

4Q - 2018

QUARTERLY RESULTS NEWSLETTER



GRUPO SURA reported a net profit from continuing operations of COP 1.4 billion (USD 475.7 million)

an annual increase of **7.6%**, and of **COP 300,848 million** (USD 101.8 million), in the Fourth Quarter, with an increase of **28.3%**. During 2018, the principal business lines had operating growth, despite a challenging economic environment, in the region.

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HIGHLIGHTS FROM THE QUARTER »



CDPQ and Grupo SURA will be strategic partners for Latin America

This administrator of Canadian Pension Funds agreed to acquire the shareholding of Grupo Bancolombia (3.65%) and Grupo Wiese (3.03%), in SURA Asset Management.

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Grupo SURA received a Silver Medal in the Sustainability Yearbook 2019

The measurement of the Independent Consultancy, RobecoSAM, includes the companies with the best performance, in sustainable practices, in 60 industries and 36 countries.

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AFP Integra won the bidding for affiliates of the Private Pension System

This negotiation allows for a rejuvenation of the portfolio and contributes to the sustainability of the business of this operation in Chile, namely SURA Asset Management.

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Suramericana launched the Fourth Edition of Geosciences

As a subsidiary, specialized in trend and risk management, this publication collects key aspects for business competitiveness, in the face of climate change.

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Fitch affirmed BBB rating of Grupo SURA

The Rating Agency also maintained its AAA rating for the issuance of ordinary bonds of Grupo SURA, with maturities between 2019 and 2049.

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SURA Asset Management Chile seals alliance with J.P. Morgan

This agreement seeks to deliver a broader, more diversified offer, that meets the different needs of the Company's customers, in the southern country.

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520 million people in the region benefited from SURA Foundation

The foundation increased its investment in social initiatives, in 2018, and totaled USD 6.5 million, with an emphasis on projects that improve the quality of education.

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Protección created service channels for people with hearing disabilities

These counselors are trained to meet needs, provide information, and provide immediate advice, with the help of a sign language interpreter.

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NET PROFIT, FROM CONTINUED OPERATIONS OF GRUPO SURA, INCREASED 7.6%, IN 2018 AND 28.3%, IN THE FOURTH QUARTER

Grupo SURA, and its subsidiaries SURA Asset Management (SURA AM) and Suramericana (Seguros SURA), made strategic decisions in 2018, focused on improving the profitability of the Company, long-term, which ultimately affected the comparability of the 2017 figures. Among these decisions, the highlights are:

- The divestment of the life annuity operation, in Chile, of SURA AM, in the amount of USD 232 MM (in the process of approval, by regulators).
- There will not be participation in the bidding of pension insurance, in Colombia.
- There is a change in the method, for the recording of health policies premiums, by Suramericana, also in Colombia.

Under these conditions, operational performance and organic growth, of the core businesses of subsidiaries, in comparable terms, compensated largely in the factors that impacted the consolidated net profits of the Company:

- SURA Asset Management increased income of its both its mandatory (6.1%) and voluntary (10.7%) businesses.
- Suramericana achieved this in its General Solutions (13.2%), Life (15.8%), and Health (21.1%) segments.

Thus, total consolidated revenue was COP 19.2 billion (USD 6,507.8 million)*, a decrease of 0.8%, influenced by the volatility of capital markets, which impacted the revenue yields of the investment portfolios, of pension and insurance companies.

*These figures differ from those reported in the Consolidated Financial Statements of Grupo SURA, because the exchange difference line was included in the total revenue, in line with the results of previous quarters.

COP 550 per share

is the dividend proposal on 581,977,548 of ordinary and preference shares, which will be held at the Ordinary General Shareholders' Meeting, on March 29th. This means an increase of 6.2% compared to the dividends approved in 2018. The proposal is for the payments is to made in in four equal installments of COP 137.5 per share, on April 12th, July 2nd, and October 1st of 2019, as well as January 2, 2020.

Total expenses decreased 0.4%, to COP 17.6 billion (USD 5,939.7 million)*, due to lower accident rates and adjustments to reserves, as well as efforts to control expenses, in a bid to foster more efficiency.

As a result, the net profit of Grupo SURA was COP 1.34 billion (USD 454.4 million), 7.7% less than in 2017, primarily due to lower investment income, but a growth of 7.6%, isolated for accounting purposes associated with the strategic decisions, aforementioned.

