

GRUPO SURA

With profits totaling COP 329,784 million (USD 184.8 million) for a 114.0% growth compared to the same period last year, GRUPO SURA continues to post a good level of performance as it continues to consolidate its investments in keeping with its ongoing strategy. The results obtained by its subsidiaries, Suramericana and Sura Asset Management, are particularly noteworthy having continued to exceed their projected growth levels.

GRUPO SURA continued to perform well in Q2 2012 with YTD profits reaching COP 329,784 million (USD 184.8 million), that is to say 114.0% more than for the same period last year. This was mainly due to having received COP 146,552 million (USD 82.1 million) in dividends and interest payments from its investments as well as a good level of performance on the part of its subsidiaries from which the Company posted COP 151,245 million (USD 84.7 million) via the equity method. On the other hand, earnings on the sale of investments came to COP 63,418 million (USD 35.5 million), these corresponding mainly to the sale of a 4.98% stake in SURA Asset Management as recently announced.

The YoY increase in operating expense was mainly due to the amortization of total deferred charges corresponding to the ING acquisition which came to COP 73,413 million (USD 41.1 million) as well as COP 6,012 million (USD 3.4 million) in consultancy and investment banking fees paid out on said acquisition.

With regard to non-operating expense, the most salient items included interest paid on the Company's debt totaling COP 43,048 million (USD 24.1 million) as well as additional expense incurred with derivative trades for COP 5,021 million (USD 2.8 million).

The Company posted non-operating revenue on adjustments for exchange differences amounting to COP 124,965 million (USD 70.0 million) as well as reimbursed expense on the acquisition of the ING assets for COP 8,584 million (USD 4.8 million).

In terms of subsidiary revenues posted via the equity method, SURAMERICANA obtained COP 115,753 million (USD 64.9 million) with SURA Asset Management netting COP 51,437 million (USD 28.8 million). This latter contribution consisted of profits obtained by SURA Asset Management S.L amounting to COP 200,944 million (USD 112.6 million) before amortization, adjustments for exchange differences and interest, of which 67.32% corresponded to GRUPO SURA given the stake held in said subsidiary, that is to say, COP 135,276 million (USD 75.8 million).

From this figure the following items were deducted: amortizations of deferred assets obtained with the recent acquisition for a total of COP 23,470 million (USD 13.2 million); adjustments for exchange differences for COP 44,170 million (USD 24.8 million); and interest amounting to COP 16,126 million (USD 9.0 million). It is also worth noting that part of the figure corresponding to adjustments for exchange differences and interest corresponded to capitalizable loans issued by the co-investors, which had no effect on the Company's cash position and almost all their corresponding effects materialized by June 30, 2012.

As for the balance sheet figures, Company assets at the end of Q2 2012 came to COP 19.7 billion (USD 11.0 billion), showing a drop of 8.86% compared to year-end 2011, this due to lower prices for all those listed shares that form part of the Company's investment portfolio, which have fallen by a YTD average of 4.4%.

Current assets came to COP 435,389 million (USD 244.0 million) showing a YTD drop of 65.75%, mainly due to a drop of COP 269,262 million (USD 150.9 million) in the cash and banks account. Also deferred charges on the ING acquisition decreased by COP 65,133 million (USD 36.5 million), while accounts receivable showed the net effect of a reduction in loans to GRUPO SURA's subsidiaries amounting to COP 640,817 million (USD 359.9 million) as well as an increase in accrued dividend rights of COP 158,855 million (USD 89.0 million) on the Group's investment portfolio among others.

Another important highlight was the 40.2% drop in GRUPO SURA's total liabilities so far this year, which are now running at COP 1.6 billion (USD 913.2 million). Current liabilities include financial obligations totaling COP 439,265 million (USD 246.1 million) and subsidiary loans for another COP 532,741 million (USD 298.5 million). Non-current liabilities include COP 250,000 million in bonds (USD 140.1 million).

Both financial obligations and subsidiary loans have dropped so far this year by COP 192,713 (USD 108.0 million) and COP 1.2 billion (USD 671.1 million) respectively. The Company's debt ratio at the end of Q2 2012 came to 8.28%.

