associates	26.7		263,336	263,336		367,797
Other comprehensive income			(134,952)	55,585	(190,537)	990,311
Closing balance - other comprehensive income from equity			2,160,306	1,913,970	246,336	2,295,258
						835,094
						155,217
						436,874

26.1. COMPONENT: PROPERTY, PLANT AND EQUIPMENT USING THE REVALUATION APPROACH

The component corresponding to other comprehensive income from property, plant and equipment measured using the revaluation approach represents the cumulative value of gains or losses at fair value less the amounts transferred to accumulated net income and those used in applying impairment tests or recording losses in value. Changes in the fair value of property, plant and equipment are not reclassified to profit or loss for the period.

Carrying value at year-end 2014	27.660
Net revaluation gains or losses on property, plant and equipment (See Note 15)	8.677
Deferred tax	(209)
Carrying value at year-end 2015	36.128
Net revaluation gains or losses on property, plant and equipment (See Note 15)	11.709
Deferred tax	(7.305)
Carrying value at year-end 2016	40.532

26.2. COMPONENT: RE-MEASUREMENTS OF DEFINED BENEFIT PLANS

The component corresponding to re-measurements of defined benefit plans represents the cumulative value of actuarial gains or losses The net value of these re-measurements are transferred to accrued earnings and not reclassified to the income accounts for the period.

Carrying value at year-end 2014	190
Post-employment benefits	877
Deferred tax	-
Carrying value at year-end 2015	1.067
Post-employment benefits	(500)
Deferred tax	331
Carrying value at year-end 2016	898

26.3. COMPONENT: EQUITY INVESTMENTS MEASURED AT FAIR VALUE THROUGH EQUITY

The component corresponding to other comprehensive income from equity investments measured at fair value through profit or loss represents the cumulative value of gains or losses at fair value less the amounts transferred to the accumulated earnings when these investments are finally sold. Changes in the fair value of equity investments are not reclassified to profit or loss for the period, and include the portion corresponding to Grupo Sura with regard to the investments made in its subsidiaries.

Carrying value at year-end 2014	319
Net gains or losses resulting from changes in the fair value of equity investments (See Note 9.1.1.)	603
Deferred tax	-
Carrying value at year-end 2015	922
Net gains or losses resulting from changes in the fair value of equity investments (See Note 9.1.1.)	(829)
Deferred tax	(1.938)
Carrying value at year-end 2016	(1.845)

26.4. COMPONENT: TRANSLATION GAINS OR LOSSES ON FOREIGN OPERATIONS

The component corresponding to translation differences represents the cumulative value of exchange differences obtained from converting the earnings and net assets from foreign operations as well as any gains or losses obtained from hedging arrangements on net investments abroad into Grupo Sura's reporting currency. The cumulative translation differences are reclassified to profit and loss for the period, either partially or totally, when obtained by the foreign operation, and include the portion corresponding to Grupo Sura with regard to the investments made in its associates and joint ventures.

Carrying value at year-end 2014	566.803
Gains or losses on translation differences	629.967
Carrying value at year-end 2015	1,196,770
Gains or losses on translation differences	(426.670)
Carrying value at year-end 2016	770.100

26.5. COMPONENT: CASH FLOW HEDGES

The component corresponding to other comprehensive income from cash flow hedges represents the cumulative value of the effective portion of gains or losses from changes to the fair value of the hedged items, as part of a cash flow hedging arrangement The cumulative value of these gains or losses are reclassified to profit and loss for the period, if and when the hedged transaction affects the income accounts for the period, or when the highly probable transaction is no longer expected to occur, or when this is included, as a portion of its carrying value, in a non-financial hedged item. (See Note 14.3.1 for more information regarding hedging arrangements)

Carrying value at year-end 2014	-
Cash flow hedges	(3.488)
Deferred tax	(215)
Carrying value at year-end 2015	(3.703)
Cash flow hedges	12.008
Deferred tax	(2.174)
Carrying value at year-end 2016	6.131

26.6. COMPONENT: HEDGES OF NET INVESTMENTS ABROAD

This component of other comprehensive income includes the portion of the gain or loss of the hedging instrument that is determined as being the hedge. (See Note 14.3.2 for more information regarding hedging arrangements)

Carrying value at year-end 2014	-
Hedges for net investments abroad	(13.699)
Carrying value at year-end 2015	(13.699)
Hedges for net investments abroad	17.081
Carrying value at year-end 2016	3.382

26.7. COMPONENT: EQUITY MOVEMENTS WITH INVESTMENTS IN ASSOCIATES

This component consists of equity changes to investments in associates upon applying the equity method. (For more information, see Note 18.2.1. Movements with investments in Associates)

Carrying value at year-end 2014	428.317
Equity method - Associates	367.797
Carrying value at year-end 2015	796.114
Equity method - Associates	263.336
Carrying value at year-end 2016	1,059,450



NOTE 27. NON-CONTROLLING INTEREST

Non-controlling interest corresponds to minority interest on the part of third parties in investments held in:

2016	% NON-CONTROLLING STAKE	MINORITY EQUITY	MINORITY NET INCOME
Sura Asset Management S.A.	21.29%	1,745,620	126.369
Suramericana S.A.	18.87%	760.802	75.422
Seguros Sura Peru S.A.	30.71%	202.317	24.591
AFP Capital S.A.	0.29%	9.382	882
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.89%	5.453	718
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	0.52%	4.112	(41)
Habitat Adulto Mayor S,A,	17.34%	3.724	203
Hipotecaria SURA Empresa Administradora Hipotecaria EAH S.A.	30.00%	2.975	(918)
Protección Garantizada LTDA	49.02%	1.533	1.149
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	0.62%	1.105	130
Seguros Generales Suramericana S.A.	0.03%	218	10
AFP Integra S.A.	0.00%	11	1
Asesuisa Vida, S.A. Seguros de Personas	0.00%	3	1
Seguros Sura S.A. (Dominican Republic)	0.00%	2	-
Financia Expreso RSA S.A.	0.03%	2	(1)
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Brazil) S.A.)	0.00%	1	-
Aseguradora de Créditos y Garantías S.A.	0.01%	1	-
Planeco Panamá S.A.	4.72%	(897)	(438)
Sura Real Estate S.A.S	30.00%	(1.765)	(884)
		2,734,599	227.194

2015	% NON-CONTROLLING STAKE	MINORITY EQUITY	MINORITY NET INCOME
Sura Asset Management S.A.	28.60%	2,541,314	139.298
Suramericana S.A.	18.87%	502.251	64.688
Seguros Sura Perú S.A.	30.71%	157.224	15.718
AFP Capital S.A.	0.29%	8.352	719
Habitat Adulto Mayor S,A,	26.77%	5.435	222
Hipotecaria SURA Empresa Administradora Hipotecaria EAH S.A.	30.00%	4.157	-886
Aseguradora Suiza Salvadoreña S.A. Asesuisa	2.89%	3.151	475
AFP Integra S.A.	0.00%	10	-
Asesuisa Vida, S.A. Seguros de Personas	0.00%	3	0
Seguros Sura S.A. (Dominican Republic)	0.01%	3	0
Planeco Panamá S.A.	4.72%	(627)	(384)
		3,221,272	219.850

The following shows non-controlling interest in relation to shareholders´ equity

ACCOUNTS	2016	2015
Share capital	4.002	5.215
Reserves	247.038	223.188
Other comprehensive income (Note 26)	246.406	436.944
Net income for the period	227.194	219.850
Accumulated gains (losses)	2,009,958	2,336,075
	2,734,599	3,221,272

NOTE 28. OPERATING SEGMENTS

28.1. SEGMENT REPORTING

For management purposes, Grupo SURA is organized into business units based on the services they provide. These are divided up into the following five reporting segments:

1. Insurance: Including all those companies that insure against risk and that are responsible for guaranteeing or paying out indemnities for all or part of the damages sustained when certain adverse situations arise.
- 1.1. Life: Including all those companies that insure against personal risk
- 1.2. Non-life: These are insurance companies that ensure against all types of risk, other than personal risk
2. Fund management
- 2.1. Mandatory pensions The main business activity of this segment is to is collect and manage the amounts employees pay into their individual mandatory retirement savings accounts as well as managing and paying all those benefits required by the local pension systems
- 2.2. Voluntary savings: The main business activity of this sub-segment is provide voluntary pensions, life annuities and other savings products:
3. Corporate This segment contains holding companies whose main business purpose is to acquire different investment vehicles. Other services are reported that are not directly related to Grupo SURA’s core business but nevertheless complement the range of services provided.
4. Services
- 4.1. Outsourcing: this segment includes all those companies that provide their services and sell products and services in the areas of telecommunications and information processing.
- 4.2. Health care: Including all those companies dedicated to providing mandatory health care services as well as pre-paid health care and medical plans.
- 4.3. Others: other services are reported that are not directly related to Grupo SURA’s core business but nevertheless complement the range of services provided.

The highest decision-making authority with regard to these operating segments are the chief finance officers of both Grupo SURA and its subsidiaries, who are in charge of separately overseeing their operating results for the purpose of deciding on how to allocate resources and gauge overall segment performance.

Segment performance is evaluated based on the corresponding operating earnings or losses before tax and these are measured in a consistent fashion with the operating earnings and losses recorded on the consolidated financial statements.

The following table shows how these operating segments are divided up within the Organization

	CORPORATE	FUND MANAGEMENT		INSURANCE		SERVICES		
Entity		Mandatory Pensions	Voluntary Pensions	Life	Non-life	Health care	Outsour-cing	Others
Grupo de Inversiones Suramericana S.A.	X							
Suramericana S.A.	X							
Inversura Panamá Internacional S.A.	X							
Inversiones Sura Brasil S.A.S.	X							
Arus Holding S.A.S	X							
Inversiones y Construcciones Estratégicas S.A.S.	X							
Grupo de Inversiones Suramericana Panamá S.A.	X							
Planeco Panamá S.A.	X							
Grupo Sura Finance S.A.	X							
Financia Expreso RSA S.A.	X							
Santa Maria del Sol S.A. (Argentina)	X							
Atlantis Sociedad Inversora S.A.	X							
Chilean Holding Suramericana SPA (Antes RSA Chilean Holding SpA)	X							
Inversiones Suramericana Chile Limitada (Antes Inversiones RSA Chile Limitada)	X							
Sura Asset Management S.A.	X							
Activos Estratégicos Sura A.M. Colombia S.A.S.	X							

Entity	CORPORATE	FUND MANAGEMENT		INSURANCE		SERVICES		
		Mandatory Pensions	Voluntary Pensions	Life	Non-life	Health care	Outsour-cing	Others
Sura Investment Management Colombia S.A.S	X							
SURA Asset Management España S.L.	X							
Grupo de Inversiones Suramericana Holanda B.V.	X							
Grupo Sura Chile Holdings I B.V.	X							
SURA Asset Management Chile S.A.	X							
Sura Data Chile S.A.	X							
SURA Servicios Profesionales S.A.	X							
Santa María Internacional S.A. (Chile)	X							
Grupo Sura Latin American Holdings B.V.	X							
SUAM Finance B.V	X							
Sura Asset Management México S.A. de C.V.	X							
Sura Art Corporation S.A. de C.V.	X							
Sura Asset Management Perú S.A.	X							
Sura Asset Management Uruguay Sociedad de Inversión S.A. (Antes Tublyr S.A.)	X							
AFAP Sura S.A.		X	X					
AFP Capital S.A.		X	X					
Afore Sura S.A. de C.V.		X	X					
AFP Integra S.A.		X	X					
Corredores de Bolsa Sura S.A.			X					
Administradora General de Fondos Sura S.A.			X					
Sura Investment Management S.A. de C.V.			X					
Fondos Sura SAF S.A.C.			X					
Sociedad Agente de Bolsa S.A.			X					
Corredor de Bolsa SURA S.A.			X					
AFISA SURA S.A.			X					
Seguros de Vida Suramericana S.A. (Colombia)				X				
Seguros de Riesgos Laborales Suramericana S.A.				X				
Asesuisa Vida, S.A. Seguros de Personas				X				
Seguros de Vida Suramericana S.A (Antes RSA Seguros de Vida S.A.) (Chile)				X				
Seguros de Vida Sura S.A. (Chile)				X				
Pensiones Sura S.A. de C.V.				X				
Seguros de Vida SURA Mexico S.A. de C.V. (antes Primero Seguros de Vida S.A. de C.V.)				X				

Entity	CORPORATE	FUND MANAGEMENT		INSURANCE		SERVICES		
		Mandatory Pensions	Voluntary Pensions	Life	Non-life	Health care	Outsour-cing	Others
Seguros Sura S.A. (Antes Invita) (Perú)				X				
SUAM Corredora de Seguros S.A. de C.V.				X				
Disgely S.A.				X				
Seguros Generales Suramericana S.A. (Colombia)					X			
Seguros Sura S.A. (República Dominicana)					X			
Seguros Suramericana Panamá S.A.					X			
Aseguradora Suiza Salvadoreña S.A. Asesuisa					X			
Sura RE					X			
Seguros Sura S.A (Antes Royal & Sun Alliance Seguros (Brasil) S.A.) (Brasil)					X			
Seguros Sura S.A (Antes Royal & Sun Alliance Seguros (Argentina) S.A.) (Argentina)					X			
Aseguradora de Créditos y Garantías S.A.					X			
Seguros Generales Suramericana S.A (Antes RSA Seguros Chile S.A.) (Chile)					X			
Seguros Sura, S.A de C.V. (Antes Royal & Sun Alliance Seguros (México) S.A. de C.V.) (México)				X				
Royal & Sun Alliance Seguros (Uruguay) S.A.					X			
EPS y Medicina Prepagada Suramericana S.A.						X		
Servicios de Salud IPS Suramericana S.A.						X		
Diagnóstico y Asistencia Médica S.A.						X		
Habitat Adulto Mayor S.A.						X		
Arus S.A.							X	
Enlace Operativo S.A.							X	
Operaciones Generales Suramericana S.A.S.								X
Servicios Generales Suramericana S.A. (Colombia)								X
Consultoría en Gestión de Riesgos Suramericana S.A.S.								X
Servicios Generales Suramericana S.A. (Panamá)								X
Protección Garantizada LTDA								X
Servicios y Ventas Compañía Limitada								X
SURA Real Estate S.A.S.								X
Asesores Sura S.A. de C.V.								X
Promotora Sura AM S.A. de C.V.								X
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.								X

28.2. INFORMATION REGARDING OPERATING SEGMENTS

The Consolidated Income Statement at year-end 2016 is broken down by segment as follows:

	CORPORATE		FUND MANAGEMENT		INSURANCE		SERVICES		ELIMINATIONS	TOTAL
			Mandatory Pensions	Voluntary Pensions	Life	Non-life	Health care	Outsourcing		
Written premiums	-	-	-	1,034,786	5,889,581	5,790,084	-	-	(31,206)	12,683,244
Ceded premiums	-	-	-	(5,654)	(187,507)	(1,674,726)	-	-	16,656	(1,851,231)
Retained premiums (net)	-	-	-	1,029,132	5,702,073	4,115,358	-	-	(14,550)	10,832,013
Commission income	119	1,722,388	164,754	13,748	284,684	72	286	4,942	(6,947)	2,184,046
Revenues on services rendered	7	-	-	11	742	6	2,563,756	206,843	(608,341)	2,318,945
Dividends	64,353	-	-	1,885	14,253	637	0	-	4,588	85,715
Investment income	139,865	13,179	14,142	955,686	120,755	8,053	347	52,571	(122,597)	1,182,002
Gains at fair value	(68,038)	92,269	66,932	476,554	131,471	16,530	-	-	(77)	715,642
Revenues via equity method from Associates	832,994	104,487	14,148	2,937	51,771	2,967	0	28,334	-	1,037,637
Earnings from sales of investments	67,635	3,105	39,760	24,577	1,363	26	-	1	-	136,466
Income on investment property	2,932	338	7,585	65,687	9,738	1,573	-	1,529	(10,465)	78,916
Exchange difference (net)	163,296	3,693	(281)	(3,160)	8,122	(89)	524	(23)	-	172,083
Other income	6,857	2,656	1,106	40,643	172,109	10,170	1,440	5,033	(10,159)	229,857
Total revenues	1,210,020	1,942,115	1,339,173	7,293,741	4,896,015	2,603,059	209,439	252,896	(773,136)	18,973,322
Total claims	-	-	(422,576)	(3,120,812)	(3,297,617)	-	-	-	90,425	(6,750,579)
Reimbursed claims	-	-	-	149,965	1,357,362	-	-	-	(7,682)	1,499,644

Retained claims	-	-	(422,576)	(2,970,847)	(1,940,255)	-	-	-	82,743	(5,250,935)
Reserves, net of insurance production	-	-	(643,175)	(1,788,795)	(382,673)	-	-	-	-	(2,814,643)
Costs of services rendered	-	-	-	(187,244)	-	(2,233,078)	(161,342)	(121,391)	398,708	(2,304,348)
Administrative expense	(198,129)	(158,599)	(39,870)	(417,409)	(563,249)	(185,618)	(8,105)	(41,187)	68,224	(1,543,942)
Employee benefits	(114,493)	(411,522)	(204,776)	(354,069)	(399,130)	(113,831)	(18,076)	(23,461)	588	(1,638,771)
Fees	(77,238)	(35,164)	(9,127)	(385,074)	(316,335)	(14,748)	(858)	(12,683)	92,733	(758,493)
Brokerage commissions	(50)	(140,410)	(47,070)	(356,638)	(924,690)	(4,325)	-	-	4,122	(1,469,061)
Amortizations	(108,268)	(41,960)	(4,647)	(3,750)	(91,607)	(206)	(81)	(20)	-	(250,538)
Depreciation	(10,355)	(18,155)	(4,453)	(7,566)	(16,175)	(7,758)	(5,813)	(867)	-	(71,141)
Other expense	(1)	-	-	(80,661)	(140,600)	(730)	-	(27)	-	(222,019)
Interest	(615,012)	(3,114)	(979)	(2,940)	(7,637)	(5,926)	(2,303)	(20,945)	125,924	(532,932)
Impairment	(6,887)	(131)	(138)	(10,014)	2,826	869	353	(1,469)	-	(14,592)
Total expense	(1,130,433)	(809,056)	(1,376,810)	(6,565,007)	(4,779,525)	(2,565,351)	(196,225)	(222,049)	773,041	(16,871,415)
Earnings before tax	79,586	1,133,059	(37,636)	728,734	116,490	37,708	13,214	30,847	(95)	2,101,907
Income tax	(155,362)	(208,804)	(14,643)	(29,275)	1,750	(5,006)	(6,535)	(12,374)	-	(430,249)
Net Income	(75,776)	924,255	(52,279)	699,459	118,240	32,702	6,679	18,472	(95)	1,671,658
Earnings - parent company	(79,526)	926,279	(44,798)	669,485	118,240	32,702	6,679	19,391	(203,989)	1,444,463
Earnings - non-controlling interest	3,750	(2,024)	(7,481)	29,974	-	-	-	(918)	203,894	227,194

The Consolidated Income Statement at year-end 2015 is broken down by segment as follows:

2015	CORPORATE	FUND MANAGEMENT		INSURANCE		SERVICES			ELIMINATIONS	TOTAL
		Mandatory Pensions	Voluntary Pensions	Life	Non-Life	Health care	Outsourcing	Others		
Written premiums	-	-	729,757	5,463,123	2,321,944	-	-	-	(44,708)	8,470,116
Ceded premiums	-	-	(3,052)	(179,003)	(785,275)	-	-	-	29,345	(937,985)
Retained premiums (net)	-	-	726,705	5,284,120	1,536,669	-	-	-	(15,363)	7,532,131
Commission income	117	1,653,985	144,154	14,248	138,892	14	-	3,264	(2,255)	1,952,419
Revenues on services rendered	6	-	-	554	-	2,120,242	193,962	126,308	(487,796)	1,953,275
Dividends	51,697	-	443	10,062	1,113	1	-	7,489	-	70,806
Investment income	57,367	27,271	134,171	879,870	74,180	7,261	-	41,778	(50,615)	1,171,283
Gains at fair value	(34,584)	72,848	(14,863)	89,560	17,138	4,451	-	30	-	134,580
Revenues via equity method from Associates	650,519	82,740	14,333	4,361	31,977	1,051	-	25,924	-	810,906
Earnings from sales of investments	8,644	2,594	56,945	4,833	(312)	9	-	0	-	72,713
Income on investment property	3,633	288	1,366	63,860	16,485	3,677	-	1,704	(9,853)	81,158
Exchange difference (net)	(50,702)	13,780	6,949	7,647	(6,005)	(449)	715	64	1	(28,000)
Other income	70,664	10,644	1,416	24,199	30,905	46,452	1,603	5,192	(10,549)	180,527
Total revenues	757,360	1,864,149	1,071,620	6,383,314	1,841,043	2,182,709	196,280	211,754	(576,431)	13,931,798
Total claims	-	-	(256,190)	(2,573,821)	(1,081,682)	-	-	-	72,577	(3,839,116)
Reimbursed claims	-	-	-	138,570	299,453	-	-	-	(7,817)	430,407
Retained claims	-	-	(256,190)	(2,435,251)	(782,029)	-	-	-	64,760	(3,408,710)
Reserves, net of insurance production	-	-	(578,900)	(1,829,316)	(91,949)	-	-	-	-	(2,500,165)

Costs of services rendered	(7)	-	-	(188,006)	-	(1,866,549)	(147,215)	(103,537)	322,138	(1,983,177)
Administrative expense	(157,307)	(141,453)	(51,462)	(347,592)	(213,453)	(159,554)	(10,075)	(33,166)	53,768	(1,060,494)
Employee benefits	(60,637)	(402,776)	(156,446)	(344,217)	(130,288)	(97,524)	(16,799)	(19,777)	520	(1,227,944)
Fees	(44,758)	(31,477)	(11,313)	(307,347)	(211,587)	(18,809)	(621)	(11,554)	80,452	(557,014)
Brokerage commissions	-	(115,683)	(28,159)	(301,209)	(221,667)	(4,543)	-	-	-	(671,261)
Amortizations	(120,558)	(38,009)	(5,045)	(2,308)	(5,723)	(206)	(1,348)	(71)	-	(173,269)
Depreciation	(8,640)	(16,009)	(2,699)	(7,080)	(8,028)	(6,392)	(6,291)	(661)	-	(55,801)
Other expense	-	-	-	(69,355)	(40,755)	(198)	-	(68)	-	(110,376)
Interest	(303,428)	(5,535)	(2,250)	(2,567)	(7,419)	(3,935)	(1,478)	(11,766)	52,106	(286,273)
Impairment	(1,161)	(223)	(406)	(6,379)	4,522	2,771	57	(3,068)	(1)	(3,887)
Total expense	(696,496)	(751,365)	(1,092,870)	(5,840,627)	(1,708,377)	(2,154,940)	(183,769)	(183,670)	573,743	(12,038,370)
Earnings before tax	60,864	1,112,784	(21,251)	542,687	132,666	27,770	12,511	28,084	(2,688)	1,893,428
Income tax	(231,669)	(273,350)	16,042	(21,775)	(40,052)	(5,417)	(3,446)	(9,821)	-	(569,487)
Net Income	(170,805)	839,434	(5,209)	520,913	92,614	22,353	9,065	18,264	(2,688)	1,323,941
Earnings - parent company	(185,144)	846,480	(7,010)	514,074	92,614	22,353	9,065	19,153	(207,494)	1,104,091
Earnings - non-controlling interest	14,339	(7,046)	1,801	6,839	-	-	-	(890)	204,806	219,850

Inter-segment revenues are eliminated in the consolidation and are shown in the column "adjustments and eliminations". All other adjustments and eliminations form part of the reconciliations described above.