“The operating performance and organic growth of the main businesses lines of our subsidiaries, Suramericana and SURA Asset Management, managed to partially offset negative impacts associated with: external factors, the strategic business decisions, and accounting adjustments, that impacted the consolidated net income of Grupo SURA, in 2018”.

Ricardo Jaramillo Mejía

Vice-president of Corporate Finance



SEE VIDEO



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RESULTS OF THE SUBSIDIARIES

Suramericana (Seguros SURA) increased its net profit by 3.6%, which ended the year at COP 524,867 million (USD 177.5 million). If non-recurring income, for 2017, is normalized, the growth of net profit would be 25.8%.

This is a reflection of sustainable growth in revenues, controlled accident levels, and expense efficiency, despite the aforementioned strategic decisions, and devaluation in Argentina against the Colombian peso. In addition, the retained accident rate increased from 54.3% to 51.5%, improving by 325 compared to 2017, both in the Life and General Segments.

In turn, SURA Asset Management contributed to a profit of Grupo SURA, during the year, in the amount of COP 370,998 million (USD 125.5 million)*, a decrease of -39.7% . This decrease would be 7.6%, excluding accounting impact of that recorded as discontinued operations, associated with the sale of the life annuity operations in Chile, in 2018 and of Seguros de Vida, in Peru, in 2017.

The close of 2018 recorded 19.6 million clients, 4.1% more than the previous year, whom helped to fulfill the goals and dreams, in six countries, while the Assets Under Management (AUM) grew 2.8% and which added up to COP 418.6 billion (USD 127,798 million), distributed in 448 funds, 48 more than in 2017: 163 funds and 285 mandates.

* The difference between the net income that SURA AM contributes to the results of Grupo SURA and that reported by SURA AM in its financial statements, corresponds to a positive effect due to conversion to the Colombian peso, as the reporting currency of Grupo SURA.

PROFIT FROM CONTINUING OPERATIONS

▲ 7.6%

COP 1.41 billion
(USD 475.7 million)

NET INCOME 2018

▼ 7.7%

COP 1.34 billion
(USD 454.4 million)

ASSETS OF GRUPO SURA AT 2018

▲ 3.0%

COP 71.1 billion
(USD 21,870.4 million)



To know more about the
Presentation of the Financial
Statements, to the market
CLICK HERE



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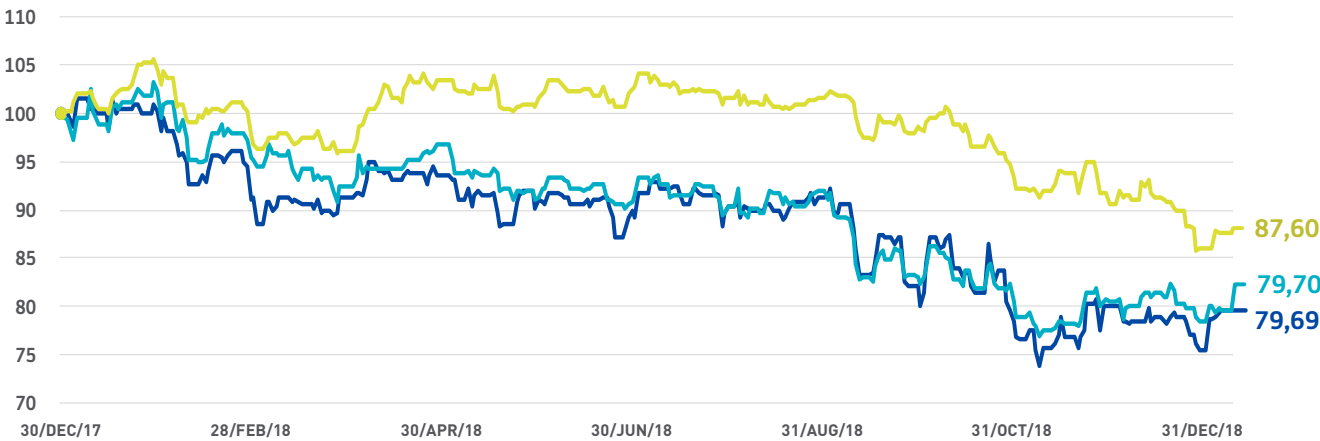


SHARE INFORMATION »

The ordinary share price of GRUPOSURA, on the last day of December of 2018, closed at COP 32,120 (USD 9.9), with a Quarterly change of -6.9% and annual variation of -20.3%.