Shareholder equity for Q2 2012 came to COP 18.1 billion (USD 10.1 billion) showing a YTD drop of 4.3%, this mainly affected by the current performance of listed stocks forming part of GRUPO SURA's portfolio. GRUPO SURA's intrinsic share price came to COP 31,368.02 (USD 17.57).

Highlights for Q2 2012

The subsidiary SURA Asset Management buy InVita: Sura Asset Management signed an agreement to purchase a 70% stake in the Peruvian insurance company, InVita, thereby extending its portfolio of products in Peru. This transaction is currently subject to approval being granted by the Peruvian authorities.

GRUPO SURA's investment grade ratified by Standard & Poor's y Fitch: The ratings agencies, Standard & Poors and Fitch Ratings, both ratified the international investment grade (BBB- with a stable outlook) issued to GRUPO SURA a year ago; this after analyzing the Company's performance indicators subsequent to the acquisitions conducted in Latin America a year ago.

Negotiations for the admission of a co-investor in Sura Asset Management concluded: GRUPO SURA concluded the negotiations leading to JPMorgan Chase & Co. acquiring a minority stake in SURA Asset Management España S.L. through the purchase of shares in the latter company for a total of USD 177.9 million, this equal to just under a 5% stake in its share capital.

Cancellation of the registration of commercial paper before the Colombian National Registry of Securities and Issuers (RNVE in Spanish): Last June 5, Resolution No. 0666 issued on May 09, 2012 by the Colombian Superintendency of Finance came into full force and effect, thereby canceling the registration of commercial paper issued by the Grupo de Inversiones Suramericana S.A., before the aforementioned authority. These securities were 100% redeemed on March 08, 2011.

Code of Good Governance: On May 30, the Board of Directors approved an amendment to the Company's Code of Good Governance updating and adjusting its contents in keeping with best international practices.

Investment by the subsidiary Sura Asset Management: The Company's subsidiary, SURA Asset Management, officially perfected its ownership of the Uruguayan firm currently called Pactoril S.A.

This company was acquired to expand the Company's investment fund business in this part of the world and its operations shall be subject to the respective authorizations being issued by the Uruguayan authorities. The prime focus of this newly acquired Company shall be managing investment funds.

SURA ASSET MANAGEMENT

As for the individual performance of its subsidiaries, profits after tax and minority interest came to USD 112.6 million, this being affected by certain non-recurring expense relating to the change in branding, the transition process and the amortization of intangibles amongst other items.

It is important to note that given the financial effects of the structure of the acquisition and domicile of the sub-holding company that consolidates these results, the consolidated net profit of Sura Asset Management España SL was USD 54.8 million due to the effects mentioned above to explain the equity method of GRUPO SURA.

This good level of performance was mainly due to higher commission income and returns on investment. EBITDA came to USD 175.7 million, of which Chile accounted for 43.1%, Mexico 33.5%, Peru 16.5%, Colombia 3.3% and finally Uruguay with 3.6%.

Net commission income rose by 8% to USD 331.1 million, due to a higher salary base in Latin America (excluding Colombia) which has risen on average by 17%. Colombia presents a different case given changes to the percentage of commissions charged given the rise in the cost of disability and survivorship insurance.

On the other hand, administrative expense rose by 5%, this mainly due to these being pegged to the CPI rate. Net return on investment rose by 211% to USD 25 million, thanks to the amount of market recovery seen during the first quarter of this year.

Managed assets belonging to more than 11 million affiliates in Latin America came to USD 73.2 billion and are broken down as follows: Chile with USD 33 billion and 2.2 million clients, Mexico USD 20.7 billion and 6.2 million clients, Peru USD 10.3 billion and 1.3 million clients, Uruguay USD 1.5 billion and 280 thousand clients and lastly Colombia with USD 7.8 billion in managed assets belonging to 1.2 million clients.

During this semester the Company has been consolidating the operation of Sura Asset Management in Latin America with better financial results than expected by GRUPO SURA. It has achieved the positioning of the SURA brand in the region, achieving market, customers and regulators' recognition, based on the study of "La

Segunda Adimark," which measures the opinion of entrepreneurs and executives in Chile, where SURA appears in the top 10 brands emerging with success.