28.3. GEOGRAPHICAL INFORMATION:

Grupo SURA reports on its investments in the following countries: Colombia, Chile, Argentina, Brazil, Curacao, El Salvador, Spain, Holland, the Cayman Islands, Luxembourg, Mexico, Panama, Peru, the Dominican Republic and Uruguay.

The following table shows revenues obtained on an individual country basis:

	2016	2015
Colombia	9,878,216	8,053,011
Chile	4,009,553	2,823,895
Mexico	1,614,833	1,259,068
Peru	1,114,486	1,138,567
Argentina	835.110	-
Brazil	499.693	-
Panama	368.394	181.211
El Salvador	287.065	285.046
Uruguay	222.023	76.308
Dominican Republic	143.944	114.638
The Bermudas	52	-
Holland	(2)	11
Spain	(46)	44
Total	18,973,322	13,931,798

The following table shows the distribution of assets on an individual country basis:

	2016	2015
Colombia	32,504,508	36,314,111
Chile	17,070,341	7,659,865

Peru	7,468,287	5,179,946
Mexico	5,229,700	2,991,650
Argentina	1,503,107	-
Panama	1,092,798	1,407,412
Brazil	1,037,458	-
Uruguay	983.552	150.858
El Salvador	611.432	481.517
Dominican Republic	295.929	220.603
The Bermudas	15.891	-
Spain	3.163	2.379
Holland	552	724
Curacao	324	1,124,040
	67,817,041	55,533,106

The following table shows net income on an individual country basis:

	2016	2015
Colombia	949.803	702.928
Chile	306.424	286.100
Mexico	254.251	245.313
Peru	203.085	215.745
Uruguay	26.662	23.355
El Salvador	25.064	16.554
Argentina	24.759	-
The Bermudas	(770)	-
Dominican Republic	(977)	(6.677)
Spain	(1.280)	(23.159)
Holland	(2.698)	(608)
Brazil	(7.184)	-
Panama	(27.482)	(68.414)
Curacao	(78.002)	(67.196)
Total	1,671,658	1,323,941

28.4. INCOME STATEMENT ON AN INDIVIDUAL COMPANY BASIS

The following table shows the income figures obtained by Grupo de Inversiones Suramericana on an individual company basis:

2016	GRUPO SURA	SURAMERICANA AND SUBSIDIARIES	SURA ASSET MANAGEMENT AND SUBSIDIARIES	ARUS HOLDING AND SUBSIDIARIES	OTHERS	ELIMINATIONS AND ADJUSTMENTS	TOTAL
Written premiums	-	9,767,107	2,918,231	-	-	(2,094)	12,683,244
Ceded premiums	-	(1,779,426)	(71,805)	-	-	-	(1,851,231)
<b>Retained premiums (net)</b>	-	<b>7,987,682</b>	<b>2,846,426</b>	-	-	<b>(2,094)</b>	<b>10,832,013</b>
Commission income	-	299,012	1,885,039	286	24	(315)	2,184,046
Revenues on services rendered	-	2,138,383	17	206,843	8,673	(34,970)	2,318,945
Dividends	62,567	5,342	13,598	-	4,208	-	85,715
Investment income	(7,115)	591,834	595,369	353	1,562	-	1,182,002
Gains (losses) at fair value	(125,931)	507,694	322,276	-	11,602	-	715,642
Gains (losses) via equity method - Associates	909,036	9,540	119,060	-	0	-	1,037,637
Gains (losses) on sale of investments	65,940	1,770	68,756	-	-	-	136,466
Income on investment property	-	3,590	72,432	-	2,899	(4)	78,916
Exchange difference (net)	143,648	25,384	3,467	524	(940)	-	172,083
Other income	177	213,488	14,592	1,440	437	(278)	229,857
<b>Total revenues</b>	<b>1,048,322</b>	<b>11,783,718</b>	<b>5,941,032</b>	<b>209,445</b>	<b>28,465</b>	<b>(37,662)</b>	<b>18,973,322</b>
Total claims	-	(5,695,781)	(1,058,866)	-	-	4,067	(6,750,579)
Reimbursed claims	-	1,499,644	-	-	-	-	1,499,644
<b>Retained claims</b>	-	<b>(4,196,136)</b>	<b>(1,058,866)</b>	-	-	<b>4,067</b>	<b>(5,250,935)</b>

Reserves, net of insurance production	-	(626,114)	(2,188,530)	-	-	-	(2,814,643)
Costs of services rendered	-	(2,137,982)	-	(161,342)	(5,087)	63	(2,304,348)
Administrative expense	(41,133)	(1,143,132)	(372,809)	(8,120)	(10,727)	31,980	(1,543,942)
Employee benefits	(20,932)	(830,485)	(768,752)	(18,076)	(630)	104	(1,638,771)
Fees	(19,354)	(660,423)	(75,594)	(895)	(3,240)	1,013	(758,493)
Brokerage commissions	-	(1,270,731)	(198,329)	-	-	-	(1,469,061)
Amortizations	(72)	(92,144)	(157,273)	(1,049)	-	-	(250,538)
Depreciation	(407)	(28,377)	(29,683)	(5,813)	(6,863)	-	(71,141)
Other expense	-	(222,019)	-	-	-	-	(222,019)
Interest	(140,878)	(100,599)	(165,678)	(2,303)	(123,474)	-	(532,932)
Impairment	-	(12,220)	(2,725)	353	-	-	(14,592)
<b>Total expense</b>	<b>(222,775)</b>	<b>(11,320,362)</b>	<b>(5,018,239)</b>	<b>(197,244)</b>	<b>(150,020)</b>	<b>37,226</b>	<b>(16,871,415)</b>
<b>Earnings (losses) before tax</b>	<b>825,546</b>	<b>463,356</b>	<b>922,793</b>	<b>12,201</b>	<b>(121,555)</b>	<b>(435)</b>	<b>2,101,907</b>
Income tax	(61,538)	(61,697)	(305,685)	(6,552)	5,223	-	(430,249)
<b>Earnings (losses), net</b>	<b>764,008</b>	<b>401,659</b>	<b>617,108</b>	<b>5,649</b>	<b>(116,331)</b>	<b>(435)</b>	<b>1,671,658</b>
Earnings (losses) - parent company	764,380	399,694	593,436	5,277	(116,097)	(202,227)	1,444,463
Earnings (losses) - non-controlling interest	(372)	1,965	23,672	372	(235)	201,792	227,194

2015	GRUPO SURA	SURAMERICANA AND SUBSIDIARIES	SURA ASSET MANAGEMENT AND SUBSIDIARIES	ARUS HOLDING AND SUBSIDIARIES	OTHERS	ELIMINATIONS AND ADJUSTMENTS	TOTAL
Written premiums	-	5,884,032	2,587,838	-	-	(1,754)	8,470,116
Ceded premiums	-	(882,139)	(55,846)	-	-	-	(937,985)
<b>Retained premiums (net)</b>	-	<b>5,001,893</b>	<b>2,531,992</b>	-	-	<b>(1,754)</b>	<b>7,532,131</b>
Commission income	-	153,184	1,799,284	-	117	(165)	1,952,419
Revenues on services rendered	-	1,779,099	6	193,962	6,541	(26,333)	1,953,275
Dividends	19,809	15,465	3,661	-	31,870	-	70,806
Investment income	5,407	531,885	633,332	-	659	-	1,171,283
Gains (losses) at fair value	74,320	57,939	33,309	-	(30,989)	-	134,580
Gains (losses) via equity method - Associates	709,677	3,970	97,259	0	0	-	810,906
Gains (losses) on sale of investments	7,912	(589)	72,537	-	(7,147)	-	72,713
Income on investment property	-	15,445	62,114	-	3,599	-	81,158
Exchange difference (net)	(20,060)	20,326	(28,926)	715	(55)	1	(28,000)
Other income	205	90,259	88,636	1,605	40	(220)	180,527
<b>Total revenues</b>	<b>797,271</b>	<b>7,668,878</b>	<b>5,293,205</b>	<b>196,282</b>	<b>4,634</b>	<b>(28,472)</b>	<b>13,931,798</b>
Total claims	-	(3,080,893)	(761,055)	-	-	2,831	(3,839,116)
Reimbursed claims	-	430,407	-	-	-	-	430,407
<b>Retained claims</b>	-	<b>(2,650,486)</b>	<b>(761,055)</b>	-	-	<b>2,831</b>	<b>(3,408,710)</b>
Reserves, net of production	-	(322,442)	(2,177,723)	-	-	-	(2,500,165)
Costs of services rendered	-	(1,832,290)	-	(147,222)	(3,823)	158	(1,983,177)
Administrative expense	(29,688)	(711,898)	(331,320)	(10,087)	(1,924)	24,423	(1,060,494)
Employee benefits	(19,192)	(481,577)	(709,911)	(16,799)	(559)	95	(1,227,944)
Fees	(5,788)	(482,636)	(68,281)	(654)	(193)	538	(557,014)

Brokerage commissions	-	(503,147)	(168,114)	-	-	-	(671,261)
Amortizations	(75)	(9,798)	(160,910)	(2,461)	(25)	-	(173,269)
Depreciation	(380)	(18,201)	(24,728)	(6,291)	(6,200)	-	(55,801)
Other expense	-	(110,376)	-	-	-	-	(110,376)
Interest	(97,873)	(21,825)	(114,750)	(1,478)	(50,454)	108	(286,273)
Impairment	-	8,692	(12,580)	57	(56)	-	(3,887)
<b>Total expense</b>	<b>(152,997)</b>	<b>(7,135,985)</b>	<b>(4,529,373)</b>	<b>(184,935)</b>	<b>(63,233)</b>	<b>28,153</b>	<b>(12,038,370)</b>
<b>Earnings (losses) before tax</b>	<b>644,274</b>	<b>532,893</b>	<b>763,832</b>	<b>11,347</b>	<b>(58,599)</b>	<b>(319)</b>	<b>1,893,428</b>
Income tax	(111,979)	(189,610)	(261,261)	(3,458)	(3,180)	-	(569,487)
<b>Earnings (losses), net</b>	<b>532,295</b>	<b>343,283</b>	<b>502,572</b>	<b>7,889</b>	<b>(61,779)</b>	<b>(319)</b>	<b>1,323,941</b>
Earnings (losses) - parent company	532,803	342,808	487,021	7,381	(61,617)	(204,305)	1,104,091
Earnings (losses) - non-controlling interest	(507)	475	15,551	507	(162)	203,986	219,850



NOTE 29. COMMISSION INCOME AND EXPENSE

29.1. COMMISSION INCOME

Grupo SURA´s commission income is broken down as follows:

	2016	2015
Mandatory pension fund management commissions	1,733,823	1,662,455
Reinsurance income (DIL) (Note 21)	293.161	155.809
Other income (1)	90.128	69.082
Voluntary pension fund management commissions	66.934	65.074
	2,184,046	1,952,419

(1 Including income from managing client portfolios and rebates received.

Commission income for each individual country is shown as follows:

	2016	2015
Mexico	753.069	763.133
Chile	732.600	591.144
Peru	403.659	378.684
Colombia	151.892	121.512
Uruguay	80.289	66.082
Argentina	21.532	-
Dominican Republic	21.090	18.666
Panama	16.935	11.374
El Salvador	2.980	1.825
	2,184,046	1,952,419

29.2. COMMISSION EXPENSE

Brokerage commissions are broken down as follows

	2016	2015
Amortizations of deferred acquisition costs (DAC) (Note 17.3)	(1,356,343)	(118.147)
Social security insurance	(56.699)	(50.256)
Property, casualty and personal insurance	(43.644)	(486.895)
Mandatory insurance	(10.303)	(14.092)
Accepted co-insurance	(2.071)	(1.871)
	(1,469,061)	(671.261)

Brokerage expense for each individual country is broken down as follows:

	2016	2015
Colombia	(475.223)	(396.417)
Chile	(289.224)	(64.143)
Argentina	(184.962)	-
Mexico	(151.287)	(73.749)
Brazil	(146.110)	-
Panama	(67.860)	(26.228)
El Salvador	(64.760)	(52.640)
Peru	(30.651)	(29.206)
Dominican Republic	(30.222)	(27.863)
Uruguay	(28.762)	(1.016)
	(1,469,061)	(671.261)

NOTE 30. SERVICES RENDERED

Income and expenses for services rendered corresponds mainly to EPS Sura and the outsourcing firms belonging to Arus Holding

30.1. INCOME FROM SERVICES RENDERED

Grupo Sura ´s income from services rendered is broken down as follows:

	2016	2015
Income from health care providers (EPS)	1,967,352	1,622,336
Lab services	95.570	92.202
Maintenance and repairs	78.860	68.176
Income from heath care institutes (IPS)	70.023	58.583
Data processing	45.842	51.754
Sales of machinery, office equipment and computer programs	25.347	35.425
Wiring unit - related activities	19.312	16.219
Machinery and equipment leases	8.132	527
Sales of spare parts, components and accessories	3.891	4.452
Telecommunications services	2.017	2.315
Corporate consultancy services	1.424	524
Others	1.097	705
Other community, social and personal services	76	55
	2,318,945	1,953,275

Income from services rendered on an individual country basis is shown as follows:

	2016	2015
Colombia	2,317,586	1,952,338
El Salvador	748	554
Panama	593	377
Mexico	7	6
Peru	11	-
	2,318,945	1,953,275

30.2. COST OF SERVICES RENDERED

Grupo SURA ´s cost of services rendered is broken down as follows:

	2016	2015
Cost of health care provider services (EPS)	(1,527,644)	(1,278,534)
Cost of health care institute services (IPS)	(373.845)	(316.795)
Data processing	(95.001)	(53.485)
Occupational risk prevention / awareness services	(61.168)	(79.210)
Sales of spare parts, components and accessories	(59.919)	(53.124)
Basic occupation risk prevention / awareness activities	(48.983)	(26.718)
Corporate consultancy services	(48.815)	(38.797)
IT equipment and software consultancy services	(47.636)	(70.118)
Sales of machinery, office equipment and computer programs	(20.796)	(25.417)
Maintenance and repairs	(10.398)	(9.501)
Worker ´s compensation fund	(9.787)	(8.588)
Others	(251)	(22.739)
Other community, social and personal services	(105)	(152)
	(2,304,348)	(1,983,177)

Cost of services rendered for each individual country is shown as follows:

	2016	2015
Colombia	(2,303,897)	(1,982,838)
Panama	(451)	(339)
	(2,304,348)	(1,983,177)

NOTE 31. FINANCIAL INCOME AND EXPENSE

Financial income expense for Grupo Sura and Subsidiaries at year-end 2016 and 2015 is broken down as follows:

	2016			2015		
2014Increase in fair value of investments	1,539,448	1,136,222	Net	Income	Expense	Net
Currency forwards (peso/dollar)	98.310	(264.265)	1,182,002	1,555,501	(384.218)	1,171,283
Futures	(4)	-	172.083	152.010	(180.010)	(28.000)
Currency forwards (peso/dollar)	(4.315)	-	715.642	1,284,861	(1,150,281)	134.580
Currency swaps	(125.931)	74.320	85.715	70.806	-	70.806
2014Increase in fair value of investments	(791.867)	(811.698)	136.466	112.635	(39.922)	72.713
	715.641	134.579	(532.932)	-	(286.273)	(286.273)
	4,191,750	(2,432,774)	1,758,976	3,175,812	(2,040,704)	1,135,109

(1) Investment income includes interest income and returns from cash and banks, collective portfolios, fiduciary charges, and loans to directors. It also includes net income from valuations based on the effective interest rate.

(2) Exchange differences include income and expense obtained from restating assets and liabilities in foreign currency.

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

	2016	2015
2014Increase in fair value of investments	1,539,448	1,136,222
Currency forwards (peso/dollar)	98.310	(264.265)
Futures	(4)	-
Currency forwards (peso/dollar)	(4.315)	-
Currency swaps	(125.931)	74.320
2014Increase in fair value of investments	(791.867)	(811.698)
	715.641	134.579

(4) In 2016 dividend income included COP 62,567 million corresponding to the Group’s investment in the associate Grupo Argos, given the surplus obtained after applying the equity method in 2015. Includes COP13,598 in dividend income corresponding to investments classified as financial instruments belonging to the real estate funds posted in the sub-consolidated statements of the Subsidiary Sura Asset Management as well as COP 9,551 from investments classified as financial instruments.

Dividend income for 2015 included that corresponding to Tipiel, totaling COP 24,840. This investment was recognized in 2013 and 2014 as an investment in an associate, but the stake held in this company was sold off in 2015 and it is now classified as an investment in financial instruments (See Note 18.2 Investments in Associates).

Dividend income for 2015 also included COP 19,809 million from the investment in the associate Grupo Argos, which was the surplus left over from the equity method applied in 2014, that is to say, the equity method applied in 2014 was lower than the dividends received in 2015.