The preference share, PFGRUPSURA, closed in the Fourth Quarter at COP 31,080 (USD 9.6), with a Quarterly variation of -7.3% and annual variation of -20.3%.

PERFORMANCE OF THE TWO, IN THE COLOMBIAN STOCK EXCHANGE



◆ GRUPOSURA	◆ PFGRUPSURA	◆ COLCAP
32,120	31,080	1,326
COP	COP	Puntos

501 INTERNATIONAL FUNDS

16%



shareholding, in Grupo SURA

	31-DEC-18	QUARTERLY % VAR.	ANNUAL % VAR.
GRUPOSURA (Pesos)	32,120	-6.9%	-20.3%
PFGRUPSURA (Pesos)	31,080	-7.3%	-20.3%
COLCAP (Puntos)	1,326	-12.4%	-12.4%



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CDPQ AGREES TO THE PURCHASE OF SHARES IN SURA ASSET MANAGEMENT

The Caisse de Dépôt et Placement du Québec (CDPQ), Canada's second largest administrator of pension funds, will become a Strategic Partner of Grupo SURA, in its subsidiary expert in pensions, savings, and investment.

CDPQ agreed, at the end of last December, to acquire shares of Grupo Bancolombia (3.65%) and Grupo Wiese (3.03%) in SURA Asset Management, for a total of USD 247 million.

"A long-term relationship with CDPQ, which is a related institutional investor, will bring benefits, such as the exchange of strategic ideas, in asset management, and cooperation in evaluating growth opportunities in the region," said David Bojanini, President of Grupo SURA.

The approval of the Mexican regulator is expected for completion of the operation. Once it is obtained, SURA Asset Management will have a new shareholder of high relevance, in the global market, that manages assets for close to USD 235 milliards.

"This transaction demonstrates the Company's international recognition, as a Latin American leader in asset management," said Ignacio Calle, President of SURA Asset Management.

This transaction is a new milestone in the relationship between Grupo SURA and CDPQ. Since 2015, they have jointly invested in infrastructure projects in Mexico, through a local platform, as well as financing of the same sector, in Colombia.

"This transaction strengthens our alliance with Grupo SURA and increases our presence in one of the most promising sectors in Colombia, such as are financial services".

Michael Sabia
President of CDPQ



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GRUPO SURA ENTERED THE SUSTAINABILITY YEARBOOK FOR THE EIGHTH TIME

On this occasion, Grupo SURA was recognized with the Silver Medal (Silver Class) as one of the three companies with the best performance in the world, in sustainable practices, among the 20 included in the sector of diverse financial services and capital markets. Grupo SURA is also the only company of Latin American origin, in this industry, and one of 28 in the region, that are in the Report, released in February 2019. This recognition reflects the permanent commitment to responsible and comprehensive management of Grupo SURA and its subsidiaries, Suramericana and SURA Asset Management. "The inclusion in the Sustainability Yearbook is a recognition for the management of the more than 29,000 SURA

collaborators, in Latin America. We are very pleased and committed to realize our job, better and better, every day, to be one of the three companies, with a medal, within the most sustainable of our industry, in the world," said David Bojanini, President of Grupo SURA.

The independent consultant, RobecoSAM, grouped, in its 2019 edition of the Yearbook, 458 organizations of the 2,668 invited to participate, in 36 countries, and 60 industries. The evaluation was based on the companies listed in the Dow Jones Global Sustainability Index (DJSI), of which Grupo SURA is also a part of.



"We congratulate Grupo SURA, for its Silver Prize in the Sustainability Yearbook 2019, which highlights the companies with the best performance among their colleagues, in the industry, and in terms of ESG (environmental, social, and government) metrics, financially important".