It is important to bear in mind that the results obtained by Sura Asset Management S.L. and consolidated by Grupo Sura, are the product of the operating performance of each of its business units, the accounting effects of the structuring of the acquisition itself as well as the valuation effect of the 67.32% stake held by Grupo Sura in this subsidiary.

AFP PROTECCIÓN S.A.

The pension and severance fund management firm, PROTECCIÓN, obtained operating revenues of COP 138,113 million. The adverse effects of pension insurance costs on mandatory pension fund commissions began to have a lesser effect on the overall drop given the baseline figure for the same period 2011. Net profits came to COP 23,857 million, for a growth of 4%.

The total value of managed funds rose by 9.5% to COP 33.6 billion, thereby surpassing an average market growth of 8.9%. Protección's share of the pension and severance fund market now comes to 26.1% and in the specific case of the voluntary pension fund segment its share is now running at more than 32.4%. Protección now has 3.7 million affiliates, having recorded a 10% increase in the number of affiliates for its mandatory pension funds alone.

AFP CRECER, the pension fund management firm recently purchased by PROTECCIÓN in El Salvador, posted USD 14.7 million in revenues along with USD 5.4 million in net profits, with managed assets reaching USD 3.001 million.

SURAMERICANA

Suramericana S.A., the Group's insurance and social security holding, did particularly well having obtained COP 151,339 million in revenues for the first half of this year showing a YoY increase of 91%. These were almost entirely obtained from its subsidiaries who contributed COP 151,257 million of this figure via the equity method. This YoY increase was mainly due to the good level of performance on the part of its insurance subsidiaries which posted revenues of COP 2.14 million along with net profits of COP 150,436 million.

Expense for H1 2012 came to COP 6,548 million, due mainly to personnel and administrative expense. Profits rose by 135% to COP 142,676 million, given a much higher increase in revenues than for expense.

Assets increased by 19% for a total of COP 1.79 billion, mainly due to investment gains. On the other hand, liabilities rose by 5%, from COP 233,270 million last year to COP 245,807 million this year.

YTD earnings increased Shareholders Equity by 21% to COP 1.61 billion at the end of June.

Individual performance on the part of SURAMERICANA S.A. own subsidiaries is broken down as follows:

Seguros Generales Suramericana

The Suramericana Property and Casualty arm, Seguros Generales Suramericana, obtained COP 625,715 million in premiums at the end of Q2 2012, which were 16.2% higher than those of the same period last year. Civil liability insurance posted the highest individual growth with revenues of COP 22,292 million, that is to say 47% higher than for last year, with the individual line of car insurance showing an 11% rise with revenues of COP 256,367 million. Another top-performing line of insurance was the Mandatory Road Insurance (SOAT) with a growth of 17% and premiums totaling COP 92,386 million.

Total claims have increased by 5.6% to COP 284,658 million, and consequently the Company's technical result rose by 6.2% to COP 78,510 million. The rise in car and mandatory road insurance claims has been higher than the corresponding increase in revenues, however the Company's retained claims rate ended up at 53.51% for Q2 2012. Earnings from investments at June of this year came to COP 29,236 million, showing a 68.2% rise, thereby boosting the Company's bottom line. Net profits came to COP 16,838 million, having exceeded expectations for the first half of this year.

Seguros de Vida Suramericana

The Suramericana life insurance arm, Seguros de Vida Suramericana, posted YTD revenues of COP 772,785 million, which were 16% higher than for the same period last year, as well as the corresponding budgeted figure. The lines of insurance that most contributed to this level of performance were healthcare insurance with a 17% increase in premiums, producing revenues of COP 212,345 million, as well as individual life insurance with a rise of 10% in premiums and revenues of COP 190,536 million. Total claims rose by 10.1% to COP 494,159 million, which was lower than the increase in revenues. Thus the Company's total retained claims rate ended up at 61.13% for this first half of the year.

The Company's financial income therefore came to COP 119,504 million pesos for a growth of 48.1%, with net profits for Q2 2012 rising by 172.2% to COP 69,597 million.