(5) Gains and losses obtained from the sale of investments is shown as follows:

	2016	2015
Valuation gains on debt securities	120.696	103.810
Proceeds from sales of investments	67.576	8.783
Expense on sales of investments	(12.804)	(1.404)
Valuation expense on debt securities	(39.002)	(30.746)
Loss on sale of Tipiel (Note 18.2.1)	-	(7.730)
	136.466	72.713

(6) The following table shows a breakdown of interest expense:

(1)	THE FOLLOWING TABLE SHOWS A BREAKDOWN OF INTEREST EXPENSE:		2015
Créditos bancos	(341,599)		(226,683)
Intereses títulos emitidos	(180,154)		(47,755)
Otros intereses	(8,711)		(8,673)
Prima amortizada de cartera	(1,525)		(2,902)
Otros créditos	(941)		(241)
Moratorios en pago de mesadas pensionales	(2)		(20)
	(532,932)		(286,273)

Financial income and expense on an individual country basis is shown as follows:

2016

	Argentina	Bermuda	Brazil	Chile	Colombia	Curacao	Spain	Holland	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total
Dividends	-	-	-	1.591	66.366	-	-	-	1.761	5.751	10.243	-	-	3	85.715
Investment income	-	52	-	209.650	537.272	-	0	-	158.121	3.465	238.259	7.620	17.058	10.503	1,182,002
Gains at fair value	61.485	-	29.076	139.203	325.704	-	-	-	7.757	19.913	129.790	-	-	2.714	715.642
Earnings from sales of investments	1.702	-	-	44.655	66.581	-	-	-	6.732	11.201	5.592	-	-	3	136.466
Exchange difference (net)	(1.610)	-	(3.946)	(14.545)	188.244	(0)	(46)	(2)	6.716	(936)	(161)	47	(0)	(1.679)	172.083
Interest	(0)	-	-	(1.803)	(324.277)	(77.919)	(12)	(10)	-	(122.927)	(5.468)	(408)	(9)	(99)	(532.932)
	61.578	52	25.130	378.752	859.890	(77.919)	(57)	(12)	181.088	(83.533)	378.254	7.259	17.049	11.444	1,758.976

2015

	Chile	Colombia	Curacao	Spain	Holland	Mexico	Panama	Peru	Dominican Republic	El Salvador	Uruguay	Total
Dividends	1.140	62.311	-	-	-	-	4.834	2.521	-	-	-	70.806
Investment income	298.032	522.617	-	7	-	108.063	259	222.284	5.449	11.348	3.223	1,171,283
Gains (losses) at fair value	38.155	52.916	-	-	-	1.083	(30.989)	70.150	-	0	3.265	134.580
Gains (losses) on sale of investments	78.240	(447)	-	-	-	(1.530)	583	(4.193)	40	-	20	72.713
Exchange difference (net)	28.804	(77.220)	-	37	11	13.029	(76)	4.009	410	-	2.998	(28.000)
Interest	(2.855)	(157.729)	(67.060)	(8)	(10)	(1.549)	(49.918)	(6.850)	(229)	(9)	(57)	(286.273)
	441.517	402.447	(67.060)	36	0	119.096	(75.307)	287.920	5.670	11.340	9.449	1,135,109

NOTE 32. OTHER INCOME AND EXPENSE

32.1. OTHER INCOME

Below is a breakdown of Grupo Sura's other income account:

	2016	2015
Reimbursements and recoveries	142.398	17.482
From policies	41.213	508
Reimbursed expense	10.744	12162
Reimbursed provisions	10.025	1815
Expense recognized by reinsurers	7.581	7.447
Default interest on late contribution payments	3.360	2.245
Demand deposits	3.079	2.718
Conditional trade discounts	2.833	2.410
Recognized interest	(1.355)	(936)
Equipment, furniture and office fixtures	(957)	(500)
From co-insurance management services	1.117	696
Recognized expense - ceding companies	(930)	(768)
Buildings	850	389
Recovered amounts, other than from operating risk policies	784	76
Vehicles	102	(20)
Reimbursements on occupational health	482	224
Other non-current assets held for sale	279	-
Joint venture activities	104	-
Computer equipment	(16)	(630)
Land	24	229
Claims	12	45
Mobilization equipment and machinery	7	2
Third parties	4	-
Recovered provisions (1)	-	62.144
Cancellations and/or eliminations of reinsurance income	-	(1.465)
Others	8.117	74.254
	229.857	180.527

(1) In December 2015, an analysis of the applicability of bank guarantee set up in 2013 in favor of Protección S.A. for the purpose of covering any obligations arising for said Company, regarding the shares that ING Colombia previously held in the now defunct stock brokerage firm, Interbolsa S.A., which was officially placed under the administration of the Colombian Superintendency of Finance. When ING Colombia subsequently merged with Protección the latter received said shares. Also the applicability of this contingency, as recorded in books, was also assessed given the likelihood of having to repay Protección´s fund members at some stage for the loss of funds corresponding to the stake held in Interbolsa S.A. As a result of said analysis together and in the light of the confirmations received from the lawyers in charge of the case, the Company concluded that the probability of having to pay out compensation to Proteccion´s fund members was uncertain and therefore the provision set up in 2014 the amount of COP 62.144 million (USD 25,975) was reversed and the corresponding bank guarantee was canceled in full. See Note 22.1 Provisions.

Other income on an individual country basis is shown as follows:

	2016	2015
Colombia	79.101	141.338
Argentina	57.674	-
Brazil	36.074	-
Mexico	29.201	4.035
Chile	9.832	13.347
El Salvador	7.220	7.034
Peru	3.286	6.381
Uruguay	3.199	432
Dominican Republic	2.261	2.022
Panama	2.008	5.939
	229.857	180.527

32.2 OTHER EXPENSE

Below is a breakdown of Grupo SURA's other expense account:

BELOW IS A BREAKDOWN OF GRUPO SURA'S OTHER EXPENSE ACCOUNT:	2016	2015
Costos contratos no proporcionales (1)	(222,022)	(109,876)
Ingresos contratos no proporcionales	928	76
Pérdidas por siniestros	(906)	(558)
Bienes inmuebles	(10)	(8)
Bonificaciones	(9)	(10)
	(222,019)	(110,376)

(1) Corresponding to the cost of reinsurance contracts in extending the agreed coverage.

Other expense on an individual country basis is shown as follows:

	2016	2015
Colombia	(119.405)	(86.369)
Chile	(69.296)	-
Dominican Republic	(11.118)	(10.371)
El Salvador	(11.110)	(9.367)
Panama	(8.705)	(4.269)
Mexico	(2.289)	-
Uruguay	(97)	-
	(222.019)	(110.376)

NOTE 33. ADMINISTRATIVE EXPENSE

Grupo SURA's administrative expense on an individual country basis at year-end 2016 and 2015 is shown as follows:

	2016	2015
Other taxes	167.099	72.160
Commissions	137.253	83.134
Advertising and publicity	116.235	81.136
Lease rentals	107.396	78.498
Wealth tax	88.335	100.880
Temporary services	88.059	72.613
Industry and Commerce tax	84.448	40.614
Maintenance and repairs	76.328	58.081
Office supplies and stationery	58.536	42.922
Public utilities	57.202	41.098
Electronic data processing	56.186	29.426
Fosyga	55.483	46.685

Other entities and trade unions	52.552	49.176
Traveling expense	40.175	31.790
Cleaning and security guard services	38.496	23.013
Other selling expense	31.321	-
Financial transaction tax	23.988	17.589
Transport	22.593	18.129
Licenses	17.339	15.056
Retrofitting and installation expense	16.292	12.420
Superintendencia Financiera de Colombia (Colombian Superintendency of Finance)	14.783	13.824
Public relations	13.808	10.130
Insurance	13.363	8.790
Publications and subscriptions	13.091	7.519
National Road Safety Fund	11.722	9.863
Property tax	8.685	6.171
Donations	8.374	12.192
National Fire-fighter Fund	7.933	7.117
Fines, sanctions, indemnities, litigations, and lawsuits - operating risk	7.028	10.459
Representation expense	6.164	3.520
Operating risk	4.343	119
Legal expense	4.233	3.904
Banking expense	3.846	1.237
Fasecolda	3.180	2.708
Chamber of Commerce	27	25
Proceeds from sales of property and equipment	22	244
Others	88.024	48.252
Total	1,543,942	1,060,494

Grupo SURA's administrative expense at year-end 2016 and 2015 on an individual country basis is shown as follows:

Year	Colombia	Argentina	Chile	Mexico	Peru	Brazil	Panama	Uruguay	El Salvador	Domi- nican Repu- blic	The Bermu- das	Spain	Curacao	Total
2016	899.105	144.236	127.262	125.898	82.156	55.723	39.773	33.646	24.211	11.176	483	208	65	1,543,942
2015	771.100	-	58.245	99.035	62.846	-	23.594	13.393	20.191	10.289	-	1.738	63	1,060,494

NOTE 34. FEES

Grupo SURA ´s fee expense is broken down as follows:

	2016	2015
Insurance management services	313.488	253.012
Insurance sales promoters	65.574	-
Medical assistance	38.692	85.547
Statutory Auditor and external auditing staff	20.039	7.894
Insurance risk assessments	14.592	11.956
Financial consultancy services	13.889	7.377
Legal advisors	13.210	9.420
Sales and service commissions	6.723	3.853
Board of Directors	6.424	4.623
Pension insurance fund management	666	557
Trust arrangements	444	251
Property appraisals	109	75
Operating risk	91	-
Consultancy and advisory services	-	26.026
Health care promo fees	-	58.827
Exito insurance policy collection fees	-	1.144
Inspections	-	9.103
Others (*)	264.552	77.349
Total	758.493	557.014

(\*) Corresponding mainly to technical inspection and evaluation expense for policy admission purposes.

Fee income for each individual country is shown as follows:

Año	Colombia	Chile	México	Argentina	Panamá	Perú	Brasil	Uruguay	Rep. Dom	El Salvador	España	Holanda	Islas Bermu- das	Curazao	Total
2016	596,994	53,741	28,809	22,405	19,827	11,161	10,681	8,776	2,144	1,989	1,015	593	340	18	758,493
2015	485,622	31,522	16,065	-	8,231	9,525	-	1,045	951	1,862	1,510	608	-	73	557,014

NOTE 35. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the period, as attributable to the shareholders, by the weighted average number of shares outstanding for the year.

The following table shows the income and share information used to calculate basic earnings per share.

	2016	2015
Net income - parent company	1,444,463	1,104,091
Average weighted number of shares outstanding	469,037,260	469,037,260
Earnings per share (in Colombian pesos)	3,079.63	2,353.95

NOTE 36. TRANSLATING CURRENCIES AND RESULTS OF FOREIGN OPERATIONS

The rates used to translate the different foreign currencies in Grupo SURA’s consolidated financial statements are shown as follows:

	AVERAGE RATE		CLOSING RATE	
	2016	2015	2016	2015
Colombian peso (COP/USD)	3,050.98	2,743.39	3,000.71	3,149.47
Chilean peso (CLP/USD)	676.45	654.24	669.79	716.94
Dominican peso (DOP/USD)	46.09	45.07	46.72	45.55
EURO (EUR/USD)	0.90	0.90	0.96	0.92
Mexican peso (MXN/USD)	18.69	15.87	20.60	17.36
Peruvian new sol (PEN/USD)	3.38	3.18	3.36	3.43
Uruguayan peso (UYU/USD)	30.14	27.29	29.35	29.93
Argentinian peso (ARP/USD)	14.77	-	15.83	-
Brazilian real (BRL/USD)	3.49	-	3.26	-

NOTE 37. RISK MANAGEMENT - OBJECTIVES AND POLICIES

The following information describes the main characteristics of the Companies’ Risk Management Governance Framework as well as the more significant risks to which they have been exposed, taking into account the characteristics, complexity and size of their individual businesses as well as the particularities of the countries where they are present.

37.1. RISK MANAGEMENT GOVERNANCE FRAMEWORK

The Sura Business Group considers risk management to be a dynamic and interactive process, which forms an essential part of its internal control system, the purpose of which is to provide support to the Companies’ strategic objectives and ongoing sustainability.

Grupo SURA, as parent company, is exposed both to its own risks as well as those relating to its investments. This is why there are risk management guidelines firmly in place that allow the Companies generate value through their interaction and thereby address the new challenges and opportunities of a ever-changing business environment.

The Board of Directors, its Committees and the Senior Management of each of the Companies are responsible for ensuring an adequate Risk Management System and making decisions based on an understanding of the opportunities and risks involved in each strategic issue. These responsibilities are supplemented by an organizational structure, policies and manuals which ensure that an organizational strategy is consistently applied throughout the region and that feedback is obtained on its implementation.

Grupo SURA ensures that adequate communication and interaction is maintained so as to monitor the Group’s risk profile and risk management function. This includes serving as members of the Companies’ Boards of Directors and the different Board Committees as well as holding meetings and similar events to encouraging the sharing of best practices, risk management reporting and carrying out the projects required.

More specifically, in 2016, Suramericana acquired RSA's operations in Latin America, thereby extending the Group's multi-Latina status with presence in a total of nine countries. With this recent transaction came the challenge of incorporating the new operations acquired in Mexico, Colombia, Brazil, Chile, Argentina and Uruguay, in addition to those already existing in El Salvador, Panama, the Dominican Republic and Colombia.

In addressing this challenge, changes were made to the Corporate Governance function of Suramericana and its Subsidiaries, reinforcing the Risk Management Committees who report directly to their respective Boards of Directors, both on a local and corporate level. Parallel to this, the risk management function at subsidiary level was made that much more robust so as to be able to provide a strong local response in keeping with Suramericana's overarching strategy

37.2. RISK CATEGORIES

The main risks addressed by the Company's risk management function , fall into the following three categories: (i)financial risk; (ii)business risk; and (iii) operating risk;

37.3. Financial Risk Management

Being able to depend on optimum capital structures and adequate solvency levels as well as having sufficient resources to guarantee a sound financial position with which to respond to the obligations thus acquired while at the same time complying with the targeted expansion plans, requires comprehensive risk management systems with which to monitor subsidiary exposure to the different financial risks (credit, market and liquidity); this covering the cash and investment management function as well as handling third-party portfolios.

In 2016, the performance of the different Companies was affected by a slower rate of growth in Latin America. Factors such as the weaker-than-expected recovery in the United States and a stagnant global growth, weak trade, persistently low commodity prices throughout the year, rising fiscal risk and greater volatility prevailing on the financial markets, due to the recent presidential elections in the United States, affected the short-term economic prospects for the region.

In spite of the general slowdown with economic growth, in most cases, inflation remained above that targeted by the different Central Banks. This phenomenon was partly due to the depreciation affecting many of the region's currencies, due to recent elections and the expansive monetary policy that the United States is still upholding. Also declining prices of crude oil and other raw materials such as copper and soybeans affected foreign exchange flows in most countries.

In spite of this, inflation expectations in the case of Peru, Colombia, Chile and Brazil have gradually converged on the levels targeted by their Central Banks thanks to a tightening of monetary policy that began in late 2015. Also in the case of certain countries within the region, such as Argentina and Brazil internal factors relating to changes in government have had a fundamental economic and social effect.

The main financial risks are listed as follows This analysis takes into account credit, market (including currency, interest and inflation rates as well as prices) and liquidity risk.

37.3.1. Credit Risk Management

The Group's credit risk management function is aimed at reducing the probability of incurring losses in failing to meet the Company's financial obligations with third parties. For this purpose, policies and procedures have been put into place for analyzing and monitoring both issuers and counter-parties, from the funds handled by the cash management departments, the portfolios held by our insurance companies as well as third-party funds, so as to mitigate the risk exposure at subsidiary level

37.3.1.1. Credit Risk Management - Cash Management Function

The cash management function belonging to Grupo SURA, Suramericana and Sura Asset Management, is governed by risk mitigation policies and guidelines to ensure that investments are always backed by issuers and / or fund management firms with adequate credit ratings. At December 31, 2016, the investments made by the Companies' cash management departments were mostly concentrated in liquid collective portfolios managed by asset management firms meeting the highest standards, as well as savings and checking accounts with local and international banks, and issuers of fixed income securities with substantial creditworthiness.



37.3.1.2. Credit Risk Management with regard to Insurers’ Portfolios

On the other hand, the insurance companies manage their credit risk through the handling of their portfolios of profitable, liquid assets that underpin their technical reserves; based on policies governing the allocation of quotas, limits and controls, as well as methodologies and procedures used for the different assets making up the portfolio which allow for evolving risk to be quantified and monitored. These methodologies provide for detailed analyses to be carried out on the financial strength and conditions as well as other qualitative aspects regarding the different investment fund management firms.

The portfolios belonging to these insurance companies largely consist of fixed income securities, which entails significant exposure to Government securities.

So as to be able to arrive at a standardized basis in order to compare the different countries, this section contains the credit ratings of the financial assets held along with their counter-parties, which were re-stated based on the maximum international sovereign ratings for each country: Argentina B-, Brazil BB, Chile AA-, Colombia BBB, El Salvador B-, Mexico BBB+, Peru BBB+, Panama BBB, the Dominican Republic BB- and Uruguay BBB.

The following table is a breakdown of fixed income financial assets at subsidiary level, based on their corresponding international credit ratings:

Fixed Income Assets classified according to their International Credit Ratings for 2016

FIXED INCOME ASSETS CLASSIFIED ACCORDING TO THEIR INTERNATIONAL CREDIT RATINGS FOR 2016												
	Suramericana							Sura Asset Management				
	Argentina	Brazil	Chile	Colombia	El Salva- dor	Mexico	Panama	Dom. Rep.	Uruguay	Chile	Mexico	Peru
Sovereign Rating*	B	BB	AA-	BBB	B	BBB+	BBB	BB-	BBB	AA-	BBB+	BBB+
Sovereign	48.2%	95.5%	70.3%	26.2%	33.1%	80.6%	22.2%	55.8%	85.5%	7.9%	93.8%	22.2%
AAA	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
AA+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
AA-	0.0%	0.0%	16.1%	0.3%	0.0%	0.0%	1.0%	0.0%	0.0%	17.3%	0.0%	0.0%
A+	0.0%	0.0%	6.5%	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%	10.9%	0.0%	0.5%
A	0.0%	0.0%	2.5%	3.5%	0.0%	0.0%	0.9%	0.0%	0.0%	31.2%	0.0%	0.4%
A-	0.0%	0.0%	3.4%	0.8%	0.6%	0.0%	0.0%	0.0%	0.0%	17.1%	1.7%	4.1%
BBB+	0.0%	0.0%	1.2%	0.2%	0.5%	19.4%	3.3%	0.0%	0.0%	4.7%	2.8%	28.1%
BBB	0.0%	0.0%	0.0%	50.1%	4.5%	0.0%	8.6%	0.0%	0.0%	4.7%	0.9%	13.6%
BBB-	0.0%	0.0%	0.0%	16.5%	1.1%	0.0%	18.8%	0.0%	0.0%	0.1%	0.7%	16.9%
BB+	0.0%	0.0%	0.0%	1.4%	1.5%	0.0%	13.7%	0.0%	0.0%	0.0%	0.2%	2.2%
BB	0.0%	0.0%	0.0%	0.2%	2.0%	0.0%	6.5%	0.0%	14.5%	5.9%	0.0%	1.9%
BB-	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	19.8%	0.0%	0.0%	0.0%	0.0%	0.1%
Others	51.8%	4.5%	0.0%	0.0%	56.7%	0.0%	1.5%	44.2%	0.0%	0.2%	0.0%	8.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Activos Renta Fija por Calificación Crediticia 2015 (Escala Internacional)

FIXED INCOME SECURITIES CLASSIFIED ACCORDING TO THEIR INTERNATIONAL CREDIT RATING- 2015							
Suramericana	SURA Asset Management						
	Sura Asset Management	Rep. Dom.	Salvador	Panamá	Chile	México	Perú
	Colombia	Dominican Republic	Salvador	Panama	Chile	Mexico	Peru
Sovereign Rating*	BBB	BB+	B	BBB	AA-	BBB+	BBB+
Sovereign	23.4%	46.0%	29.1%	44.8%	11.4%	88.1%	24.4%

AAA	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
AA+	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.6%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA-	0.3%	0.0%	1.7%	0.0%	14.9%	0.0%	0.5%
A+	0.1%	0.0%	1.0%	0.0%	9.4%	0.0%	0.6%
A	1.8%	0.0%	0.0%	0.8%	28.8%	1.1%	0.2%
A-	1.2%	0.0%	0.7%	0.0%	24.2%	1.5%	2.7%
BBB+	1.7%	0.0%	0.0%	7.3%	6.7%	7.5%	27.9%
BBB	50.3%	0.0%	0.7%	13.3%	3.0%	1.8%	20.7%
BBB-	17.8%	0.0%	2.0%	1.8%	0.2%	0.1%	13.7%
BB+	1.6%	0.0%	2.6%	1.7%	0.0%	0.0%	2.0%
BB	0.3%	0.0%	0.0%	25.3%	1.2%	0.0%	0.5%
BB-	1.4%	0.0%	0.0%	1.2%	0.0%	0.0%	0.6%
Others	0.0%	54.0%	60.2%	3.8%	0.3%	0.0%	4.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Another credit risk to which the Insurance Companies are exposed with regard to their portfolios has to do with derivatives held with local and international counter-parties.

The following is a breakdown of this exposure, together with their international credit ratings held by the counter-parties of derivatives currently held

DERIVATIVES - SURAMERICANA SEGUROS COLOMBIA 2016				
Bank	International credit rating	Asset exposure	Liability exposure	Net position
Banco de Bogotá	BBB	326.241	(317.411)	8.830
Bancoldex	BBB	185.402	(179.959)	5.442
BBVA Colombia	BBB	29.504	(29.110)	393
CitiBank Colombia	BBB	27.792	(26.045)	1.747
Banco Davivienda S.A.	BBB	49.287	(47.989)	1.298
Total	618.225	(600.515)	17.710	17,710
DERIVATIVES- SURAMERICANA SEGUROS COLOMBIA 2015				
Bank	International credit rating	Asset exposure	Liability exposure	Net position
Banco Davivienda S.A.	BBB	96.063	(99.178)	(3.115)
Banco de Bogotá	BBB	133.529	(129.165)	4.364

Banco de Occidente S.A.	BBB	169.907	(188.832)	(18.925)
Bancoldex	BBB	9.915	(9.427)	488
BBVA Colombia	BBB	52.480	(62.970)	(10.491)
CitiBank Colombia	BBB+	745.754	(751.990)	(6.235)
Corporación Financiera Colombiana	BBB	103.866	(99.014)	4.852
Goldman SACHS	BBB+	722.145	(726.930)	(4.785)
JP Morgan Corporación Financiera	BBB	76.898	(75.517)	1.381
Total	2,110,557	(2,143,023)	(32.466)	(32,466)

To date only the Suramericana Companies in Colombia deal with derivatives

The following is a breakdown of the exposure inherent to the derivatives held by Sura Asset Management’s insurance companies.