Daniel Wild
Co-CEO of RobecoSAM



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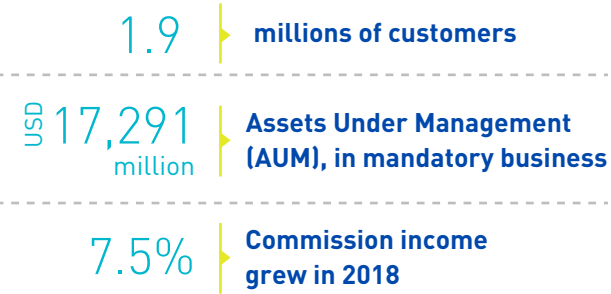
AFP INTEGRA EXPECTS TO ADD NEARLY 800 THOUSAND AFFILIATES IN PERU, IN 2 YEARS

This Company, SURA Asset Management, is consolidated in its first place in Peru, after winning last December, the fourth bidders of affiliates to the Private Pension System, of the Superintendencia de Banca (Superintendence of Banking), Insurance, and AFP (SBS).

Such achievement increases the value of AFP Integra and will be reflected in the rejuvenation of the affiliate's portfolio. This is vitally important for the sustainability of the business, in an environment that has fostered mechanisms, which allow early withdrawal of funds to members (retirement of 95.5% of the fund and the Régimen Especial de Jubilación Anticipada (Special Regime of Early Retirement).

Likewise, this negotiation improves the projections of operating results at 2024, calculated at 17%, and revenues at 6%, after exceeding the drop in commissions, for the first four years. Therefore, the Company will focus its efforts on achieving the greatest possible number of affiliations, during the next 2 years, that maintain exclusive rights.

AFP Integra offered, for the mixed commission, one component per flow of 0.00% and one component per balance of 0.82%, which will begin to be charged, as of June 2019, for all those affiliates who are enrolled in the collection of mixed commission (currently, only by administered balance). The commission by pure flow remains at 1.55%; 62% of affiliates pay this commission, while 38% do so under the mixed scheme.



ALLIANCE WITH J.P. MORGAN WILL CREATE MORE VALUE TO CUSTOMERS OF SURA AM CHILE

In order to deliver a broader, diversified offer, that meets the different needs of its clients, SURA Asset Management Chile announced a strategic alliance with J.P. Morgan Asset Management.

This firm is one of the global leaders, in mutual fund management, and today manages more than USD 1.7 billion, promoting 26 locally registered funds, from its total platform.

Through Corredores de Bolsa SURA and policies of Seguros de Vida con Ahorro, the Chilean customers, of our subsidiary, will access a wide variety of international fixed income and variable income funds, and other products that are part of the J.P. Morgan Asset Management offering.



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VARIABILITY AND CLIMATE CHANGE, PROTAGONISTS IN GEOCIENCIAS SURA

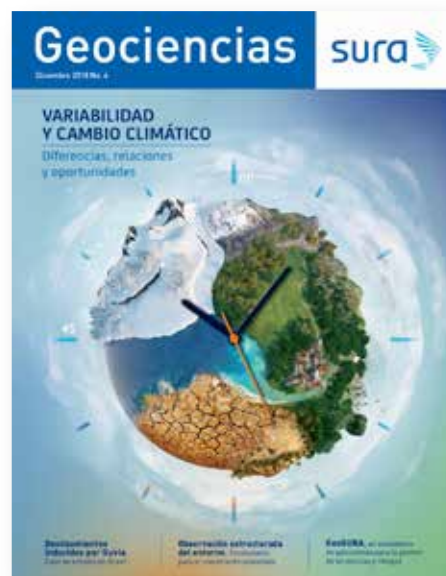
In February, Suramericana launched the Fourth Edition of its magazine, specialized in the analysis and studies, that arise from research and technical knowledge, developed in the management of trends and risks.

On this opportunity, variability and climate change are addressed, in relation to the behavior of consumers, supply chains, and production technologies, as well as the sale and provision of services. Knowing about these issues, provides the ability to adopt preventive measures, and generates competitive advantages and development opportunities, for businesses.

This is why Geociencias SURA seeks to support SURA Insurance clients, in nine countries, to give the necessary knowledge related to the interrelations of nature, with the strategic objectives of their companies.

The Fourth Edition, of the publication, was presented on February 13th, in Panama City, before a large audience of businessmen, union leaders, representatives of the academy, and clients of Seguros SURA, in that country.

"The magazine seeks to be a benchmark of applied knowledge of nature and the developments in science and technology, to adapt to the opportunities and conditions, it offers, through the management of resources, variables, and phenomena," said Elizabeth Cardona, Manager of Geociencias de Suramericana, during the launch.