Overall, our insurance companies posted YTD premium revenues of COP 1.4 billion for the first half of this year, which were 16.1% higher than the same period last year. On the other hand, total retained claims increased by 10.7% for a total of COP 677,441 million producing a consolidated retained claims rate of 58.42%. The Company's technical result came to COP 121,970 million, showing an increase of 17.7%. Investments at the end of Q2 2012 rose by 51.7% to COP 148,740 million.

To conclude, profits increased by 143.6% to COP 86,435 million, going 232.4% above budget.

ARP SURA

The Workers Compensation Firm, ARP SURA obtained COP 275,844 million in revenues for Q2 2012, which were 21.1% higher than those obtained for the same period last year. The Company's technical result came to COP 56,903 million, for a YoY increase of 56.1%.

Earnings on investments increased by 24.1%, going from COP 34,203 million for Q2 2011 to COP 42,431 million this year. Net profits at the end of the quarter came to COP 60,820 million, these being 90.4% higher than the COP 31,943 million recorded for the same period last year.

EPS SURA

EPS SURA, Suramericana's obligatory and complementary healthcare provider, increased its revenues by 19%, for a total of COP 444,047 million, which was in line with the budgeted figure. Obligatory healthcare claims came to COP 408,121 million showing a growth of 22%, which in turn affected the Company's obligatory healthcare claims rate which rose to 91%.

The Company's financial income rose by 44% to COP 12,041 million, with net profits coming to COP 3,181 million, including pre-paid healthcare plans.

Here it is worthwhile noting administrative expense which represented just 9% of total revenues.

BANCOLOMBIA (Individual)

Bancolombia posted non-consolidated YTD profits of COP 773,811 million, showing an increase of 11% compared to the same period last year. Interest income on a YTD level, from both its loan portfolio as well as its investments rose by 40.8% and 22.02% respectively for a total of COP 2.7 billion and an overall increase of 38.5%. This growth largely made up for higher provision and operating expense

Non-consolidated assets came to COP 64.1 billion showing an increase of 16.9%. Shareholders equity rose by 36.2% to COP 10.8 billion due largely to the shares issued in January of this year. Net charges on accumulated provisions set up on its loan portfolio came to COP 365,993 million, this being 275.8% higher than for last year.

The Bank's loan quality indicator, on an individual basis, which shows past due loans as a percentage of total loans came to 2.8% at the end of Q2 2012. During this same period, the Bank's coverage ratio for past-due loans came to 163.2% with its solvency rate ending up at 18.2%.

GRUPO SURA
Balance Sheets



	Quarters				%Var.		
	jun-12	jun-11	mar-12	dic-11	jun 12 / jun 11	jun 12 / mar 12	jun 12 / dic 11
Assets							
Current assets:							
Cash and cash equivalents	\$ 1,773	42,291	23,124	152,654	(95.8%)	(92.3%)	(98.8%)
Investments available for sale	6,030	220,295	307	11,547	(97.3%)	1861.8%	(47.8%)
Accounts receivable	236,064	269,911	422,547	511,437	(12.5%)	(44.1%)	(53.8%)
Prepaid expenses	103	46	165	36,600	122.7%	(37.5%)	(99.7%)
Current assets	243,970	532,544	446,143	712,238	(54.2%)	(45.3%)	(65.7%)
Permanent investments	5,288,181	2,602,192	5,429,697	5,443,531	103.2%	(2.6%)	(2.9%)
Property, plant and equipment - vehicle	278	196	255	269	42.0%	9.0%	3.3%
Intangibles	1,178	-	24,819	1,224	-	(95.3%)	(3.8%)
Other assets	46	46	46	46	-	-	0.0%
Reappraisal of investments	5,492,946	6,535,244	5,808,054	5,940,864	(15.9%)	(5.4%)	(7.5%)
Non current assets	10,782,629	9,137,678	11,262,870	11,385,935	18.0%	(4.3%)	(5.3%)
Total assets	\$ 11,026,599	9,670,222	11,709,013	12,098,173	14.0%	(5.8%)	(8.9%)
Liabilities and shareholders' equity							
Financial obligations	246,142	29,794	322,139	354,129	726.2%	(23.6%)	(30.5%)
Other financial obligations	298,521	-	560,641	969,605	-	(46.8%)	(69.2%)
Accounts payable	131,467	67,533	176,880	45,156	94.7%	(25.7%)	191.1%
Taxes, liens and fees	3,012	5,238	3,615	3,615	(42.5%)	(16.7%)	(16.7%)
Employee liabilities	213	149	209	205	43.3%	1.9%	3.7%
Unearned revenues	83,336	78,911	127,737	5,309	5.6%	(34.8%)	1469.8%
Estimated liabilities and provisions	10,470	5,373	11,552	9,368	94.9%	(9.4%)	11.8%
Current liabilities	773,161	186,998	1,202,772	1,387,387	313.5%	(35.7%)	(44.3%)
Bonds	140,087	140,087	140,087	140,087	-	-	-
Non current liabilities	140,087	140,087	140,087	140,087	-	-	-
Total liabilities	\$ 913,249	327,086	1,342,859	1,527,475	179.2%	(32.0%)	(40.2%)
Total shareholders' equity	\$ 10,113,351	9,343,136	10,366,154	10,570,698	8.2%	(2.4%)	(4.3%)
Total liabilities and shareholders' equity	11,026,599	9,670,222	11,709,013	12,098,172	14.0%	(5.8%)	(8.9%)
Book value (USD)	17.6	19.9	18	18	(11.8%)	(2.4%)	(4.3%)