DERIVATIVES - SURA ASSET MANAGEMENT SEGUROS CHILE 2016				
Bank	International credit rating*	Asset exposure	Liability exposure	Net position
Banco BBVA	A-	84.661	(82.521)	2.140
Banco BCI	A	181.578	(172.828)	8.751
Banco Santander	A+	223.125	(219.049)	4.077
Total		489.365	(474.398)	14.968
DERIVATIVES - SURA ASSET MANAGEMENT SEGUROS CHILE 2015				
Banco	Credit Rating Internacional*	Exposición Activa	Exposición Pasiva	Posición Neta
Banco Santander	AA-	42,518	(46,297)	(3,779)
Banco BCI	A+	20,472	(22,991)	(2,520)
Total		62,989	(69,288)	(6,299)

On the other hand, Seguros SURA Perú, one of Sura Asset Management’s insurance companies, is exposed to credit risk given its investment in Negotiable Mortgage Securities (TCHN in Spanish).

The following table shows the maturity and debt balances corresponding to the mortgage loan portfolio . Also, based on the portfolio´s historic performance, the default rates, losses given default and the resulting expected loss are all calculated.

MORTGAGE LOANS- SURA ASSET MANAGEMENT SEGUROS PERÚ 2016					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	191.808	1.1%	18.4%	376	0.2%
Between 1 and 2 unpaid installments	32.296	17.3%	20.2%	1.126	3.5%
Between 3 and 23 unpaid installments	19.636	100.0%	20.8%	4.081	20.8%
Between 24 and 35 unpaid installments	8.615	100.0%	27.9%	2.403	27.9%
More than 36 unpaid installments	5.798	100.0%	115.0%	6.667	115.0%
Total	258.152			14.654	5.7%

\* In millions of pesos at year-end 2016.

DERIVATIVES – SURA ASSET MANAGEMENT SEGUROS PERÚ 2015					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	242.865	1.1%	18.4%	803	0.2%
Between 1 and 2 unpaid installments	29.828	17.3%	20.2%	1.826	3.5%
Between 3 and 23 unpaid installments	25.801	100.0%	20.8%	6.201	20.8%
Between 24 and 35 unpaid installments	4.838	100.0%	27.9%	1.506	27.9%
More than 36 unpaid installments	3.175	100.0%	115.0%	3.651	115.0%
Total	306.507			13.987	4.6%

\* In millions of pesos at year-end 2015.

37.3.1.3. Credit Risk Management - Mortgage Loan Company in Peru

The corporate purpose of the Mortgage Loan Company is to place mortgage loans to be subsequently transferred to Seguros SURA Perú for the purpose of underpinning the latter´s technical insurance reserves. The loan portfolio of this subsidiary has been closed and no further placements have been made, so the small residual portfolio handled at the present time shall be allowed to gradually elapse.

The following tables show a breakdown of mortgage loan portfolios held by this Company. This contains both the mortgage portfolio and the “Mi Vivienda” State-sponsored mortgage loans which are guaranteed by the Peruvian Government

MORTGAGE LOANS - COMPAÑÍA HIPOTECARIA PERÚ 2016					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	1.164	1.1%	24.2%	3	0.3%
Between 1 and 2 unpaid installments	N/A	N/A	N/A	N/A	N/A
Between 3 and 23 unpaid installments	464	100.0%	22.1%	103	22.1%
Between 24 and 35 unpaid installments	150	100.0%	20.9%	31	20.9%
More than 36 unpaid installments	N/A	N/A	N/A	N/A	N/A
Total	1.778			137	7.7%

\* In millions of pesos at year-end 2016.

MORTGAGE LOANS - COMPAÑÍA HIPOTECARIA PERÚ 2015					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	9.741	1.1%	24.2%	36	0.3%
Between 1 and 2 unpaid installments	550	N/A	N/A	25	N/A

Between 3 and 23 unpaid installments	647	100.0%	22.1%	146	22.1%
Between 24 and 35 unpaid installments	N/A	100.0%	20.9%	N/A	20.9%
More than 36 unpaid installments	N/A	N/A	N/A	N/A	N/A
Total	10.939			206	1.9%

\* In millions of pesos at year-end 2015.

STATE-SPONSORED MORTGAGE LOANS - COMPAÑÍA HIPOTECARIA PERÚ 2016					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	2.090	0.0%	19.6%	-	0.0%
Between 1 and 2 unpaid installments	118	0.0%	22.7%	-	0.0%
Between 3 and 23 unpaid installments	N/A	N/A	N/A	N/A	N/A
Between 24 and 35 unpaid installments	156	100.0%	21.9%	34	21.9%
More than 36 unpaid installments	211	100.0%	115.0%	243	115.0%
Total	2.575			277	10.8%

\* In millions of pesos at year-end 2016.

STATE-SPONSORED MORTGAGE LOANS - COMPAÑÍA HIPOTECARIA PERÚ 2015					
Portfolio	Unpaid balance	Probability of Default	Loss Given Default	Expected Loss	Expected Loss %
With no unpaid installments	2.412	0.0%	19.6%	8	0.0%
Between 1 and 2 unpaid installments	N/A	0.0%	22.7%	N/A	0.0%
Between 3 and 23 unpaid installments	122	N/A	N/A	25	N/A
Between 24 and 35 unpaid installments	263	100.0%	21.9%	64	21.9%
More than 36 unpaid installments	N/A	100.0%	115.0%	N/A	115.0%
Total	2.797			97	3.5%

\* In millions of pesos at year-end 2015.

37.3.1.4. Credit risk management - Third Party Funds

With regard to SURA Asset Management’s credit risk exposure in handling third-party funds, in keeping with its fiduciary duty, the Company’s fund management function includes due diligence performed on all investees, including issuers, counter-parties and fund management firms.

Independent risk teams, on both a functional as well as organizational level, are responsible for controlling and monitoring the different investment operations. These teams are in charge of conducting follow-ups on the different investment portfolios, monitoring the levels of market, credit, liquidity and other risks that may have a negative impact on the rates of return earned by the different portfolios. It is the responsibility of the risk management team to sound an alert with regard to any possible failure to comply with both internal and external rules and regulations as well as to remit such alerts to the Risk Committee so that the respective corrective measures may be taken.

37.3.1.5. Impairment of Assets and Accounts Receivable

Grupo Sura periodically tests for impairment and, whenever necessary, impairment losses are recognized in the corresponding account.

For more detailed information regarding impairment testing methods used in the case of financial, non-financial and reinsurance assets can be found in Note 8. Financial instruments and Note 18 Impairment of non-financial assets

37.3.2. Market Risk Management

This type of risk management focuses on how fluctuations in market prices affect the value of the portfolios handled as well as subsidiary revenues. Market Risk Management Systems have been deployed to identify, measure and monitor the exposure corresponding to the portfolios held by the insurance firms as well as the handling of these along with third party funds. These systems are composed of a set of policies, procedures, monitoring mechanisms and internal controls.

The impact of variables such as interest and exchange rates and asset prices on the Company’s performance are also subject to periodic monitoring. Furthermore, in order to mitigate their volatility, the possibility of hedging such risk is determined.

37.3.2.1. Market Risk Management - Subsidiary Cash Management Function

In the case of Grupo SURA, Sura Asset Management and Suramericana its market risk exposure is handled by their Cash Management Departments, these being responsible for monitoring currency and interest risks relating to the Group’s indebtedness.

In 2016, currency forwards were taken out to hedge the currency risk inherent to the payment of the acquisition of RSA’s Latin American operations. Furthermore, in order to finance this acquisition, Suramericana placed an issue of ordinary bonds worth COP 1 billion on the Colombian bond market. These all bear CPI-indexed interest, thus entailing an exposure to both inflation and interest rates. For its part, Grupo SURA placed an issue of ordinary bonds worth COP 100,000 million on the Colombian bond market, maturing in 2020 and bearing CPI-indexed interest It also placed an issue of ordinary bonds worth the equivalent of COP 1,650.39 million on the international market, through its subsidiary Grupo SURA Finance. This issue was placed in dollars (USD 550 million) for a term of 10 years. Bearing in mind that these issues of bonds are currency and inflation-linked, they represent a market risk for Grupo SURA.

37.3.2.2. Market Risk Management - Insurers’ Portfolios

As for how this risk is handled by Suramericana with regard to the portfolios held by its Insurance companies, methodologies, limits and / or alerts have been put firmly into place, based on internal policies and rules and regulations governing each of the countries where the companies are present Some of the measurements that are taken into account for this type of risk management include: Value at Risk, Sensitivities and Simulations. Here the inherent risk is examined from the standpoint of both the asset and liability positions held by the Companies

On the other hand , SURA Asset Management handles its market risk through its ALM (Assets and Liabilities Management) function which is a dynamic and continuous process. This begins with analyzing the liability profile of Sura Asset Management S.A., and depending on the corresponding risk appetite / return, a strategic asset allocation plan is drawn up, taking into account the feasibility of going ahead with such given market conditions (liquidity and depth) and the weight of the existing portfolio of investments (especially in relation to terms and accrual rates).

37.3.2.2.1. Currency exposure - insurers’ portfolios

The following table shows the currency exposure to insurers’ portfolios.

ASSETS PER TYPE OF CURRENCY FOR EACH COUNTRY - 2016					
Country	Local currency*	Real local currency*	USD	Others	Total
Suramericana					
Argentina	94.8%	0.0%	5.2%	0.0%	100.0%
Brazil	100.0%	0.0%	0.0%	0.0%	100.0%
Chile	11.0%	89.0%	0.0%	0.0%	100.0%
Colombia	67.0%	23.1%	8.6%	1.3%	100.0%
El Salvador	0.0%	0.0%	100.0%	0.0%	100.0%
Mexico	78.2%	8.8%	13.0%	0.0%	100.0%
Panama	0.0%	0.0%	100.0%	0.0%	100.0%
Dom. Republic	87.3%	0.0%	12.7%	0.0%	100.0%
Uruguay	76.2%	9.3%	14.5%	0.0%	100.0%
Sura Asset Management					
Chile	0.0%	99.8%	0.2%	0.0%	100.0%
Mexico	3.0%	96.8%	0.2%	0.0%	100.0%
Peru	35.8%	24.2%	40.0%	0.0%	100.0%

ASSETS PER TYPE OF CURRENCY FOR EACH INDIVIDUAL COUNTRY - 2015					
Country	Local currency*	Real local currency*	USD	Others	Total
Suramericana					
Colombia	71.6%	13.9%	12.7%	1.8%	100.0%
El Salvador	0.0%	0.0%	100.0%	0.0%	100.0%
Panama	0.0%	0.0%	100.0%	0.0%	100.0%
Dom. Republic	76.5%	0.0%	23.5%	0.0%	100.0%
Sura Asset Management					
Chile	0.0%	99.9%	0.1%	0.0%	100.0%
Mexico	3.6%	96.2%	0.2%	0.0%	100.0%
Peru	31.1%	24.2%	44.7%	0.0%	100.0%

This table includes Unit Linked funds (a product carrying both a insurance and a savings component offered by the insurance companies belonging to Sura Asset Management) since these are included in their financial statements, although the investment risk is borne by the policy-holder.

\*Local currency: Colombia - COP, Panama - PAB, Dominican Republic- COP, El Salvador - SVC, Chile - CLP, Mexico - MXN, Peru - PEN, Uruguay – UYU, Brazil BRL.

\* Real Local Currency: Colombia – UVR, Chile – UF, Mexico – UDI, Peru– Soles VAC, Uruguay - UI

Analysis of exchange rate risk sensitivities - insurers’ portfolios

The following is a sensitivity analysis that measures the impact of exchange rate fluctuations on the Companies’ pre-tax earnings

The methodology used for analyzing this corresponding exchange rate sensitivity analysis took into account the Company’s foreign exchange exposure for both the asset and liability accounts of the respective company’s balance sheet, examining the impact that a variation of -10% with the corresponding exchange rate would have on its pre-tax earnings

The net result obtained is broken down as follows

EXCHANGE RATE SENSITIVITY		
(-10%) with the exchange rate	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
Suramericana		
Argentina	(2,583)	N/A
Brazil	931	N/A
Chile	5.114	N/A
Colombia	(6,342)	(43,747)
El Salvador	-	N/A
Mexico	(3,580)	N/A
Panama	-	-
Dom. Rep.	(1,097)	(1,441)
Uruguay	(190)	N/A
Total	(7.747)	(45.188)
Sura Asset Management	(1,110)	(239)
Chile	(1.110)	(239)
Mexico	(91)	(179)
Peru	3.772	2.816
Total	2.571	2.397

Figures stated in COP millions

37.3.2.2.2. Interest rate exposure on insurers’ portfolios

The following shows a breakdown of the exposure for the Fixed Income and Equity Assets belonging to the insurers’ portfolios.

EXPOSURE FOR FIXED INCOME AND EQUITY ASSETS 2016								
Fixed Income Securities				Equity Securities			Others	Total
Country	Fixed rate	Variable rate	Subtotal	Local	Foreign	Subtotal		
Suramericana								
Argentina	25.8%	39.1%	64.9%	35.1%	0.0%	35.1%	0.0%	100.0%
Brazil	49.1%	49.1%	98.2%	1.8%	0.0%	1.8%	0.0%	100.0%
Chile	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Colombia	33.6%	57.2%	90.9%	5.1%	4.0%	9.1%	0.0%	100.0%
El Salvador	98.4%	1.6%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Mexico	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Panama	86.6%	0.0%	86.6%	13.4%	0.0%	13.4%	0.0%	100.0%
Dom. Republic	97.0%	2.0%	98.9%	1.1%	0.0%	1.1%	0.0%	100.0%
Uruguay	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Sura Asset Management								
Chile	60.4%	0.0%	60.4%	0.0%	0.0%	0.0%	39.6%	100.0%
Mexico	99.7%	0.0%	99.7%	0.0%	0.0%	0.0%	0.3%	100.0%
Peru	82.9%	0.0%	82.9%	0.0%	0.3%	0.4%	16.7%	100.0%

EXPOSURE FOR FIXED INCOME AND EQUITY ASSETS 2015								
Fixed Income Securities				Equity Securities			Others	Total
Country	Fixed rate	Variable rate	Subtotal	Local	Foreign	Subtotal		
Suramericana								
Colombia	33.1%	50.5%	83.6%	11.1%	5.4%	16.5%	0.0%	100.0%
El Salvador	98.4%	1.6%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Panama	96.0%	0.0%	96.0%	2.8%	1.2%	4.0%	0.0%	100.0%
Dom. Republic	98.6%	1.4%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Sura Asset Management								
Chile	57.4%	0.0%	57.4%	0.4%	0.0%	0.4%	42.2%	100.0%
Mexico	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Peru	85.9%	0.0%	85.9%	0.1%	0.4%	0.5%	13.6%	100.0%

Unit Linked funds are included in the case of Sura Asset Management, since they form part of the financial accounts of its insurance companies, insurers, although the investment risk is borne by the policy-holder.

Analysis of interest rate risk sensitivities - insurers’ portfolios

The following is a sensitivity analysis that measures the impact that unfavorable changes in interest rates would have on the pre-tax earnings of the insurance companies. The tool used by each Company takes into account the systems and tools that each one has implemented.

Suramericana: Only the investments valued at market prices (at fair value) were considered for this interest rate sensitivity analysis. Those valued at amortized cost were not taken into account, since these are not subject to interest rate volatility. Neither were financial liabilities considered since these are recorded at amortized cost.

For each asset that was considered as part of this analysis, the modified duration was calculated and weighted based on its market value, for which a change of 10 bp was subsequently tested.

The net result between assets and liabilities, and their impact on pre-tax earnings is shown below.

INTEREST RATE SENSITIVITIES - MODIFIED DURATION METHOD		
(+10pb) in Interest Rates	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
Suramericana		
Argentina	(470)	N/A
Brazil	(173)	N/A
Chile	(7)	N/A
Colombia	(5.271)	(8.608)
El Salvador	(1)	(55)
Mexico	(8)	N/A

Panama	(434)	(914)
Dom. Rep.	(1)	-
Uruguay	(86)	N/A
Total	(6.451)	(9.577)

Figures stated in COP millions

Sura Asset Management In the case of Sura Asset Management, the portfolios held by the insurance companies, through real currency denominated assets carry an exposure risk to interest and inflation rates.

The methodology used for analyzing this inflation rate sensitivity analysis took into account the real currency exposure corresponding to the asset and liability accounts of the respective company’s balance sheet, examining the impact that a variation of +100 bp would have its pre-tax earnings

The net result obtained is broken down as follows

INTEREST RATE SENSITIVITY - ALM MODEL 2016		
(+100bp) with the inflation rate	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
Sura Asset Management		
Chile	(8.440)	(7.934)
Mexico	(601)	(746)
Peru	914	993
Total	(8.127)	(7.687)

Figures stated in COP millions

37.3.2.2.3. Risk of Price Changes: Equities and Real Estate

The portfolios of the insurance companies are subject to risks relating to the prices of the assets therein held. Equities are differentiated from real estate assets.

The following table shows the impact on pre-tax earnings of a 10% drop in the prices of equities and / or real estate assets held by the insurance companies.

SENSITIVITY TO STOCK AND REAL ESTATE PRICES				
Impact on Pre-tax Earnings- 2016			Impact on Pre-tax Earnings- 2015	
Business Unit	(-10%) in Stock Prices	(-10%) in Real Estate Prices	(-10%) in Stock Prices	(-10%) in Real Estate Prices
Suramericana				
Argentina	(856)	-	N/A	N/A
Brazil	(49)	-	N/A	N/A
Chile	(13)	-	N/A	N/A
Colombia	(41.456)	(31.631)	(64.363)	(22.910)
El Salvador	-	-	-	-
Mexico	(11)	-	N/A	N/A
Panama	(228)	-	(175)	0
Dom. Republic	(71)	-	-	-
Uruguay	-	-	N/A	N/A
Total	(42.684)	(31.631)	(64.538)	(22.910)

Figures stated in COP millions

Sura Asset Management

SENSITIVITY TO STOCK AND REAL ESTATE PRICES				
Impact on Pre-tax Earnings- 2016			Impact on Pre-tax Earnings- 2015	
Business Unit	(-10%) in Stock Prices	(-10%) in Real Estate Prices	(-10%) in Stock Prices	(-10%) in Real Estate Prices
Sura Asset Management				
Chile	(214)	(57.651)	(174)	(53.590)
Mexico	0	0	0	0
Peru	(1.667)	(39.551)	(1.502)	(21.742)
Total	(1.881)	(97.201)	(1.676)	(75.332)

Figures stated in COP millions



The analyzes carried out did not consider the interdependent nature of the risks thus evaluated, therefore the impact of said risks could be considerably smaller.

37.3.2.2.4. Volatility Risk Affecting the Legal Reserves for the Pension Business

The rules and regulations governing the pension business requires each Company to maintain its own equity invested in a legal reserve should the Company fail to fulfill its obligations.

It is important to note that the underlying assets must maintain the same ratio as the underlying assets in the managed funds (that is to say, the Company must buy units in its own managed funds) The following table shows the different percentages of legal reserve requirements per business unit, as a percentage of the funds managed:

% LEGAL RESERVE FOR MANAGED FUNDS	
Business unit	% Legal reserve
Chile	1.0%
Mexico	0.7%
Peru	1.0%
Uruguay	0.5%

In view of these investments, the Companies are exposed to market risk, which could affect the value of said reserves and the Companies themselves. The following is an analysis of the impacts that market variables could have on pre-tax earnings, over a horizon of one year

In the case of Mexico and Peru, where the remuneration obtained depends on the amount of managed funds, this exercise also includes the impact that a reduction in the values of the funds thus managed could have, as a result of market volatility.

VOLATILITY RISK AFFECTING THE LEGAL RESERVES FOR THE PENSION BUSINESS		
Deviation	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
-10% in Variable Valuations		
Chile	(34.673)	(39.685)
Mexico	(24.723)	(21.530)
Peru	(22.708)	(20.563)
Uruguay	(245)	(221)
Total	(82.349)	(81.999)
+100 bp in Interest Rates		
Chile	(56.516)	(43.565)
Mexico	(48.277)	(70.626)
Peru	(15.445)	(13.867)
Uruguay	(1.370)	(930)
Total	(121.608)	(128.988)
-10% depreciation in foreign currency		
Chile	(37.435)	(43.721)
Mexico	(12.849)	5.269
Peru	(27.307)	(27.975)
Uruguay	(954)	(1.001)
Total	(78.545)	(67.428)

Figures stated in COP millions

The analyzes carried out do not consider the interdependent nature of the risks thus assessed, therefore the impact of these risks could be considerably smaller.

37.3.2.2.5. Exposure to Sura Asset Management’s Seed Capital

In order to drive the growth of some of its investment products, Sura Asset Management, through its own lines of businesses, has provided seed capital for certain projects as mentioned below:

Pacific Alliance Fund - Variable Income: In conjunction with King Irving, a fund was set up (domiciled in Australia) for the purpose of investing in a diversified

portfolio of capitalization instruments issued by companies that are domiciled in or whose assets or operations are mainly located in the emerging Latin American markets specifically member countries of the Pacific Alliance .

Given the nature of these investments, the invested capital is exposed to financial volatility risk in the form of currencies and equities.

Pacific Alliance Fund - Fixed Income: This Fund invests in a portfolio of fixed income instruments, issued by companies that are located in the member countries of the Pacific Alliance.

Given the nature of these investments, the invested capital is exposed to financial volatility risk in the form of currencies and fixed income rates.

Fondo de Infraestructura (Infrastructure Fund) This private equity fund was sent up as part of an alliance with Credicorp Capital for the purpose of investing in infrastructure projects throughout the region

Given the nature of these investments, this capital shall be exposed to the inherent financial volatility risks given changes in project appraisals.