**To know the 4th Edition of the
magazine Geociencias SURA**

[CLICK HERE](#)



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FITCH RATINGS MAINTAINED ITS INVESTMENT GRADE RATING FOR GRUPO SURA

This Credit Risk Rating Company confirmed, with a stable outlook, the Note of Long-term and Local Foreign Currency Issuer of Grupo SURA, in its review, in mid-February 2019.

The firm also maintained its AAA rating on the issuance of ordinary bonds of Grupo SURA, maturing between 2019 and 2049. Likewise, it rated as AAA and F1+, the program for the issuance and placement of ordinary bonds and commercial papers.

Fitch assured that these notes represent the quality of our asset portfolio, the stability of dividends received, diversification, coverage, and liquidity.

"The affirmation of the ratings of Grupo SURA reflects the quality of the asset portfolio, the diversification in the sources of dividends, and the stability of dividends received".

Fitch Ratings Rating Report February de 2019

Likewise, the rating firm indicated that the stable outlook of Grupo SURA is related to an adequate level of liquidity and a moderate level of leverage in the capital structure, during the next years.

It should be noted, that Standard & Poor's Global Ratings confirmed its BBB- investment grade rating, at the end of October 2018, with a stable outlook, indicating expectations of adequate investment discipline, sound risk management policies, and focus on generating returns, for shareholders.

PROTECCIÓN, THE FIRST AFP IN COLOMBIA, WITH CUSTOMER SERVICE CHANNELS FOR PEOPLE WITH HEARING DISABILITIES

In Colombia, there are more than 450 thousand people with hearing disabilities, according to the latest report from the National Institute for the Deaf. In an effort to contribute to the quality of life of this population, Protección becomes the first AFP that has face-to-face and telephone customer service channels, accessible to people with hearing disabilities.

This is made possible through an alliance with the Ministerio de Tecnología y de Comunicaciones de Colombia (MinTIC) (Ministry of Technology and Communications of Colombia) and the Federación Nacional de Sordos de Colombia (Fenascol) (National Federation of the Deaf of Colombia), which will help Colombians, with hearing disabilities, to access 29 offices, in the main cities of the Country.

At those locations, the consultants are trained to connect to the virtual platform, Centro de Relevó, through the online interpretation service (Servicio de Interpretación en Línea - SIEL), and to meet the needs, provide information, and provide immediate advice, with the help of a sign language interpreter.



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FUNDACIÓN SURA STRENGTHENED ITS SOCIAL COMMITMENT IN 2018

Growing with people and autonomous organizations, aware of reality, to be transforming agents of the environment. With this aspiration in mind, our history, and the essence of who we truly are, in our hearts, the Fundación SURA is on its way to fulfill its purpose of creating well-being and sustainable development, since 1971, in Colombia, and recently, in Chile and Mexico.

In 2018, Fundación SURA updated its strategic direction, in order to align commitments and to strengthen our conviction to contribute to the transforming role of education and culture. In conjunction with Red Latinoamericana por la Educación (REDUCA) (Latin American Network for Education), the Foundation led the research "Learning is more", related to the state of the quality of education in 15 countries, knowledge with which it seeks to influence public dynamics and agendas.

Likewise, through 85 social development initiatives, nearly 520 thousand people's lives benefited as well as the institutional strengthening of 842 organizations, working for education, culture, and competitiveness, in the Latin American region.

Social investments, during last year was COP 20,907 million (USD 7.1 million) from Fundación SURA, in the three countries. Twenty-one percent (21%) of these resources were allocated to the Programa de Voluntariado Corporativo (Corporate Volunteer program), which we are pleased to report has 4,424 SURA collaborators, who delivered 24,665 hours of community service, to benefit 38,886 people, in Latin America.

"We lead and participate in the development of social investment initiatives, with an emphasis on quality of education, through the management of financial and non-financial resources, in a voluntary, structured, and systematic manner, aimed at projects that generate well-being and better living conditions".

Tatyana Orozco

Vice President of Corporate Affairs



Investments 2018

COP 20,907 billion
(USD 7.1 million)

Social benefit in 2018

520
thousand
people in Latin
America

85
initiatives

842
organizations
strengthened