In thousand USD, FX as of June 30, 2012: 1,784.60 COP/USD

Figures converted at the same FX to facilitate the analysis of the investment community

GRUPO SURA
Income Statements



	Quarter					Accumulated		
	Q2-12	Q2-11	Var Q2-12 / Q2-11	Q1-12	Var Q2-12 / Q1-12	Q2-12	Q2-11	%Var
Operating revenues								
Dividends	44,401	42,263	5.1%	36,268	22.4%	80,669	74,560	8.2%
Interests	254	2,432	(89.6%)	1,198	(78.8%)	1,452	3,976	(63.5%)
Earnings from the equity method, net	46,885	7,981	487.5%	37,865	23.8%	84,750	23,817	255.8%
Earnings from sale of investments, net	22,887	294	7694.6%	12,650	80.9%	35,536	4,812	638.5%
Appraisals at market prices, net	2	(286)		3	(38.9%)	5	(813)	
Reinbursement provision for investments	288	1,478	(80.5%)	-		288	1,481	(80.5%)
	114,717	54,163	111.8%	87,983	30.4%	202,700	107,834	88.0%
Operating administrative expenses								
Payroll expenses	1,147	1,384	(17.1%)	1,270	(9.7%)	2,417	2,121	14.0%
Fees	(604)	999		7,954		7,350	1,173	526.4%
Administrative expenses	27,281	1,549	1661.7%	20,151	35.4%	47,432	5,262	801.5%
Depreciation	19	17	9.1%	16	15.1%	35	35	0.2%
	27,842	4,013	593.9%	29,392	(5.3%)	57,234	8,655	561.3%
Operating income	86,875	50,150	73.2%	58,591	48.3%	145,465	99,179	46.7%
Non operating expense (income)								
Adjustment for diff. in foreign-exchange	(15,276)	(539)	2732.3%	(54,748)	(72.1%)	(70,024)	(1,419)	4836.4%
Interests	11,264	4,200	168.2%	14,526	(22.5%)	25,791	9,129	182.5%
Extraordinary expenses	505	398	26.8%	332	52.1%	837	398	110.1%
Amortized premium	0	-	-	2,813		2,813	1,847	52.3%
Other	(27)	52		(5,755)	(99.5%)	(5,782)	(298)	1843.2%
	(3,533)	4,112		(42,832)	(91.8%)	(46,365)	9,791	
Income before taxes	90,408	46,039	96.4%	101,423	(10.9%)	191,831	89,520	114.3%
Income and complementary taxes provision	(5,486)	(2,176)	152.1%	(1,550)	253.8%	(7,036)	(3,166)	122.2%
Net income	84,922	43,863	93.6%	99,873	(15.0%)	184,795	86,354	114.0%

In thousand USD, FX as of June 30, 2012: 1,784.60 COP/USD

Figures converted at the same FX to facilitate the analysis of the investment community