Real Estate Fund This Fund is managed by the subsidiary SURA Real Estate, the purpose of which is to invest in real estate.

At year-end 2016, the payment of the aforementioned seed capital for this fund has not yet been made effective Given the respective type of investment, this capital shall be exposed to changes in the values of real estate projects as well as exchange rates, since these projects may well be located in different countries.

Sensitivity Analysis

The following sensitivity analysis was performed on the assets that make up the Pacific Alliance Variable Income and Fixed Income funds in which the seed capital was invested. No analyses were performed on the infrastructure and real estate funds, due to the insignificant amount of capital paid in so far.

VOLATILITY RISK FOR THE SEED CAPITAL INVESTED IN THE PACIFIC ALLIANCE VARIABLE INCOME FUND		
Deviation	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
<b>-10% in Variable Valuation</b>		
Impairment to the value of Chilean variable income instruments	(1,280)	(1,752)
Impairment to the value of Colombian variable income instruments	(592)	(809)
Impairment to the value of Mexican variable income instruments	(3,149)	(3,303)
Impairment to the value of Peruvian variable income instruments	(1,242)	(607)
<b>Total</b>	<b>(6,263)</b>	<b>(6,470)</b>
<b>-10% depreciation in foreign currency</b>		
Depreciation of the Chilean peso	(1,280)	(1,752)
Depreciation of the Colombian peso	(592)	(809)
Depreciation of the Mexican peso	(3,149)	(3,303)
Depreciation of the Peruvian sol	(1,242)	(607)
<b>Total</b>	<b>(6,263)</b>	<b>(6,470)</b>

Figures stated in COP millions

VOLATILITY RISK FOR THE SEED CAPITAL INVESTED IN THE PACIFIC ALLIANCE FIXED INCOME FUND	
Deviation	Impact on Pre-tax Earnings.
<b>-10% in Fixed Income Appraisals</b>	
Impairment to the value of Chilean variable income instruments	(320)
Impairment to the value of Colombian variable income instruments	(366)
Impairment to the value of Mexican variable income instruments	(839)
Impairment to the value of Peruvian variable income instruments	(183)
<b>Total</b>	<b>(1,709)</b>
<b>-10% depreciation in foreign currency</b>	
Depreciation of the Chilean peso	(320)
Depreciation of the Colombian peso	(366)
Depreciation of the Mexican peso	(839)
Depreciation of the Peruvian sol	(183)
<b>Total</b>	<b>(1,709)</b>

\* In millions of pesos at year-end 2016.

In 2015, there were no sensitivities to be examined with the Pacific Alliance Fixed Income Fund given the absence of any exposure during said year. These results did not take into account the interdependent nature of the risks thus assessed.

37.3.3. Liquidity Risk Management

Liquidity risk refers to the Company’s ability to produce sufficient funds to meet its obligations and run its business.

Subsidiary efforts in managing this risk are in keeping with its short and long term liquidity management strategy so as to ensure compliance with their obligations under the initially agreed terms and conditions without incurring in any extra expense. Follow-ups are also carried out on short-term cash flows in order to cover short-term receivables and payables and mid-term cash flow projections are conducted to determine the Subsidiary’s liquidity positions and anticipate the measures required for their proper management.

Also, and in order to address certain specific situations, the Subsidiaries maintain at their disposal lines of credit from various financial institutions as well as short-term, highly liquid investments that can be readily sold off, as well as other sources of additional liquidity.

In 2016, the Companies carried out important transactions that required an active handling of their liquidity.

Grupo SURA, increased its stake in Sura Asset Management for a value of USD 538 million.

Grupo SURA also capitalized Suramericana in the amount of COP 1,081.148 million for the acquisition of the RSA Latin American operations (in Chile, Argentina, Mexico, Brazil, Colombia and Uruguay). 69% of this transaction was financed by its shareholders, including Grupo Sura with the remaining 31% through an issue of ordinary bonds placed by Suramericana that came to COP 1 billion. In order to finance these transactions and the payments due on the date of maturity of the bonds thus issued, Grupo Sura acquired the following debt:

- I) An issue of ordinary bonds placed on the Colombian securities market, worth COP 100,000 million and maturing in 2020.
- ii) An issue of ordinary bonds placed on the international markets through its subsidiary SURA Finance, worth USD 550 million and carrying a term of 10 years.
- iii) Other financial transactions.

37.3.3.1. Liquidity Risk Management - Insurers' Portfolios

The table below shows the maturities of financial assets at year-end 2016. In the case of Sura Asset Management, maturities are shown at their nominal value as well as the coupons of those securities held as part of its investment portfolio. In the case of Suramericana, the maturities of its portfolio securities are presented at market value.

ASSETS CLASSIFIED ON A # MONTHS TO MATURITY BASIS - 2016 *									
Suramericana									
Term (months)	Argentina	Brazil	Chile	Colombia	El Salvador	Mexico	Panama	Dom.	Uruguay
0 to 1	22.823	151.910	41.715	969.510	47.140	27.914	100.907	25.236	25.414
1 to 3	141.937	3.871	46.866	202.273	41.204	0	2.704	6.398	17.205
3 to 12	24.382	63.431	119.379	884.520	88.225	6.439	35.689	17.220	111.314
0 to 12	189.142	219.213	207.961	2,056,302	176.569	34.353	139.300	48.854	153.933

\* In millions of pesos at year-end 2016.

\* In the case of the Suramericana insurance companies, this includes the maturities of the fixed income financial assets held as part of their investment portfolios plus cash and cash equivalents

ASSETS CLASSIFIED ON A # MONTHS TO MATURITY BASIS - 2016 *			
Sura Asset Management			
Term (months)	Chile	Peru	Mexico
0 to 1	85.413	71.352	55.308
1 to 3	50.315	63.780	2.668
3 to 12	296.891	292.007	79.991
0 to 12	432.619	427.139	137.967

\* In millions of pesos at year-end 2016

The following table shows the maturities of the insurance liabilities posted by the Companies at year-end 2016. These amounts correspond to liabilities for reported claims, incurred but not reported losses and estimated losses for the profile of flows corresponding to the mathematical reserves, as applicable.

LIABILITIES CLASSIFIED ON A # MONTHS TO MATURITY BASIS - 2016 *									
Suramericana									
Term (months)	Argentina	Brazil	Chile	Colombia	El Salvador	Mexico	Panama	Dom.	Uruguay
0 to 1	31.047	43.622	36.938	96.766	6.207	9.470	18.093	2.338	27.907
1 to 3	60.516	86.147	51.501	253.219	12.290	14.175	16.328	4.627	6.796
3 to 12	93.186	21.102	74.320	656.187	39.323	12.227	38.737	17.033	410
0 to 12	184.749	150.870	162.759	1,006,172	57.820	35.871	73.158	23.998	35.114

\* In millions of pesos at year-end 2016.

LIABILITIES CLASSIFIED ON A # MONTHS TO MATURITY BASIS - 2016 *			
Sura Asset Management			
Term (months)	Chile	Peru	Mexico
0 to 1	68.298	16.423	71.318
1 to 3	50.709	39.206	14.403
3 to 12	245.698	200.609	69.642
0 to 12	364.706	256.237	155.364

\* In millions of pesos at year-end 2016.

### 37.4. BUSINESS RISK MANAGEMENT

These consist of all those risks arising from the subsidiaries’ business model and performance. In the case of Suramericana and SURA Asset Management, these risks are directly related to insurance and third-party fund management, these being their main business activities.

The following is a breakdown of business risks to which both subsidiaries are exposed:

#### 37.4.1. Technical Risk Management - Insurance Companies

The ain non-financial risks that may affect these companies are related to changes to the mortality, longevity and morbidity rates of the target population, as well as adverse deviations to the Companies’ claims rates, the adequacy of their technical reserves and their operating efficiency in general.

##### 37.4.1.1. Mortality, Longevity and Morbidity Risk

The following sensitivity analyzes were performed on the sociodemographic trends that could affect the target population. The mortality rate represents the percentage of deaths in a given population, the morbidity rate refers to the number of sick people, and the longevity rate depict how long people live.

##### Suramericana

Compañía de Seguros de Suramericana in Colombia performs a sensitivity analysis on structural changes, which takes into account the effects on pre-tax earnings of changes to the most important parameters when valuing long-term commitments to its policy-holders.

It is important to note that these structural effects affect expectations for future years and consequently the value of long-term reserves covering insurance policies.

SENSITIVITIES			
Suramericana's Insurance Companies in Colombia			
Country	Risk	Impact on Pre-tax Earnings- 2016	Impact on Pre-tax Earnings- 2015
Colombia	+ 30% increase in the Mortality Rate	(48.816)	(66.278)
	+ 40% increase in the Morbidity Rate	(62.170)	(90.957)
	+ 10% increase in the Longevity Rate	(32.448)	(30.110)

Figures stated in COP millions

As for Workers´ Compensation Insurance the current occupational health and safety trends and patterns were analyzed, as well as the longevity trend on pension obligations. These sensitivity analyses produced the following results:

SENSITIVITIES			
Suramericana - Workers´ Compensation Insurance Colombia			
Country	Risk	Impact on Pre-tax Earnings - 2016	Impact on Pre-tax Earnings - 2015
Colombia	+ 3.5% increase in the Morbidity Rate	(8.883)	(16.686)
	+ 10% increase in the Longevity Rate	(12.291)	(10.371)

Figures stated in COP millions

Sura Asset Management

Sura Asset Management

In the case of Sura Asset Management, morbidity risk is mainly linked to its exposure with Group Health Insurance in Chile. This risk is not modeled in Peru and Mexico, given its insignificance in terms of the portfolios held.

The mortality risk increased with the portfolio corresponding to Mexico, given a higher volume of individual life insurance, whereas this exposure has declined in

SENSITIVITIES			
Sura Asset Management			
Business Unit	Deviation	Impact on Pretax Earnings - 2016	Impact on Pretax Earnings - 2015
Chile	+10% en Mortalidad	(12,613)	(14,916)
Peru	+10% en Mortalidad	(5,969)	(6,257)
Mexico	+10% en Mortalidad	(1,017)	(688)
Total		(19,599)	(21,861)
Chile	+10% en Morbilidad	(5,025)	(5,135)
Peru	+10% en Morbilidad	-	-
Mexico	+10% en Morbilidad	-	-
Total		(5,025)	(5,135)
Chile	+ 10% en Longevidad	(74,700)	(55,015)
Peru	+ 10% en Longevidad	(71,020)	(70,164)
Mexico	+ 10% en Longevidad	(31,776)	(28,096)
Total		(177,496)	(153,274)

37.4.1.2. Risks relating to Underwriting, Charging and Inadequate Reserves

The risk of inadequate reserves has to do with the probability of incurring losses as a result of underestimating or overestimating technical reserves and other contractual obligations (profit sharing, payment of guaranteed benefits, etc.).

Underwriting risk, on the other hand, refers to the possibility of incurring losses as a result of inadequate policies and practices in designing or placing products, as well as the probability of incurring losses as a result of charging less than that required to cover the expenses of the business unit.

Suramericana manages this risk using two approaches, the design and development of solutions, which defines the policies, processes and controls for the underwriting and pricing of products, and periodic monitoring for gauging whether the rate defined for a certain period covers future contractual obligations.

The aim of this analysis is to understand whether the retained earned premium is sufficient to cover the amount of expense incurred by the insurance company, in terms of claims rates, technical and administrative expense, financial income and the minimum returns expected by the shareholders given the risks taken on.

In the case of Sura Asset Management the underwriting strategy is designed to avoid the risk of anti-selection and ensure that the corresponding charges take into account the real risk. There are also underwriting limits to ensure that the appropriate selection criteria is chosen.

Sensitivity analysis for the Property and Casualty Insurers

Compañía de Seguros Generales de Suramericana in Colombia performs a sensitivity analysis on the risk of accrued premiums and reserves for non-life insurance, following the guidelines defined in “QIS 5 Technical Specifications” under the Solvency Framework Directive.

This model allows the Organization to understand the risks assumed and their possible deviations in a connected fashion, taking into account their correlations and the Company’s own internal processes. Given this approach, this sensitivity analysis is not performed on each individual solution, but rather the impact of these is measured on a company-wide basis

The period covered by this analysis was from January to December 2016, and required taking the volume of premiums and the volume of reserves (Claim Reserves) as input for each line of business. Likewise, the standard deviations for assessing the risk to premiums and reserves, per line of business are taken from “QIS 5 Technical Specifications” under the Solvency Framework Directive.

The following table shows the impact on premiums and reserves, taking into account a correlation for both risks of 0.5, which represents the scope of the change in pre-tax earnings.

SENSITIVITIES		
Suramericana - Property and Casualty Insurance Colombia		
Risk	Impact on Pre-tax Earnings - 2016	Impact on Pre-tax Earnings - 2015
Premiums	(67.877)	(41.398)
Reserves	(12.375)	(9.230)

Figures stated in COP millions

In the case of Suramericana, and for the rest of the property and casualty insurance operations acquired in 2016, a plan was drawn up in order to close gaps with the implementation of internal solvency models throughout 2017. These, in addition to quantifying the required capital, gauge the impact that a deviation in the accident rate would have, taking into account all the connections and correlations that this risk entails with other aspects of the organization.

Consequently, the sensitivity for new companies is presented as the consolidated result of a negative deviation with the retained incurred loss rate of 1%, however this impact is in no way indicative of the probability of this event occurring.

The total impact on pre-tax earnings, based on the corresponding financial statements at the end of November 2016, for Suramericana’s property and casualty insurance companies in Argentina, Chile, Mexico and Uruguay is shown as follows:

SENSITIVITIES	
Property and casualty insurance	
Company	Impact on Pre-tax Earnings
Property and Casualty Insurance	(20.647)

Actual claims vs. Previous Estimates for the Property and Casualty Insurance Companies

In order to evaluate how the claims reserves held by Compañía de Seguros Generales de Suramericana perform in terms of pay-outs, we estimated the percentage of the balances held in said reserves that was paid out 2016. Here the balances held in the claims reserves at year- end 2015 and the amounts paid out in 2016, corresponding to exposures existing prior to 2016.

This analysis covered only the solutions that take more than a year for the claims rate to be adequately gauged. In the case of the solutions corresponding to the RSA acquisition, the balances held in the corresponding reserves at year-end 2015 were used.

In terms of the balances held in the claims reserves set up at year-end 2015, 41% corresponded to pay-outs carried out in 2016.

In the case of Seguros Vida de Suramericana and Sura Asset Management, more detailed information regarding their technical reserves and their annual variations can be found in Note 10 Insurance Contracts and Note 10.4 Technical Reserves - Insurance Contracts.

**37.4.1.3. Liability Adequacy Tests**

In the case of Suramericana´s Insurance Companies, liability adequacy tests were performed on their technical reserves, as periodically recorded, so as to determine whether they were adequate. In the event that the aforementioned tests show that said reserves are indeed insufficient, adjustments are made in accordance with that provided by the methodologies used as well as the plans put into place by the different companies.

Liability adequacy tests were performed on the technical reserves corresponding to the Insurance Companies belonging to Sura Asset Management, as periodically recorded, so as to determine whether these were sufficient in all their dimensions (technical assumptions, expense and discount rates). Here, the discount rate was compared to the potential returns obtained from their asset portfolios to ensure that the corresponding flows are sufficient to meet the commitments involving these reserves.

**37.4.1.4. Reinsurance Risk**

This refers to losses as a result of reinsurers defaulting on their obligations, since the Company must guarantee at all times that claims are duly paid. Therefore, in order to manage this risk, measures have been designed and implemented to prevent, mitigate and monitor this type of exposure. Said measures are based on quantitative and qualitative analyses of the reinsurers in question, the purpose of which is to assess their financial soundness as well as gauge their market position. This is carried out when the counter-party is first approved and continues through their permanent monitoring.

Furthermore, in accordance with asset impairment practices, accounts receivable from reinsurers and co-insurers are examined for impairment based on the incurred loss principle. Each company has drawn up its own impairment methodologies and models in compliance with the respective regulatory requirements and frameworks specific to each country.

Given their respective business models, this particular risk is relevant to Suramericana´s insurance operations, but not for Sura Asset Management whose operations are mainly concentrated in the life insurance segment.

**37.4.2. Risk Management - Pension Fund Management firms.**

**37.4.2.1. Business volatility risk**

Business volatility risk for the Pension Fund Management firms consists of changes to business variables that affect their financial results. From the standpoint of this type of volatility risk, the financial effects are analyzed over a horizon of one year, taking into account the following variables:

- » Commission income performance: where the effects of a 10% reduction are analyzed.
- » Client factors: where the effects of a 10% increase in clients transferring out are analyzed

The following table shows the effects of Business Volatility Risk on Sura Asset Management S.A.'s pension business.

SENSITIVITIES			
Sura Asset Management			
Business Unit	Deviation	Impact on Pre-tax Earnings - 2016	Impact on Pre-tax Earnings - 2015
Chile	-10% in Management Commissions	(57.056)	(54.947)
Mexico	-10% in Management Commissions	(59.267)	(75.112)
Peru	-10% in Management Commissions	(39.188)	(40.448)
Uruguay	-10% in Management Commissions	(7.515)	(6.827)
Total		(163.026)	(177.334)
Chile	+10% in Transfers	(2.897)	(2.689)
Mexico	+10% in Transfers	(1.239)	(1.933)
Peru	+10% in Transfers	(1.567)	(778)
Uruguay	+10% in Transfers	(8)	(5)
Total		(5.711)	(5.405)

Figures stated in COP millions

These results do not consider the interdependent nature of the risks thus assessed.

37.4.2.2. Risks Regarding Guaranteed Minimum Returns

Rules and regulations governing the pension business (with the exception of Mexico) requires that each company maintains adequate levels or returns compared to the rest of the industry. Here, the gap existing between fund returns provided by SURA Asset Management S.A.'s Business Units and those provided by the rest of the industry is examined.

Should the difference in returns exceed the regulatory thresholds, the Pension Fund Management firm must reimburse each fund in order to maintain the stipulated return thresholds.

The following table shows the effects of a 1 bp change in the Guaranteed Minimum Return gap.

It is worth noting that, since measurements of average returns are made over a period of 36 months and given the substantial similarity with strategic asset allocation on the part of the pension fund industry, significant deviations in the short and medium term are very unlikely.

SENSITIVITIES			
Sura Asset Management			
Business Unit	Deviation	Impact on Pre-tax Earnings - 2016	Impact on Pre-tax Earnings - 2015
Chile			
Fund A	Change of 1 bp in the minimum guaranteed return	(3.850)	(4.936)
Fund B	Change of 1 bp in the minimum guaranteed return	(4.294)	(4.822)
Fund C	Change of 1 bp in the minimum guaranteed return	(10.050)	(10.345)
Fund D	Change of 1 bp in the minimum guaranteed return	(5.806)	(5.319)
Fund E	Change of 1 bp in the minimum guaranteed return	(6.091)	(3.475)
Peru			
Fund 1	Change of 1 bp in the minimum guaranteed return	(1.792)	(1.940)
Fund 2	Change of 1 bp in the minimum guaranteed return	(10.231)	(9.670)
Fund 3	Change of 1 bp in the minimum guaranteed return	(2.116)	(2.191)
Uruguay			
Accumulation	Change of 1 bp in the minimum guaranteed return	(1.687)	(1.574)
Withdrawals	Change of 1 bp in the minimum guaranteed return	(302)	(236)

Figures stated in COP millions



37.4.2.3. Volatility Risk on Provision for Deferred Income Liability (DIL)

All those pension fund management firms that charge a wage-based management fee, must set up a provision for deferred income, in order to cover the costs of managing said funds, when the fund member becomes a non-contributor but maintains his or her savings with said firm, and consequently the firm no longer receives fees or commissions for managing these funds.

This provision is determined as the present value of the estimated costs, which are calculated based on the historical variables inherent to client factors. This present value is calculated using the local AAA rated corporate bond rates with no prepayment option as a discount rate, over a similar forecast horizon (20 years). For this reason, given the volatility inherent to the discount rate, changes in the valuation of this provision could well have an impact on the results of Sura Asset Management Subsidiaries.

The following table shows the effects of volatility risk on assessing the value of the provision for deferred income liabilities, as set up by Sura Asset Management, this caused by fluctuating discount rates.

SENSITIVITIES			
Sura Asset Management			
Business Unit	Deviation	Impact on Pre-tax Earnings - 2016	Impact on Pre-tax Earnings - 2015
Chile	- 100 bp in Interest Rates	(2.045)	(1.989)
Peru	- 100 bp in Interest Rates	(1.869)	(2.154)
Uruguay	- 100 bp in Interest Rates	(154)	(143)
Total		(4.068)	(4.285)

Figures stated in COP millions

These results do not consider the interdependent nature of the risks thus assessed.

37.4.3. Risk Management - Fund Management and Brokerage Firms

Business Risk corresponding to Fund Management and Brokerage Firms relates to changes in variables that could affect the Company’s financial results, including commission income performance.

The following table shows the effects of a decline in commission income of 10% over a horizon of 1 year.

SENSITIVITIES					
Sura Asset Management					
		Impact on Pre-tax Earnings - 2016		Impact on Pre-tax Earnings - 2015	
Business Unit	Deviation	Retail	Institutional	Retail	Institutional
Chile	-10% in Management Commissions	(5.014)	(275)	(4.555)	0
Mexico	-10% in Management Commissions	(1.176)	(3.063)	(916)	(3.209)
Peru	-10% in Management Commissions	(449)	(394)	(619)	0
Uruguay	-10% in Management Commissions	0	0	0	0
Total		(6.639)	(3.732)	(6.090)	(3.209)

Figures stated in COP millions

These results do not consider the interdependent nature of the risks thus assessed.

37.5. RISK MANAGEMENT - BUSINESS GROUP

In order to further the Group’s ability to anticipate events that could become a risk, in 2016, the Strategic Risk Management System for the entire Business group was updated, prioritizing risks to which it is exposed, these including:

Systemic and contagion risk : Risk events affecting one of the Group’s companies could well affect the others. Here we have concentrated our efforts on maintaining an adequate crisis, risk and reputation management function, enhancing the support provided to as well as our communication channels with our Subsidiaries should these critical risks materialize. This also includes adequate management and monitoring of the Subsidiaries’ financial position and reinforcing their internal control systems.

Concentration risk: Identifying the major exposures involving our Subsidiaries, which could entail jeopardizing the sustainability of the Business Group as a whole. The Company shall continue working on identifying, quantifying and managing this risk.

Risks associated with other portfolio investments: Grupo SURA holds significant stakes in Grupo Bancolombia, Grupo Nutresa and Grupo Argos, which entail an indirect exposure to the risks arising from the business sectors to which these belong as well as their performance.

The risks to which Grupo Bancolombia is exposed are mainly financial risks associated with its banking business, that is to say: i) impairment to its loan portfolio, ii) liquidity risk and iii) market risk due to adverse fluctuations with interest and exchange rates as well as asset prices. There are also other relevant risks such as changes in bank regulations, higher capital requirements, and others that could affect the Company.

With regard to Grupo Argos, the main risks to which this conglomerate is exposed are associated with the production and distribution of cement as well as the energy and infrastructure sectors. Furthermore, given the Group’s interests in

these industries, there is a consequent exposure to environmental, social and regulatory restrictions.

As for the food industry to which Grupo Nutresa belongs, the main risks here have to do with price volatility for raw materials, regulations regarding health and nutrition in all those countries where it is present as well as the highly competed food industry itself.

Risks associated with other companies belonging to the Business Group: ARUS and Hábitat Adulto Mayor form part of growing portfolio of investments that make up the SURA Business Group.

In the case of Habitat, which specialized in the care of the elderly, the Company is exposed to risks from behavioral and demographic changes that could potentially affect their current and potential clients; and thus the Company’s own performance. Similarly, conditions that affect the services it provides as well as its business operations, together with any new rules and regulations governing the sector, could well have an effect on this old age people’s home.

ARUS, which provides integrated information and technological services and knowledge solutions is primarily exposed to the risks associated with its technological platform (operating performance, availability, capacity and the obsolescence inherent to this type of company), as well as the risk of start-up competitors exerting pressure on the margins of some of its business lines and possible regulatory changes in social security payments that could affect its Social Security Collection System.

Possible regulations governing financial conglomerates: New regulations governing financial conglomerates are now being discussed in Colombia. These could well require greater coordination between the companies belonging to business groups with regard to issues such as corporate governance, risk management, capital requirements, etc.

Our Subsidiaries continue to reinforce the coordination function with all those countries where they are currently present, so as to capitalize on opportunities for working together in providing comprehensive services and creating new efficiencies.

37.6. OPERATING RISK MANAGEMENT

This type of risk has to do with events that prevent the Company’s normal operations as relating to people, technology and processes. When controls fail, these risks can cause reputational, legal or regulatory implications that could well lead to financial losses as well as the migration of clients..

This type of risk is handled from the following standpoints:

- » Business continuity risk In order to ensure appropriate strategies and operating procedures when people, processes, infrastructure and technology are affected, the Companies have drawn up their own Business Continuity plans, which include procedures, strategies and response teams of trained staff in order to address these adverse events.
- » Risk of Asset Laundering and the Financing of Terrorism: The Companies have appropriate risk management systems to address this type of exposure associated with funds produced by illegal activities. These systems include performing due diligence on suppliers, investors, clients, among other stakeholder groups, in addition to regular monitoring and follow-up activities.
- » Risk of Fraud and Corruption: the Company has provisions and guidelines in place for managing events that could trigger such risk and consequently minimize the probability of these occurring and materializing as well their consequent impact. In 2016, existing guidelines were consolidated within an Anti-Fraud and Anti-Corruption Policy Framework governing the entire Sura Business Group.
- » Legal Risk -Compliance: The Companies belong to highly regulated sectors and could be exposed to administrative processes and sanctions for failing to comply with the guidelines provided by the oversight authorities in each of the countries where present.
- » In order to manage compliance with legal requirements, the Companies have their own Legal and Compliance Departments that monitor compliance with the commitments thus acquired.

NOTE 38. CAPITAL MANAGEMENT

Grupo Sura ´s policy is to maintain a robust capital base so as to retain the confidence of investors, creditors and the market in general, as well as to sustain future development. The Company monitors shareholders´ return on equity and the level of dividends paid out.

The main purpose of Grupo de Inversiones Suramericana’s Capital Management function is to ensure a financial structure that optimizes the cost of capital for the company, maximizing shareholder returns and allowing access to financial markets at a competitive cost so as to be able to cover the Company’s financing needs.

Grupo Sura monitors its capital using the adjusted net debt to equity ratio. For this purpose adjusted net debt is defined as total financial liabilities, including interest-bearing loans plus proposed non-accrued dividends less cash and cash equivalents.

In order to comply with the financial debt indicators used by the credit rating agencies to measure the degree of investment in its subsidiaries. Grupo SURA's adjusted debt to equity ratio at year-end was as follows:

	2016	2015
Financial liabilities (Note 9.3)	9,744,402	6,265,444
Cash and cash equivalents (Note 8)	(2,066,959)	(1,433,184)
<b>Net debt</b>	<b>7,677,443</b>	<b>4,832,260</b>
Total equity (Note 24)	25,395,827	26,062,600
Adjusted net debt to equity ratio	30.23%	18.54%

(1) Net debt to equity

NOTE 39. INVESTMENT COMMITMENTS

The following investment commitments are scheduled for 2017:

- » The Subsidiary, Habitat Adulto Mayor is in the process of building a new Old Aged People´s home, Habitat Bernal.
- » Arus Holding S.A. holds investment commitments for the purchase of fixed assets for a value of COP 7.579 for renovating its technology.
- » At year-end 2016, Sura Investment Management S.A.S held a debt commitment as a result of having invested in the direct financing contract for road infrastructure works in Colombia, through its participation in the syndicated loans of the fourth generation (4G) highway projects .

Sura Investment Management S.A.S is participating in the 4G fund, specifically in the “Infrastructure I - Private Debt Funding” initiative with a committed investment of USD 24,995, to be applied at any time during a period of 10 years as of the date on which the agreement was signed, that is to say December 10, 2015 and shall be disbursed at market rates.

- » In addition to the above, Sura Asset Management hold investment commitments for the following funds:
- » Pacific Alliance Fund - Variable Income: In conjunction with King Irving, a fund was set up (domiciled in Australia) for the purpose of investing in a diversified portfolio of capitalization instruments issued by companies that are domiciled in or whose assets or operations are mainly located in the emerging Latin American markets specifically member countries of the Pacific Alliance .
- » Pacific Alliance Fund - Fixed Income: This Fund invests in a portfolio of fixed income instruments, issued by companies that are located in the member countries of the Pacific Alliance

- » Fondo de Infraestructura (Infrastructure Fund) This private equity fund was sent up as part of an alliance with Credicorp Capital for the purpose of investing in infrastructure projects throughout the region
- » Real Estate Fund This Fund is managed by the subsidiary SURA Real Estate, the purpose of which is to invest in real estate.

NOTE 40. RELATED PARTY DISCLOSURES

40.1. RELATED PARTIES

Grupo SURA's related parties consist of its subsidiaries, key management personnel and entities over which key management personnel may exercise control or joint control as well as employee post-employment benefits .

The following is a breakdown of Grupo SURA 's related parties at year-end 2015:

- a) Companies under the direct or indirect control of Grupo SURA are listed in Note 18.1 - Investments in Subsidiaries.
- b) Investments in associates and joint ventures  
  
Grupo SURA's associates and joint ventures are listed in Note 18.2 - Investments in associates and Note 18.3. Joint Ventures
- c) Grupo de Inversiones Suramericana's Shareholders:  
See list of shareholders contained in Note 1 REPORTING ENTITY

40.2. Transactions with related parties

Transactions between related parties include:

- » Loans between related companies: with contractually stipulated terms and conditions and at interest rates that are in keeping with the prevailing market rates. All are paid back in the short-term

- » Financial, management, IT and payroll services
- » Leases and subleases of office and retail space, as well as re-invoiced public utility bills corresponding to such.
- » Cash reimbursements.

It is worthwhile noting that all these are considered to be short-term transactions

Balances are reconciled at the end of each year, in order to eliminate all applicable inter-company transactions. The exchange difference with recorded rates are charged to income on the Consolidated Financial Statements

The following is a summary of the transactions carried out with related parties at year-end, which were subsequently eliminated in the consolidated financial statements:

2016

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Administradora General de Fondos Sura S.A.	AFP Capital S.A.	-	-	-	10
Administradora General de Fondos Sura S.A.	Corredores de Bolsa Sura S.A.	-	(893)	(62)	6.480
Administradora General de Fondos Sura S.A.	Seguros de Vida Sura S.A.	270	(2.026)	4.595	7.061
Administradora General de Fondos Sura S.A.	Sura Chile S.A.	-	(260)	-	1.841
Administradora General de Fondos Sura S.A.	Sura Data Chile S.A.	-	-	-	339
AFAP Sura S.A.	Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.	-	-	-	130
AFAP Sura S.A.	Sura Chile S.A.	-	(234)	(18)	365
Afore Sura S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(948)	-	2.078
Afore Sura S.A. de C.V.	Pensiones Sura S.A. de C.V.	147	-	(862)	-
Afore Sura S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	-	-	2.325
Afore Sura S.A. de C.V.	Seguros de Vida SURA Mexico S.A. de C.V.	15	-	(87)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Afore Sura S.A. de C.V.	Sura Art Corporation S.A. de C.V.	7	-	(43)	-
Afore Sura S.A. de C.V.	Sura Asset Management México S.A. de C.V.	7	-	(44)	-
Afore Sura S.A. de C.V.	Sura Chile S.A.	-	(3.371)	(273)	5.178
Afore Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	905	(284)	(4.062)	1.141
AFP Capital S.A.	Administradora General de Fondos Sura S.A.	-	-	(7)	(3)
AFP Capital S.A.	Corredores de Bolsa Sura S.A.	-	(341)	(21)	2.388
AFP Capital S.A.	Seguros de Vida Sura S.A.	-	(216)	(225)	3.718
AFP Capital S.A.	Sura Chile S.A.	-	-	(18)	9.167
AFP Capital S.A.	Sura Data Chile S.A.	-	-	-	3.681
AFP Capital S.A.	Sura S.A.	-	(75)	-	-
AFP Integra S.A.	Fondos Sura SAF S.A.C.	24	-	(125)	-
AFP Integra S.A.	Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	-	-	(24)	-
AFP Integra S.A.	Seguros Sura S.A. (formerly Invita)	-	(40)	(35)	278
AFP Integra S.A.	SURA Asset Management Perú S.A.	-	-	(69)	-
AFP Integra S.A.	Sura Asset Management S.A.	-	(30)	-	329
AFP Integra S.A.	Sura Chile S.A.	-	(1.335)	(40)	2.042
Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.	AFAP Sura S.A.	-	-	(130)	-
Aseguradora Suiza Salvadoreña S.A. Asesuisa	Asesuisa Vida, S.A. Seguros de Personas	771	(805)	(3.159)	-
Aseguradora Suiza Salvadoreña S.A. Asesuisa	Seguros Generales Suramericana S.A.	-	(100)	-	1.457
Asesores Sura S.A. de C.V.	Afore Sura S.A. de C.V.	948	-	(2.078)	-
Asesores Sura S.A. de C.V.	Pensiones Sura S.A. de C.V.	210	-	(1.123)	-
Asesores Sura S.A. de C.V.	Seguros de Vida SURA Mexico S.A. de C.V.	29	-	(131)	-
Asesores Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	1.477	-	(5.928)	-
Asesuisa Vida, S.A. Seguros de Personas	Aseguradora Suiza Salvadoreña S.A. Asesuisa	805	(771)	-	3.159
Asesuisa Vida, S.A. Seguros de Personas	Seguros de Vida Suramericana S.A.	-	(147)	(6.804)	6.548
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Arus S.A.	-	(29)	(25)	234
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Diagnóstico y Asistencia Médica S.A.	13	-	(99)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Enlace Operativo S.A.	-	-	(1)	-
Consultoría en Gestión de Riesgos Suramericana S.A.S.	EPS y Medicina Prepagada Suramericana S.A.	15	(10)	(156)	3
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros de Riesgos Laborales Suramericana S.A.	6.547	-	(64.645)	-
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros de Vida Suramericana S.A.	2	-	(20)	488
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros Generales Suramericana S.A.	33	-	(1.354)	64
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Servicios de Salud IPS Suramericana S.A.	-	(2)	(121)	75
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Servicios Generales Suramericana S.A.	-	(224)	-	27
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Suramericana S.A.	-	-	(10)	-
Corredores de Bolsa Sura S.A.	Administradora General de Fondos Sura S.A.	893	-	(6.480)	62
Corredores de Bolsa Sura S.A.	AFP Capital S.A.	341	-	(2.397)	30
Corredores de Bolsa Sura S.A.	Seguros de Vida Sura S.A.	390	(130)	(2.769)	1.140
Corredores de Bolsa Sura S.A.	Sura Chile S.A.	-	-	-	3.071
Corredores de Bolsa Sura S.A.	Sura Data Chile S.A.	-	-	-	363
Diagnóstico y Asistencia Médica S.A.	Arus S.A.	-	(77)	-	646
Diagnóstico y Asistencia Médica S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(13)	-	99
Diagnóstico y Asistencia Médica S.A.	EPS y Medicina Prepagada Suramericana S.A.	956	(48)	(46.988)	927
Diagnóstico y Asistencia Médica S.A.	Seguros de Riesgos Laborales Suramericana S.A.	209	(13)	(1.427)	21
Diagnóstico y Asistencia Médica S.A.	Seguros de Vida Suramericana S.A.	1.882	-	(20.257)	1.327
Diagnóstico y Asistencia Médica S.A.	Seguros Generales Suramericana S.A.	-	(5)	(114)	853
Diagnóstico y Asistencia Médica S.A.	Servicios de Salud IPS Suramericana S.A.	2.688	(3)	(33.099)	737
Diagnóstico y Asistencia Médica S.A.	Servicios Generales Suramericana S.A.	-	(16)	-	-
Enlace Operativo S.A.	Arus S.A.	-	(2)	-	-
Enlace Operativo S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	-	-	1
Enlace Operativo S.A.	EPS y Medicina Prepagada Suramericana S.A.	359	-	(4.021)	2
Enlace Operativo S.A.	Seguros de Riesgos Laborales Suramericana S.A.	1.426	-	(7.690)	-
Enlace Operativo S.A.	Seguros de Vida Suramericana S.A.	-	-	-	10

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Enlace Operativo S.A.	Seguros Generales Suramericana S.A.	-	-	-	9
Enlace Operativo S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	5
EPS y Medicina Prepagada Suramericana S.A.	Arus S.A.	-	(878)	-	8.592
EPS y Medicina Prepagada Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	10	(15)	(3)	156
EPS y Medicina Prepagada Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	1.770	(2.677)	(52)	46.113
EPS y Medicina Prepagada Suramericana S.A.	Enlace Operativo S.A.	-	(359)	(2)	4.021
EPS y Medicina Prepagada Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	43	-	(70)	(324)
EPS y Medicina Prepagada Suramericana S.A.	Seguros de Vida Suramericana S.A.	4	(11)	(112)	1.223
EPS y Medicina Prepagada Suramericana S.A.	Seguros Generales Suramericana S.A.	-	(703)	(110)	1.118
EPS y Medicina Prepagada Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	1.146	(12.920)	(1.040)	253.142
EPS y Medicina Prepagada Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(41)	-	-
Fondos Sura SAF S.A.C.	AFP Integra S.A.	-	(24)	-	125
Fondos Sura SAF S.A.C.	Seguros Sura S.A. (formerly Invita)	-	-	-	80
Fondos Sura SAF S.A.C.	Sura Asset Management S.A.	-	(4)	-	48
Grupo de Inversiones Suramericana Holanda B.V.	Grupo Sura Chile Holdings I B.V.	1.134	-	-	-
Grupo de Inversiones Suramericana Holanda B.V.	Grupo Sura Latin American Holdings B.V.	(46)	-	-	-
Grupo de Inversiones Suramericana Holanda B.V.	Sura Asset Management España, S.L.	-	49	-	-
Grupo de Inversiones Suramericana Panamá S.A.	Grupo de Inversiones Suramericana S.A.	-	(11.073)	-	-
Grupo de Inversiones Suramericana Panamá S.A.	Grupo Sura Finance S.A.	7	(879.380)	-	52.226
Grupo de Inversiones Suramericana Panamá S.A.	Planeco Panamá S.A.	15	-	-	-
Grupo de Inversiones Suramericana S.A.	Grupo de Inversiones Suramericana Panamá S.A.	11.073	-	-	-
Grupo de Inversiones Suramericana S.A.	Grupo Sura Finance S.A.	60	(1,636,002)	-	65.967
Grupo de Inversiones Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S.	-	(24.113)	-	-
Grupo de Inversiones Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	-	-	18
Grupo de Inversiones Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	-	(2)	58

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Grupo de Inversiones Suramericana S.A.	Seguros Generales Suramericana S.A.	-	-	-	345
Grupo de Inversiones Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	2
Grupo de Inversiones Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(23)	-	45
Grupo de Inversiones Suramericana S.A.	Suramericana S.A.	90	-	-	-
Grupo Sura Chile Holdings I B.V.	Grupo de Inversiones Suramericana Holanda B.V.	-	(1.134)	-	-
Grupo Sura Chile Holdings I B.V.	Grupo Sura Latin American Holdings B.V.	-	(6)	-	-
Grupo Sura Latin American Holdings B.V.	Grupo de Inversiones Suramericana Holanda B.V.	-	46	-	-
Grupo Sura Latin American Holdings B.V.	Grupo Sura Chile Holdings I B.V.	6	-	-	-
Grupo Sura Finance S.A.	Grupo de Inversiones Suramericana Panamá S.A.	879.380	(7)	(52.226)	-
Grupo Sura Finance S.A.	Grupo de Inversiones Suramericana S.A.	1,636,002	(60)	(65.967)	-
Habitat Adulto Mayor S,A	Seguros Generales Suramericana S.A.	-	-	-	35
Habitat Adulto Mayor S,A	Servicios de Salud IPS Suramericana S.A.	-	-	-	8
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	AFP Integra S.A.	-	-	-	24
Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	Seguros Sura S.A. (formerly Invita)	-	(409)	(1.107)	51
Inversiones y Construcciones Estratégicas S.A.S.	Grupo de Inversiones Suramericana S.A.	24.113	-	-	-
Inversiones y Construcciones Estratégicas S.A.S	Seguros Generales Suramericana S.A.	-	-	(78)	-
Inversiones y Construcciones Estratégicas S.A.S	Servicios Generales Suramericana S.A.	-	-	-	4
Operaciones Generales Suramericana S.A.S.	Arus S.A.	-	(7)	-	35
Operaciones Generales Suramericana S.A.S.	Grupo de Inversiones Suramericana S.A.	3	-	(18)	-
Operaciones Generales Suramericana S.A.S.	Seguros de Riesgos Laborales Suramericana S.A.	1	-	(21)	-
Operaciones Generales Suramericana S.A.S.	Seguros de Vida Suramericana S.A.	479	(7)	(1.722)	147
Operaciones Generales Suramericana S.A.S.	Seguros Generales Suramericana S.A.	7.690	(151)	(76.601)	669
Operaciones Generales Suramericana S.A.S.	Servicios de Salud IPS Suramericana S.A.	3	(2)	(32)	22

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Operaciones Generales Suramericana S.A.S.	Servicios Generales Suramericana S.A.	-	(64.710)	-	3.717
Operaciones Generales Suramericana S.A.S.	Sura Asset Management S.A.	-	-	(3)	-
Operaciones Generales Suramericana S.A.S.	Suramericana S.A.	-	-	(9)	-
Pensiones Sura S.A. de C.V.	Afore Sura S.A. de C.V.	-	(147)	-	862
Pensiones Sura S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(210)	-	1.123
Pensiones Sura S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(21)	-	95
Pensiones Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	-	(77)	-	430
Planeco Panamá S.A.	Grupo de Inversiones Suramericana Panamá S.A.	-	(15)	-	-
Promotora Sura AM S.A. de C.V.	Afore Sura S.A. de C.V.	-	-	(2.325)	-
Promotora Sura AM S.A. de C.V.	Pensiones Sura S.A. de C.V.	21	-	(95)	-
Promotora Sura AM S.A. de C.V.	Seguros de Vida SURA Mexico S.A. de C.V.	101	-	(644)	-
Promotora Sura AM S.A. de C.V.	Sura Investment Management S.A. de C.V.	2.164	-	(9.654)	-
Seguros de Riesgos Laborales Suramericana S.A.	Arus S.A.	-	(292)	-	2.412
Seguros de Riesgos Laborales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(6.547)	-	64.645
Seguros de Riesgos Laborales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	13	(209)	(21)	1.427
Seguros de Riesgos Laborales Suramericana S.A.	Enlace Operativo S.A.	-	(1.426)	-	7.690
Seguros de Riesgos Laborales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	-	(43)	-	394
Seguros de Riesgos Laborales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	(1)	-	21
Seguros de Riesgos Laborales Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	(19)	-	970
Seguros de Riesgos Laborales Suramericana S.A.	Seguros Generales Suramericana S.A.	-	-	-	195
Seguros de Riesgos Laborales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	-	(3.016)	-	34.785
Seguros de Riesgos Laborales Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(338)	-	228
Seguros de Vida SURA Mexico S.A. de C.V.	Afore Sura S.A. de C.V.	-	(15)	-	87
Seguros de Vida SURA Mexico S.A. de C.V. (	Asesores Sura S.A. de C.V.	-	(29)	-	131
Seguros de Vida SURA Mexico S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(101)	-	644
Seguros de Vida SURA Mexico S.A. de C.V.	Sura Asset Management México S.A. de C.V.	-	(7.436)	-	-



FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Seguros de Vida SURA Mexico S.A. de C.V.	Sura Investment Management S.A. de C.V.	-	(7)	-	37
Seguros de Vida Sura S.A.	Administradora General de Fondos Sura S.A.	2.026	(270)	(12.559)	903
Seguros de Vida Sura S.A.	AFP Capital S.A.	216	-	(2.348)	(1.145)
Seguros de Vida Sura S.A.	Corredores de Bolsa Sura S.A.	130	(390)	(1.101)	2.730
Seguros de Vida Sura S.A.	Sura Chile S.A.	9	-	(195)	5.546
Seguros de Vida Sura S.A.	Sura Data Chile S.A.	-	-	(4)	1.877
Seguros de Vida Suramericana S.A.	Arus S.A.	-	(174)	-	771
Seguros de Vida Suramericana S.A.	Asesuisa Vida, S.A. Seguros de Personas	147	-	(6.673)	6.928
Seguros de Vida Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(2)	(488)	20
Seguros de Vida Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	-	(1.882)	(938)	19.869
Seguros de Vida Suramericana S.A.	Enlace Operativo S.A.	-	-	(10)	-
Seguros de Vida Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	11	(4)	(1.223)	112
Seguros de Vida Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(58)	2
Seguros de Vida Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	7	(479)	(147)	1.722
Seguros de Vida Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	19	-	(970)	-
Seguros de Vida Suramericana S.A.	Seguros Generales Suramericana S.A.	-	(23.533)	(3.334)	8.362
Seguros de Vida Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	8	(3.461)	(3.344)	39.957
Seguros de Vida Suramericana S.A.	Servicios Generales Suramericana S.A.	28	-	(386)	149
Seguros de Vida Suramericana S.A.	Sura Asset Management S.A.	-	-	(81)	-
Seguros de Vida Suramericana S.A.	Suramericana S.A.	31	(1.616)	(242)	-
Seguros Generales Suramericana S.A.	Arus S.A.	-	(621)	(56)	8.867
Seguros Generales Suramericana S.A.	Aseguradora Suiza Salvadoreña S.A. Asesuisa	100	-	(1.457)	-
Seguros Generales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(33)	(64)	1.354
Seguros Generales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	5	-	(853)	114
Seguros Generales Suramericana S.A.	Enlace Operativo S.A.	-	-	(9)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Seguros Generales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	703	-	(1.118)	110
Seguros Generales Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(345)	-
Seguros Generales Suramericana S.A.	Habitat Adulto Mayor S,A,	-	-	(35)	-
Seguros Generales Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S.	-	-	-	78
Seguros Generales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	151	(7.690)	(669)	76.601
Seguros Generales Suramericana S.A.	Protección Garantizada LTDA	-	-	-	4.557
Seguros Generales Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	-	-	(195)	-
Seguros Generales Suramericana S.A.	Seguros de Vida Suramericana S.A.	23.533	-	(8.362)	3.334
Seguros Generales Suramericana S.A.	Seguros Sura S.A.	299	-	(394)	-
Seguros Generales Suramericana S.A.	Seguros Suramericana Panamá S.A.	9.389	-	(8.235)	879
Seguros Generales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	8	(12)	(508)	678
Seguros Generales Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(4)	(1.989)	-
Seguros Generales Suramericana S.A.	Sura Asset Management S.A.	-	(1.033)	(1.778)	-
Seguros Generales Suramericana S.A.	Suramericana S.A.	100	(9.648)	(71)	-
Seguros Sura S.A.	Seguros Generales Suramericana S.A.	-	(299)	-	394
Seguros Sura S.A. (formerly Invita)	AFP Integra S.A.	40	-	(278)	35
Seguros Sura S.A. (formerly Invita)	Fondos Sura SAF S.A.C.	-	-	(80)	-
Seguros Sura S.A. (formerly Invita)	Hipotecaria Sura Empresa Administradora Hipotecaria S.A.	409	-	(51)	1.107
Seguros Sura S.A. (formerly Invita)	Sociedad Agente de Bolsa S.A.	-	-	(62)	-
Seguros Sura S.A. (formerly Invita)	Sura Asset Management S.A.	-	(23)	-	205
Seguros Sura S.A. (formerly Invita)	Sura Chile S.A.	-	(548)	(13)	833
Seguros Suramericana Panamá S.A.	Seguros Generales Suramericana S.A.	-	(9.389)	(879)	8.235
Seguros Suramericana Panamá S.A.	Servicios Generales Suramericana S.A. (Panamá)	183	(7)	-	-
Servicios de Salud IPS Suramericana S.A.	Arus S.A.	-	(76)	(41)	979



FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Servicios de Salud IPS Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	2	-	(75)	121
Servicios de Salud IPS Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	3	(2.688)	(733)	33.119
Servicios de Salud IPS Suramericana S.A.	Enlace Operativo S.A.	-	-	(5)	-
Servicios de Salud IPS Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	12.896	(1.146)	(253.142)	1.040
Servicios de Salud IPS Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(2)	-
Servicios de Salud IPS Suramericana S.A.	Habitat Adulto Mayor S,A,	-	-	(8)	-
Servicios de Salud IPS Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	2	(3)	(22)	32
Servicios de Salud IPS Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	3.016	-	(34.785)	-
Servicios de Salud IPS Suramericana S.A.	Seguros de Vida Suramericana S.A.	3.461	(8)	(39.957)	3.344
Servicios de Salud IPS Suramericana S.A.	Seguros Generales Suramericana S.A.	12	(8)	(678)	508
Servicios de Salud IPS Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(53)	(22)	2
Servicios de Salud IPS Suramericana S.A.	Sura Asset Management S.A.	-	-	(14)	-
Servicios de Salud IPS Suramericana S.A.	Suramericana S.A.	2	-	(3)	-
Servicios Generales Suramericana S.A.	Arus S.A.	-	-	-	11
Servicios Generales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	224	-	(27)	-
Servicios Generales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	16	-	-	-
Servicios Generales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	41	-	-	-
Servicios Generales Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	20	-	(45)	-
Servicios Generales Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S.	-	-	(4)	-
Servicios Generales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	64.710	-	(3.717)	-
Servicios Generales Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	338	-	(228)	-
Servicios Generales Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	(28)	(149)	386
Servicios Generales Suramericana S.A.	Seguros Generales Suramericana S.A.	4	-	-	1.989
Servicios Generales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	53	-	(2)	22

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Servicios Generales Suramericana S.A.	Sura Asset Management S.A.	69	-	(270)	-
Servicios Generales Suramericana S.A.	Suramericana S.A.	27	-	(700)	-
Servicios Generales Suramericana S.A. (Panamá)	Seguros Suramericana Panamá S.A.	7	(183)	-	-
Servicios y Ventas Compañía Limitada	Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	-	(15)	-	-
Sociedad Agente de Bolsa S.A.	Seguros Sura S.A. (formerly Invita)	-	-	-	62
Sura Art Corporation S.A. de C.V.	Afore Sura S.A. de C.V.	-	(7)	-	43
Sura Asset Management España, S.L.	Grupo de Inversiones Suramericana Holanda B.V.	-	(49)	-	-
Sura Asset Management México S.A. de C.V.	Afore Sura S.A. de C.V.	-	(7)	-	44
Sura Asset Management México S.A. de C.V.	Seguros de Vida SURA Mexico S.A. de C.V.	7.436	-	-	-
SURA Asset Management Perú S.A.	AFP Integra S.A.	-	-	-	69
Sura Asset Management S.A.	AFP Integra S.A.	31	-	(21)	(309)
Sura Asset Management S.A.	Fondos Sura SAF S.A.C.	5	-	(3)	(45)
Sura Asset Management S.A.	Operaciones Generales Suramericana S.A.S.	-	-	-	3
Sura Asset Management S.A.	Seguros de Vida Suramericana S.A.	-	-	-	81
Sura Asset Management S.A.	Seguros Generales Suramericana S.A.	1.033	-	-	1.778
Sura Asset Management S.A.	Seguros Sura S.A. (formerly Invita)	23	-	(19)	(186)
Sura Asset Management S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	14
Sura Asset Management S.A.	Servicios Generales Suramericana S.A.	-	(69)	-	270
Sura Asset Management S.A.	Sura Chile S.A.	-	(1.889)	-	3.157
Sura Asset Management S.A.	Sura Investment Management Colombia S.A.S	71	-	(3)	-
Sura Asset Management Uruguay Sociedad de Inversión S.A.	Ahorro Inversión Sura Administradora de Fondos de Inversión S.A.	-	-	(8.920)	8.920
Sura Chile S.A.	Administradora General de Fondos Sura S.A.	260	-	(1.841)	-
Sura Chile S.A.	AFAP Sura S.A.	236	-	(348)	-
Sura Chile S.A.	Afore Sura S.A. de C.V.	3.338	-	(4.872)	-
Sura Chile S.A.	AFP Capital S.A.	-	-	(9.184)	35
Sura Chile S.A.	AFP Integra S.A.	1.338	-	(2.004)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Sura Chile S.A.	Corredores de Bolsa Sura S.A.	-	-	(3.071)	-
Sura Chile S.A.	Seguros de Vida Sura S.A.	-	(9)	(5.546)	195
Sura Chile S.A.	Seguros Sura S.A. (formerly Invita)	546	-	(819)	-
Sura Chile S.A.	Sura Asset Management S.A.	2.126	(185)	(3.229)	20
Sura Data Chile S.A.	Administradora General de Fondos Sura S.A.	-	-	(339)	-
Sura Data Chile S.A.	AFP Capital S.A.	-	-	(3.681)	-
Sura Data Chile S.A.	Corredores de Bolsa Sura S.A.	-	-	(363)	-
Sura Data Chile S.A.	Seguros de Vida Sura S.A.	-	-	(1.877)	4
Sura Investment Management Colombia S.A.S	Sura Asset Management S.A.	-	(71)	-	3
Sura Investment Management S.A. de C.V.	Afore Sura S.A. de C.V.	284	(905)	(1.141)	4.062
Sura Investment Management S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(1.477)	-	5.928
Sura Investment Management S.A. de C.V.	Pensiones Sura S.A. de C.V.	77	-	(430)	-
Sura Investment Management S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(2.164)	-	9.654
Sura Investment Management S.A. de C.V.	Seguros de Vida SURA Mexico S.A. de C.V.	7	-	(37)	-
Sura S.A.	AFP Capital S.A.	75	-	-	-
Suramericana S.A.	Arus S.A.	-	(2)	-	594
Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	-	-	10
Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	(90)	-	-
Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	-	-	9
Suramericana S.A.	Seguros de Vida Suramericana S.A.	1.616	(31)	-	242
Suramericana S.A.	Seguros Generales Suramericana S.A.	9.648	(100)	-	71
Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	-	(2)	-	3
Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(27)	-	700
Arus S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	29	-	(234)	25
Arus S.A.	Diagnóstico y Asistencia Médica S.A.	77	-	(646)	-
Arus S.A.	Enlace Operativo S.A.	2	-	-	-
Arus S.A.	EPS y Medicina Prepagada Suramericana S.A.	878	-	(8.592)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Arus S.A.	Operaciones Generales Suramericana S.A.S.	7	-	(35)	-
Arus S.A.	Seguros de Riesgos Laborales Suramericana S.A.	292	-	(2.412)	-
Arus S.A.	Seguros de Vida Suramericana S.A.	174	-	(771)	-
Arus S.A.	Seguros Generales Suramericana S.A.	621	-	(8.867)	56
Arus S.A.	Servicios de Salud IPS Suramericana S.A.	76	-	(979)	41
Arus S.A.	Servicios Generales Suramericana S.A.	-	-	(11)	-
Arus S.A.	Suramericana S.A.	2	-	(594)	-
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	Aseguradora de Créditos y Garantías S.A.	146	-	(103)	(487)
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	Atlantis Sociedad Inversora S.A.	-	-	(30)	-
Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	Santa María del Sol S.A.	-	-	(46)	-
Aseguradora de Créditos y Garantías S.A.	Atlantis Sociedad Inversora S.A.	-	-	-	(1)
Aseguradora de Créditos y Garantías S.A.	Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	-	(146)	-	589
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	Chilean Holding Suramericana SPA (formerly RSA Chilean Holding SpA)	43.519	-	(1.350)	-
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	Seguros de Vida Suramericana S.A (formerly RSA Seguros de Vida S.A.)	240	-	(883)	-
Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	Servicios y Ventas Compañía Limitada	15	-	-	-
Chilean Holding Suramericana SPA (formerly RSA Chilean Holding SpA)	Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	-	(43.520)	-	1.349
Seguros de Vida Suramericana S.A (formerly RSA Seguros de Vida S.A.)	Seguros Generales Suramericana S.A (formerly RSA Seguros Chile S.A.)	-	(240)	-	883
Protección Garantizada LTDA	Seguros Generales Suramericana S.A.	-	-	(4.557)	-
Santa María del Sol S.A.	Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	-	-	-	46
Atlantis Sociedad Inversora S.A.	Aseguradora de Créditos y Garantías S.A.	-	-	-	1
Atlantis Sociedad Inversora S.A.	Seguros Sura S.A (formerly Royal & Sun Alliance Seguros (Argentina) S.A.)	-	-	-	30
		2,783,334	(2,783,334)	(898.449)	898.449

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FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Afore Sura S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(1.225)	-	6.934
Afore Sura S.A. de C.V.	Pensiones Sura S.A. de C.V.	179	-	(1.696)	-
Afore Sura S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(805)	-	8.428
Afore Sura S.A. de C.V.	Seguros de Vida Sura México S.A. de C.V.	204	-	(167)	-
Afore Sura S.A. de C.V.	Sura Art Corporation S.A. de C.V. (Sura Art)	92	(561)	(83)	461
Afore Sura S.A. de C.V.	Sura Asset Management México S.A. de C.V.	94	-	(85)	-
Afore Sura S.A. de C.V.	Sura Chile S.A.	-	(1.627)	-	6.798
Afore Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	578	(169)	(6.875)	1.610
AFP Capital S.A.	Administradora General de Fondos Sura S.A.	-	-	(8)	(6)
AFP Capital S.A.	Corredores de Bolsa Sura S.A.	-	-	(120)	3.845
AFP Capital S.A.	SEGUROS DE VIDA SURA S.A.	-	(66)	(411)	5.899
AFP Capital S.A.	SURA DATA CHILE S.A.	-	-	-	6.443
AFP Capital S.A.	Sura Chile S.A.	-	-	(30)	16.491
AFP Integra S.A.	Fondos Sura SAF S.A.C.	25	-	(218)	-
AFP Integra S.A.	Hipotecaria Sura Eah	1.851	-	(13)	-
AFP Integra S.A.	Promotora Sura AM S.A. de C.V.	-	(38)	-	36
AFP Integra S.A.	Seguros Sura S.A.	4	-	(672)	514
AFP Integra S.A.	SURA Asset Management Perú S.A.	4.767	-	(64)	-
AFP Integra S.A.	Sura Asset Management S.A. (Sura-AM Colombia)	-	(761)	-	71
AFP Integra S.A.	Sura Chile S.A.	-	(524)	-	2.323
Aseguradora Suiza Salvadoreña S.A. Asesuisa	Asesuisa Vida, S.A. Seguros de Personas	717	(52)	(3.012)	-
Aseguradora Suiza Salvadoreña S.A. Asesuisa	Seguros Generales Suramericana S.A.	-	-	-	56
Asesuisa Vida, S.A. Seguros de Personas	Aseguradora Suiza Salvadoreña S.A. Asesuisa	52	(717)	-	3.012
Asesuisa Vida, S.A. Seguros de Personas	Seguros de Vida Suramericana S.A.	615	-	(6.818)	6.545
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Arus S.A.	-	(7)	-	132
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Diagnóstico y Asistencia Médica S.A.	-	-	(2)	2

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Consultoría en Gestión de Riesgos Suramericana S.A.S.	EPS y Medicina Prepagada Suramericana S.A.	6	-	(17)	15
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Operaciones Generales Suramericana S.A.S.	30	-	(28)	-
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros de Riesgos Laborales Suramericana S.A.	3.702	-	(48.650)	-
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros de Vida Suramericana S.A.	-	-	(1.000)	405
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Seguros Generales Suramericana S.A.	556	-	(2.397)	28
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Servicios de Salud IPS Suramericana S.A.	-	-	-	84
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Servicios Generales Suramericana S.A.	-	(643)	-	51
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Suramericana S.A.	13	-	(204)	-
Corredores de Bolsa Sura S.A.	Administradora General de Fondos Sura S.A.	-	-	(9.895)	68
Corredores de Bolsa Sura S.A.	AFP Capital S.A.	-	-	(3.862)	137
Corredores de Bolsa Sura S.A.	SEGUROS DE VIDA SURA S.A.	-	(6)	(779)	3.021
Corredores de Bolsa Sura S.A.	SURA DATA CHILE S.A.	-	-	-	536
Corredores de Bolsa Sura S.A.	Sura Chile S.A.	-	-	-	2.211
Diagnóstico y Asistencia Médica S.A.	Arus S.A.	-	(52)	-	483
Diagnóstico y Asistencia Médica S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	-	(2)	2
Diagnóstico y Asistencia Médica S.A.	EPS y Medicina Prepagada Suramericana S.A.	806	-	(37.286)	846
Diagnóstico y Asistencia Médica S.A.	Seguros de Riesgos Laborales Suramericana S.A.	98	-	(1.148)	20
Diagnóstico y Asistencia Médica S.A.	Seguros de Vida Suramericana S.A.	1.263	(6)	(14.796)	1.385
Diagnóstico y Asistencia Médica S.A.	Seguros Generales Suramericana S.A.	-	-	(1)	688
Diagnóstico y Asistencia Médica S.A.	Servicios de Salud IPS Suramericana S.A.	2.587	(6)	(28.229)	386
Diagnóstico y Asistencia Médica S.A.	Servicios Generales Suramericana S.A.	-	(144)	-	-
Enlace Operativo S.A.	EPS y Medicina Prepagada Suramericana S.A.	302	-	(3.141)	1
Enlace Operativo S.A.	Seguros de Riesgos Laborales Suramericana S.A.	552	-	(5.384)	-
Enlace Operativo S.A.	Seguros de Vida Suramericana S.A.	-	-	-	32
Enlace Operativo S.A.	Seguros Generales Suramericana S.A.	-	-	-	3

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Enlace Operativo S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	2
EPS y Medicina Prepagada Suramericana S.A.	Arus S.A.	-	(816)	-	7.063
EPS y Medicina Prepagada Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(6)	(15)	17
EPS y Medicina Prepagada Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	-	(806)	(2.798)	39.238
EPS y Medicina Prepagada Suramericana S.A.	Enlace Operativo S.A.	-	(302)	(1)	3.141
EPS y Medicina Prepagada Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	-	(2)	-
EPS y Medicina Prepagada Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	-	(61)	(101)	(10)
EPS y Medicina Prepagada Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	(191)	(167)	1.158
EPS y Medicina Prepagada Suramericana S.A.	Seguros Generales Suramericana S.A.	-	(27)	(40)	227
EPS y Medicina Prepagada Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	733	(8.073)	(1.055)	204.355
EPS y Medicina Prepagada Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(236)	-	-
EPS y Medicina Prepagada Suramericana S.A.	Suramericana S.A.	-	(1)	-	-
Fondos Sura SAF S.A.C.	AFP Integra S.A.	-	(25)	-	218
Fondos Sura SAF S.A.C.	Seguros Sura S.A.	-	-	-	73
Fondos Sura SAF S.A.C.	Sura Asset Management S.A. (Sura-AM Colombia)	-	(112)	-	10
Grupo de Inversiones Suramericana Panamá S.A.	Grupo Sura Finance S.A.	8	(922.919)	-	46.922
Grupo de Inversiones Suramericana Panamá S.A.	Planeco Panamá S.A.	655	-	-	-
Grupo de Inversiones Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S.	-	(26.997)	-	205
Grupo de Inversiones Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	-	-	12
Grupo de Inversiones Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	-	-	69
Grupo de Inversiones Suramericana S.A.	Seguros Generales Suramericana S.A.	-	-	-	284
Grupo de Inversiones Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	22
Grupo de Inversiones Suramericana S.A.	Servicios Generales Suramericana S.A.	-	-	-	36
Grupo de Inversiones Suramericana S.A.	Suramericana S.A.	-	-	(75)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Grupo Sura Finance S.A.	Grupo de Inversiones Suramericana Panamá S.A.	922.919	(8)	(46.922)	-
Habitat Adulto Mayor S,A,	Seguros Generales Suramericana S.A.	-	-	-	37
Habitat Adulto Mayor S,A,	Servicios de Salud IPS Suramericana S.A.	-	-	-	3
Inversiones y Construcciones Estratégicas S.A.S.	Grupo de Inversiones Suramericana S.A.	26.997	-	(205)	-
Inversiones y Construcciones Estratégicas S.A.S	Seguros de Vida Suramericana S.A.	-	-	-	5
Inversiones y Construcciones Estratégicas S.A.S.	Seguros Generales Suramericana S.A.	-	-	(74)	-
Inversura Panamá Internacional S.A.	Seguros Sura S.A.	-	-	(54)	-
Operaciones Generales Suramericana S.A.S.	Arus S.A.	-	(6)	-	8
Operaciones Generales Suramericana S.A.S.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(30)	-	28
Operaciones Generales Suramericana S.A.S.	EPS y Medicina Prepagada Suramericana S.A.	-	-	-	2
Operaciones Generales Suramericana S.A.S.	Grupo de Inversiones Suramericana S.A.	-	-	(12)	-
Operaciones Generales Suramericana S.A.S.	Seguros de Riesgos Laborales Suramericana S.A.	2	-	(13)	-
Operaciones Generales Suramericana S.A.S.	Seguros de Vida Suramericana S.A.	142	-	(782)	125
Operaciones Generales Suramericana S.A.S.	Seguros Generales Suramericana S.A.	7.372	-	(65.300)	508
Operaciones Generales Suramericana S.A.S.	Servicios de Salud IPS Suramericana S.A.	2	(3)	(24)	20
Operaciones Generales Suramericana S.A.S.	Servicios Generales Suramericana S.A.	-	(70.668)	-	3.162
Operaciones Generales Suramericana S.A.S.	Sura Asset Management S.A.	-	-	(22)	-
Pensiones Sura S.A. de C.V.	Afore Sura S.A. de C.V.	-	(179)	-	1.696
Pensiones Sura S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(398)	-	2.490
Pensiones Sura S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(31)	-	220
Pensiones Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	-	(85)	-	842
Planeco Panamá S.A.	Grupo de Inversiones Suramericana Panamá S.A.	-	(655)	-	-
Promotora Sura AM S.A. de C.V.	Afap Sura Sa.	62	-	(59)	-
Promotora Sura AM S.A. de C.V.	Afore Sura S.A. de C.V.	805	-	(8.428)	-
Promotora Sura AM S.A. de C.V.	AFP Integra S.A.	39	-	(37)	1

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Promotora Sura AM S.A. de C.V.	Pensiones Sura S.A. de C.V.	31	-	(220)	-
Promotora Sura AM S.A. de C.V.	Seguros de Vida Sura México S.A. de C.V.	486	-	(1.425)	-
Promotora Sura AM S.A. de C.V.	Seguros Sura S.A.	126	-	(120)	-
Promotora Sura AM S.A. de C.V.	Sura Investment Management S.A. de C.V.	2.789	-	(18.465)	-
Seguros de Riesgos Laborales Suramericana S.A.	Arus S.A.	-	(356)	-	1.928
Seguros de Riesgos Laborales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(3.702)	-	48.650
Seguros de Riesgos Laborales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	-	(98)	(20)	1.148
Seguros de Riesgos Laborales Suramericana S.A.	Enlace Operativo S.A.	-	(552)	-	5.384
Seguros de Riesgos Laborales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	61	-	-	111
Seguros de Riesgos Laborales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	(2)	-	13
Seguros de Riesgos Laborales Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	(39)	-	906
Seguros de Riesgos Laborales Suramericana S.A.	Seguros Generales Suramericana S.A.	-	(11)	-	128
Seguros de Riesgos Laborales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	3	(2.458)	-	28.507
Seguros de Riesgos Laborales Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(310)	-	-
Seguros de Vida Suramericana S.A.	Arus S.A.	-	(56)	(27)	127
Seguros de Vida Suramericana S.A.	Asesuisa Vida, S.A. Seguros de Personas	-	(615)	(7.404)	7.678
Seguros de Vida Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	-	(405)	1.000
Seguros de Vida Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	6	(1.263)	(1.106)	14.516
Seguros de Vida Suramericana S.A.	Enlace Operativo S.A.	-	-	(32)	-
Seguros de Vida Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	191	-	(1.158)	167
Seguros de Vida Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(69)	-
Seguros de Vida Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S	-	-	(5)	-
Seguros de Vida Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	(142)	(125)	782
Seguros de Vida Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	39	-	(906)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Seguros de Vida Suramericana S.A.	Seguros Generales Suramericana S.A.	356	(10.151)	(3.332)	7.815
Seguros de Vida Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	4	(2.382)	(3.171)	31.560
Seguros de Vida Suramericana S.A.	Servicios Generales Suramericana S.A.	-	-	(308)	150
Seguros de Vida Suramericana S.A.	Sura Asset Management S.A.	8	-	(71)	-
Seguros de Vida Suramericana S.A.	Suramericana S.A.	-	(11)	(63)	-
Seguros Generales Suramericana S.A.	Arus S.A.	-	(293)	(120)	7.298
Seguros Generales Suramericana S.A.	Aseguradora Suiza Salvadoreña S.A. Asesuisa	-	-	(56)	-
Seguros Generales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(556)	(28)	2.397
Seguros Generales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	-	-	(688)	1
Seguros Generales Suramericana S.A.	Enlace Operativo S.A.	-	-	(3)	-
Seguros Generales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	27	-	(227)	40
Seguros Generales Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(284)	-
Seguros Generales Suramericana S.A.	Habitat Adulto Mayor S,A,	-	-	(37)	-
Seguros Generales Suramericana S.A.	Inversiones y Construcciones Estratégicas S.A.S.	-	-	-	74
Seguros Generales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	-	(7.372)	(508)	65.300
Seguros Generales Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	11	-	(128)	-
Seguros Generales Suramericana S.A.	Seguros de Vida Suramericana S.A.	10.151	(356)	(7.815)	3.332
Seguros Generales Suramericana S.A.	Seguros Sura S.A.	-	-	(39)	-
Seguros Generales Suramericana S.A.	Seguros Suramericana Panamá S.A.	26.530	-	(25.387)	1.107
Seguros Generales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	8	(8)	(363)	434
Seguros Generales Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(4)	(1.851)	-
Seguros Generales Suramericana S.A.	Sura Asset Management S.A.	-	-	(1.325)	-
Seguros Generales Suramericana S.A.	Suramericana S.A.	1	-	(73)	-



FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Seguros Sura S.A.	AFP Integra S.A.	-	(4)	(513)	671
Seguros Sura S.A.	Fondos Sura SAF S.A.C.	-	-	(71)	(3)
Seguros Sura S.A.	Hipotecaria Sura Eah	-	(19)	(114)	1.292
Seguros Sura S.A.	Inversura Panamá Internacional S.A.	-	-	-	54
Seguros Sura S.A.	Promotora Sura AM S.A. de C.V.	-	(124)	-	119
Seguros Sura S.A.	Seguros Generales Suramericana S.A.	-	-	-	39
Seguros Sura S.A.	Sociedad agente de valores SAB	-	-	-	(4)
Seguros Sura S.A.	Sura Asset Management S.A. (Sura-AM Colombia)	-	(467)	(21)	42
Seguros Sura S.A.	Sura Chile S.A.	-	(214)	-	939
Seguros Suramericana Panamá S.A.	Seguros Generales Suramericana S.A.	-	(26.530)	(1.107)	25.387
Seguros Suramericana Panamá S.A.	Servicios Generales Suramericana S.A. (Panamá)	188	(31)	-	-
Servicios de Salud IPS Suramericana S.A.	Arus S.A.	-	(14)	(29)	539
Servicios de Salud IPS Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	-	(84)	-
Servicios de Salud IPS Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	6	(2.587)	(385)	28.227
Servicios de Salud IPS Suramericana S.A.	Enlace Operativo S.A.	-	-	(2)	-
Servicios de Salud IPS Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	8.073	(733)	(204.355)	1.055
Servicios de Salud IPS Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(22)	-
Servicios de Salud IPS Suramericana S.A.	Habitat Adulto Mayor S,A,	-	-	(3)	-
Servicios de Salud IPS Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	3	(2)	(20)	24
Servicios de Salud IPS Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	2.458	(3)	(28.507)	-
Servicios de Salud IPS Suramericana S.A.	Seguros de Vida Suramericana S.A.	2.382	(4)	(31.560)	3.171
Servicios de Salud IPS Suramericana S.A.	Seguros Generales Suramericana S.A.	8	(8)	(434)	363
Servicios de Salud IPS Suramericana S.A.	Servicios Generales Suramericana S.A.	3	(411)	(42)	-
Servicios de Salud IPS Suramericana S.A.	Sura Asset Management S.A.	-	-	(12)	-
Servicios de Salud IPS Suramericana S.A.	Suramericana S.A.	-	-	(3)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Servicios Generales Suramericana S.A.	Arus S.A.	-	(12)	-	12
Servicios Generales Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	643	-	(51)	-
Servicios Generales Suramericana S.A.	Diagnóstico y Asistencia Médica S.A.	144	-	-	-
Servicios Generales Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	236	-	-	-
Servicios Generales Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	(36)	-
Servicios Generales Suramericana S.A.	Operaciones Generales Suramericana S.A.S.	70.668	-	(3.162)	-
Servicios Generales Suramericana S.A.	Seguros de Riesgos Laborales Suramericana S.A.	310	-	-	-
Servicios Generales Suramericana S.A.	Seguros de Vida Suramericana S.A.	-	-	(150)	308
Servicios Generales Suramericana S.A.	Seguros Generales Suramericana S.A.	4	-	-	1.851
Servicios Generales Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	411	(3)	-	42
Servicios Generales Suramericana S.A.	Sura Asset Management S.A.	49	-	(108)	-
Servicios Generales Suramericana S.A.	Suramericana S.A.	30.309	-	(220)	-
Servicios Generales Suramericana S.A. (Panamá)	Seguros Suramericana Panamá S.A.	31	(188)	-	-
Sura Asset Management España, S.L.	Seguros Sura S.A.	-	-	(139)	121
Sura Asset Management S.A.	Operaciones Generales Suramericana S.A.S.	-	-	-	22
Sura Asset Management S.A.	Seguros de Vida Suramericana S.A.	-	(8)	-	71
Sura Asset Management S.A.	Seguros Generales Suramericana S.A.	-	-	-	1.325
Sura Asset Management S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	12
Sura Asset Management S.A.	Servicios Generales Suramericana S.A.	-	(49)	-	108
Sura Chile S.A.	Administradora General de Fondos Sura S.A.	-	-	(1.838)	-
Sura Chile S.A.	Afap Sura Sa.	56	(7)	(297)	5
Sura Chile S.A.	Afore Sura S.A. de C.V.	1.592	-	(6.784)	-
Sura Chile S.A.	AFP Capital S.A.	-	-	(16.503)	42
Sura Chile S.A.	AFP Integra S.A.	527	-	(2.323)	-
Sura Chile S.A.	Corredores de Bolsa Sura S.A.	-	-	(2.211)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Sura Chile S.A.	SEGUROS DE VIDA SURA S.A.	-	(8)	(10.514)	311
Sura Chile S.A.	Seguros Sura S.A.	215	-	(949)	10
Sura Investment Management S.A. de C.V.	Afore Sura S.A. de C.V.	169	(578)	(1.610)	6.875
Sura Investment Management S.A. de C.V.	Asesores Sura S.A. de C.V.	-	(1.787)	-	10.392
Sura Investment Management S.A. de C.V.	Pensiones Sura S.A. de C.V.	85	-	(842)	-
Sura Investment Management S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(2.789)	-	18.465
Sura Investment Management S.A. de C.V.	Seguros de Vida Sura México S.A. de C.V.	7	-	(72)	-
Sura Investment Management S.A. de C.V.	Sura Art Corporation S.A. de C.V. (Sura Art)	-	(30)	-	24
Sura Investment Management S.A. de C.V.	Sura Asset Management México S.A. de C.V.	-	(141)	-	116
Suramericana S.A.	Arus S.A.	-	(33)	-	138
Suramericana S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	-	(13)	-	204
Suramericana S.A.	EPS y Medicina Prepagada Suramericana S.A.	1	-	-	-
Suramericana S.A.	Grupo de Inversiones Suramericana S.A.	-	-	-	75
Suramericana S.A.	Seguros de Vida Suramericana S.A.	11	-	-	63
Suramericana S.A.	Seguros Generales Suramericana S.A.	-	(1)	-	73
Suramericana S.A.	Servicios de Salud IPS Suramericana S.A.	-	-	-	3
Suramericana S.A.	Servicios Generales Suramericana S.A.	-	(30.309)	-	220
Administradora General de Fondos Sura S.A.	AFP Capital S.A.	-	-	-	14
Administradora General de Fondos Sura S.A.	Corredores de Bolsa Sura S.A.	-	-	(68)	9.895
Administradora General de Fondos Sura S.A.	SEGUROS DE VIDA SURA S.A.	119	(1.202)	8.121	10.226
Administradora General de Fondos Sura S.A.	SURA DATA CHILE S.A.	-	-	-	530
Administradora General de Fondos Sura S.A.	Sura Chile S.A.	-	-	-	1.838
Seguros de Vida Sura S.A.	Administradora General de Fondos Sura S.A.	1.202	(119)	(19.437)	1.090
Seguros de Vida Sura S.A.	AFP Capital S.A.	66	-	(5.319)	(170)

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Seguros de Vida Sura S.A.	Corredores de Bolsa Sura S.A.	6	-	(2.954)	713
Seguros de Vida Sura S.A.	SURA DATA CHILE S.A.	22	-	(5)	3.266
Seguros de Vida Sura S.A.	Sura Chile S.A.	8	-	(249)	10.452
Sura Data Chile S.A.	Administradora General de Fondos Sura S.A.	-	-	(530)	-
Sura Data Chile S.A.	AFP Capital S.A.	-	-	(6.443)	-
Sura Data Chile S.A.	Corredores de Bolsa Sura S.A.	-	-	(536)	-
Sura Data Chile S.A.	SEGUROS DE VIDA SURA S.A.	-	(22)	(3.266)	5
AFAP Sura S.A.	Administradora De Fondos De Inversion S.A. Afisa Sura	-	-	-	222
AFAP Sura S.A.	Promotora Sura AM S.A. de C.V.	-	(62)	-	59
AFAP Sura S.A.	Sura Chile S.A.	-	(49)	-	293
Hipotecaria Sura Eah	AFP Integra S.A.	-	(1.851)	-	13
Hipotecaria Sura Eah	Seguros Sura S.A.	19	-	(1.292)	114
Asesores Sura S.A. de C.V.	Afore Sura S.A. de C.V.	1.225	-	(6.934)	-
Asesores Sura S.A. de C.V.	Pensiones Sura S.A. de C.V.	398	-	(2.490)	-
Asesores Sura S.A. de C.V.	Seguros de Vida Sura México S.A. de C.V.	-	(409)	(1.974)	-
Asesores Sura S.A. de C.V.	Sura Investment Management S.A. de C.V.	1.787	-	(10.370)	-
Seguros de Vida Sura México S.A. de C.V.	Afore Sura S.A. de C.V.	-	(204)	-	167
Seguros de Vida Sura México S.A. de C.V.	Asesores Sura S.A. de C.V.	409	-	-	1.974
Seguros de Vida Sura México S.A. de C.V.	Promotora Sura AM S.A. de C.V.	-	(486)	-	1.425
Seguros de Vida Sura México S.A. de C.V.	Sura Asset Management México S.A. de C.V.	-	(25.414)	-	-
Seguros de Vida Sura México S.A. de C.V.	Sura Investment Management S.A. de C.V.	-	(7)	-	72
Administradora De Fondos De Inversion S.A. Afisa Sura	Afap Sura Sa.	-	-	(222)	-
SURA Asset Management Perú S.A.	AFP Integra S.A.	-	(4.767)	-	64
SURA Asset Management Perú S.A.	Sociedad agente de valores SAB	-	(16)	-	-
Sura Asset Management México S.A. de C.V.	Afore Sura S.A. de C.V.	-	(94)	-	85
Sura Asset Management México S.A. de C.V.	Seguros de Vida Sura México S.A. de C.V.	25.393	-	-	-
Sura Asset Management México S.A. de C.V.	Sura Investment Management S.A. de C.V.	141	-	(116)	-

FROM	TO	ACCOUNTS RECEIVABLE	ACCOUNTS PAYABLE	INCOME	EXPENSE
Arus S.A.	Consultoría en Gestión de Riesgos Suramericana S.A.S.	7	-	(132)	-
Arus S.A.	Diagnóstico y Asistencia Médica S.A.	52	-	(483)	-
Arus S.A.	EPS y Medicina Prepagada Suramericana S.A.	816	-	(7.063)	-
Arus S.A.	Operaciones Generales Suramericana S.A.S.	6	-	(8)	-
Arus S.A.	Seguros de Riesgos Laborales Suramericana S.A.	356	-	(1.928)	-
Arus S.A.	Seguros de Vida Suramericana S.A.	56	-	(127)	27
Arus S.A.	Seguros Generales Suramericana S.A.	293	-	(7.298)	120
Arus S.A.	Servicios de Salud IPS Suramericana S.A.	14	-	(539)	29
Arus S.A.	Servicios Generales Suramericana S.A.	12	-	(12)	-
Arus S.A.	Suramericana S.A.	33	-	(138)	-
Sociedad agente de valores SAB	Seguros Sura S.A.	-	-	-	4
Sociedad agente de valores SAB	SURA Asset Management Perú S.A.	16	-	-	-
Sura Asset Management S.A. (Sura-AM Colombia)	AFP Integra S.A.	812	(20)	(103)	-
Sura Asset Management S.A. (Sura-AM Colombia)	Fondos Sura SAF S.A.C.	119	(8)	(70)	60
Sura Asset Management S.A. (Sura-AM Colombia)	GRUPO SURA	-	-	-	34
Sura Asset Management S.A. (Sura-AM Colombia)	Seguros Sura S.A.	488	-	(254)	211
Sura Art Corporation S.A. de C.V. (Sura Art)	Afore Sura S.A. de C.V.	563	(96)	(457)	83
Sura Art Corporation S.A. de C.V. (Sura Art)	Sura Investment Management S.A. de C.V.	30	-	(24)	-
		1,172,714	(1,172,714)	(768.456)	768.456

40.3. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Senior management benefits

	2016	2015
Short-term employee benefits	87.888	73.408
Long-term employee benefits	158	370
Post-employment benefits	39.179	23.295
Termination benefits	-	-
Total	127.225	97.073

Transactions with members of the Board of Directors

	2016	2015
Accounts receivable due from directors (1)	3.652	1.836
Accounts payable to directors (1)	-	63.612

(2) Corresponding to loans granted to directors at an agreed rate of 0.56%

(3) Corresponding to long-term and post-employment employee benefits

Fees paid to Members of the Board of Directors

Board of Director fees are shown as follows:

	2016	2015
Board of Director fees	6.424	4.623

For the year ended December 31, 2016, members of the Board of Directors received fees for attending meetings of the Board of Directors and Board Committees, pursuant to that laid out in the Company's by-laws and Shareholder authorizations which established the following fees to be paid in 2015:



The members of the Board of Directors of Grupo de Inversiones Suramericana and Subsidiaries are responsible for formulating the Organization’s main business guidelines and making key decisions.

NOTE 41. EVENTS AFTER THE REPORTING PERIOD

On January 26, 2017, Mr. Fernando Ojalvo Prieto offered his resignation to Grupo Sura’s Board of Directors as Chief Corporate Affairs Officer and Company Secretary, which shall become effective as of April 30, 2017.

On February 17, 2017 Grupo de Inversiones Suramericana S.A. announced a proposal for amending the Share Issuance and Placement Rules and Regulations corresponding to its Preferred Shares, as issued in 2011, which shall be submitted for the consideration of the shareholders at the upcoming Shareholders’ Meeting be held next March 31. The purpose of this proposed amendment is to adjust said rules and regulations so as to bring them in line with market practice, and includes certain items that enhance the terms and conditions of these shareholders while providing the Company with greater flexibility for managing its capital structure.

On February 23, 2017, Grupo de Inversiones Suramericana S.A. carried out a Dutch auction of ordinary bonds worth COP 550 thousand million. These are to be offered in the form of three series, one for a 5-year term at a fixed rate, another for a 7 year term, at a CPI-indexed rate and the last for a 12- year term, also at a CPI-indexed rate.

NOTE 42. BOARD APPROVAL FOR THE COMPANY’S FINANCIAL STATEMENTS

Grupo Sura’s financial statements for the year ended 31 December 2016 were duly approved by the Board of Directors, as recorded in Minutes No. 254 of a Board meeting held on February 23, 2017, for their subsequent presentation to the Shareholders at their upcoming Annual Meeting, pursuant to that stipulated in the Colombian Code of Commerce.